

Meeting Date: Tuesday 18 July 2017
Location: Council Chambers, Level 1A, 1 Pope Street, Ryde
Time: 6.00pm

NOTICE OF BUSINESS

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1 CONFIRMATION OF MINUTES - Finance and Governance Committee Meeting held on 20 June 2017

Report prepared by: Senior Coordinator - Governance
File No.: CLM/17/1/5/2 - BP17/655

REPORT SUMMARY

In accordance with Council's Code of Meeting Practice, a motion or discussion with respect to such minutes shall not be in order except with regard to their accuracy as a true record of the proceedings.

RECOMMENDATION:

That the Minutes of the Finance and Governance Committee 5/17, held on 20 June 2017, be confirmed.

ATTACHMENTS

- 1 MINUTES - Finance and Governance Committee Meeting - 20 June 2017**

ITEM 1 (continued)

ATTACHMENT 1

**Finance and Governance Committee
MINUTES OF MEETING NO. 5/17**

Meeting Date: Tuesday 20 June 2017
Location: Council Chambers, Level 1A, 1 Pope Street, Ryde
Time: 6.24pm

Councillors Present: Councillors Maggio (Chairperson), Laxale and Stott.

Apologies: Councillors Perram and Yedelian OAM.

Leave of Absence: Councillor Pendleton.

Absent: Councillor Simon.

Staff Present: Acting General Manager, Acting Director – Corporate and Organisational Support Services, Acting Director – City Planning and Development, Acting Director – City Works and Infrastructure, General Counsel, Acting Chief Financial Officer, Manager – Operations, Manager – Project Development, Manager – RALC, Manager – Environment, Health and Building, Acting Manager – City Planning, Acting Manager – Asset Systems, Acting Manager – Business Infrastructure, Tenders and Contracts Manager, Senior Coordinator – Project Planning, Senior Coordinator – Open Space Planning and Development, Senior Coordinator – Environment, Senior Coordinator – Parks and Recreation, Senior Coordinator – Waste, Senior Coordinator – Traffic, Transport and Development, Senior Coordinator – Communications, Senior Coordinator – Community Engagement, Team Leader – Management Accounting, Community Engagement Coordinator, Project Delivery Manager, Stormwater Engineer, Senior Coordinator – Governance and Governance, Risk and Audit Coordinator.

DISCLOSURES OF INTEREST

There were no disclosures of interest.

**1 CONFIRMATION OF MINUTES - Finance and Governance Committee
Meeting held on 16 May 2017**

RECOMMENDATION: (Moved by Councillors Stott and Laxale)

That the Minutes of the Finance and Governance Committee 4/17, held on 16 May 2017, be confirmed.

ITEM 1 (continued)

ATTACHMENT 1

Record of Voting:

For the Motion: Unanimous

Note: This matter will be dealt with at the Council Meeting to be held on **27 JUNE 2017** in accordance with the Finance and Governance Committee Terms of Reference in Council's Code of Meeting Practice.

2 INVESTMENT REPORT AS AT 31 MAY 2017

RECOMMENDATION: (Moved by Councillors Stott and Laxale)

That Council endorse the Investment Report as at 31 May 2017.

Record of Voting:

For the Motion: Unanimous

Note: This matter will be dealt with at the Council Meeting to be held on **27 JUNE 2017** in accordance with the Finance and Governance Committee Terms of Reference in Council's Code of Meeting Practice.

3 FOUR YEAR DELIVERY PLAN 2017-2021 INCLUDING ONE YEAR OPERATIONAL PLAN 2017/2018

RECOMMENDATION: (Moved by Councillors Stott and Laxale)

- (a) That Council note the public submission received during the public exhibition period and the response to the submission, as detailed in this report.
- (b) That in accordance with Sections 404 & 405 of the Local Government Act (1993), the Draft Four Year Delivery Plan 2017-2021 including One Year Operational Plan for 2017/2018 be adopted as the Four Year Delivery Plan 2017-2021 including One Year Operational Plan 2017/2018, incorporating the amendments described in this report, and all changes consequential thereunto.
- (c) That, in accordance with Sections 534, 535 and 538 of the Local Government Act, 1993, Council makes the following rates and charges for every parcel of rateable land within the City of Ryde for the year commencing 1 July 2017 as detailed in the Four Year Delivery Plan 2017-2021 including One Year Operational Plan 2017/2018.
 - (i) A Residential Ordinary Rate of zero point zero seven nine eight one six (0.079816) cents in the dollar levied on the land value of all rateable land within the City of Ryde categorised as residential in accordance with Section 516 of the Local Government Act, 1993 subject to a minimum amount of five hundred and forty dollars and six cents (\$540.06).

ITEM 1 (continued)

ATTACHMENT 1

- (ii) A Business Ordinary Rate of zero point five three seven five two two (0.537522) cents in the dollar levied on the land value of all rateable land within the City of Ryde categorised as business in accordance with Section 518 of the Local Government Act, 1993, (excepting land sub-categorised as Business - Major Retail Centre - Macquarie Park or sub-categorised as Business - Major Retail Centre - Top Ryde), subject to a minimum amount of five hundred and forty dollars and six cents (\$540.06).
 - (iii) A Business - Major Retail Centre - Macquarie Park Ordinary Rate of zero point five nine two six four seven (0.592647) cents in the dollar levied on the land value of all rateable land within the City of Ryde sub-categorised as Business - Major Retail Centre - Macquarie Park in accordance with Section 529(2)(d).
 - (iv) A Business - Major Retail Centre - Top Ryde Ordinary Rate of zero point five nine two six four seven (0.592647) in the dollar levied on the land value of all rateable land within the City of Ryde sub-categorised as Business - Major Retail Centre – Top Ryde in accordance with Section 529(2)(d).
 - (v) An Environmental Management Rate of zero point zero one four nine seven nine seven (0.0149797) cents in the dollar be levied on the value of all rateable land within the City of Ryde subject to a base amount of fifty six dollars and sixty six cents (\$56.66), which will levy thirty six percent (36%) of the total amount raised within this rate.
 - (vi) An Infrastructure Renewal and Maintenance Special Rate of Zero point zero one four two three four four (0.0142344) cents in the dollar be levied on the value of all rateable land within the City of Ryde subject to a base amount of ninety five dollars and seventy two cents (\$95.72), which will levy fifty percent (50%) of the total amount raised within this rate.
 - (vii) A Macquarie Park Corridor Special Rate of zero point zero nine seven three seven zero seven (0.0973707) cents in the dollar be levied on the land value of all rateable land categorised as business in accordance with Sections 495 and included in the Macquarie Park Corridor, as identified by the map contained in the Four Year Delivery Plan 2017-2021 including One Year Operational Plan 2017/2018.
 - (viii) That aggregation of parcels of land, subject to a minimum or base amount, be permitted in accordance with Section 548A of the Local Government Act 1993.
- (d) That, in accordance with Section 496 (1) of the Local Government Act 1993, Council makes the charge for the Domestic Waste Management Service for each rateable residential property to be set at:

ITEM 1 (continued)

ATTACHMENT 1

- Seven hundred and thirty one dollars (\$731.00) per service per annum or on a pro-rata basis for a premium service (includes 240 litre bin)
- Four hundred and thirty two dollars (\$432.00) per service per annum or on a pro-rata basis for a standard service (includes 140 litre bin)
- Three hundred and seventy dollars (\$370.00) per service per annum or on a pro-rata basis for an Eco-service (includes 80 litre bin) and
- the following additional services be provided, on request, to each rateable residential property, for the following annual charges or on a pro-rata basis:

(i) Additional 80 litre Garbage Bin	\$263.00
(ii) Additional 140 litre Garbage bin	\$328.00
(iii) Additional 240 litre Garbage bin	\$642.00
(iv) Additional Recycle bin	\$ 52.00
(v) Additional Green bin	\$ 52.00

- (e) That, in accordance with Section 496 (2) of the Local Government Act 1993, Council makes the charge for the Domestic Waste Management Service, on request, to Non-rateable residential properties to be set at:

- Seven hundred and thirty one dollars (\$731.00) per service per annum or on a pro-rata basis for a premium service (includes 240 litre bin)
- Four hundred and thirty two dollars (\$432.00) per service per annum or on a pro-rata basis for a standard service (includes 140 litre bin)
- Three hundred and seventy dollars (\$370.00) per service per annum or on a pro-rata basis for an Eco-service (includes 80 litre bin) and
- the following additional services be provided, on request, to each non-rateable residential property, for the following annual charges or on a pro-rata basis:

(i) Additional 80 litre Garbage Bin	\$263.00
(ii) Additional 140 litre Garbage bin	\$328.00
(iii) Additional 240 litre Garbage bin	\$642.00
(iv) Additional Recycle bin	\$ 52.00
(v) Additional Green bin	\$ 52.00

ITEM 1 (continued)

ATTACHMENT 1

- (f) That, in accordance with Section 501 (1) of the Local Government Act 1993, Council makes the standard charge for the Other Waste Management service provided, on request, to non-rateable non-residential properties be set at:
- (i) Seven hundred and thirty one dollars (\$731.00) per service per annum or on a pro-rata basis for a premium service (includes 240 litre bin)
 - (ii) Four hundred and thirty two dollars (\$432.00) per service per annum or on a pro-rata basis for a standard service (includes 140 litre bin)
 - (iii) Additional 140 litre Garbage bin \$328.00
 - (iv) Additional 240 litre Garbage bin \$642.00
 - (v) Additional Recycle bin \$ 52.00
 - (vi) Additional Green bin \$ 52.00
- (g) That in accordance with Section 496A of the Local Government Act 1993, Council makes the Stormwater Management Service Charge be levied at the following rates:
- (i) Strata titled residential home units \$12.50 per unit
 - (ii) Other residential property \$25.00 per rateable property
 - (iii) Business rateable properties \$25.00 per 350 sq metres of land area
 - (iv) Strata titled business units \$12.50 per unit
- (h) That, in accordance with Section 611 of the Local Government Act 1993, the following annual charges be made:
- (i) the use of Council land for the vehicle overbridge situated in Herring Road be charged in accordance with the legal agreement between the City of Ryde and the owners of Macquarie Shopping Centre (anticipated income is \$86,185 including GST for 2017/2018).
 - (ii) the use of Council land for the Shell Oil company pipeline in the City of Ryde be charged in accordance with the pricing formula agreed with the Company, (anticipated income is \$67,870 including GST for 2017/2018).
 - (iii) the use of Council land for Jemena Gas Networks (NSW) Ltd (AGL) Gas Mains in the City of Ryde be charged at a rate based on an annual review by KPMG of AGL's revenue (anticipated income is \$81,610 for 2017/2018).

ITEM 1 (continued)

ATTACHMENT 1

- (i) That Council sets the rate of interest payable in respect of rates and charges that remain unpaid after they become due and payable be set at seven point five percent (7.5%) per annum.
- (j) That the Schedule of Fees and Charges, annexed to the Draft Four Year Delivery Plan 2017-2021 including One Year Operational Plan 2017/2018 as amended in terms of this report, be made and fixed as Council's Fees and Charges for 2017/2018.

Record of Voting:

For the Motion: Unanimous

Note: This matter will be dealt with at the Council Meeting to be held on **27 JUNE 2017** in accordance with the Finance and Governance Committee Terms of Reference in Council's Code of Meeting Practice.

4 CARRYOVER FUNDS/PROJECTS 2016/2017 TO 2017/2018

RECOMMENDATION: (Moved by Councillors Stott and Laxale)

- (a) That Council endorse the proposed carryovers, totalling \$12.52 million and include them in the 2017/2018 Budget, detailed as follows:
- \$0.05 million for projects that Council has previously approved
 - \$1.13 million for projects that have been delayed due to contract dispute
 - \$1.50 million for projects that will benefit from broader scope for efficiencies
 - \$1.90 million for projects that were substantially commenced, tendered and/or contracts signed
 - \$1.94 million for projects that have been delayed for reasons detailed in this report
 - \$6.00 million for Central Park, Waterloo Road project due to circumstances beyond Council's control
- (b) That the proposed transfers to and from Reserves as detailed in the report, and included as budget adjustments, totalling a net increase in Reserves of \$12.43 million be adopted.

Record of Voting:

For the Motion: Unanimous

Note: This matter will be dealt with at the Council Meeting to be held on **27 JUNE 2017** in accordance with the Finance and Governance Committee Terms of Reference in Council's Code of Meeting Practice.

ITEM 1 (continued)

ATTACHMENT 1

5 DIRECT DEBIT PAYMENT OPTIONS

RECOMMENDATION: (Moved by Councillors Stott and Laxale)

- (a) That a direct debit facility not be included as an additional payment method, and
- (b) That the existing Bpay facility be promoted, together with simple guidelines being placed on Council's website and made available at Council's Customer Service Centre, in promoting this payment option to all ratepayers.

Record of Voting:

For the Motion: Unanimous

Note: This matter will be dealt with at the Council Meeting to be held on **27 JUNE 2017** in accordance with the Finance and Governance Committee Terms of Reference in Council's Code of Meeting Practice.

6 REPORTS DUE TO COUNCIL

RECOMMENDATION: (Moved by Councillors Stott and Laxale)

That the report on Outstanding Council Reports be endorsed.

Record of Voting:

For the Motion: Unanimous

Note: This matter will be dealt with at the Council Meeting to be held on **27 JUNE 2017** in accordance with the Finance and Governance Committee Terms of Reference in Council's Code of Meeting Practice.

7 REQUEST FOR TENDER - COR-RFT- 03/17- RYDE AQUATIC LEISURE CENTRE - SOLAR PHOTOVOLTAIC SYSTEM

RECOMMENDATION: (Moved by Councillors Stott and Laxale)

- (a) That Council accepts the Tender from Solgen Energy Pty Ltd. in the amount of \$494,937.93 (excluding GST) in accordance with their submission, clarifications received and Council's Conditions of Contract.
- (b) That Council delegate to the Acting General Manager the authority to enter into a contract with Solgen Energy Pty Ltd on the terms contained within the tender and for minor amendments to be made to the contract documents that are not of a material nature.
- (c) That Council advises all the respondents of Council's decision.

ITEM 1 (continued)

ATTACHMENT 1

Record of Voting:

For the Motion: Unanimous

Note: This matter will be dealt with at the Council Meeting to be held on **27 JUNE 2017** in accordance with the Finance and Governance Committee Terms of Reference in Council's Code of Meeting Practice.

8 ADVICE ON COURT ACTIONS

RECOMMENDATION: (Moved by Councillors Stott and Laxale)

That the report of the General Counsel be received.

Record of Voting:

For the Motion: Unanimous

Note: This matter will be dealt with at the Council Meeting to be held on **27 JUNE 2017** in accordance with the Finance and Governance Committee Terms of Reference in Council's Code of Meeting Practice.

The meeting closed at 6.25pm.

CONFIRMED THIS 18TH DAY OF JULY 2017.

Chairperson

2 INVESTMENT REPORT AS AT 30 JUNE 2017

Report prepared by: Chief Financial Officer
File No.: FIM/07/6/4 - BP17/718

REPORT SUMMARY

This report details Council's performance of its investment portfolio as at 30 June 2017 and compares it against key benchmarks. The report includes the estimated market valuation of Council's investment portfolio, loan liabilities, and an update on Council's legal action against various parties.

Council's financial year to date return is 3.01%, which is 1.19% above benchmark. Income from interest on investments and proceeds from sale of investments totals \$5.46M, \$358K above the revised budget projection made as part of the 2017 March Quarterly Budget Review.

RECOMMENDATION:

That Council endorse the Investment Report as at 30 June 2017.

ATTACHMENTS

1 Investment Report Attachment - June 2017

Report Prepared By:

Steven Kludass
Chief Financial Officer

Report Approved By:

Roy Newsome
Acting Director - Corporate and Organisational Support Services

ITEM 2 (continued)

Discussion

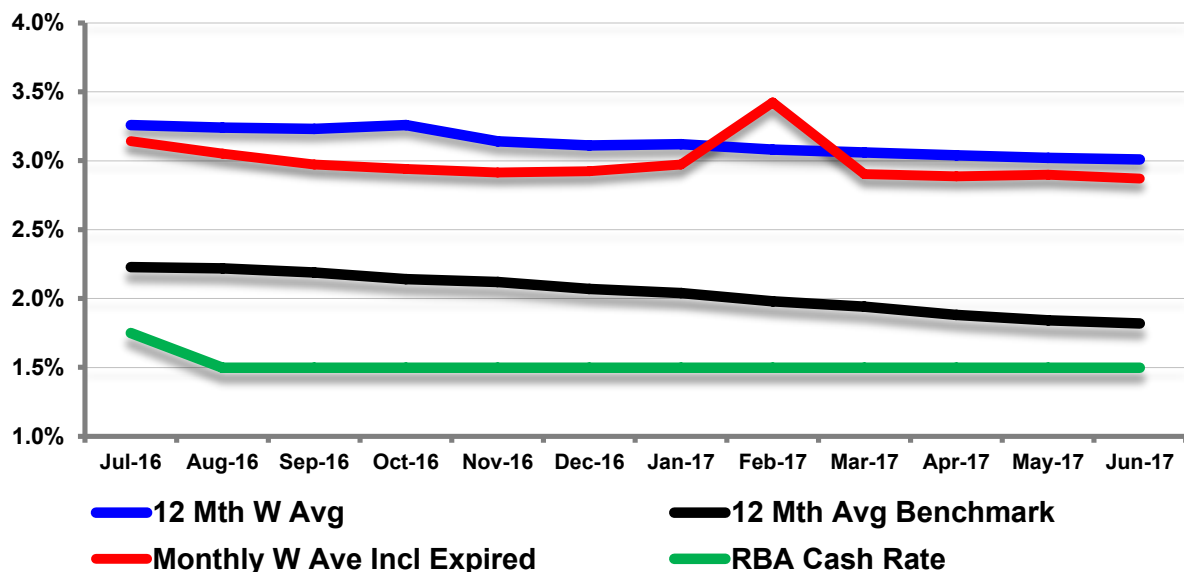
Council's Responsible Accounting Officer, is required to report monthly on Council's Investment Portfolio and certify that the Investments are held in accordance with Council's Investment Policy and Section 625 of the Local Government Act.

Investment Performance Commentary

Council's performance against the benchmark for returns of its investment portfolio for June 2017 and the past 12 months are as follows:

	June	12 Mth
Council Return	2.87	3.01
Benchmark	1.76	1.82
Variance	1.11	1.19

Performance - All Investments



ITEM 2 (continued)

Council's investment portfolio as at 30 June 2017 was as follows:

Cash/Term Deposits	\$126.6M
Floating Rate Notes	\$48.4M
Fixed Bonds	\$11.0M
Total Cash Investments	\$186.0M
Investment Properties	\$141.4M
Total Investments	\$327.4M

Council's investment properties, updated as at 30 June 2016, are shown in **ATTACHMENT 1**.

The valuations listed have been undertaken in accordance with the revaluation process to 'best use' by an independent valuer, in compliance with the Australian Accounting Standards.

Council continues to utilise the Federal Government's current guarantee (\$250K) investing in Term Deposits with a range of Authorised Deposit Taking Institutions (ADI's) on short to medium term investments (generally 30 days to 180 days maturity) where more competitive rates are available.

Whilst Council has moved some of its investment portfolio out to longer terms, to lock in future returns, it should be noted that there is approximately \$83 million of Council's funds held in Internal Reserves.

Should Council consider utilising its Internal Reserves, this will have a direct impact on the amount of investment income that will be realised and will require a reduction in the future projected investment income and will place pressure on Council to be able to maintain its current level of expenditure on capital projects or maintenance.

Council's income from investments is above the revised projections, due mainly to Council receiving more funds from Developer (Section 94) Contributions, with investment income for General Revenue remaining steady.

Council is currently outside its policy range in 'BBB' rated investments, with 28.2% of its portfolio currently invested, against a permitted limit of 25%. This is a result of the downgrading by S&P of 23 financial institutions in May 2017.

This should not be seen as a result of any change/weakness in any single financial institution, but as a result of systemic imbalances in private debt and the property market. It is not proposed Council sell any of its tradeable instruments (bonds) to immediately realign its investments within its policy limits, but to reinvest term deposits as they mature over the next 2-3 month period in line with Council's Investment Policy.

ITEM 2 (continued)

Whilst the 4 major banks have escaped being downgraded, if and when a sovereign downgrade occurs, as is widely anticipated, all the major banks will drop from the 'AA' band into the 'A' band.

Legal Issues

There are no legal issues, as they relate to investments, to report for the month of June 2017.

Loan Liability

Council's loan liability as at 30 June 2017 was \$3.3 million which represents the balance of:

1. \$6.8M 15 year loan drawn down in 2004 at 90 Day BBSW + 20 basis points for the Civic Centre Redevelopment and refinancing the West Ryde Tunnel. The interest rate for this loan is reset every quarter;

There is no advantage to Council in changing the arrangements or repaying the loan earlier than planned. Council is receiving a better rate of return on its investments than it is paying in interest on this loan.

The following two loans were established under the Local Infrastructure Renewal Scheme (LIRS). Council receives a 3% interest subsidy payment from the OLG twice a year.

2. \$1.5M 10 year loan drawn down 31 January 2014 at 180 day BBSW +175 basis points for the Children's Play Implementation Plan, which was approved for an LIRS subsidy in Round 2. The interest rate for this loan is reset every six months;
3. \$1.5M 10 year loan drawn down 1 September 2014 at 4.95% for Phase 2 of the Children's Play Implementation Plan, which was approved for an LIRS subsidy in Round 3.

ITEM 2 (continued)

INVESTMENT SUMMARY AS AT 30 JUNE 2017

Issuer	Investment Name	Investment Rating	Invested at 30-Jun-17 \$000's	Annualised Period Return (%)	12 Month Average Return on Current Investments	% of Total Invested	Indicative Market Value ** \$000's	% Market Value
Westpac	1. Westpac At Call	AA-	458	0.60	0.73	0.25	458	100.00%
Westpac	2. Westpac Term Deposit	AA-	4,000	2.56	2.61	2.15	4,000	100.00%
Bank of Queensland	3. Bank of Queensland TD	BBB+	2,000	2.68	2.83	1.08	2,000	100.00%
CBA	4. Bankwest Term Deposit	AA-	2,000	2.52	2.62	1.08	2,000	100.00%
Westpac	5. Westpac Term Deposit	AA-	4,000	3.55	3.55	2.15	4,000	100.00%
NAB	6. NAB Term Deposit	AA-	2,000	2.85	2.85	1.08	2,000	100.00%
AMP	7. AMP TD	A	1,000	3.00	3.00	0.54	1,000	100.00%
MyState Bank	8. MyState Bank TD	BBB	1,000	2.62	2.83	0.54	1,000	100.00%
NAB	9. NAB Term Deposit	AA-	2,000	2.70	2.77	1.08	2,000	100.00%
CBA	10. Bankwest Term Deposit	AA-	2,000	2.52	2.61	1.08	2,000	100.00%
CBA	11. Bankwest TD	AA-	1,000	2.62	2.59	0.54	1,000	100.00%
CBA	12. Bankwest TD	AA-	2,000	2.52	2.53	1.08	2,000	100.00%
CBA	13. Bankwest Term Deposit	AA-	1,000	2.53	2.62	0.54	1,000	100.00%
NAB	14. NAB Term Deposit	AA-	2,000	2.65	2.65	1.08	2,000	100.00%
Defence Bank	15. Defence Bank TD	BBB	1,000	3.10	3.10	0.54	1,000	100.00%
QBank	16. Qbank	BBB-	1,000	3.00	3.00	0.54	1,000	100.00%
Bendigo and Adelaide Bank	17. Bendigo Bank TD	BBB+	1,000	2.80	2.78	0.54	1,000	100.00%
Hunter United Credit Union	18. Hunter United Credit Union TD	Unrated	1,000	2.82	2.85	0.54	1,000	100.00%
CUA	19. Credit Union Australia TD	BBB	1,000	2.75	2.98	0.54	1,000	100.00%
Australian Military Bank	20. Australian Military Bank	Unrated	1,000	2.76	2.76	0.54	1,000	100.00%
Banana Coast CU	21. Bananacoast CU TD	Unrated	500	2.70	2.90	0.27	500	100.00%
CBA	22. CBA TD	AA-	2,000	2.53	2.77	1.08	2,000	100.00%
CBA	23. Bankwest Term Deposit	AA-	2,000	2.62	2.63	1.08	2,000	100.00%
IMB	24. IMB TD	BBB	1,000	2.62	2.70	0.54	1,000	100.00%
Maitland Mutual	25. Maitland Mutual Bldg Soc TD	Unrated	1,000	2.95	2.97	0.54	1,000	100.00%
AMP	26. AMP Business Saver	A	1,025	2.06	2.09	0.55	1,025	100.00%
South West CU	27. South West CU TD	Unrated	1,000	2.82	2.82	0.54	1,000	100.00%
CBA	28. CBA Term Deposit	AA-	1,000	2.55	2.55	0.54	1,000	100.00%
Gateway CU	29. Gateway CU TD	Unrated	1,000	2.67	2.81	0.54	1,000	100.00%
Newcastle Perm Bldg Soc	30. Newcastle Perm Bldg Soc	BBB+	1,000	3.10	3.10	0.54	1,000	100.00%
Greater Bank	31. Greater Bank TD	BBB	1,000	3.00	3.00	0.54	1,000	100.00%
Police CU (SA)	32. Police CU - SA	Unrated	1,000	2.77	3.00	0.54	1,000	100.00%
AMP	33. AMP TD	A	1,000	2.77	2.82	0.54	1,000	100.00%
CBA	34. CBA TD	AA-	1,000	4.15	4.15	0.54	1,000	100.00%
CBA	35. CBA TD	AA-	1,500	2.56	2.59	0.81	1,500	100.00%
Rabobank	36. Rabodirect At-call	AA-	5	1.72	1.82	0.00	5	100.00%
Me Bank	37. ME Bank At Call Account	BBB	28	1.77	1.93	0.02	28	100.00%
B&E Ltd	38. B & E Building Society TD	Unrated	1,000	2.61	2.61	0.54	1,000	100.00%
Bendigo and Adelaide Bank	39. Rural Bank TD	BBB+	2,000	2.70	2.79	1.08	2,000	100.00%
Bank of Queensland	40. Bank of Queensland TD	BBB+	1,000	5.15	5.15	0.54	1,000	100.00%
Bank of Queensland	41. Bank of Queensland TD	BBB+	2,000	2.66	2.77	1.08	2,000	100.00%
BoQ Specialist	42. BoQ Specialist	BBB+	250	6.15	6.15	0.13	250	100.00%
ING	43. ING Floating Rate TD	A	1,000	4.10	4.16	0.54	1,000	100.00%
Bank of Queensland	44. Bank of Queensland TD	BBB+	2,000	3.55	3.55	1.08	2,000	100.00%
NAB	45. NAB TD	AA-	4,000	2.80	2.80	2.15	4,000	100.00%
Me Bank	46. ME Bank TD	BBB	1,000	2.66	2.90	0.54	1,000	100.00%
Bendigo and Adelaide Bank	47. Bendigo Bank TD	BBB+	1,000	2.80	2.80	0.54	1,000	100.00%
CBA	48. CBA TD	AA-	2,000	2.56	2.60	1.08	2,000	100.00%
CBA	49. CBA TD	AA-	1,000	3.75	3.75	0.54	1,000	100.00%
NAB	50. NAB Term Deposit	AA-	2,000	2.74	2.74	1.08	2,000	100.00%
AMP	51. AMP Term Deposit	A	2,000	2.96	3.19	1.08	2,000	100.00%
Bank of Queensland	52. Bank of Queensland TD	BBB+	2,000	3.75	3.75	1.08	2,000	100.00%

ITEM 2 (continued)

Issuer	Investment Name	Investment Rating	Invested at 30-Jun-17 \$000's	Annualised Period Return (%)	12 Month Average Return on Current Investments	% of Total Invested	Indicative Market Value ** \$000's	% Market Value
NAB	53. NAB TD	AA-	2,000	2.50	2.55	1.08	2,000	100.00%
Bendigo and Adelaide Bank	54. Bendigo and Adelaide Bank FRN	BBB+	2,000	3.04	3.09	1.08	2,013	100.63%
Bendigo and Adelaide Bank	55. Rural Bank TD	BBB+	1,000	2.67	2.75	0.54	1,000	100.00%
Banana Coast CU	56. Bananacoast CU TD	Unrated	1,000	2.80	2.80	0.54	1,000	100.00%
CBA	57. Bankwest TD	AA-	1,000	2.62	2.61	0.54	1,000	100.00%
Bank of Queensland	58. Bank of Queensland FRN	BBB+	1,000	2.77	2.84	0.54	1,003	100.28%
AMP	59. AMP Notice Account	A	1,084	2.17	2.23	0.58	1,084	100.00%
NAB	60. NAB TD	AA-	2,000	2.75	2.77	1.08	2,000	100.00%
Police Bank	61. Police Bank FRN	BBB	1,000	2.87	2.92	0.54	1,000	100.01%
Newcastle Perm Bldg Soc	62. Newcastle Perm Bldg Soc TD	BBB+	1,000	3.50	3.50	0.54	1,000	100.00%
Bendigo and Adelaide Bank	63. Bendigo Bank TD	BBB+	2,000	2.70	2.72	1.08	2,000	100.00%
CUA	64. CUA TD	BBB	1,000	2.81	2.95	0.54	1,000	100.00%
P&N Bank	65. P&N Bank	BBB	1,000	3.17	3.17	0.54	1,000	100.00%
ANZ	66. ANZ FRN	AA-	2,000	2.60	2.66	1.08	2,012	100.62%
Me Bank	67. ME Bank FRN	BBB	2,000	2.77	2.81	1.08	2,002	100.09%
NAB	68. NAB TD	AA-	2,000	2.70	2.70	1.08	2,000	100.00%
CBA	69. Bankwest TD	AA-	1,000	2.51	2.57	0.54	1,000	100.00%
Bendigo and Adelaide Bank	70. Rural Bank TD	BBB+	2,000	2.65	2.65	1.08	2,000	100.00%
QT Mutual Bank	71. Queensland Teachers Mutual Bank FRN	Unrated	1,000	2.82	2.89	0.54	1,000	100.04%
Teachers Mutual Bank	72. Teachers Mutual Bank	BBB	1,000	2.80	2.88	0.54	1,000	100.02%
Auswide Bank	73. Auswide Bank TD	BBB-	1,000	2.70	2.70	0.54	1,000	100.00%
CBA	74. Bankwest TD	AA-	4,000	2.57	2.57	2.15	4,000	100.00%
CBA	75. Bankwest TD	AA-	2,000	2.52	2.62	1.08	2,000	100.00%
Westpac	76. Westpac FRN	AA-	2,000	2.67	2.75	1.08	2,014	100.72%
Macquarie Bank	77. Macquarie Bank FRN	A	750	2.85	2.93	0.40	752	100.26%
Newcastle Perm Bldg Soc	78. Newcastle Perm Bldg Soc FRN	BBB+	1,000	3.18	3.21	0.54	999	99.92%
Heritage Bank	79. Heritage Bank FRN	A-	1,000	2.91	2.97	0.54	1,000	100.04%
Bendigo and Adelaide Bank	80. Bendigo Bank TD	BBB+	2,000	3.05	3.05	1.08	2,000	100.00%
CBA	81. CBA FRN	AA-	2,000	2.69	2.76	1.08	2,013	100.67%
Westpac	82. Westpac FRN	AA-	1,000	2.68	2.74	0.54	1,007	100.68%
CBA	83. CBA TD	AA-	2,000	2.71	2.63	1.08	2,000	100.00%
Bendigo and Adelaide Bank	84. Bendigo Bank FRN	BBB+	1,000	2.87	2.92	0.54	1,001	100.12%
NAB	85. NAB TD	AA-	2,000	2.75	2.81	1.08	2,000	100.00%
NAB	86. NAB Snr FRN	AA-	3,983	2.72	2.79	2.14	4,017	100.42%
CBA	87. CBA FRN	AA-	2,000	2.55	2.64	1.08	2,008	100.38%
Suncorp-Metway	88. Suncorp FRN	A+	800	3.04	3.12	0.43	809	101.07%
NAB	89. NAB FRN	AA-	2,000	2.84	2.90	1.08	2,024	101.18%
ANZ	90. ANZ Floating TD	AA-	4,000	3.28	3.33	2.15	4,000	100.00%
AMP	91. AMP FRN	A	1,600	2.87	2.95	0.86	1,605	100.28%
CBA	92. CBA TD	AA-	2,000	2.74	2.73	1.08	2,000	100.00%
ANZ	93. ANZ Flexi TD	AA-	4,000	3.24	3.31	2.15	4,000	100.00%
CBA	94. CBA FRN	AA-	1,986	2.95	3.03	1.07	2,013	100.67%
CUA	95. CUA FRN	BBB	2,000	3.44	3.47	1.08	2,005	100.25%
Newcastle Perm Bldg Soc	96. NPBS FRN	BBB+	1,000	3.41	3.47	0.54	1,005	100.49%
ANZ	97. ANZ FRN	AA-	4,000	3.00	3.04	2.15	4,059	101.47%
NAB	98. NAB Fixed Bond	AA-	2,987	3.15	3.15	1.61	3,004	100.14%
CBA	99. Bankwest 11am Account	AA-	3,772	2.01	2.03	2.03	3,772	100.00%
Westpac	100. Westpac MTN	AA-	3,991	3.24	3.19	2.15	4,052	101.30%
Suncorp-Metway	101. Suncorp FRN (Covered)	AAA	4,000	2.90	2.96	2.15	4,036	100.90%
Newcastle Perm Bldg Soc	102. Newcastle Perm Bldg Soc FRN	BBB+	994	3.41	3.44	0.53	997	99.74%
ANZ	103. ANZ Fixed Bond	AA-	3,986	2.92	2.91	2.14	4,008	100.19%
Defence Bank	104. Defence Bank TD	BBB	1,000	2.85	2.85	0.54	1,000	100.00%
Bendigo and Adelaide Bank	105. Bendigo and Adelaide Bank TD	BBB+	2,000	2.70	2.70	1.08	2,000	100.00%
Me Bank	106. ME Bank FRN	BBB	1,001	3.23	3.21	0.54	1,003	100.30%
Westpac	107. WBC Floating TD	AA-	4,000	2.96	3.00	2.15	4,000	100.00%
Greater Bank	108. Greater Bank FRN	BBB	1,000	3.23	3.25	0.54	999	99.87%
Banana Coast CU	109. Bananacoast CU TD	Unrated	1,000	2.95	2.95	0.54	1,000	100.00%
CUA	110. CUA FRN	BBB	2,000	3.10	3.12	1.08	1,997	99.87%
Heritage Bank	111. Heritage Bank FRN	A-	1,300	3.06	3.06	0.70	1,300	99.97%
			186,000	2.88	2.90	100	186,380	

ITEM 2 (continued)

*Monthly returns when annualised can appear to exaggerate performance

**Market valuations are indicative prices only, and do not necessarily reflect the price at which a transaction could be entered into.

Return including Matured/Traded Investments	<u>Jun</u>	<u>12 Mth</u>
Weighted Average Return	2.87	3.01
Benchmark Return: AusBond Bank Bill Index (%)	1.76	1.82
Variance From Benchmark (%)	1.11	1.19

Investment Income

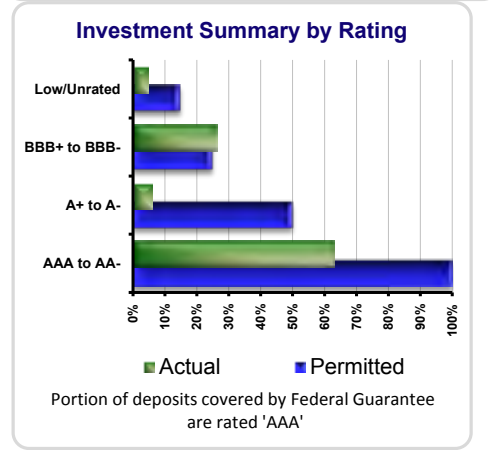
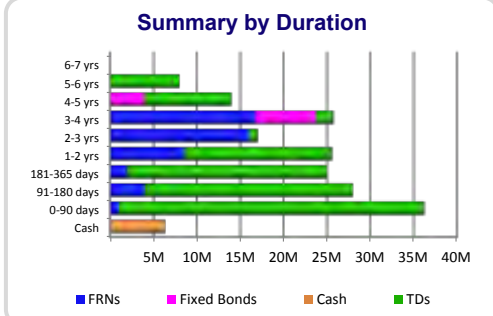
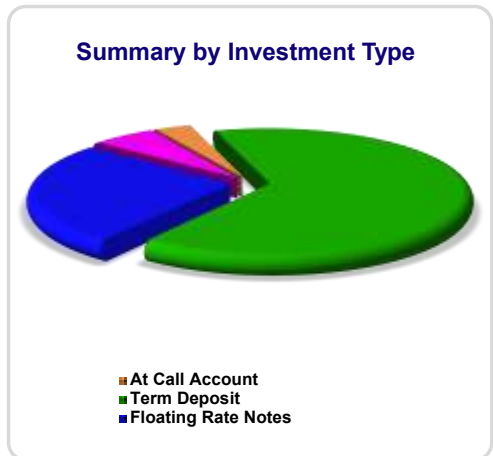
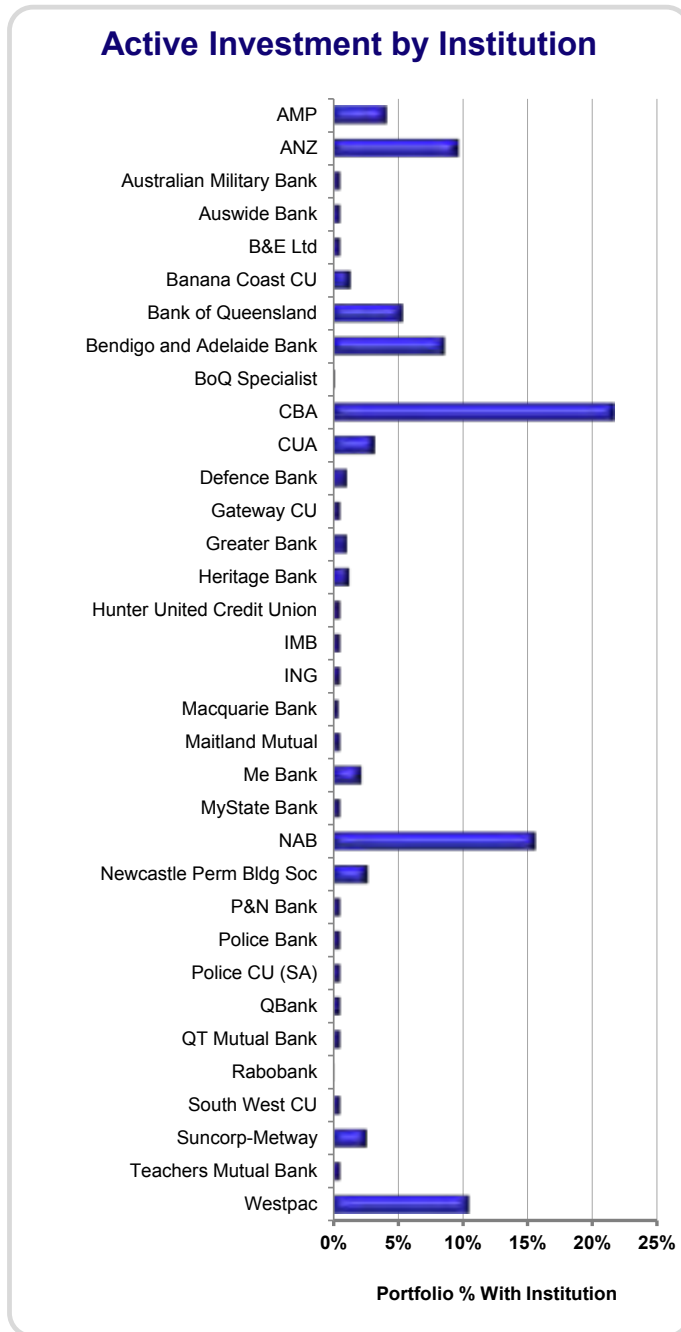
	<u>\$000's</u>
This Period	447
Financial Year To Date	5,458
Budget Profile	5,100
Variance from Budget - \$	358

Analysis of investments

The following graphs show analysis of the total cash investments by:

- Type of investment
- Institution
- Duration
- Rating

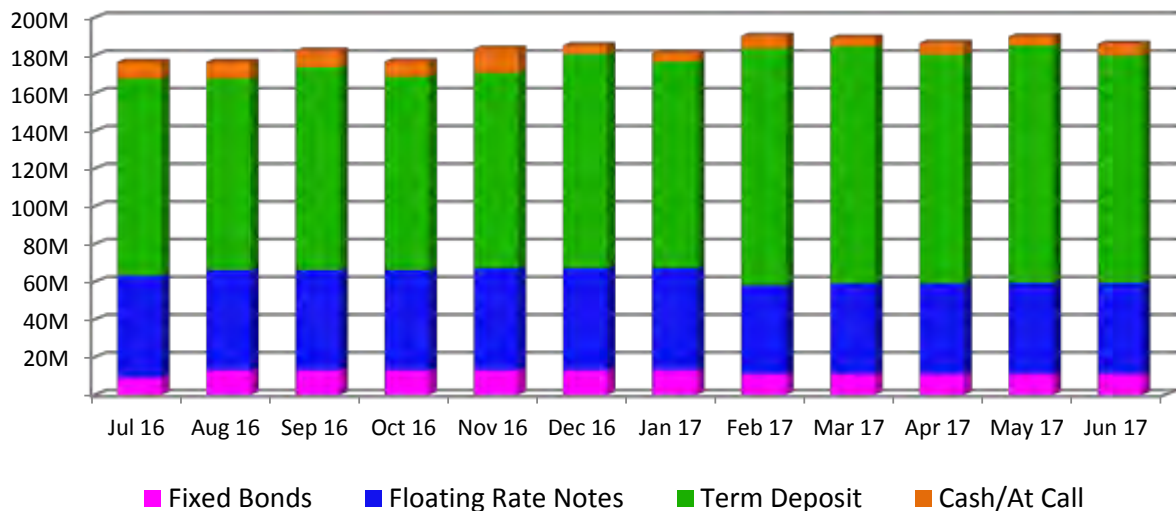
ITEM 2 (continued)



	<365 days	>365 days
Cash/TDs	\$88.6M	\$38.0M
FRNs	\$7.0M	\$41.4M
Fixed Bonds	\$0.0M	\$11.0M
	\$95.6M	\$90.4M

ITEM 2 (continued)

Total Funds Invested



Financial Implications

Income from interest on investments and proceeds from sales of investments totals \$5.46M, being \$358K above revised budget projections (noting that an adjustment of \$800K was made in the December Quarterly Budget Review, with a further increase of \$300K made in the March Quarterly Budget Review). The increase in interest is due mainly to Council receiving significantly more funds from Developer (Section 94) Contributions than anticipated. Interest earned on Developer (Section 94) Contributions is restricted to Section 94 Reserves.

Summary

Council’s financial year to date return is 3.01%, which is 1.19% above benchmark. Income from interest on investments and proceeds from sale of investments totals \$5.46M and has exceeded budget expectations. An adjustment was made in the 2017 March Quarterly Budget Review to bring much of this additional income to account.

The recommendation in this report is consistent with Section 625 of the Local Government Act, which deals with the investment of surplus funds by Councils.

ITEM 2 (continued)

Certificate of the Acting Chief Financial Officer (Responsible Accounting Officer)

I certify that as at the date of this report, the investments listed have been made and are held in compliance with Council's Investment Policy and applicable legislation.

Steven Kludass
Chief Financial Officer

ITEM 2 (continued)

ATTACHMENT 1

Council's Property Investment Portfolio

The following properties were held as part of Council's Property Investment portfolio;

Property	\$' M
1A Station St, West Ryde	0.90
2 Dickson Ave, West Ryde	1.10
8 Chatham Rd, West Ryde	1.37
202 Rowe Street, Eastwood	3.09
226 Victoria Rd, Gladesville	0.35
7 Anthony Road, West Ryde	5.10
7 Coulter Street, Coulter St Car Park, Gladesville	21.88
6-12 Glen Street, Glen Street Car Park, Eastwood	35.52
2 Pittwater Road, John Wilson Car Park, Gladesville	8.30
150 Coxs Road, Cox Rd Car Park, North Ryde	1.45
33-35 Blaxland Road, Argyle Centre, Ryde	5.45
19-21 Church Street and 16 Devlin Street, Ryde	10.63
6 Reserve Street, West Ryde	3.55
Herring Road Air Space Rights	0.50
741-747 Victoria Road, Ryde (Battery World)	7.06
53-71 Rowe Street, Eastwood	6.90
Total Investment Properties as per the Financial Statements	113.16
1 Constitution Road, Operations Centre, Ryde ⁽¹⁾	28.25
PROPERTIES HELD FOR RE-SALE	141.41

(1) The value for this is currently held in Non-Current Assets in Note 9, and once vacated by Council; it will be transferred to Investment Properties within the Financial Statements.

(2) The above figures refer to the land only as valued at "best use", and do not include the value of any structures.

Benchmark

The Bloomberg Ausbond Bank Bill index is constructed as a benchmark to represent the performance of a passively managed short-term money market portfolio. It comprises thirteen Bank Bills of equal face value, each with a maturity seven days apart. The average term to maturity is approximately 45 days.

A Bank Bill is a non-interest bearing security issued by a bank whereby the bank takes on an obligation to pay an investor a fixed amount (face value) at a fixed future date. It is sold to an investor at a discount to the face value. Bank Bills are short-term money market investments with maturities usually between 30 days and 180 days.

ITEM 2 (continued)

ATTACHMENT 1

Types of Investments

The following are the types of investments held by Council:

At Call refers to funds held at a financial institution, and can be recalled by Council either same day or on an overnight basis.

A Floating Rate Note (FRN) is a debt security issued by a company with a variable interest rate. This can either be issued as Certificates of Deposit (CD) or as Medium Term Notes (MTN). The interest rate can be either fixed or floating, where the adjustments to the interest rate are usually made quarterly and are tied to a certain money market index such as the Bank Bill Swap Rate.

A Fixed Rate Bond is a debt security issued by a company with a fixed interest rate over the term of the bond.

Credit Rating Information

Credit ratings are generally a statement as to an institution's credit quality. Ratings ranging from AAA to BBB- (long term) are considered investment grade.

A general guide as to the meaning of each credit rating is as follows:

AAA: the best quality companies, reliable and stable

AA: quality companies, a bit higher risk than AAA

A: economic situation can affect finance

BBB: medium class companies, which are satisfactory at the moment

BB: more prone to changes in the economy

B: financial situation varies noticeably

CCC: currently vulnerable and dependent on favourable economic conditions to meet its commitments

CC: highly vulnerable, very speculative bonds

C: highly vulnerable, perhaps in bankruptcy or in arrears but still continuing to pay out on obligations

D: has defaulted on obligations and it is believed that it will generally default on most or all obligations

Note: Ratings from 'AA' to 'CCC' may be modified by the addition of a plus (+) or minus (-) sign to show relative standing within the major rating categories.

ITEM 2 (continued)

ATTACHMENT 1

Council's Investment Powers

Council's investment powers are regulated by Section 625 of the Local Government Act, which states:

- (1) A council may invest money that is not, for the time being, required by the council for any other purpose.
- (2) Money may be invested only in a form of investment notified by order of the Minister published in the Gazette.
- (3) An order of the Minister notifying a form of investment for the purposes of this section must not be made without the approval of the Treasurer.
- (4) The acquisition, in accordance with section 358, of a controlling interest in a corporation or an entity within the meaning of that section is not an investment for the purposes of this section.

Council's investment policy requires that all investments are to be made in accordance with;

- Local Government Act 1993 - Section 625
- Local Government Act 1993 - Order (of the Minister) dated 12 January 2011
- The Trustee Amendment (Discretionary Investments) Act 1997 – Sections 14A(2), 14C(1) & (2)
- Local Government (Financial Management) Regulation 1993
- Investment Guidelines issued by the Department of Local Government

Reserve

Please find attached transactions in the former Financial Security Reserve. Court action is taking longer than anticipated and with minimal anticipated proceeds the balance was returned to the Investment Property Reserve, from which the funds were originally taken to create this reserve.

ITEM 2 (continued)

ATTACHMENT 1

Starting Balance	8,000,000.00	10 Oct 2008
Write off Constellation	(1,000,000.00)	10 Oct 2008
Write off Rembrandt	(1,000,000.00)	10 Oct 2008
Write off Palladin	(2,000,000.00)	10 Oct 2008
Write off Alpha	(1,000,000.00)	30 Jun 2010
Write off Covent Garden	(2,000,000.00)	30 Jun 2010
Write off Oasis	(1,000,000.00)	30 Jun 2010
FY2009 and FY2010		
Interest Payments		
Default of Constellation - Residual	21,615.62	10 Oct 2008
Default of Palladin - Residual	-	28 Oct 2008
Default of Rembrandt - Residual	68,393.78	27 Oct 2008
FY2010		
Interest Payments		
	50,334.01	
FY2011		
Starting balance 1 July 2010		
	140,343.41	
Sale of Flinders	301,000.00	12 Aug 2010
Quartz Maturity	209,626.75	20 Oct 2010
Sale of Glenelg	160,000.00	29 Dec 2010
Interest on Grange IMP Sept	31,561.37	
Interest on Grange IMP Dec	24,731.75	
Interest on Grange IMP Mar	10,310.63	
Interest on Grange IMP June	16,092.08	
Interest on Oasis	81,758.10	
Interest on Alpha	12,534.80	
Interest on Covent Garden	16,521.58	
Default of Covent Garden	-	29 Mar 2011
Closing balance FY 2011	1,004,480.47	
FY2012		
Interest on Oasis		
	42,942.41	
Interest on Alpha	4,837.56	
Interest on Grange IMP Sept	9,862.09	
Interest on Grange IMP Dec	129.02	
Maturity of Alpha	1,001,974.90	20 Mar 2012
Interest on Grange IMP March	123.38	
Closing Balance FY 2012	2,064,349.83	
FY2013		
Interest on Oasis FY2013		
	20,215.91	
Sale of Oasis	219,266.42	23 Jan 2013
Grange Settlement -Beryl	559,966.39	25 Feb 2013
Grange Settlement -Zircon	192,383.73	25 Feb 2013
Rembrandt Settlement	381,695.85	04 Apr 2013
Closing Balance FY 2013	3,437,878.13	
FY2016		
Lehman 1st Dividend		
	39,365.19	11-Sep-15
CBA Settlement (Oasis)	836,436.27	18 Dec 2015
LGFS Payment Matter Settlement	1,835.50	14 Jan 2016
S&P Settlement	413,956.71	27 May 2016
S&P Settlement	46,773.09	30 Jun 2016
Lehmans Distribution	409,425.81	01 Jul 2016
Closing Balance FY2016	5,185,670.70	
Tfer to Investment Property Reserve	(5,185,670.70)	
FY2017		
Lehman Second Interim Dividend		
	16,479.00	8-Mar-17
Closing Balance FY2017	16,479.00	

3 REVIEW OF COUNCIL'S RESOURCE PLANS

Report prepared by: Chief Financial Officer

File No.: CSG/17/1/6 - BP17/673

REPORT SUMMARY

Council recently commissioned an independent review of its Resource Strategy and Resource Plans that supports the delivery of Council's Community Strategic Plan.

The focus of the review was to ascertain whether the Resource Strategy and supporting Plans were:

1. Compliant with Office of Local Government (OLG) Guidelines and demonstrated Local Government 'Best Practice';
2. Current and reflected the latest data, including realistic growth projections;
3. Complete and served as a robust resource response to Council's adopted Community Strategic Plan; and
4. Sustainable from a financial, workforce, technology and asset management perspective.

In all, there were five (5) key documents that either required review and/or development:

- a. Resource Strategy
- b. Asset Management Plan and associated Sub Plans
- c. Workforce Plan
- d. Information and Communication Technology Plan
- e. Long Term Financial Plan

Major findings from the independent review include:

- There were areas of improvement identified in meeting the OLG Guidelines and work has been undertaken in bringing them up to Local Government 'Best Practice';
- The real impacts of future growth were not fully incorporated into Resource Plans;
- Asset Management maturity is improving but is still work in progress;
- Council remains sustainable over the long term (Fit for the Future indicators are tracking well) but must commit to ongoing Improvement Action Plans; and
- The 7% Special Rate Variation that took effect from 1 July 2015 is greatly assisting with Council's infrastructure asset renewal and backlog.

A short high level presentation by the Chief Financial Officer will be provided at the Finance and Government Committee Meeting of 18 July 2017. A copy of the presentation is appended to this report (**Attachment 1**).

ITEM 3 (continued)

RECOMMENDATION:

- (a) That Council endorse the revised Draft Resource Strategy, Draft Asset Management Plan, Draft Workforce Plan, Draft Information and Communication Technology Plan and Draft Long Term Financial Plan, which are attached to this report; and
- (b) That the Chief Financial Officer presents a short presentation on the review of Council's Resourcing Strategy and associated Resource Plans.

ATTACHMENTS

- 1 Review of Resource Plans - Presentation to Councillors (July 2017)
- 2 Draft Resourcing Strategy
- 3 Draft Workforce Management Plan
- 4 Draft Asset Management Plan 2017-2027
- 5 Draft ICT Plan
- 6 Draft Long Term Financial Plan

Report Prepared By:

Steven Kludass
Chief Financial Officer

Report Approved By:

Roy Newsome
Acting Director - Corporate and Organisational Support Services

ITEM 3 (continued)

DISCUSSION

Background

Council's suite of Integrated Planning and Reporting documents includes the Community Strategic Plan, Resource Strategy and Plans, Delivery Program and Operational Plan.

Council's Resourcing Strategy (and the Resource Plans that underpin the strategy) is the conduit that connects the Community Strategic Plan to the Delivery Program and Operational Plan (refer to diagram below):



A recent independent review focused wholly on the adequacy and efficacy of Council's Resource Plans.

Council's Resourcing Strategy is essentially its 'resource response' to the Community Strategic Plan. It asks the question "within the resources we have at our disposal, how will we deliver the outcomes contained in the Community Strategic Plan?"

Resource Plans acknowledge that whilst other partners (eg State Agencies, the development industry etc) have important roles to play in delivering outcomes, they are ostensibly restricted to the financial, people, asset and technology resources Council has available to advance the Community Strategic Plan.

ITEM 3 (continued)

The Independent Review

Consultants, Morrison Low, were commissioned to assist in the review of Council's Resource Strategy, its Asset Management Plan and associated Sub Plans, and its Long Term Financial Plan. In addition, Morrison Low assisted Council develop its new Workforce Plan and peer reviewed Council's recently completed 'Information and Communications Technology Plan' which was developed in-house.

Periodic reviews of Council's integrated planning and reporting documents are vital as they provide a strategic insight into Council's resource ability and capacity to deliver the outcomes contained in the Community Strategic Plan. It has been 3 years since the last holistic review of Council's Resource Plans (this coincided with Council's bid for a Special Rate Variation which began in 2014). Given Council's current position, it was considered prudent to review the Plans.

The focus of the independent review centred around the following:

- Compliance with Office of Local Government (OLG) Guidelines;
- Integrated Planning and Reporting – 'Towards Best Practice';
- Ensuring future growth was adequately reflected in all Resource Plans;
- Ensuring Resource Plans contained the latest data and information; and
- Assessing Council's progress towards being 'Fit for the Future'.

Findings from the Independent Review

The major findings from the independent review are as follows:

1. There were areas of improvement identified in meeting the OLG Guidelines (now addressed)
2. Future growth was not fully incorporated into Council's Resource Plans (now addressed)
3. Growth related capital works (primarily developer funded Section 94 works) have now been incorporated in line with Council's Draft Section 94 Plan (now addressed)
4. Asset Management maturity is improving but still is considered to be works in progress; and
5. Council continues to be a 'sustainable, stand-alone proposition' but must commit to ongoing Improvement Action Plans aimed at moderating expenditure and exploring new revenue raising opportunities.

A short presentation of the review findings will be provided by the Chief Financial Officer at the Finance and Government Committee Meeting of 18 July 2017. A copy of the presentation is appended to this report (**Attachment 1**).

ITEM 3 (continued)

The Revised Plans

1. Resourcing Strategy

Council's Resourcing Strategy (**ATTACHMENT 2**) now includes a snapshot of the individual Resource Plans and provides an introduction to the 3 Scenarios that filter through each of the Resource Plans (Asset Management Plan, Workforce Plan, Information and Communications Technology Plan and Long Term Financial Plan).

The Resource Strategy defines the 3 Scenarios as follows:

Scenario 1 – Base Case (historical growth as the basis for future growth)

Scenario 1 is predicated on existing services remaining largely the same over the next 10 years with a primary reliance on developer and internal reserve funded capital works, and the ongoing SRV income stream funding the renewal of existing assets.

Scenario 2 – Projected Growth A (30,000 additional people over next 10 years)

Scenario 2 is predicated on available data indicating an additional population of 30,000 people by 2028 with a direct correlation between population growth and service provision (both capital and operating). It is modelled using the same core assumptions as the Base Case model, with the addition of:

- Population growth of 30,000 which translates to growth of approximately 12,000 new dwellings;
- Growth in rates revenue and fees and charges income to reflect the growth in dwellings and population;
- Growth in materials and contracts costs and other expenses to reflect increases in growth forecasts. An efficiency factor has been applied to the growth in materials and contracts, acknowledging the efficiency gains that accrue from growth;
- The value of assets is forecast to grow by 2.2% per year to reflect changes in the construction cost index;
- Consequential changes to depreciation to reflect depreciation on new assets, and increased asset value;
- Actual maintenance spend has been increased to reflect the new required levels of maintenance;

ITEM 3 (continued)

- Employee costs have been increased to reflect additional employee retention and development costs (to match industry benchmarks) and costs associated with an increased workforce (81 FTE staff) based on a population increase of 30,000; and
- The inclusion of an Efficiency / Productivity Improvement Plan targeting the following areas:
 - 1.0% efficiency saving for employee related costs (from 2017/18)
 - 1.0% efficiency saving for materials and contracts (from 2018/19), and
 - 0.5% efficiency saving in 'other expenses' (from 2018/19)

Scenario 3 – Projected Growth B (25,000 additional people over next 10 years)

Scenario 3 is predicated on the assumption that the additional population will transpire at a slightly slower rate than Scenario 2 and incorporates an efficiency dividend principally the result of Council's focus on long term financial sustainability and the opportunities that are likely to transpire through economies of scale, asset optimisation and the use of technology.

It is modelled the same as Scenario 2, except:

- Population growth has been reduced to 25,000, and the number of rating units adjusted accordingly.
- Impact on revenue and expenditure has been amended accordingly, and
- It assumes a reduced level of expenditure on new and expanded assets, less contributed assets, and an increased workforce of 68 FTE staff to reflect the smaller increase in population.

From 2018/19 onwards, Scenario 3 is considered the most appropriate Scenario as it best reflects how growth will likely unfold over the next 10 years. Growth will feature prominently in how and where funds are spent over the next 10 years.

A new Section 94 Plan will see hundreds of millions of dollars of new assets come on line from 2018/19. These assets will need to be maintained and, in some instances, require new Council funds to operate them (eg new library in Macquarie Park).

Population growth of 25,000 people is significant. If the City of Ryde is to respond to that magnitude of growth it needs to do so in a measured and sustainable manner. Productivity and efficiency gains are a 'necessity' and Council must continue its pursuit of innovation and continuous improvement if it is to meet the inevitable funding challenges associated with growth.

ITEM 3 (continued)

The modelled outcomes of Scenario 3 forecast a positive result for Council and its community. All key financial indicators are met, existing services continue, new assets come on line and additional staff are employed to help service the needs of the growing population.

2. Asset Management Plan

The current Asset Management Plan (and Sub Plans) (**ATTACHMENT 3**) has been updated to include new data, information and future growth.

The independent review identified that Council's Asset Management Plans are maturing and are considered to be work in progress. To this end, an Improvement Action Plan has been included in the Asset Management Plan and will be monitored and reviewed over time.

Importantly, Council's financial position in terms of its assets is improving. The Asset Renewal Ratio is forecast to exceed benchmark over the next 10 years. Whilst the Asset Maintenance Ratio is below benchmark, it is more than offset by Council's investment in the renewal of existing assets. Over time, some of the funding currently directed to asset renewal needs to be reallocated towards asset maintenance to correct this anomaly.

Of critical importance is Council's Asset Backlog Ratio. Modelling indicates that this ratio meets benchmark by 2021 and then slightly increases in the years beyond. This is not considered to be an issue as the increase is extremely modest and can be corrected as part of any future year's annual budget deliberations.

3. Workforce Plan

The Workforce Plan (**ATTACHMENT 4**) has a 4 year horizon and has been developed following Council's successful Special Rate Variation application. This Plan includes workforce demographics and includes commentary at a national, state and local labour market level.

The Workforce Plan acknowledges a historical shortfall of funding in relation to learning and development and recommends this be addressed in line with industry benchmark spending.

The Workforce Plan also acknowledges that the number of full-time equivalent (FTE) staff needs to increase in line with future grow projections. Scenario 3 highlights a need for an additional 68 FTE staff over the next 10 years. More broadly, the Workforce Plan outlines key strategies and actions that cover the following:

ITEM 3 (continued)

- Branding, recruitment, selection and retention;
- Professional development opportunities (including an Emerging Leaders Program);
- Reward and Recognition programs (including Health and Wellbeing Programs);
- Succession Planning;
- Salary structure review; and
- Flexible working arrangements.

4. Information and Communication Technology Plan (ICT Plan)

The Information and Communication Technology Plan (**ATTACHMENT 5**) has a 4 year horizon and has also been recently developed. This Plan includes a roadmap that links 'current state' with 'future state' and considers the immediate and future needs of the e-community, e-worker and e-sector.

This Plan focuses on 5 key priorities:

- a. Infrastructure – including a move towards cloud computing, security upgrades, disaster recovery testing, and establishing Council's role in supporting SMART cities;
- b. Applications – including application upgrades, new collaborative tools, express workflows and new audio/visual experiences;
- c. Mobility – including applications and devices to support field and remote workers, and applications (smart apps) for the community to freely download and interact with Council;
- d. E-Business – including new services and payments on-line; and
- e. Data and Information Management – including the promotion of open access to government information, data cleansing and auditing, and implement business intelligence systems to support executive decision making.

5. Long Term Financial Plan (LTFP)

The Long Term Financial Plan (LTFP) (**ATTACHMENT 6**) has been updated to incorporate the modelled outcomes of the 3 Scenarios. Also included in the updated LTFP is an exhaustive list of all assumptions used for financial modelling purposes and an insight into the sensitivities of key income and expenditure items within the LTFP.

ITEM 3 (continued)

Importantly, the LTFP pulls together the 3 other Resource Plans (namely, Asset Management Plans, the Workforce Plan and the Information and Communications Technology Plan) and incorporates the long term financial impacts of each of these Plans.

Scenario 3 is considered the most likely growth forecast. Financial modelling indicates that Council will continue to exceed 'Fit for the Future' benchmarks with most of Council's key performance indicators improving since Council had its Fit for the Future submission to the NSW Government approved in 2015.

CONCLUSION

The recent independent review of Council's Resource Plans has identified a number of issues, most of which have been addressed in the revision of the Plans. In the case of all the Plans, Improvement Action Plans have been developed and will serve the purpose of refining the way we approach each of the respective areas in the future.

Importantly, the impacts of growth now feature in each of our Resource Plans and serve to demonstrate the magnitude of what Council is likely to experience (in a resource context) over the next 10 years.

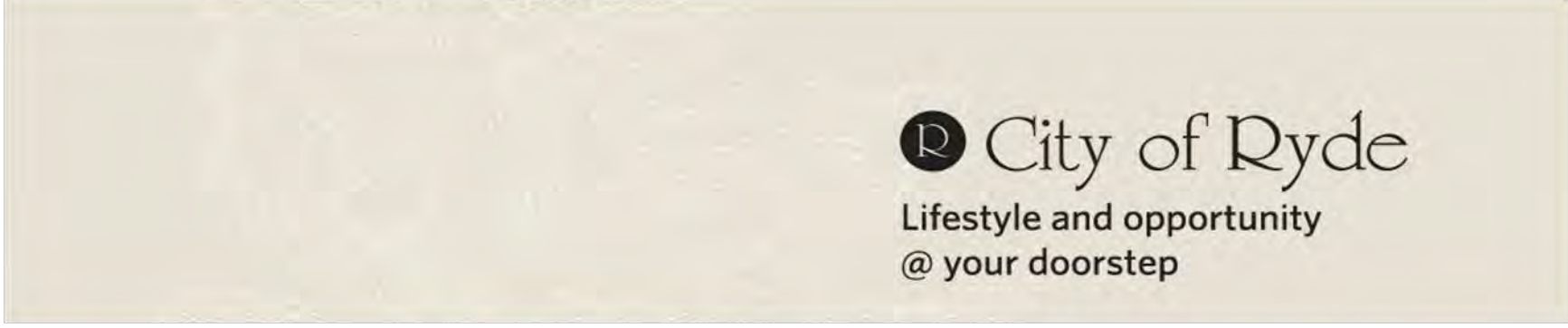
As a result of this review, it is positive to note that our key performance indicators are all heading in the right direction. In fact, the long term future for the City of Ryde is sustainable in all respects.

It should be acknowledged that the Resource Plans are dynamic documents that need to be regularly reviewed and updated to reflect the latest data and information available. Additionally, the Resource Plans have been developed with a continuous improvement philosophy in mind.

To this end, ongoing Improvement Action Plans outlining efficiency and effectiveness targets are essential if key performance indicators are to continue to exceed benchmarks.

ITEM 3 (continued)

ATTACHMENT 1



Review of Council's Integrated Planning and Reporting Documents

Councillor Presentation – July 2017

ITEM 3 (continued)

ATTACHMENT 1

Introduction

- In April 2017, Council commissioned an independent review of the following IP&R documents:
 - Resource Strategy
 - Asset Management Plan (and Sub Plans)
 - Long Term Financial Plan
 - Workforce Plan
- Council staff recently drafted an Information and Communications Technology Plan

ITEM 3 (continued)

ATTACHMENT 1

Focus of the Review

- Update Plans with current data & information
- Incorporate future growth and its resource impacts
- OLG Compliance & towards Best Practice
- Post FFTF (2015) - are we still sustainable?

ITEM 3 (continued)

ATTACHMENT 1

Findings from the Review

- Areas of improvement identified with OLG Guidelines
- Limited New Capital Works in year's 5-10 (Section 94 related)
- Asset Management maturity is improving and is works in progress
- **Council is Sustainable however needs to commit to ongoing Improvement Action Plans!**




Resource Strategy

- Three scenarios developed:
 1. **Base Case** (historical growth informing future growth)
 2. **Projected Growth A** (extra 30,000 people over 10 years)
 3. **Projected Growth B** (extra 25,000 people over 10 years)
- Scenario 3 is considered the most likely Scenario and applies from 2018/19, for forecasting purposes

ITEM 3 (continued)

ATTACHMENT 1

Asset Management Plan

- Key Performance Indicators:
 - Asset Renewal Ratio  (exceeds benchmark)
 - Asset Maintenance Ratio  (below benchmark)
 - Asset Backlog  (meets benchmark)
- Asset Renewal above benchmark more than offsets asset maintenance below benchmark
- Asset renewal funding between classes of assets needs some attention (eg Buildings and RALC under-funded)
- Get the balance right

ITEM 3 (continued)

ATTACHMENT 1

Workforce Plan

- Outlines current profile and demographics
- Considers national, state, local labour market issues
- Growth Scenarios include:
 - Additional investment in training and development
 - Additional FTE staff of up to 68 staff over 10 years

ITEM 3 (continued)

ATTACHMENT 1

ICT Plan

- Considers the current and future needs of the e-community, e-worker, e-sector
- Priorities include:
 - Applications
 - Infrastructure
 - e-business
 - Mobility
 - Data & Information Management

ITEM 3 (continued)

ATTACHMENT 1

Long Term Financial Plan

- Pulls together the resources required from AMP / WFP / ICTP
- Outlines income and expenditure assumptions
- Sensitivity Analysis applied to modelling
- Key performance measures (FFTF benchmarks) – **ON TRACK!**

ITEM 3 (continued)

ATTACHMENT 1

Key Performance Measures										
for years ended 30 June 2017/18 - 2026/27	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Operating Surplus	5,201	9,681	11,224	11,079	15,590	17,867	23,832	26,275	29,880	33,466
(achieve and maintain a positive operating balance)										
Operating Performance Ratio (3 year trend)	11.27%	5.21%	6.86%	8.01%	9.09%	10.20%	12.50%	14.17%	15.96%	17.11%
(3 year trend - target a positive ratio)										
Own Source Revenue Ratio	76.3%	79.2%	78.1%	78.2%	79.3%	82.8%	81.5%	82.3%	80.4%	84.8%
(3 year trend - Target is more than 60%)										
Debt Service Ratio (3 year trend)	1.1%	0.9%	0.9%	1.0%	1.2%	1.5%	1.5%	1.3%	1.2%	1.1%
(target is to maintain at less than 20%)										
Building and Infrastructure asset renewal ratio	168%	187%	177%	179%	167%	171%	164%	169%	159%	165%
(target to maintain at 100%)										
Building and Infrastructure Backlog ratio	1.7%	3.1%	2.5%	2.1%	2.2%	2.3%	2.5%	2.7%	2.8%	3.0%
(target to maintain at less than 2%)										
Real Operating expenditure per capita	855	875	876	880	879	879	870	866	859	862
(a declining trend over time)										
Asset Maintenance Ratio	87.9%	84.9%	80.3%	73.9%	69.5%	66.0%	64.0%	62.5%	61.3%	60.3%
(target is to meet 100% of required maintenance)										

ITEM 3 (continued)

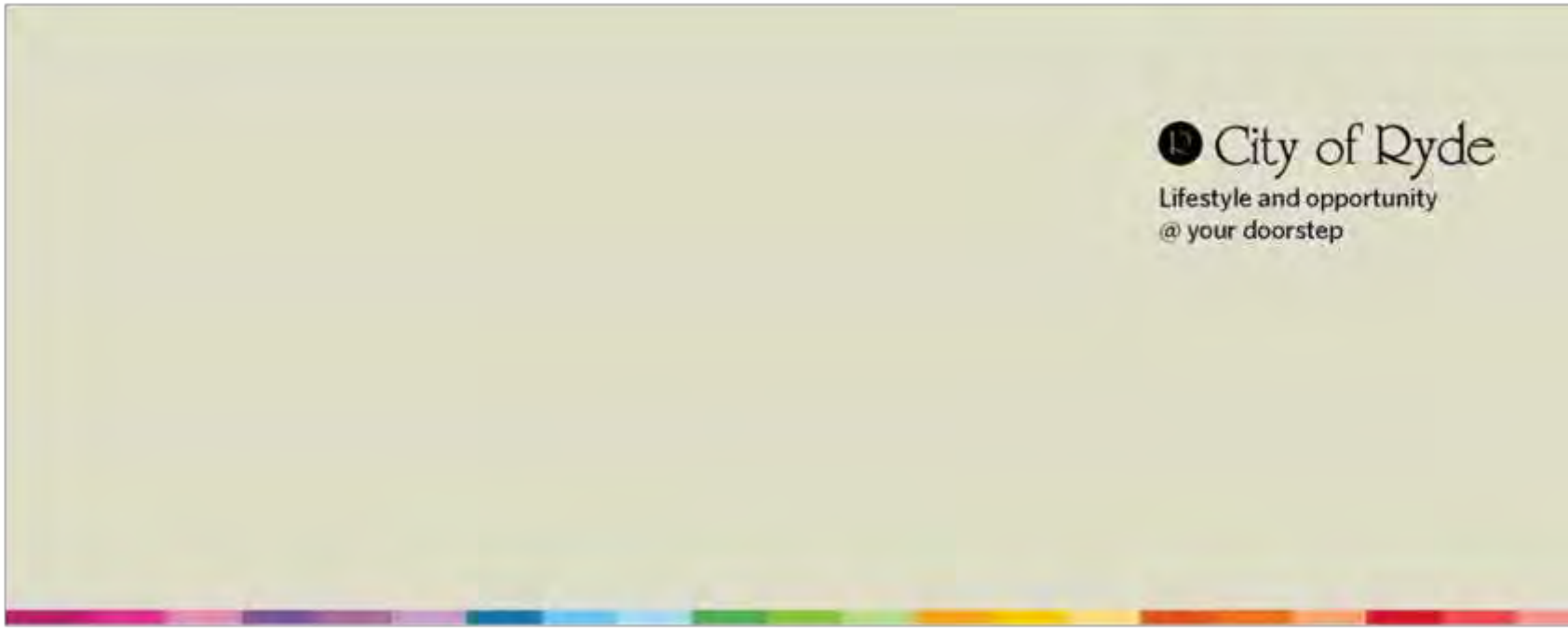
ATTACHMENT 1

Conclusion

- Modelling now includes the resource impacts of growth
- FFTF Key performance indicators are trending in the right direction – future looks promising!
- Need for an ongoing ‘Improvement Action Plan’ to ensure productivity and efficiency targets are met
- Acknowledge that the Resource Plans are dynamic documents that need to be regularly reviewed and updated

ITEM 3 (continued)

ATTACHMENT 2



City of Ryde

Draft Resource Strategy 2017

ITEM 3 (continued)

ATTACHMENT 2

Contents

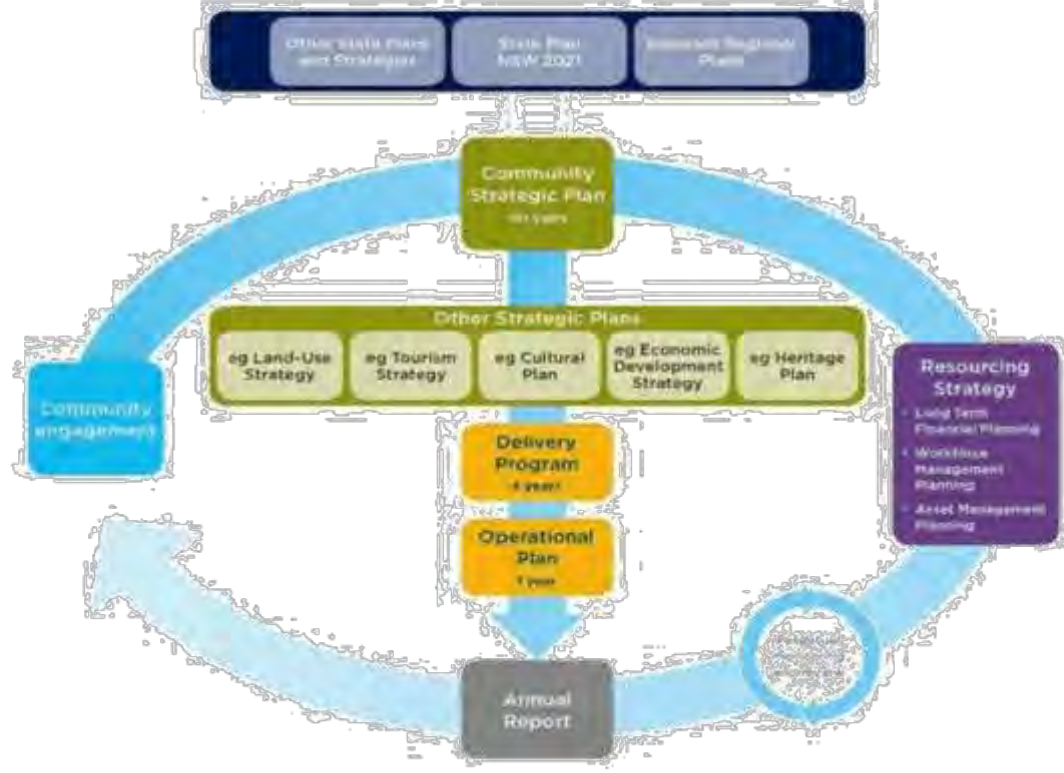
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ITEM 3 (continued)

ATTACHMENT 2

1. Introduction

In response to the community aspirations identified in the Community Strategic Plan, Ryde 2025, Council is required to put in place plans to advance those aspirations with the resources it has at its disposal. Council has prepared its 'Resource Strategy' which is a key strategy Council is required to prepare to support the delivery of the outcomes articulated in Council's Community Strategic Plan (CSP). The Resource Strategy considers the assets, people, technology and financial resources necessary to deliver Ryde 2025.



ITEM 3 (continued)

ATTACHMENT 2

The Resource Strategy highlights any major resource challenges with achieving Council's response to the CSP and details actions and proposes solutions to those challenges. Importantly, this strategy also outlines the scenarios and key assumptions considered in developing the Resource Plans. This Resource Strategy, draws its contents from the four component plans of this Strategy; the Asset Management Plan (including Sub Plans), Workforce Plan, Information and Communications Technology (ICT) Plan and Long Term Financial Plan. Below is a brief description of each Resource Plan:

The Asset Management Plan

This Plan (an associated Sub Plans) cover all Council's assets including roads, drainage, footpaths, buildings, amenities, sports fields, etc. It includes plans for existing and new assets. Options for expected levels of service are considered when developing the Asset Management Plans with long term (10 year) projections of asset maintenance, rehabilitation, renewals and replacement costs.

The Workforce Plan

This Plan enables Council to strategically consider its current and future workforce needs to help support the outcomes as espoused in the CSP and provides a framework for dealing with immediate and forecasted challenges in a deliberate, but yet pragmatic manner. The Workforce Plan is a 4 year plan.

The Long Term Financial Plan

This Plan facilitates Council's decision making processes as it relates to resource allocation and is influenced by community needs and expectations, as well as external factors such as growth and other environmental influences. In essence, the long term financial plan takes the information contained within the Asset Management Plan, the Workforce Plan and the Information and Communication Technology Plan, together with our existing and forecasted service demands, filters it through various scenarios and conducts a Sensitivity Analysis, with the outcomes prudently considered in the context of long term financial sustainability. The Plan also includes Council's projected financial health over the next 10 years aligned to the local government 'Fit for the Future' indicators.

Information Communications and Technology Plan

This ICT Plan is a 4 year plan and has been developed using the input of Council's leadership team, an appreciation of the needs of our customers and the organisation, and an understanding of what technological offerings are being pursued both within and outside the local government sector. In essence, this Plan has been constructed with 4 very different, but equally important, dimensions in mind – the e-worker, the e-community, the e-local government sector and the e-tech industry.

ITEM 3 (continued)

ATTACHMENT 2

2. Executive Summary

The four Resource Plans that underpin the Resource Strategy have undergone significant review. One of the primary objectives of the review was to quantify the impacts of future growth on the City of Ryde over the next 10 years. A Base Case Scenario was established, using the information Council currently has in its Long Term Financial Plan. Two growth Scenarios (one with an additional population of 30,000 over 10 years, the other with an additional population of 25,000 over 10 years) were then established to determine the resource impacts of growth over time. Scenario 3 (an additional population of 25,000 over 10 years) is considered the most likely scenario. Using this scenario, a summary of the resource impacts as they relate to the four individual Resource Plans is provided below:

a. Asset Management Plan (and associated Sub Plans)

The Asset Management Plan and associated Sub Plans have been updated to include new data and information. Importantly, the Plans now include an accurate forecast of growth in Council's network of infrastructure assets both in terms of the total value of assets in Council's ownership over the next 10 years but also the maintenance burden of this growth as it relates to assets.

Council's asset management systems and processes are maturing but it is acknowledged they are works in progress. An Improvement Action Plan has been included within the Asset Management Plan and will serve as reference point in Council's progress towards best practice. Importantly, modelling indicates that the funding set aside for asset management over the next 10 years is sufficient in ensuring that Fit for the Future key performance indicators are met.

Key Performance Measures										
for years ended 30 June 2017/18 – 2026/27	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27
Building and Infrastructure asset renewal ratio (target to maintain at 100%)	168%	187%	177%	179%	167%	171%	164%	169%	159%	165%
Asset Maintenance Ratio (target is to meet 100% of required maintenance)	87.9%	84.9%	80.3%	73.9%	69.5%	66.0%	64.0%	62.5%	61.3%	60.3%
Building and Infrastructure Backlog ratio (target to maintain at less than 2%)	1.7%	3.1%	2.5%	2.1%	2.2%	2.3%	2.5%	2.7%	2.8%	3.0%

ITEM 3 (continued)

ATTACHMENT 2

As highlighted in the table above, Council's Asset Renewal Ratio exceeds benchmark by a significant amount. This more than offsets the Asset Maintenance Ratio shortfall and highlights to Council that a reallocation of funding from renewal to maintenance is something to consider as part of future budget deliberations. The Backlog Ratio is within benchmark range and with some strategically targeted renewal expenditure over the next 10 years, this ratio is likely to fall below 2%.

Modelling also indicates that whilst our key performance indicators are tracking well across the entire network of Council's assets, there are some classes of assets that could benefit from a reallocation of funds. It would appear that Buildings and the Ryde Aquatic Leisure Centre are two asset classes that are under-funded. A simple reallocation of funds between asset classes would address this issue.

b. Workforce Plan

Council's workforce is estimated to grow by 68 full-time equivalent staff (from 514 to 582) over the next 10 years. This represents 13% growth over the next 10 years (1.3% per annum) and is consistent with the growth the City of Ryde has experienced over the past 5 years.

Council's investment in staff learning and development needs to grow. An additional \$500,000 per annum will bring Council's commitment to learning and development in line with industry benchmark figures (1.5% of total operating expenditure, less depreciation).

Council's Workforce Plan identifies a range of strategies that will aid in its response to the forecast growth over the next 10 years. These strategies cover the following:

- Branding, recruitment, selection and retention
- Professional development opportunities
- Reward and recognition programs (including Health & Wellbeing)
- Emerging Leaders Program
- Succession Planning
- Salary Structure review
- Flexible working arrangements

ITEM 3 (continued)

ATTACHMENT 2

c. Information and Communication Technology Plan

Council's Information and Communication's Technology Plan targets 5 key priorities that will help advance those aspirations in the Community Strategic Plan that are either of a technology nature or can be enabled by technology. The priorities are:

- Applications – software upgrades, implementation of collaborative tools, richer audio/visual experiences and workflow improvements
- Infrastructure – movement to cloud based solutions, system and data security, disaster recovery testing and supporting SMART cities
- e-business – increased services and payments on-line
- Mobility – solutions to support remote workers and field workers, and new customer apps
- Data & Information Management - data retention & release, and Business Intelligence Systems to aid executive decision making

Importantly, the Plan addresses the needs of the community as well as the organisation and its staff.

d. Long Term Financial Plan

Council's Long Term Financial Plan pulls together the resource impacts of the other 3 Resource Plans and models them to produce a range of outputs including financial statements and key financial performance indicators.

Council's forecast operating surpluses, low levels of debt dependence, moderating operating expenditure per capita all indicate that the City of Ryde is heading in the right direction. Add to this the funding now available for asset renewal on the back of a successful Special Rate Variation bid in 2015, it is clearly evident Council is financially sustainable and 'fit for the future'.

The following table highlights Council's long term financial sustainability (using Scenario 3):

ITEM 3 (continued)

ATTACHMENT 2

Key Performance Measures										
for years ended 30 June 2017/18 - 2026/27	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27
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Operating Performance Ratio (3 year trend)	11.27%	5.21%	6.86%	8.01%	9.09%	10.20%	12.50%	14.17%	15.66%	17.18%
(3 year trend - target a positive ratio)										
Own Source Revenue Ratio	76.3%	79.2%	78.1%	78.2%	79.3%	82.8%	81.5%	82.3%	80.4%	84.8%
(3 year trend - Target is more than 60%)										
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Real Operating expenditure per capita	855	875	875	880	879	879	870	866	859	852
(a declining trend over time)										
Asset Maintenance Ratio	87.9%	84.9%	80.3%	73.9%	69.5%	66.0%	64.0%	62.5%	61.3%	60.3%
(target is to meet 100% of required maintenance)										

ITEM 3 (continued)

ATTACHMENT 2

3. Our City

The City of Ryde has a rich history with the traditional Indigenous owners of the land being the Wallumedegal clan of the Dharug people.

Our City is located in Sydney's north-western suburbs, 12 kilometres from the Sydney CBD. Set in scenic surrounds between the Parramatta and Lane Cove Rivers, we are connected to other parts of metropolitan Sydney via major road systems, rail, bus and ferry services and bounded by neighbouring councils.

The City of Ryde neighbours Hornsby Shire and the Ku-ring-gai Council area in the north, Willoughby City, the Lane Cove River and the Hunters Hill Municipality in the east and Parramatta City in the west. Our city includes 16 suburbs; Chatswood West (part), Denistone, Denistone East, Denistone West, East Ryde, Eastwood (part), Gladesville (part), Macquarie Park, Marsfield, Meadowbank, Melrose Park (part), North Ryde, Putney, Ryde, Tennyson Point and West Ryde.

The current population of the City of Ryde is estimated to be approximately 126,000 which represents an increase of 17,000 on the 2011 census numbers. Our population is forecasted to grow by as much as 30,000 to 156,000 people by 2027 and 41,000 to 167,000 people by 2036.

The City of Ryde encompasses an area of about 40 square kilometres, including waterways and parklands. Within this sits the Macquarie Park Corridor, our specialist Macquarie Park Innovation District, four town centres and 29 neighbourhood centres, major educational facilities such as Macquarie University, Ryde and Meadowbank Colleges of TAFE, which enrol 13,000 students each year, over 33,000 businesses, five public libraries, 24 primary schools, five high schools and five hospitals.

Global, national and metropolitan trends and issues present both opportunities and challenges in the way that communities, such as the City of Ryde, are planned and supported. The City of Ryde is an integrated and integral major centre of Sydney and faces the same challenges as detailed in The Department of Planning and Environment's 'A Plan For Growing Sydney' and also in the Greater Sydney Commission's 'Draft North District Plan'.

Our City is part of an ever changing dynamic global market, and our economic development, particularly the Macquarie Park Corridor and Innovation District, contributes significantly to New South Wales and Australian Gross Domestic Product.

ITEM 3 (continued)

ATTACHMENT 2

4. The Key Challenges

The City of Ryde identified the following challenges in its LGA over the next 10 years in its Community Strategic Plan:

- To meet the increasing pressure and needs of a growing population and changing demographics, while maintaining the prosperity, uniqueness and liveability of our City.
- To continually meet the community's expectations in providing appropriately targeted support services, well maintained and targeted recreational and cultural facilities and services, and accessible public domain areas, to ensure that we are responding to our changing community's needs and demographics.
- To offer a range of affordable and varied accommodation options, through strategic forecasting and planning, that meets the changing needs and demands of our growing and diverse community while maintaining the character of our many suburbs.
- To plan for sufficient land and infrastructure for business. As Sydney's transport systems and road networks are placed under increasing pressure we need to accommodate this growth and encourage people to live closer to their place of employment.
- To plan and design a growing and liveable city though considered urban renewal and land use, while protecting and enhancing our natural assets and keeping abreast of demand for passive and active recreation opportunities from our community and visitors.
- To collaborate with all our partners to address the predicted long term effects of climate change such as higher frequencies of extreme weather patterns, bushfires, storm surge and flood inundation.
- To reinvigorate Macquarie Park, address its traffic management issues and utilise all the opportunities that a close association between a university and business park bring, so that it remains competitive and nationally significant.

Whilst also supporting the continued growth within the corridor, Council resolved in September 2015 to partner with the Department of Planning and Environment to undertake a strategic review of the corridor with the aim of ensuring a viable commercial and mixed use centre supported by the necessary infrastructure. Also, in 2015, Council was successful in securing a 7% Special Rate Increase per annum over 4 years to assist in funding the renewal of Council's ageing network of infrastructure assets. By 2018/19, Council will be spending \$12 million per annum on infrastructure asset renewal.

5. Scenarios Tested

As part of its Resource Strategy, Council explored 3 Scenario options.

1. Scenario One - Base Case

This scenario is predicated on existing services remaining largely the same over the next 10 years with a primary reliance on developer and internal reserve funded capital works, and the ongoing SRV income stream funding the renewal of existing assets.

2. Scenario Two - Projected Growth A (30,000 additional population)

This Scenario is predicated on available data indicating an additional population of 30,000 by 2027 with a direct correlation between population growth and service provision (both capital and operating). It is modelled using the same core assumptions as the Base Case model, with the addition of:

- Population growth of 30,000 which translates to growth of approximately 12,000 new dwellings
- Growth in rates revenue and fees and charges income to reflect the growth in dwellings and population
- Growth in materials and contracts costs and other expenses to reflect increases in growth forecasts. An efficiency factor has been applied to the growth in materials and contracts, acknowledging the efficiency gains that accrue from growth.
- The value of assets is forecast to grow by 2.2% per year to reflect changes in the construction cost index
- Consequential changes to depreciation to reflect depreciation on new assets, and increased asset value
- Actual maintenance spend has been increased to reflect the new required levels of maintenance.
- Employee costs have been increased to reflect additional employee retention and development costs (to match industry benchmarks) and costs associated with an increased workforce (81 FTE staff) based on a population increase of 30,000.
- The Base Case also includes an Efficiency / Productivity Improvement Plan targeting the following areas:
 - 1.0% efficiency saving for employee related costs (from 2017/18)
 - 1.0% efficiency saving for materials and contracts (from 2018/19), and
 - 0.5% efficiency saving in 'other expenses' (from 2018/19)

ITEM 3 (continued)

ATTACHMENT 2

3. Scenario Three - Projected Growth B (25,000 additional population)

This Scenario provides for a projected growth of an additional 25,000 population over the next 10 years.

It is modelled the same as Scenario 2, except:

- Population growth has been reduced to 25,000, and number of rating units adjusted accordingly.
- Impact on revenue and expenditure has been amended accordingly, and
- Scenario 3 assumes a reduced level of expenditure on new and expanded assets, less donated assets, and an increased workforce of 68 FTE staff to reflect the smaller increase in population.

The decrease in population growth will mean slightly less new / donated assets will be required to meet the demands of the community. This will result in a decrease in maintenance as a result of a reduced asset portfolio.

6. Modelled Outcomes

In applying the 3 Scenarios, the following modelled outcomes are evident:

- Improved surpluses under scenarios 2 and scenario 3 reflect impact of planned efficiency gains in relation to employee costs, materials and contracts costs, and other expenses. Annual efficiency / productivity savings of 1% for Employee Costs, Materials and Contracts, as well as 0.5% for 'Other Expenses' have been modelled for Scenario's 2 and 3
- Scenario 2 and Scenario 3 give rise to an asset maintenance ratio below 100%. This is reasonable given the high level of renewal expenditure reducing the required maintenance.
- Scenario's 2 and 3 highlight a slight increase in performance against the own sourced revenue ratio, due to revenues increasing from population growth.
- Real operating expenditure per capita is higher under the growth Scenario's 2 and 3 due to increases in costs in line with population growth.
- Rates revenue in Scenario 2 is approximately \$21m/annum higher in 2027 than in the Base Case Scenario. This reflects the increase in revenue from the growth of the rating base.
- Conversely, future depreciation is estimated to be almost \$24m in 2027 in Scenario 2 compared to only \$20 million in the Base Case.
- While sufficient funds are anticipated to be spent on renewals to clear Council's infrastructure backlog in all Scenarios, there is opportunity for the allocation of resources to be deployed in a more strategic (and deliberate) manner so as to avoid the current practice of allocating funding towards assets that are not 'backlog' (Condition 5) priorities.

The positive operating results will mean that Council can address shortfalls in the maintenance and backlog ratios to meet the FFTF benchmarks. Under the current Capital Works Program, renewal funding is not being exclusively directed towards reducing the backlog. A more direct allocation of renewal funding towards Condition 5 projects will ensure that the backlog is addressed in a more timely manner.

7. Sensitivity Analysis

Without the SRV, Council would be in an Operating Deficit for the first 6 years (over the next 10 year period) and further, it would be the 9th year before Council would fully recover its accumulated Operating Deficit.

One of the major variables is the estimated population growth, as this has a direct flow impact to rates income and operating expenses and therefore the overall performance of Council. For every 5,000 estimated population the accumulated surplus changes by \$9m and a subsequent change in the Operating Performance Ratio of 0.9%.

The sensitivities and potential impact as outlined below relate to the financial projections contained in this Resourcing Strategy.

Rates revenue

Each 1% change in ordinary rates and annual charges revenue will result in a \$823,150 change in total rates revenue.

Other revenues - fees and charges, income on investment, operating grants

A 1% change in annual revenue for all these income streams represents \$372,670 per annum. The cumulative effect of this revenue source growing at 1% less than other revenues represents an estimated revenue reduction of \$3.875 million over the 10 years (ie, by 2026/27).

Operating expenditure increases for key expenses such as employee costs and materials and contracts

Employee costs and other operating expenditure (materials and contracts) comprise \$77.8m in total for 2017/18. A 1% movement in these costs represents \$774,660 combined annual effect.

Changes to the revenue or expenditure assumptions could have a material effect on the projections in the Resourcing Strategy however council believes the assumptions used are robust. A regular review of the Resourcing Strategy will ensure that Council is able to react and plan for any changes in costs and revenues over the term of this strategy.

ITEM 3 (continued)

ATTACHMENT 2

8. The Recommended Scenario

From 2018/19, Scenario 3 is considered the most appropriate Scenario as it best reflects what Council sees unfolding over the next 10 years. Growth will feature prominently in how and where funds are spent over the next 10 years. A new Section 94 Plan will see hundreds of millions of dollars of new assets come on line from 2018/19. Many of these assets will need to be maintained and, in some instances, require Council funding to operate them (eg new library in Macquarie Park).

Population growth of 25,000 people is significant. If the City of Ryde is to respond to that magnitude of growth it needs to do so in a measured and sustainable manner. Productivity and efficiency gains are a 'necessity' and Council must continue its pursuit of innovation and continuous improvement, if it is to meet the funding challenges associated with growth.

The modelled outcomes of Scenario 3 yield the best result for Council and its community. All key financial indicators are met and therefore the City of Ryde is financially sustainable, existing services continue, new assets come on line and additional staff are employed to help service the needs of the growing population.

ITEM 3 (continued)

ATTACHMENT 2

9. Conclusion

In order to put the community's plan into action, Council has developed strategies and plans to deliver the best possible outcomes, value for money, and staff to implement and contribute to the achievement of the outcomes detailed in its Community Strategic Plan.

Council is committed to delivering the best services to its community as articulated in the Community Strategic Plan, which is its primary guiding document. This Resourcing Strategy is Council's plan in responding to the Community Strategic Plan with the required resources detailed in the strategy to ensure Council responds effectively to the challenges and the significant growth projected.

In summary, this Resource Strategy is underpinned by 4 primary resource plans, namely

1. Workforce Plan
2. Asset Management Plan
3. Information and Communications Technology Plan, and
4. Long Term Financial Plan

Together, these Plans lay the foundation for Council's resource response to 'Ryde 2025', Council's Community Strategic Plan.

As with any strategy, this Resource Strategy will be periodically reviewed to ensure it remains current and relevant. Most importantly, it needs to be aligned to the community's aspirations, as espoused in the Community Strategic Plan and refined over time.

ITEM 3 (continued)

ATTACHMENT 3



City of Ryde

Draft Workforce Plan 2017 - 2021

ITEM 3 (continued)

ATTACHMENT 3

1. About City of Ryde

The City of Ryde provides a wide range of high quality facilities and services to a diverse community of around 126,000 people. This Workforce Plan acknowledges that all City of Ryde employees play an important part in achieving the aspirations as espoused in Council's Community Strategic Plan (CSP).

Ryde is committed to working internally to align its structure, systems, focus and performance to the 7 Outcomes contained within its CSP. We are working to ensure that our 7 Outcomes complement and mould current and future planning, and that they will seamlessly work across all levels of government, business and community organisations to deliver one vision for the future of our city - *the place to be for lifestyle and opportunity @ your doorstep*.


The 7 Outcomes are as follows:

1. City of Liveable Neighbourhoods
2. City of Wellbeing
3. City of Prosperity
4. City of Environmental Sensitivity
5. City of Connections
6. City of Harmony and Culture
7. City of Progressive Leadership

The City of Ryde is the subject to a proposal to merge with the local governments of Hunters Hill and Lane Cove.

Whilst that proposal remains in abeyance, Council has determined that the development of a Workforce Plan as a 'stand-alone' City of Ryde document should proceed on the basis that Workforce Planning is good business practice and it will serve a newly merged Council well in understanding the focus areas of the City of Ryde's workforce planning.

2. The Workforce Plan at a Glance



2.1 What is a workforce plan?

Workforce management planning identifies the human resources and skills required to deliver on the medium to long-term strategic direction of the community, as outlined in the Community Strategic Plan. The Workforce Plan is one of several council-focused resourcing plans, with the Workforce Plan specifically identifying and developing strategies to ensure the resources employed by Council are available in the right place, with the right skills, at the right time.

The Workforce Plan links with Council's Asset Management Plans, Information and Communications Technology Plan and Long Term Financial Plan to identify the resources required to deliver the community's vision and achieve the outcomes set out in the Community Strategic Plan.

2.2 Why does Council prepare a workforce plan?

Council needs to know it has the capacity and capability to deliver its city strategies, plans, programs and key services. If it doesn't have the capacity or capability then the plans are unrealistic, and the City will fail to develop into the type of community that its residents desire.

This Workforce Plan helps Council plan its human resource requirements for the next 4 years, and plan what needs to occur to ensure the necessary staff resources are in place when they are needed. This planning needs to contemplate Council's current service delivery model and its mix of day labour and contract labour.

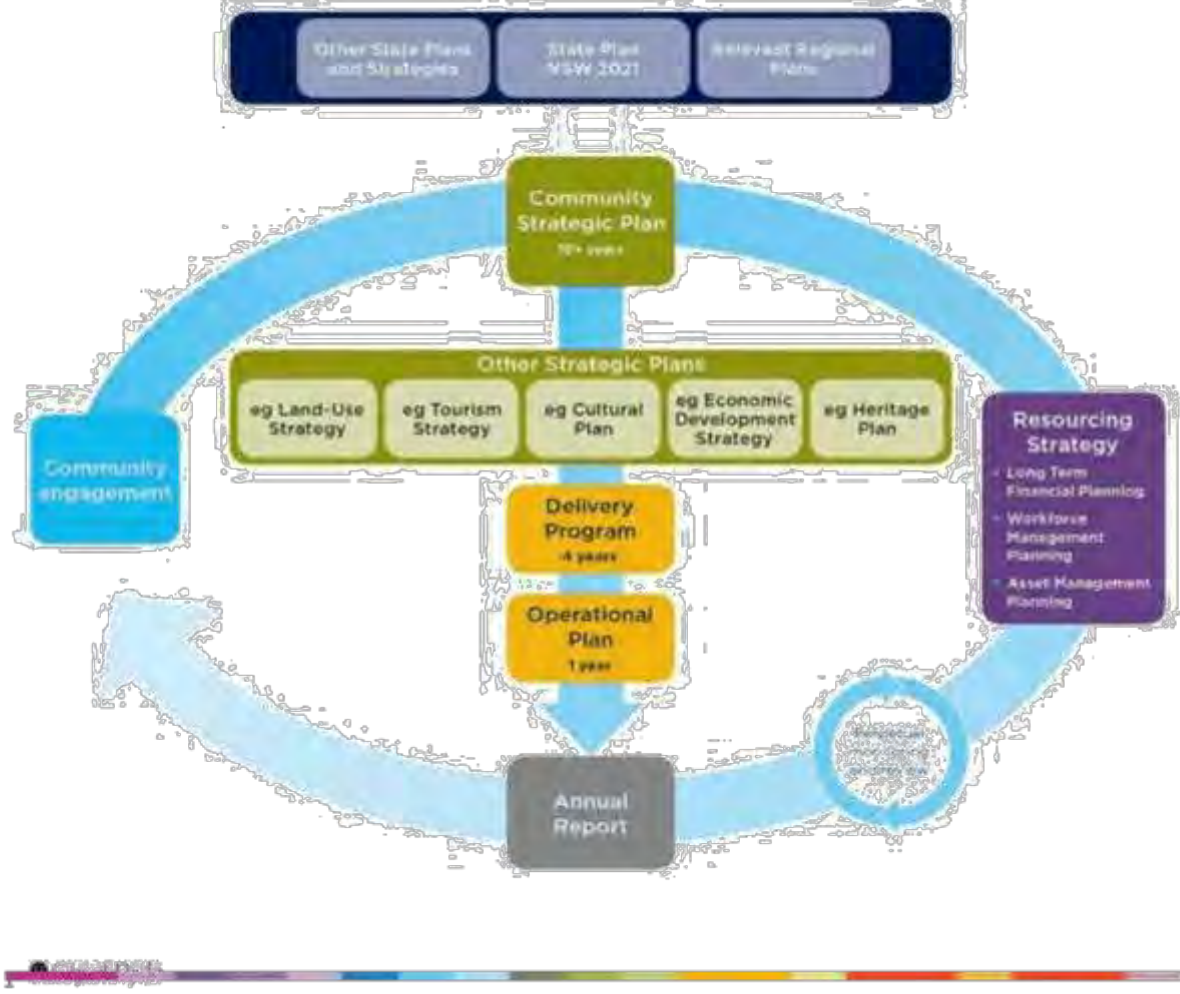
Having a Workforce Plan is a legislative requirement of the New South Wales Government's Integrated Planning and Reporting Framework. More importantly, a Workforce Plan is good business practice and has the potential to shape positive outcomes for all employees of the City of Ryde.

The diagram over the page (from the NSW Department of Premier and Cabinet's Integrated Planning and Reporting Guidelines) demonstrates the linkages between Council's Resourcing Strategy, the Community Strategic Plan and Council's Delivery Plan and Operational Plan.

Note: Council has added a fourth Resourcing Plan to its Resource Strategy – an Information and Communications Technology Plan. As outlined in each of the four documents comprising City of Ryde's Resourcing Strategy, continual review of these plans will be required to ensure the direction of Council is meeting the aspirations of our community and that these services are delivered in a manner that provides 'best value' returns to its customers.

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3. What Influences the Development of the Workforce Plan?

Lifestyle and opportunity @ your doorstep is the overall objective of the City of Ryde's Community Strategic Plan. This is the driving document behind the Workforce Plan and all other Council plans. The Community Strategic Plan has been developed in partnership with the community to identify the City of Ryde's community aspirations and priorities for the next ten years and beyond. In addition, the plan is influenced by Federal and State Plans where they impact the city.

To successfully implement the Community Strategic Plan over the long term, Council must use the best mix of the resources: its people, assets, technology and funds, in an efficient and financially sustainable manner. In addition to the Workforce Plan, Council has three other resourcing strategies, the Asset Management Plan (and Sub Plans) which sets out how it will manage its assets, the Information and Communications Technology Plan which sets out how technology will enable for efficient and effective services, and the Long Term Financial Plan which outlines the financial projections and resources required and how those resources will be used. All these plans must work together if we are to implement the Community Strategic Plan and achieve the city's aspirations.

Council's Delivery Program flows from these plans and sets out what the City of Ryde will do to progress the priorities in the Community Strategic Plan over the next four years.

From a workforce perspective, the following diagram demonstrates how these plans inform and influence each other. The Workforce Plan draws on information from these plans and assesses internal and external workforce influences, such as labour supply and demand, to shape the type, size and skill set of Council's workforce. The right workforce is a critical element to delivering each of these plans.



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3.1 How does this plan relate to other Council plans and strategies?

The Workforce Plan is also responsible for providing the right workforce at the right time to activate specific strategies and plans. Without the appropriate mix of staff resources to implement these plans, Council will have to rely on external partners and the community in general, or there is potential that these strategies will fail through lack of adequate delivery mechanisms.

3.2 How was the City of Ryde Workforce Plan developed?

In developing a Workforce Plan, Council must consider a number of questions such as:

- What can Council do to deliver the community aspirations?
- What will be the impact of growth over the next ten years?
- How will State plans and policies impact Council's workforce?
- What are the community's expectations for the quantity and quality of Council projects, services and programs?
- Are there community demands to change services, add new services or programs or stop delivering some services?
- How can Council best use and look after its assets to enable programs and services to be delivered?
- How will Council resource the projects, services and programs desired by the community?
- What staff resources are currently used to deliver these projects, programs and services?
- What staff resources and particular skills will be required to deliver future projects, programs and services?
- Where are the current resource gaps?
- What are the internal and external barriers to resolving these gaps?
- What strategies can Council adopt and what actions must it take to ensure City of Ryde attracts and retains the right workforce to deliver the community's aspirations?



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3.3 Assumptions

In the next ten years a lot could happen in global, national and state economies. Changes can occur locally as external factors influence local priorities. The community's aspirations and priorities may also change over time. In order to project future resource requirements, Council has had to make assumptions about what is likely to impact on the workforce over the next ten years. Key assumptions are as follows:

Assumption	Commentary
Growth	By 2028 the city's population will increase by approximately 30,000 to 156,000. This population growth is expected to be evenly spread over the next ten years (3,000 new residents per year). There will be more than 12,000 additional dwellings built over the next ten years.
Services	Services and service levels will remain largely the same (unless otherwise identified).
Efficiencies	Council will continually investigate and adopt service delivery, technology and process efficiencies to manage workforce growth.
Strategic direction	The Outcomes, Directions and Priorities in the Community Strategic Plan are unlikely to change significantly over time.
Infrastructure	Council will continue its increased investment in infrastructure asset renewal and maintenance. Furthermore, Council will be taking ownership and operational responsibility for an additional \$400 million of new assets over the next ten years, as identified in the new Section 94 Plan.
Merger	The proposed merger of City of Ryde, Hunters Hill and Lane Cove is unlikely to proceed.
Service Delivery Model	Council will continue to have a mix of in-house staff and contract staff in delivering its services and projects.



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3.4 Scenarios and Priorities

Following are the descriptions and approaches of the proposed three scenarios for the City of Ryde LTFP:

- **Scenario 1** - the Base Case - is predicated on existing services remaining largely the same over the next ten years, a primary reliance on developer and Internal reserve funded capital works and the ongoing SRV income stream funding the renewal of existing assets. No additional provision in the full time equivalent workforce is required.
- **Scenario 2** – Projected Growth A - provides for a projected growth of an additional 30,000 population. This is predicated on available data indicating an additional population of 30,000 by 2027 with a direct correlation between population growth and service provision (both capital and operating). This Scenario incorporates an efficiency dividend principally the result of Council's focus on long term financial sustainability and the opportunities that are likely to transpire through economies of scale, asset optimisation and the use of technology.
- **Scenario 3** – Projected Growth B - provides for a projected growth of an additional 25,000 population This prediction is made on the assumption that the additional population will transpire at a slightly slower rate than Scenario 2 but still incorporates an efficiency dividend principally the result of Council's focus on long term financial sustainability and the opportunities that are likely to transpire through economies of scale, asset optimisation and the use of technology.

3.5 Implementation, Monitoring and Review

The Human Resources Department is responsible for coordinating the implementation of the Workforce Plan. A four year list of priorities is developed, and funding is allocated through the Delivery Plan and annual budget processes respectively.

The Impact of the strategies and actions outlined in this plan are monitored and reported through the Delivery Plan. These performance indicators are also summarised later in this Plan.

As a minimum, the Workforce Plan will be subject to a major review every four years. The Council's employment environment is constantly changing and evolving, being shaped by external factors such as legislative change, the employment market and budget allocations. Accordingly, this plan needs to be a living document and, notwithstanding the scheduled major review, the plan will be amended as required, and reviewed annually to reflect changing workforce, community and Council priorities.



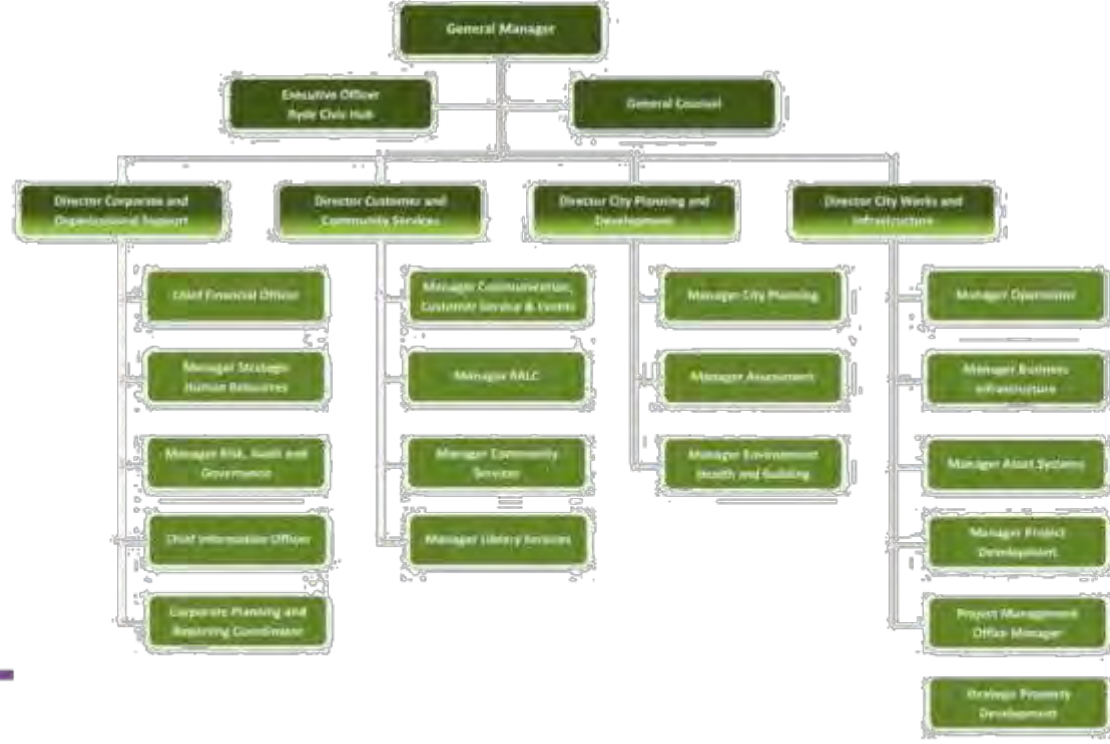
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4. Our Current Workforce

4.1 Council Organisational Chart

The City of Ryde's organisational management structure is divided into four Directorates reporting to the General Manager. This four Directorate structure is typical of councils of this size. Each Directorate has a number of direct manager reports as outlined below.



ITEM 3 (continued)

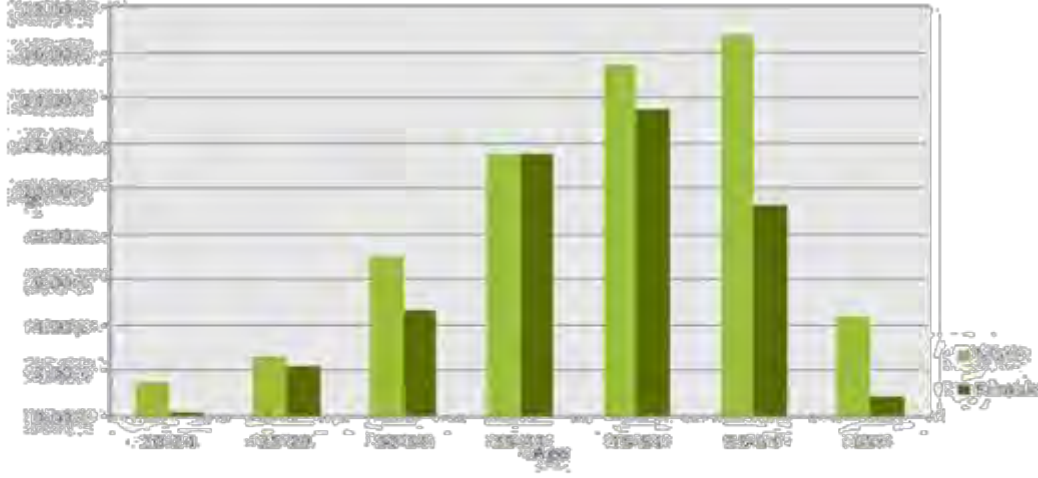
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4.2 Workforce Demographics

The City of Ryde's current workforce:

- In March 2017, Council employed 451 full-time equivalent staff (FTE) but had an approved budgeted FTE of 514 (a difference of 63 FTE).
- Many of the vacant 63 FTE have been filled by agency or short term contract personnel.
- The total number of budgeted FTE positions has increased by 32.25 FTE positions over the last five years, an average increase of 1.3% per annum.
- Most of the increased FTE positions were the result of a restructure in 2014/15 and an approved Special Rate Variation which meant additional staff could be recruited to undertake the necessary infrastructure asset renewal works.
- The City of Ryde employs approximately 3.9 full time employees for every 1,000 residents. This is lower than its neighbours Hunters Hill (4.2) and Lane Cove (5.4) and the Industry standard of 8.2.
- The city's workforce is predominantly male, and this proportion has grown over the last seven years, from 50% male in 2010 to 59% in 2017.
- Employee costs are approximately 32% of total expenses which compares favourably to an industry standard of 38%.
- With a staff turnover of 13.8%, the City of Ryde is typical of most local authorities.

Figure 1 Employees by age and gender as at March 2017



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Figure 2 Employment type as at March 2017

The following graph highlights the distribution of Council's Employment Type.



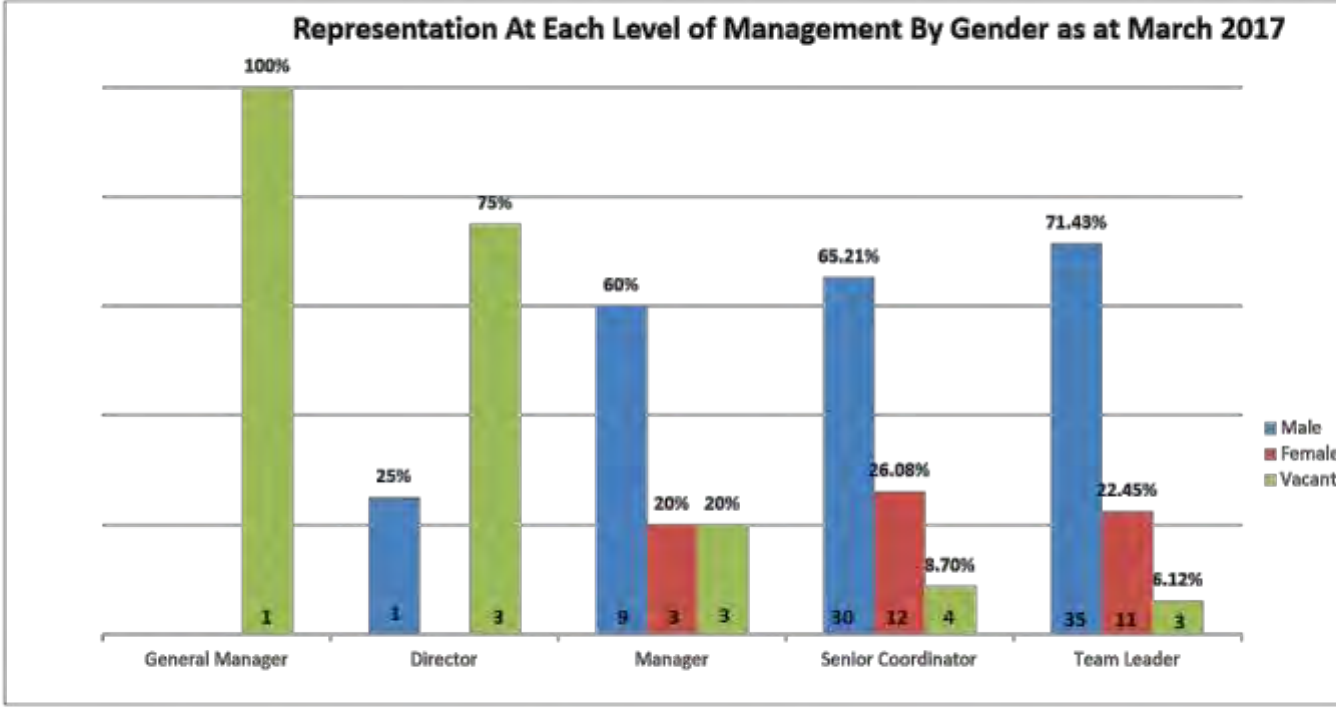
As evidenced by the graph above, the City of Ryde relies heavily on Casuals to supplement its full-time equivalent work force, particularly in areas such the Ryde Aquatic Leisure Centre, Library branches and Community Services (Immunisation) where the service offering is unique and best served by a casual workforce.



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Figure 3 Gender representation as at March 2017



Note: The information contained in the graph above pertains to staff in their substantive roles only.

The graph above highlights a gender imbalance amongst positions of Team Leader and above in Council's organisation structure. There are 75 males employed in Team Leader and above positions compared to 26 females (or approximately 3 males to 1 female). Whilst this is consistent with industry trends there may be opportunities to explore the attraction of more women in to local government management roles.

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Table 1 FTE numbers by Directorate and Department as at 1 July 2017

Directorate	Department	Approved FTE
General Manager	GM's Unit	4.0
	Sub-Total	4.0
Corporate and Organisational Services	Office of the Corporate and Organisational Support Services	5.0
	Finance	18.0
	Strategic Human Resources	10.0
	Risk, Audit and Governance	10.6
	Information Systems	21.0
	Sub-total	64.6
Customer and Community Services	Office of the Director Customer and Community Services	7.60
	Communication, Customer Service Events	34.77
	Community Services	27.87
	Library Services	46.41
	Ryde Aquatic Leisure Centre	23.37
	Sub-total	135.02
City Planning and Development	Office of the Director City Planning and Development	3.00
	City Planning	19.72
	Assessment	19.69

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Directorate	Department	Approved FTE
	Environment, Health and Building	23.60
	Sub-total	66.02
City Works and Infrastructure		
	Office of the Director City Works and Infrastructure	3.00
	Asset Systems	26.0
	Project Development	23.0
	Business Infrastructure	28.4
	Operations	164.0
	Sub-total	244.40
	Total	514.08

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5. External Influences on the Workforce

5.1 Workforce profile and trends

Local Government is a unique employment sector offering diverse and challenging career opportunities across a broad spectrum of skill sets. However, the sector is confronted with a changing workforce and must evolve and develop strategies to manage challenges such as an ageing workforce, skill shortages and a relatively poor perception of the local government career path.

While challenges such as an ageing workforce are not isolated to local government and are indeed a global issue, strong consideration must be given to planning and preparing for the future workforce.

The local government sector is progressively acknowledging and embracing the benefits of workforce planning as an effective measure to anticipate and address labour requirements and skill shortages. This is evidenced within the 2012-13 ACELG Workforce Survey, indicating that over 85% of local governments surveyed had either implemented a plan, or were in the process of developing one at the time of the survey. It should be noted that while workforce planning is mandatory in both NSW and WA, the results were consistent for local governments in the non-mandatory states of Victoria and Queensland.

Councils that take a proactive and long-term approach to retaining, attracting and developing a skilled workforce will be more sustainable in an increasingly competitive labour environment. Undertaking the appropriate planning and investment will ensure the sector remains well-resourced and can continue to deliver a diverse suite of services while maintaining the communities high level of expectation.

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5.2 Local environment and emerging trends

The NSW local government sector consists of approximately 45,000 full time equivalent employees with many regional councils being the town's single largest employer. While there is great diversity in the size and function of councils across NSW, each is forced to manage similar workforce challenges regardless of their location. Research undertaken as part of the NSW Local Government Workforce Strategy in 2015 indicates that these challenges included, in order of significance:

1. Ageing workforce
2. Uncertainty due to possible future local government reforms
3. Skills shortages in professional areas
4. Limitations in leadership capability
5. Gender imbalance in senior roles
6. Lack of skills and experience in workforce planning
7. Lack of workforce trend data
8. Difficulty in recruiting staff
9. Resistance to more flexible work practices
10. Lack of cultural diversity



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5.3 Ageing workforce

The challenge of managing an ageing workforce is confronting many industries around the world and is particularly evident in the local government sector. Census data indicates the local government workforce is, on average, older than other government and industry sectors, suggesting that significant numbers of local government employees will approach retirement within the same time period. This has the potential to cause issues relating to knowledge retention, recruitment and replacement.

- 37% of the local government workforce is aged 50 years or over, compared to the national average of 27%
- The proportion of local government employees aged less than 35 years old is much lower than the national average
- On average, male employees are older than female employees
- 41% of the men working in local government are aged 50 years or more, compared to just 32% of women

Impacts on local government

- More of the workforce will retire, taking with them experience, knowledge and expertise
- More staff will take long service leave
- Older employees may elect to move to part-time work and a phased retirement
- Lengthening timeframes until retirement may influence employee behaviours
- An older workforce may lead to more health and wellbeing issues and increased use of sick leave
- Accommodating an older workforce may require new temporary or job share positions to cover leave, sickness and retirement
- Strategies to encourage young workers to consider careers in Local Government will be needed

5.4 Skills shortages

The following areas are currently identified on both the NSW and national skill shortage list by the Department of Employment and have the potential to impact directly on the delivery of a council's core services:

- Civil engineering professionals
- Building surveyors
- Diesel and motor mechanics

Demand for workers is increasing across all areas and there is a need to recruit a wide variety of skilled and semi-skilled labour to fully resource local government's requirements. The NSW Local Government Workforce Strategy recommends Councils continue to invest in entry-level tertiary and vocational programs to address skills shortages in the future.

In addition, the strategy highlights the importance of developing strategies designed to anticipate future skill requirements in collaboration with education and training providers such as TAFE NSW.



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Impacts on local government

- Having less qualified staff filling essential roles will increase risk profile
- More creative and flexible recruitment and retention strategies will be required
- Recruiting costs will increase
- Market salaries will rise
- Organisational relativity will need to be maintained
- Strategies will be needed to cover longer term vacancies, including outsourcing
- Strategies to encourage young workers to join Local Government will be needed
- Possible service level reviews and demand management will be required, where practical

5.5 Recruitment and retention

Local government needs to be responsive to the needs and desires of its current and potential workforce in order to effectively compete for skilled and talented employees. While perhaps not reality, the perception and image of local government as a chosen career pathway is often acknowledged as a weakness to attracting youthful, skilled staff. The Local Government Workforce Strategy recommends the sector leverages more effectively of its ability to offer a flexible, diverse workplace, and encourages Councils to become more adept at positioning themselves as an attractive career option for prospective and existing employees.

Providing workplace flexibility promotes healthy work patterns that enable the retention of older workers and improves the quality of life for all employees. It is especially important as a strategy for attracting workers faced with managing the high cost of living in metropolitan areas, part-time study or transitioning to retirement. New ways of working flexibly and sustainably can include job sharing, flexible working hours, compressed working weeks, part-time work and working from home.

Impacts on local government

- Flexible employment options will be required
- Systems and processes will need to allow for different employment types in the workforce
- Technology access will need to increase for a larger workforce



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5.6 Technology

The introduction of new technologies to improve service delivery and productivity will continue to impact the local government workforce through the need to recruit staff with emerging skill sets and qualifications. In addition, new strategies are required for up-skilling and training existing staff to ensure councils remain at the forefront of technological advances. Research suggests that while this is important for productivity it should be considered a mechanism for competing with other sectors for skilled staff. Without embracing and including modern technology within a council's service delivery models, prospective and current staff will be inclined to seek alternative employment where their skills are recognised and adequately remunerated.

Technological advances in data sharing and remote workstations will also provide councils with the opportunity to collaborate and reduce labour costs as resources are more easily shared. For example, the procurement processes of local government can be shared across a number of Councils to reduce the reliance on human resources within each organisation.

Impacts on local government

- Changes to service delivery models and operational practices
- Emerging technologies will require new skills and qualifications
- Expectations on availability and access to staff
- Increased expectations that technology will be harnessed to enable staff to work remotely

5.7 Legislative change

While the reform agenda of the government of the day is difficult to forecast it is likely to be a constant in the local government landscape. Change to jurisdictions, workforce structures and service delivery models will impact on job security and therefore recruitment processes due to a lack of stability within an organisation. Recent NSW council amalgamations are evidence of this, placing significant structural change on the local government workforce in both small and large communities with varying degrees of success.

Impacts on local government

- Strategies to manage change and maintain a positive workplace culture will require a strong emphasis and focus
- More training and investment in equipping staff to cope with the change and acquire new skills sets
- Staff numbers and responsibilities may change
- New services may see other services and service levels reduce
- Strategies to build and retain corporate knowledge will be required



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6. Internal Influences on the Workforce



6.1 Local Issues and Challenges

The City of Ryde is facing a number current challenges recruiting and retaining its workforce.

1. A recurring recruitment issue is the lack of experienced candidates for key positions.
2. The current salary progression policy is restrictive and seen as a barrier to staff retention.
3. The salary bands for some professional positions (such as Civil Engineer, Town Planner etc) may need re-evaluation to meet the market salaries to be able to recruit and retain staff.
4. The proposed merger with Hunters Hill and Lane Cove makes it difficult to attract and retain staff due to the uncertainty of employment tenure (despite a required three year protection for non-contract staff). The proposed merger has created a high level of insecurity and resulted in some staff moving to more secure working environments.
5. The location at North Ryde is commonly reported as a barrier to attracting staff. Traffic congestion, poor public transport, the proposed North Ryde Train Station closure for two years as well as the lack of parking are all reported as factors which discourage job applicants from outside the immediate locality.
6. The local government 'brand' as an employer is not seen as attractive, particularly to younger workers. Local government is sometimes perceived as conservative and bureaucratic which, when coupled with the uncertainty generated by the New South Wales reforms over the past three years, has impacted on its perception as a desirable employer.
7. Given these challenges, Council is failing to attract applicants in sufficient numbers and of sufficient quality to make appropriate selection decisions for many roles.



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6.2 Recent Recruitment Experiences

Over the last 12 months, as a result of poor quality and/or the lack of applications received, the following positions have had to be re-advertised or placed on-hold:

- Senior Coordinator IT Applications
- Senior Coordinator Events
- Senior Stormwater and Environmental Engineer
- Senior Town Planner
- Program Delivery Manager
- Community and Cultural Buildings Facilitator
- Programs Librarian
- Supervisor Information and Records Management
- Customer Service Officer
- Human Resources Advisor
- Arborist
- Leading Hand Civil Construction

As a result of the challenge in recruiting appropriate staff, the Council has found it necessary to use recruitment agencies to secure both permanent and temporary roles.

Specific workforce issues and challenges have been identified by department managers and are noted in Table 3. These are the major issues that managers consider likely to have an impact on their department's ability to perform its existing functions with the current workforce and when a change is likely to be needed, to either:

- Reduce an existing service level gap
- Maintain current levels of service
- Respond to a specific issue, e.g. a new legislative requirement, trend or technological change etc.



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Table 2 Current Workforce Issues by Department

Function Area	Changes / Issues
General Manager	
Executive Services	
Corporate and Regulatory Services	
Finance	<ul style="list-style-type: none"> - Low staff resourcing levels - Uncertainty in the local government environment relating to amalgamations - Workload pressure
Strategic Human Resources	<ul style="list-style-type: none"> - Highly competitive market for recruitment - Workload pressure
Risk, Audit and Governance	<ul style="list-style-type: none"> - Ageing workforce - Short term contracts - Structural change
Information Systems	<ul style="list-style-type: none"> - Low staff resourcing levels - Competitive market for recruitment - Staff attraction and retention, often due to salary competitiveness - Workload pressure
Customer and Community Services	
Communication, Customer Service Events	<ul style="list-style-type: none"> - High turnover rates - Staff attraction and retention - Ageing workforce - Uncertainty in the local government environment relating to amalgamations
Community Services	<ul style="list-style-type: none"> - Low staff resourcing levels - Maintaining satisfactory levels of service with ageing assets - Staff attraction and retention, often due to office location - Uncertainty in the local government environment relating to amalgamations



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Function Area	Changes / Issues
Library Services	<ul style="list-style-type: none"> - Maintaining consistent levels of service across multiple sites, primarily due to high numbers of part-time staff - Low staff resourcing levels - Transition to technology based workforce
Ryde Aquatic Leisure Centre	<ul style="list-style-type: none"> - Staff retention - Maintaining satisfactory levels of service with dated technology and ageing facility
City Planning and Assessment	
City Planning	<ul style="list-style-type: none"> - Low staff resourcing levels, specifically in the LIS/GIS team - Staff attraction and retention - Uncertainty in the local government environment relating to amalgamations
Assessment	<ul style="list-style-type: none"> - Low staff resourcing levels - Uncertainty in the local government environment relating to amalgamations - Introduction of new technology
Environment, Health and Building	<ul style="list-style-type: none"> - Staff attraction and retention, often due to salary competitiveness - Uncertainty in the local government environment relating to amalgamations - Maintaining satisfactory levels of service with dated technology
Construction and Infrastructure	
Asset Systems	<ul style="list-style-type: none"> - Ageing workforce - Competitive market for recruitment
Project Development	<ul style="list-style-type: none"> - Low staff resourcing levels - Highly competitive market for recruitment, specifically experienced staff - Uncertainty in the local government environment relating to amalgamations - Deficiency in FTE staff resulting in no training provision
Business Infrastructure	<ul style="list-style-type: none"> - retention, often due to salary competitiveness - Adapting service delivery models to maintain efficiency - Inefficient recruitment process leading to loss of productivity
Operations	<ul style="list-style-type: none"> - Ageing workforce - High turnover rates (10% p.a.) - Competitive market for recruitment

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7. Future Workforce Requirements



While the annual FTE numbers in Council's workforce and individual department teams can and will fluctuate, Council has considered three potential growth scenarios in the workforce as a result of both internal and external influences on the workforce.

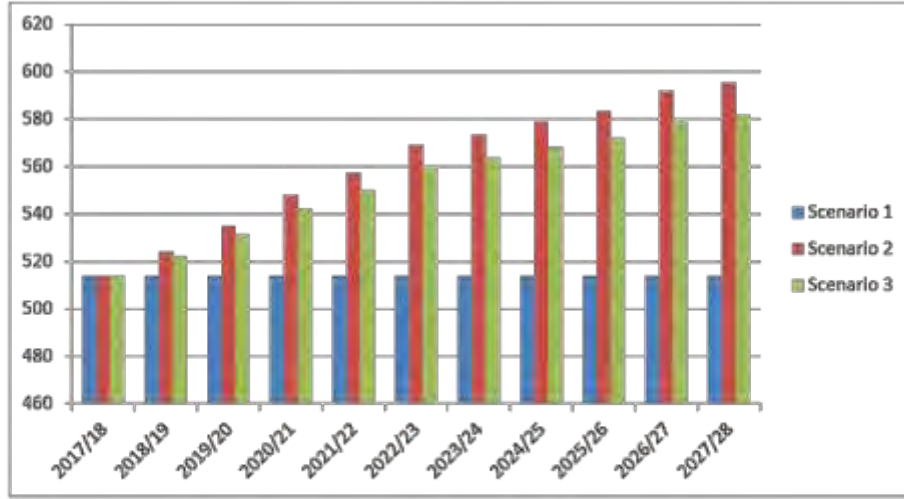
Scenario 1 maintains Council's workforce at current levels (514 FTE).

Scenario 2 allows for a growth in staff of an additional 81 FTE (equating to a total FTE of 595 in 2027/28) that are anticipated to be needed to serve a population growing to 156,000 in the next ten years.


Scenario 3 assumes that growth is more modest, reaching a population of 151,000 by 2028. Technology, economies of scale and asset optimisation will create staff efficiencies resulting in a lower FTE staff complement of an additional 68 FTE (equating to a total FTE of 582 in 2027/28).

This workforce growth for each scenario is shown in Figure 3 below

Figure 3 Projected Workforce Requirements 2017/18 – 2027/28 (FTE)



8. Funding scenarios and impacts on the workforce



Through the integrated planning and reporting process, Council has identified three possible scenarios or options that will determine its future service and work program and therefore its workforce requirements. These scenarios are as follows:

8.1 Scenario One - Base Case

Under the Base Case Scenario, the 2017-18 Salaries and Wages budget is inflated by wage movement assumptions and extrapolated out for an additional nine years. This does not allow for potential issues arising such as legislative change. It assumes increases in the population will be primarily resourced through efficiency gains rather increasing staff numbers. No additional staff are required to resource this option.

Adopting the Base Case is likely to result in a gradual decline in Council services and assets but does enable Council to meet the government's financial benchmarks.

8.2 Scenario Two – Projected Future Growth A (30,000 additional population by 2027/28)

This scenario applies the full known growth prediction. This includes assumptions for all the current known growth elements including 30,000 population increase over ten years and the associated growth in rates, fees and charges revenue and operating expenses; workforce plan increase in staff numbers to service growth; new assets (primarily the Section 94 Capital Works Program estimated at \$303m).

Like Scenario One, Scenario Two assumes that, by 2027 the population will increase from 126,000 to 156,000 and business will largely continue as usual, unless changes to service provision are known such as the new library proposed for Macquarie Park.

This scenario proposes Council's FTE staff will grow from 514 FTE in 2017/18 to 595 FTE in 2026/2027 (a total increase of 81 EFT over 10 years – an average of 1.6% growth per annum). Additional funding of approximately \$600,000 is provided under this scenario to support the implementation of the strategies in this Workforce Plan.

Scenario Two does enable Council to meet the government's financial benchmarks on the proviso that Council develops an Efficiency / Productivity Improvement Plan.

8.3 Scenario Three – Projected Future Growth B (25,000 additional population by 2027/28)

This Scenario applies a modified version of Scenario 2 whereby population is expected to increase at a more modest population growth rate of 25,000 over the next 10 years. The growth in rates, fees and charges, operating expenses, workforce plan staff numbers and new asset expenditure are all adjusted to align with the revised population.

This scenario proposes Council's FTE staff will grow from 514 FTE in 2017/18 to 582 FTE in 2026/27 (a total increase of 68 EFT over 10 years – an average of 1.3% growth per annum). Additional funding of approximately \$500,000 is provided under this scenario to support the implementation of the strategies in this Workforce Plan.

Scenario Three does enable Council to meet the government's financial benchmarks on the proviso that Council develops an Efficiency / Productivity Improvement Plan.

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8.4 Recommended Scenario

Scenario 3, a projected future population of 25,000 people over the next 10 years, is the Recommended Scenario from 2018/19 onwards.

Scenario 3 is considered the most realistic option as it contemplates an efficiency dividend predicated on Council's focus on long term financial sustainability and the opportunities that are likely to transpire through economies of scale, asset optimisation and the use of technology. Staff growth forecasts over the next 10 years (1.3% per annum) are consistent with actual growth that has occurred over the past 5 years on the back of Special Rate Variation funding and structural modifications which have assisted in the funding of new positions.

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9. Workforce Strategies and Implementation		
Council City Strategic Plan Division - Deliverables and Key Performance Indicators		
Workforce Strategies	Actions	When
Recruit, select and retain the right workforce to support Council's delivery program and ensure the long-term supply of skills and resources	Review existing Transition to Retirement Policy to ensure it provides sufficient flexible options for staff approaching retirement. Identify staff positions and commence discussions to extend time with Council.	2017/18
	Identify key staff and positions that create organisational risks in the event of the staff member leaving and develop tailored individual succession plans for each position.	2017/18 Ongoing
	Prepare position specific recruitment programs for difficult to recruit positions.	2017/18 Ongoing
	Explore Traineeships and the potential to partner with Tertiary Institutions with a view to adopting a Graduate and Internship Program for areas where there are projected skills shortages.	2017/18
	Investigate ways and means of developing our workforce to reflect (mirror) our community with a focus on diversity, disability inclusion and a more equitable gender balance in middle and senior management positions.	2017/18
Training and development of Council's workforce is strategically targeted to ensure Council has the right skills at the right time to implement its strategies, plans and programs	Adopt role specific or individual training and development plans to address skill shortages, emerging skill needs (i.e. mental health training) or emerging technologies.	2017/18 Ongoing
	Develop a Talent Management Strategy that includes Mentoring and Succession Planning for career development. This would identify Emerging Leaders and develop an appropriate Leadership / Professional Development Program.	2018/19
	Introduce a Leadership / Professional Development Program for the Leadership Team.	2017/18

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Council Strategic Plan Outcome - City of Ryde's Resilient Community		Delivery program
A responsible benefits and incentives program appropriately recognises and rewards staff, encourages productivity and supports staff retention	Investigate the concept of creating work hubs or a centralised workspace to provide staff with the ability to work together flexibly, closer to home. Investigate providing transport options that mitigate Council's location challenges.	2018/19
	Review, update and maintain the effectiveness of recognition and reward systems including the monitoring of Council's salary system against market conditions. Explore the potential of modifying the current salary system to include 'Grade Broad Banding' for difficult to recruit positions.	2018/19 Ongoing
	Continue to create and support a range of incentives including salary sacrificing and non-financial benefits such as flexible working arrangements.	2017/18 Ongoing
	Grow our existing Health and Wellbeing Programs.	2018/19 Ongoing
Workforce management strategies, plans and systems to ensure Council's workforce is supported to efficiently and effectively deliver all its responsibilities	Continue to review services (Best Value Review) to ensure they are effectively and efficiently resourced. Explore revenue opportunities to offset additional staff costs.	2018/19 Ongoing
	Identify technological opportunities that assist and/or automate manual processes or change the way we work and promote a culture that redesigns position descriptions accordingly. Deliver the technical skills required to adapt to new technologies in the workplace. Invest in mobile computing solutions to improve productivity.	2018/19 Ongoing
	Investigate ways and means of promoting existing and growing new Volunteers to help service the needs of the community.	2019/20
The City of Ryde's brand and culture attracts new employees and supports retain existing staff	Develop a marketing plan targeting the City of Ryde as an 'Employer of Choice' focused on attracting millennials through innovative practices, workplace flexibility, career progression plans and advanced technology. Engage with internal millennial staff to develop marketing initiatives and use testimonials to promote the City of Ryde.	2017/18
	Promote a collaborative and cooperative culture through engagement of staff in supporting and living our corporate values. Undertake organisational analysis through internal climate and staff engagement surveys to identify and support cultural change initiatives.	2017/18 Ongoing

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10. Measuring progress				
Service	Nature of performance measure	Level of service	Performance measure process	Performance target
Training and development	Effectiveness	Staff are well trained and receive appropriate professional development for their role	Staff feedback survey	Training \$ per employee x% participant satisfaction
	Efficiency		Percentage of in house training sessions	x% of training conducted in house
Recruitment, retention and selection	Efficiency	Council's recruitment, retention and selection process are efficient and effective	Length of time to recruit Staff turnover	x weeks from resignation date to offer of employment Less than 12% staff turnover per year
	Efficiency	Key roles within Council have agreed succession plans	Adopted succession plans	% of identified key roles with adopted succession plans
Benefits and Incentives	Effectiveness	Staff are satisfied with the range of employment benefits and incentives	Staff feedback survey	x% participant satisfaction
Others	Effectiveness	Staff culture reflects Council's values	Staff feedback survey – Have your Say Day	Participation rate
			Broader Employee Satisfaction Results	Positive trend

Related Plans

- Equal Employment Opportunity Plan
- Work Health and Safety Plan

ITEM 3 (continued)

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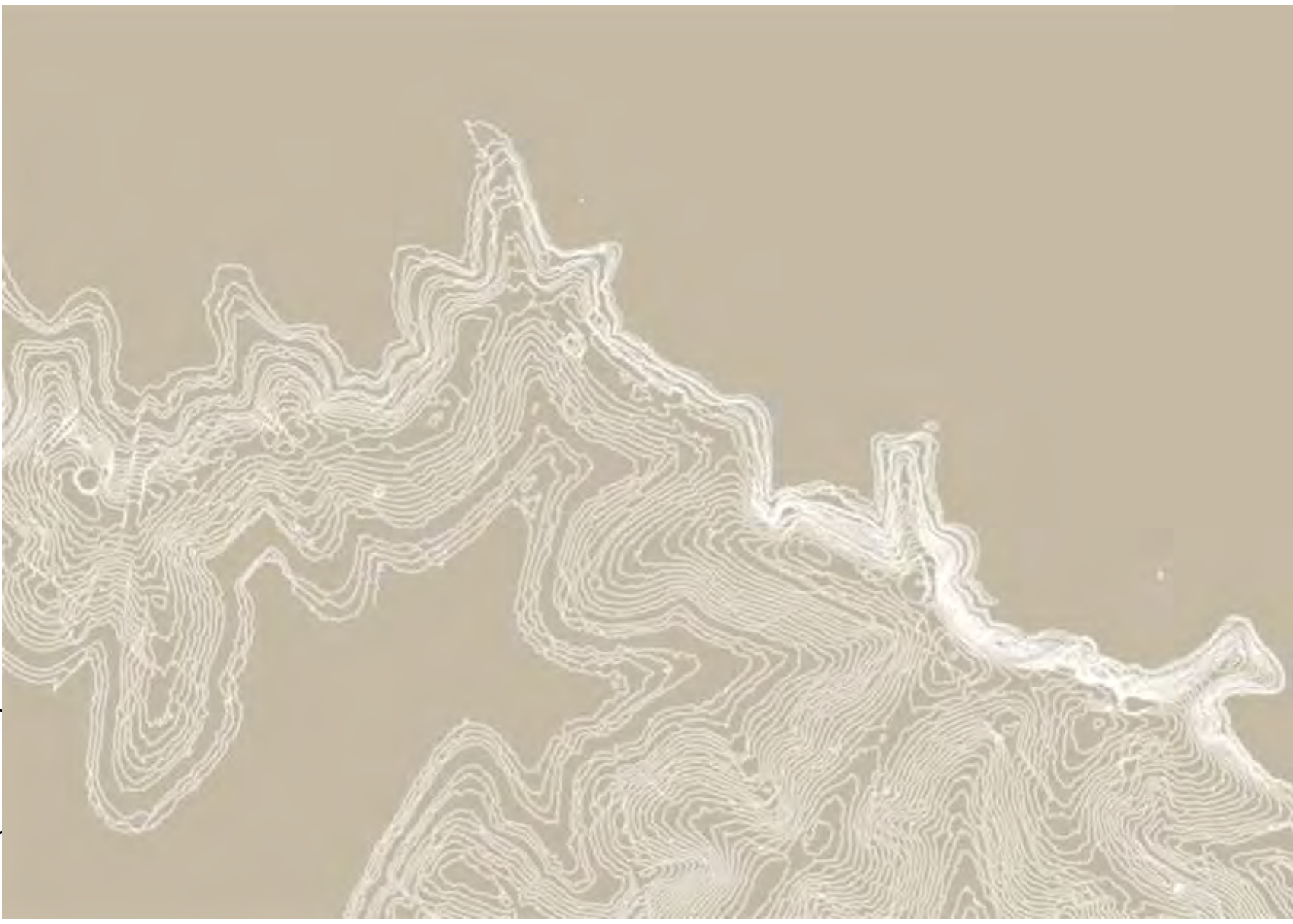


CITY OF RYDE Draft Asset Management Plan 2017- 2027

Outlining Council's approach to asset management and its financial requirements

ITEM 3 (continued)

ATTACHMENT 4



ITEM 3 (continued)

ATTACHMENT 4

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Introduction

Asset Management Planning

The City of Ryde's Asset Management Plan (AMP) identifies expenditure requirements with respect to the renewal and maintenance of all assets. The AMP interacts with the Long Term Financial Plan (LTFP), which is also part of the overall Resourcing Strategy, through the budgeting for the renewal, expansion, operating and maintenance costs, as described in the AMP, over the period of the LTFP (10 years). The LTFP interacts with the Delivery Plan, Operational Plan and Asset Management Plan, in budgeting costs based on the structure of each of these plans.

In addition to the AMP dealing with the assets directly, the needs for management of the assets includes staff resources for the data, systems and planning, as well as the delivery of works using an appropriate combination of contractors and Council's own staff.

Independent Review

In May and June 2017, the Asset Management Plan and associated Sub Plans underwent an independent review by consultants, Morrison Low. This review critiqued the plans, assessed whether the plans were compliant with the Office of Local Government guidelines and undertook financial modelling of Council's latest asset management data and information.

This version of the Asset Management Plan and Sub Plans incorporates a number of changes recommended by Morrison Low and also provides an Asset Management Improvement Plan (see page 15), noting these types of plans are evolutionary and should be refined to continuously improve both content and its integration with other resources plans such as the Long Term Financial Plan.

Importantly, the strong message from the Morrison Low review is that Council's infrastructure assets are benefitting from the Special Rate Variation (SRV) of 7% (over 4 years) approved by IPART in 2015, and applied since 1 July 2015.

In the two years since the SRV was approved, additional funding for infrastructure asset renewal purposes has seen an improvement in the condition of our network of infrastructure assets, with longer term trends looking equally as promising.

Asset Management Growth & Scenarios

Another important aspect of the independent review of Council's resource plans (including Asset Management Plans and Sub Plans) was the modelling of new assets (growth) that was undertaken.

The City of Ryde is expected to grow by as much as 30,000 people over the next 10 years, to a population of 156,000. With that increased population come new assets (in excess of \$300 million), many of which will be provided by Developers as part of their intended development. These new assets will need to be maintained and renewed over time. In modelling the potential impacts of growth, Council identified 3 Scenarios.

1. Scenario 1 – Base Case (a limited growth model but primarily based on historical trends)
2. Scenario 2 – Future Growth A (a full growth model of 30,000 additional people)
3. Scenario 3 – Future Growth B (a more modest / tempered growth model of 25,000 additional people)

The recommended option is Scenario 3 which assumes that the additional population will transpire at a more modest rate than Scenario 2 AND incorporates an efficiency dividend, principally the result of Council's focus on long term financial sustainability and the opportunities that are likely to transpire through economies of scale, asset optimisation and the use of technology.

Asset Management Indicators

There are 3 primary financial health indicators relating to asset management. They are

1. Buildings and Infrastructure Renewals Ratio
2. Asset Maintenance Ratio, and
3. Infrastructure Backlog Ratio

These 3 indicators are graphed on the following pages and indicate the City of Ryde is heading in the right direction with respect to the prudent long term investment in Council's network of infrastructure assets.

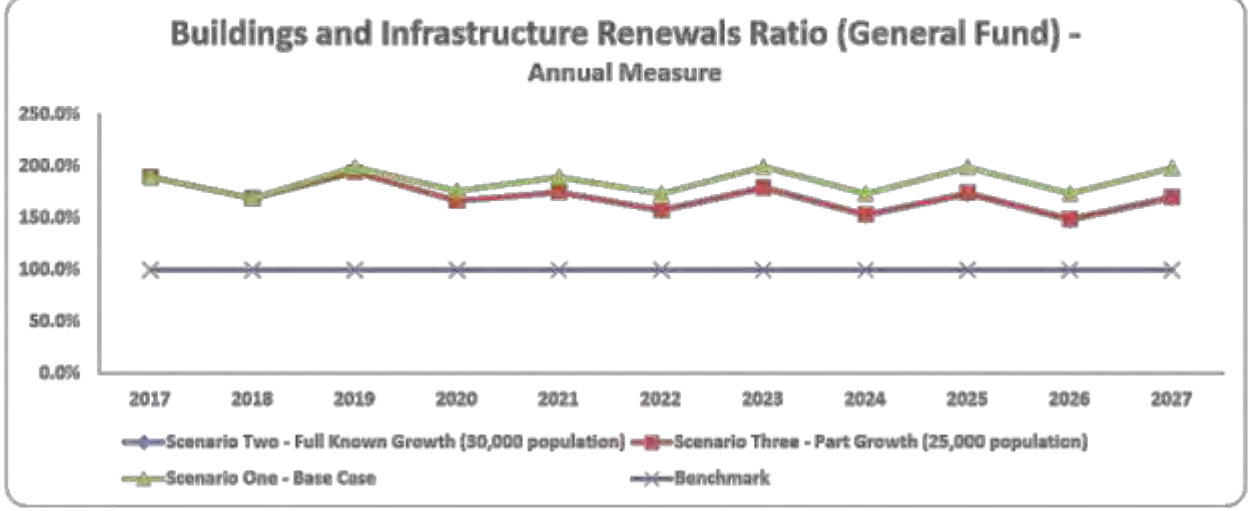
The overall Buildings and Infrastructure Renewals Ratio significantly exceeds benchmark and more than compensates for the under-expenditure in asset maintenance, giving rise to an overall Asset Maintenance Ratio which is slightly below benchmark.

Whilst the overall Backlog Ratio trends towards the benchmark figure of less than 2% by 2021, it rises slightly to 3% by 2027. The primary reason for this increase rests with the former Office Accommodation site at Top Ryde. Once a decision is made on its future, the backlog ratio can be addressed in a more deliberate and strategic manner and with a view to achieving benchmark long term.

Key Asset Management Graphs

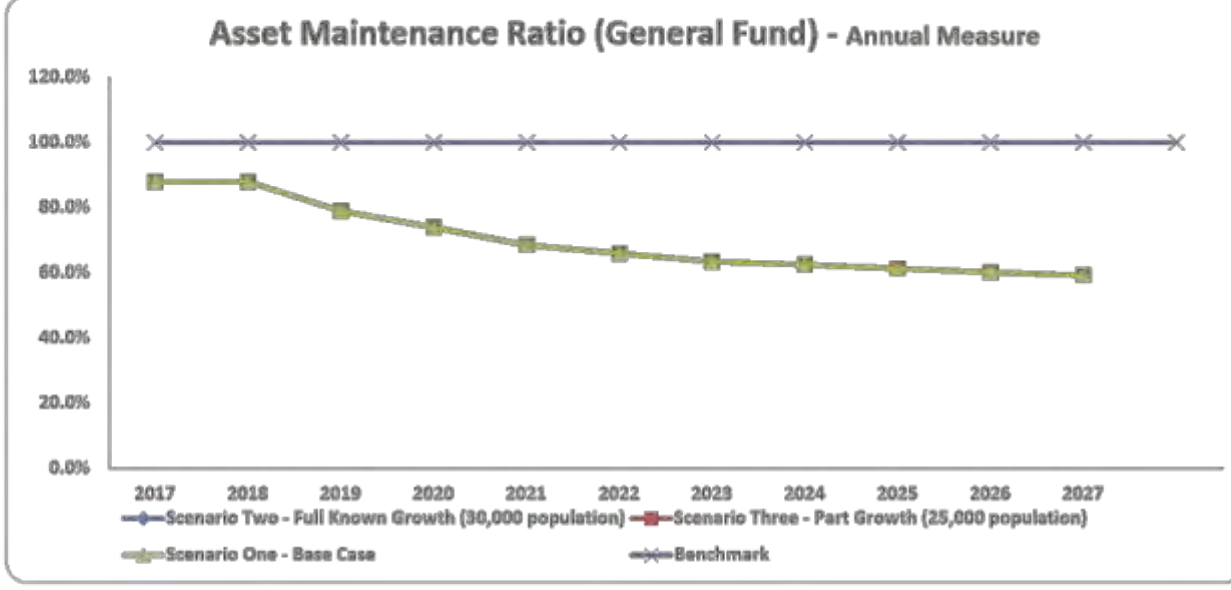
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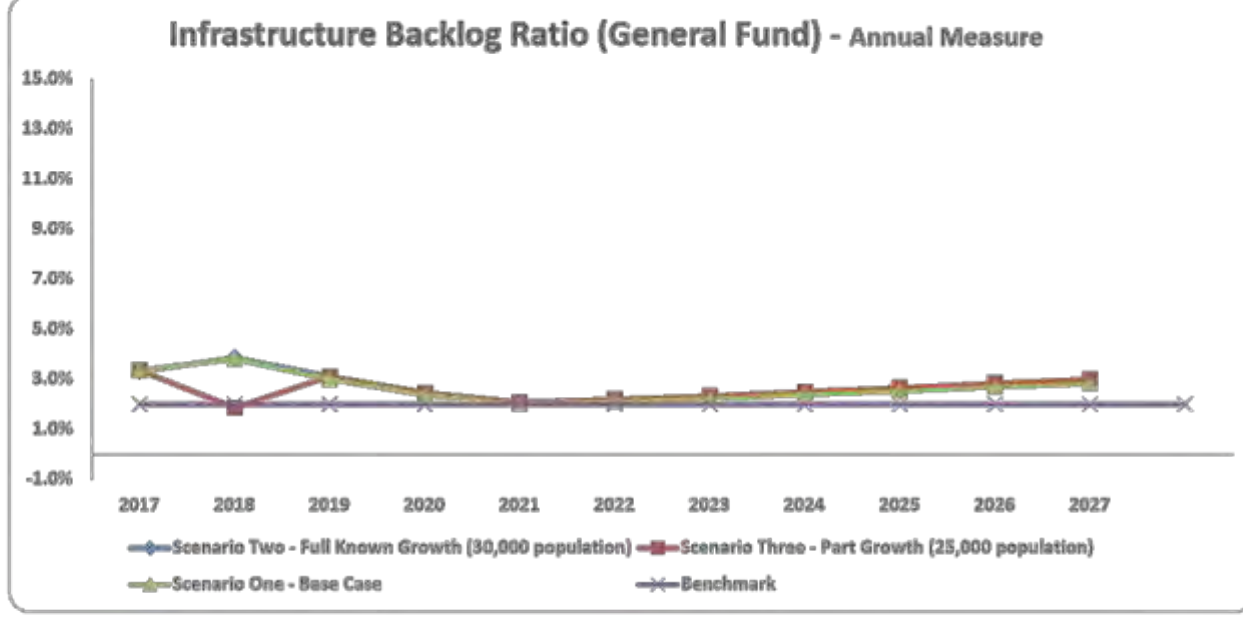
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Assets Link to Community Strategic Plan



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The table below indicates how Council's assets play a vital role in the delivery of the outcomes, goals and strategies as espoused in the Community Strategic Plan.

Goals	Strategy	Buildings	Library and Cultural	Parks and Recreation	Play spaces and Sporting Fields	Roads	Roadside and Public Spaces	Aquatic Centres	Storm water	Traffic Control Facilities	Corporate Assets
City of Liveable Neighbourhoods											
Goal One: All residents enjoy living in clean, safe, friendly and vibrant neighbourhoods.	To create welcoming neighbourhoods that are living, safe and enjoyable.			✓	✓	✓	✓	✓			
	To collaborate with our partners to increase social and recreational opportunities in our neighbourhoods.			✓	✓		✓	✓			
Goal Two: Our community has a strong sense of identity in their neighbourhoods and is actively engaged in shaping them.	To plan and design our neighbourhoods in response to our community's needs, wants and sense of belonging.		✓	✓	✓		✓	✓	✓		
	To encourage and support local identity and character in our suburbs and neighbourhoods and protect our local heritage.		✓	✓	✓		✓				
Goal Three: Our neighbourhoods thrive and grow through sustainable design, planning and regulation that support community needs.	To design our city to reflect the unique character, identity and housing needs of our community.	✓	✓	✓	✓	✓	✓		✓	✓	
	To create active public spaces and streets through good planning and design.	✓	✓	✓	✓	✓	✓	✓		✓	
A City of Wellbeing											
Goal One: Our residents are encouraged and supported to live healthy and active lives.	To offer a range of cultural, sport, recreational and leisure facilities to meet the needs of all.	✓	✓	✓	✓	✓	✓	✓			
	To provide a variety of activities that encourage social interaction and stimulate every day well-being.	✓	✓	✓	✓	✓	✓	✓			
Goal Two: All residents feel supported and cared for in their community through the provision of ample services and facilities.	To provide services and facilities that meet the needs and challenges of all our community, throughout the cycles of their life.	✓	✓	✓	✓	✓	✓	✓			✓
	To collaborate with our partners to offer the whole community a range of quality services and facilities.	✓	✓	✓	✓	✓	✓	✓	✓	✓	
Goal Three: Residents feel secure and included in an environment where they can connect socially and are supported by their neighbours.	To encourage a healthy, happy, inclusive and active community where neighbours look out for each other.		✓	✓	✓	✓	✓	✓			
	To provide safe community spaces and places for people to meet and get to know each other.	✓	✓	✓	✓	✓	✓	✓			

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Goals	Strategy	Buildings	Library and Cultural	Parks and Recreation	Play spaces and Sporting Fields	Roads	Roadside and Public Spaces	Aquatic Centre	Storm water	Traffic Control Facilities	Cognitive Assets
A City of Prosperity											
Goal One: Our Community and businesses across the city flourish and prosper in an environment of innovation, progression and economic growth.	To work with relevant partners to share our brand, provide facilities and services to attract and retain local business in our city.	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Goal Two: Our city is well designed and planned to encourage new investment, local jobs and business opportunities.	To respond in our planning, now and in the future, to global and metropolitan trends.	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
	To provide innovative and integrated solutions to locate jobs, transport and housing together, to reduce time and travel costs and improve amenity.	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Goal Three: Macquarie Park is recognised globally and locally as an innovative innovation and technology hub.	To brand, design and activate Macquarie Park as a distinctive, attractive and sustainable high technology centre of regional excellence.			✓	✓	✓	✓			✓	
	To take a leadership role to streamline movement to, from, through and within Macquarie Park.			✓	✓	✓	✓		✓	✓	
	To optimise and promote Macquarie Park's distinctive qualities, to attract and create new and ongoing investment, existing business to contribute to the Ryde community.			✓	✓	✓	✓		✓	✓	
A City of Prosperity											
	To lead by example and demonstrate environmental sensitivity in all that we do.	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Goal Three: As we grow, we protect and enhance the natural and built environments for future enjoyment and manage any impacts of climate change.	To work collaboratively with neighbouring councils to develop measures to protect our natural environment and bio-diversity.			✓	✓						

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Goals	Strategy	Buildings	Library and Cultural	Parks and Reserve	Play spaces and Sporting Fields	Results	Roadside and Public Spaces	Aquatic Centre	Moore water	Traffic Control Facilities	Corporate Assets
City of Environmental Sensitivity											
Goal One: Our residents, visitors and workers are able to easily and safely travel on public transport, from and within the City of Ryde.	To improve transport connections between our centres, neighbourhoods and workplaces, that are accessible and safe.					✓	✓		✓	✓	
	To encourage the use of environmentally friendly transport options.					✓	✓			✓	
Goal Two: Our community has the option to safely and conveniently drive, park, cycle or walk around their city.	To improve connectivity between and accessibility to our suburbs, centres, open spaces and plazas.					✓	✓			✓	
	To improve car parking options in our business centres.	✓	✓	✓	✓	✓	✓	✓		✓	✓
	To influence decision makers so they respond to our major road, cycle and pathway needs.					✓	✓			✓	
Goal Three: Our residents, visitors, workers and businesses are able to communicate locally and globally.	To create publicly available spaces that offer access to communication technologies.	✓	✓								
City of Harmony and Culture											
Goal One: Our residents are proud of their diverse community, celebrating their similarities and differences.	To provide activities and opportunities for people to share and celebrate their unique cultures.	✓	✓	✓	✓		✓	✓			
	To bring people together in their local neighbourhoods to encourage interaction and belonging.	✓	✓	✓	✓		✓	✓	✓		
	To create a distinct local identity built on our city's character and cultural heritage.	✓	✓	✓	✓						✓
Goal Two: People living in and visiting our city have access to an inclusive and diverse range of vibrant community and cultural places and spaces.	To create and activate diverse cultural spaces and places for people to come together.	✓	✓	✓	✓		✓	✓			
Goal Three: Our community is able to learn and grow through a wealth of art, culture and lifelong learning opportunities.	To provide a diversity of art, heritage, cultural and learning activities and opportunities in our city.	✓	✓	✓	✓		✓	✓			

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ATTACHMENT 4

Goals	Strategy	Buildings	Library and Cultural	Parks and Reserves	Play spaces and Sporting Fields	Roads	Roadside and Public Spaces	Aquatic Centre	Storm water	Traffic Control Facilities	Corporate Assets
City of Progressive Leadership											
Goal One: To be responsive to the changing needs of our community.	To be responsive to the changing needs of our community.	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Goal Two: The City of Ryde will deliver value for money services for our community and our customers.	To optimise value for money and deliver responsible spending across all of our services.	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
	To use knowledge and foresight to strategically plan and deliver services to meet the changing needs of our city.	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓

ITEM 3 (continued)

ATTACHMENT 4

Asset Management Improvement Plan

As part of the recent independent review and an ongoing commitment to asset management within the organisation, each asset class has a number of improvement tasks which have been prioritised and, as each task is actioned, Council's capability and capacity for improved management of assets will be enhanced. Below are the priority actions which will lead to improved management of Council's assets as a whole.

High Priorities are expected to be delivered within 2 years, Medium Priorities between 2-5 years, and Low Priorities between 5-10 years.

Task	Deliverable	Asset Category GAP Analysis	Priority
Identification of acceptable/satisfactory asset service standards and refine the levels of service and standards in consultation with the community focusing on parks and reserves, sporting and recreation facilities and community buildings.	Consulted and agreed Level of Service with the community	Strategic Planning Processes	Medium
Continual review and refinement of Asset Management Strategy and Policy as part of IP&R process	Asset management policy adopted. Asset management strategy adopted.		Annual
Refine Asset sub plans to include end of life intent and renewal schedules, and update the AM policy	Asset Renewal Plans that feed into LTFP	Organisation Context	Medium
Identify critical assets and basic emergency management/response plans.	a) Overall policy regarding the identification of critical assets. b) Identification of critical assets for each asset class. c) Critical asset register.	Operations, Maintenance and Works Processes	High
Enhancement of Asset Plans and Sub Plans to include integration with Council's Enterprise Risk Management system	Critical assets emergency response plan linked to Enterprise Risk Management Plan		High
Document the process and assumptions around the valuation and depreciation of all assets classes.	Ongoing as part of valuation exercise.	Knowledge of Assets (Data/Processes)	High
Development of an Infrastructure financial strategy to develop better	Long term financial forecast for efficient targeting		Medium

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Task	Deliverable	Asset Category GAP Analysis	Priority
financial modelling and deliver more efficient targeting of asset maintenance and renewal spending	and expenditure projection of assets		
Develop lifecycle planning/costing guidelines and processes. Ensure clear understanding of lifecycle activities and applications. Undertake lifecycle planning for all major assets and develop robust long term financial forecasts.	Funding projections and life cycle costing models.	Knowledge of Assets (Data/Processes)	High
Finalise forecasting models to assist in prudent budgeting of renewal and maintenance and adopt a long term infrastructure financial strategy.	Reliable forecasting model resulting in reliable budget	Strategic Planning Processes	Medium
Review the existing Road and building valuation process and ensure that accurate asset valuations are being undertaken	Reliable road and building asset valuations.	Knowledge of Assets (Data/Processes)	Medium
Develop metrics for the estimation of asset maintenance and operating costs: <ul style="list-style-type: none"> - aiming to find the optimal balance between spending on maintenance and spending on renewal, to ensure that we do not intervene or renew assets either too early or too late, but rather at the optimum time to maximise return on investment; and - to ensure maintenance of service standards to identified levels 	Clever and efficient spending on maintenance and renewals of assets	Operations, Maintenance and Works Processes	Medium
Long term financial forecasts for assets to be reviewed on an annual basis.	Long term financial forecast.	Strategic Planning Processes	Annual
Enhancement of Asset Plans and Sub Plans to include costed long term maintenance, rehabilitation and replacement programs and projections.	Well communicated and reliable asset management plans.	Strategic Planning Processes	Medium
Develop a program of ongoing asset condition assessment for all asset	Details time line of asset inspections.	Knowledge of Assets	Medium

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Task	Deliverable	Asset Category GAP Analysis	Priority
classes.		(Data/Processes)	
Document the existing condition rating system within Council and provide guidelines to how assets are condition rated in each asset class.	Corporate policy and procedure for condition rating, used to prepare condition ratings for each asset class by asset owners.	Information System	Medium
Ensure all Levels of Service are measurable and monitored.	Measurable service levels	Strategic Planning Processes	Medium
Asset management plan to be reviewed for all major asset classes on an annual basis.	Annually revised version of Asset Management Plan covering all key infrastructure asset groups.	Organisation Context	Annual
Asset management strategy to undergo a minor review every two years and a major review every four years with the development of Council's Delivery Plan.	Plans reviewed and adopted.	Organisation Context	Medium
Undertake detailed risk analysis/assessment for all assets and implement risk management systems and processes including condition monitoring/inspection systems for critical/ major assets.	Risk register.	Strategic Planning Processes	Low
Review AMIS. Review and rationalise asset registers/ databases. Complete organisation review/upgrade of systems considering business requirements.	Audit of existing asset registers. Documented organisational system requirements.	Information System	Low
Review depreciation and capitalisation processes to ensure full reconciliation & integration between the asset management systems and the corporate finance system.	Documented processes for valuation and capitalisation of all assets.	Knowledge of Assets (Data/Processes)	Low

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Task	Deliverable	Asset Category GAP Analysis	Priority
Improve integration and reporting of activity costs allocation against assets below summary asset level in all asset classes.	List of maintenance and operational activity types.	Operations, Maintenance and Works Processes	Medium
Develop AM status reporting processes for reporting to management, corporate team and Council.	Reporting and monitoring plan developed	Information System	Medium
Use of community satisfaction results with regards to levels of service to inform the next Community Strategic Plan review	Community engagement, involvement and satisfaction reflected in Community Strategic Plan	Strategic Planning Processes	Medium
Review and update documentation of processes for data capture strategy, guidelines and processes including collection frequency and guidelines/ processes for data collection/ asset representation in spatial format.	Procedure for data capture for all asset classes and types and all types of data.	Operations, Maintenance and Works Processes	Medium
Improve integration and reporting of activity costs allocation against assets for Playspaces and Sporting Fields, and Traffic Control Facilities.	Update the allocation table for the respective Sub Plans in terms of forecasted expenditure	Maintenance, Operations, Renewal & Expansion	Medium

Asset Management Plan

Asset Planning and Reporting

The Guidelines under the Regulations related to the Local Government Act (LGA) S406 (5) – Integrated Planning and Reporting (IP&R) amendment, requires Council to have:

- An Asset Management Policy
- An Asset Management Strategy
- An Asset Management Plan
 - Accounts for and plans for all assets
 - Reports on the condition of their assets.

To meet these requirements, Council is using a framework that:

- Complies with the Guidelines for IP&R
- Uses industry best practice of the IPWEA International Infrastructure Management Manual
- Presents plans in ways that facilitate understanding and engagement with the community
- Is incremental in the development and understanding of asset management
- Recognises the complexity and financial investments involved in the diverse array of service supported by the assets.

Asset Management Strategy

The Strategy for managing all of Council's assets is:

Organisation context and importance of sustainable asset management

- Asset Management reflects and complements Council's objectives as covered in the Delivery Plan and Operational Plan, which is how Council addresses the Community Strategic Plan
- Better and more informed decision-making by Council, staff and community
- Integration of resources combining knowledge and ability to plan for the present and future generations
- A framework to implement continuous improvement in Asset Management
- Meet community needs, expectations and affordability of service delivery supported by assets
- Manage Council's risks associated with the assets and associated services.

Vision and goals for service delivery

- Ensure that Council's services and infrastructure are provided reliably, with appropriate levels of service to residents, stakeholders and the environment
- Safeguard Council's assets including physical assets and employees by implementing appropriate asset management strategies, and appropriate financial treatment of those assets

- Create an environment where all Council employees will take an integral part in overall management of Council's assets (create an asset management awareness throughout Council)
- Meet legislative requirements for asset management
- Ensure resources and operational capabilities are identified and responsibility for asset management is allocated
- Demonstrate transparent and responsible asset management processes that align with appropriate best practice
- A consistent framework exists for implementing systematic asset management, and appropriate asset management practices throughout all program areas of Council
- Outcomes must be capable of being integrated at an organisational level for reporting purposes
- Relevant legislative requirements and political, social and economic environments are to be taken into account in asset management
- Integration of asset management within planning and operational processes

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ATTACHMENT 4

Overarching Asset Management Strategy

Asset Management Policy

Purpose

To set guidelines for implementing consistent asset management processes throughout City of Ryde.

Objective

To ensure adequate provision is made for the long-term management of major assets by:

- Ensuring that Council's services and infrastructure are provided in a sustainable manner, with the levels of service to residents, visitors and the environment consistent with available resources.
- Safeguarding Council assets including physical assets and employees by implementing appropriate asset management strategies and appropriate financial resources for those assets.
- Creating an environment where all Council employees take an integral part in overall management of Council assets by creating and sustaining asset management awareness throughout the Council.
- Meeting legislative requirements for asset management.
- Ensuring resources and operational capabilities are identified and responsibility for asset management is allocated.

- Demonstrating transparent and responsible asset management processes that align with demonstrated best practice.

Scope of the Policy

This policy is intended to apply sound Asset Management principles to assets owned or controlled by Council that deliver services to the community.

Background

Council is committed to implementing a systematic asset management methodology in order to apply appropriate asset management best practices across all areas of Council. This includes ensuring that assets are planned, created, operated, maintained, renewed and disposed of in accordance with Council's priorities for service delivery.

Asset management practices impact directly on the core business of Council and appropriate asset management is required to achieve the strategic service delivery objectives.

Asset management relates directly to Council's Asset Management Plan objectives:

- The Asset management function aims to provide management information on Council's Asset conditions to enable informed decisions on asset management priorities, have regard to desired community standards and Council's financial plan

A strategic approach to asset management will ensure that the Council delivers the highest appropriate level of service through its assets. This will provide positive impact on:

- Members of the public and staff

- Council's financial position
- The ability of Council to deliver the identified level of service and infrastructure
- The political environment in which Council operates
- The legal liabilities of Council.

Principles

- A consistent Asset Management Strategy must exist for implementing systematic asset management and appropriate asset management best-practice throughout all Departments of Council.
- All relevant legislative requirements together with political, social and economic environments are to be taken into account in asset management.
- Asset management principles will be integrated within existing planning and operational processes.
- An inspection regime will be used as part of asset management to ensure agreed service levels are maintained and to identify asset renewal priorities.
- Asset renewals required to meet agreed service levels and identified in infrastructure and asset management plans and long term financial plans will be funded in the annual budget estimates.
- Service levels agreed through the budget process and defined in Infrastructure and Asset Management Plans will be funded in

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the annual budget estimates and Delivery Plans.

Accountabilities

Asset Management Responsibilities and Relationships.

Council

- Act as stewards for Council assets/infrastructure
- Set corporate Asset Management policy and vision including ensuring alignment with Council Plan
- Set levels of service
- Approve asset management plans
- Ensure appropriate resources for asset management activities are budgeted

Group Management Team (Directors and General Manager)

- Agree on the Corporate Asset Management Policy and present to Council for adoption
- Implement the corporate Asset Management Strategy with budgeted resources
- Agree on the asset management plans and present to Council for adoption
- Monitor and review performance of Council staff in achieving the Asset Management strategy
- Ensure that accurate, timely and reliable information is presented to Council for decision making

Senior Staff and Managers Responsible for Assets

- Corporate responsibility for advising Executive Team and all Managers on Asset Management Framework and initiatives
- Develop asset management plans for individual asset groups, using the principles of lifecycle analysis
- Implement improvement plans for individual asset groups
- Implement tactical plans (such as maintenance programs, capital works programs) in accordance with asset management plans and Council's Annual Plan
- Deliver levels of service to agreed risk and cost standards
- Present information to the Council, General Manager and Management Team in terms of lifecycle risks and costs

Adoption of Policy

The Asset Management Strategy is to enable Council to show:

- how its asset portfolio will meet the service delivery needs of its community into the future
- enable Council's Asset Management Policy to be achieved
- ensure the integration of Council's asset management with its Long Term Strategic Plan.

The overarching Asset Management Strategy proposes the following strategies to enable the objectives of the Community Strategic Plan to be achieved.

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No	Strategy	Desired Outcome
1	Continue the move from annual budgeting to long term financial planning.	The long term implications of Council services are considered in annual budget deliberations.
2	Further develop and review the Long Term Financial Plan covering 10 years incorporating asset management plan expenditure projections with a sustainable funding position outcome.	Sustainable funding model to provide Council services.
3	Incorporate Year 1 of Long Term Financial Plan revenue and expenditure projections into annual budgets.	Long term financial planning drives budget deliberations.
4	Review and update asset management plan financial projections and long term financial plans after adoption of annual budgets. Communicate any consequence of funding decisions on service levels and service risks.	Council and the community are aware of changes to service levels and costs arising from budget decisions.
5	Report Council's financial position at Fair Value in accordance with Australian Accounting Standards, financial sustainability and performance against strategic objectives in Annual Reports.	Financial sustainability information is available for Council and the community.
5	Ensure Council's 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.
7	Report on Council's 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.
8	Ensure responsibilities for asset management are identified and incorporated into staff position descriptions.	Responsibility for asset management is defined.
9	Implement an Improvement Plan to realise 'core' maturity for the financial and asset management competencies.	Improved financial and asset management capacity within Council.
10	Report annually to Council on development and implementation of Asset Management Strategy and Plan and Long Term Financial Plans.	Oversight of resource allocation and performance.

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ATTACHMENT 4

Asset Management Policy Guidelines

The Asset Management Policy outlines a local government's asset management objectives, targets and plans. It establishes a platform for service delivery and provides the framework that enables the Asset Management Strategy and Plans to be produced. The Asset Management Policy should support 'whole of life' and 'whole of organisation' approaches to asset management.

The Administration develops the Asset Management Policy with the Council based on Council priorities and community needs.

The community supports the development and implementation of the Asset Management Policy by advising Council of its service requirements and expectations through the Strategic Community Plan, customer satisfaction measures and the local government's ongoing community engagement.

Council understands and approves the Asset Management Policy.

The Administration develops the Asset Management Policy with the Council based on Council's priorities and community needs.

Checklist: Asset Management Policy

Use the following guide points to develop or review the Asset Management Policy:

- Look at the Strategic Community Plan aspirations and objectives.
- Review community feedback obtained through satisfaction measures or other community engagement practices.
- Gather information on community service level expectations and satisfaction levels (including asset-related complaints).
- Review with Council their objectives related to asset management. Update these objectives where appropriate.
- Review plans for monitoring and improvement of asset management outcomes. Update these where appropriate.
- Council adopts Asset Management Policy.

The end result is:

- an Asset Management Policy is in place
- key objectives for assets are stated
- a commitment to continuous improvement in asset management is endorsed

Asset Sub-Plans

Council's assets that have a similar purpose or nature have been grouped together, within the following Asset Sub-Plans:

- Road Pavements
- Roadside
- Stormwater
- Traffic and Parking
- Parks and Reserves
- Playspaces and Playing Fields
- Buildings
- Library and cultural
- Ryde Aquatic Leisure Centre (RALC).

The plans represent the best information available at the current time, and follow the same format layout, with the topics of:

- What is the service provided by these assets
- Issues over the life of these assets
- Options for Levels of Service , which is the key elements and scope of service that is to be provided to the community
- Where are we now? (Current State)
- Key considerations and Challenges
- How much do we need to look after these assets?
- What Council is proposing to do
- Basic information about these assets, including photographs as examples of things such as typical condition ratings

ITEM 3 (continued)

ATTACHMENT 4

Accounting and Reporting

Accounting and reporting - to comply with statutory requirements

- The depreciation of assets is reported in the Financial Statements
- The overall physical state of infrastructure and building assets are reported in Special Schedule 7 of the Financial Statements
- These reports include notes and commentary
- Each year the asset program schedules are updated and detailed in the Delivery Plan, and any relevant explanation of trends and variances included
- More detailed reporting of the condition of each asset class will be made available in the consultation processes associated with the IP&R plans.

The estimates of remaining useful life for financial valuations is done using average in-service experience from within the City of Ryde and across the local government industry in Sydney, not design life as previously applied.

This may affect the asset renewals ratio, which is the estimate of the amount Council spends on asset replacement compared to the deterioration condition and value (notionally depreciation).

One of the major challenges with asset management is that a large proportion of assets have been acquired using funds other than Council rates, and that Council's rates base is then relied on to meet the replacement cost. These external sources are mainly from the State Government for roads and traffic facilities via the Roads and Maritime Services (RMS), from developers for roads built in association with subdivisions and major developments (e.g. granite paths), and other levels of government for community buildings and asset related grants.

ITEM 3 (continued)

ATTACHMENT 4

Our performances on the Management of our Assets

The IPWEA framework includes an internal assessment process for a gap analysis of how an organisation performs against all of the aspects of asset management. There are five (5) key areas, each with a range of aspects that are rated separately and with an average score, providing indicators as to performance and areas for further development.

As shown in the radar charts below, Council is strongest in knowledge and systems and weakest in the organisational context and strategic planning processes. Higher scores require significant changes to the business processes of an organisation, which Council is undertaking as part of continuous improvement of its operations.

The scale is:
Above 80 = excellent, international best practice
Above 50 = competent to local government industry best practice
Above 30 = systematic approach
Below 10 = unaware

On the scale, Council made significant improvement from the assessment done in 2012 to 2014 in most areas, particularly in information systems, reflecting the need to have reliable information to support the SRV process. The dialogue with community about these plans through considering the SRV is part of the process of improvement.

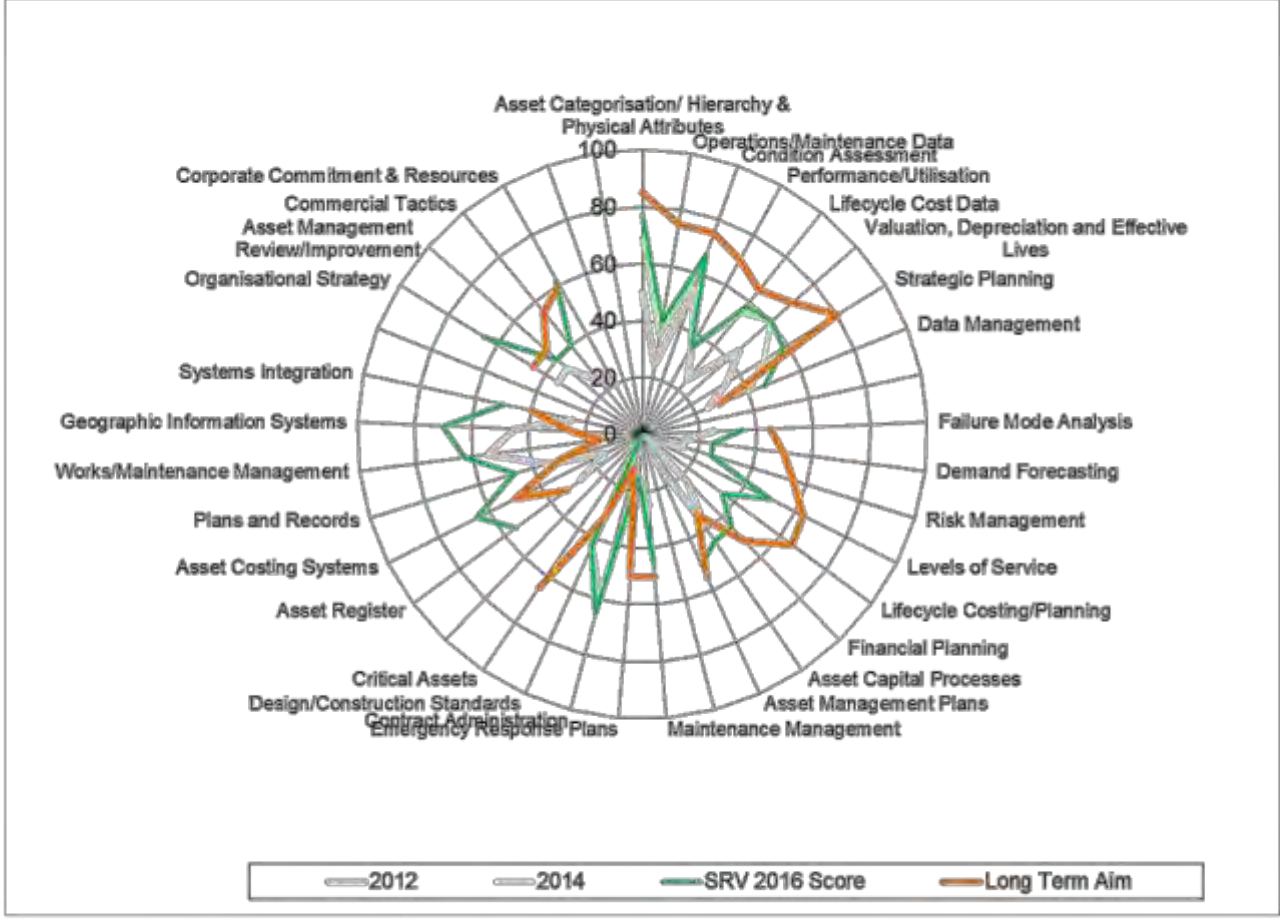
The subsequent two years to 2016 has been focussed on dealing with the building boom and increase in developer contributed assets as well as applying the 2014 condition audit to works programs (some gain in asset data knowledge & processes).

The areas of Strategic Planning Processes & Operations and aligning Maintenance & Works Processes are those requiring greatest improvement, which has been delayed due to the impacts of the pending amalgamation.



ITEM 3 (continued)

ATTACHMENT 4



ITEM 3 (continued)

ATTACHMENT 4

Asset Information

Information for assets comprises the financial register, integrated physical registers (information that is relatively static over time), condition data which is updated progressively and periodically, and the systems to hold and use the information. The financial asset register includes the valuation and depreciation rate based on condition. The related physical registers include information on condition, history, dimensions, materials, technical data etc.

Inspections were carried out in mid-2014 for the complete network of roads, kerbs and footpaths to determine their current condition. Photographs were taken of each occurrence of any "defect" and at 10m intervals on the road, resulting in over 180,000 records held in the Works Request system.

For financial and planning purposes, this physical condition of infrastructure assets is assessed on a 1 to 5 scale.

1. New or equivalent
2. Good condition without visible blemishes or deterioration
3. Usable and safe condition, with visible signs of wear or deterioration, e.g. cracks in footpaths
4. Usable condition with defects that interfere with use or reduce asset life e.g. extensive road cracking
5. Requires major repairs or is not suitable to remain in use due to a significant safety hazard

There are some asset groups where the functional life is determined by age and the cost/benefit to collect and manage condition information is not warranted, e.g. library books, street signs, playground equipment, spots oval turf.

Condition information is kept current through tracking changes occurring with works. Selective re-auditing of condition is done each year to establish the extent of any deterioration or change.

Replacing Assets

When do we replace assets

Intervention for the purposes of planning and funding is to replace assets once they reach condition 4, with the intent to do so once it becomes condition 5 (or beforehand if practical).

For condition 5 assets that remain in service, there is a low residual life 5%, but indefinite RUL (remaining useful life), with an increased maintenance costs to keep in service.

Any backlog is defined as where the physical replacement of assets that are condition 5 has been deferred.

The significance of replacement values – what makes a difference?

The value of assets represents the investment in them, and by implication, the importance and value to the community of the services provided by these assets. If the renewals of these assets do not keep pace with deterioration, then eventually it becomes impossible to deal with the accumulated backlog to renew them without additional funding, and levels of service will reduce in these key services.

It can be tempting to defer maintenance and renewals of assets with long lives to redirect a little off the large pots of money to distribute to a myriad of other services and new assets. However, if continued over a long period of time it creates a large backlog, and the reversal of this cannot be achieved in a noticeable time frame, but has dramatic impact on both key assets and services that may have to be scaled back or stopped.

It might be expedient to argue for increased funding (rates increases) to catch up, as extra funding for key asset based services is easier to gain acceptance for than a range of lesser priority assets and services. However, this is not prudent or sustainable asset management, as it avoids dealing with the structural reasons for the situation occurring and the likelihood that it will re-occur.

Acquiring Assets

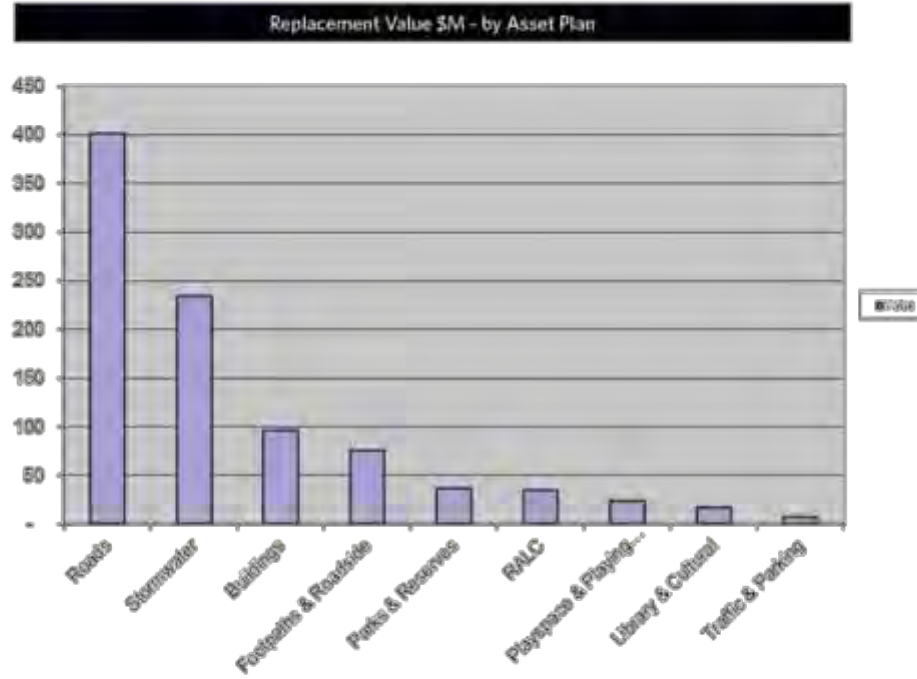
When do we get new and upgraded assets

- DA public domain
- Fine grain roads in Macquarie Park
- S94
- Grants
- Dealing with growth – Ryde and metro Sydney
- Responding to external factors – transport, technology, climate change, materials & standards
- City building – Macquarie Park & Innovation

ITEM 3 (continued)

ATTACHMENT 4

Fig: Relative value of asset groups at 2014/15 review



Accounting for consumption of assets - Depreciation

Depreciation is an accounting representation of the loss of future benefit of assets through physical deterioration. The implication is that level of funding for works for renewal and depreciation of the assets should be of equal value. This is valid if the intent is to replace the assets, or if acquired through contribution such as s94 or grants, Council adjusts its financial accounts to cover the increase in the value of its asset portfolio.

The asset renewals ratio is a financial indicator of whether this is being done, however it needs to be calculated using only the portion of the capital works program for renewal projects (not all the program) compared to the depreciation of the assets being renewed. For this reason, since the 2012/13 Delivery Plan renewals and expansion works have been separated. However, often asset renewals include a degree of upgrading for contemporary standards or changed scope or functionality and many projects are partially an expansion. The extent of how this affects the ratio will be further reviewed in future years.

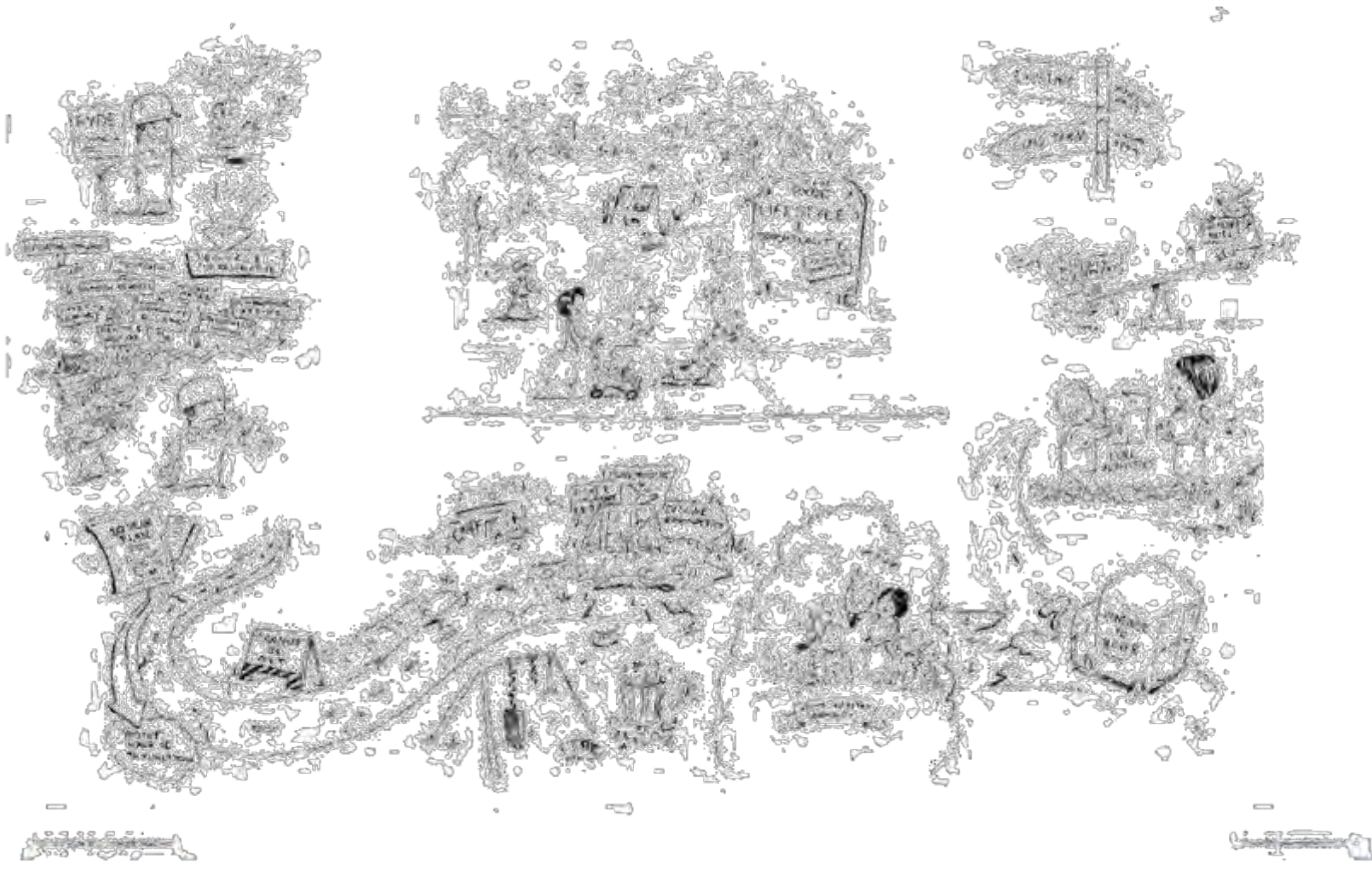
Council reviewed the accounting treatment of depreciation in 2014/15 to reflect the best understanding of the remaining useful life of assets. For infrastructure assets, they are grouped into summary assets with common material type and remaining life based on the 1 to 5 rating scale, with straight line depreciation within each condition type.

The choices about replacing assets

Council has prepared a video to describe that the services provided by assets and their renewals is a choice that ultimately the community needs to make about the levels of service provided by their assets and what they pay.
www.ryde.nsw.gov.au/Council/Special+Rate+Variation
The image shown on the following page is the end "storyboard" of the video.

ITEM 3 (continued)

ATTACHMENT 4



ITEM 3 (continued)

ATTACHMENT 4

Where are we now and where are we heading?

Prior to the SRV the renewals ratio trend has been projected at less than half. A substantial proportion of capital expenditure was being used for new and upgraded assets rather than renewals, reflecting pressure to deal with the growth being experienced by the City. In addition, the backlog to bring assets to standard is based on a combination of addressing condition, bringing to contemporary standards, and providing for the stated wants and needs of the community.

Furthermore, a significant proportion of assets are contributed, meaning the cost of acquiring them came from outside Council funding. The main source of this has been from developer contributions (section 94 and Voluntary Planning Agreements) such as upgrading town centres, parks and playground equipment, as well as government grants. In taking ownership of contributed assets, Council ultimately must deal with both their replacement and maintenance through its own funds.

With the SRV the priority in the initial 4 years is to address the backlog in road pavements and stormwater assets. The backlog in these assets is expected to be gone by the end of the current Delivery Plan in 2020/21.

This period aligns with an intense increase in developer contributed and upgraded assets as part of a building boom. In planning for the future over the useful life of assets there will need to a re-assessment of renewal programs as well as maintenance an operating to address the additional assets.

Asset Planning Forecasts underlying the Plan

As well as the capital cost to renew existing assets, the forecasts of the total costs for determining the funding required includes the Operations, Maintenance and programs for upgrading and adding new assets that are already planned, for example compliance.

A comparison of the total requirements against the budgeted income is available in the Long Term Financial Plan, and allows an assessment of the likelihood of sustaining service levels in the future.

In 2015/16, a Special Rates Variation began to sustain existing assets at current levels of service and standards.

This is an average annual 7% rate increase for 4 years and then on-going, commencing 2015/16 (including the normal rate peg increase) to maintain services at their current level, and provide additional money for renewing the City's infrastructure. It would not be sufficient to undertake all repairs and maintenance needed, but would be enough to renew all assets that are rated as 'Condition 5' and some assets that are in 'Condition 4.'

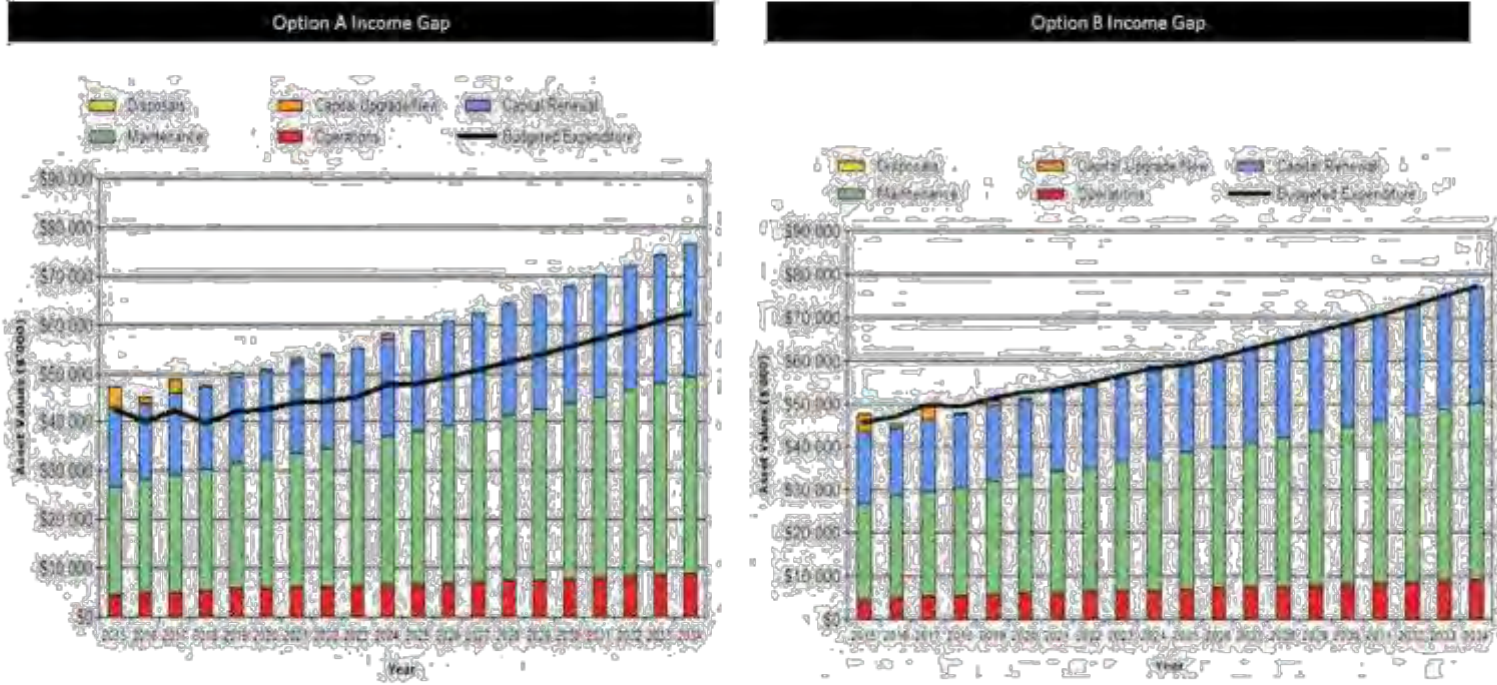
ITEM 3 (continued)

ATTACHMENT 4

Asset Service Levels

Condition Based

To assist in making decisions on which scenario applies, the Levels of Service for condition can be described in a simplified way for most assets as being on a 5 point condition scale. This allows alignment with reporting for depreciation and links to the Long Term Financial Plan modelling.



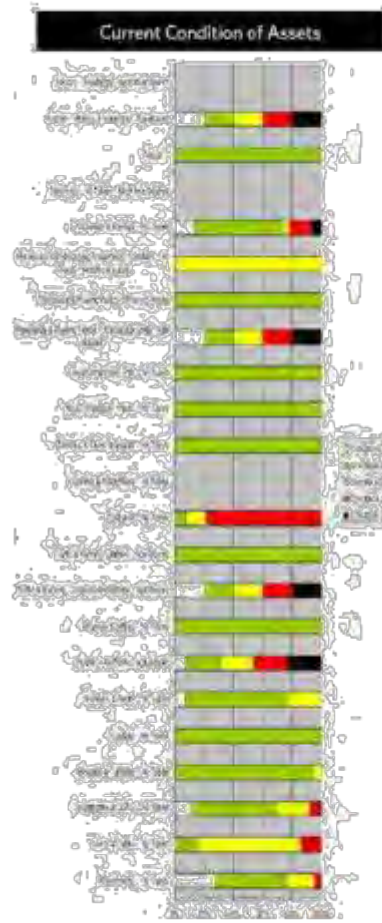
ITEM 3 (continued)

ATTACHMENT 4

Comments

- The provision of additional infrastructure funding provided by a 7% SRV meets the forecast infrastructure requirements
- For a long term sustainability of infrastructure service levels this funding model is the minimum option

Consolidated Amounts					
Year	Maintenance	Operations	Renewal	Expansion	Total
	\$'M	\$'M	\$'M	\$'M	\$'M
2015	5.46	21.59	15.83	3.07	45.95
2016	5.87	22.62	15.56	1.29	45.34
2017	6.05	23.42	16.37	1.97	47.81
2018	6.24	24.29	16.69		47.22
2019	6.61	25.27	17.18		49.06
2020	6.80	25.98	17.68		50.46
2021	6.99	26.85	18.19		52.03
2022	7.18	27.61	18.72		53.51
2023	7.39	28.57	19.27		55.23
2024	7.61	29.41	19.83		56.85
2025	7.84	30.28	20.43		58.55
2026	8.07	31.17	21.04		60.28
2027	8.31	32.10	21.67		62.07
2028	8.56	33.05	22.32		63.92
2029	8.81	34.02	22.99		65.82
2030	9.07	35.03	23.68		67.78
2031	9.34	36.07	24.39		69.79
2032	9.62	37.13	25.12		71.87
2033	9.90	38.23	25.87		74.01
2034	10.19	39.37	26.65		76.21



Short to Medium Term Asset Condition Service Level Sustainability

The long term funding model described provides a forecast of the long term average renewal requirements, and uses this as a basis for estimating income requirements. Generating the income to achieve the funding of this model enables service levels over the long term to be sustained, and renewals to be funded when required.

Financial Planning should provide for the long term funding, with the asset plans advising on the timing of specific asset renewals. The asset plans take into consideration the distribution of asset condition and identify expenditure needed in the short to medium term (typically for input into the 10 year Long term Financial Plan).

Whilst the longer term funding model is appropriate for establishing ongoing income requirements, at a detail level it is likely that the short term asset renewal will not necessarily be required "at the average rate".

Depending on when infrastructure was constructed, environmental conditions and asset performance will result in "peaks and troughs" in renewal needs over time.

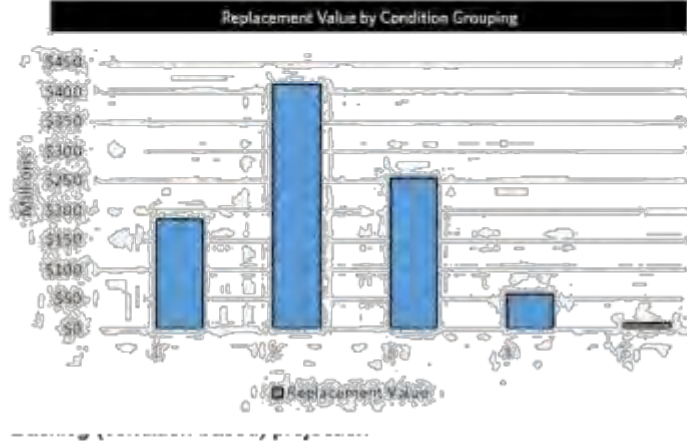
Council's Delivery Plan will compare the infrastructure need each year with the funds available and plan accordingly.

For example; in periods where asset renewal requirements are less (renewal trough) than the funding available reserves may be used, whereas in a period of high renewal needs (renewal peak) reserves may be utilised or loans if appropriate.

ITEM 3 (continued)

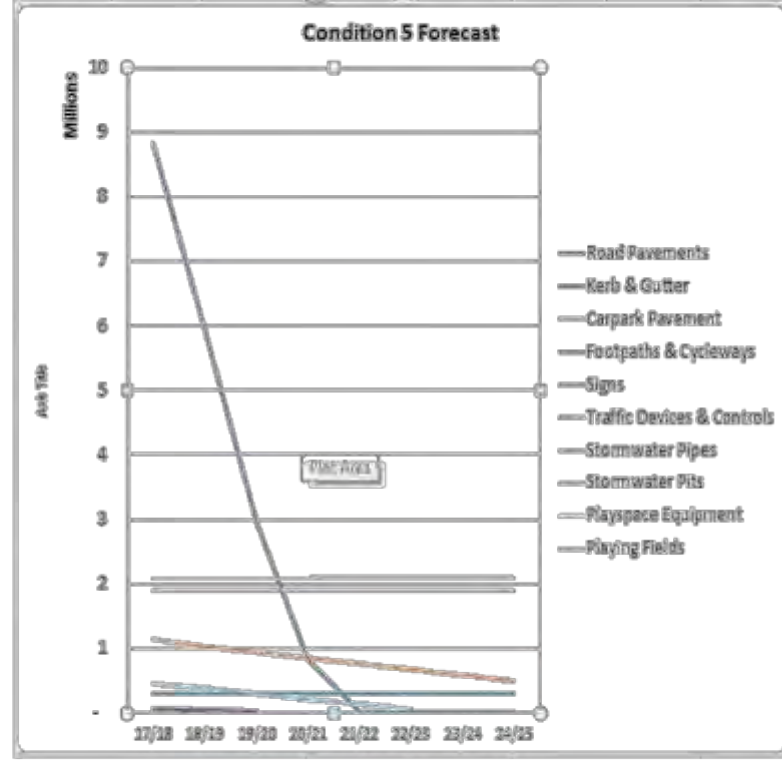
ATTACHMENT 4

The condition profile for our infrastructure assets is shown in the following graph. These ratings were conducted in 2014 for all asset groups other than those using age as a proxy to condition. The condition 4 and 5 assets represent the backlog:



- Roads & road related assets – gone by 2020/2021 (\$18 million).
- Stormwater – funding is available to undertake the works related to condition four and five assets, which is captured through the continuous investigation of the stormwater network using CCTV.
- Parks & playgrounds - \$4 million using age as proxy to condition, refining the co-relation will see some reduction. With the full SRV increase in place after 2018/19 renewals will increase and the backlog start to decrease..

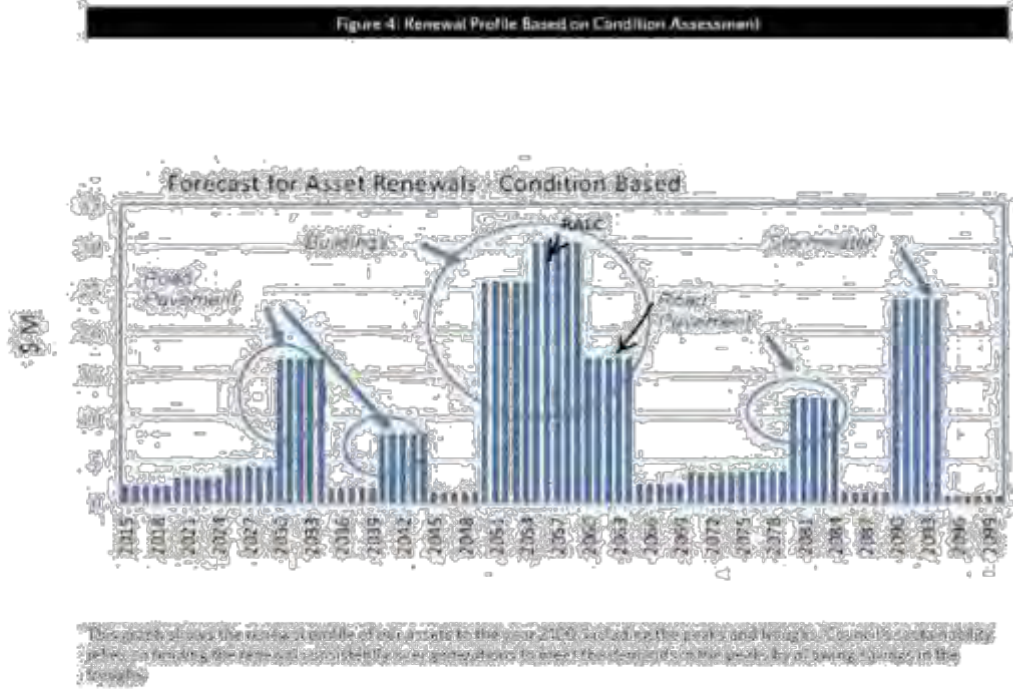
The aim of the SRV is to substantially reduce and eventually eliminate the condition backlog, being all assets in condition 5.



ITEM 3 (continued)

ATTACHMENT 4

It is important for future planning to be aware that whilst the assets in Condition 4 and 5 can be managed in the short to medium term, there are some very significant peaks of renewal required in the future. These peaks represent those assets currently in Condition 3, Condition 2 and even Condition 1 that will deteriorate over time and will require replacement in the future.



ITEM 3 (continued)

ATTACHMENT 4

Level of Service

Level of Service (also Service Level) can be defined as the service quality for a given activity. Levels of Service are often documented as a commitment to carry out a given action or actions within a specified time frame in response to an event or asset condition data.

Service levels may relate to:

- Reliability of Service
- Quality of Service
- Quantity of Service
- Safety/Risk/Security

The objective of asset management is to enable assets to be managed such that agreed Levels of Service are consistently achieved in the most cost effective way.

The current Levels of Service are governed by available funding. As the measures and

targets as new for this Asset Plan, the current performance some of the current performance data is still in the process of developing the base case.

Levels of Service that are based on an understanding of customer needs, expectations, preferences and their willingness to pay for any increase in the Levels of Service are required in the future.

Customer Research and Expectation Council has undertaken a community research on which to draw conclusions about Council's services and service delivery. In 2013, Council engaged, Micromex Research to conduct community surveys to effectively analyse attitudes and trends within the community. The survey considered the importance and satisfaction of 39 services provided by the Council and utilised this information in the development of CSP.

The overall analysis results reflected the key services that were most important to the community members, along with their satisfaction of each of these services. A quadrant analysis of the results highlights the service areas where Council could improve and those areas where it is performing well.

It is important to note that the survey assesses relative importance. If a theme has a lower importance ranking, it does not mean this theme is unimportant, it is just a lower priority to the community when compared with other themes. All these services are vital in ensuring a cohesive and vibrant community in 2030.

The table below indicates the performance gap between importance and satisfaction in relation to the range of services provide by the Council. The table also highlights the priority areas for improvement based on the IRIS report parameters.

ITEM 3 (continued)

ATTACHMENT 4

Importance/Satisfaction – Infrastructure

Note: The hierarchical ranking of the table is relative to the criteria's Performance Gap.

	Performance Gap
Traffic/Driver congestion	-1.69
Availability of infrastructure	-1.74
Road safety	-10.98
Maintaining local roads	-10.98
Maintaining footpaths	-10.98
Street lighting	-10.80
Stormwater management	-10.21
Maintenance of sewers	-10.80

The summary table below combines the outcomes of the regression analysis with the stated importance and satisfaction outcomes of the performance gap and quadrant analysis.

	Shapley's Analysis	Gap Analysis	Quadrant Analysis
Long term planning for the area	17.2	1.80	Improve
Financial Council's budget to the community	9.8	-10.68	Maintain
Financial management	10.5	6.96	Improve
Complaints to Council Decision Making	7.9	12.2	Improve
Maintaining footpaths	7.0	-10.88	Improve
Development and building opportunities	6.6	-10.94	N/A
Parks playgrounds	6.2	-10.12	Maintain
Council website	5.6	-10.00	Secondary
Renewal of town centres	5.3	-10.89	Maintain
Stormwater management	5.4	-10.21	Secondary
Supporting local sport and activities	4.4	1.02	Improve
Park grounds & ovals	4.3	-10.14	Maintain
Cleanliness of town centres	3.7	-10.25	Maintain

ITEM 3 (continued)

ATTACHMENT 4

Service Level Outcomes

This asset management plan specifically defines Levels of Service for each asset class, these are defined for the individual asset classes as part of the lifecycle management sections of this plan.

These have been combined to deliver five asset related service level outcomes:

- Accessibility
- Quality / Condition
- Responsiveness
- Customer satisfaction
- Affordability
- Sustainability

These outcomes are essential to ensure the asset portfolio is not only maintained to a satisfactory level but also caters for the future demands of the community whilst balancing the potential risks to the community and the Council.

The Levels of Service for each asset class have been developed based on current work practices and performance. They take into account current data collection and monitoring practices and reflect the service level outcome categories. Current

levels are detailed in the individual asset sections

Accessibility

To ensure the asset base performs as required it is essential that the asset, no matter which type of asset, is generally available to the community as required. As a service outcome the council's customers will require assets that are accessible and can be relied upon to deliver the services that are not only expected, but the services that are required.

Quality/Condition

Quality will have more to do with manner and type of the asset rather than its condition. An asset may be poor in quality yet have a condition which is described as good.

Responsiveness

Maintaining assets in a workman-like manner and be responsive to the needs of the community now and into the future. Whilst this may be difficult in some instances, Council places a high emphasis on customer service and it's responsiveness to customer enquiries. Strategies will be implemented to ensure that Council maintains a high level of customer support.

Customer satisfaction

Providing services to the community in a manner that is efficient and effective. Council will continue to monitor community satisfaction with its current services and strive to improve community satisfaction where possible.

Affordability

Maintaining infrastructure assets in a cost effective affordable manner in accordance with responsible economic and financial management. In order for Council's assets to assist in meeting the strategic goals and in attaining optimum asset expenditure Council will need to continually review its current operational strategies and adopt new and proven techniques to ensure that assets are maintained in their current condition.

Sustainability

Council will ensure that its assets are maintained in a manner that will ensure the long term financial sustainability of the LGA for current and future generations. This will be achieved by ensuring efficient and effective service delivery and ensuring appropriate funds are allocated to maintain and renew infrastructure assets.

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ATTACHMENT 4

Risk Management

Critical Assets

Council has developed an Enterprise Risk Register. Included in this was assessing whether Council has any assets, which if they were no longer available through failure damage or major external event, would create critical safety or service issues to the community that could not be managed. Council has determined that it does not have any critical assets.

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ATTACHMENT 4

Expenditure Projections

Financial Ratios

Asset Consumption Ratio

The average proportion of useful life remaining for assets. This ratio shows the written down current value of the local government's depreciable assets relative to their "as new" value (indexed). It is a guide to the aged condition of a local government's stock of physical assets and the potential magnitude of capital outlays required in future to preserve their service potential, assuming future assets are similar to the current. This also relates to the renewals profile in Fig 4.

Asset Sustainability Ratio

Are assets being replaced at the rate they are wearing out? This ratio indicates whether a local government is renewing or replacing existing non-financial assets at the same rate that its overall stock of assets is wearing out. It is calculated by measuring capital expenditure on renewal or replacement of assets relative to the rate of depreciation of assets for the same period. A local government would need to understand and be measuring its renewal expenditure to be able to determine this ratio.

Asset Renewal Funding Ratio

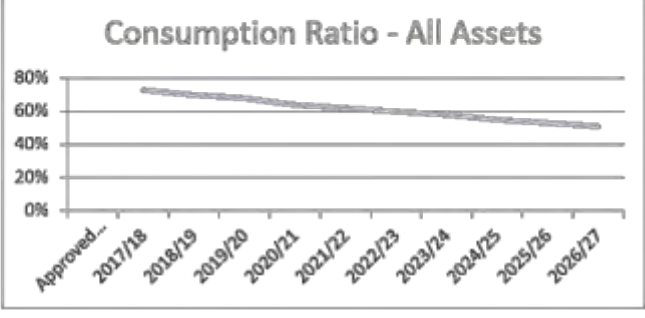
Is there sufficient future funding for renewal and replacement of assets? This ratio indicates whether Council is allocating sufficient funds aside in its long term financial plan to adequately fund asset renewals.

Backlog Ratio

Similar to the asset consumption, this ratio shows the value of the backlog compared to written down value. Although the forecast backlog decreases, the ratio is affected by new assets of shorter life coming on through the developer contributor process, particularly libraries and traffic facilities. It also reflects emerging backlogs through asset aging not yet addressed, mainly the RALC.

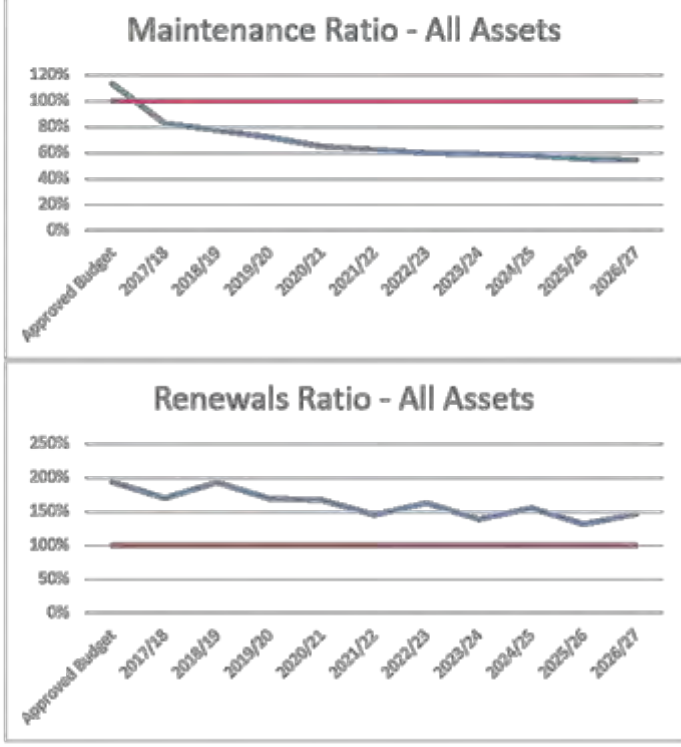
ITEM 3 (continued)

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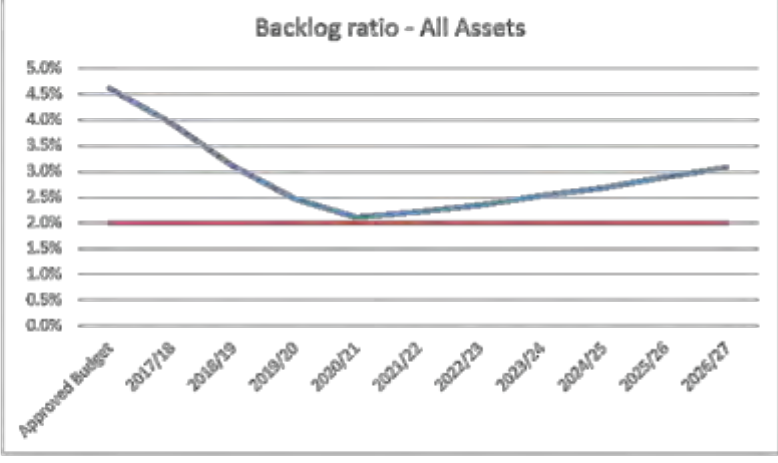
ITEM 3 (continued)

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ITEM 3 (continued)

ATTACHMENT 4



ITEM 3 (continued)

ATTACHMENT 4

Asset Value Summary

Total	Approved 2016/17 Budget (\$000)	2017/18 Base Budget (SRV) (\$000)	2018/19 LTFP Total Budget (\$000)	2019/20 LTFP Total Budget (\$000)	2020/21 LTFP Total Budget (\$000)	2021/22 LTFP Total Budget (\$000)	2022/23 LTFP Total Budget (\$000)	2023/24 LTFP Total Budget (\$000)	2024/25 LTFP Total Budget (\$000)	2025/26 LTFP Total Budget (\$000)	2026/27 LTFP Total Budget (\$000)
CRC	977,965	1,026,222	1,094,980	1,165,156	1,269,592	1,357,457	1,428,174	1,490,381	1,569,197	1,657,605	1,740,758
WDV	708,764	745,837	768,209	789,359	812,602	841,431	854,279	864,257	870,756	880,411	886,243
Dep	11,000	11,536	12,298	13,075	14,230	15,202	15,986	16,676	17,550	18,528	19,450
Backlog	32,722	29,416	23,877	19,510	17,146	18,641	20,050	21,863	23,336	25,479	27,268
Asset Renewal	21,331	19,605	23,765	22,118	23,782	22,050	25,964	23,175	27,206	24,360	28,510
New & expanded Assets	26,742	14,303	9,683	14,201	19,277	6,000	-	-	-	-	-
Donated Assets	-	31,878	36,403	64,601	40,657	34,853	30,787	46,028	53,885	46,686	7,500
Asset Disposals	-	-	-	-	-	-	-	-	-	-	-
Additional Dep	294	508	507	867	659	449	339	506	593	514	83
Renewal Ratio	194%	170%	193%	169%	167%	145%	162%	139%	155%	131%	147%
Consumption ratio		73%	70%	68%	64%	62%	60%	58%	55%	53%	51%
Required maintenance	9,476	10,263	11,235	12,357	14,052	15,017	16,097	16,709	17,443	18,792	19,522
Actual maintenance	10,745	8,499	8,699	8,904	9,136	9,374	9,617	9,867	10,124	10,387	10,657
Maintenance Ratio	113%	83%	77%	72%	65%	62%	60%	59%	58%	55%	55%
Backlog Ratio	5%	4%	3%	2%	2%	2%	2%	3%	3%	3%	3%

ITEM 3 (continued)

ATTACHMENT 4

Buildings	Approved 2016/17 Budget (\$000)	2017/18 Base Budget (SRV) (\$000)	2018/19 LTFP Total Budget (\$000)	2019/20 LTFP Total Budget (\$000)	2020/21 LTFP Total Budget (\$000)	2021/22 LTFP Total Budget (\$000)	2022/23 LTFP Total Budget (\$000)	2023/24 LTFP Total Budget (\$000)	2024/25 LTFP Total Budget (\$000)	2025/26 LTFP Total Budget (\$000)	2026/27 LTFP Total Budget (\$000)
CRC	91,591	100,700	104,215	117,708	139,006	155,115	164,527	168,147	171,846	175,626	179,490
WDV	32,051	38,888	39,883	41,997	51,119	63,065	68,358	67,572	66,771	65,956	65,127
Dep	752	846	879	1,022	1,250	1,421	1,519	1,552	1,586	1,621	1,657
Backlog	12,256	12,561	12,847	13,225	13,779	14,486	15,272	16,072	16,887	17,717	18,562
Asset Renewal	495	542	593	644	696	714	733	752	771	791	812
New & expanded Assets	7,094	1,300	2,400	9,500	12,500	6,000	-	-	-	-	-
Donated Assets	-	-	8,800	9,209	550	-	-	-	-	-	-
Asset Disposals	-	-	-	-	-	-	-	-	-	-	-
Additional Dep	78	14	123	206	144	66	-	-	-	-	-
Renewal ratio	66%	64%	67%	63%	56%	50%	48%	48%	49%	49%	49%
Consumption Ratio	35%	39%	38%	36%	37%	41%	42%	40%	39%	38%	36%
Required maintenance	1,832	2,014	2,084	2,354	2,780	3,102	3,291	3,363	3,437	3,513	3,590
Actual	1,078	1,065	1,089	1,113	1,142	1,172	1,202	1,234	1,266	1,299	1,332
Maintenance ratio	59%	53%	52%	47%	41%	38%	37%	37%	37%	37%	37%
Backlog Reduction	-257	-305	-286	-378	-554	-707	-786	-800	-815	-830	-845
Backlog ratio	38%	32%	32%	31%	27%	23%	22%	24%	25%	27%	29%

ITEM 3 (continued)

ATTACHMENT 4

Library & Culture	Approved 2016/17 Budget (\$000)	2017/18 Base Budget (SRV) (\$000)	2018/19 LTFP Total Budget (\$000)	2019/20 LTFP Total Budget (\$000)	2020/21 LTFP Total Budget (\$000)	2021/22 LTFP Total Budget (\$000)	2022/23 LTFP Total Budget (\$000)	2023/24 LTFP Total Budget (\$000)	2024/25 LTFP Total Budget (\$000)	2025/26 LTFP Total Budget (\$000)	2026/27 LTFP Total Budget (\$000)
CRC	20,353	20,848	21,359	21,872	25,889	26,495	43,878	44,843	45,829	46,838	47,868
WDV	10,104	10,203	10,393	10,747	11,581	11,879	11,856	11,649	11,437	11,222	11,004
Dep	167	171	176	180	223	228	418	427	437	446	456
Backlog	-	-	-	-	-	23	230	441	656	875	1,098
Asset Renewal	220	308	487	977	485	205	211	216	222	227	233
New & expanded Assets	47	53	43	36	36	-	-	-	-	-	-
Donated Assets	-	-	-	3,500	-	16,800	-	-	-	-	-
Asset Disposals	-	-	-	-	-	-	-	-	-	-	-
Additional Dep	1	1	0	39	0	185	-	-	-	-	-
Renewal ratio	131%	180%	277%	543%	218%	90%	50%	51%	51%	51%	51%
Consumption Ratio	50%	49%	49%	49%	45%	45%	27%	26%	25%	24%	23%
Required maintenance	407	417	427	437	518	530	878	897	917	937	957
Actual	592	661	676	690	708	727	746	765	785	805	826
Maintenance ratio	145%	159%	158%	158%	137%	137%	85%	85%	86%	86%	86%
Backlog Reduction	53	137	312	797	262	-23	-207	-211	-215	-219	-223
Backlog ratio	0%	0%	0%	0%	0%	0%	2%	4%	6%	8%	10%

ITEM 3 (continued)

ATTACHMENT 4

Parks & Reserves	Approved 2016/17 Budget (\$000)	2017/18 Base Budget (SRV) (\$000)	2018/19 LTFP Total Budget (\$000)	2019/20 LTFP Total Budget (\$000)	2020/21 LTFP Total Budget (\$000)	2021/22 LTFP Total Budget (\$000)	2022/23 LTFP Total Budget (\$000)	2023/24 LTFP Total Budget (\$000)	2024/25 LTFP Total Budget (\$000)	2025/26 LTFP Total Budget (\$000)	2026/27 LTFP Total Budget (\$000)
CRC	5,333	12,631	16,281	19,396	20,637	21,480	21,952	22,435	22,929	23,433	23,949
WDV	3,971	12,027	16,461	19,490	20,541	21,454	21,988	22,536	23,100	23,680	24,276
Dep	58	138	178	213	226	236	241	246	251	257	263
Backlog	-	-	-	-	-	-	-	-	-	-	-
Asset Renewal	934	1,200	450	450	750	770	790	810	831	853	875
New & expanded Assets	7,180	3,372	2,758	814	389	-	-	-	-	-	-
Donated Assets	-	-	-	-	-	-	-	-	-	-	-
Asset Disposals	-	-	-	-	-	-	-	-	-	-	-
Additional Dep	79	37	30	9	4	-	-	-	-	-	-
Renewal ratio	1610%	868%	252%	212%	331%	327%	328%	329%	331%	332%	333%
Consumption Ratio	74%	95%	101%	100%	100%	100%	100%	100%	101%	101%	101%
Required maintenance	107	253	326	388	413	430	439	449	459	469	479
Actual	148	110	112	115	118	121	124	127	131	134	138
Maintenance ratio	136%	43%	34%	30%	29%	28%	28%	28%	29%	29%	29%
Backlog Reduction	876	1,062	272	237	524	534	549	564	580	596	612
Backlog ratio	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%

ITEM 3 (continued)

ATTACHMENT 4

Playspaces & sporting Fields	Approved 2016/17 Budget (\$000)	2017/18 Base Budget (SRV) (\$000)	2018/19 LTFP Total Budget (\$000)	2019/20 LTFP Total Budget (\$000)	2020/21 LTFP Total Budget (\$000)	2021/22 LTFP Total Budget (\$000)	2022/23 LTFP Total Budget (\$000)	2023/24 LTFP Total Budget (\$000)	2024/25 LTFP Total Budget (\$000)	2025/26 LTFP Total Budget (\$000)	2026/27 LTFP Total Budget (\$000)
CRC	66,675	74,636	100,389	127,381	169,056	176,175	185,501	189,982	199,312	245,997	251,558
WDV	54,707	63,377	67,877	69,962	70,863	71,111	71,378	71,601	71,836	72,032	71,778
Dep	1,214	1,312	1,606	1,914	2,384	2,474	2,588	2,649	2,764	3,291	3,365
Backlog	408	-	-	-	-	-	-	-	-	254	503
Asset Renewal	3,390	2,512	2,641	2,568	2,582	2,740	2,812	2,885	2,960	3,037	3,116
New & expanded Assets	6,494	3,300	1,050	250	50	-	-	-	-	-	-
Donated Assets	-	20,811	23,734	38,622	3,350	5,450	400	5,150	42,300	150	-
Asset Disposals	-	-	-	-	-	-	-	-	-	-	-
Additional Dep	71	265	273	428	37	60	4	57	465	2	-
Renewal ratio	279%	191%	164%	134%	108%	111%	109%	109%	107%	92%	93%
Consumption Ratio	82%	85%	68%	55%	42%	40%	38%	38%	36%	29%	29%
Required maintenance	1,334	1,493	2,008	2,548	3,381	3,524	3,710	3,800	3,986	4,920	5,031
Actual	4,804	3,139	3,214	3,292	3,378	3,465	3,556	3,648	3,743	3,840	3,940
Maintenance ratio	360%	210%	160%	129%	100%	98%	96%	96%	94%	78%	78%
Backlog Reduction	2,176	1,200	1,035	652	198	267	223	235	195	254	249
Backlog ratio	1%	0%	0%	0%	0%	0%	0%	0%	0%	0%	1%

ITEM 3 (continued)

ATTACHMENT 4

RALC	Approved 2016/17 Budget (\$000)	2017/18 Base Budget (SRV) (\$000)	2018/19 LTFP Total Budget (\$000)	2019/20 LTFP Total Budget (\$000)	2020/21 LTFP Total Budget (\$000)	2021/22 LTFP Total Budget (\$000)	2022/23 LTFP Total Budget (\$000)	2023/24 LTFP Total Budget (\$000)	2024/25 LTFP Total Budget (\$000)	2025/26 LTFP Total Budget (\$000)	2026/27 LTFP Total Budget (\$000)
CRC	27,908	28,572	29,851	30,507	31,178	31,864	32,565	33,282	34,014	34,762	35,527
WDV	17,585	17,118	17,248	17,846	17,287	17,072	16,486	16,252	15,637	15,383	14,738
Dep	650	665	687	702	717	733	749	766	782	800	817
Backlog	517	1,037	439	998	1,213	1,799	2,033	2,648	2,902	3,547	3,822
Asset Renewal	133	145	1,285	143	503	146	518	150	529	154	543
New & expanded Assets	50	650	-	-	-	-	-	-	-	-	-
Donated Assets	-	-	-	-	-	-	-	-	-	-	-
Asset Disposals	-	-	-	-	-	-	-	-	-	-	-
Additional Dep	1	7	-	-	-	-	-	-	-	-	-
Renewal ratio	20%	22%	187%	20%	70%	20%	69%	20%	68%	19%	66%
Consumption Ratio	63%	60%	58%	58%	55%	54%	51%	49%	46%	44%	41%
Required maintenance	558	571	597	610	624	637	651	666	680	695	711
Actual	290	296	303	310	318	326	334	343	352	361	371
Maintenance ratio	52%	52%	51%	51%	51%	51%	51%	52%	52%	52%	52%
Backlog Reduction	-517	-520	598	-559	-215	-587	-234	-615	-253	-646	-274
Backlog ratio	3%	6%	3%	6%	7%	11%	12%	16%	19%	23%	26%

ITEM 3 (continued)

ATTACHMENT 4

Road Pavement	Approved 2016/17 Budget (\$000)	2017/18 Base Budget (SRV) (\$000)	2018/19 LTFP Total Budget (\$000)	2019/20 LTFP Total Budget (\$000)	2020/21 LTFP Total Budget (\$000)	2021/22 LTFP Total Budget (\$000)	2022/23 LTFP Total Budget (\$000)	2023/24 LTFP Total Budget (\$000)	2024/25 LTFP Total Budget (\$000)	2025/26 LTFP Total Budget (\$000)	2026/27 LTFP Total Budget (\$000)
CRC	415,141	424,274	443,608	455,223	474,458	510,765	526,490	554,454	602,336	615,587	670,281
WDV	319,731	323,234	327,104	332,487	337,954	343,475	348,869	354,371	359,853	365,104	370,512
Dep	5,611	5,734	5,971	6,122	6,358	6,783	6,982	7,315	7,869	8,042	8,671
Backlog	18,023	14,153	8,770	3,303	-	-	-	-	-	-	-
Asset Renewal	9,114	9,605	11,353	11,589	11,880	12,178	12,483	12,797	13,119	13,450	13,789
New & expanded Assets	-	-	-	-	-	-	-	-	-	-	-
Donated Assets	-	10,000	1,856	9,220	25,869	4,488	16,381	35,684	-	41,151	-
Asset Disposals	-	-	-	-	-	-	-	-	-	-	-
Additional Dep	-	110	20	101	285	49	180	393	-	453	-
Renewal ratio	162%	167%	190%	189%	187%	180%	179%	175%	167%	167%	159%
Consumption Ratio	77%	76%	74%	73%	71%	67%	66%	64%	60%	59%	55%
Required maintenance	2,076	2,121	2,218	2,276	2,372	2,554	2,632	2,772	3,012	3,078	3,351
Actual	1,332	1,219	1,248	1,278	1,311	1,345	1,380	1,416	1,453	1,491	1,530
Maintenance ratio	64%	57%	56%	56%	55%	53%	52%	51%	48%	48%	46%
Backlog Reduction	3,503	3,870	5,383	5,467	5,521	5,395	5,502	5,482	5,251	5,408	5,117
Backlog ratio	6%	4%	3%	1%	0%	0%	0%	0%	0%	0%	0%

ITEM 3 (continued)

ATTACHMENT 4

Roadside & Public Spaces	Approved 2016/17 Budget (\$000)	2017/18 Base Budget (SRV) (\$000)	2018/19 LTFP Total Budget (\$000)	2019/20 LTFP Total Budget (\$000)	2020/21 LTFP Total Budget (\$000)	2021/22 LTFP Total Budget (\$000)	2022/23 LTFP Total Budget (\$000)	2023/24 LTFP Total Budget (\$000)	2024/25 LTFP Total Budget (\$000)	2025/26 LTFP Total Budget (\$000)	2026/27 LTFP Total Budget (\$000)
CRC	77,392	82,215	87,767	93,050	100,998	109,230	119,748	128,889	135,698	142,769	151,295
WDV	62,571	68,973	73,851	78,194	81,665	86,797	87,203	90,521	90,784	94,080	94,268
Dep	800	852	912	969	1,055	1,144	1,259	1,358	1,432	1,508	1,600
Backlog	-	-	-	-	-	-	-	-	-	-	-
Asset Renewal	4,082	2,287	3,472	2,188	3,235	1,550	4,576	1,622	4,727	1,896	4,883
New & expanded Assets	3,121	3,443	1,783	2,251	2,952	-	-	-	-	-	-
Donated Assets	-	300	1,569	3,850	3,058	8,115	6,506	3,974	4,085	5,385	-
Asset Disposals	-	-	-	-	-	-	-	-	-	-	-
Additional Dep	34	41	37	65	66	89	72	44	45	59	-
Renewal ratio	510%	268%	381%	226%	307%	135%	364%	119%	330%	112%	305%
Consumption Ratio	81%	84%	84%	84%	81%	79%	73%	70%	67%	66%	62%
Required maintenance	1,548	1,644	1,755	1,861	2,020	2,185	2,395	2,578	2,714	2,855	3,026
Actual	2,102	1,669	1,709	1,750	1,795	1,842	1,890	1,939	1,989	2,041	2,094
Maintenance ratio	136%	101%	97%	94%	89%	84%	79%	75%	73%	71%	69%
Backlog Reduction	3,282	1,435	2,560	1,219	2,180	406	3,318	264	3,296	188	3,283
Backlog ratio	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%

ITEM 3 (continued)

ATTACHMENT 4

Stormwater	Approved 2016/17 Budget (\$000)	2017/18 Base Budget (SRV) (\$000)	2018/19 LTFP Total Budget (\$000)	2019/20 LTFP Total Budget (\$000)	2020/21 LTFP Total Budget (\$000)	2021/22 LTFP Total Budget (\$000)	2022/23 LTFP Total Budget (\$000)	2023/24 LTFP Total Budget (\$000)	2024/25 LTFP Total Budget (\$000)	2025/26 LTFP Total Budget (\$000)	2026/27 LTFP Total Budget (\$000)
CRC	266,500	272,696	281,162	289,093	296,853	314,214	321,126	335,691	344,296	359,371	367,277
WDV	204,554	206,221	209,259	212,309	215,079	219,885	221,627	223,421	225,188	226,997	228,779
Dep	1,630	1,670	1,733	1,791	1,848	2,005	2,049	2,177	2,238	2,370	2,422
backlog	-	-	-	-	-	-	-	-	-	-	-
Asset Renewal	2,964	3,007	3,484	3,560	3,652	3,747	3,844	3,944	4,047	4,152	4,260
New & expanded Assets	333	1,700	1,300	1,000	3,000	-	-	-	-	-	-
Donated Assets	-	767	445	400	7,830	-	7,500	1,220	7,500	-	7,500
Asset Disposals	-	-	-	-	-	-	-	-	-	-	-
Additional Dep	4	27	19	15	119	-	83	13	83	-	83
Renewal ratio	182%	180%	201%	199%	188%	187%	188%	181%	181%	175%	176%
Consumption Ratio	77%	76%	74%	73%	72%	70%	69%	67%	65%	63%	62%
Required maintenance	1,333	1,363	1,406	1,445	1,484	1,571	1,606	1,678	1,721	1,797	1,836
Actual	175	156	159	163	167	171	176	180	185	190	195
Maintenance ratio	13%	11%	11%	11%	11%	11%	11%	11%	11%	11%	11%
Backlog Reduction	1,334	1,337	1,751	1,789	1,806	1,742	1,795	1,767	1,808	1,782	1,838
Backlog ratio	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%

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ATTACHMENT 4

Traffic Control Facilities	Approved 2016/17 Budget (\$000)	2017/18 Base Budget (SRV) (\$000)	2018/19 LTFF Total Budget (\$000)	2019/20 LTFF Total Budget (\$000)	2020/21 LTFF Total Budget (\$000)	2021/22 LTFF Total Budget (\$000)	2022/23 LTFF Total Budget (\$000)	2023/24 LTFF Total Budget (\$000)	2024/25 LTFF Total Budget (\$000)	2025/26 LTFF Total Budget (\$000)	2026/27 LTFF Total Budget (\$000)
CRC	7,072	9,651	10,348	10,926	11,516	12,120	12,386	12,659	12,937	13,222	13,513
WDV	3,490	5,795	6,133	6,327	6,514	6,694	6,515	6,333	6,147	5,957	5,763
Dep	118	147	156	163	171	178	182	186	190	194	199
Backlog	1,518	1,665	1,821	1,984	2,155	2,333	2,515	2,701	2,891	3,086	3,284
Asset Renewal	-	-	-	-	-	-	-	-	-	-	-
New & expanded Assets	2,423	485	350	350	350	-	-	-	-	-	-
Donated Assets	-	-	-	-	-	-	-	-	-	-	-
Asset Disposals	-	-	-	-	-	-	-	-	-	-	-
Additional Dep	27	5	4	4	4	-	-	-	-	-	-
Renewal ratio	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Consumption Ratio	49%	60%	59%	58%	57%	55%	53%	50%	48%	45%	43%
Required maintenance	283	386	414	437	461	485	495	506	517	529	541
Actual	225	184	189	193	198	204	209	214	220	226	231
Maintenance ratio	79%	48%	46%	44%	43%	42%	42%	42%	42%	43%	43%
Backlog Reduction	-118	-147	-156	-163	-171	-178	-182	-186	-190	-194	-199
Backlog ratio	43%	29%	30%	31%	33%	35%	39%	43%	47%	52%	57%

ITEM 3 (continued)

ATTACHMENT 4



CITY OF RYDE Buildings Asset Sub Plan

Civic, Community, Operational and Commercial Buildings



ITEM 3 (continued)

ATTACHMENT 4



ITEM 3 (continued)

ATTACHMENT 4

What is the service provided by these assets

Civic and Operational Buildings

- Civic Buildings – enable and support the functioning of Council and delivery of its services
- SES – subsidised facility for the operation of the SES

Commercial and Investment

- To generate an income stream or future capital benefit to supplement Council's revenue (Commercial/retail and residential)

Community Halls

- Allow community and public gatherings indoors
- Venues for community based groups
- Venues for low cost / subsidised private hire
- Single tenancy use for select organisations

Community Service Organisations – Licensed and Leased

- Kindergarten/Preschool/Early Childhood – provide facility to support availability of the service at a cheaper rate to public
- Bowling and Croquet Clubs – provide facility to support specific recreation based organisations
- Clubhouse and Grandstand – support facility to adjacent recreation facility
- Historical Houses – preserve a local historic building while facilitating its use as a facility at subsidised rate to specific organisations
- Single tenancy use for organisations providing affordable services needed by the community

Sporting Amenities and Public Toilets

- Facilitates access to public domain and facilities, so people can stay in public domain / use facilities etc. without having to go home
- Is in conjunction with other public and private toilet facilities

Issues over the life of these assets

- Main reasons to renew / replace are to bring to current up standards for compliance especially disabled access, and suit business needs
- Main value to the public is location, access arrangements, standard of finish and fitness for purpose
- Community expectations tend to increase over time in line with new developments of all public buildings
- Changing land use around the building affecting access, best value, fitness for purpose
- Ensuring maintenance is done where required by licensees

Options for Levels of Service

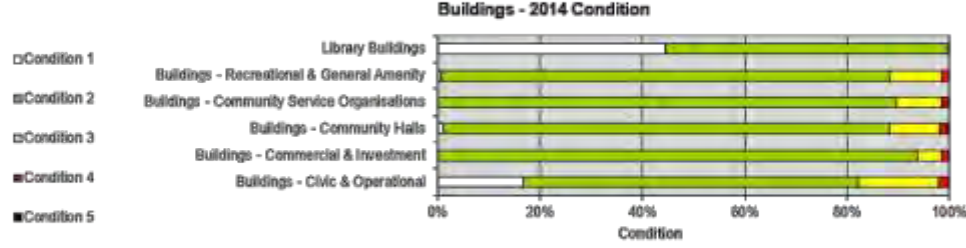
- The things that Council can change that affect the overall cost and nature of the service :
- Building type, the number of buildings provided, and their locations
- The suitability of the building for the use
- Accessibility, including opening hours
- The arrangements which the building is available for the use
- The look and feel e.g. materials and finish, carpet, heating / ventilation etc.
- Associated facilities e.g. internal toilets, car parking, landscaping
- Tenure and arrangements, including level of subsidy

Where are we now? (Current State)

- A significant proportion of facilities do not meet current standards of compliance for things such as disability complying access and toilets
- The location and purposes are not consistently or intelligently distributed across the city
- Most of the residential investment properties were acquired with an intent for demolition, and have not been well maintained
- Commercial buildings are generally satisfactory from a physical condition aspect.
- Other than investment properties and the civic centre, there is no long term intent articulated for refurbishment or replacement of most buildings
- Any non-compliance against current standards will likely remain
- The Civic Centre building has significant problems with its air conditioning system, electrical infrastructure, windows and sewage pipework. The floor plate is also inefficient with 15% more space than modern buildings allocated to non-office space. The Civic Hall connected to the Civic Centre is also outdated and inadequate and does not accommodate performing arts, community meetings or rehearsal requirements adequately. The Civic Hall also has building services issues. Neither building conforms to disabled access codes. In the past twelve months these buildings together have required expenditure of approximately \$1.3 million

ITEM 3 (continued)

ATTACHMENT 4



Key considerations

- Supporting the business and commercial needs of the organisation
- How supporting the users delivers against the Strategic Plan
- Having an understanding of current and projected community needs, customer views, on the services provided, and customer contributions (rent) relative to the total cost of providing facilities.
- Adapting to demographic changes and population growth, and business needs
- Adapting to changes in technology and associated user expectations – power/energy, communications, security, technology
- The Civic Centre building, dating from 1965, requires significant expenditure (over \$40 million) to bring it up to BCA, with addressing this being treated separately to Council's other assets

How much do we need to look after these assets?

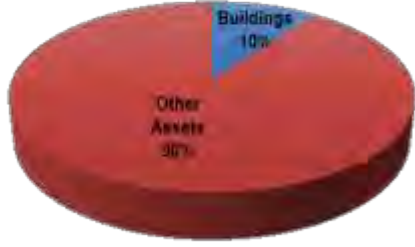
To sustain service levels and manage risk infrastructure renewal must be adequately funded. The Asset Plan discusses this challenge and identifies that the current funding will be insufficient for the longer term.

At present building assets represent an important portion of the assets we manage. Without renewal being undertaken when needed a decline in service and an increase in associated risks will occur.

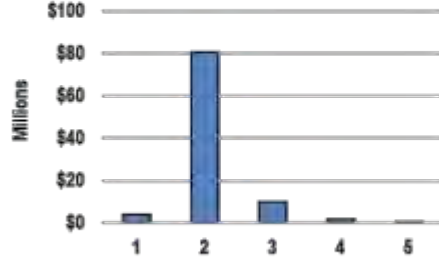
ITEM 3 (continued)

ATTACHMENT 4

Infrastructure Proportion – Buildings



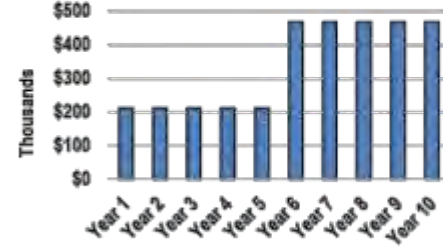
Condition Profile – Buildings



Although in the short term the renewal of assets in poor and very poor condition (Condition 4 and 5) can be managed, as the majority of the assets continue to age and decline, the financial capacity to manage more significant renewals is inadequate.

The City of Ryde was successful in receiving a Special Rate Variation of 7% per annum for 4 years, commencing 2015/16, and will be applied to buildings after existing the backlog is addressed.. This increase is sufficient to support a long term financial strategy of renewing building assets when required, excluding the Civic Centre building, and will enable those assets currently rated as Condition 4 and 5 to be renewed over the next 10 years as shown in following "graphical" estimate.

Buildings – Requirements for Renewal of Condition 4 and 5



Given that buildings have many complex components, and that these are generally replaced "in part", we anticipate that the renewal program will be tailored to suit the specific operational requirements. The important aspect here is that we have sufficient funds to enable the works to be undertaken.

ITEM 3 (continued)

ATTACHMENT 4

What Council is proposing to do

Next 4 years – with a 7% SRV

- Renew the external building components (i.e. roofs, windows) and structural maintenance of 2 to 3 larger buildings (i.e. halls)

Longer term – to 10 years, to 25 years

- LED lighting retrofits & other energy efficiency actions that are self-funding through payback

Through other means - DCP, VPA's, S94, LDA consents

- Upgrade existing facilities using S94 funding, e.g. disabled compliance retrofits
- Community facilities at major developments notably in Meadowbank, Macquarie Park
- Upgrade facilities for compliance and user needs

Govt agencies

- Not yet determined

ITEM 3 (continued)

ATTACHMENT 4

Service Standards and Service Levels

The Levels of Service for each asset class have been developed based on current work practices and performance. They take into account current data collection and monitoring practices and reflect the service level outcome categories. Current service levels are detailed in the individual asset sections.

Following are a few examples of asset based service levels that the Council may want to develop and/adopt.

Buildings

Key Performance Indicator	Level of Service	Performance Measurement Process	Target Performance	Current Performance
Quality / Condition	Reduction in No of defects	Annual Inspection	Maintain No defects at less than 20%	TBA
	% of Assets in Condition 4 or better	Condition Assessment	100%	99%
Reliability / responsiveness	% Compliance with Councils documented response time	CRMS data	90%	Base case TBD
Customer Service	% Satisfaction with service provision	Community perception Survey Report	Satisfaction mean rating above 4	Customer Satisfaction mean rating 3.65 (satisfactory)
Sustainability	Occupation rate for residential and aged care units	Council records	90%	Base case TBD
	Reduction of power and water usage	To be considered in the future		Base case TBD
	Consumption ratio	Annual depreciation figures and expenditure details	Between 50% and 75%	35%
	Renewal Funding Ratio		Between 90% and 110%	54%
Long term funding ratio	Between 95% and 105%		Base case TBD	
Safety	Compliance with Fire Safety regulation.	Annual Inspection	100% compliance	100
	Electrical isolation switches operational	Annual inspections of all residential properties	100% compliance	Base case TBD
Affordability	% by value of properties not managed by Council	Annual reports		Base case TBD

ITEM 3 (continued)

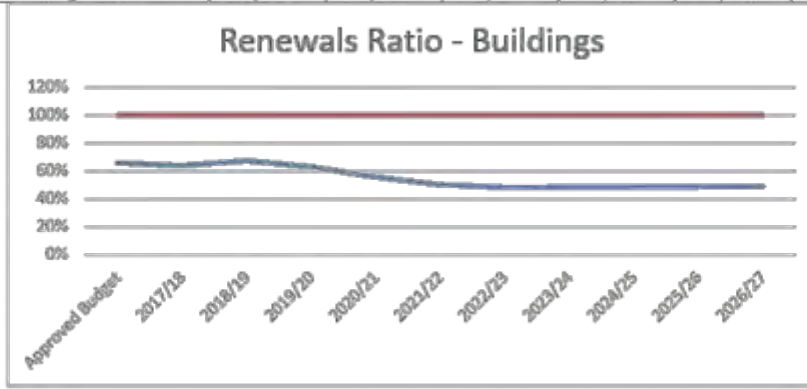
ATTACHMENT 4

Linkage to Long Term Financial Plan

This page sets out the programs that are used within the financial system to track the expenditure for the following areas of asset expenditure under this Sub Plan

Renewals

	Approved 2016/17 Budget (\$)	2017/18 Base Budget (SRV) Total (\$)	2018/19 LTFP Total Budget (\$)	2019/20 LTFP Total Budget (\$)	2020/21 LTFP Total Budget (\$)	2021/22 LTFP Total Budget (\$)	2022/23 LTFP Total Budget (\$)	2023/24 LTFP Total Budget (\$)	2024/25 LTFP Total Budget (\$)	2025/26 LTFP Total Budget (\$)	2026/27 LTFP Total Budget (\$)
Buildings Total	495,353	541,500	592,942	644,424	695,948	714,043	732,608	751,656	771,198	791,250	811,822
Civic Centre- Essential Renewal	11,763	-	-	-	-	-	-	-	-	-	-
Community Buildings Renewal	293,590	350,000	400,000	450,000	500,000	513,000	526,338	540,023	554,063	568,469	583,249
Corporate Buildings Renewals	40,000	40,000	40,000	40,000	40,000	41,040	42,107	43,202	44,325	45,478	46,660
Operational Building Renewal	50,000	51,500	52,942	54,424	55,948	57,403	58,895	60,426	61,997	63,609	65,263
Commercial Buildings Renewal	100,000	100,000	100,000	100,000	100,000	102,600	105,268	108,005	110,813	113,694	116,650



ITEM 3 (continued)

ATTACHMENT 4

Expansion

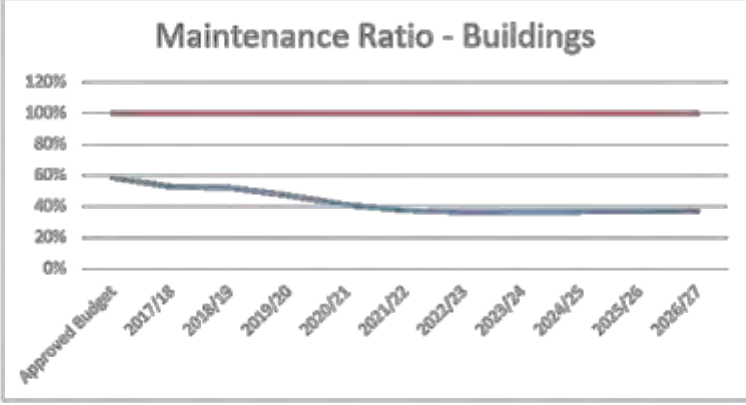
	Approved 2016/17 Budget (\$)	2017/18 Base Budget (SRV) (\$)	2018/19 LTFP Total Budget (\$)	2019/20 LTFP Total Budget (\$)	2020/21 LTFP Total Budget (\$)	2021/22 LTFP Total Budget (\$)	2022/23 LTFP Total Budget (\$)	2023/24 LTFP Total Budget (\$)	2024/25 LTFP Total Budget (\$)	2025/26 LTFP Total Budget (\$)	2026/27 LTFP Total Budget (\$)
Buildings Total	878,667	1,300,000	2,400,000	9,500,000	12,500,000	6,000,000	-	-	-	-	-
741 Victoria Road	100,000	100,000	100,000	1,000,000	6,500,000	6,000,000	-	-	-	-	-
33-35 Blaxland Road	300,000	600,000	1,300,000	7,500,000	6,000,000	-	-	-	-	-	-
Porters Creek Precinct	300,000	600,000	1,000,000	1,000,000	-	-	-	-	-	-	-
West Ryde Community Facility - (Fitout & Project Man)	178,667	-	-	-	-	-	-	-	-	-	-

ITEM 3 (continued)

ATTACHMENT 4

Maintenance

	Original 2016/17 Budget (\$)	2017/18 Base Budget (SRV) (\$)	2018/19 LTFP Total Budget (\$)	2019/20 LTFP Total Budget (\$)	2020/21 LTFP Total Budget (\$)	2021/22 LTFP Total Budget (\$)	2022/23 LTFP Total Budget (\$)	2023/24 LTFP Total Budget (\$)	2024/25 LTFP Total Budget (\$)	2025/26 LTFP Total Budget (\$)	2026/27 LTFP Total Budget (\$)
Buildings Total	1,077,640	1,066,200	1,088,990	1,113,312	1,142,269	1,171,957	1,202,428	1,233,691	1,266,767	1,298,677	1,332,443
Council Offices	9,020	45,000	45,990	47,002	48,224	49,478	50,764	52,084	53,438	54,828	56,253
Council Works Depot	186,320	184,500	188,559	192,707	197,718	202,858	208,133	213,544	219,096	224,793	230,637
Other Buildings	882,300	835,700	854,441	873,603	896,317	919,621	943,531	968,063	993,233	1,019,057	1,045,552

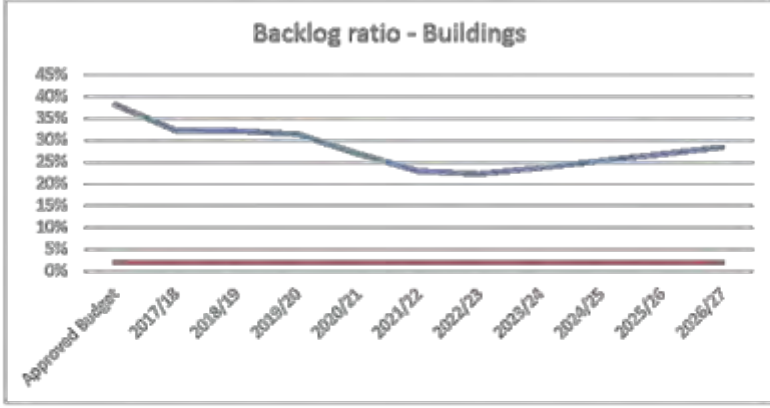


ITEM 3 (continued)

ATTACHMENT 4

Operating

	Original 2016/17 Budget (\$)	2017/18 Base Budget (SRV) (\$)	2018/19 LTFP Total Budget (\$)	2019/20 LTFP Total Budget (\$)	2020/21 LTFP Total Budget (\$)	2021/22 LTFP Total Budget (\$)	2022/23 LTFP Total Budget (\$)	2023/24 LTFP Total Budget (\$)	2024/25 LTFP Total Budget (\$)	2025/26 LTFP Total Budget (\$)	2026/27 LTFP Total Budget (\$)
Buildings Total	3,397,520	3,765,850	3,897,553	4,015,878	4,147,950	4,286,457	4,467,200	1,533,593	1,573,470	1,614,384	1,656,359
Council Offices	2,852,670	3,110,800	3,226,885	3,341,137	3,455,665	3,576,173	3,738,448	785,894	806,331	827,299	848,810
Council Works Depot	235,650	197,790	202,224	194,840	199,905	205,103	210,436	215,907	221,521	227,280	233,189
Amenities/Toilets	309,200	457,260	488,443	479,902	492,379	505,181	518,316	531,792	545,819	559,805	574,360
Other Buildings	823,540	701,120	716,773	600,033	615,634	631,640	648,063	664,912	682,200	699,937	718,136



ITEM 3 (continued)

ATTACHMENT 4

Linkages to other plans

Community Strategic Plan

This page sets out the linkage of this Sub Plan to the current adopted Community Strategic Plan.

Refer to Asset Management Improvement Plan on pages 12-15 for details.

Delivery Plan and Operational Plan

This page sets out the linkage of the Sub Plan to the current adopted Council Delivery Plan and Operational Plan

Refer to Asset Management Improvement Plan on pages 12-15 for details.

Regional Plans

This page sets out the linkage of this Sub Plan to the any regional plans.

Refer to Asset Management Improvement Plan on pages 12-15 for details.

State and Federal Government Plans

This page sets out the linkage of the Sub Plan to any relevant State or Federal Government Plans

Refer to Asset Management Improvement Plan on pages 12-15 for details.

ITEM 3 (continued)

ATTACHMENT 4

Indicative images – levels of service

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ITEM 3 (continued)

ATTACHMENT 4

Basic information about these assets

Building Type	No	Part of other bldg	Statutory Compliance #	Backflow Meters	DDA Complying Toilets	Asbestos register completed
Civic and Operational Buildings	11					11/11
• Civic Buildings	5	1	F0/5 E-0/5 T0/5			
• SES	1		F0/1 E0/1 T0/1			
Commercial and investment	13					8/14
• Commercial	7		F0/7 E0/7- T0/7			
• Residential	6		F0/6 E0/6 T0/6			
Community Halls	25					18/25
• Community Facility	12	2	F0/12 E0/12 T0/12			
• Hall	8		F0/8 E0/8 T0/8			
Community Service Organisations – Licensed and Leased	26					22/25
• Historical Houses	7		F0/7 E0/7 T0/7			
• Early Childhood	5	2	F0/5 E0/5 T0/5			
• Kindergarten/Preschool	6	1	F0/6 E0/6 T0/6			
• Community Aid	4		F0/4 E0/4 T0/4			
Recreational and General Amenities	58					48/58
• Grandstand	3		F3/3 E0/3 T0/3		0/1	
• Public Toilet (standalone)	17		NA		12/17	
• Sporting Amenities	37		NA		18/37	
• Bowling and Croquet	4		F4/4 E0/4 T0/4			
• Clubhouse	4		F4/4 E0/4 T0/4			
In separate asset plans						
• Libraries	5	2	F0/5 E0/5 T0/5			
• RALC (Ryde Aquatic Leisure Centre)	1		F-/- E-/- T-/-			

F= Fire, E=Emergency systems, T=Disabled Toilets

ITEM 3 (continued)

ATTACHMENT 4

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ITEM 3 (continued)

ATTACHMENT 4



CITY OF RYDE Library and Cultural Asset Sub Plan



Assets supporting library services, plus directly represent the cultural values and investments of the community, such as monuments and public art.

ITEM 3 (continued)

ATTACHMENT 4



ITEM 3 (continued)

ATTACHMENT 4

What is the service provided by these assets

Library

- printed, audio visual and digital material to access and borrow
- selected information services
- access to technology (primarily internet) for research and learning
- Place for informal community meetings, events and social activities

Cultural

- hold and display a collection of art works by local and selected artists for aesthetic appreciation
- other type of art in public places, such as statues
- archived historical printed and photograph records
- memorial plaques in parks and public places
- monuments and historical items are valued by the community

Issues over the life of these assets

Library

- Main value to the public is: access to a range of materials, the educational and recreational activities provided, technology access, location, hours of opening and the standard of furnishings and fit out.
- The largest cost elements of library services are the buildings (ongoing maintenance), the materials available, technology infrastructure, and staff resourcing.
- Main reasons to renew / replace are to bring up to current standards for compliance especially disabled access, meet aesthetic expectations,

and to meet expectations of a library that evolves with changing community needs.

- Maintaining a contemporary physical environment (building, fittings, furniture) and technology.
- Adapting to changes in technology and associated user expectations – power/energy, communications, security, technology
- Ongoing replenishment of library materials in order to maintain current collections which are relevant to the needs of the community.

Cultural

- For most cultural items, the intent is to keep and maintain them indefinitely
- Dealing with potential and actual damage from vandalism and graffiti, and environmental exposure.

Options for Levels of Service

- The things that Council can change that affect the overall cost and nature of the service
- The location
- Accessibility
- How the building suits the use
- The arrangements which the building is available for the use
- The look and feel e.g. materials and finish, carpet, heating / ventilation etc.
- Associated facilities e.g. internal toilets, car parking, landscaping
- Frequency of cleaning

Where are we now? (Current State)

- Two modern library buildings (Top Ryde and West Ryde)
- Three older library buildings which are now struggling to meet community expectations of a modern public library (North Ryde, Gladesville and Eastwood)
- Two modern library buildings with inadequate levels of funding to maintain them at appropriate levels of community expectation into the future
- Three older library buildings increasingly needing considerable work to maintain them at a basic level
- Potential redevelopment interest in the locations of at least two of these older library buildings

ITEM 3 (continued)

ATTACHMENT 4

Key considerations

- The location and purposes are not rationally distributed across the city area, rather it is an evolution from individual decisions
- The look and configuration of the libraries
- art works and historical items are not replaceable and require appropriate conditions
- Availability and access, opening and closing arrangements, display arrangements
- plaques and memorial items have an intrinsic emotional aspect
- opinions on aesthetic values vary widely within the community, and there will always be pressure from individuals and groups to affect what is displayed, that does not necessarily align with the organisations and community's values
- decorative elements within infrastructure are intended to last only as long as the infrastructure, nor change the decision about the useful life and replacement of that infrastructure
- Gladesville Library is operated as a joint library service with Hunters Hill Council. A new agreement has recently been negotiated. An MOU for a potential new building and possible change of ownership is also in development.

How much do we need to look after these assets?

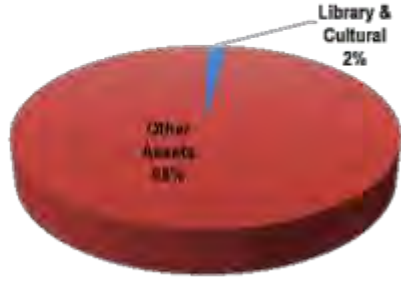
To sustain service levels and manage risk infrastructure renewal must be adequately funded. The Asset Plan discusses this challenge and identifies that the current funding will be insufficient for the longer term.

At present the assets at the Library and Cultural infrastructure assets represent an important portion of the assets we manage. Without renewal being undertaken when needed a decline in service and an increase in associated risks will occur.

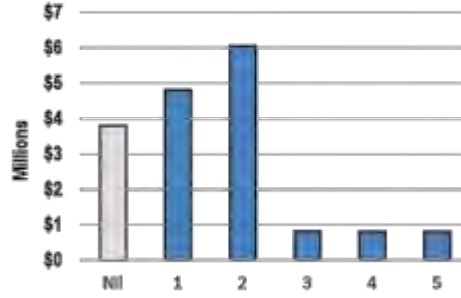
ITEM 3 (continued)

ATTACHMENT 4

Infrastructure Proportion – Library and Cultural Infrastructure Assets



Condition Profile –Library and Cultural Infrastructure Assets



At present the majority of these assets are in good condition. Although in the short term renewal can be managed, as the majority of the assets continue to age and decline, the financial capacity to manage more significant renewals will be important.

The City of Ryde was successful in receiving a Special Rate Variation of 7% per annum for 4 years, commencing 2015/16. This increase is sufficient to support a long term financial strategy of renewing Library and Cultural assets when required, and will enable those assets currently rated as Condition 5 to be renewed over the next 10 years.

Library and Cultural – Requirements for Renewal of Condition 4 and 5

The renewal program for buildings is not required within the 10 year period. For furniture/fit out and library content materials, these will be tailored to suit the specific operational requirements. The important aspect here is that we have sufficient funds to enable the renewals to be undertaken

ITEM 3 (continued)

ATTACHMENT 4

What Council is proposing to do

Next 4 years – with the 7% SRV

- Implementation of some recommendations from relevant plans:
 - Community Hubs Plan
 - Cultural Spaces and Places Plan
 - Libraries for Ryde (Library Services Strategic Plan)
- Install WiFi at branch libraries
- The additional SRV will allow additional funds to be allocated for library building assets in line with the Building Asset plans

Longer term – to 10 years, to 25 years

- Continued maintenance and re-engineering to resolve problems, similar to first 4 years
- Continue implementation of recommendations from relevant plans:
 - Community Hubs Plan
 - Cultural Spaces and Places Plan
 - Libraries for Ryde (Library Services Strategic Plan)

Through other means - DCP, VPA's, S94, LDA consents

- Be opportunistic
- Replace the statues at West Ryde plaza with a suitable alternative

Govt agencies

- Be opportunistic

ITEM 3 (continued)

ATTACHMENT 4

Service Standards and Service Levels

Library and Cultural

Key Performance Indicator	Level of Service	Performance Measurement Process	Target Performance	Current Performance
Quality / Condition	Reduction in No of defects	Annual inspection	Maintain No defects at less than 20%	Base case TBD
	% of Assets in Condition 4 or better	Condition Assessment	95%	80
Reliability / responsiveness	% Compliance with Councils documented response time	CRMS data	90%	Base case TBD
Customer Service	% Satisfaction with service provision	Community Perception Survey Report	Maintain	Satisfaction mean rating = 4.27 (very high)
Sustainability	Satisfactory operational performance	6 mthly report from libraries and cultural facilities	To Maintain Satisfactory Performance	Base case TBD
	Consumption ratio	Annual depreciation figures and expenditure details	Between 50% and 75%	50%
	Renewal Funding Ratio		Between 90% and 110%	78%
	Long term funding ratio		Between 95% and 105%	Base case TBD

ITEM 3 (continued)

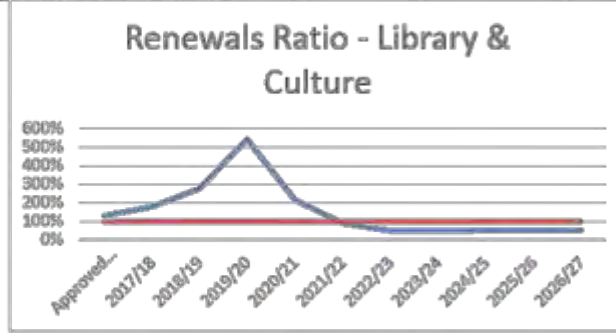
ATTACHMENT 4

Linkage to Long Term Financial Plan

This page sets out the programs that are used within the financial system to track the expenditure for the following areas of asset expenditure under this Sub Plan

Renewals

	Approved 2016/17 Budget (\$)	17/18 Base Budget (SRV) (\$)	18/19 LTFP Budget (\$)	19/20 LTFP Budget (\$)	20/21 LTFP Budget (\$)	21/22 LTFP Budget (\$)	22/23 LTFP Budget (\$)	23/24 LTFP Budget (\$)	24/25 LTFP Budget (\$)	25/26 LTFP Budget (\$)	26/27 LTFP Budget (\$)
Library & Cultural Total	266,346	361,070	529,800	1,013,512	520,875	205,200	210,535	216,009	221,625	227,388	233,300
Public Art - Passive Parks Improvement and Expansion	46,750	53,120	42,500	36,125	36,125	-	-	-	-	-	-
Community Buildings Renewals - Libraries	100,000	100,000	200,000	794,000	200,000	205,200	210,535	216,009	221,625	227,388	233,300
Ryde Town Centre Monuments	15,000	15,000	-	-	-	-	-	-	-	-	-
Public Art - Traffic Facilities Renewal	15,720	-	-	-	-	-	-	-	-	-	-
Public Art - Neighbourhood Centre Renewal	20,825	10,200	80,750	93,500	8,500	-	-	-	-	-	-
Public Art - Town Centre Upgrade Implementation	8,500	102,000	127,500	8,500	187,000	-	-	-	-	-	-
Public Art - Playground Construction - Renewal	59,551	80,750	79,050	81,387	89,250	-	-	-	-	-	-



ITEM 3 (continued)

ATTACHMENT 4

Expansion

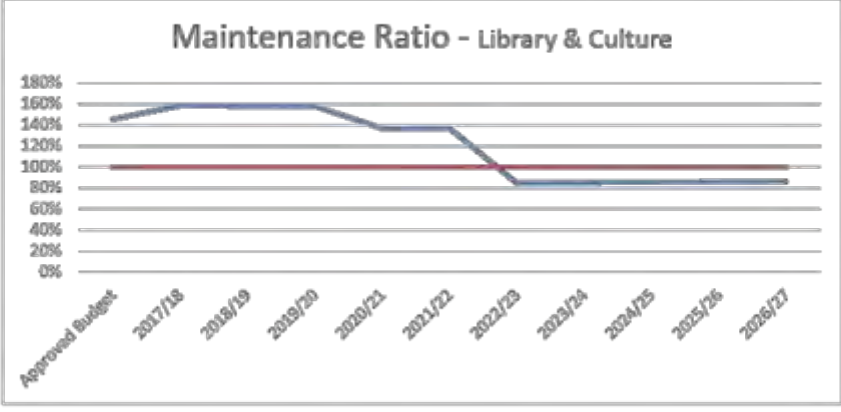
	Approved 2016/17 Budget (\$)	17/18 Base Budget (SRV) (\$)	18/19 LTFP Budget (\$)	19/20 LTFP Budget (\$)	20/21 LTFP Budget (\$)	21/22 LTFP Budget (\$)	22/23 LTFP Budget (\$)	23/24 LTFP Budget (\$)	24/25 LTFP Budget (\$)	25/26 LTFP Budget (\$)	26/27 LTFP Budget (\$)
Library & Cultural Total	46,750	53,120	42,500	36,125	36,125	-	-	-	-	-	-
Public Art - Passive Parks Improvement and Expansion	46,750	53,120	42500	36125	36125	-	-	-	-	-	-

Maintenance

	Approved 2016/17 Budget (\$)	17/18 Base Budget (SRV) (\$)	18/19 LTFP Budget (\$)	19/20 LTFP Budget (\$)	20/21 LTFP Budget (\$)	21/22 LTFP Budget (\$)	22/23 LTFP Budget (\$)	23/24 LTFP Budget (\$)	24/25 LTFP Budget (\$)	25/26 LTFP Budget (\$)	26/27 LTFP Budget (\$)
Library & Culture Total	592,060	661,070	675,613.5	690,477	708,429.4	726,848.6	745,746.7	765,136.1	785,029.6	805,440.4	826,381.8
Library & Culture	229,900	283,230	289,461.1	295,829.2	303,520.8	311,412.3	319,509	327,816.3	336,339.5	345,084.3	354,056.5
Library & Culture	362,160	377,840	386,152.5	394,647.8	404,908.7	415,436.3	426,237.6	437,319.8	448,690.1	460,356.1	472,325.3

ITEM 3 (continued)

ATTACHMENT 4

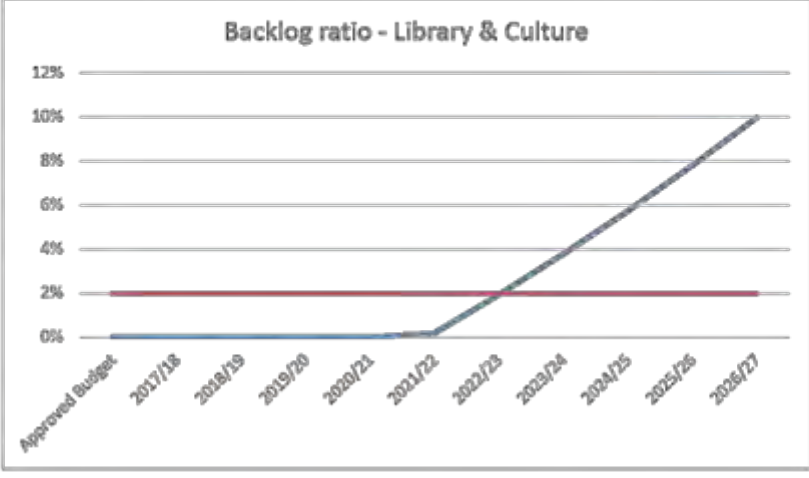


Operating

	Approved 2016/17 Budget (\$)	17/18 Base Budget (SRV) (\$)	18/19 LTFP Budget (\$)	19/20 LTFP Budget (\$)	20/21 LTFP Budget (\$)	21/22 LTFP Budget (\$)	22/23 LTFP Budget (\$)	23/24 LTFP Budget (\$)	24/25 LTFP Budget (\$)	25/26 LTFP Budget (\$)	26/27 LTFP Budget (\$)
Library & Culture Total	833,130	878,310	897,838.1	838,683.6	857,411.4	879,704.1	902,576.4	926,043.3	950,120.5	974,823.6	100,0169
Library & Culture	466,250	430,350	439,967.5	428,910.5	440,062.2	451,503.8	463,242.9	475,287.2	487,644.7	500,323.5	513,331.9
Library & Culture	366,880	447,960	457,870.6	406,773.1	417,349.2	428,200.3	439,333.5	450,756.1	462,475.8	474,500.2	486,837.1

ITEM 3 (continued)

ATTACHMENT 4



ITEM 3 (continued)

ATTACHMENT 4

Linkages to other plans

Community Strategic Plan

This page sets out the linkage of this Sub Plan to the current adopted Community Strategic Plan.

TBD per Asset Management Improvement Plan

Delivery Plan and Operational Plan

This page sets out the linkage of the Sub Plan to the current adopted Council Delivery Plan and Operational Plan

TBD per Asset Management Improvement Plan

Regional Plans

This page sets out the linkage of this Sub Plan to the any regional plans.

TBD per Asset Management Improvement Plan

State and Federal Government Plans

This page sets out the linkage of the Sub Plan to any relevant State or Federal Government Plans

TBD per Asset Management Improvement Plan

ITEM 3 (continued)

ATTACHMENT 4

Basic information about these assets

Type	Quantity	Comment	End Of Life Intent
Library Buildings	5	<ul style="list-style-type: none"> • Eastwood Library (incl Women's Rest Centre) • Gladesville • North Ryde • Top Ryde • West Ryde 	<ul style="list-style-type: none"> • Not determined • Not determined • Not determined • New – not determined • West Ryde
Library Furniture and fittings	Tables 158 Chairs 818 Desks 116 Shelving 1,016 Furniture 425	Quantities as at 2015/16	Not determined
Library Material	Books 164,882 AV 23,248 Toys 671	Quantities as at 2015/16	Turnover all material on a 10 year cycle. Approx. \$400,000 p.a. budget – equates to \$4M replacement value
Historical and Archived material	not quantified		n/a
Art (paintings)	157		n/a
Monuments and memorials	Plaques in parks 90		Re attached to furniture if item replaced, otherwise not determined
Statues and sculpture	Not recorded		n/a

ITEM 3 (continued)

ATTACHMENT 4



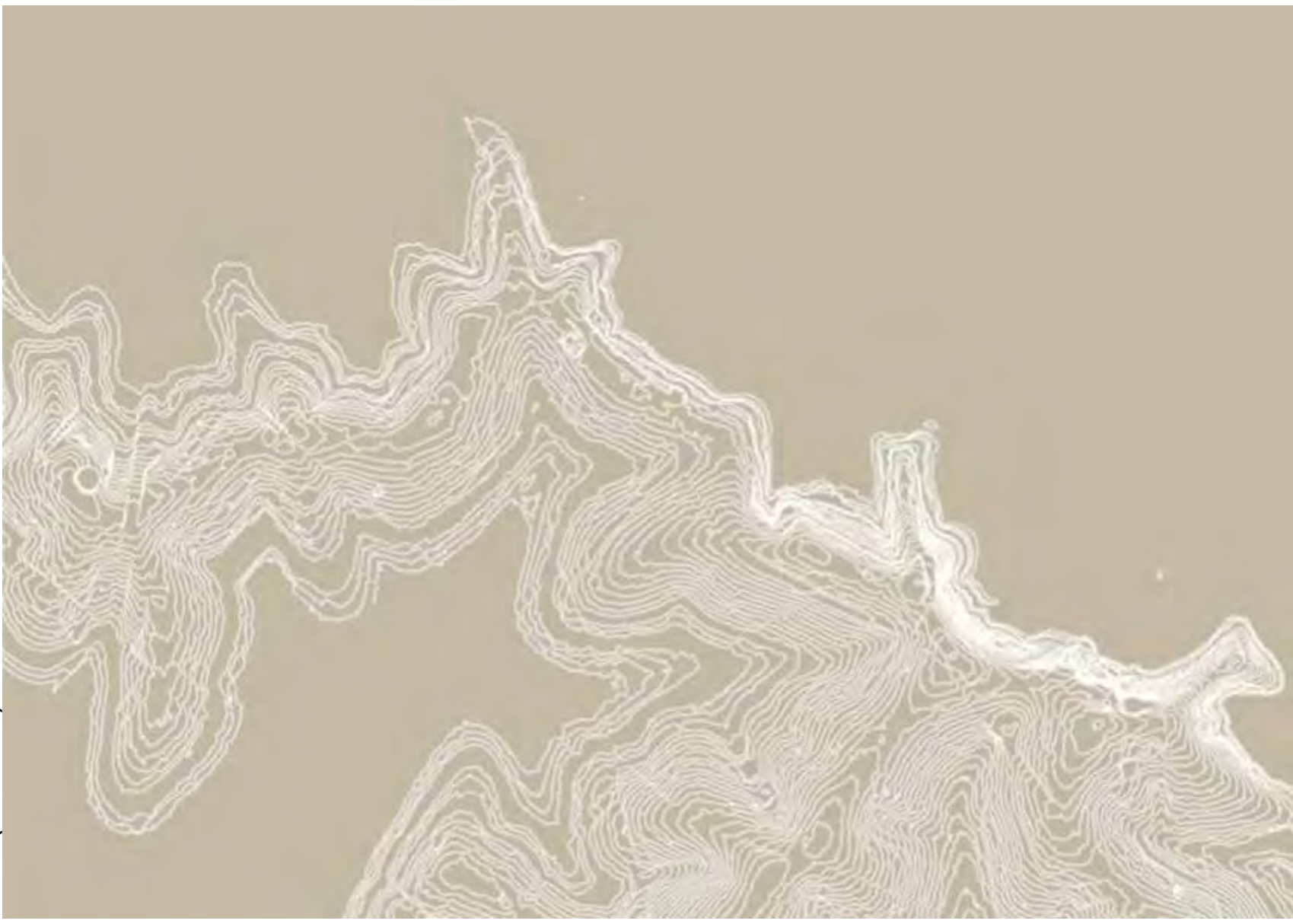
CITY OF RYDE Parks and Reserves Asset Sub Plan



Includes bushland areas, road reserves closed to traffic with landscaping, and drainage reserves

ITEM 3 (continued)

ATTACHMENT 4



ITEM 3 (continued)

ATTACHMENT 4

What is the service provided by these assets

- General public open space for recreation and amenity.
- Aesthetic value, including trees, landscaping and garden beds.
- Allows public and group gatherings.
- Associated facilities include car parking, lighting, shelters and furniture, special buildings such as rotundas, monuments.
- Includes seawalls (about 800m) which define and protect reserves along the river

Issues over the life of these assets

- The useful life of the associated assets depends on what they are and the material used.
- Maintenance mainly comprises replacing damage, removing graffiti, and upkeep due to wear and tear.
- Landscaping maintenance is mainly mowing, tree management and limited garden bed upkeep.
- The maintenance of landscaping depends on species, weather and prominence of the location.
- Parks are open to the public at all times.

Options for Levels of Service

The things that Council can change that affect the overall cost and nature of the service:

- Amount and type of garden beds and maintained vegetation
- Condition of grass in open areas e.g. mowing frequency
- Type and amount of associated facilities e.g. seats, tables, lighting, fencing, paths, retaining walls, signage
- State of repair of associated facilities
- Location of reserves overall and location within reserves of any facilities
- Enforcement of appropriate behaviours
- Parks are used as the location for other recreation assets such as ovals, courts, playspace equipment etc., and integration with these is an essential aspect of the management of parks and reserves

Where are we now? (Current State)

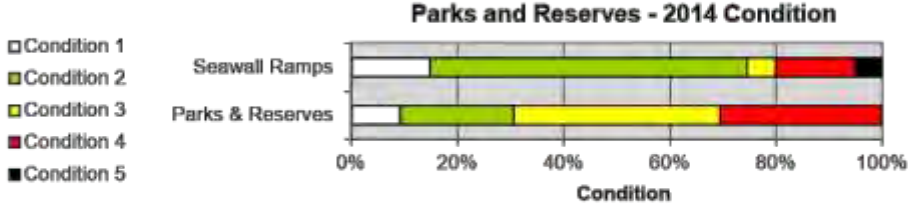
- The number of parks at the level of service

Level of Service	Number of parks
1	19
2	44
3	80
4	63
5	0
Total	206

- A significant amount of seawalls are in poor condition and there has been an increase in the Delivery Plan to repair and renew large sections.
- 12 parks are designated to allow off leash dog use

ITEM 3 (continued)

ATTACHMENT 4



Key considerations

- Landscaping maintenance is labour intensive
- Strategies/plans – past policy has focussed on acquiring land
- Location and equitable coverage across the city
- Council is exempt by law from having to contribute to boundary fencing with private properties.
- Other Council plans and policies
 - Memorial Plaques and Donation of Park Furniture and Trees Policy
 - Urban Forest policy
 - No Smoking policy – Parks and Reserves
 - Community Gardens policy

How much do we need to look after these assets?

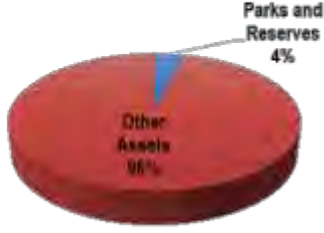
To sustain service levels and manage risk infrastructure renewal must be adequately funded. The Asset Plan discusses this challenge and identifies that the current funding will be insufficient for the longer term.

At present Parks and Reserves assets represent a substantial portion of the assets we manage. Without renewal being undertaken when needed a decline in service and an increase in associated risks will occur.

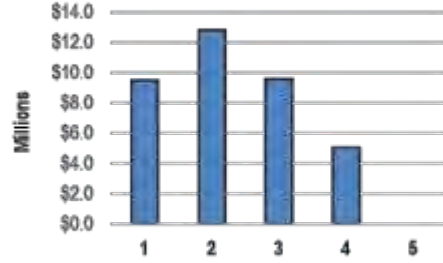
ITEM 3 (continued)

ATTACHMENT 4

Infrastructure Proportion – Parks and Reserves



Condition Profile – Parks and Reserves



In order to address this challenge, the City of Ryde was successful in receiving a Special Rate Variation of 7% per annum for 4 years, commencing 2015/16. This increase is sufficient to support a long term financial strategy of renewing parks and reserves assets when required, and will enable those assets currently rated as Condition 5 to be renewed over the next 10 years.

Parks and Reserves – Requirements for Renewal of Condition 4 and 5

Condition rating for parks is based on the level of maintaining the vegetation, landscaping and infrastructure. Condition 5 reflects negligible maintenance requirements or activities counteracted by risks and aesthetics for public access of such areas. Most asset renewal is about infrastructure items such as fencing. The important aspect is that we have sufficient funds to enable the renewals to be undertaken.

Seawalls – Requirements for Renewal of Condition 4 and 5

The program listings in the current four year delivery plan will resolve all the condition 4 & 5 condition rated seawalls.

ITEM 3 (continued)

ATTACHMENT 4

What Council is proposing to do

Next 4 years – with a 7% SRV

- Continue mowing, gardening and maintenance of facilities to match available budget
- Continue mowing, gardening and maintenance of facilities at current Levels of Service

Longer term – to 10 years, to 25 years

- Continue mowing, gardening and maintenance of facilities
- Modify landscaping and tree planting to reduce mowing and operating costs

Through other means - DCP, VPA's, S94, LDA consents

- As consents are issued, implement the s94 plan as relevant
- Acquiring and developing Central Park, Lachlan's Line & others

Govt agencies

- Continue to apply for grants
- Shrimptons Creek upgrade

ITEM 3 (continued)

ATTACHMENT 4

Service Standards and Service Levels

Parks and Reserves

Key Performance Indicator	Level of Service	Performance Measurement Process	Target Performance	Current Performance
Quality / Condition	Reduction in priority 1 defects for playground equipment	Annual Inspection Program	No priority 1 Defects	Base case TBD
	Reduction in parks defects	Quarterly inspection program in reflect	Maintain No defects at less than 20%	Base case TBD
	% of Assets in condition 3 or better	Condition Assessment	maintain current park categories	
Reliability / responsiveness	% Compliance with Councils documented response time	CRMS data	90%	Base case TBD
Customer Service	% Satisfaction with service provision	Community Perception Survey Report	Maintain	Customer Satisfaction mean rating 4.07
Sustainability	Consumption ratio	Annual depreciation figures and expenditure details	Between 50% and 75%	74%
	Renewal Funding Ratio		Between 90% and 110%	Base case TBD
	Long term funding ratio		Between 95% and 105%	Base case TBD
Affordability	Cost /ha to maintain open space assets	Annual Budget expenditure	Increase by 1% lower than CPI	Base case TBD

ITEM 3 (continued)

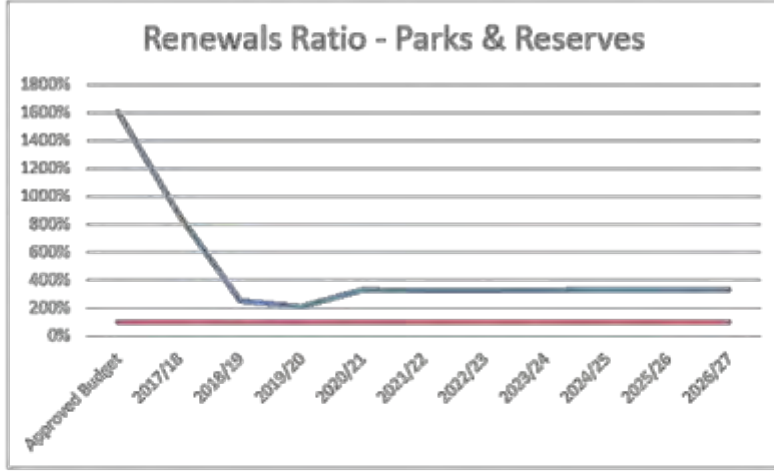
ATTACHMENT 4

Linkage to Long Term Financial Plan

This page sets out the programs that are used within the financial system to track the expenditure for the following areas of asset expenditure under this Sub Plan

Renewals

	Approved 2016/17 Budget (\$)	2017/18 Base Budget (SRV) (\$)	2018/19 LTFP Total Budget	2019/20 LTFP Total Budget	2020/21 LTFP Total Budget	2021/22 LTFP Total Budget	2022/23 LTFP Total Budget	2023/24 LTFP Total Budget	2024/25 LTFP Total Budget	2025/26 LTFP Total Budget	2026/27 LTFP Total Budget
Parks and Reserves Total	933,577	1,200,000	450,000	450,000	750,000	769,500	789,507	810,034	831,095	852,704	874,874
Brush Farm Park Signage	14,306	-	-	-	-	-	-	-	-	-	-
Seawalls/Retaining Walls Refurbishment Renewal	919,271	1,200,000	450,000	450,000	750,000	769,500	789,507	810,034	831,095	852,704	874,874



ITEM 3 (continued)

ATTACHMENT 4

Expansion

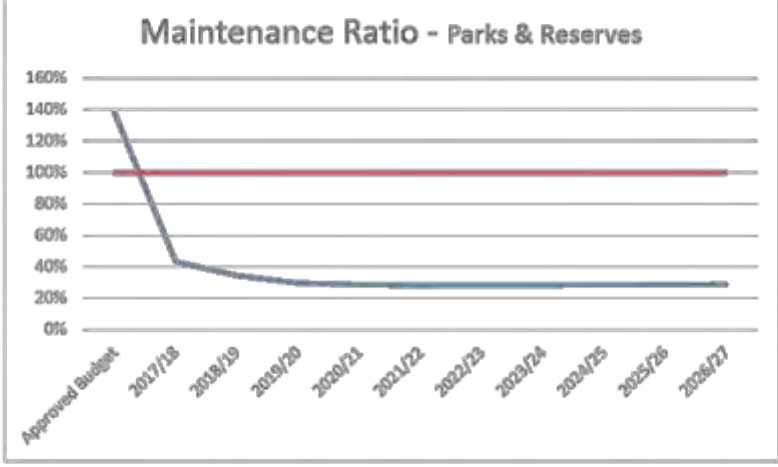
	Approved 2016/17 Budget (\$)	2017/18 Base Budget (SRV) (\$)	2018/19 LTFP Total Budget (\$)	2019/20 LTFP Total Budget (\$)	2020/21 LTFP Total Budget (\$)	2021/22 LTFP Total Budget (\$)	2022/23 LTFP Total Budget (\$)	2023/24 LTFP Total Budget (\$)	2024/25 LTFP Total Budget (\$)	2025/26 LTFP Total Budget (\$)	2026/27 LTFP Total Budget (\$)
Parks and Reserve Total	7,180,489	3,371,880	2,757,500	813,875	388,875	-	-	-	-	-	-
Shrimplons Creek Corridor Embellishment	500,000	2,500,000	2,000,000	-	-	-	-	-	-	-	-
Macquarie Park, Waterloo Rd	6,000,000	-	-	-	-	-	-	-	-	-	-
Terrys Creek Walking Trail	75,000	300,000	300,000	325,000	-	-	-	-	-	-	-
Putney Park Bushland Delineation	100,000	-	-	100,000	-	-	-	-	-	-	-
Dog Off Leash - ELS Hall Park	2,239	-	-	-	-	-	-	-	-	-	-
Passive Parks Improvement and Expansion	503,250	571,880	457,500	388,875	388,875	-	-	-	-	-	-

ITEM 3 (continued)

ATTACHMENT 4

Maintenance

	Approved 2016/17 Budget (\$)	2017/18 Base Budget (SRV) (\$)	2018/19 LTFP Total Budget (\$)	2019/20 LTFP Total Budget (\$)	2020/21 LTFP Total Budget (\$)	2021/22 LTFP Total Budget (\$)	2022/23 LTFP Total Budget (\$)	2023/24 LTFP Total Budget (\$)	2024/25 LTFP Total Budget (\$)	2025/26 LTFP Total Budget (\$)	2026/27 LTFP Total Budget (\$)
Parks & Reserves Total	4,803,580	3,138,740	3,214,476	3,292,051	3,377,644	3,465,463	3,555,565	3,648,010	3,742,858	3,840,172	3,940,017
Parks & Reserves	4,803,580	3,138,740	3,214,476	3,292,051	3,377,644	3,465,463	3,555,565	3,648,010	3,742,858	3,840,172	3,940,017

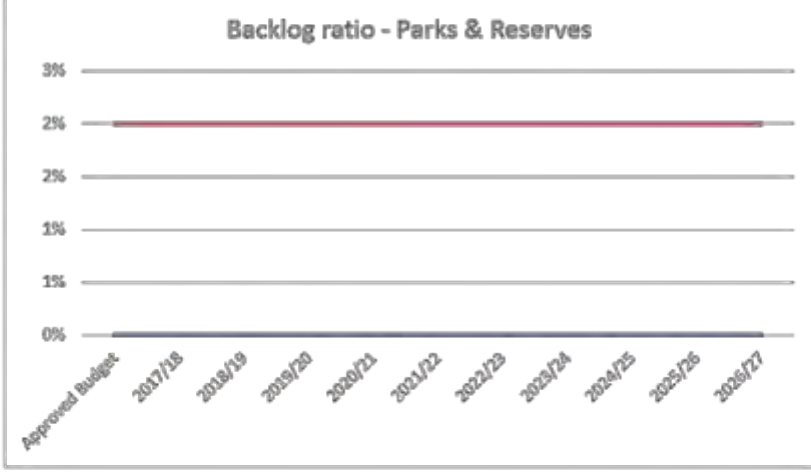


ITEM 3 (continued)

ATTACHMENT 4

Operating

	Approved 2016/17 Budget (\$)	2017/18 Base Budget (SRV) (\$)	2018/19 LTFP Total Budget (\$)	2019/20 LTFP Total Budget (\$)	2020/21 LTFP Total Budget (\$)	2021/22 LTFP Total Budget (\$)	2022/23 LTFP Total Budget (\$)	2023/24 LTFP Total Budget (\$)	2024/25 LTFP Total Budget (\$)	2025/26 LTFP Total Budget (\$)	2026/27 LTFP Total Budget (\$)
Parks & Reserves Total	1,406,940	3,463,600	3,548,358	3,635,202	3,729,717	3,826,690	3,926,184	4,028,265	4,133,000	4,240,458	4,350,710
Parks & Reserves	1,406,940	3,463,600	3,548,358	3,635,202	3,729,717	3,826,690	3,926,184	4,028,265	4,133,000	4,240,458	4,350,710



ITEM 3 (continued)

ATTACHMENT 4

Linkages to other plans

Community Strategic Plan

This page sets out the linkage of this Sub Plan to the current adopted Community Strategic Plan.

Refer to Asset Management Improvement Plan on pages 12-15 for details.

Delivery Plan and Operational Plan

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Regional Plans

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State and Federal Government Plans

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Refer to Asset Management Improvement Plan on pages 12-15 for details.

ITEM 3 (continued)

ATTACHMENT 4

Indicative images – levels of service



Category - Level A
Maintenance Quality - Exceptional
Type: Landscaped areas and gardens
Often very large and well landscaped areas and gardens with newly planted trees, quality facilities, shade shelters, seats, bbqs etc.



Category - Level A
Maintenance Quality - Exceptional
Type: Landscaped areas and gardens
Innovative garden designs and use of appropriate landscape materials with quality plantings.

ITEM 3 (continued)

ATTACHMENT 4



Category - Level B
Maintenance Quality - Acceptable
Type: Landscaped area and gardens
Aging facilities with older style of landscaping with mature trees.
Adequate and well maintained but limited capacity and often
needs some renovation, improved landscaping or new gardens



Category - Level B
Maintenance Quality - Acceptable
Type: Landscaped area and gardens
Older style but well maintained landscaping with mature trees,
reasonably sized open grassy spaces.
Adequate but limited capacity often with
off street parking. Needs renovation, improved landscaping
or gardens

ITEM 3 (continued)

ATTACHMENT 4



Category - Level C
Maintenance Quality - Satisfactory
Type: Open Space and Gardens
Adequately maintained and wood chipped covered gardens with periodic shrub replanting when required. Those located in more frequently used parks are usually near features such as playgrounds and seating



Category - Level C
Maintenance Quality - Satisfactory
Type: Open Space and Gardens
Some gardens of this type can also be located in less frequently used parks specifically planted out and reasonably maintained as semi natural buffer zones or as a habitat restoration. They are re-planted periodically to maintain the garden.

ITEM 3 (continued)

ATTACHMENT 4



Category – Level D
Maintenance Quality - Adequate
Type: Open Spaces, Gardens Or Grassy Areas
Typically are low maintenance natural areas or a created native garden bordered by only periodically cut grassed areas



Category - Level D
Maintenance Quality - Adequate
Type: Open Spaces, Gardens Or Grassy Areas
Less frequently maintained natural areas or low maintenance landscaped natural area gardens with significantly less managed open grassy areas

ITEM 3 (continued)

ATTACHMENT 4



Category - Level E
Maintenance Quality – Minimal
Type: Open Spaces, Gardens Or Grassy Areas
Very low frequency maintenance.
Area consists mainly of infrequently
maintained grass or garden areas and of
a very much lower standard than for Level D sites



Category - Level E
Maintenance Quality – Minimal
Type: Open Spaces, Gardens Or Grassy Areas
Very low frequency garden maintenance.
Maintenance of grassy areas is minimal.
Gardens or grass receiving significantly less maintenance
than for the Level D sites

ITEM 3 (continued)

ATTACHMENT 4




CITY OF RYDE Playspaces and Sporting Fields Asset Sub Plan



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Lifestyle and opportunity @ your doorstep
Asset Management Plan 2017 - 2027

 City of Ryde

ITEM 3 (continued)

ATTACHMENT 4



ITEM 3 (continued)

ATTACHMENT 4

What is the service provided by these assets

- Recreation for casual and organised physical activities
- Playing fields are predominantly used for the sports of soccer, netball, cricket, baseball and rugby league.

Issues over the life of these assets

- Sporting fields have limited turf life, and require importing replacement turf periodically.
- Playspace equipment standards have increased significantly as safety is better understood and considered – a typical complex set costs over \$150k
- The facilities are intended to meet very specific age ranges of the community demographic, which can change faster than the life of the asset
- The teen demographic requires challenging, free and unorganised recreation, which is not well covered with the current focus on traditional playspace equipment and courts/ovals.
- Frequent inspections (3 monthly cycles) of playspace equipment are required to monitor the integrity and safety.

Options for Levels of Service

The things that Council can change that affect the overall cost and nature of the service:

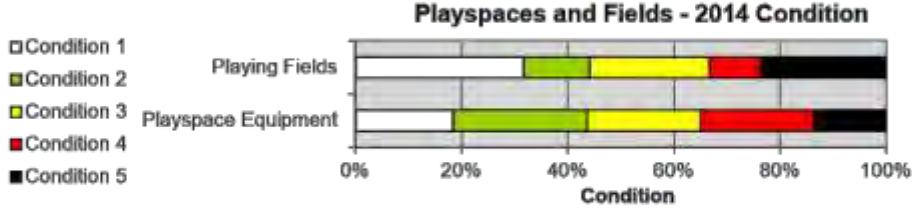
- Availability
- Playing area surface and material
- Number and variety of equipment
- Location of facilities
- Night time use
- New / non-traditional uses

Where are we now? (Current State)

- The periodic replacement of turf is not as often as the rate of wear
- Fairly inflexible in being able to change the codes and numbers of fields and courts available.
- Not consistent with the provision of floodlighting or irrigation across all the fields
- Nearly half of the playspace equipment pre-dates the current version of the standards, and will cost more to replace with a modern equivalent
- On present recurrent capital funding levels, and typical equipment life of 15 years, Council will be able to sustain through on-going replacement, something of the order of 50 to 60 sets / locations of playspace equipment.
- On present usage levels, the turf surfaces of playing fields can't be sustained at current levels.

ITEM 3 (continued)

ATTACHMENT 4



Key considerations

- Significant changes in standards and expectations for safe yet challenging play equipment and standards compliance
- Differing needs of various demographics
- The ratio per capita and distance to get there
- Historical arrangements for oval and court usage, including allocation of spaces to sporting codes and associations
- Changes in popularity of various codes, and changes to club memberships
- Location and equitable coverage across the city
- Increase in leisure time and aging population, with an increase in individual based activities
- Resident and public opinion on the installation and upgrade of floodlighting to increase usage
- Whether to introduce irrigation systems due to the greater intensity of use & the on-going requirements

How much do we need to look after these assets?

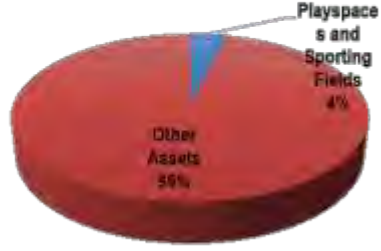
To sustain service levels and manage risk infrastructure renewal must be adequately funded. The Asset Plan discusses this challenge and identifies that the current funding will be insufficient for the longer term.

At present playspaces and sporting field assets represent a substantial portion of the assets we manage. Without renewal being undertaken when needed a decline in service and an increase in associated risks will occur.

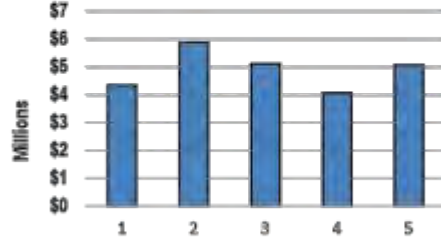
ITEM 3 (continued)

ATTACHMENT 4

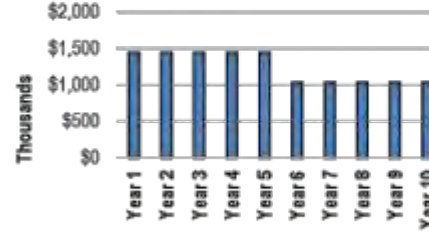
Infrastructure Proportion – Playspaces and Sporting Fields



Condition Profile – Playspaces and Sporting Fields



Playspaces and Sporting Fields – Requirements for Renewal of Condition 4 and 5



Although in the short term the renewal of assets in poor and very poor condition (Condition 4 and 5) can be managed, this must be continued as more assets continue to age and decline.

In order to address this challenge, the City of Ryde was successful in receiving a Special Rate Variation of 7% per annum for 4 years, commencing 2015/16. This increase is sufficient to support a long term financial strategy of renewing playspace assets when required, and will enable those assets currently rated as Condition 4 and 5 to be renewed over the next 10 years as shown in following "graphical" estimate.

For playing fields, the funding will allow renewal of turf in high wear areas which are rated condition 4 and 5

ITEM 3 (continued)

ATTACHMENT 4

What Council is proposing to do

Next 4 years – with a 7% SRV

- Continue oval mowing and maintenance of equipment. Only upgrade playgrounds with developer contributions.
- Renewal of turf at most of the City's sporting grounds to cope with wear and tear
- Move to a program of replacement and /or partial updates on a 20 to 25 year cycle for all playspace equipment, being 4-5 sets p.a.
- Over the 4 years, the SRV would see in addition:
 - Turf renewals for wear and tear and major refurbishment (including irrigation) at 2 fields within the City

Longer term – to 10 years, to 25 years

- Continue to replace playspace equipment at a life cycle rate.
- Continue oval mowing and court maintenance

Through other means - DCP, VPA's, S94, LDA consents

- As consents are issued, implement the s94 plan as relevant
- Converting selected locations to Synthetic playing fields
- Upgrade & installation of irrigation systems
Upgrade and new playground equipment in opens pace within and parks surrounding major development centres, notably Macquarie park and Meadowbank

Govt agencies

- Shrimpton's Creek upgrade play equipment
- Continue to apply for grants

ITEM 3 (continued)

ATTACHMENT 4

Service Standards and Service Levels

Play spaces and Sporting Fields

Key Performance Indicator	Level of Service	Performance Measurement Process	Target Performance	Current Performance
Quality / Condition	Reduction in priority 1 defects for playground equipment	Annual Inspection Program	No priority 1 Defects	Base case TBD
	Reduction in play spaces and sporting fields defects	Quarterly inspection program	Defects less than 20%	Base case TBD
	% of Assets in condition 3 or better	Condition Assessment	95%	Under review of age proxy
Reliability / responsiveness	% Compliance with Councils documented response time	CRMS data	90%	TBA
Customer Service	% Satisfaction with service provision	Community Perception Survey Report	Maintain	Customer Satisfaction mean rating 4.15
Sustainability	Average weekly attendance (occupancy %) at play spaces and sporting field	Contractor admission records	Occupancy at 70% of facility's capacity	Base case TBD
	3 yr. rolling average potable water consumption on sporting fields	Water records	Reduction of 3% per yr.	Base case TBD
	Consumption ratio	Annual depreciation figures and expenditure details	Between 50% and 75%	82%
	Renewal Funding Ratio		Between 90% and 110%	211%
	Long term funding ratio		Between 95% and 105%	Base case TBD
Affordability	Cost /ha to maintain open space assets	Annual Budget expenditure	Increase by 1%	Base case TBD

ITEM 3 (continued)

ATTACHMENT 4

Key Performance Indicator	Level of Service	Performance Measurement Process	Target Performance	Current Performance
			lower than CPI	

ITEM 3 (continued)

ATTACHMENT 4

Linkage to Long Term Financial Plan

This page sets out the programs that are used within the Financial system to track the expenditure for the following areas of asset expenditure under this Sub Plan

Renewals

	Approved 2016/17 Budget (\$)	2017/18 Base Budget (SRV) (\$)	2018/19 LTFP Total Budget (\$)	2019/20 LTFP Total Budget (\$)	2020/21 LTFP Total Budget (\$)	2021/22 LTFP Total Budget (\$)	2022/23 LTFP Total Budget (\$)	2023/24 LTFP Total Budget (\$)	2024/25 LTFP Total Budget (\$)	2025/26 LTFP Total Budget (\$)	2026/27 LTFP Total Budget (\$)
Playspaces & Sporting Fields Total	3,390,252	2,511,750	2,640,950	2,566,113	2,581,650	2,740,343	2,811,592	2,884,694	2,959,696	3,036,649	3,115,601
Marsfield Park - Cricket Wicket	240,000	-	-	-	-	-	-	-	-	-	-
Sportsfield Floodlighting Renewal	426,917	250,000	150,000	250,000	150,000	153,900	157,901	162,007	166,219	170,541	174,975
Sportsfield Upgrade & Renewal	1,842,286	862,500	1,230,000	1,030,000	1,060,900	1,088,483	1,116,784	1,145,820	1,175,612	1,206,178	1,237,538
Sportsground Amenities Upgrades Renewal	240,000	530,000	410,000	410,000	410,000	420,660	431,597	442,819	454,332	466,145	478,264
Playground Renewal & Upgrade	641,049	869,250	850,950	876,113	960,750	1,077,300	1,105,310	1,134,048	1,163,533	1,193,785	1,224,824

Expansion

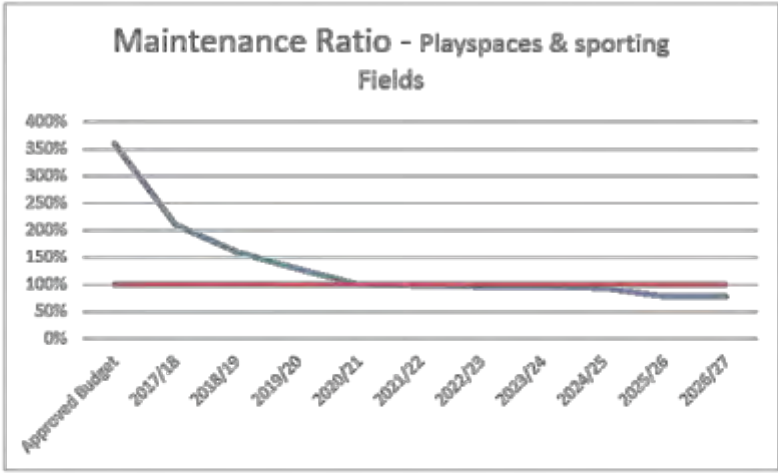
	Approved 2016/17 Budget (\$)	2017/18 Base Budget (SRV) (\$)	2018/19 LTFP Total Budget (\$)	2019/20 LTFP Total Budget (\$)	2020/21 LTFP Total Budget (\$)	2021/22 LTFP Total Budget (\$)	2022/23 LTFP Total Budget (\$)	2023/24 LTFP Total Budget (\$)	2024/25 LTFP Total Budget (\$)	2025/26 LTFP Total Budget (\$)	2026/27 LTFP Total Budget (\$)
Playspaces & Sporting Fields Total	6,393,924	2,800,000	50,000	250,000	50,000	-	-	-	-	-	-
Implementation of Children Play Plan -P2	891,818	-	-	-	-	-	-	-	-	-	-
Sportsfield Floodlighting Expansion	50,000	150,000	50,000	250,000	50,000	-	-	-	-	-	-
Synthetic Playing Surfaces Expansion	5,452,106	2,650,000	-	-	-	-	-	-	-	-	-

ITEM 3 (continued)

ATTACHMENT 4

Maintenance

	Approved 2016/17 Budget (\$)	2017/18 Base Budget (SRV) (\$)	2018/19 LTFP Total Budget (\$)	2019/20 LTFP Total Budget (\$)	2020/21 LTFP Total Budget (\$)	2021/22 LTFP Total Budget (\$)	2022/23 LTFP Total Budget (\$)	2023/24 LTFP Total Budget (\$)	2024/25 LTFP Total Budget (\$)	2025/26 LTFP Total Budget (\$)	2026/27 LTFP Total Budget (\$)
Playspaces & Sporting Fields Total	147,560	109,560	112,271	115,049	118,040	121,110	124,258	127,489	130,804	134,205	137,694
Open Space/Recreational Assets	31,210	-	-	-	-	-	-	-	-	-	-
Other Infrastructure Assets	24,760	31,450	32,193	32,954	33,811	34,690	35,592	36,517	37,467	38,441	39,440
Other Structures	91,590	78,110	80,078	82,095	84,230	86,420	88,667	90,972	93,337	95,764	98,254

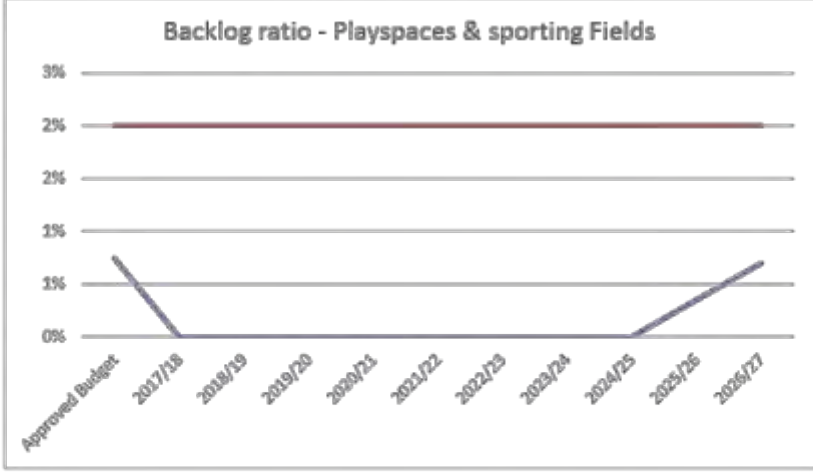


ITEM 3 (continued)

ATTACHMENT 4

Operating

	2015/16 Original Budget (\$)	2015/16 Full Year Actuals (\$)	Original Budget (\$)	2017/18 Base Budget (SRV) Total (\$)	2018/19 LTFP Total Budget (\$)	2019/20 LTFP Total Budget (\$)	2020/21 LTFP Total Budget (\$)	2021/22 LTFP Total Budget (\$)	2022/23 LTFP Total Budget (\$)	2023/24 LTFP Total Budget (\$)	2024/25 LTFP Total Budget (\$)	2025/26 LTFP Total Budget (\$)	2026/27 LTFP Total Budget (\$)
Playspaces & sporting Fields Total	38,170	100,843	39,410	40,690	41,585	41,779	42,866	43,980	45,124	46,297	47,501	48,736	50,003
Other Infrastructure Assets	19,530	938	20,050	10,690	10,925	10,445	10,716	10,995	11,281	11,574	11,875	12,184	12,501
Other Structures	18,640	99,905	19,360	30,000	30,660	31,335	32,149	32,985	33,843	34,723	35,625	36,552	37,502



ITEM 3 (continued)

ATTACHMENT 4

Linkages to other plans

Community Strategic Plan

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Delivery Plan and Operational Plan

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State and Federal Government Plans

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ITEM 3 (continued)

ATTACHMENT 4

Indicative images – levels of service



Small, modern climbing net attached to other play equipment set in a playground graded soft fall mulched area



Larger rope climbing net set in a sand pit to act as soft fall layer



Playground equipment without any type of soft fall layer or other modern safety features. This equipment whilst still popular doesn't meet the latest safety standards and should be scheduled for removal and replacement.



Playground set into dual coloured rubberised soft fall surface material. Site is shaded. Equipment interesting



Playground without soft fall material. Unshaded site. Equipment is old, rusty and inappropriate to sustain the interest of the modern child. It should be replaced.



Playground equipment without any type of soft fall layer or other modern safety features. This equipment whilst still popular doesn't meet the latest safety standards and should be scheduled for removal and replacement.

ITEM 3 (continued)

ATTACHMENT 4

Basic information about these assets

Playspace Facilities

20 larger sets catering to broader choice and older kids/teenagers – with 1 skate park, 7 rope frames

Park Type	Number of sets	Rubber Softfall	Shade	Comments
Premier Park	20	9	9	
Neighbourhood Park	19	0	3	
Sporting Fields	14	3	2	
Local Parks	30	1	1	
Visual Parks	8	0	0	
Natural Areas	3	0	0	

Playing Fields and Courts

Activity	Number (of sites / ovals / courts)	Lighting	Irrigation	Comment
		Y/N/QTY	Y/N/QTY	
Tennis	4	Y	N	Leased sites (Kotara, Kings, Meadowbank, Olympic)
Soccer	37	37	36	
Netball	42	Y~	Y*	~30 hard, *12 grass
Basket ball	4	N	N	Non-competition (half courts or hoop only)
Cricket	25	N	N*	*4 turf (hand watering), 21 synthetic
Hockey	1	N	Y	Meadowbank only
Rugby and league	4	4	4	
Skate Park	1	N	N	Wilga Reserve
Baseball	7	2	7	(up to four diamonds per site)
Athletics	1	N	Y	Dunbar Park
Equestrian	1	N	N	Marsfield Park
AFL	2	2	1	Alternates with soccer
Croquet	2	N	2	Eastwood Park

ITEM 3 (continued)

ATTACHMENT 4

Activity	Number (of sites / ovals / courts)	Lighting	Irrigation	Comment
Additional sports	varies year to year			Oztag, Flying Disk, Mini soccer, Summer Soccer Touch football, Bocce

Summary There are 18 different sporting activities 59 sporting spaces in 26 parks
 179 booked sporting events per week (summer season) 207 booked sporting events per week (winter season)

Park Name	Lights	Comments
Brush Farm Park	Y	4 Netball Courts
Christie Park	Y	Field
Eastwood Park	Y	Fields 1& 2
E.L.S Hall Park	Y	Fields 1,2,3
Marsfield Park	Y	Field
Meadowbank Park	Y	Fields,1,3,8,9 and netball area
Monash Park	Y	Field
North Ryde Park	Y	Field
Ryde Park	Y	Fields 1,3
Westminster Park	Y	Field

There are 10 parks with sports floodlighting systems

ITEM 3 (continued)

ATTACHMENT 4



CITY OF RYDE

Roads

Asset Sub Plan



The section of the road reserve used for motorised vehicles and car parks

ITEM 3 (continued)

ATTACHMENT 4



ITEM 3 (continued)

ATTACHMENT 4

What is the service provided by these assets

Road pavements

- Access to and between properties for vehicles, occupants, visitors, deliveries, services etc.
- All weather surface capable of withstanding vehicle weights
- On-street parking
- Supports public transport
- Cover to protect underground public utility services
- Pavement for car parking either on road or associated with facilities

Kerb and guttering

- Edge of road to keep cars on pavement for travel and parking
- Directs stormwater along the road to inlets to the pipelines, and prevents erosion by this directed flow.

Car park pavement

- All weather surface for parking of vehicles (mainly cars)

Issues over the life of these assets

- Almost all roads have an asphaltic concrete (bitumen) surface, which deteriorates over time from air and UV exposure. When cracks form, water gets into the soil underneath, reducing the load bearing capacity with resulting accelerated damage by vehicle weights. This breakdown takes about 35 years, and the road requires a new surface to avoid significant cracking and potholing, otherwise the ride quality of the road is greatly reduced.
- The unpredictable nature of damage and wear can result in patches even on newly laid surfaces. The surface is provided for load and waterproofing, with any aesthetic effect being an unguaranteed by-product.
- Kerb and Gutter is on both sides of almost all streets, with failure due mainly to lifting by tree roots or poor subsoil conditions.
- Traffic speed is increased with smoother surfaces, which is contra to local amenity.
- Increasing vehicle weights for trucks and buses accelerates deterioration and failures, especially with traffic control facilities which concentrate wheels to only parts of the pavement
- Car park pavements are of thinner construction as normally only used by cars

Options for Levels of Service

The things that Council can change that affect the overall cost and nature of the service are:

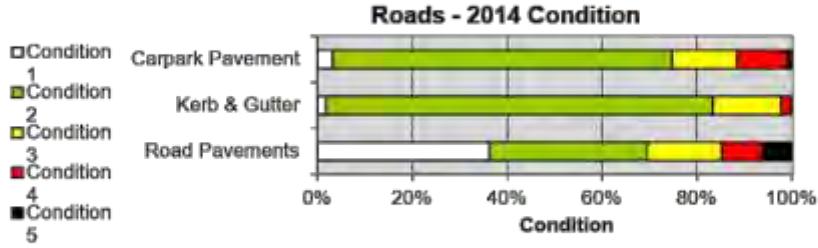
- Travel lane width
- Surface quality (roughness, material, shape, crossfall for kerbside parking)
- Availability and management of repairs

Where are we now? (Current State)

- Replacing and repair road pavements covering approximately 65,000 m² p.a. required to match deterioration
- The significant amount of car park pavements are in poorer condition, and are given low priority as the surface condition does not need to be as good where cars are travelling at low speed
- Pavements that are not repaired or resurfaced before major failures will be patched or remain in poor condition, until renewal is due.

ITEM 3 (continued)

ATTACHMENT 4



Key considerations

- Represents Council's largest asset group at 2.77 million square metres or 321 km.
- There are 83 Car parks with 111,000 m2 of pavement (about 4% overall of pavements)
- The capital costs for patching, resurfacing and reconstruction are split across several budget programs, with the total being currently in the order of \$4M
- Monitoring and repairing damage by utility authorities and developers requires a significant effort, in excess of \$800,000 pa of works.
- The layout of road reserves and the network is fixed by historical circumstances, with very limited opportunity to change it. Similarly, car parking is limited by available land.
- Control of traffic is governed by the Road Transport Act, for which the RMS is primarily responsible and has given Council limited delegated authority.
- Integration of parking, traffic control, pedestrians, land use and access
- Distribution of works across the municipality to balance equity and need

- No definitive standards exist for local roads
- Implementing the Macquarie Park DCP road network

How much do we need to look after these assets?

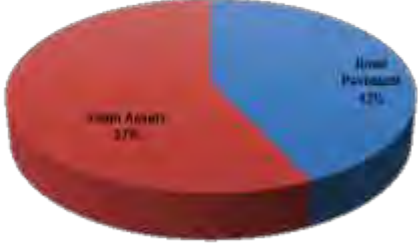
To sustain service levels and manage risk infrastructure renewal must be adequately funded. The Asset Plan discusses this challenge and identifies that the current funding will be insufficient for the longer term.

At present road pavement assets represent a major portion of the assets we manage. Without renewal being undertaken when needed a decline in service and an increase in associated risks will occur.

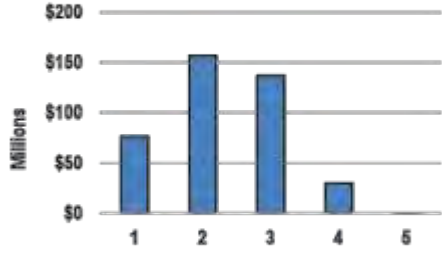
ITEM 3 (continued)

ATTACHMENT 4

Infrastructure Proportion – Roads

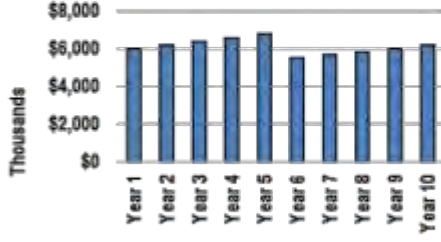


Condition Profile – Roads



With the approval of the SRV there is sufficient funding to support a long term financial strategy of renewing roadside assets when required, and will enable those assets currently rated as Condition 4 and 5 to be renewed over the next 10 years as shown in the following "graphical" estimate.

Roads – Requirements for Renewal of Condition 4 and 5



ITEM 3 (continued)

ATTACHMENT 4

What Council is proposing to do

Next 4 years – with a 7% SRV

- Capital works program of Resurfacing and reconstruction to renew pavements as required.
- Programmed patching to pro-actively repair deteriorating areas to extend the life of larger street segments so that only resurfacing is required rather than reconstruction, including the use of rejuvenation & microsurfacing treatments.
- Renew sections of kerb and gutter independently rather than only when full road reconstruction done.
- When pavements are reconstructed, increase the thickness to withstand increased vehicle loads, and take opportunities to re-align kerbs to resolve existing problems.
- Over the 4 years, the indicative number of works per annum is :
 - Resurface an 40 street blocks
 - reconstruct 8 street blocks
 - replace up to 2km of kerb and gutter
- patch 500 locations of condition 5 failed sections to eliminate the backlog of this asset type

Longer term – to 10 years, to 25 years

- Continue the same as the first 4 years

Through other means - DCP, VPA's, S94, LDA consents

- Acquire the extra roads in Macquarie Park identified in the DCP through developer contribution process

Govt agencies

- Expecting annual Roads to Recovery and RMS funding contributions to continue

ITEM 3 (continued)

ATTACHMENT 4

Service Standards and Service Levels

Roads

Key Performance Indicator	Level of Service	Performance Measurement Process	Target Performance	Current Performance
Quality / condition	% of Assets in condition 3 or better	Condition assessment	95%	Base case TBD
Reliability / responsiveness	% Compliance with Council's documented response time	CRMS data	90%	Base case TBB
Customer Service	% Satisfaction with service provision	Community Perception Survey Report	Maintain	Satisfaction mean rating = 3.47 (satisfied)
Sustainability	Consumption ratio	Annual depreciation figures and expenditure details	Between 50% and 75%	77%
	Renewal Funding Ratio		Between 90% and 110%	157%
	Long term funding ratio		Between 95% and 105%	Base case TBB
Safety	% reduction in total crashes accidents in a three year rolling average	RMS Accident statistics	More than 0% in two years	Base case TBB
Affordability	Maintenance and operational cost per km of road	Annual budget expenditure	Increase by 1% lower than CPI	Base case TBB

ITEM 3 (continued)

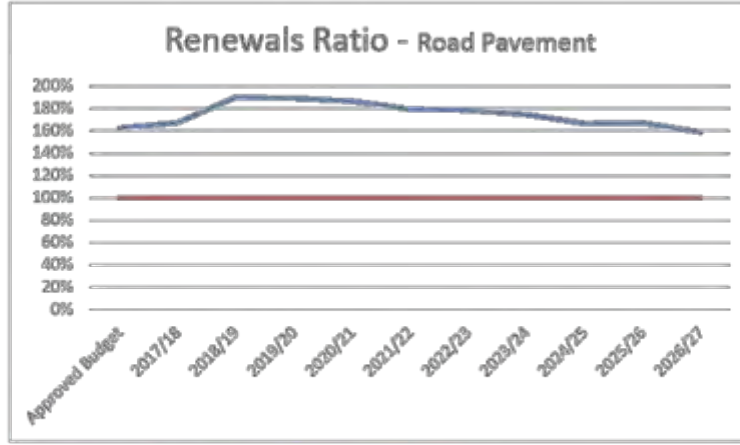
ATTACHMENT 4

Linkage to Financials

This page sets out the programs that are used within the Financial system to track the expenditure for the following areas of asset expenditure under this Sub Plan

Renewals

	Approved 2016/17 Budget (\$)	2017/18 Base Budget (SRV) Total (\$)	2018/19 LTFP Total Budget (\$)	2019/20 LTFP Total Budget (\$)	2020/21 LTFP Total Budget (\$)	2021/22 LTFP Total Budget (\$)	2022/23 LTFP Total Budget (\$)	2023/24 LTFP Total Budget (\$)	2024/25 LTFP Total Budget (\$)	2025/26 LTFP Total Budget (\$)	2026/27 LTFP Total Budget (\$)
Roads Total	9,113,700	9,604,560	11,353,339	11,589,491	11,879,505	12,177,616	12,483,477	12,797,290	13,119,263	13,449,610	13,788,543
Heavy Patching	285,560	273,180	280,829	290,000	250,000	256,500	263,169	270,011	277,032	284,235	291,625
Road Resurfacing Renewal	5,320,990	5,630,760	6,421,725	6,608,500	5,962,925	6,107,205	6,255,235	6,407,115	6,562,943	6,722,824	6,886,861
Road Kerb Renewal	3,397,150	3,525,620	4,505,785	4,530,991	5,466,580	5,608,711	5,754,538	5,904,155	6,057,663	6,215,163	6,376,757
Car Park Renewal	130,000	175,000	145,000	160,000	200,000	205,200	210,535	216,009	221,625	227,388	233,300

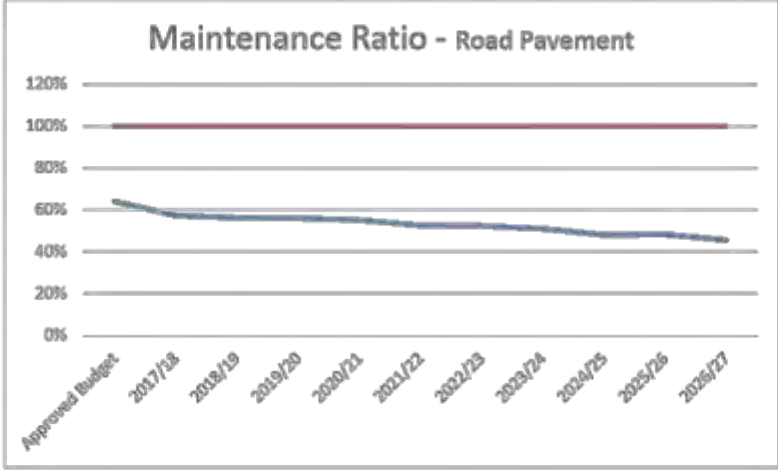


ITEM 3 (continued)

ATTACHMENT 4

Maintenance

	Original 2016/17 Budget (\$)	2017/18 Base Budget (SRV) (\$)	2018/19 LTFP Total Budget (\$)	2019/20 LTFP Total Budget (\$)	2020/21 LTFP Total Budget (\$)	2021/22 LTFP Total Budget (\$)	2022/23 LTFP Total Budget (\$)	2023/24 LTFP Total Budget (\$)	2024/25 LTFP Total Budget (\$)	2025/26 LTFP Total Budget (\$)	2026/27 LTFP Total Budget (\$)
Roads Total	1,332,380	1,219,310	1,248,340	1,278,065	1,311,295	1,345,389	1,380,369	1,416,258	1,453,081	1,490,861	1,529,624
Sealed Roads Surface	503,230	363,130	371,816	380,301	390,189	400,334	410,743	421,422	432,379	443,621	455,155
Kerb and Gutter	829,150	856,180	876,724	897,764	921,106	945,055	969,626	994,837	1,020,702	1,047,241	1,074,469



ITEM 3 (continued)

ATTACHMENT 4

Operating

	Original 2016/17 Budget (\$)	2017/18 Base Budget (SRV) Total (\$)	2018/19 LTFP Total Budget (\$)	2019/20 LTFP Total Budget (\$)	2020/21 LTFP Total Budget (\$)	2021/22 LTFP Total Budget (\$)	2022/23 LTFP Total Budget (\$)	2023/24 LTFP Total Budget (\$)	2024/25 LTFP Total Budget (\$)	2025/26 LTFP Total Budget (\$)	2026/27 LTFP Total Budget (\$)
Roads Total	508,500	568,970	582,854	597,079	612,603	628,531	644,873	661,640	678,842	696,492	714,601
Sealed Roads Surface	2,040	9,810	10,026	10,246	10,513	10,786	11,067	11,354	11,650	11,952	12,263
Kerb and Gutter	506,460	559,160	572,828	586,833	602,091	617,745	633,806	650,285	667,193	684,540	702,338



ITEM 3 (continued)

ATTACHMENT 4

Linkages to other plans

Community Strategic Plan

This page sets out the linkage of this Sub Plan to the current adopted Community Strategic Plan.

Refer to Asset Management Improvement Plan on pages 12-15 for details.

Delivery Plan and Operational Plan

This page sets out the linkage of the Sub Plan to the current adopted Council Delivery Plan and Operational Plan

Refer to Asset Management Improvement Plan on pages 12-15 for details.

Regional Plans

This page sets out the linkage of this Sub Plan to the any regional plans.

Refer to Asset Management Improvement Plan on pages 12-15 for details.

State and Federal Government Plans

This page sets out the linkage of the Sub Plan to any relevant State or Federal Government Plans

Refer to Asset Management Improvement Plan on pages 12-15 for details.

ITEM 3 (continued)

ATTACHMENT 4

Indicative images – levels of service

Road Pavement

Condition 3



Condition 4



Condition 5



ITEM 3 (continued)

ATTACHMENT 4

Kerb and Gutter

Condition 3



Condition 4

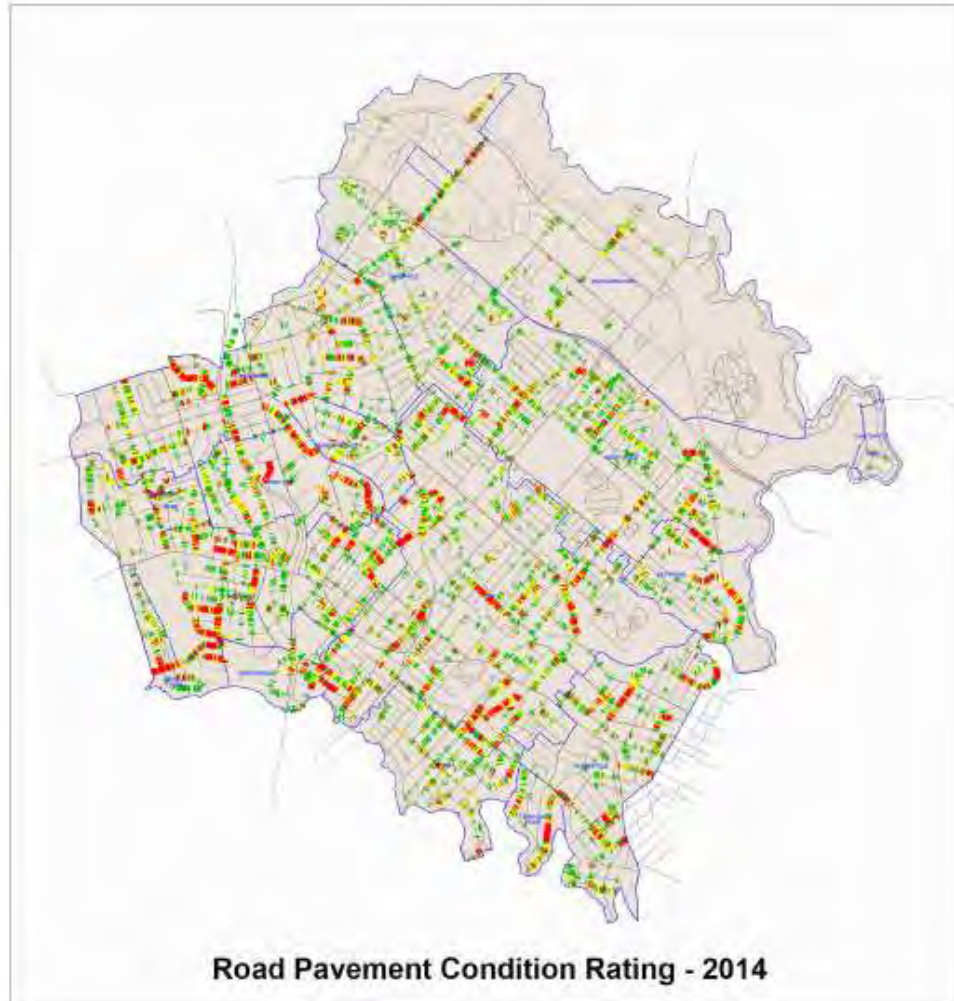





Condition 5



ITEM 3 (continued)

ATTACHMENT 4



Condition Rating	Amount in SQM
 3	437,481
 4	238,173
 5	171,108

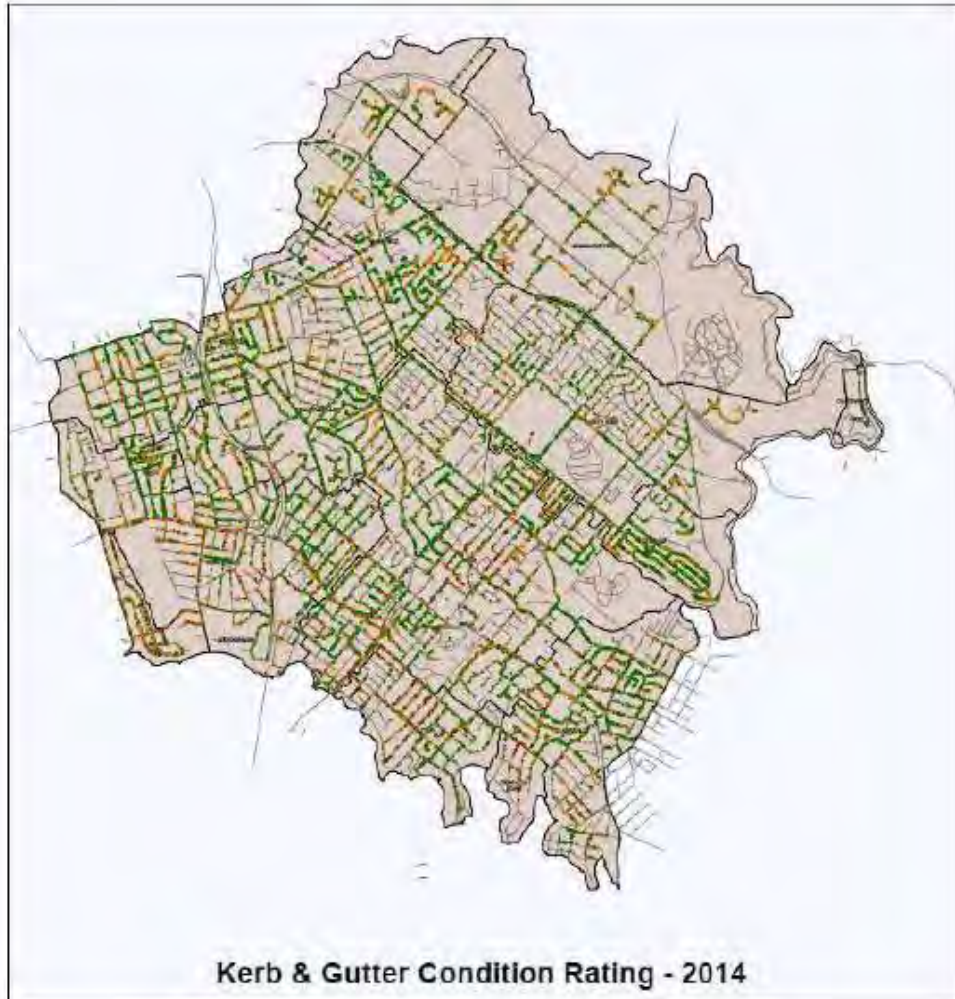
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Date: 22/10/2014

ITEM 3 (continued)

ATTACHMENT 4



Condition Rating	Number of Defects	Amount in Meters	% of Total Kerb & Gutter
 3	72,574	92,102	15.8 %
 4	8,971	13,831	2.4 %
 5	237	615.5	0.1 %

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Date: 22/10/2014

ITEM 3 (continued)

ATTACHMENT 4

Basic information about these assets

Aspect	
Funding	Comes primarily from Council Rates, from the RMS via specific programs, and the Federal Government via annual grants Funding levels for many years have been sufficient to match deterioration
Priority pavements	Bus routes, and higher trafficked roads
Sustainability	Resurfacing requires the removal of the old pavement to prevent build-up of the road level and problems with driveway access and on-street parking. This material has value for civil works purposes, and is re-used.
Selecting priority for works	<p>Poor condition is not enough to warrant priority for works. In selecting which roads are resurfaced, consideration is given to a range of other factors to achieve the most cost effective and risk minimised outcome. These other factors are</p> <ul style="list-style-type: none"> ○ Options for re-use of materials ○ Traffic volumes and usage of road ○ Prominence ○ Integration with other initiatives ○ Cost effectiveness of works needed ○ Impact on management of the overall street ○ Timing with works by utilities and developers
Trends	<ul style="list-style-type: none"> • As the older aged demographic increases, so does the demand for even and level surfaces, better visibility, and ride comfort • Increase in traffic and parking creates conflicts and demands for on street pavement space. • Cost of (oil based) bitumen, equipment, skilled labour, and traffic control during works, is increasing faster than the general CPI • Increasing number and laden weights of heavy vehicles, especially buses

ITEM 3 (continued)

ATTACHMENT 4

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ITEM 3 (continued)

ATTACHMENT 4



CITY OF RYDE


Roadside and Public Spaces

Asset Sub Plan



130

Lifestyle and opportunity @ your doorstep
Asset Management Plan 2017 - 2027

 City of Ryde

ITEM 3 (continued)

ATTACHMENT 4



ITEM 3 (continued)

ATTACHMENT 4

What is the service provided by these assets

Footpaths

- Travel for pedestrians and potentially bikes, separate from cars and motorised vehicles, that has paving for wet weather and is relatively level
- Allows access to properties (including via driveways) and facilities, public transport
- Area for utility services (water, sewer, electricity, gas, communications)
- Plazas and Town Centres - Aesthetics, community and social inter-action, focal points, support retail/commercial

Bridges and Tunnels

- Allows roads and footpaths to cross major barriers for route connectivity

Bus shelters and seats

- Provides seating to wait for buses and intermittent breaks if walking
- Some shelter from rain, wind and sun

Bins, bollards, fencing, signage

- Safety, such as barriers to manage conflicts with pedestrians and cars
- Asset protection, such as keeping vehicles away from non-traffic areas
- Way finding signs, including street names and directions to facilities

Public lighting

- For pedestrians to see the pavement they are walking on, and improved visibility of pedestrians at crossing points
- Higher lighting levels to assist motorists on State Roads, and around centres.

- Security around designated town centres and Macquarie Park.

Street Trees, nature strips and landscaping

- Shade, aesthetics

Wharves, Jetties, Pontoons

- Access to river transport services

Issues over the life of these assets

- Footpaths have very long physical lives, but are often repaired and require replacement due to damage from utility works and tree root uplift.
- Contemporary standards can be very different to the actual at construction given the long life of assets
- The number of assets involved makes it impractical to record individual items, with information and planning done in relevant groupings.
- The logistics of managing condition data and repairs requires the reliance on integrated technology systems.
- Future of cars and transport and land use development (peak oil, climate change adaptation, population increase and demographic changes, technology) is likely to change affecting the nature of infrastructure required

Options for Levels of Service

- The things that Council can change that affect the overall cost and nature of the service are:
- Nature strips and landscape mowing, degree of reliance on adjacent property owner excepting those on a register based on disability and unreasonable onus

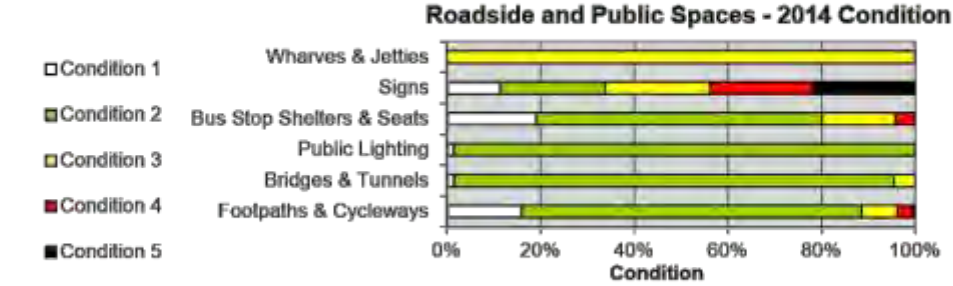
- Be opportunistic and do works in conjunction with utility damage restorations
- Completing a network of paved footpaths in every street, width of paved paths
- Driveways are maintained and provided at cost to property owners
- Street lighting levels across network.
- Seat at every bus stop
- Using developer contributions for upgrades to granite and Multi-Function Poles (MFP's), particularly Macquarie Park and Meadowbank
- The number, location and species of street trees

Where are we now? (Current State)

- Continue the historic rate of building the new paths in the current delivery plan
- Steam clean of granite paths is only yearly or less
- Able to replace all condition 5 and some condition 4, with an increasing impact of damage by trees as they grow
- continue to add seats at bus stops (about 15-20 pa) and ashelter pa – rely on contract renewal in 2018 to replace existing shelters

ITEM 3 (continued)

ATTACHMENT 4



Key considerations

- Conflicts and integration with public utility infrastructure – all of who have statutory powers to use public road reserves.
- The impacts of street trees on infrastructure – physical damage as the trees grow, and impeding street lighting and clear sight lines for safety surveillance and traffic
- Integration with the road pavement for traffic and parking
- Many streets do not have a paved footpath, on current funding it will take well over 20 years to address
- Most of the footpath paving around major town centres has been upgraded to granite, which has increased servicing expectations (e.g. cleaning and gum removal)
- A significant number of streets are narrow with parking, pedestrian and garbage conflicts, as well as truck access
- The road environment is heavily regulated through NSW State legislation.
- Other Council plans and policies
 - Urban Forest policy, impacting on the effects of inter-actions with trees

- Footpath Activity policy
- Outdoor Dining policy
- DCP for Macquarie Park , Meadowbank and Town Centres - creation of fine grained roads and upgrade to granite paving with Council owned and operated street lighting on MFP's
- Implement the Bike Plan for sections on road pavements, which also effects on street parking and traffic
- Funding is primarily through Council's own sources, but predominantly RMS for bike paths.
- Footbridge renewals program hiatus as requiring replacement will have been done.

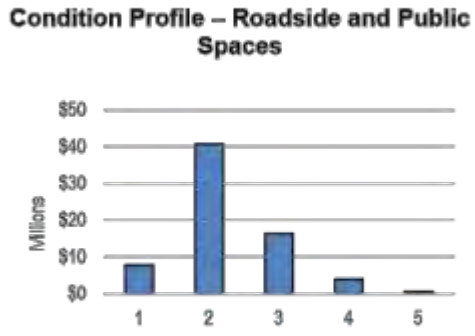
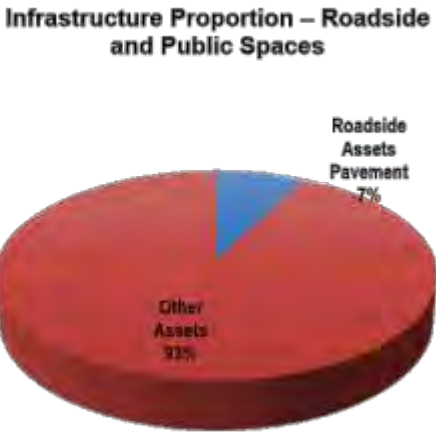
How much do we need to look after these assets?

To sustain service levels and manage risk infrastructure renewal must be adequately funded. The Asset Plan discusses this challenge and identifies that the current funding will be insufficient for the longer term.

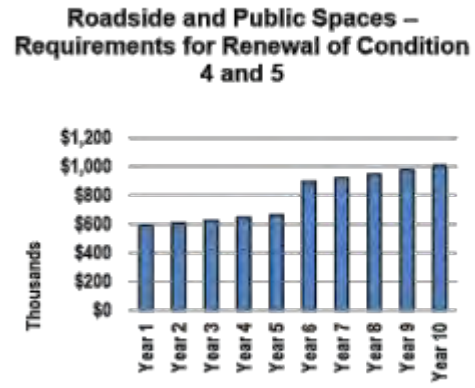
At present roadside assets represent a major portion of the assets we manage. Without renewal being undertaken when needed a decline in service and an increase in associated risks will occur. Street trees have been identified and quantified. Maintenance/management costs will require a review. Street trees are not used for included as part of accounting purposes; however they are an important value to community

ITEM 3 (continued)

ATTACHMENT 4



With the approval of the SRV there is sufficient to support a long term financial strategy of renewing roadside assets when required, and will enable those assets currently rated as Condition 4 and 5 to be renewed over the next 10 years as shown in following "graphical" estimate.



ITEM 3 (continued)

ATTACHMENT 4

What Council is proposing to do

Next 4 years – with a 7% SRV

- Continue maintenance and cleaning to available budget
- Program to replace all roadside assets with a condition rating of 5 and many of those in condition 4.
- Bus stops retrofits for disability standards compliance (to complete by 2022)
- Progressively add seats at bus stops
- Replacing some roadside furniture such as rusting guard rails
- Progressively retrofit complying kerb ramps for crossing near intersections

Longer term – to 10 years, to 25 years

- Continue the same as the first 4 years

Through other means - DCP, VPA's, S94, LDA consents

- Acquire the upgraded public domain works through the developer contribution process in accordance with the DCP for Macquarie Park and other centres.
- MFP/LED streetlighting & smart city

Govt agencies

- Continue to apply for funds and construct regional bike SUP's

Key Projects & Activities

- Bus shelter Contract renewal in 2018
- Constitution Rd precinct
- Smart City
- Streetlighting progressive LED conversions

ITEM 3 (continued)

ATTACHMENT 4

Service Standards and Service Levels

Roadside and Public Spaces

Key Performance Indicator	Level of Service	Performance Measurement Process	Target Performance	Current Performance
Quality / condition	% of Assets in condition 3 or better	Condition assessment	95%	Base case TBD
Reliability / responsiveness	% Compliance with Council's documented response time	CRMS data	90%	Base case TBD
Customer Service	% Satisfaction with service provision	Community Perception Survey Report	Improve – above 4	Satisfaction mean rating =3.42
Sustainability	Consumption ratio	Annual depreciation figures and expenditure details	Between 50% and 75%	81%
	Renewal Funding Ratio		Between 90% and 110%	187%
	Long term funding ratio		Between 95% and 105%	Base case TBD
Safety	% reduction in reported trips and public liability claims	From Risk & Audit	more than 0%	Base case TBD
Affordability	Maintenance and operational cost per km of road	Annual budget expenditure	Increase by 1% lower than CPI	Base case TBD

ITEM 3 (continued)

ATTACHMENT 4

Linkage to Long Term Financial Plan

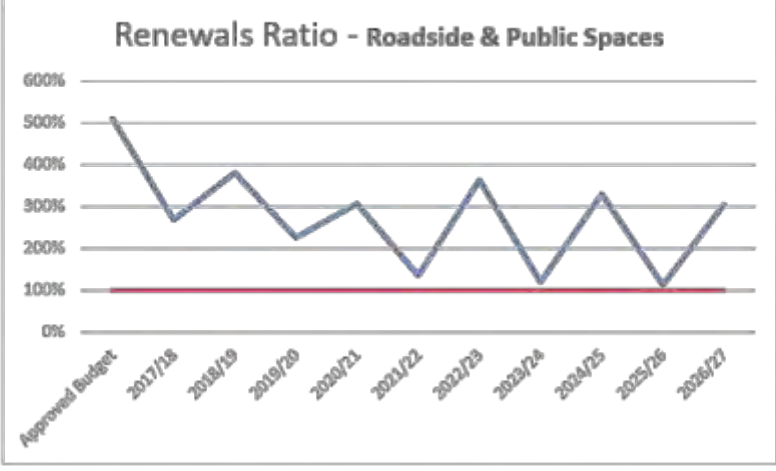
This page sets out the programs that are used within the Financial system to track the expenditure for the following areas of asset expenditure under this Sub Plan

Renewals

	Approved 2016/17 Budget (\$)	2017/18 Base Budget (SRV) (\$)	2018/19 LTFF Total Budget (\$)	2019/20 LTFF Total Budget (\$)	2020/21 LTFF Total Budget (\$)	2021/22 LTFF Total Budget (\$)	2022/23 LTFF Total Budget (\$)	2023/24 LTFF Total Budget (\$)	2024/25 LTFF Total Budget (\$)	2025/26 LTFF Total Budget (\$)	2026/27 LTFF Total Budget (\$)
Roadside and Public Spaces	1,130,465	164,800	889,250	1,006,500	91,500	102,600	1,128,600	105,268	1,157,944	108,005	1,188,050
Footpath Upgrade - Byfield St Macq Park	595,000	0	0	0	0	0	0	0	0	0	0
Ped Acces & Mobility Plan - Macquarie Park	100,000	0	0	0	0	0	0	0	0	0	0
Gladesville Clocktower Monument Conservation	100,000	55,000	0	0	0	0	0	0	0	0	0
Street Tree Planting in Byfield Street Macquarie Park	42,500	0	0	0	0	0	0	0	0	0	0
Neighbourhood Centre Renewal	292,965	109,800	889,250	1,006,500	91,500	102,600	1,128,600	105,268	1,157,944	108,005	1,188,050
Town Centre Upgrade implementation - Renewal	1,883,531	1,098,000	1,372,500	91,500	2,013,000	102,600	2,257,200	105,268	2,315,887	108,005	2,376,100
Footpath Construction Renewal	628,270	850,000	850,000	885,000	880,989	903,895	927,396	951,508	976,248	1,001,630	1,027,673
Bridge Upgrade / Renewal	180,000	0	180,000	0	0	184,680	0	189,482	0	194,408	0
Traffic Facilities Renewal	169,380	174,000	200,000	225,000	250,000	256,500	263,169	270,011	277,032	284,235	291,625
Embellishing Planting along Waterloo and Delhi Roads	90,000	0	0	0	0	0	0	0	0	0	0

ITEM 3 (continued)

ATTACHMENT 4

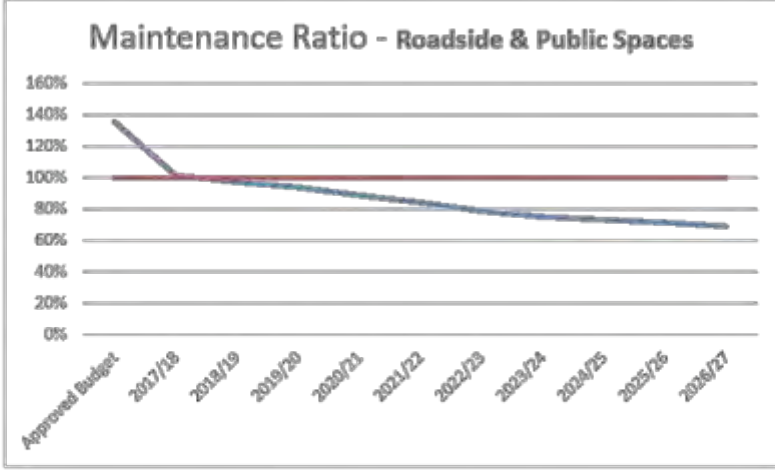


ITEM 3 (continued)

ATTACHMENT 4

Maintenance

	Approved 2016/17 Budget (\$)	2017/18 Base Budget (SRV) (\$)	2018/19 LTFP Total Budget (\$)	2019/20 LTFP Total Budget (\$)	2020/21 LTFP Total Budget (\$)	2021/22 LTFP Total Budget (\$)	2022/23 LTFP Total Budget (\$)	2023/24 LTFP Total Budget (\$)	2024/25 LTFP Total Budget (\$)	2025/26 LTFP Total Budget (\$)	2026/27 LTFP Total Budget (\$)
Roadside and Public Spaces	2,102,490	1,668,670	1,708,701	1,749,698	1,795,190	1,841,865	1,889,754	1,938,887	1,989,298	2,041,020	2,094,087
Bridges	46,130	46,070	47,264	48,489	49,749	51,043	52,370	53,732	55,129	56,562	58,032
Footpaths	1,383,350	828,470	848,226	868,456	891,036	914,203	937,972	962,359	987,381	1,013,052	1,039,392
Cycleways	54,140	73,580	75,399	77,263	79,272	81,333	83,448	85,618	87,844	90,128	92,471
Other Roadside assets	597,060	696,100	712,749	729,799	748,773	768,242	788,218	808,710	829,736	851,309	873,443
Wharves and Jetties Assets	21,810	24,450	25,083	25,691	26,359	27,045	27,748	28,469	29,210	29,969	30,748

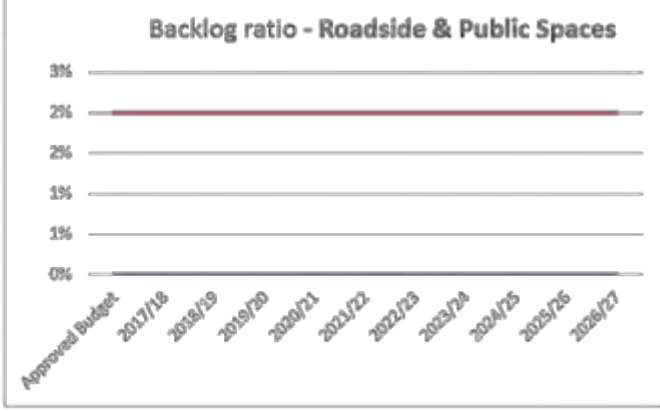


ITEM 3 (continued)

ATTACHMENT 4

Operating

	Approved 2016/17 Budget (\$)	2017/18 Base Budget (SRV) (\$)	2018/19 LTFF Total Budget (\$)	2019/20 LTFF Total Budget (\$)	2020/21 LTFF Total Budget (\$)	2021/22 LTFF Total Budget (\$)	2022/23 LTFF Total Budget (\$)	2023/24 LTFF Total Budget (\$)	2024/25 LTFF Total Budget (\$)	2025/26 LTFF Total Budget (\$)	2026/27 LTFF Total Budget (\$)
Roadside and Public Spaces	1,433,630	1,453,380	1,488,530	1,518,395	1,557,873	1,598,378	1,639,935	1,682,574	1,726,321	1,771,205	1,817,256
Bridges	6,540	5,880	6,009	0	0	0	0	0	0	0	0
Footpaths	349,580	512,020	524,229	536,730	550,685	565,003	579,693	594,795	610,229	626,095	642,373
Cycleways	1,700	6,670	6,817	6,967	7,148	7,334	7,524	7,720	7,921	8,127	8,338
Other Roadside assets	1,033,970	908,370	930,588	953,352	978,139	1,003,571	1,029,684	1,056,435	1,083,902	1,112,084	1,140,998
Wharves and Jetties Assets	41,840	20,440	20,888	21,348	21,901	22,470	23,054	23,654	24,269	24,900	25,547



ITEM 3 (continued)

ATTACHMENT 4

Linkages to other plans

Community Strategic Plan

This page sets out the linkage of this Sub Plan to the current adopted Community Strategic Plan.

Refer to Asset Management Improvement Plan on pages 12-15 for details.

Delivery Plan and Operational Plan

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Regional Plans

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State and Federal Government Plans

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ITEM 3 (continued)

ATTACHMENT 4

Indicative images – levels of service

Trees

Trees obstructing street lighting



Trees obstructing street lighting



Trees uplifting footpaths



ITEM 3 (continued)

ATTACHMENT 4

Footpaths

Condition 3



Condition 4



Condition 5






ITEM 3 (continued)

ATTACHMENT 4



Footpaths Condition Rating - 2014

Condition Rating	Number of Defects	Amount in SQM	% of Total Footpath Network
 3	17,143	40,864	7.8 %
 4	7,458	17,555	3.3 %
 5	1,138	3,590	0.7 %

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Date: 22/10/2014

ITEM 3 (continued)

ATTACHMENT 4

Basic information about these assets

Type	Quantity	Condition based repairs needed #	Comments	End Of Life Intent
Footpaths	448km, 5.3M m ² .	<ul style="list-style-type: none"> 2490 total 	<ul style="list-style-type: none"> Audit of 1/8 city area recorded 830 footpath and kerb repair items, indicating about 6,000 in total across the city. 30% by number caused by tree root uplift 	<ul style="list-style-type: none"> Replace like for like
	An estimated 40,000 driveways	<ul style="list-style-type: none"> \$0.25M condition 4 		
Bus shelters Seats	<ul style="list-style-type: none"> 240 Approx. 130 	<ul style="list-style-type: none"> 165 Shelters provided under contract arrangement (Adshel) 		<ul style="list-style-type: none"> shelters replace @ 20yr contract end in 2108. seats by Council?
Bins Bollards Fencing Signage	<ul style="list-style-type: none"> Unknown Unknown Unknown Approx. 5000 			
Street Lighting	<ul style="list-style-type: none"> Approx. 7,800 lamps 	<ul style="list-style-type: none"> Repairs done by Energy Australia on reporting and through maintenance programs 	<ul style="list-style-type: none"> Most owned and maintained by Energy Australia. 67 by Integral @ Eastwood Council pays charges set by AER Council fully responsible for MFP's, inspections and bulbs replaced at 6 month intervals only 	<ul style="list-style-type: none"> AER MFP's replace like for like
	380 MFP's owned by Council	<ul style="list-style-type: none"> controls enable diagnostic alerts direct to maintenance contractor 		
Wharves, Jetties, Pontoons	2			<ul style="list-style-type: none"> Unknown
Street Trees and shrubs	Estimated between 10,000 to 16,000	<ul style="list-style-type: none"> Records on individual trees not viable on manual methods, not collected to date 	<ul style="list-style-type: none"> Can't replace into same location. Time an additional factor for replacement to grow to maturity Inappropriate species e.g. Camphor Laurels roots lifting footpaths, natives and branch drop 	
Bridges and Tunnels	<ul style="list-style-type: none"> 1 road (bailey) 25 pedestrian (timber) 1x tunnels (west Ryde) 		<ul style="list-style-type: none"> RailCorp interface agreements confirmed none are council Devlin St pedestrian bridges and tunnels by Top Ryde shops under lease 	<ul style="list-style-type: none"> unknown

ITEM 3 (continued)

ATTACHMENT 4



CITY OF RYDE

Ryde Aquatic Leisure Centre

Asset Sub Plan

Includes indoor courts and site facilities



ITEM 3 (continued)

ATTACHMENT 4



ITEM 3 (continued)

ATTACHMENT 4

What is the service provided by these assets

Aquatic

- All weather facility for swimming as a sport and recreational activity
- A facility to support local clubs and groups to participate in regional to national aquatic based competitions

Associated Courts

- Indoor courts for hire and competition use
- Leverage to attract for crossover activities, shared overheads

Site

- Car parking and landscaping

Issues over the life of these assets

- The aquatic components have a shorter life span than the structural, and the nature of the environment (chlorinated water and vapour) increases corrosion
- The predictability of the life and replacement of major components is difficult
- Needs to operate as a business with cost neutrality including capital replacement, otherwise reduces other Council assets/services
- Needs to stay contemporary, competitive against all leisure activity choices
- Future recreation trends, water and safety standards, environmental standards
- Surf attraction facility has an unknown commercial or physical life
- Dealing with the ultimate replacement of the centre distorts Councils overall finances due to the accumulated funded depreciation or eventual borrowing - of the order of \$35M on current value

Options for Levels of Service

The things that Council can change that affect the overall cost and nature of the service:

- Staying competitive / contemporary, investing in facilities e.g. surf attraction
- Water temperature
- Hours of opening

Where are we now? (Current State)

- Contemporary standard aquatic facility with no outstanding maintenance
- steady state operation and maintenance
- the business is well balanced and self-funding for operating costs EXCEPT capital replacement

ITEM 3 (continued)

ATTACHMENT 4

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Lifestyle and opportunity @ your doorstep
Asset Management Plan 2017 - 2027

Key considerations

- Governance – allowing centre to run on business basis to be cost neutral to Council including capital
- The high value filtration and treatment systems can have unpredicted failures
- Staying competitive / contemporary, investing in facilities e.g. surf machine
- The facility is 12 years old, which is over 1/4 way through its life cycle. At present the replacement reserve is far less than required pro-rata.
- Paid by Olympics and other sources, Council will need to plan for replacement using own funds
- Future recreation trends, water and safety standards, environmental standards
- the income is heavily dependent on learn to swim programs
- obligations to polo for regional/metro/national due to Olympic funding
- managing all the existing contract arrangements

How much do we need to look after these assets?

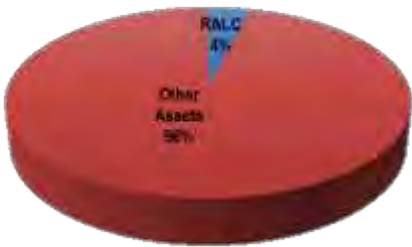
To sustain service levels and manage risk infrastructure renewal must be adequately funded. The Asset Plan discusses this challenge and identifies that the current funding will be insufficient for the longer term.

At present the assets at the Ryde Aquatic and Leisure Centre represent an important portion of the assets we manage. Without renewal being undertaken when needed a decline in service and an increase in associated risks will occur.

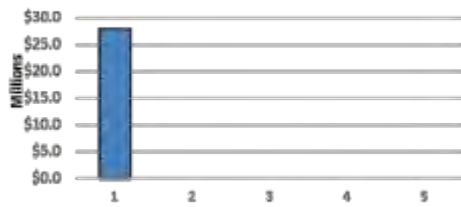
ITEM 3 (continued)

ATTACHMENT 4

Infrastructure Proportion – RALC

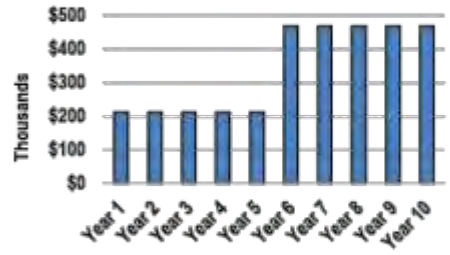


Condition Profile – RALC



At present these assets have been assessed at Condition 1. Although in the short term renewal can be managed, as the majority of the assets continue to age and decline, the financial capacity to manage more significant renewals will be important.

RALC – Requirements for Renewal of Condition 4 and 5



ITEM 3 (continued)

ATTACHMENT 4

What Council is proposing to do

Next 4 years – with a 7% SRV

- Build Surf attraction facility and additional function rooms and amenities
- Continued maintenance and operation
- Replace remaining air handling system

Longer term – to 10 years, to 25 years

- Continued maintenance and operation
- upgrade and refurbish in line with the RALC business plan, mainly the change in facilities in the next 10 years
- deal with early corrosion due to original air handling equipment design

Through other means - DCP, VPA's, S94, LDA consents

- Nothing envisaged

Govt agencies

- Nothing envisaged

ITEM 3 (continued)

ATTACHMENT 4

Service Standards and Service Levels

Ryde Aquatic Leisure Centre

Key Performance Indicator	Level of Service	Performance Measurement Process	Target Performance	Current Performance
Quality / Condition	Reduction in priority 1 defects	Annual Inspection Program	No priority 1 defects	Base case TBD
	Testing is to be carried out for free chlorine, total(combined) chlorine and pH prior to opening and then once during the day to confirm automatic readings (with automatic readings to be logged four hourly) Royal Life Saving Society Australia (RLSSA)			
	% of Assets in condition 3 or better	Condition Assessment	95%	Base case TBD
Reliability / responsiveness	% Compliance with Councils documented response time	CRMS data	90%	Base case TBD
Customer Service	% Satisfaction with service provision	Community Perception Survey Report	Maintain	Base case TBD
Sustainability	Average weekly attendance at aquatic centre.	Contractor admission records	70% of the capacity	Base case TBD
	3 yr. rolling average potable water consumption on parks and gardens	Water records	Reduction of 3% per yr.	Base case TBD
	Consumption ratio	Annual depreciation figures and expenditure details	Between 50% and 75%	63%
	Renewal Funding Ratio		Between 90% and 110%	19%
	Long term funding ratio		Between 95% and 105%	Base case TBD
Affordability	Cost /ha to maintain aquatic centres	Annual Budget expenditure	Increase by 1% lower than CPI	Base case TBD

ITEM 3 (continued)

ATTACHMENT 4

Key Performance Indicator	Level of Service	Performance Measurement Process	Target Performance	Current Performance
Safety	Ensure pH levels are maintained between 7.2 and 7.8 as per Royal Life Saving Society Australia (RLSSA)	Water records	pH levels maintained between 7.2 and 7.8	Base case TBD

ITEM 3 (continued)

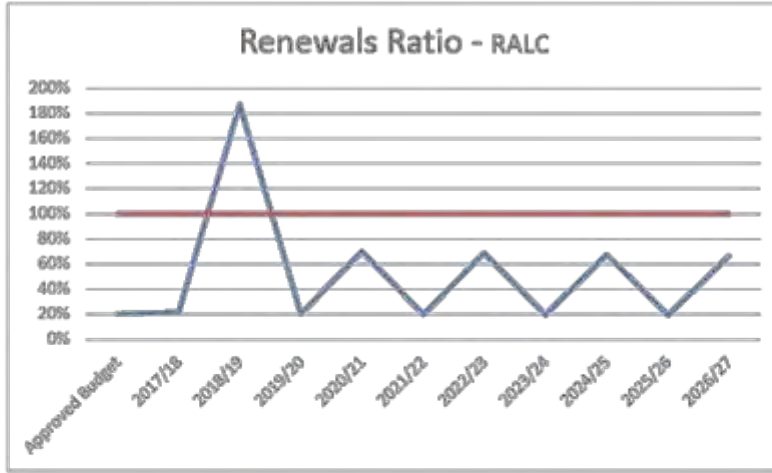
ATTACHMENT 4

Linkage to Long Term Financial Plan

This page sets out the programs that are used within the Financial system to track the expenditure for the following areas of asset expenditure under this Sub Plan

Renewals

	Approved 2016/17 Budget (\$)	2017/18 Base Budget (SRV) (\$)	2018/19 LTFP Total Budget (\$)	2019/20 LTFP Total Budget (\$)	2020/21 LTFP Total Budget (\$)	2021/22 LTFP Total Budget (\$)	2022/23 LTFP Total Budget (\$)	2023/24 LTFP Total Budget (\$)	2024/25 LTFP Total Budget (\$)	2025/26 LTFP Total Budget (\$)	2026/27 LTFP Total Budget (\$)
RALC Total	132,568	145,000	1,285,000	142,600	502,500	146,308	515,565	150,112	528,970	154,014	542,723
RALC Asset Renewal	132,568	145,000	1,285,000	142,600	502,500	146,308	515,565	150,112	528,970	154,014	542,723

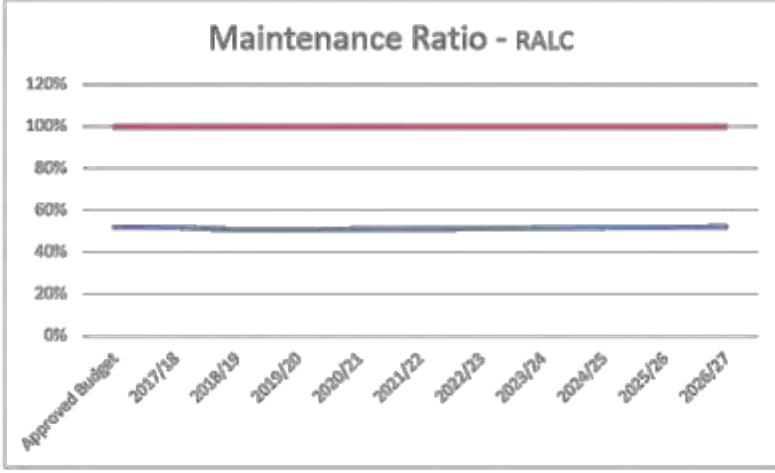


ITEM 3 (continued)

ATTACHMENT 4

Maintenance

	Original 2016/17 Budget (\$)	2017/18 Base Budget (SRV) (\$)	2018/19 LTFP Total Budget (\$)	2019/20 LTFP Total Budget (\$)	2020/21 LTFP Total Budget (\$)	2021/22 LTFP Total Budget (\$)	2022/23 LTFP Total Budget (\$)	2023/24 LTFP Total Budget (\$)	2024/25 LTFP Total Budget (\$)	2025/26 LTFP Total Budget (\$)	2026/27 LTFP Total Budget (\$)
RALC Total	290,040	296,400	302,921	309,585	317,634	325,893	334,366	343,059	351,979	361,130	370,520
RALC Assets	290,040	296,400	302,921	309,585	317,634	325,893	334,366	343,059	351,979	361,130	370,520

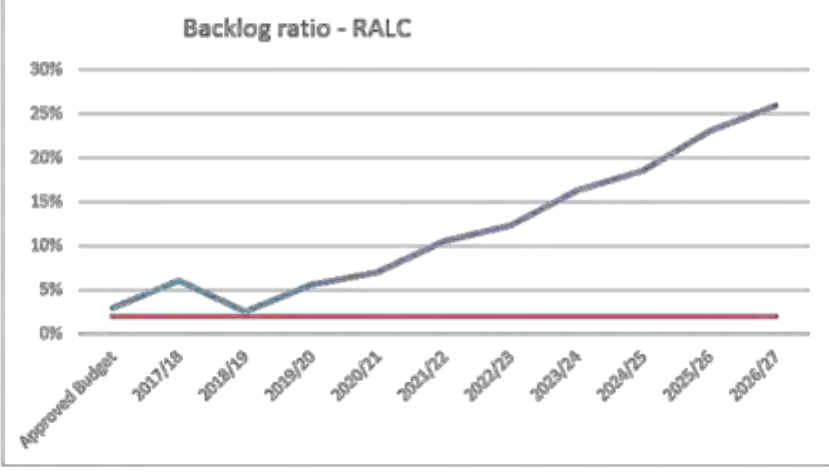


Operating

ITEM 3 (continued)

ATTACHMENT 4

	Original 2016/17 Budget (\$)	2017/18 Base Budget (SRV) (\$)	2018/19 LTFP Total Budget (\$)	2019/20 LTFP Total Budget (\$)	2020/21 LTFP Total Budget (\$)	2021/22 LTFP Total Budget (\$)	2022/23 LTFP Total Budget (\$)	2023/24 LTFP Total Budget (\$)	2024/25 LTFP Total Budget (\$)	2025/26 LTFP Total Budget (\$)	2026/27 LTFP Total Budget (\$)
RALC Total	1,223,980	1,220,440	1,248,000	1,180,602	1,211,298	1,242,792	1,275,104	1,308,257	1,342,272	1,377,171	1,412,977
RALC Assets	1,223,980	1,220,440	1,248,000	1,180,602	1,211,298	1,242,792	1,275,104	1,308,257	1,342,272	1,377,171	1,412,977



ITEM 3 (continued)

ATTACHMENT 4

Linkages to other plans

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ITEM 3 (continued)

ATTACHMENT 4

Basic information about these assets

Training and Program Pools

- 50m indoor Olympic pool with moveable boom (creates 2 x 25m)
- 25m indoor pool
- warm water program pool

For Kids (... of all ages)

- 40m wave pool
- children's wading pool
- bubble whirl pools
- Rapid River
- 56m giant water slide

Indoor Sports

- 2 x multi-use courts
- (available for basketball, volleyball, netball, badminton, soccer or as vacant/non-specified setup)

Other Facilities

- steam room
- sauna
- spa

ITEM 3 (continued)

ATTACHMENT 4



CITY OF RYDE

Stormwater Asset Sub Plan

Road drainage, water quality devices and waterways



ITEM 3 (continued)

ATTACHMENT 4



ITEM 3 (continued)

ATTACHMENT 4

What is the service provided by these assets

- Underground conduits (mainly pipes) minimise surface flows in lesser rainfall events for amenity and traffic safety
- Also allows use of land of gullies and creeks that are filled in
- Devices capture material to be kept out of receiving waters, e.g. leaves, litter
- capture and re-use stormwater runoff to reduce demand on treated drinking water, called water sensitive urban design or WSUD)
- The underground conduits represent the "minor" component of the system, and surface flow routes along the lie of the land (gullies, old creek lines etc.) represent the "major"

Issues over the life of these assets

- Failure is usually either by crushing or collapse of older (80+ years) conduits which are often unreinforced concrete, earthenware or brick.
- For the last 50 years or so reinforced concrete has been used with improved laying techniques, giving very long expected life, in excess of 100 years
- Intrusion and obstruction by utilities laid at the same depth can occur, and requires reconstruction and deviations to resolve.
- Obstruction by tree roots can sometimes be fixed by bore cutting, but in severe cases requires excavation and replacement
- Funding is primarily through Council's own sources, with the stormwater levy used for works that have an environmental benefit as well.
- Once pipes are installed, the land over the pipelines is often developed or used in ways at risk of damage by the major surface flows, or having to dig up the pipelines for repair or replacement.
- The extremely long life of the assets with relatively low maintenance for newer construction means the acquisition of assets when funded by other parties provides a good return to the community.
- Water quality improvement devices have very high operating costs to clear and dispose of collected material.
- These operating costs cannot be funded by the stormwater levy.

Options for Levels of Service

The things that Council can change that affect the overall cost and nature of the service are:

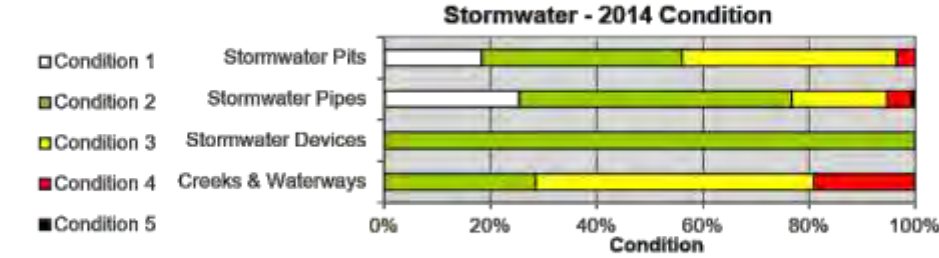
- The proportion of storm event flows that are in the underground conduits rather than flowing over the surface routes
- Replacing based primarily on user risk relating to physical condition rather than capacity and flooding problems

Where are we now? (Current State)

- Most capital funding is directed to projects that deal with properties that experience flooding, or infill sections to allow developments to connect to a pipe rather than surface discharge
- Large backlog of pits and sections of pipe that have been identified as requiring repair and replacement based on condition.
- A large number of water quality improvement devices have been installed in recent years, increasing the relative proportion of maintenance and operating costs allocated to these.
- Major projects such as Eastwood railway culvert are so expensive that Council is unlikely to ever fund them.
- Large scale replacement projects are similarly unlikely.
- Having to divert funding from other sources to operate the water quality improvement devices

ITEM 3 (continued)

ATTACHMENT 4



Key considerations

- These assets are mainly buried assets and not readily accessible. Maintenance and repair for physical deterioration in most cases requires excavation and replacement.
- Leaf litter can block inlets – regular street sweeping is done to minimise this.
- Lack of public understanding of stormwater often results in actions that compromise the functioning of parts of the system
- Council is not responsible for the sections of underground pipe under State roads and the railway line
- Improvements upstream are ineffective without corresponding improvements by other parties and often at larger cost.
- Most pipelines are based on maximising flow capacity rather than water sensitive urban design (WSUD requires capturing and treating materials from the large and fast flowing quantities of stormwater). Space and land at the lower end of catchments are required for WSUD which is not readily available within urban areas. Capturing and treating materials from the large

and fast flowing quantities of stormwater is expensive, and requires land for devices that slow and detain water flows

- Expectations over the decades and particularly the last 15 years have increased for the balance of flows to be in the minor (underground) components, whereas experience is showing the capacity of this is much lower than what was designed when built and major (surface flow) is often experienced.
- The expansion of the number of and dependence on private On Site Detention storages to retain the current capacity of the network
- Most significant flooding problems are known through catchment flood studies. New problems normally emerge from actions of property owners modifying their property, especially with residential developments and where private certification is involved.
- Eastwood Town Centre - Tunnel & flooding – vexed question as it affects development potential in the town centre

How much do we need to look after these assets?

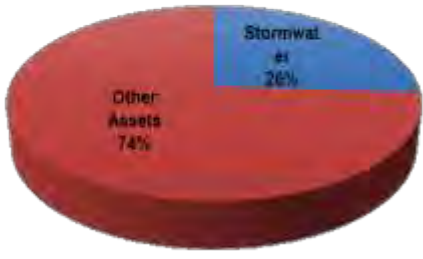
To sustain service levels and manage risk, infrastructure renewal must be adequately funded. The Asset Plan discusses this challenge and identifies that the current funding will be insufficient for the longer term.

At present stormwater assets represent a substantial portion of the assets we manage. Without renewal being undertaken when needed a decline in service and an increase in associated risks will occur.

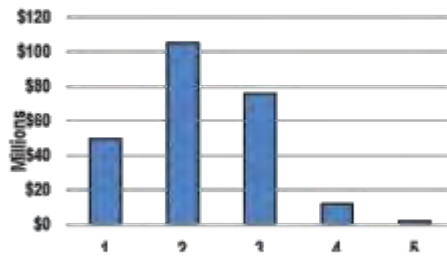
ITEM 3 (continued)

ATTACHMENT 4

Infrastructure Proportion – Stormwater

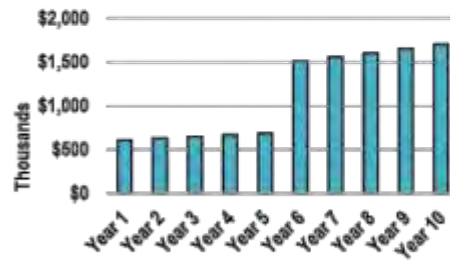


Condition Profile – Stormwater



With the approval of the SRV there is sufficient to support a long term financial strategy of renewing roadside assets when required, and will enable those assets currently rated as Condition 4 and 5 to be renewed over the next 10 years as shown in following "graphical" estimate.

Stormwater – Requirements for Renewal of Condition 4 and 5



ITEM 3 (continued)

ATTACHMENT 4

What Council is proposing to do

Next 4 years – with a 7% SRV

- Projects listed in the 4 year Delivery Plan, which have been listed in previous plans. Over the 4 years, this would be :
 - Replace 25 sections of stormwater drain where condition and overflows are a problem
- Continue with program of CCTV inspection of network, to find condition and problems such as obstructions (tree routes and unauthorised pipe connections or crossings).
- Repair, replace non-functioning sections of pipe and inlets, remove intrusions
- Replace pits and sections of pipe on a condition basis with priority to lines where roadworks are occurring above, through private property, and downstream of sag locations

Longer term – to 10 years, to 25 years

- Continued maintenance and re-engineering to resolve problems, similar to first 4 years
- Continue to repair, replace and keep underground pipes clear and functioning

Through other means - DCP, VPA's, S94, LDA consents

- Require developers to provide drainage to the DCP requirements

Govt agencies

- Seek grants when available for major projects that deal with flooding (capacity) issues, particularly Eastwood.

ITEM 3 (continued)

ATTACHMENT 4

Service Standards and Service Levels

Stormwater

Key Performance Indicator	Level of Service	Performance Measurement Process	Target Performance	Current Performance
Quality / Condition	Reduction in priority 1 defects for storm water pipes & equipment	Annual Inspection Program	No priority 1 defects	Base case TBD
	Effluent reuse water quality	Monthly quality testing for license Conditions	100% compliance	Base case TBD
	% of network inspected by CCTV/person	CCTV monitoring or physical inspection	5% per yr. (within 5yrs)	Base case TBD
	% of Assets in condition 3 or better	Condition Assessment	95%	Base case TBD
Reliability / responsiveness	% Compliance with Councils documented response time	CRMS data	90%	Base case TBD
Customer Service	% Satisfaction with service provision	Community Perception Survey Report	Maintain	Satisfaction mean rating = 3,75 (satisfied)
Sustainability	Satisfactory operational performance	6 mthly report	To Maintain Satisfactory Performance	Base case TBD
	Consumption ratio	Annual depreciation figures and expenditure details	Between 50% and 75%	77%
	Renewal Funding Ratio		Between 90% and 110%	150%
	Long term funding ratio		Between 95% and 105%	Base case TBD
Affordability	Cost /ha to maintain storm water assets	Annual Budget expenditure	Increase by 1% lower than CPI	Base case TBD

ITEM 3 (continued)

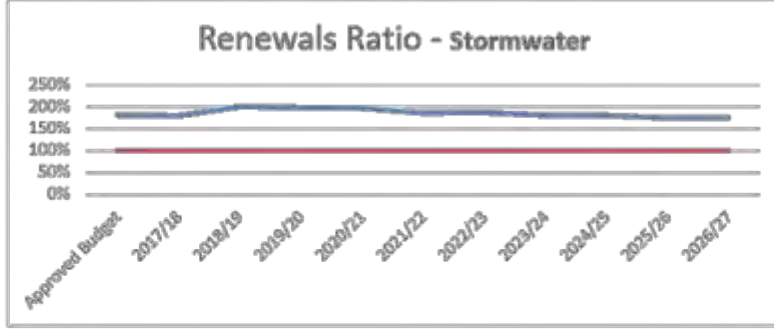
ATTACHMENT 4

Linkage to Long Term Financial Plans

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Stormwater Total	2,964,407	3,007,000	3,483,970	3,560,000	3,651,800	3,746,747	3,844,163	3,944,111	4,046,657	4,151,870	4,259,819
Stormwater Asset Replacement Renewal	1,476,836	1,840,000	2,850,000	2,910,000	2,971,800	3,049,067	3,128,343	3,209,680	3,293,131	3,378,752	3,466,600
Stormwater Improvement Works - Renewal	1,487,571	1,167,000	633,970	650,000	680,000	697,680	715,820	734,431	753,526	773,118	793,219



ITEM 3 (continued)

ATTACHMENT 4

Expansion

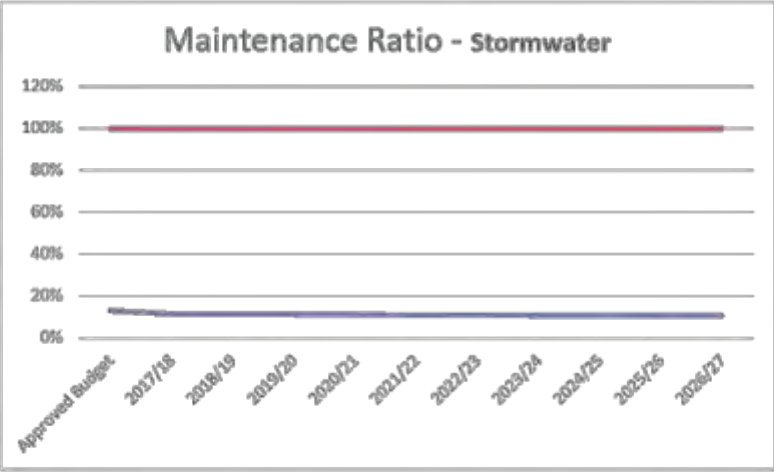
	Approved 2016/17 Budget (\$)	2017/18 Base Budget (SRV) (\$)	2018/19 LTFP Total Budget (\$)	2019/20 LTFP Total Budget (\$)	2020/21 LTFP Total Budget (\$)	2021/22 LTFP Total Budget (\$)	2022/23 LTFP Total Budget (\$)	2023/24 LTFP Total Budget (\$)	2024/25 LTFP Total Budget (\$)	2025/26 LTFP Total Budget (\$)	2026/27 LTFP Total Budget (\$)
Stormwater Total	333,000	1,700,000	1,300,000	1,000,000	3,000,000	-	-	-	-	-	-
Water Quality & Riparian Improvement	33,000	-	-	-	-	-	-	-	-	-	-
Shepherds Bay Outlet	-	100,000	700,000	-	-	-	-	-	-	-	-
Ann Thom Park Catchment Works	-	600,000	600,000	-	-	-	-	-	-	-	-
Flood Mitigation/Constitution Road Upgrade	300,000	1,000,000	-	1,000,000	3,000,000	-	-	-	-	-	-

ITEM 3 (continued)

ATTACHMENT 4

Maintenance

	Approved 2016/17 Budget (\$)	2017/18 Base Budget (SRV) (\$)	2018/19 LTFP Total Budget (\$)	2019/20 LTFP Total Budget (\$)	2020/21 LTFP Total Budget (\$)	2021/22 LTFP Total Budget (\$)	2022/23 LTFP Total Budget (\$)	2023/24 LTFP Total Budget (\$)	2024/25 LTFP Total Budget (\$)	2025/26 LTFP Total Budget (\$)	2026/27 LTFP Total Budget (\$)
Stormwater Total	174,620	155,760	159,254	162,827	167,060	171,404	175,861	180,433	185,124	189,937	194,876
Stormwater Conduits	174,620	155,760	159,254	162,827	167,060	171,404	175,861	180,433	185,124	189,937	194,876

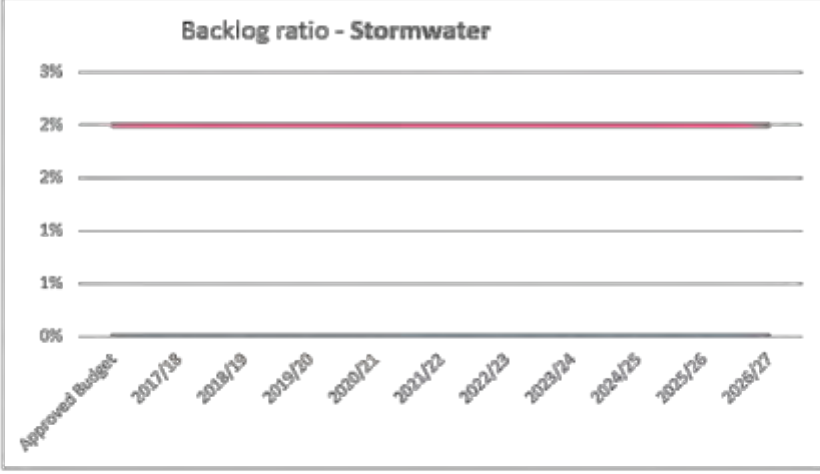


ITEM 3 (continued)

ATTACHMENT 4

Operating

	Approved 2016/17 Budget (\$)	2017/18 Base Budget (SRV) (\$)	2018/19 LTFP Total Budget (\$)	2019/20 LTFP Total Budget (\$)	2020/21 LTFP Total Budget (\$)	2021/22 LTFP Total Budget (\$)	2022/23 LTFP Total Budget (\$)	2023/24 LTFP Total Budget (\$)	2024/25 LTFP Total Budget (\$)	2025/26 LTFP Total Budget (\$)	2026/27 LTFP Total Budget (\$)
Stormwater Total	-	31,160	31,846	32,546	33,392	34,261	35,151	36,065	37,003	37,965	38,952
Stormwater Drainage	-	31,160	31,846	32,546	33,392	34,261	35,151	36,065	37,003	37,965	38,952



ITEM 3 (continued)

ATTACHMENT 4

Linkages to other plans

Community Strategic Plan

This page sets out the linkage of this Sub Plan to the current adopted Community Strategic Plan.

Refer to Asset Management Improvement Plan on pages 12-15 for details.

Delivery Plan and Operational Plan

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Refer to Asset Management Improvement Plan on pages 12-15 for details.

ITEM 3 (continued)

ATTACHMENT 4

Indicative images – levels of service

Example of intrusions into pipes and blockages



Pit inlets



Example



Water Quality devices



ITEM 3 (continued)

ATTACHMENT 4

Detention Basins



ITEM 3 (continued)

ATTACHMENT 4

Basic information about these assets

Component	Comments
246 km underground conduits	The RMS is responsible for pipelines running along and under State Roads and the M2. Historically the RMS is only concerned if drainage impacts on traffic
11,116 inlets / pits	
38 Gross Pollutant Traps	The purpose is to catch litter and larger pollutants before it reaches the downstream estuary / river. Clearing is done intermittently after inspection to determine if needed.
0 leaf collection inlets	
472 Properties	Council does not keep a register of easements on private lands where pipes pass underneath. With many older pipelines, there are not easements, agreement having been reached with previous owners under the provisions of the legislation current at the time.
Condition information from CCTV inspection	A city wide program was conducted in the early 1990's. Updating was commenced in 2007 on a progressive basis, and to date has covered about 11% pa of the network, along with repeats of known problem areas (e.g. tree roots keep intruding)
10 Detention Basins	
9 Wetlands	

ITEM 3 (continued)

ATTACHMENT 4

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ITEM 3 (continued)

ATTACHMENT 4



CITY OF RYDE

Traffic Control Facilities

Asset Sub Plan

For the control of traffic and on street parking



ITEM 3 (continued)

ATTACHMENT 4



ITEM 3 (continued)

ATTACHMENT 4

What is the service provided by these assets

- Traffic and pedestrian safety
- Delineating the use of road pavement
- Directing traffic and access to streets around the road network
- On street Parking control

Issues over the life of these assets

- The two main types of assets are devices such as roundabout islands, medians and platforms, and control items such as signs and line marking.
- The RMS is responsible for traffic controls (including signs), and allows Council to provide them under delegation and administrative rules. Any change to their configuration or removal requires Local Traffic Committee approval.
- The reflective surface of signs required for night time legibility fades when sign blades face toward the sun, with certain colours fading faster than others. Many signs don't meet reflectivity standards after about 8 to 10 years.
- The large number of signs makes it impractical to record each sign, and cyclic replacement planning is difficult.
- Estimated about 10,000 signs, with about 2,000 being street names
- The RMS contributes annually to the cost of maintenance of signs and line marking

Options for Levels of Service

The things that Council can change that affect the overall cost and nature of the service:

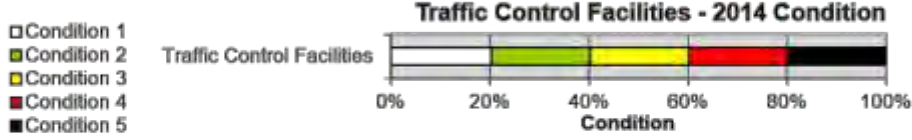
- Maintenance for physical condition
- Frequency of inspection to check for graffiti and damage/removal
- Amount of information kept on signs and associated controls
- the initial choice of and configuration of control devices
- Materials used in devices and controls
- Extent and type of landscaping in devices
- Frequency of landscaping maintenance

Where are we now? (Current State)

- Upkeep of landscaping is at a lower standard than frequently requested, being only when it interferes with the functioning of the facility
- The number of devices and controls continues to grow through developer contributed works to deal with increased traffic flows and manage parking conflicts as well as through RMS grants for safety related works
- RMS contribution to maintenance is not adequate to meet maintenance needs, with Council funding the difference

ITEM 3 (continued)

ATTACHMENT 4



Key considerations

- Main value to the public is the behaviour of traffic and parking created / reinforced by the controls
- Signs are numerous and have a relatively short life, managing their logistics is resource intensive
- Maintenance and legibility of the signs is essential to allow enforcement of the control designated
- Other Council plans and policies
 - Permit parking policy
 - Enforcement of Parking policy Statement

How much do we need to look after these assets?

To sustain service levels and manage risk infrastructure renewal must be adequately funded. The Asset Plan discusses this challenge and identifies that the current funding will be insufficient for the longer term.

At present traffic and parking assets represent an important part of the assets we manage. Without renewal being undertaken when needed a decline in service and an increase in associated risks will occur.

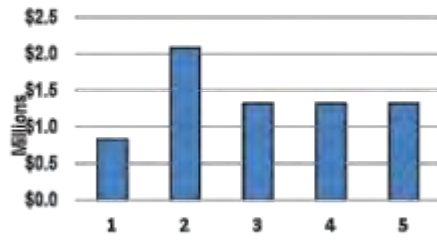
ITEM 3 (continued)

ATTACHMENT 4

Infrastructure Proportion – Traffic Control Facilities



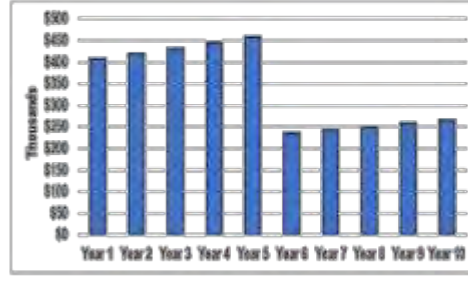
Condition Profile – Traffic Control Facilities



This condition profile is based on extensive data collection. Although in the short term the renewal of assets in poor and very poor condition (Condition 4 and 5) can be managed, more significant renewals in the future will be required.

With the approval of the SRV there is sufficient funding to support a long term financial strategy of renewing traffic control facilities when required, and will enable those assets currently rated as Condition 4 and 5 to be renewed over the next 10 years as shown in the following "graphical" estimate.

Traffic Control Facilities – Requirements for Renewal of Condition 4 and 5



ITEM 3 (continued)

ATTACHMENT 4

What Council is proposing to do

Next 4 years – without an SRV

- Rationalise and reduce the number of signs required to enforce parking requirements, when signs need replacement
- Continue to replace faded and damaged signs, worn line marking based on available budget
- Priority for those required to enable regulatory enforcement or traffic safety is an issue
- Progressively record parking restriction controls in the mapping system

Next 4 years – with a 7% SRV

- Replace signs and line marking that is condition 5 and 4, and to ensure legibility and reflectivity on a programmed basis

Longer term – to 10 years, to 25 years

- Continued maintenance of signs, line marking and devices

Through other means - DCP, VPA's, S84, LDA consents

- Acquire the upgraded traffic controls associated with development consents and roads, cycleways public domain works through the developer contribution process in accordance with the DCP for Macquarie Park and other centres

Govt agencies

- RMS is the only government agency likely to be involved
- Implementing a package of measures along Morrison Rd

ITEM 3 (continued)

ATTACHMENT 4

Service Standards and Service Levels
 Traffic Control Facilities

Key Performance Indicator	Level of Service	Performance Measurement Process	Target Performance	Current Performance
Quality / Condition	Reduction in priority 1 defects for traffic control equipment	Annual Inspection Program	No priority 1 defects	Base case TBD
	% of Assets in condition 3 or better	Condition Assessment	95%	Base case TBD
Reliability / responsiveness	% Compliance with Councils documented response time	CRMS data	90%	Base case TBD
Customer Service	% Satisfaction with service provision	Community Perception Survey Report	Maintain	Satisfaction Mean Rating = 2.94 (somewhat satisfied)
Sustainability	Consumption ratio	Annual depreciation figures and expenditure details	Between 50% and 75%	49%
	Renewal Funding Ratio		Between 90% and 110%	143%
	Long term funding ratio		Between 95% and 105%	Base case TBD
Affordability	Cost /ha to maintain open space assets	Annual Budget expenditure	Increase by 1% lower than CPI	Base case TBD
Safety	Reduction in unaddressed deficits as Identified by road safety audits	Road Safety audit	Nil	Base case TBD

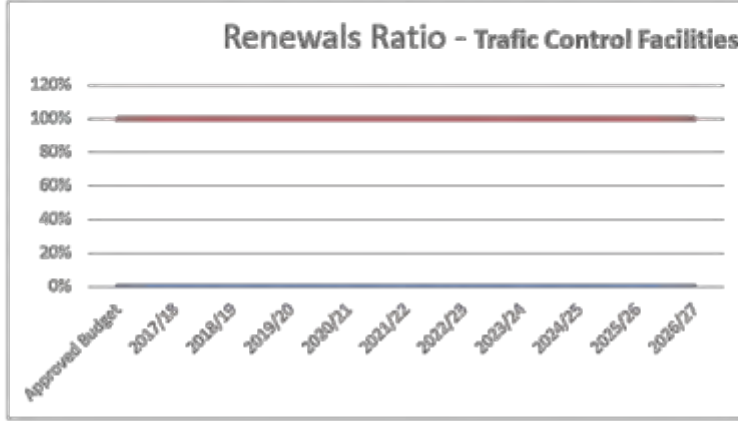
ITEM 3 (continued)

ATTACHMENT 4

Linkage to Long Term Financial Plan

This page sets out the programs that are used within the Financial system to track the expenditure for the following areas of asset expenditure under this Sub Plan

Renewals



Expansion

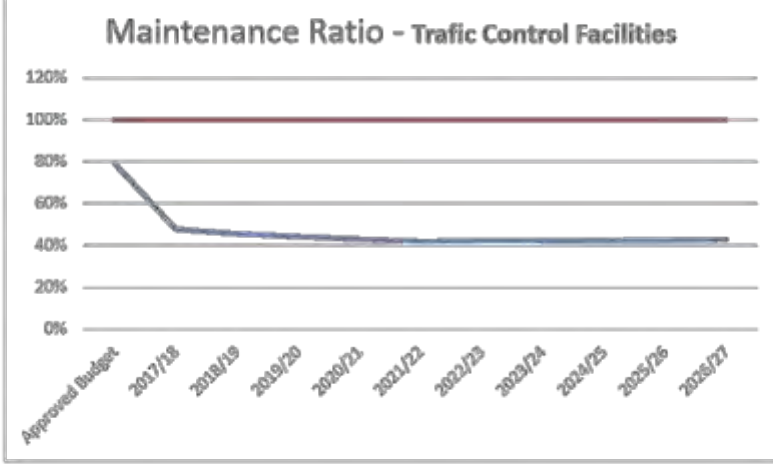
	Approved 2016/17 Budget (\$)	2017/18 Base Budget (SRV) (\$)	2018/19 LTFP Total Budget (\$)	2019/20 LTFP Total Budget (\$)	2020/21 LTFP Total Budget (\$)	2021/22 LTFP Total Budget (\$)	2022/23 LTFP Total Budget (\$)	2023/24 LTFP Total Budget (\$)	2024/25 LTFP Total Budget (\$)	2025/26 LTFP Total Budget (\$)	2026/27 LTFP Total Budget (\$)
Traffic Control Facilities Total	498,117	50,000	50,000	50,000	50,000	-	-	-	-	-	-
Roundabout at Monash/Buffalo Road	400,000	-	-	-	-	-	-	-	-	-	-
Eastwood Transport Management and Access Plan 2008	98,117	-	-	-	-	-	-	-	-	-	-
Road Safety Upgrades and Improvement	-	50,000	50,000	50,000	50,000	-	-	-	-	-	-

ITEM 3 (continued)

ATTACHMENT 4

Maintenance

	Original 2016/17 Budget (\$)	2017/18 Base Budget (SRV) (\$)	2018/19 LTFP Total Budget (\$)	2019/20 LTFP Total Budget (\$)	2020/21 LTFP Total Budget (\$)	2021/22 LTFP Total Budget (\$)	2022/23 LTFP Total Budget (\$)	2023/24 LTFP Total Budget (\$)	2024/25 LTFP Total Budget (\$)	2025/26 LTFP Total Budget (\$)	2026/27 LTFP Total Budget (\$)
Traffic Control Facilities Total	224,560	184,490	188,885	193,386	198,414	203,573	208,865	214,296	219,868	225,584	231,449
Traffic Control Facilities assets	224,560	184,490	188,885	193,386	198,414	203,573	208,865	214,296	219,868	225,584	231,449



ITEM 3 (continued)

ATTACHMENT 4

Operating

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Traffic Control Facilities Total	15,300	14,920	15,304	15,698	16,106	16,524	16,954	17,395	17,847	18,311	18,787
Traffic Control Facilities assets	15,300	14,920	15,304	15,698	16,106	16,524	16,954	17,395	17,847	18,311	18,787



ITEM 3 (continued)

ATTACHMENT 4

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ITEM 3 (continued)

ATTACHMENT 4

Indicative images – levels of service

Speed Hump



Roundabout



Speed Platform



Median



ITEM 3 (continued)

ATTACHMENT 4

Pedestrian Crossing



Road Closure



Half road Closure



Kerb Extensions



ITEM 3 (continued)

ATTACHMENT 4

Traffic Regulatory and Advisory Signs



Trial of "hump less" speed hump



Pedestrian refuge



Splitter island



ITEM 3 (continued)

ATTACHMENT 4

Basic information about these assets

The inventory of these and parking zones with associated signage is being updated in 2014/15 to align with the systems for other asset types and confirm the number of items

Control Type		Number
Speed Control Devices	Horizontal	
	Vertical	total <ul style="list-style-type: none"> • major (platforms) • minor (humps)
Medians		including refuges
Pedestrian Crossings		total <ul style="list-style-type: none"> • major (on speed platform) • painted
Signs		5,000 estimated regulatory parking and traffic 3,000 estimated street name signs Approx. 1,000 pa are replaced for various reasons, and an additional 300 added pa
Line marking		Unrecorded – cost to record and map disproportionate to value of having. Most markings and can be seen from aerial photograph underlying mapping system.
Parking zone controls		The approved control regimes that are marked by signs are in the process of being recorded on the mapping system.

ITEM 3 (continued)

ATTACHMENT 5

City of Ryde

Information & Communications Technology Plan

2017 - 2021



ITEM 3 (continued)

ATTACHMENT 5

DOCUMENT CONTROL

Document Purpose

This document sets out priorities to align current and future technologies and processes to the City of Ryde operations and strategy. The document intends to communicate the strategic Information and Communications Technology directions for the next 4 years to Citizens, Councillors, Management and Staff.

The plan has been developed with the help and collaboration of IT staff, Business Users, Managers and the Executive Team.

Document Identification

Document title The City of Ryde IT Plan 2017 – 2021
Document date May 2017

Document Production

Document Author Steve Kludass
Trim Reference

Version History

Version	Effective Date	Reason
Version 0.1		
Version 0.2		

ITEM 3 (continued)

ATTACHMENT 5

CONTENTS

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2. Why do we need an ICT Plan	3
3. ICT Plan – Structure and Fit	4
4. ICT Plan Alignment with our CSP	5
5. City of Ryde ICT – Current State	6
6. City of Ryde ICT – Future State	6
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ITEM 3 (continued)

ATTACHMENT 5

1. EXECUTIVE SUMMARY

Information and Communication Technology (ICT) is now an integral part of our everyday life. Never before have we been so connected with vast amounts of information and diverse opinions, literally at our fingertips. People rely on a range of technologies to communicate, interact, inform decisions, and to provide and receive services and products.

Technological advancements have increased individual and organisational productivity, and ICT has become fundamental to how local government operates today. Our residents and businesses demand simpler, easier-to-use and quicker interactions with local government. Technology offers new ways to design, develop and deliver new services, automate existing services, and more effectively consult and engage with a broader range of stakeholders.

The unparalleled spread and influence of social media and the increased use of mobile services and cloud computing present new and exciting opportunities, and will continue to profoundly influence local government and industry choices about investing in ICT and delivering quality local government services.

This ICT Plan has been developed using the input of Council's leadership team, an appreciation of what our staff and customers want, and an understanding of what technological offerings are being pursued both within and outside the local government sector. In essence, this Plan has been constructed with 4 very different, but equally important, dimensions in mind – the e-worker, the e-community, the e-sector and the e-tech industry.

Given the rapid evolution of technology and communications in today's world, this Plan has been developed with a four year focus and targets specific priorities that will advance our CSP within the context of finite resources.

2. WHY DO WE NEED AN ICT PLAN?

This ICT Plan is an important resource plan that underpins the City of Ryde's 2025 Community Strategic Plan (CSP). The City of Ryde recognises that information and communication technology is a vital resource that can significantly advance the aspirations espoused in its CSP. Just as people, finance and assets are important resources, so too is information and communication technology. Ideally, these four critical resources work as one to achieve community focused outcomes.

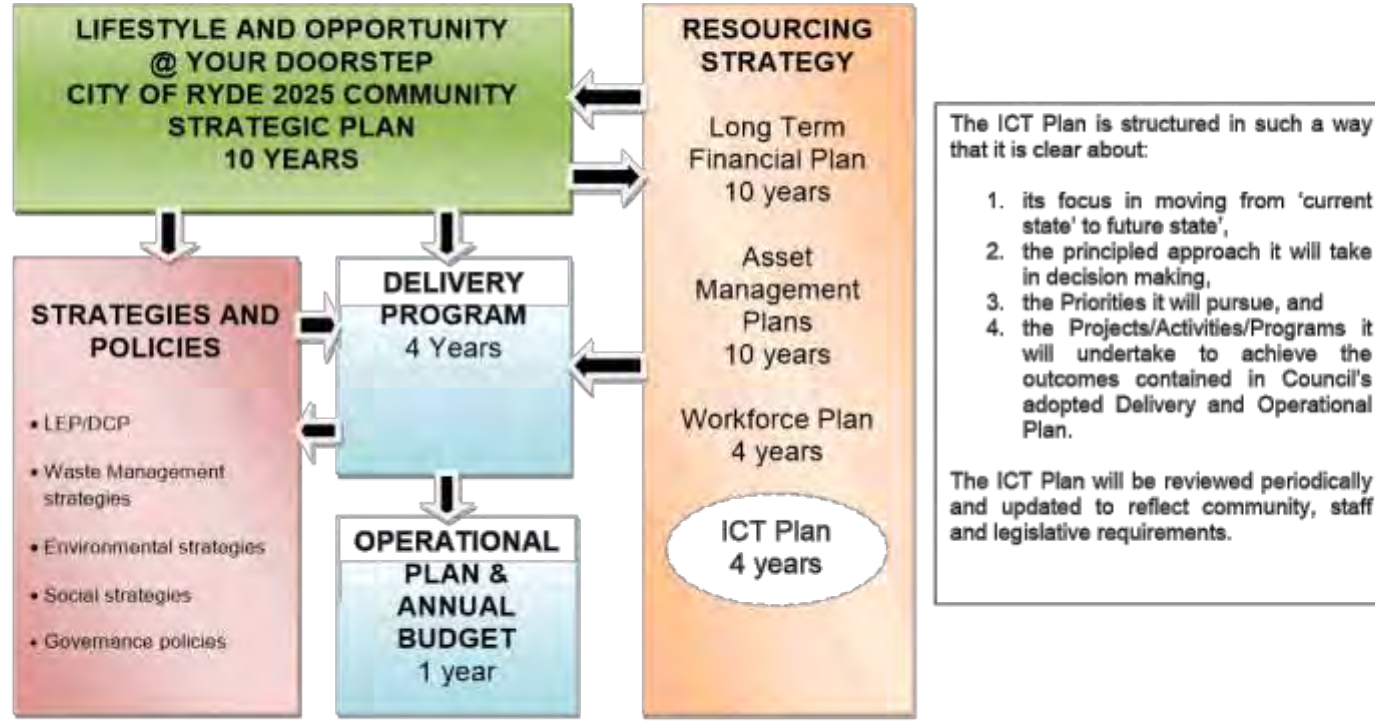
Importantly, we need an ICT Plan to establish a framework for understanding the City of Ryde's information and communication landscape, to help define our focus, to create a logical path and establish our investment priorities for the next 4 years.

ITEM 3 (continued)

ATTACHMENT 5

3. ICT PLAN – STRUCTURE & FIT

The ICT Plan represents the vital information and communications technology component of Council's overall Resource Strategy. Together with the Workforce Plan, Asset Management Plans and Long Term Financial Plan, the ICT Plan provides the necessary framework, focus and resources to advance the aspirations of our community.



ITEM 3 (continued)

ATTACHMENT 5

4. ICT PLAN ALIGNMENT WITH OUR COMMUNITY STRATEGIC PLAN

The ICT Plan has been developed with one primary objective in mind – to advance the aspirations espoused in Council's CSP. The information provided below outlines how various information and communication technology-related goals and strategies contained in Council's CSP will be supported by ICT Priorities contained within this ICT Plan.

CSP Goals	CSP Strategies
Our residents, visitors, workers and businesses are able to communicate locally and globally.	To create publicly available spaces that offer access to communication technologies.
	To create a WiFi City that offers our community accessible and flexible communication.
	To collaborate with others to provide emerging communication technology in our city.
Our city is well led and managed.	To lead, govern and regulate in an ethical, equitable, transparent and accountable way.
	To be responsive to the changing needs of our community.
	To unite decision makers to deliver.
The City of Ryde will deliver value for money services for our community and our customers.	To optimise value for money and deliver responsible spending across all of our services.
	To provide our customers with a continuously improving best practice service.
	To use knowledge and foresight to strategically plan and deliver services to meet the changing needs of our city.
Our residents trust their council, feel well informed, heard, valued and involved in the future of their city.	To make our community aware of things happening in their city that impact on their daily lives.
	To engage and consult with the whole community to ensure they have a voice, and that feedback is captured and considered.
	
ICT PRIORITIES Infrastructure, Applications, Mobility, eBusiness, Data & Information Management	

ITEM 3 (continued)

ATTACHMENT 5

5. CITY OF RYDE ICT - CURRENT STATE

Currently, the ICT portfolio includes over 1,000 end-user devices (PCs, tablets, notebooks, and mobile devices), over 100 shared devices (printers, copiers, audio visual equipment) as well as over 100 servers and networking in active use.

A challenge exists to maximise the useful life of our technology as the refresh and maintenance of our hardware occupies the majority of our annual capital investment. The footprint of these devices increases commensurate with the expansion of the organisation's workforce. As an industry, ICT is challenged by emerging threats to information security, continuity of service and the reliance in electronic information and systems.

Our workplace is changing. Recent years has seen the exit of devices such as the fax, in favour of contemporary tools in mobile and cloud computing. Our ICT applications exceed 100 desktop, line-of-business and corporate applications on the desktop. The emergence of mobile computing is set to increase the demand in 'mobile-ready' applications to support a workforce demand to have access to information tools whilst on the move.

For users of our service, change management is key to increasing user-adoption and maximising the benefit of existing applications to the organisation. There are still pockets of under-utilisation of systems stemming from the lack of integration and/or difficulties in embedding processes into the operations. For new technology acquisitions, strategic guidance is required for compliance with systems architecture and organisational readiness and priority.

The Records Management and GIPA portfolio complements the technology tools and is the champion for Information Management. The digitisation of records is underway and managing our data quality needs to be sustained to ensure the reliability of our information and systems. Further work is required in support of 'Open Government' principles through the proactive release of information. As business-processes mature, we anticipate an increase in the provision of information through online channels.

As a society we have a greater acceptance of paper-less transactions. For our community, there is an emerging need to transact with a contemporary government - one that enlists technology to increase engagement and accessibility to our services. Our e-Business journey has delivered a limited number of core services online, however, we acknowledge there is considerable potential to penetrate further in this area.

The possibilities of a richer digital audio and video communication experience will have been explored with far greater connectivity and productivity prospects for those located in isolated/remote environments.

By 2021, The City of Ryde will have progressed to having many of its core systems and servers hosted in the 'cloud'.

ITEM 3 (continued)

ATTACHMENT 5

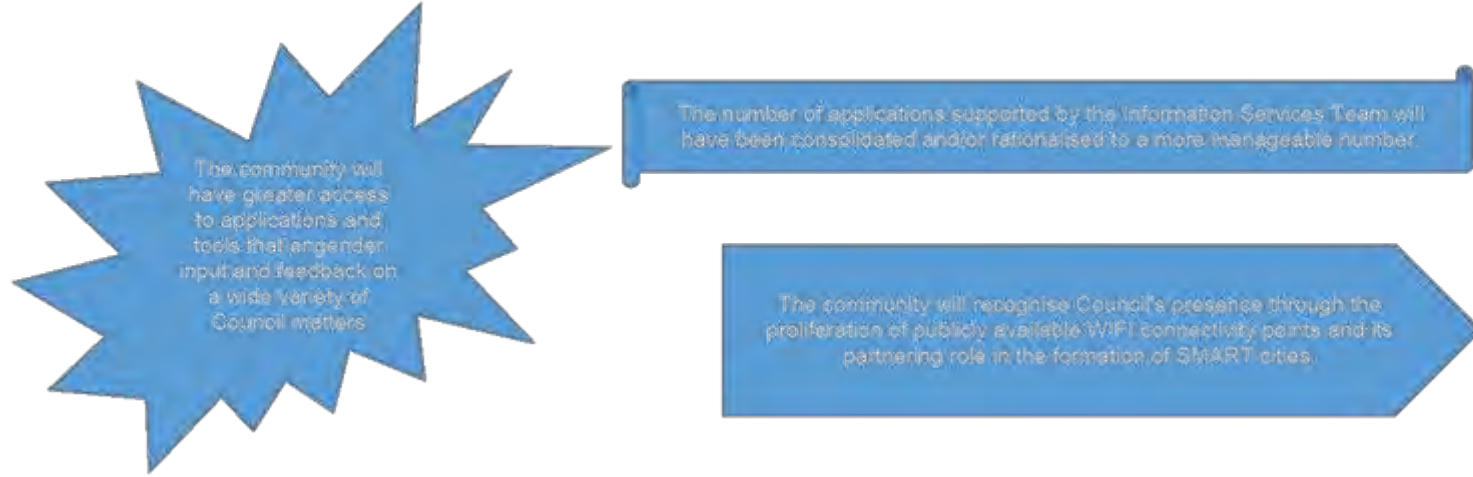
6. CITY OF RYDE ICT - FUTURE STATE

By 2021, The City of Ryde will have progressed to having many of its core systems and servers hosted in the 'cloud'. This will unlock a significant portion of its infrastructure investment and enable funding capacity for enhancements in applications, mobility, e-business, and information and data management.

Similarly, the number of applications supported by the Information Services Team will have been consolidated and/or rationalised to a more manageable number. Over the next 4 years, there will have been a noticeable shift in the support from the Information Service Team. A far greater emphasis in project managing mobile and e-business solutions will be evident, and the Information Services Team's contribution in finding innovative ways of improving workplace productivity via telecommunications and technology will be highly regarded.

The community will have access to a wide range of on-line and interactive services that are user-friendly, intuitive and mobile-ready. Similarly, the community will have greater access to applications and tools that engender input and feedback on a wide variety of Council matters. The community will recognise Council's presence through the proliferation of publicly available WIFI connectivity points and its partnering role in the formation of SMART cities.

The employee will have greater access to systems that function and perform more efficiently and effectively, providing greater productivity within the workplace. The employee will also have access to a variety of mobile applications and devices enabling them to conduct their work in a multitude of environments. Employees will have been introduced to a new intranet experience and exposed to the benefits of collaborative technology. The possibilities of a richer digital audio and video communication experience will have been explored with far greater connectivity and productivity prospects for those located in isolated/remote environments.



ITEM 3 (continued)

ATTACHMENT 5

7. ICT PRIORITIES

ICT Priorities have been established to sharpen Council's strategic and investment focus over the next four years. As highlighted in the Section 4, ICT Priorities underpin the goals and strategies of Council's Community Strategic Plan as they relate to information and communications technology.

The ICT Priorities acknowledge that the vast majority of our external customers have access to the internet and are willing to use an array of online applications and mobile devices to access information and services, communicate with one another and provide input into decision making. This trend is expected to grow exponentially in the future.

The ICT Priorities also acknowledge that our internal customers have unique requirements including the need to work in a more mobile fashion, to operate in a more productive manner, to make informed decisions based on reliable, accurate and timely data and information, and to have the comfort of knowing systems are accessible, secure and perform at optimum levels. The ICT Priorities are as follows:

a. Infrastructure

This priority deals with the physical computing and telecommunications environment in a manner that ensures security, accessibility, connectivity and performance on the one hand, and promotes integrated hardware and network solutions on the other.

The primary objective of this priority is to ensure that Council has an optimally performing physical computing and telecommunications environment at all times with provision for effective business continuity that includes periodic testing, reviews and enhancements.

Infrastructure includes system hardware and networks as well as services such as copying, printing, scanning and voice. Council's Infrastructure technology is supported by a team of appropriately skilled employees who maintain council's suite of ICT systems. This priority recognises that all innovative solutions must be built on the back of an effective and efficient infrastructure foundation.

b. Applications

This priority deals with the corporate suite of applications that enable our workforce to perform their systems-based functions efficiently. A key focus is to improve existing business processes by leveraging existing applications and designing integrated solutions for both staff and the community.

The primary objective of this priority is to ensure that corporate applications meet all practical and legislative processing requirements, while making technology advancements to enable our workforce to perform its individual service functions efficiently. Council is committed to developing solutions that enable innovation and acknowledges that applications need to be efficient, reliable and integrated so as to maximise end-to-end business processing in an environment of collaboration and effective communication.

ITEM 3 (continued)

ATTACHMENT 5

To this end, Council is committed to expanding its efforts in business improvement through the provision of Business Analyst and Project Management services to review, optimise and streamline existing processes, as well as leverage existing systems and applications where appropriate.

c. On-line and Electronic Solutions

This priority deals with designing end-to-end business solutions to improve the way in which the community interacts with council. This priority also deals with the manner in which both staff and the community access and process information.

The primary objective of this priority is to provide a legitimate alternate customer service channel for our community. There is incredible opportunity to support business growth through delivery of information and services to increase levels of business transactions. The community will gain better access to information and services through electronic forms and online interfaces where back-end processing is ultimately automated.

d. Mobile Solutions

This priority deals with developing a suite of applications that can be used remotely via mobile devices – access information anywhere, anytime.

The primary objective of this priority is to develop a suite of mobile devices and applications that enable staff to access business related information anywhere and anytime using smart technology. This will provide increased flexibility and improvements in the ways users interact with Council and improvements in productivity levels for business users in the delivery of their particular services.

e. Information and Data Management

This priority acknowledges the importance data and information has on Council's ability to make sound decisions. Council is also cognisant of its wide ranging regulatory requirements. For example, at one end of the spectrum, Council must uphold data and information security/privacy requirements and, at the other end of the spectrum, Council must make data and information freely available to the public.

The primary objective of this priority is two-fold:

1. Ensure appropriate controls, processes and procedures are in place to uphold our regulatory requirements, and
2. Ensure data and information is accurate, current, void of gaps and/or duplication, and integrated where possible.

This focus will not only instil public confidence in Council's ability to discharge its public duties with integrity but also provide Council with the confidence it is making decisions based on the effective and efficient retrieval of reliable information and data.

ITEM 3 (continued)

ATTACHMENT 5

8. ICT GUIDING PRINCIPLES

Alignment: Our ICT decisions will be evidence based and align with our Community Strategic Plan.

The ICT Plan provides decision-makers with the opportunity to pause and evaluate whether the decisions being made can be substantiated and will advance the aspirations espoused in the Community Strategic Plan.

Resources: We will allocate finite ICT resources based on providing the greatest value and benefit for our community.

Council will be a responsible steward of ICT resources and assets to ensure that all expenditure provides value for money, improves 'internal' efficiency and effectiveness and enriches the customer experience.

Customer Focus: Customer needs will be a key component in all ICT decisions.

We will anticipate and respond to customer needs, seek input and aspire to the usability of our technologically driven services.

Collaboration: We will work within and across organisational structures to meet our goals.

Solving problems and making IT decisions cannot be done in isolation, as the impacts of decisions have far-reaching effects. Collaboration provides opportunities to benefit from diverse viewpoints and draw from multiple resource bases to address critical needs.

Transparency: We will be transparent in our decision-making and resource use.

Significant IT decisions will be made via established governance processes in a manner that solicits input from relevant stakeholders, as transparent processes will lead to better acceptance of decisions and improved outcomes.

Innovation: We will value innovative and creative thinking.

We will encourage and support development and acquisition of innovative IT services that enhance our service offerings to the community. We will promote a culture of creative thinking, seeking focused IT solutions to purposefully solve problems that enhance our continuous improvement ethos.

Risks: We will acknowledge relevant risks in the decisions we make and the projects we pursue.

We will incorporate risk in our decision making process and use a risk-based approach in assessing the merits of competing projects, programs or activities.

Employees will have been introduced to a new intranet experience and exposed to the benefits of collaborative technology.

The community will have access to a wide range of on-line and interactive services that are user-friendly, intuitive and mobile-ready.

ITEM 3 (continued)

ATTACHMENT 5

9. ICT PLAN GOVERNANCE

The Organisational Development and Business Improvement Group (ODBIG) is charged with the responsibility of reviewing, recommending and prioritising new initiatives within the ICT Plan. The group responsibilities include the following:

- Advise ET on ICT and business improvement initiatives, and investments to ensure sustainability, scalability, compatibility, interoperability and eliminate duplication of data, investment or effort.
- Advise ET on ICT opportunities that may arise as a course of business, as a result of legislative or legal determination, and/or to improve service or reduce risk.
- Advise ET on impacts across the organisation should projects deviate significantly from the approved business case. Project Managers and Business Managers will continue to manage project governance and seek ODBIG's guidance when required.
- Advise ET by reviewing benefits realisation after the completion of ICT and business improvement initiatives.
- Assess proposed business cases and projects for its alignment with the ICT strategy, Community Strategic Plan, 4-year Delivery Plan, IS Business Plan and IT architecture. ODBIG will advise ET of their recommendations prior to annual Outcome workshops and business case consideration.
- Facilitate discussions with their business areas on matters raised at ODBIG that may have an impact on their respective departments. Members will bring attention to business initiatives or projects from their departments that may have an impact on the wider organisation.
- Provide guidance and recommendations to address business issues or requirements, where assistance is sought from ODBIG members on behalf of their business areas.



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10. ICT ACTION PLAN

To support achievement of the ICT Plan, projects, activities and programs have been prioritised to establish an action orientated agenda. An important governance aspect of the ICT Plan is the necessity for regular formal reviews to be undertaken to determine progress against agreed individual project objectives/scope, timeframe and budget.

Each of the 5 Priorities outlined in this Plan have a series of actions aligned to them, some of which are individual projects or activities; others are ongoing programs that may span multiple years. Combined, each of the projects, activities and programs will help Council advance from its 'current state' to its 'future state'. The following table provides a snapshot of projects, activities and programs envisaged over the next 4 years.

	2017-2018	2018-2019	2019-2020	2020-2021
INFRASTRUCTURE	Disaster Recovery Program (DR testing and DR in the cloud)	Disaster Recovery Program (DR testing and DR in the cloud)	Disaster Recovery Program (DR testing and DR in the cloud)	Disaster Recovery Program (DR testing and DR in the cloud)
	Security Program - Security testing, remediation, and resilience	Security Program - Security testing, remediation, and resilience	Security Program - Security testing, remediation, and resilience	Security Program - Security testing, remediation, and resilience
	Hardware renewal program - SOE renewal - PC, laptop, server renewals - review of network and comms contract	Hardware renewal program - SOE renewal - PC, laptop, server renewals - review of printing contract	Hardware renewal program - SOE renewal - PC, laptop, server renewals	Hardware renewal program - SOE renewal - PC, laptop, server renewals
	Network renewal program - review of branch network speed (porters creek, Eastwood car park, Eastwood hall etc), - network hardware renewals	Network renewal program - network hardware renewals	Network renewal program - review of branch network speed (porters creek, Eastwood car park, Eastwood hall etc), - network hardware renewals	Network renewal program - network hardware renewals
	Communications renewal program - mobile and tablet renewals - mobile device management (MDM) solution	Communications renewal program - mobile and tablet renewals	Communications renewal program - mobile and tablet renewals - review jabber for mobile and PCs	Communications renewal program - mobile and tablet renewals
	Thin client program - Citrix pilot for Published apps and desktops	Thin client program - Thin client rollout	Thin client program - Thin client rollout	
	Smart City Program (Improved wifi, connected facilities and services, e-Engagement, e-citizen tools and customer services)	Smart City Program (Improved wifi, connected facilities and services, e-Engagement, e-citizen tools and customer services)	Smart City Program (Improved wifi, connected facilities and services, e-Engagement, e-citizen tools and customer services)	Smart City Program (Improved wifi, connected facilities and services, e-Engagement, e-citizen tools and customer services)
	Move to the Cloud - Move to a cloud-ready datacentre and utilise this for DR - Plan to move core applications to the cloud - Move IGSS to the cloud (P/MCOB/CPR/PDS)	Move to the Cloud - Migrate email to the cloud - Plan transition to Office365/Implement Office - Plan TI transition to the cloud - Plan/Implement Merit transition to the cloud	Move to the Cloud - Implement Office365 - Implement TI transition to the cloud	Move to the Cloud - Implement Office365 - Implement TI transition to the cloud - Plan Document Management in the cloud

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	2017-2018	2018-2019	2019-2020	2020-2021
APPLICATIONS	T1 Maintenance Program • T1-TRIM integration • T1-e-Services	T1 Maintenance Program • CI Anywhere implementation • OA workflow enhancements • Rydemap transition to TechOne maps	T1 Maintenance Program • CI Anywhere implementation • T1 Mobile solution	
	Document Management Program • T1-TRIM integration • TRIM Upgrade to CMS	Document Management Program • Improve TRIM Usage	Document Management Program • Improve TRIM Usage	Document Management Program • Improve TRIM Usage
	HR Systems program • annual CHRIS21 upgrade • review eLearning opportunities • HR-outlook integration • onboarding workflow enhancement	HR Systems program • annual CHRIS21 upgrade • improve corporate eLearning • eTime and attendance	HR Systems program • annual CHRIS21 upgrade • improve corporate eLearning • review T1 HR system	HR Systems program • annual HR upgrade • improve corporate eLearning
	CRM improvement program • Merit upgrades and enhancements • "My merit" implementation	CRM improvement program • Merit upgrades and enhancements	CRM improvement program • Merit upgrades and enhancements	CRM improvement program • Merit upgrades and enhancements
	Workflow improvement program • Review processes • Implement eForms and workflow system (end to end)	Workflow improvement program • Review processes • Workflow enhancements	Workflow improvement program • Review processes • Workflow enhancements	Workflow improvement program • Review processes • Workflow enhancements
	Applications upgrade • Class bookings replacement • Applications upgrades	Applications upgrade • Review asset systems opportunities • Applications upgrades	Applications upgrade • Applications upgrades	Applications upgrade • Applications upgrades
	Application Consolidation Program • consolidation of multiple versions of desktop applications	Application Consolidation • consolidation of applications to Enterprise application • Review of applications for value • ERP/T1 review	Application Consolidation • consolidation of applications to Enterprise application • Review of applications for value	Application Consolidation • consolidation of applications to Enterprise application • Review of applications for value
	Collaboration Program • Intranet replacement - content cleanup and searching	Collaboration Program • review social media opportunities • prepare organisation for digital workspaces	Collaboration Program • Intranet replacement - digital collaboration platform (consider office 365)	Collaboration Program • enhance digital collaboration platform
	Audio/Video program • consolidate Audio/Video maintenance • review videoconferencing	Audio/Video program • implement Skype for business	Audio/Video program • implement cums (audio/video) for satellite offices	

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	2017-2018	2018-2019	2019-2020	2020-2021
MOBILE	Mobile applications - Implement Field worker apps (Reflect/OpenOffice)	Mobile applications - Implement Field worker apps - customer mobile app	Mobile applications - Enhance field worker mobile apps - customer mobile app PH2	Mobile applications - Enhance field worker mobile apps
	Remote worker program - implement thin client - provide phones for hotdesks - provide desktop phone roaming	Remote worker program - implement services to satellite office workers - review follow-me to mobile - review internal wifi	Remote worker program - review services to satellite office workers (eg Office365)	
eBUSINESS	eServices - ePayments, s149-613 735A lodgement, DA tracking with documents	eServices - enable end to end processes for online services - online DA submission - Top 10 Customer requests	eServices - enable end to end processes for online services - Top 20 Customer requests	eServices - new online submissions
Info Mgt.	Data retention and provision - enable email Archiving - DA documents online Data Improvement plans - Source of truth - Data owners - Auditing - Data cleansing Business Intelligence - Improve reporting	Data retention and provision - GIPA proactive release Data Improvement plans - Source of truth - Data owners - Auditing - Data cleansing Business Intelligence - Improve reporting	Data retention and provision - GIPA proactive release Data Improvement plans - Source of truth - Data owners - Auditing - Data cleansing Business Intelligence - Improve reporting	Data retention and provision - GIPA proactive release Data Improvement plans - Source of truth - Data owners - Auditing - Data cleansing Business Intelligence - Improve reporting
LEGEND				
	<div style="border: 1px dashed black; padding: 2px;"> multi-year change/transformation program </div>			

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City of Ryde
Draft Long Term Financial Plan
2017 - 2027

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Document status

Ref	Version	Approving Manager / Director	Date
	1	Steve Kludass - CFO	June 2017

DRAFT

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Executive Summary

The City of Ryde is committed to sustainable long term financial management. This means achieving operating surpluses, managing debt levels, prudent funds management and controlling operating costs. All are critical in achieving the community's aspirations as espoused in the Community Strategic Plan.

This Long Term Financial Plan (LTFP) examines the context of the long term financial planning framework for local government and the principles and assumptions that underpin the long term financial forecasts as presented in the 3 Scenarios within this Plan. The LTFP forms part of Council's Resourcing Strategy, that incorporates the Workforce Management Plan (our people), the Information and Communications Technology Plan (our technology) and the Asset Management Plan (our assets).

The LTFP is a tool aimed at assisting decision-making and problem-solving. It is not intended to be set in stone – it is a guide for future action. The modelling that occurs as part of this plan will help Council to weather unexpected events. It will also provide an opportunity for Council to identify financial issues at an earlier stage and gauge the effect of these issues in the longer term.

The overall objective of the LTFP is to ensure that the Council remains financially sustainable and is capable of meeting the challenges of growth and the community expectations into the future.

Given these challenges, this LTFP examines three scenarios:

1. The Base Case Scenario (or 'current state')
2. Projected Growth A (30,000 population)
3. Projected Growth B (25,000 population)

The Base Case Scenario is a "current state" scenario underpinned by assumptions for maintaining existing service levels. The other 2 Scenarios examine the impact of growth and changes to assumptions are highlighted, as well as changes to the Base Case sensitivity analysis, risk assessment and financial performance measures.

The LTFP is assessed against a range of performance measures that inform the success of the plan and the ability for Council to meet its financial management objectives, asset management obligations and quality service delivery standards. The LTFP will be continually monitored and updated annually as part of Council's commitment to the delivering the aspirations as espoused in the Community Strategic Plan.

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Introduction

Our City

The City of Ryde has a rich history with the traditional Indigenous owners of the land being the Wallumedegal clan of the Dharug people.

Our City is located in Sydney's north-western suburbs, 12 kilometres from the Sydney CBD. Set in scenic surrounds between the Parramatta and Lane Cove Rivers, we are connected to other parts of metropolitan Sydney via major road systems, rail, bus and ferry services and bounded by neighbouring councils. The City of Ryde neighbours Hornsby Shire and the Ku-ring-gai Council area in the north, Willoughby City, the Lane Cove River and the Hunters Hill Municipality in the east and Parramatta City in the west. Our city includes 16 suburbs; Chatswood West (part), Denistone, Denistone East, Denistone West, East Ryde, Eastwood (part), Gladesville (part), Macquarie Park, Marsfield, Meadowbank, Melrose Park (part), North Ryde, Putney, Ryde, Tennyson Point and West Ryde.

The current population of the City of Ryde is estimated to be approximately 126,000 which represents an increase of 17,000 on the 2011 census numbers. Our population is forecasted to grow by as much as 30,000 to 156,000 people by 2028 and 41,000 to 167,000 people by 2036.

The City of Ryde encompasses an area of about 40 square kilometres, including waterways and parklands. Within this sits the Macquarie Park Corridor, our specialist Macquarie Park Innovation District, four town centres and 29 neighbourhood centres, major educational facilities such as Macquarie University, Ryde and Meadowbank Colleges of TAFE, which enrol 13,000 students each year, over 33,000 businesses, five public libraries, 24 primary schools, five high schools and five hospitals.

Global, national and metropolitan trends and issues present both opportunities and challenges in the way that communities, such as the City of Ryde, are planned and supported. The City of Ryde is an integrated and integral major centre of Sydney and faces the same challenges as detailed in The Department of Planning and Environment's 'A Plan For Growing Sydney' and also in the Greater Sydney Commission's 'Draft North District Plan'. Our City is part of an ever changing dynamic global market, and our economic development, particularly the Macquarie Park Corridor and Innovation District, contributes significantly to New South Wales and Australian Gross Domestic Product.

Merger Proposal

On 12 May 2016, the Minister for Local Government and the Premier of NSW announced the merger of 19 Councils throughout NSW. The City of Ryde's proposed merger with Hunter's Hill and Lane Cove Councils has not progressed due to a number of Councils, including Hunter's Hill and Lane Cove, taking legal proceedings against the State Government's merger proposals.

A further announcement was made by the new Premier of NSW Gladys Berejiklian, on 14 February 2017, that the NSW Government would go ahead with forced mergers for Metropolitan Sydney meaning the amalgamation of Ryde, Hunter's Hill and Lane Cove Councils would proceed, pending current legal proceedings. It is anticipated that the outcome of the legal proceedings may not be known until 2018.

Given the current uncertainty of mergers, this Long Term Financial Plan has been developed on the basis that the City of Ryde will continue to 'stand-alone'. If indeed, Council does merge in the future, this LTFP will provide an excellent insight into the City of Ryde's current and future financial position and performance.

Integrated Planning & Reporting Framework

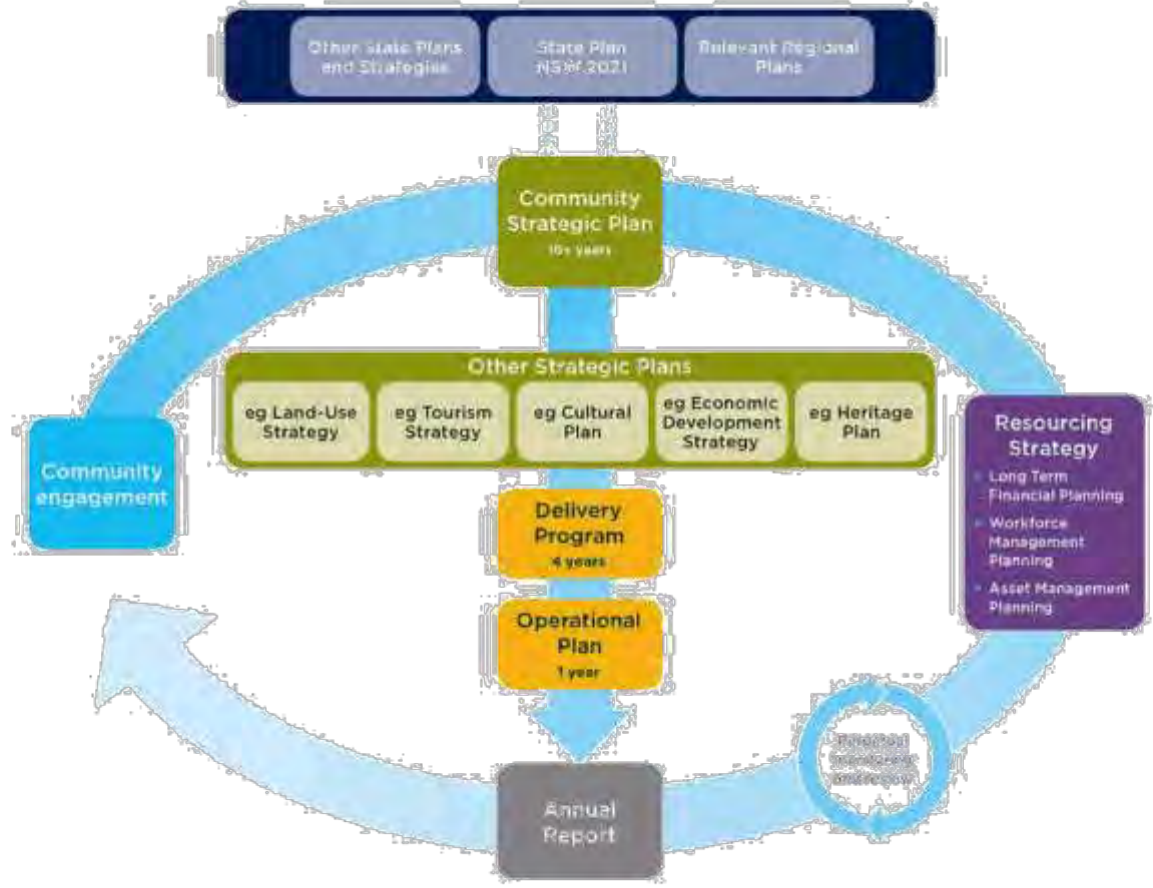
The Integrated Planning and Reporting framework recognises that most communities share similar aspirations: a safe, healthy and pleasant place to live, a sustainable environment, opportunities for social interaction, opportunities for employment and reliable infrastructure. The difference lies in how each community responds to these needs. It also recognises that council plans and policies should not exist in isolation and that they in fact are connected.

This framework allows Council to draw its various plans together, understand how they interact and get the maximum leverage from their efforts by planning holistically for the future.

Importantly, the Long Term Financial Plan draws upon the requirements of other Resource Plans such as the Asset Management Plan, Workforce Plan and Information and Communications Technology Plan. Together these four Plans represent Council's resource response to the Community Strategic Plan, Ryde 2025.

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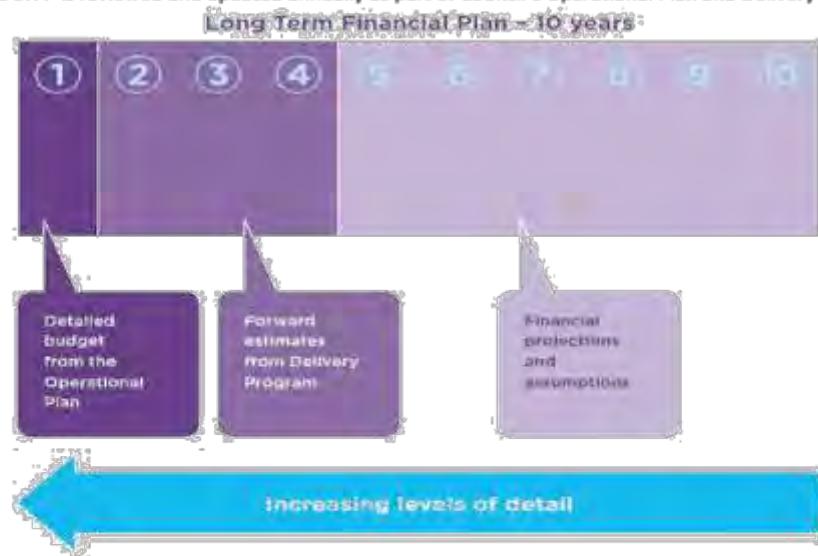
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Long Term Financial Planning

This 10 Year Long Term Financial Plan (LTFP) forms part of the NSW Local Government Integrated Planning and Reporting Framework requirements of Council. The formulation of the LTFP is underpinned by the following key elements:

- Planning assumptions used to develop the plan
- Projected income and expenditure, balance sheet and cash flow statement
- Sensitivity analysis (factors/assumptions most likely to affect the plan)
- Financial modelling for different Scenarios (growth focused)
- Methods of monitoring financial performance

The LTFP is reviewed and updated annually as part of Council’s Operational Plan and Delivery Program. The 10 year planning process is illustrated below:



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Purpose of the Long Term Financial Plan

The primary purpose of this Long Term Financial Plan is to facilitate effective financial decision-making to deliver the outcomes, goals and strategies that underpin the vision in the Community Strategic Plan – “**the place to be for lifestyle and opportunity @ your doorstep**”.

This LTFP will model the financial implications of the Community Strategic Plan and Delivery Program, along with the ability to maintain existing facilities and infrastructure based on a range of assumptions and within known constraints.

Challenges

The City of Ryde identified the following challenges in its LGA over the next 10 years in its Community Strategic Plan:

- To meet the increasing pressure and needs of a growing population and changing demographics, while maintaining the prosperity, uniqueness and liveability of our City.
- To continually meet the community’s expectations in providing appropriately targeted support services, well maintained and targeted recreational and cultural facilities and services, and accessible public domain areas, to ensure that we are responding to our changing community’s needs and demographics.
- To offer a range of affordable and varied accommodation options, through strategic forecasting and planning, that meets the changing needs and demands of our growing and diverse community while maintaining the character of our many suburbs.
- To plan for sufficient land and infrastructure for business. As Sydney’s transport systems and road networks are placed under increasing pressure we need to accommodate this growth and encourage people to live closer to their place of employment.
- To plan and design a growing and liveable city though considered urban renewal and land use, while protecting and enhancing our natural assets and keeping abreast of demand for passive and active recreation opportunities from our community and visitors.
- To collaborate with all our partners to address the predicted long term effects of climate change such as higher frequencies of extreme weather patterns, bushfires, storm surge and flood inundation.
- To reinvigorate Macquarie Park, address its traffic management issues and utilise all the opportunities that a close association between a university and business park bring, so that it remains competitive and nationally significant.

Long Term Financial Sustainability

How do we define long term financial sustainability?

A financially sustainable council is one that has the ability to fund ongoing service delivery and the renewal and replacement of assets without imposing excessive debt or rate increases on future generations. This definition has been translated into five key financial sustainability principles which Council is committed to.

- Council must achieve a **fully funded operating position** reflecting that Council collects enough revenue to fund operational expenditure, including depreciation
- Council must **maintain sufficient cash reserves** to ensure that it can meet its short-term working capital requirements
- Council must have an appropriately **funded capital program** where the source of funding is identified and secured for both capital renewal and new capital works
- Council must **maintain its asset base** by renewing ageing infrastructure which is identified, and by ensuring cash reserves are set aside for those works which are yet to be identified
- Council must achieve **greater than the benchmark financial performance** over the period of the plan

In 2015, Council submitted its Fit for the Future proposal to the NSW Government. In its submission, Council outlined its case to 'stand-alone' on the back of its long term financial sustainability. Council satisfied all 7 key financial performance indicators.

The 2017 review of the Long Term Financial Plan highlights that Council is still on track to be financially sustainable in the longer term. In fact, since the Special Rate Variation was approved in 2015 (a 7% increase each year for 4 years between 2015/16 and 2018/19), Council's long term financial outlook has further improved.

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How is long term financial sustainability measured?

Council must report annually its performance against adopted local government performance measures. These performance measures are applied to assess Council's long term financial sustainability and are detailed in the following table.

Ratio	Calculation	What is Being Measured?	Sustainable Target	2015/16 Actual Ratio
Operating Performance	Total operating revenue (excluding capital grants and contributions) less total operating expenditure Divided by continuing operating revenue	Council's achievement of containing operating expenditure within operating revenue	Greater than zero	8.13%
Own Source Operating Revenue	Total continuing operating revenue (excluding capital grants and contributions) Divided by continuing operating revenue (including capital grants and contrib)	Council's achievement of containing operating expenditure within operating revenue	>60%	67.03%
Unrestricted current ratio	Current assets less all external restrictions. Divided by current liabilities less specific purpose liabilities	Designed to represent a council's ability to meet short term obligations as they fall due.	> 1.5 times	4.29

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Ratio	Calculation	What is Being Measured?	Sustainable Target	2015/16 Actual Ratio
Debt Service Cover Ratio	Operating results before capital excluding interest and depreciation. Divided by principal repayments + borrowing costs	Indicates whether Council has excessive debt servicing costs relative to operating revenue	>2 times	12
Rates and annual charges outstanding percentage	Rates and annual charges outstanding. Divided by rates and annual charges collectible.	To assess the impact of uncollected rates and annual charges on liquidity and the adequacy of recovery efforts.	<5%	3.58%
Cash expense cover ratio	Current year's cash, cash equivalents and term deposits. Divided by payments from cash flow of operating and financing activities.	To assess the impact of uncollected rates and annual charges on liquidity and the adequacy of recovery efforts.	>3 months	16
Asset Renewal Ratio (Buildings and Infrastructure)	Asset renewal expenditure divided by depreciation	To assess the rate at which these assets are being renewed against the rate at which they are depreciating.	Greater than 100%	134%

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City of Ryde Long Term Financial Plan 2017 - 2027

Ratio	Calculation	What is Being Measured?	Sustainable Target	2015/16 Actual Ratio
Infrastructure Backlog Ratio	Estimated cost to bring assets to a satisfactory condition Divided by total value of infrastructure, building and other structures	What proportion the infrastructure backlog is against the total value of a council's infrastructure	Less than 2%	3.4%
Asset Maintenance Ratio	Actual asset maintenance, Divided by required asset maintenance	Are the assets being adequately maintained?	Greater than or equal to 100%	Council meets required Maintenance
Real Operating expenditure per capita	Operating expenditure divided by population	Operating efficiency of the Council	Declining trend over time	Steady

Financial Management at a Glance

Guidance on financial reporting and accounting practices is provided by the State Government in the form of the "Local Government Code of Accounting Practice and Financial Reporting". Applying Australian Accounting Standard, the Code aims to provide:

- A basis for providing assistance in the interpretation and application of management reporting, accounting, auditing and financial reporting requirements of Chapter 13 of the Local Government Act 1993(NSW) (the Act)
- A mechanism which will ensure that appropriate accounting policies and practices are implemented by all councils.
- A basis for audit and review functions to be undertaken in the context of comprehensive and approved accounting standards.
- Reliable, comparable and readily comprehensible financial information which will be invaluable for making and evaluating decisions about the allocation of scarce resources, and which will assist in assessing the performance, financial position, finances and investments of councils.
- Enhanced accountability of councils to the community.

The LTFP, Operational Plan and Delivery Plan are prepared on this basis providing the following core financial reports:

- Income Statement (projected continuing operating income and expenditure)
- Statements of Financial Position (a balance sheet of assets and liabilities)
- Statement of Cash Flows (the flow of cash from operating, investing and financing activities)

The budgetary framework for the LTFP can be categorised as:

- Continuing Operations – income and expenditure
- Discretionary Projects – generally "one-offs" expenditures such as Elections
- Capital works – renewal and new capital expenditure on assets

Reporting on an accrual basis of accounting, our budget identifies capital sources of income that have been brought to account in prior reporting periods such as contributions from developers (Section 94). Capital sources of income are held as external or internal restrictions of cash and are effectively "drawn down" to fund future capital expenditure.

This framework enables Council to implement, manage and monitor strategies, plans and objectives to achieve the principles of long term financial sustainability.

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Special Rate Variation

Council resolved on 11th November 2014 to advise IPART of its intention to apply for a 7% SRV increase (including an estimated 3% rate peg) for four years. This increase would be cumulative and all revenue from the SRV would be directed to infrastructure asset renewal works.

This LTFP includes year's 3 and 4 of the SRV works identified in the SRV process prior to the application in 2015. Due to the rate peg for 2017/2018 being lower (1.5% compared to 3%) than anticipated for in Council's SRV application, there are additional SRV related works in this plan to be undertaken, over the next four years. The amount of funds available from the SRV will be updated annually. By 2018/19, Council expects to generate \$12 million in additional rate revenue from the SRV for the purposes of reducing its infrastructure asset backlog and increasing its infrastructure asset renewal and asset maintenance commitments.

Population Growth Forecasts

The City of Ryde population and household forecasts detail how the population, age structure and household types will change each year between 2011 and 2036.

The forecasts are designed to provide community groups, Council, investors, business, students and the general public with knowledge to make confident decisions about the future.

The City of Ryde population forecast for 2017 is approximately 126,000 and is forecast to grow by as much as an additional 30,000 people to 156,000 by 2027 and an additional 41,000 people to 167,000 by 2036.

Other key assumptions and forecasts are discussed within each of the 3 Scenarios considered in this Plan.

Scenarios Modelled

As part of its Resource Strategy, Council explored 3 Scenario options.

1. Scenario One - Base Case

This scenario is predicated on existing services remaining largely the same over the next 10 years with a primary reliance on developer and internal reserve funded capital works, and the ongoing SRV income stream funding the renewal of existing assets.

This Scenario has a sophisticated level of assumptions and indices applied to current and historical income and expenditure patterns in determining future budget allocations. Growth forecasts are modest and largely based on historical trends. Similarly, growth in Council's staff establishment (Full Time Equivalent Staff) is largely reviewed and considered as part of the annual budget process and is generally limited to addressing short term critical needs.

2. Scenario Two - Projected Growth A (30,000 additional population)

This Scenario is predicated on available data indicating an additional population of 30,000 by 2027 with a direct correlation between population growth and service provision (both capital and operating). It is modelled using the same core assumptions as the Base Case model, with the addition of:

- Population growth of 30,000 which translates to growth of approximately 12,000 new dwellings
- Growth in rates revenue and fees and charges income to reflect the growth in dwellings and population
- Growth in materials and contracts costs and other expenses to reflect increases in growth forecasts. An efficiency factor has been applied to the growth in materials and contracts, acknowledging the efficiency gains that accrue from growth.
- The value of assets is forecast to grow by 2.2% per year to reflect changes in the construction cost index
- Consequential changes to depreciation to reflect depreciation on new assets, and increased asset value
- Actual maintenance spend has been increased to reflect the new required levels of maintenance.
- Employee costs have been increased to reflect additional employee retention and development costs (to match industry benchmarks) and costs associated with an increased workforce based on a population increase of 30,000.
- An Efficiency / Productivity Improvement Plan that includes:
 - 1.0% efficiency saving for employee related costs (from 2017/18)
 - 1.0% efficiency saving for materials and contracts (from 2018/19), and
 - 0.5% efficiency saving in 'other expenses' (from 2018/19)

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City of Ryde Long Term Financial Plan 2017 - 2027

3. Scenario Three - Projected Growth B (25,000 additional population)

This Scenario provides for a projected growth of an additional 25,000 population over the next 10 years.

It is modelled the same as Scenario 2, except:

- Population growth has been reduced to 25,000, and number of rating units adjusted accordingly.
- Impact on revenue and expenditure has been amended accordingly, and
- Scenario 3 assumes a reduced level of expenditure on new and expanded assets, less donated assets, and an increased workforce of 68 FTE staff to reflect the smaller increase in population.

The decrease in population growth will mean slightly less new / donated assets will be required to meet the demands of the community. This will result in a decrease in maintenance as a result of a reduced asset portfolio.

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Outcomes of Modelling

In applying the 3 Scenarios, the following high level outcomes are evident:

- Operating surpluses decrease under Scenario's 2 and 3, reflecting the increase in asset values and, therefore, depreciation and increased maintenance expenditure.
- Scenario's 2 and 3 highlight a slight increase in performance against the own sourced revenue ratio, due to revenues increasing from population growth.
- Real operating expenditure per capita is higher under Scenario's 2 and 3 due to increases in costs in line with population growth.
- Rates revenue in Scenario 2 is approximately \$21m/annum higher than in the Base Case Scenario. This reflects the increase in revenue from the growth of the rating base.
- Conversely, future depreciation is estimated to be almost \$24m in 2027 in Scenario 2 compared to only \$20 million in the Base Case.
- While sufficient money is anticipated to be spent on renewals to clear Council's infrastructure backlog in all Scenarios, there is opportunity for the allocation of resources to be deployed in a more strategic (and deliberate) manner so as to avoid the current practice of allocating funding towards assets that are not 'backlog' (Condition 5) priorities.

The positive operating results will mean that Council can address shortfalls in the maintenance and backlog ratios to meet the FFTF benchmarks. Under the current Capital Works Program, renewal funding is not being exclusively directed towards reducing the backlog. A more direct allocation of renewal funding towards Condition 5 projects will ensure that the backlog is addressed in a more timely manner.

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Sensitivity Analysis

Without the SRV, Council would be in an Operating Deficit for the first 6 years (over the next 10 year period) and further, it would be the 9th year before Council would fully recover its accumulated Operating Deficit.

One the major variables is the estimated population growth as this has a direct flow impact to rates income and operating expenses and therefore the overall performance of Council. For every 5,000 estimated population, the accumulated surplus changes by \$9m and a subsequent change in the Operating Performance Ratio of 0.9%. The sensitivities and potential impact as outlined below relate to the financial projections contained in this LTFFP.

- **Rates Revenue** - Each 1% change in ordinary rates and annual charges revenue will result in an \$823,150 change in total rates revenue.
- **Other revenues - fees and charges, income on investment, operating grants** - A 1% change in annual revenue for all these income streams represents \$372,670 per annum. The cumulative effect of this revenue source growing at 1% less than other revenues represents an estimated revenue reduction of \$3.875m in year 2026/27.
- **Operating expenditure increases for key expenses such as employee costs and materials and contracts** - Employee costs and other operating expenditure (materials and contracts) comprise \$77.8m in total for 2017/18. A 1% movement in these costs represents \$774,660 combined annual effect.

The Recommended Scenario

From 2018/19 onwards, Scenario 3 is the recommended Scenario as it best reflects what Council sees unfolding over the next 10 years. Growth will feature prominently in how and where funds are spent over the next 10 years. A new Section 94 Plan will see hundreds of millions of dollars of new assets come on line.

Many of these assets will need to be maintained and, in some instances, require Council funding to operate them (eg new library in Macquarie Park). Population growth of 25,000 people is significant. If the City of Ryde is to respond to that magnitude of growth it needs to do so in a measured and sustainable manner. The development and implementation of an Efficiency /Productivity Improvement Plan is a 'necessity' and Council must continue its pursuit of innovation and continuous improvement if it is to meet the funding challenges associated with growth.

The modelled outcomes of Scenario 3 yield the most likely results for Council and its community. All key financial indicators are met, existing services continue, new assets come on line and additional staff are employed to help service the needs of the growing population.

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LTFP Financial Model Scenario 1 – Base Case

Introduction & Assumptions

The Base Case Scenario or “current state” is predicated on:

- Continuation of existing services at current service levels
- Continuation of existing levels of investment in infrastructure maintenance and renewal
- Continuation of existing income sources
- Continuation of the Special Rate Variation (SRV) until 2018/19
- Rate peg increase only from 2019/20 beyond
- Limited growth contemplated - no new expansionary infrastructure expenditure beyond the current Delivery Program (2017-21) and no new positions in Council’s staff establishment.

Observations

Whilst Scenario 1 provides an excellent framework for long term financial planning and modelling purposes, its inclusion of development related growth in a strategic and deliberate manner is limited, particularly in year’s 5 to 10.

The assumptions used in Scenario 1 are sound with the vast majority of those assumptions carrying through to Scenario’s 2 and 3. Similarly, the Sensitivity Analysis and Risk Assessment applied in Scenario 1 is robust and much of this analysis and assessment holds true in Scenario’s 2 and 3.

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Base Case Scenario Financial Assumptions

Revenue Item	Assumption
Rates & Annual Charges	Rates - 7% increase in 2017/18 and 2018/19 (last 2 years of the SRV), 1.8% rate peg for 2019/20 and a forecast CPI* index of 2.6% thereafter. Domestic Waste -
User Charges & Fees	Average CPI of 2.20% for first 3 years and 2.6% thereafter.
Grants & Contributions	Income from grants and contributions is included where funding arrangements are in known. Recurring grant income tied to expenditure is increased by an index of 2.6%.
Interest & Investment Revenue	The City of Ryde's Investment Policy is based on optimising returns from its investment portfolio within the statutory limitations of Ministerial Orders. The City of Ryde has set a budget target to achieve 0.8% above the 90 day BBSW Index.
Other Revenue	Average CPI of 2.20% for first 3 years and 2.6% thereafter.

Expenditure Item	Assumptions
Employee Costs	An award increase of 2.4% has been applied to salaries and wages across the period of the LTFP. The Federal Government's superannuation guarantee (SG) for the period increases from 9.5% to 12.00%. The overall index applied to employee costs is 2.6%.
Borrowing Costs	No new borrowings are included in the Base Case.
Depreciation	Depreciation has been modelled in accordance with the Capital Works Program and statutory accounting practices. Council uses the straight-line method of Depreciation.
Materials & Contracts	Average CPI of 2.20% for first 3 years and 2.6% thereafter.
Other Expenses	Average CPI of 2.20% for first 3 years and 2.6% thereafter.

*CPI = Consumer Price Index - Sydney All Groups, Australian Bureau of Statistics.

ITEM 3 (continued)

ATTACHMENT 6

Base Case Scenario Sensitivity & Risk Assessment

Council's LTFP is exposed to external impacts such as legislation, technology and the environment as well as industry dynamics, a changing labour force market and vendor relationships. Income and expenditure forecasts are subject to change and are assessed by the degree of risk change would impact the LTFP. For example, Council's reliance on rate revenue is high however the assumptions posed over the period of the plan would not be adversely effected (risk) by State Government rate peg setting.

Item	Assumptions	Impact and Sensitivity	Impact Rating	Risk
<i>Revenue</i>				
Rates & Annual Charges	7% increase in 2017/18 and 2018/19 (last 2 years of the SRV), 1.8% rate peg for 2019/20 and a forecast CPI* index of 2.6% thereafter.	<p>Impact: Rates and annual charges are the main source of Council income (58%) and fund core services including infrastructure, community services, sports and recreation, public health, environmental protection and waste collection, treatment and disposal. The NSW State Government "pegs" the maximum percentage by which rates can be increased annually. Council's ability to levy rates and annual charges are legislated under the Local Government Act 1993.</p> <p>Sensitivity: A 1% change in 2017/18 ordinary rates and annual charges revenue will result in an \$823,150 change in total rates revenue. Similarly, a cumulative 1% increase in ordinary rates and annual charges revenue for each year of the model will result in an \$11.5 million increase in annual rates revenue by 2027.</p>	High	Low

ITEM 3 (continued)

ATTACHMENT 6

Item	Assumptions	Impact and Sensitivity	Impact Rating	Risk
<i>Revenue</i>				
User Charges & Fees	Average CPI of 2.20% for first 3 years and 2.6% thereafter.	<p>Impact: User charges and fees for service are set to recover the true cost of services (user pays). They are generally considered to provide a “private” benefit where the individual benefits from the use of a service (such as an aquatic centre).</p> <p>Sensitivity: A 1% change in annual revenue in 2017/18 for fees and charges, interest and investment income and operating grants and contributions represents \$372,670 per annum. Similarly, the cumulative effect of these revenue sources growing at 1% less than other revenues represents an estimated revenue reduction of \$7.78 million by year 2026/27.</p>	High	Medium

ITEM 3 (continued)

ATTACHMENT 6

Item	Assumptions	Impact and Sensitivity	Impact Rating	Risk
<i>Revenue</i>				
Interest & Investment Revenue	The City of Ryde's Investment Policy is based on optimising returns from its investment portfolio within the statutory limitations of Ministerial Orders. The City of Ryde has set a budget target to achieve 0.8% above the 90 day BBSW Index.	<p>Impact: The Council has a large investment portfolio that is subject to movements in interest rates. Investments are placed and managed in accordance with the Council's adopted Investment Policy in compliance with the Local Government Act. As a custodian of the community's funds, the Council ensures funds are invested with the same care, diligence and skill that a prudent person would exercise.</p> <p>Sensitivity: A 1% change in annual revenue in 2017/18 for fees and charges, interest and investment income and operating grants and contributions represents \$372,670 per annum. Similarly, the cumulative effect of these revenue sources growing at 1% less than other revenues represents an estimated revenue reduction of \$7.78 million by year 2026/27.</p>	Medium	Low

ITEM 3 (continued)

ATTACHMENT 6

Item	Assumptions	Impact and Sensitivity	Impact Rating	Risk
<i>Revenue</i>				
Grants & Contributions	Income from grants and contributions is included where funding arrangements are known. Recurring grant income tied to expenditure is increased by an index of 2.6%.	<p>Grants and contributions are awarded for operating and capital purposes. Operating grants assist in providing important services to the community such as road safety and environmental initiatives. Capital grants contribute to infrastructure expansion and public amenity aligned to growth and development.</p> <p>Sensitivity: A 1% change in annual revenue in 2017/18 for fees and charges, interest and investment income and operating grants and contributions represents \$372,670 per annum. Similarly, the cumulative effect of these revenue sources growing at 1% less than other revenues represents an estimated revenue reduction of \$7.78 million by year 2026/27.</p>	High	Medium
Other Revenues	Average CPI of 2.20% for first 3 years and 2.6% thereafter.	<p>Impact: Includes revenue from parking fines, investment property rentals and employee contributions to vehicle private use. Other revenue may fluctuate as a result of fair value increments.</p> <p>Sensitivity: a 1% change in 'other revenues' represents approximately \$130,000 by 2026/27.</p>	Medium	Low

ITEM 3 (continued)

ATTACHMENT 6

Item	Assumptions	Impact and Sensitivity	Impact Rating	Risk
<i>Expenditure</i>				
Employee Benefits and On-Costs	An award increase of 2.4% has been applied to salaries and wages across the period of the plan. The federal government's superannuation guarantee (SG) for the period increases from 9.5% to 12.00%. The overall index applied to employee costs is 2.6%.	<p>Impact: Employee costs are the largest expenditure category (48%). Council's Workforce Strategy includes actions to secure a skilled and agile workforce committed to excellence and safety.</p> <p>Sensitivity: A 1% change in employee costs represents approximately \$593,000 by 2026/27.</p>	High	Low
Borrowing Costs	No new borrowings are included in the Base Case.	<p>Impact: Council's reliance on debt is low and totalled \$4.4m as at 30 June 2016. Council's Property Strategy projects are 50% funded by debt servicing. Future debt servicing can be influenced by global financial conditions and loans to Council are a "charge" on the income of Council (cl. 229 of the Regulation).</p> <p>Sensitivity: Council's current borrowing costs are directly tied to BBSW rates plus a fixed margin. If interest rates rise, Council's borrowing costs will rise. Council's debt exposure, however, is very limited.</p>	Low	Low/Medium

ITEM 3 (continued)

ATTACHMENT 6

Item	Assumptions	Impact and Sensitivity	Impact Rating	Risk
<i>Expenditure</i>				
Materials & Contracts	Average CPI of 2.20% for first 3 years and 2.6% thereafter.	<p>Impact: Council's reliance on professional consultancies and contractors is significant and reflects the need to be agile in meeting changes in service delivery demands. Contracts are managed in a procurement framework than promotes transparency and value for money principles.</p> <p>Sensitivity: A 1% change in materials and contracts represents approximately \$434,000 by 2026/27.</p>	High	Low
Depreciation & Amortisation	Depreciation has been modelled in accordance with the capital works program and statutory accounting practices. Council uses the straight-line method of depreciation.	<p>Impact: Depreciation is charged on a condition basis, using five straight-lines, calculated by multiplying the cost of the assets within each condition rating by the depreciation for that condition rating. The depreciation rate is based upon the loss of useful life of the asset, during the period that it remains within that condition rating. Depreciation expense informs asset renewal planning and impacts future operating scenarios via asset expansion.</p> <p>Sensitivity: Council's forecast depreciation will increase by \$4 million (20%) over the next 10 years and is directly aligned to the timing of new assets and renewal of existing assets.</p>	High	Medium

ITEM 3 (continued)

ATTACHMENT 6

Item	Assumptions	Impact and Sensitivity	Impact Rating	Risk
<i>Expenditure</i>				
Other Expenses	Average CPI of 2.20% for first 3 years and 2.6% thereafter.	<p>Impact: Includes contributions to other levels of government (such as waste levies, fire control and valuation fees), insurances and utilities including street lighting, electricity and water. Whilst Council works closely with other levels of government, the ability to control or influence many of these costs cannot be guaranteed.</p> <p>Sensitivity: A 1% change in materials and contracts represents approximately \$215,000 by 2026/27.</p>	Medium	Low

ITEM 3 (continued)

ATTACHMENT 6

LTFP Financial Model Scenario 2 – Projected Growth 30,000

Introduction & Assumptions

Scenario 2 is predicated on:

- All of the assumptions in the Base Case PLUS:
 - Population growth of 30,000 people over the 10 year period of the plan (or 2.08% growth per annum).
 - Both operating income and expenditure will increase in line with the forecast population growth (above), however some economies of scale are assumed during the growth period.
 - New Capital Works totalling \$303 million, funded primarily by developer contributions of \$278 million (cash and in-kind).
 - Operating expenditure (depreciation, maintenance and operating expenses) associated with the New Capital Works (above) will increase
 - The inclusion of an Efficiency /Productivity Improvement Plan targeting the following areas:
 - 1.0% efficiency saving for employee related costs (from 2017/18)
 - 1.0% efficiency saving for materials and contracts (from 2018/19), and
 - 0.5% efficiency saving in 'other expenses' (from 2018/19)
 - An increase of 81 additional full-time equivalent (FTE) staff (from 514 to 595) to assist in servicing the growth
 - An increase in funding allocated towards learning and development to meet industry benchmark (\$600k)

Observations

Scenario 2 builds on the foundations of Scenario 1. The major difference with Scenario 2 is that it anticipates a more deliberate growth forecast that impacts Council's Operating Statement, Balance Sheet and Cash Flow Statement.

The inclusion of \$303 million worth of new assets and an increase of 81 additional FTE staff has a significant impact on Council's long term financial sustainability but has a much more realistic outlook than that of Scenario 1.

ITEM 3 (continued)

ATTACHMENT 6

Scenario 2 Sensitivity & Risk Assessment

In addition to the sensitivity and risk assessment of items identified in Scenario 1 – Base Case Scenario, the following items are considered unique to Scenario 2.

Other Items	Assumptions	Impact and Sensitivity	Impact Rating	Risk
Population Growth	<p>Population growth is generally reflected in an increase in the rates base (commonly referred to as supplementary rates). Growth in the rates base has traditionally been conservative.</p> <p>An assumed population growth of 30,000 (12,000 new rateable properties) has been established under Scenario 2.</p>	<p>Impact: Growth has a major impact on both income and expenditure forecasts. The primary income stream that benefits from population growth is rates revenue, though user fees and charges, operational grants and other revenue do increase proportionally.</p> <p>Population growth also impacts on employee costs, materials and contracts, depreciation and other expenses. An increased population places additional pressure on existing assets and services. An expansion of existing services and the provision of new assets all have expenditure impacts that must be managed carefully.</p> <p>Sensitivity: a 1% change in population growth equates to approximately \$930k million in rate revenue by 2026/27.</p>	Medium	Medium

ITEM 3 (continued)

ATTACHMENT 6

Other Items	Assumptions	Impact and Sensitivity	Impact Rating	Risk
Asset Growth	New assets totalling \$303 million have been included in Scenario 2. These new assets will be constructed to help service the needs of the additional 30,000 population and are derived from the 2017 Draft Section 94 Plan.	<p>Impact: The \$303 million in new assets will not only add value to Council's Balance Sheet (non-current assets) but also its Operating Statement via additional Depreciation, Maintenance and Operating Expenses.</p> <p>Sensitivity: Any significant changes to the value of assets brought to account over the next 10 years will have a proportional impact on depreciation, maintenance and operating expenses. In doing so, Council's Operating Surplus will be affected.</p>	Medium	Medium
Efficiency /Productivity Improvement Plan	An Efficiency / Productivity Improvement Plan is necessary to ensure expenditure increases are moderated by targeted savings.	<p>Impact: Improvement Plans provide a prudent means of focusing on efficiency targets to contain expenditure increases. The recommended Improvement Plan includes targeted expenditure savings in employee costs (staff turnover), materials and contracts (centre-led procurement), and other expenses.</p> <p>Sensitivity: A 1% efficiency target has been established for employee costs and materials and contracts, and a 0.5% target for other expenses. This totals approximately \$750,000 in 2018/19.</p>	Medium	Low

ITEM 3 (continued)

ATTACHMENT 6

Other Items	Assumptions	Impact and Sensitivity	Impact Rating	Risk
Workforce Expansion (FTE Staff)	In light of the 30,000 additional population and their anticipated service needs, Council's workforce (full-time equivalent staff) is expected to grow by 81 FTE staff.	<p>Impact: the additional 81 FTE Staff represents a 16% increase in Council's current staff establishment and equates to approximately \$10 million in expenditure over the next 10 years.</p> <p>Sensitivity: Each 1% variation in the number of FTE staff equates to approximately \$100,000 in expenditure by 2026/27.</p>	Medium	Medium
Learning and Development	Council's existing commitment to learning and development is well below industry benchmark (0.75% versus 1.5 – 2.0%). This anomaly is to be addressed in the LTFP.	Impact: An additional \$600,000 has been allocated to learning and development per annum over the next 10 years. This takes Council's total commitment to learning and development to \$1.2 million per annum (1.5% of total operating revenue).	Medium	Low

ITEM 3 (continued)

ATTACHMENT 6

LTFP Financial Model Scenario 3 – Projected Growth 25,000

Introduction & Assumptions

Scenario 3 is predicated on all of the assumptions in the Base Case and Scenario 2, with the EXCEPTION of the following:

- Population growth of 25,000 people over the 10 year period of the plan (or 1.76% growth per annum).
- Both operating income and expenditure will increase in line with the forecast population growth (above), however some economies of scale are assumed during the growth period.
- New Capital Works totalling \$252 million, funded primarily by developer contributions of \$232 million (cash and in-kind).
- Operating expenditure (depreciation, maintenance and operating expenses) associated with the New Capital Works (above) will increase
- An increase of 68 additional full-time equivalent (FTE) staff (from 514 to 582) to assist in servicing the growth
- An increase in funding allocated towards learning and development to meet industry benchmark (\$500k)

Observations

Scenario 3 is a more modest / tempered perspective of the growth forecast in Scenario 2. The major difference between Scenario 2 and 3 is the forecast population is revised from 30,000 to 25,000 people respectively over the next 10 years.

Again, Council's Operating Statement, Balance Sheet and Cash Flow Statement are all impacted but in a slightly improved manner.

The inclusion of \$252 million worth of new assets and an increase of 68 additional FTE staff has a slightly lesser impact on Council's long term financial sustainability and is considered the most likely / probable of all Scenarios.

ITEM 3 (continued)

ATTACHMENT 6

Scenario 3 Sensitivity & Risk Assessment

In addition to the sensitivity and risk assessment of items identified in Scenario 1 – Base Case Scenario and the commentary provided on ‘other items’ outlined in Scenario 2, the following commentary is unique to Scenario 3.

Other Items	Assumptions	Impact and Sensitivity	Impact Rating	Risk
Population Growth	<p>Population growth is generally reflected in an increase in the rates base (commonly referred to as supplementary rates). Growth in the rates base has traditionally been conservative.</p> <p>An assumed population growth of 25,000 (10,000 new rateable properties) has been established under Scenario 3.</p>	<p>Impact: Growth has a major impact on both income and expenditure forecasts. The primary income stream that benefits from population growth is rates revenue, though user fees and charges, operational grants and other revenue do increase proportionally.</p> <p>Population growth also impacts on employee costs, materials and contracts, depreciation and other expenses. An increased population places additional pressure on existing assets and services. An expansion of existing services and the provision of new assets all have expenditure impacts that must be managed carefully.</p> <p>Sensitivity: a 1% change in population growth equates to approximately \$900k in rate revenue by 2026/27.</p>	Medium	Medium

ITEM 3 (continued)

ATTACHMENT 6

Other Items	Assumptions	Impact and Sensitivity	Impact Rating	Risk
Asset Growth	New assets totalling \$252 million have been included in Scenario 2. These new assets will be constructed to help service the needs of the additional 25,000 population and are derived from the 2017 Draft Section 94 Plan.	<p>Impact: The \$252 million in new assets will not only add value to Council's Balance Sheet (non-current assets) but also its Operating Statement via additional Depreciation, Maintenance and Operating Expenses.</p> <p>Sensitivity: Any significant changes to the value of assets brought to account over the next 10 years will have a proportional impact on depreciation, maintenance and operating expenses. In doing so, Council's Operating Surplus will be affected.</p>	Medium	Medium
Efficiency /Productivity Improvement Plan	An Efficiency / Productivity Improvement Plan is necessary to ensure expenditure increases are moderated by targeted savings.	<p>Impact: Improvement Plans provide a prudent means of focusing on efficiency targets to contain expenditure increases. The recommended Improvement Plan includes targeted expenditure savings in employee costs (staff turnover), materials and contracts (centre-led procurement), and other expenses.</p> <p>Sensitivity: A 1% efficiency target has been established for employee costs and materials and contracts, and a 0.5% target for other expenses. This totals approximately \$750,000 in 2018/19.</p>	Medium	Low

ITEM 3 (continued)

ATTACHMENT 6

Other Items	Assumptions	Impact and Sensitivity	Impact Rating	Risk
Workforce Expansion (FTE Staff)	In light of the 25,000 additional population and their anticipated service needs, Council's workforce (full-time equivalent staff) is expected to grow by 68 FTE staff.	<p>Impact: the additional 68 FTE Staff represents a 13% increase in Council's current staff establishment and equates to approximately \$8.3 million in expenditure over the next 10 years.</p> <p>Sensitivity: Each 1% variation in the number of FTE staff equates to approximately \$830k in expenditure.</p>	Medium	Medium
Learning and Development	Council's existing commitment to learning and development is well below industry benchmark (0.75% versus 1.5%). This anomaly is to be addressed in the LTFP.	Impact: An additional \$500,000 has been allocated to learning and development per annum over the next 10 years. This takes Council's total commitment to learning and development to \$1.1 million per annum (1.4% of total operating revenue).	Medium	Low

ITEM 3 (continued)

ATTACHMENT 6

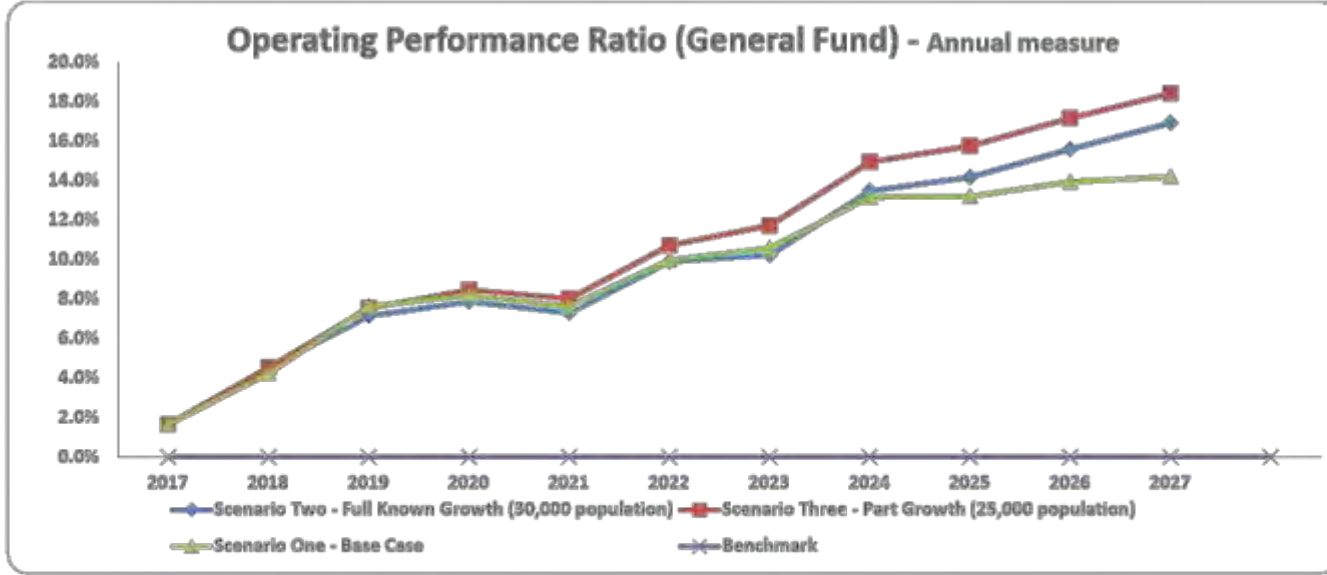
Key Performance Indicators - Fit for the Future

The following measures, indicators and ratios are provided to give the reader an insight into the relative financial impacts of the 3 Scenarios when compared with one another.

Operating Performance

This ratio measures a council's achievement of containing operating expenditure within operating revenue. It is important to emphasise that this ratio focuses on operating performance, and hence capital grants and contributions, fair value adjustments, and reversal of revaluation adjustments are excluded.

The benchmark is greater than 0%.



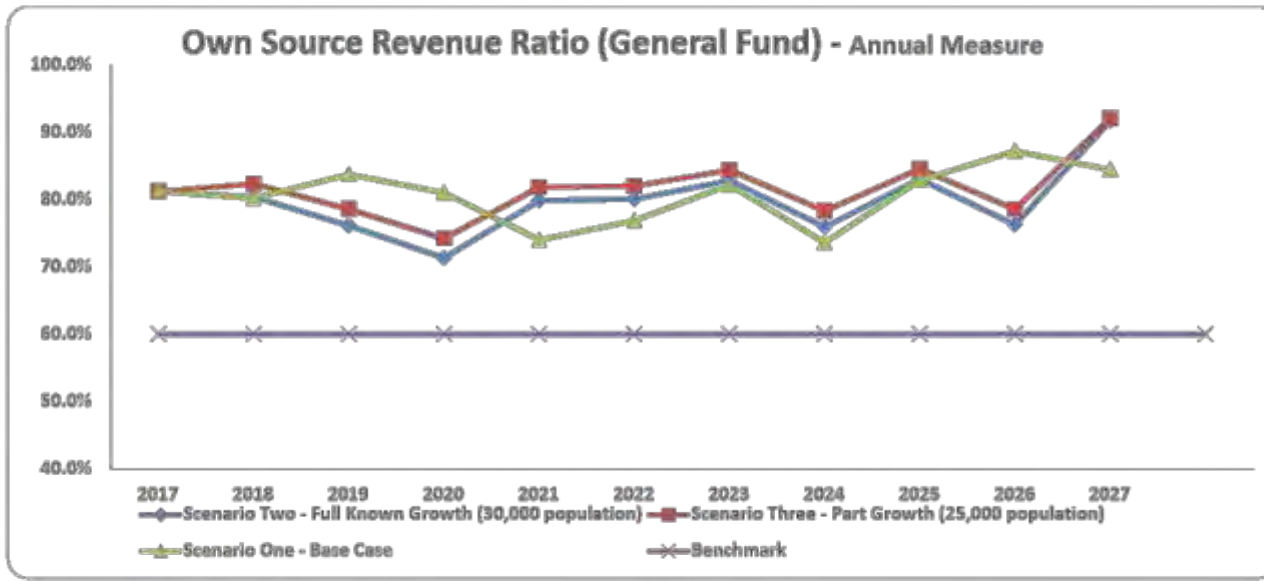
ITEM 3 (continued)

ATTACHMENT 6

Own Source Operating Revenue

This ratio measures fiscal flexibility. It is the degree of reliance on external funding sources such as operating grants and contributions. A council's financial flexibility improves as its own source revenue increases.

The benchmark is greater than 60%.



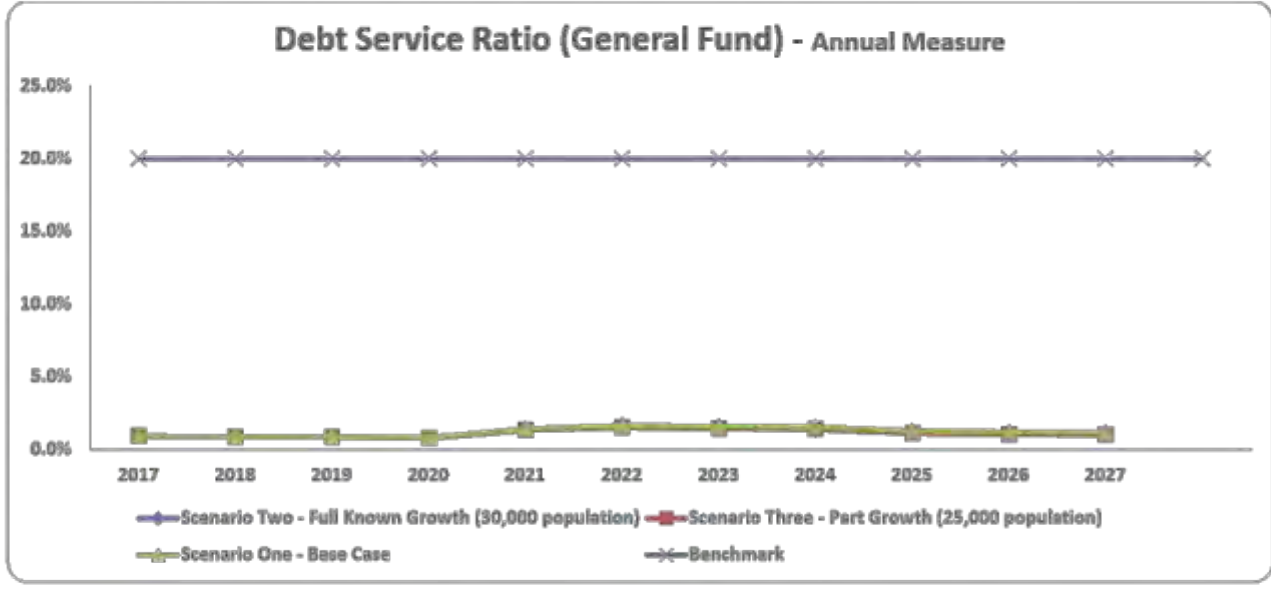
ITEM 3 (continued)

ATTACHMENT 6

Debt Service Ratio

This ratio measures the availability of operating cash to service debt including interest, principal and lease payments.

The benchmark is greater than two times.



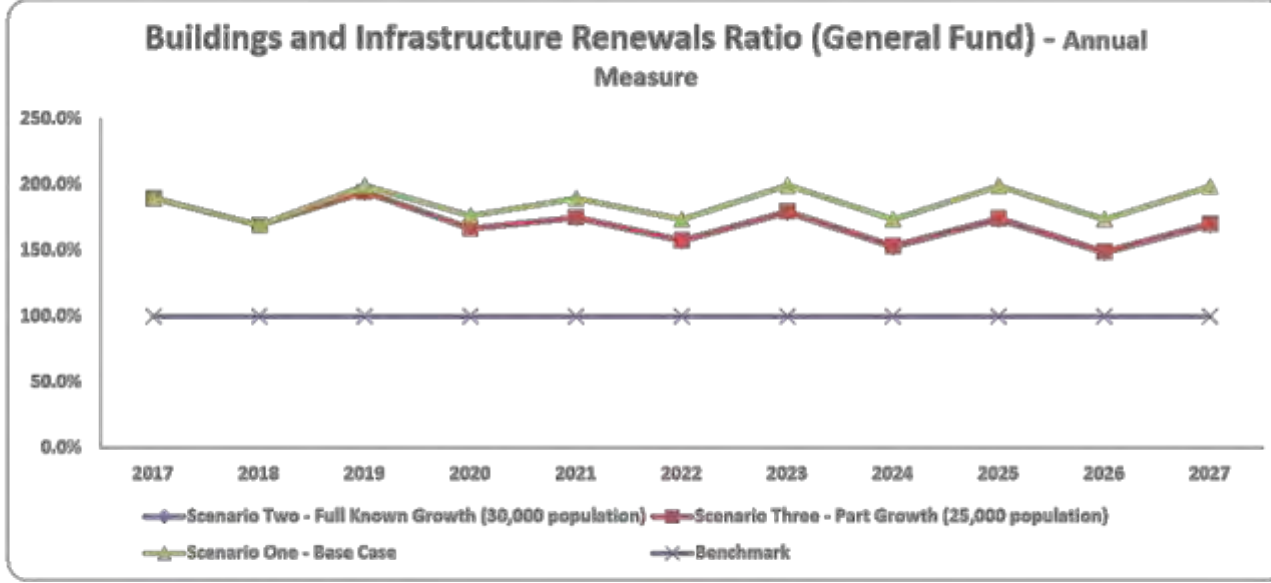
ITEM 3 (continued)

ATTACHMENT 6

Buildings and Infrastructure Renewals Ratio

To assess the rate at which these assets are being renewed against the rate at which they are depreciating.

The benchmark is greater than 100%.



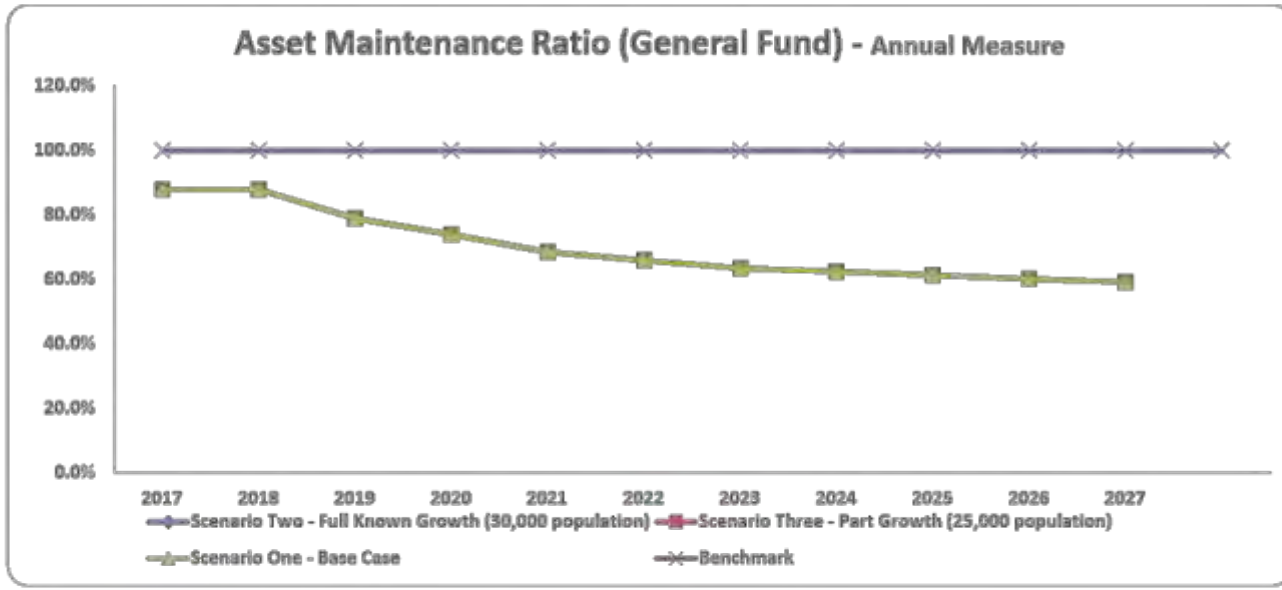
ITEM 3 (continued)

ATTACHMENT 6

Asset maintenance Ratio

This ratio highlights how much Council is spending on the maintenance of its assets in comparison to the asset maintenance required to be spent, as indicated in Special Schedule 7

The benchmark is greater than 100%.



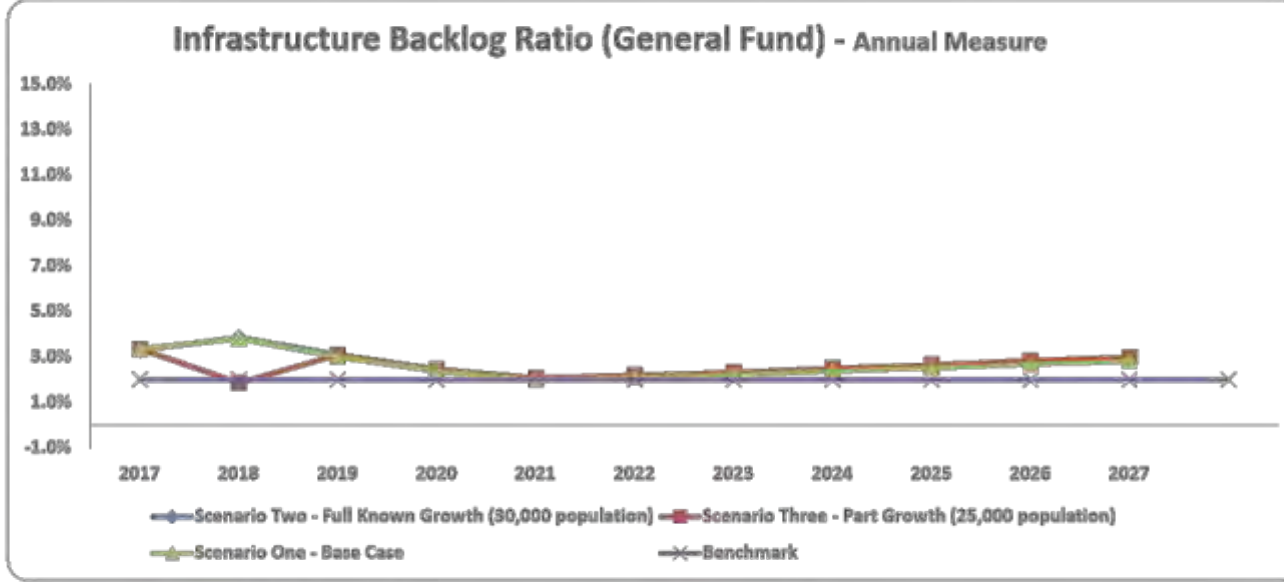
ITEM 3 (continued)

ATTACHMENT 6

Infrastructure Backlog Ratio

This ratio shows what proportion the infrastructure backlog is against the total value of a council's infrastructure.

The benchmark is less than 2%.

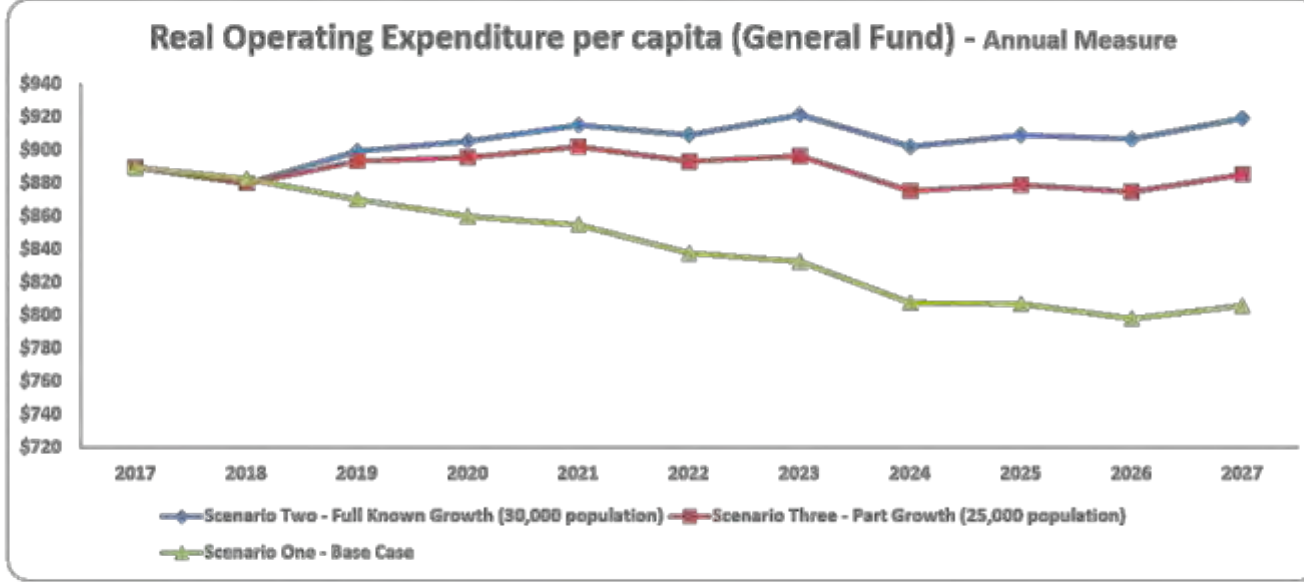


ITEM 3 (continued)

ATTACHMENT 6

Real Operating Expenditure Per Capita

This figure is a function of both total operating expenses and population.
 The benchmark is for a declining trend over time.



Summary of Key Performance Measures

Financial modelling indicates that Council will continue to perform well under all 3 Scenarios over the next 10 years. All but one of the performance measures meet 'Fit for the Future' benchmarks. The only exception is the Asset Maintenance Ratio. This is not considered a major issue as Council is forecasting an Asset Renewal Ratio well in excess of the benchmark. By simply reallocating funding (over time) from asset renewal to asset maintenance the issue is resolved.

Summary of this Long Term Financial Plan

Conclusion

In this Long Term Financial Plan, Council has outlined 3 Scenarios (each with underlying assumptions) that affect Council's financial sustainability in slightly different ways. Those Scenarios are as follows:

- Scenario 1 - This scenario is predicated on existing services remaining largely the same over the next 10 years with a primary reliance on developer and internal reserve funded capital works, and the ongoing SRV income stream funding the renewal of existing assets.
- Scenario 2 - This Scenario is predicated on available data indicating an additional population of 30,000 by 2027 with a direct correlation between population growth and service provision (both capital and operating) and incorporates an efficiency dividend principally the result of Council's focus on long term financial sustainability and the opportunities that are likely to transpire through economies of scale, asset optimisation and the use of technology.
- Scenario 3 - This Scenario is predicated on the same assumptions as Scenario 2 with the exception that the additional population will transpire at a slightly slower rate than Scenario 2, with a projected growth of 25,000 people by 2027.

The analysis in this Plan concentrates on the impacts of growth and measures those impacts against the State Government's 'Fit for the Future' benchmarks over the next 10 years. This Plan acknowledges that long term financial forecasting has its limitations. Detailed assumptions, impacts and sensitivity analysis accompany the Plan in an attempt to put the modelled outcomes into perspective.

Whilst all 3 Scenarios have varying degrees of validity, Scenario 3 is considered the most probable scenario and as such will be used as a high level guide to assist in financial decision making from 2018/19 onwards.

Note:

For completeness, and so that readers of this LTFP can assess council's overall financial position, the projected financial statements for each Scenario are presented in **Attachment 1** to this document.

ITEM 3 (continued)

ATTACHMENT 6

ATTACHMENT 1

SCENARIO 1 - FINANCIAL STATEMENTS

Scenario 1 - INCOME STATEMENT	2017-18 Budget (£,000)	2018-19 Budget (£,000)	2019-20 Budget (£,000)	2020-21 Budget (£,000)	2021-22 Budget (£,000)	2022-23 Budget (£,000)	2023-24 Budget (£,000)	2024-25 Budget (£,000)	2025-26 Budget (£,000)	2026-27 Budget (£,000)
INCOME FROM CONTINUING OPERATIONS										
Rates and Annual Charges	62,316	68,731	67,941	60,220	62,674	64,950	67,460	69,984	102,333	135,260
User Charges and Fees	16,671	16,954	17,254	17,671	18,039	18,538	19,042	19,537	20,045	20,665
Interest and Investment Revenue	4,125	4,377	4,587	4,577	4,603	4,334	7,292	8,182	8,650	9,506
Other Revenue	9,284	8,494	8,693	9,534	11,303	12,631	12,341	12,651	12,977	13,314
Grants and Contributions provided for Operating Purposes	7,335	7,335	7,540	7,325	7,915	8,110	8,310	8,616	8,725	8,943
Grants and Contributions provided for Capital Purposes	20,414	15,414	20,414	35,414	30,414	20,414	40,414	20,414	12,414	19,414
Other Income	-	-	-	-	-	-	-	-	-	-
Reclass from the disposal of assets	-	-	-	-	-	-	-	-	-	-
Share of interests in joint ventures and associates	-	-	-	-	-	-	-	-	-	-
TOTAL INCOME FROM CONTINUING OPERATIONS	138,596	140,368	147,429	165,956	168,959	168,429	184,779	168,263	165,594	175,962
EXPENSES FROM CONTINUING OPERATIONS										
Employee Salaries and On-Costs	47,641	48,405	49,657	50,518	52,273	53,632	55,027	56,457	57,926	59,431
Materials Costs	146	149	328	699	604	606	526	443	370	204
Interest and Contracts	20,521	20,459	20,619	21,545	20,073	20,380	21,709	20,241	23,436	24,335
Depreciation, amortisation and impairment	18,295	18,702	17,119	17,547	17,386	18,436	18,897	19,369	19,833	20,360
Other Expenses	28,149	28,769	19,647	20,410	20,951	21,626	19,169	19,679	20,213	20,762
Interest and investment losses	-	-	-	-	-	-	-	-	-	-
Net Lease from the disposal of assets	-	-	-	-	-	-	-	-	-	-
Share of interests in joint ventures and associates using the equity method	-	-	-	-	-	-	-	-	-	-
TOTAL EXPENSES FROM CONTINUING OPERATIONS	114,752	116,434	116,663	120,599	122,007	126,100	126,318	126,139	131,728	135,172
OPERATING RESULT FROM CONTINUING OPERATIONS	23,844	23,933	30,766	45,356	46,952	42,329	58,461	42,124	33,866	40,790
Operating result from discontinued operations	-	-	-	-	-	-	-	-	-	-
NET OPERATING RESULT FOR THE YEAR	23,844	23,933	30,766	45,356	46,952	42,329	58,461	42,124	33,866	40,790
NET OPERATING RESULT FOR THE YEAR BEFORE GRANTS & CONTRIBUTIONS PROVIDED FOR CAPITAL PURPOSES	4,630	8,539	19,492	9,577	13,638	14,635	19,048	19,579	21,383	22,407
Net operating result for the year - from Income Statement	23,844	23,933	30,766	45,356	46,952	42,329	58,461	42,093	33,737	40,820
Other comprehensive income										
Amounts which will not be reclassified subsequently to operating result	-	-	-	-	-	-	-	-	-	-
Gain (Loss) on revaluation of infrastructure, property, plant and equipment	-	-	-	-	-	-	-	-	-	-
Total other comprehensive income for the year	-	-	-	-	-	-	-	-	-	-
Total Comprehensive Income for the year	23,844	23,933	30,766	45,356	46,952	42,329	58,461	42,093	33,737	40,820

ITEM 3 (continued)

ATTACHMENT 6

Scenario 1										
STATEMENT OF FINANCIAL POSITION										
As at:	2016	Proposed	Proposed	Proposed	Proposed	Proposed	Proposed	Proposed	Proposed	Proposed
	1/1/17	30/6/17	31/10/17	30/6/17	30/6/17	30/6/17	30/6/17	30/6/17	30/6/17	30/6/17
	(\$'000)	(\$'000)	(\$'000)	(\$'000)	(\$'000)	(\$'000)	(\$'000)	(\$'000)	(\$'000)	(\$'000)
ASSETS										
Current Assets										
Cash and Cash Equivalents	16,775	20,767	33,372	59,135	90,723	113,040	163,441	194,486	221,531	263,074
Investments	94,849	69,347	93,057	71,544	58,112	47,548	25,224	11,439	633	(13,765)
Receivables	3,998	4,178	4,245	4,352	4,463	4,578	4,697	4,819	4,944	5,072
Inventories	646	646	646	646	646	646	646	646	646	646
Other	2,395	2,395	2,395	2,395	2,395	2,395	2,395	2,395	2,395	2,395
Non-current assets classified as held for sale										
Total Current Assets	115,668	117,332	123,715	138,072	156,338	168,214	196,403	213,797	226,431	247,402
Non-Current Assets										
Investments	76,730	79,232	65,522	97,935	110,467	121,033	143,366	157,140	168,964	162,364
Infrastructure, Property, Plant and Equipment	2,313,568	2,335,049	2,361,015	2,399,711	2,404,424	2,417,722	2,426,895	2,438,763	2,447,412	2,459,856
Receivables	424	443	450	461	473	485	498	511	524	537
Investments accounted for using the equity method	-	-	-	-	-	-	-	-	-	-
Investment Property	113,165	113,165	113,165	113,165	113,165	113,165	113,165	113,165	113,165	113,165
Total Non-Current Assets	2,503,886	2,528,889	2,560,152	2,601,372	2,628,529	2,652,405	2,683,913	2,709,569	2,729,765	2,785,925
TOTAL ASSETS	2,619,553	2,646,221	2,683,867	2,739,444	2,784,867	2,820,620	2,880,316	2,923,365	2,956,196	3,033,327
LIABILITIES										
Current Liabilities										
Payables	30,760	29,843	30,120	32,274	29,174	28,165	25,761	27,808	27,688	29,191
Borrowings	979	729	1,260	1,961	1,638	1,719	1,472	1,496	1,572	-
Provisions	17,412	20,266	23,194	26,159	29,261	32,444	35,659	39,018	42,434	45,939
Total Current Liabilities	49,141	50,838	54,574	60,433	60,683	62,767	63,922	68,323	71,694	75,130
Non-Current Liabilities										
Payables	-	-	-	-	-	-	-	-	-	-
Borrowings	2,146	2,117	5,107	5,796	11,158	9,440	7,968	6,472	4,900	4,900
Provisions	274	319	365	412	460	510	661	813	957	722
Total Non-Current Liabilities	2,419	2,436	5,472	10,208	11,619	9,950	8,529	7,085	5,857	5,622
TOTAL LIABILITIES	51,560	53,274	60,055	70,241	71,712	72,217	72,451	75,408	77,441	80,752
NET ASSETS	2,567,994	2,592,947	2,623,812	2,669,203	2,713,155	2,748,403	2,807,865	2,847,958	2,881,755	2,922,575
EQUITY										
Retained Earnings	1,916,227	1,941,100	1,972,045	2,017,436	2,061,508	2,096,636	2,156,098	2,196,191	2,229,586	2,270,908
Revaluation Reserves	651,767	651,767	651,767	651,767	651,767	651,767	651,767	651,767	651,767	651,767
Total Equity	2,567,994	2,592,947	2,623,812	2,669,203	2,713,155	2,748,403	2,807,865	2,847,958	2,881,755	2,922,575

ITEM 3 (continued)

ATTACHMENT 6

Scenario 1	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27
STATEMENT OF CASH FLOWS										
For the year	18,505	19,500	19,000	18,000	17,000	16,000	15,000	14,000	13,000	12,000
CASH FLOWS FROM OPERATING ACTIVITIES										
Receipts										
Rates and Annual Charges	82,318	85,633	87,897	88,110	92,451	94,853	97,319	99,819	102,445	105,109
User Charges and Fees	16,671	16,954	17,254	17,571	18,000	18,659	19,042	19,537	20,046	20,586
Investment and Interest Revenue Received	4,165	4,377	4,597	4,977	5,069	6,134	7,222	8,162	8,850	9,606
Grants and Contributions	27,650	22,880	27,954	43,139	38,329	20,524	48,724	29,829	21,149	27,356
Bonds, Deposits and Retention amounts received	-	-	-	-	-	-	-	-	-	-
Other	9,294	9,494	9,693	9,924	11,203	12,031	12,341	12,651	12,977	13,344
Payments										
Employee Benefits and On-Costs	(64,797)	(65,805)	(66,620)	(67,597)	(68,142)	(68,420)	(61,731)	(63,070)	(64,420)	(65,971)
Materials and Contracts	(32,909)	(30,384)	(28,328)	(28,910)	(23,173)	(31,961)	(23,982)	(32,198)	(33,378)	(33,012)
Borrowing Costs	(148)	(148)	(139)	(139)	(161)	(165)	(165)	(147)	(172)	(194)
Bonds, Deposits and Retention amounts refunded	-	-	-	-	-	-	-	-	-	-
Other	(20,149)	(20,750)	(19,847)	(20,110)	(22,957)	(21,625)	(19,359)	(19,573)	(20,213)	(20,782)
Net Cash provided (or used in) Operating Activities	41,524	43,450	51,170	68,016	61,848	55,998	80,180	63,356	57,041	69,911
CASH FLOWS FROM INVESTING ACTIVITIES										
Receipts										
Sale of Investment Securities	-	-	-	-	-	-	-	-	-	-
Sale of Investment Property	-	-	-	-	-	-	-	-	-	-
Sale of Real Estate Assets	-	-	-	-	-	-	-	-	-	-
Sale of Infrastructure, Property, Plant and Equipment	1,000	1,058	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
Payments										
Purchase of Investment Securities	-	-	-	-	-	-	-	-	-	-
Purchase of Investment Property	-	-	-	-	-	-	-	-	-	-
Purchase of Infrastructure, Property, Plant and Equipment	(39,438)	(40,245)	(43,038)	(42,243)	(32,689)	(32,734)	(29,070)	(32,327)	(29,613)	(33,786)
Purchase of Real Estate Assets	-	-	-	-	-	-	-	-	-	-
Net Cash provided (or used) in Investing Activities	(38,438)	(39,187)	(42,038)	(41,243)	(31,689)	(31,734)	(28,070)	(31,327)	(28,613)	(32,786)
CASH FLOWS FROM FINANCING ACTIVITIES										
Receipts										
Proceeds from Borrowing and Advances	360	700	4,280	6,250	3,000	-	-	-	-	-
Payments										
Repayment of borrowing and advances	(914)	(979)	(728)	(1,288)	(1,807)	(1,638)	(1,710)	(1,473)	(1,450)	(1,572)
Net Cash provided (or used) in Financing Activities	(554)	(279)	3,552	4,962	1,193	(1,638)	(1,710)	(1,473)	(1,450)	(1,672)
Net Increase / (Decrease) in Cash and Cash Equivalents	2,927	3,983	12,686	25,763	31,588	22,326	50,392	31,657	27,033	34,545
plus: Cash and Cash Equivalents - beginning of year	12,652	16,779	20,767	33,372	69,135	90,723	113,049	163,441	194,490	221,531
Cash and Cash Equivalents - end of year	16,779	20,767	33,372	59,135	90,723	113,049	163,441	194,490	221,531	253,074
plus: Investments on hand - end of year	168,579	168,579	168,579	168,579	168,579	168,579	168,579	168,579	168,579	168,579
Total Cash, Cash Equivalents and Investments	185,358	189,346	201,951	227,714	259,302	281,628	332,020	363,077	390,110	421,653

ITEM 3 (continued)

ATTACHMENT 6

SCENARIO 2 - FINANCIAL STATEMENTS

Scenario 2 - INCOME STATEMENT	Proposed 2017/18	Proposed 2018/19	Proposed 2019/20	Proposed 2020/21	Proposed 2021/22	Proposed 2022/23	Proposed 2023/24	Proposed 2024/25	Proposed 2025/26	Proposed 2026/27
(\$'000)	(\$'000)	(\$'000)	(\$'000)	(\$'000)	(\$'000)	(\$'000)	(\$'000)	(\$'000)	(\$'000)	(\$'000)
INCOME FROM CONTINUING OPERATIONS										
Rates and Annual Charges	82,315	89,805	99,426	97,846	102,475	107,323	112,438	117,718	123,287	129,119
User Charges and Fees	18,571	17,379	17,578	18,795	19,629	20,569	21,541	22,551	23,620	24,746
Interest and Investment Revenue	4,185	4,377	4,587	4,577	5,483	5,394	7,232	9,182	9,259	9,506
Other Revenue	8,284	9,494	8,893	8,934	11,303	12,031	12,341	12,801	12,877	13,314
Grants and Contributions provided for Operating Purposes	7,236	7,386	7,540	7,725	7,915	8,110	8,310	8,518	8,726	8,943
Grants and Contributions provided for Capital Purposes	20,115	30,540	42,920	26,413	26,663	22,233	49,226	24,387	43,072	7,046
Other Income:										
Net gain from the disposal of assets	-	-	-	-	-	-	-	-	-	-
Share of interests in joint ventures and associates	-	-	-	-	-	-	-	-	-	-
TOTAL INCOME FROM CONTINUING OPERATIONS	139,700	159,021	176,151	164,696	173,643	178,500	202,041	194,014	221,139	192,673
EXPENSES FROM CONTINUING OPERATIONS										
Employee benefits and on-costs	47,270	49,353	51,168	52,948	54,904	57,330	59,492	61,483	63,142	64,725
Ratepayer Costs	146	149	320	529	654	606	626	443	370	294
Materials and Contracts	30,521	31,806	33,073	35,020	35,849	37,352	38,860	41,196	42,129	43,700
Depreciation, amortisation and impairment	18,236	17,114	18,144	19,057	19,856	20,556	21,477	22,349	23,252	23,944
Other Expenses	29,149	20,811	20,659	20,736	21,439	22,280	19,773	20,415	21,077	21,769
Interest and Investment losses	-	-	-	-	-	-	-	-	-	-
Net loss from the disposal of assets	-	-	-	-	-	-	-	-	-	-
Share of interests in joint ventures and associates using the equity method	-	-	-	-	-	-	-	-	-	-
TOTAL EXPENSES FROM CONTINUING OPERATIONS	114,381	119,321	122,773	129,168	132,528	135,408	140,154	145,746	149,970	154,614
OPERATING RESULT FROM CONTINUING OPERATIONS	25,319	39,699	53,378	35,528	41,115	37,911	61,888	48,268	71,168	38,259
Operating result from discontinued operations	-	-	-	-	-	-	-	-	-	-
NET OPERATING RESULT FOR THE YEAR	25,319	39,699	53,378	35,524	41,115	37,911	61,888	48,268	71,168	38,259
NET OPERATING RESULT FOR THE YEAR BEFORE GRANTS & CONTRIBUTIONS PROVIDED FOR CAPITAL PURPOSES	5,281	9,159	10,481	10,111	14,467	15,678	21,062	23,881	27,497	31,213
Net operating result for the year - from Income Statement	25,319	39,699	53,378	35,524	41,115	37,911	61,888	48,268	71,168	38,259
Other comprehensive income result										
Gain/loss on revaluation of infrastructure, property, plant and equipment	-	50,890	51,393	51,942	52,506	52,897	53,139	53,592	53,653	53,843
Total other comprehensive income for the year	-	50,890	51,393	51,942	52,506	52,897	53,139	53,592	53,653	53,843
Total Comprehensive Income for the year	25,319	90,589	104,771	87,467	93,711	90,809	115,027	101,860	124,821	92,102

ITEM 3 (continued)

ATTACHMENT 6

Scenario 2										
STATEMENT OF FINANCIAL POSITION	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026
As at	(\$'000)	(\$'000)	(\$'000)	(\$'000)	(\$'000)	(\$'000)	(\$'000)	(\$'000)	(\$'000)	(\$'000)
ASSETS										
Current assets										
Cash and Cash Equivalents	9,374	5,239	4,458	4,744	9,764	13,769	34,644	66,769	80,201	112,010
Investments	91,849	89,347	83,057	71,544	58,112	47,545	25,224	11,439	(65)	(13,725)
Receivables	3,998	4,170	4,245	4,382	4,463	4,576	4,697	4,819	4,944	5,072
Inventories	646	646	646	646	646	646	646	646	646	646
Other	2,395	2,395	2,395	2,395	2,395	2,395	2,395	2,395	2,395	2,395
Non-current assets held for sale	-	-	-	-	-	-	-	-	-	-
Total Current Assets	108,263	101,854	94,798	83,661	75,379	73,934	67,696	76,058	88,100	106,347
Non-Current Assets										
Investments	76,730	79,232	85,522	97,035	110,467	121,033	143,355	157,140	169,664	182,364
Infrastructure, Property, Plant and Equipment	2,321,048	2,417,246	2,529,557	2,626,804	2,716,843	2,799,023	2,830,350	2,960,686	3,033,970	3,147,423
Receivables	424	443	450	461	473	485	498	511	524	537
Investments associated for using the equity	-	-	-	-	-	-	-	-	-	-
Investment Property	113,165	113,165	113,165	113,165	113,165	113,165	113,165	113,165	113,165	113,165
Total Non-Current Assets	2,511,368	2,610,086	2,728,694	2,837,465	2,940,949	3,035,707	3,155,347	3,251,501	3,365,323	3,443,490
TOTAL ASSETS	2,619,629	2,711,940	2,823,492	2,921,146	3,016,328	3,107,641	3,222,993	3,327,569	3,454,423	3,549,836
LIABILITIES										
Current Liabilities										
Payables	30,760	29,844	30,128	32,274	29,174	29,134	26,780	27,807	27,868	29,182
Borrowings	979	728	1,280	1,581	1,538	1,768	1,472	1,496	1,572	-
Provisions	17,432	20,265	23,154	25,199	29,291	32,444	35,689	39,818	42,434	45,939
Total Current Liabilities	49,141	50,839	54,583	60,033	60,093	62,266	63,921	68,322	71,874	75,131
Non-Current Liabilities										
Payables	-	-	-	-	-	-	-	-	-	-
Borrowings	2,146	2,117	5,107	5,796	11,156	9,440	7,958	6,472	4,900	4,960
Provisions	274	319	355	412	460	510	561	613	667	722
Total Non-Current Liabilities	2,419	2,436	5,472	10,208	11,619	9,950	8,529	7,085	5,567	5,622
TOTAL LIABILITIES	51,560	53,275	60,054	70,241	71,712	72,216	72,450	75,407	77,441	80,753
NET ASSETS	2,568,069	2,658,665	2,763,438	2,850,904	2,944,616	3,035,425	3,150,503	3,252,162	3,376,982	3,469,084
EQUITY										
Retained Earnings	1,316,302	1,956,001	2,009,379	2,044,993	2,085,019	2,123,930	2,185,618	2,234,085	2,305,254	2,343,513
Revaluation Reserves	651,767	702,665	754,059	806,091	858,597	911,494	964,684	1,018,075	1,071,729	1,125,571
Total Equity	2,568,069	2,658,666	2,763,438	2,850,904	2,944,615	3,035,424	3,150,502	3,252,161	3,376,982	3,469,084

ITEM 3 (continued)

ATTACHMENT 6

Scenario 2	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27
STATEMENT OF CASH FLOWS	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27
For the year	(\$'000)	(\$'000)	(\$'000)	(\$'000)	(\$'000)	(\$'000)	(\$'000)	(\$'000)	(\$'000)	(\$'000)
CASH FLOWS FROM OPERATING ACTIVITIES										
Receipts										
Rates and Annual Charges	82,318	85,703	83,352	87,727	102,382	107,195	112,263	117,583	123,149	128,978
User Charges and Fees	16,571	17,315	17,578	18,795	19,839	20,568	21,541	22,551	23,623	24,745
Investment and Interest Revenue Received	4,165	4,377	4,587	4,977	5,663	6,334	7,022	7,732	8,460	9,206
Grants and Contributions	27,354	29,071	31,074	31,893	31,075	30,344	35,494	32,303	32,398	35,935
Bonds, Deposits and Retentions amounts received	-	-	-	-	-	-	-	-	-	-
Other	9,294	9,494	9,093	9,934	11,303	12,031	12,341	12,551	12,977	13,314
Payments										
Employee Benefits and On-Costs	(14,433)	(15,453)	(16,194)	(16,895)	(16,773)	(16,713)	(15,193)	(15,073)	(15,673)	(16,160)
Materials and Contracts	(32,093)	(32,891)	(32,763)	(33,631)	(39,744)	(39,453)	(40,233)	(40,143)	(42,833)	(42,457)
Borrowing Costs	(149)	(149)	(223)	(255)	(244)	(269)	(263)	(242)	(270)	(234)
Bonds, Deposits and Retentions amounts refunded	-	-	-	-	-	-	-	-	-	-
Other	(28,149)	(29,511)	(29,859)	(29,738)	(21,489)	(22,203)	(19,773)	(22,453)	(21,977)	(21,789)
Net Cash provided (or used in) Operating Activities	41,999	49,752	59,213	58,414	57,392	63,482	73,054	74,001	97,812	66,844
CASH FLOWS FROM INVESTING ACTIVITIES										
Receipts										
Sale of Investment Securities	-	-	-	-	-	-	-	-	-	-
Sale of Investment Property	-	-	-	-	-	-	-	-	-	-
Sale of Real Estate Assets	-	-	-	-	-	-	-	-	-	-
Sale of Infrastructure, Property, Plant and Equipment	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
Payments										
Purchase of Investment Securities	-	-	-	-	-	-	-	-	-	-
Purchase of Investment Property	-	-	-	-	-	-	-	-	-	-
Purchase of Infrastructure, Property, Plant and Equipment	(16,913)	(16,619)	(16,500)	(16,116)	(16,811)	(16,433)	(16,463)	(13,204)	(13,834)	(14,454)
Purchase of Real Estate Assets	-	-	-	-	-	-	-	-	-	-
Net Cash provided (or used) in Investing Activities	(15,913)	(15,619)	(15,500)	(15,116)	(15,811)	(15,433)	(15,463)	(12,204)	(12,834)	(13,454)
CASH FLOWS FROM FINANCING ACTIVITIES										
Receipts										
Proceeds from Borrowing and Advances	360	790	4,289	6,258	3,600	-	-	-	-	-
Payments										
Repayment of borrowing and advances	(914)	(979)	(728)	(1,280)	(1,981)	(1,633)	(1,713)	(1,472)	(1,496)	(1,572)
Net Cash provided (or used) in Investing Activities	(554)	(189)	3,561	4,978	1,619	(1,633)	(1,713)	(1,472)	(1,496)	(1,572)
Net Increase / (Decrease) in Cash and Cash Equivalents	(1,468)	(1,056)	(956)	288	5,020	9,005	15,675	22,126	22,639	31,818
plus: Cash and Cash Equivalents - beginning of year	13,612	9,374	5,289	4,456	4,744	9,764	18,789	34,544	56,769	80,281
Cash and Cash Equivalents - end of year	9,374	5,289	4,456	4,744	9,764	18,789	34,644	56,769	80,201	112,019
plus: Investments on hand - EOY	168,579	168,579	168,579	168,579	168,579	168,579	168,579	168,579	168,579	168,579
Total Cash, Cash Equivalents and Investments	177,953	173,868	173,035	173,323	178,343	187,368	203,223	225,348	248,780	280,598

ITEM 3 (continued)

ATTACHMENT 6

SCENARIO 3 - FINANCIAL STATEMENTS

Scenario 3 - INCOME STATEMENT	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27
(\$'000)	(\$'000)	(\$'000)	(\$'000)	(\$'000)	(\$'000)	(\$'000)	(\$'000)	(\$'000)	(\$'000)	(\$'000)
INCOME FROM CONTINUING OPERATIONS										
Rates and Annual Charges	62,315	69,629	62,849	66,942	161,215	105,675	119,323	115,156	120,274	123,675
User Charges and Fees	16,571	17,316	17,979	18,735	19,633	20,569	21,541	22,561	23,628	24,745
Interest and Investment Revenue	4,165	4,377	4,537	4,977	5,653	6,354	7,222	8,162	9,169	9,958
Other Revenue	9,284	9,454	9,693	9,934	11,303	12,031	12,341	12,651	12,977	13,314
Grants and Contributions provided for Operating Purposes	7,235	7,385	7,540	7,725	7,915	8,110	8,310	8,516	8,726	8,943
Grants and Contributions provided for Capital Purposes	16,834	25,519	35,842	21,245	22,275	19,597	33,691	29,332	35,462	5,541
Other Income:										
Net gain from the disposal of assets	-	-	-	-	-	-	-	-	-	-
Share of interests in joint ventures and associates	-	-	-	-	-	-	-	-	-	-
TOTAL INCOME FROM CONTINUING OPERATIONS	136,415	153,722	168,490	199,620	168,011	171,316	189,340	187,487	210,916	188,023
EXPENSES FROM CONTINUING OPERATIONS										
Employee benefits and on-costs	47,270	48,685	50,646	51,386	62,915	64,577	65,821	67,206	69,626	69,796
Consuming Costs	146	149	329	589	694	695	626	443	370	294
Materials and Contracts	39,521	31,612	32,948	35,665	35,462	37,172	38,615	40,673	41,767	43,381
Depreciation, amortisation and impairment	16,295	17,087	18,103	18,995	19,780	20,469	21,371	22,121	23,112	23,689
Other Expenses	28,149	26,779	19,595	20,639	21,304	22,023	19,685	20,193	20,809	21,448
Interest and Investment losses	-	-	-	-	-	-	-	-	-	-
Net loss from the disposal of assets	-	-	-	-	-	-	-	-	-	-
Net Losses from the disposal of assets	-	-	-	-	-	-	-	-	-	-
TOTAL EXPENSES FROM CONTINUING OPERATIONS	114,381	118,522	121,423	127,294	130,145	134,052	135,917	140,831	144,574	148,616
OPERATING RESULT FROM CONTINUING OPERATIONS	22,035	35,200	47,067	32,325	37,865	36,464	57,423	46,656	66,342	39,407
Operating result from discontinued operations	-	-	-	-	-	-	-	-	-	-
NET OPERATING RESULT FOR THE YEAR	22,035	35,200	47,067	32,325	37,865	36,464	57,423	46,656	66,342	39,407
NET OPERATING RESULT FOR THE YEAR BEFORE GRANTS & CONTRIBUTIONS PROVIDED FOR CAPITAL PURPOSES	5,201	9,891	11,224	11,075	15,590	17,067	23,832	24,275	29,800	33,466
Net operating result for the year - from Income Statement	22,035	35,200	47,067	32,325	37,865	36,464	57,423	46,656	66,342	39,407
Other comprehensive income										
Amounts which will not be reclassified subsequently to operating										
Gain (loss) on revaluation of infrastructure, property, plant and equipment	50,980	62,970	65,279	67,367	69,329	61,205	63,419	65,320	67,750	67,750
Total other comprehensive income for the year	50,980	62,970	65,279	67,367	69,329	61,205	63,419	65,320	67,750	67,750
Total Comprehensive Income for the year	22,035	66,180	109,636	87,694	95,223	95,792	118,628	110,685	131,722	167,157

ITEM 3 (continued)

ATTACHMENT 6

Scenario 3 MOVEMENT OF FINANCIAL POSITION As at	2016 (\$'000)	2017 (\$'000)	Proposed 2016 (\$'000)	Proposed 2017 (\$'000)	Proposed 2018 (\$'000)	Proposed 2019 (\$'000)	Proposed 2020 (\$'000)	Proposed 2021 (\$'000)	Proposed 2022 (\$'000)	Proposed 2023 (\$'000)
ASSETS										
Current Assets										
Cash and Cash Equivalents	9,809	7,429	8,896	12,090	19,085	29,942	48,036	71,906	97,705	138,674
Investments	91,849	59,347	83,057	71,544	58,112	47,546	25,224	11,439	(85)	(13,705)
Receivables	3,989	4,178	4,245	4,352	4,463	4,578	4,697	4,819	4,944	5,072
Inventories	646	646	646	646	646	646	646	646	646	646
Other	2,385	2,385	2,385	2,385	2,385	2,385	2,385	2,385	2,385	2,385
Non-current assets classified as held for sale	-	-	-	-	-	-	-	-	-	-
Total Current Assets	108,757	103,694	99,238	91,027	84,701	85,107	80,998	91,105	105,605	125,004
Non-Current Assets										
Investments	76,730	79,232	85,622	97,635	110,467	121,033	143,355	157,140	168,664	182,364
Infrastructure, Property, Plant and Equipment	2,317,269	2,407,705	2,512,680	2,607,158	2,696,735	2,762,048	2,802,684	2,871,820	3,079,639	3,158,897
Receivables	424	443	450	461	473	485	498	511	524	537
Investments accounted for using the equity method	-	-	-	-	-	-	-	-	-	-
Investment Property	113,165	113,165	113,165	113,165	113,165	113,165	113,165	113,165	113,165	113,165
Total Non-Current Assets	2,507,587	2,600,545	2,711,817	2,817,819	2,920,840	3,016,730	3,139,702	3,242,635	3,361,892	3,452,963
TOTAL ASSETS	2,616,344	2,704,238	2,811,055	2,908,846	3,005,541	3,101,837	3,220,699	3,333,741	3,467,496	3,577,964
LIABILITIES										
Current Liabilities										
Payables	30,750	29,844	30,128	32,274	28,179	26,105	26,761	27,589	27,868	28,192
Borrowings	979	729	1,260	1,591	1,539	1,719	1,472	1,496	1,572	-
Provisions	17,412	20,266	23,194	26,199	29,201	32,444	35,699	39,018	42,434	45,939
Total Current Liabilities	49,141	50,839	54,583	60,063	60,094	62,267	63,922	68,323	71,874	75,131
Non-Current Liabilities										
Payables	-	-	-	-	-	-	-	-	-	-
Borrowings	2,446	2,117	5,107	9,795	11,158	9,440	7,968	6,472	4,930	4,900
Provisions	204	319	365	412	480	510	561	619	667	722
Total Non-Current Liabilities	2,419	2,436	5,472	10,208	11,619	9,950	8,529	7,085	5,567	5,622
TOTAL LIABILITIES	51,560	53,275	60,054	70,241	71,713	72,217	72,451	75,408	77,441	80,753
NET ASSETS	2,564,785	2,650,964	2,751,001	2,838,605	2,933,828	3,029,620	3,148,248	3,258,333	3,390,055	3,497,212
EQUITY										
Retained Earnings	1,913,018	1,940,217	1,985,294	2,027,610	2,065,475	2,101,939	2,168,362	2,206,028	2,272,370	2,311,777
Revaluation Reserves	651,767	702,747	765,716	810,995	868,353	927,681	988,026	1,052,305	1,117,685	1,185,435
Total Equity	2,564,785	2,650,964	2,751,001	2,838,608	2,933,828	3,029,620	3,148,248	3,258,333	3,390,055	3,497,212

ITEM 3 (continued)

ATTACHMENT 6

Scenario 3 STATEMENT OF CASH FLOWS For the year	Budget 2017/18 (\$'000)	Proposed 2017/18 (\$'000)	Proposed 2018/19 (\$'000)	Proposed 2019/20 (\$'000)	Proposed 2020/21 (\$'000)	Proposed 2021/22 (\$'000)	Proposed 2022/23 (\$'000)	Proposed 2023/24 (\$'000)	Proposed 2024/25 (\$'000)	Proposed 2025/26 (\$'000)
CASH FLOWS FROM OPERATING ACTIVITIES										
Receipts:										
Rates and Annual Charges	82,218	89,430	92,775	96,823	101,092	105,548	110,202	115,052	120,195	125,433
User Charges and Fees	16,571	17,315	17,978	18,795	19,639	20,558	21,541	22,581	23,628	24,748
Investment and Interest Revenue Received	4,165	4,377	4,587	4,977	5,663	6,334	7,222	8,182	9,350	9,656
Grants and Contributions	24,670	25,526	26,471	27,534	27,284	26,797	21,791	26,967	45,188	44,880
Bonds, Deposits and Refund amounts received	-	-	-	-	-	-	-	-	-	-
Other	8,294	9,494	9,693	9,934	11,303	12,031	12,361	12,621	12,977	13,214
Payments:										
Employee Benefits and On-Costs	(54,415)	(55,785)	(57,071)	(58,245)	(59,784)	(61,294)	(62,625)	(63,834)	(65,015)	(66,238)
Materials and Contracts	(32,932)	(32,715)	(32,605)	(32,520)	(32,567)	(32,842)	(32,929)	(32,927)	(33,027)	(32,889)
Borrowing Costs	(145)	(145)	(323)	(593)	(884)	(926)	(625)	(443)	(378)	(294)
Bonds, Deposits and Refund amounts refunded	-	-	-	-	-	-	-	-	-	-
Other	(25,149)	(26,729)	(28,929)	(29,632)	(31,394)	(32,029)	(32,655)	(32,199)	(28,669)	(21,449)
Net Cash provided (or used in) Operating Activities	38,715	46,712	55,443	55,302	54,648	58,948	70,555	73,090	92,845	87,946
CASH FLOWS FROM INVESTING ACTIVITIES										
Receipts:										
Sale of Investment Securities	-	-	-	-	-	-	-	-	-	-
Sale of Investment Property	-	-	-	-	-	-	-	-	-	-
Sale of Real Estate Assets	-	-	-	-	-	-	-	-	-	-
Sale of Infrastructure, Property, Plant and Equipment	1,000	1,058	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
Payments:										
Purchase of Investment Securities	-	-	-	-	-	-	-	-	-	-
Purchase of Investment Property	-	-	-	-	-	-	-	-	-	-
Purchase of Infrastructure, Property, Plant and Equipm	(49,134)	(50,297)	(53,196)	(59,199)	(69,982)	(67,453)	(61,892)	(68,026)	(68,451)	(74,386)
Purchase of Real Estate Assets	-	-	-	-	-	-	-	-	-	-
Net Cash provided (or used) in Investing Activities	(48,134)	(49,173)	(57,196)	(57,199)	(68,982)	(66,453)	(60,892)	(67,026)	(67,451)	(73,386)
CASH FLOWS FROM FINANCING ACTIVITIES										
Receipts:										
Proceeds from Borrowing and Advances	350	700	4,250	6,250	3,000	-	-	-	-	-
Payments:										
Repayment of borrowing and advances	(914)	(573)	(726)	(1,589)	(1,591)	(1,633)	(1,716)	(1,472)	(1,499)	(1,572)
Net Cash provided (or used) in Investing Activities	(564)	(673)	3,522	4,661	1,409	(1,633)	(1,716)	(1,472)	(1,499)	(1,572)
Net Increase / (Decrease) in Cash and Cash Equivalents	(2,983)	(2,740)	1,767	3,194	6,995	10,855	18,094	23,771	25,859	32,968
<i>plus:</i> Cash and Cash Equivalents - beginning of year	13,652	9,889	7,129	9,885	12,000	19,085	29,542	43,616	71,806	97,705
Cash and Cash Equivalents - end of year	9,669	7,149	8,896	12,079	19,085	29,942	48,036	71,806	97,705	130,674
<i>plus:</i> Investments on hand - EOY	188,579	188,579	188,579	188,579	188,579	188,579	188,579	188,579	188,579	188,579
Total Cash, Cash Equivalents and Investments	178,448	175,708	177,475	189,659	187,664	188,521	216,615	240,385	266,284	299,253

4 LOCAL GOVERNMENT ELECTION 2017 - "ELECTORAL MATTER", USE OF COUNCIL RESOURCES, CARETAKER PROVISIONS AND MEETING SCHEDULE

Report prepared by: Governance Coordinator
File No.: CLR/07/8/98 - BP17/694

REPORT SUMMARY

This report addresses a number of issues related to the upcoming 9 September 2017 Local Government Election.

The report also contains discussion of the Office of Local Government's advice regarding Council publications being 'Electoral Matter' and the use of Council resources and facilities during the period 31 July 2017 to 9 September 2017. The report also identifies that the Caretaker Period commences on 11 August 2017, and the areas where Council decision making is limited during the four weeks prior to the Election.

The report also recommends that the final Council meeting of this Council is to be Tuesday, 22 August 2017.

RECOMMENDATION:

- (a) That Council note and endorse the actions detailed in this report relating to the use of Council resources and the publishing of 'Electoral Matter' during the regulated period which commences on 31 July 2017;
- (b) That Council note the caretaker provisions as prescribed in the Local Government (General) Regulation 2005; and
- (c) That Council endorse 22 August 2017 as the last Council meeting prior to the 2017 Local Government Elections, noting that the caretaker provisions commence on 11 August 2017.

ATTACHMENTS

- 1 OLG Circular 17-12: Electoral Matters - 14 June 2017
- 2 OLG Circular 17-11 Caretaker provisions - 14 June 2017

Report Prepared By:
Lorie Parkinson
Governance Coordinator

Report Approved By:
John Schanz
Manager - Risk, Audit and Governance

Roy Newsome
Acting Director - Corporate and Organisational Support Services

ITEM 4 (continued)

Discussion

The Office of Local Government (OLG) has recently issued Circular 17-12: “Electoral Matter” and the use of council resources prior to local government elections (**ATTACHMENT 1**). This Circular advises that Council officials must not use council resources, property (including intellectual property), and facilities for the purposes of assisting their election campaign or the election campaign of others unless the use is lawfully authorised and proper payment is made where appropriate.

Additionally it is noted that under Council’s Code of Conduct (clause 7.16-7.17), the following must not be used for the purpose of assisting anyone’s election campaign:

- Council resources, property or facilities (unless the resources, property or facilities are otherwise available for use or hire by the public and any publicly advertised fee is paid for use of the resources, property or facility); or
- Council letterhead, council crests and other information that could give the appearance it is official council material.

This OLG circular also addresses Council activities during the regulated period for an election. Clause 356A – Interpretation, of the *Local Government (General) Regulation 2005* states that:

regulated period for an election means:

- the period starting with the closing date and ending at 6 pm on election day, and*
- all days to which polling for the election is adjourned.*

For the 9 September 2017 election, the regulated period commences on Monday 31 July 2017, which is 40 days preceding the election day.

During this regulated period, Councils are to consider whether their publications could amount to being classified as electoral matter. “Electoral matter” for the purposes of the *Local Government (General) Regulation 2005* broadly includes any matter that is intended or likely to affect voting in an election.

Council publications that promote the achievements of the council may potentially fall within the definition of “electoral matter” – this could include websites, newsletters, e-newsletter, media releases, published speeches, brochures on services/facilities, advertisements, letters to residents and newspapers. The name, photograph and likeness of a candidate also fall within the definition of “electoral matter”.

ITEM 4 (continued)

To clarify what is meant by the phrase “electoral matter”, and to assist in being with its consistent implementation, the OLG has provided a Frequently Asked Questions document. This is contained in **ATTACHMENT 1**.

Particular points to note are:

Council’s Mayoral column is considered “electoral matter”

As advised, Councils should instead consider publishing the Mayor’s column as a generic Council column during this regulated period.

Council’s end-of-term report may constitute “electoral matter”

As the End of Term report identifies the achievements of the council over its preceding term, this has the potential to impact on voting at the election. The End of Term report is to be presented to the final meeting of an outgoing council as part of the business papers of the meeting. However, because the final meeting of the outgoing council will fall within the 40 day “regulated period” preceding the election, councils should refrain from publishing the end-of-term report as a separate publication until after the elections on 9 September 2017.

Council’s updated End of Term report will be reported to Council’s 22 August 2017 Meeting.

Councillors who are candidates must not use Council arranged events that they attend in an official capacity to actively campaign. However, they are not precluded from attending or presiding over these events, or expressing their own political views at such events. This includes being able to comment to the media, as long as that comment is not inconsistent with Council’s media policy, and is not made in a Council publication or broadcast that is paid for by Council, or produced by or using Council resources.

Council decision-making prior to the September 2017 local government elections

The Office of Local Government (OLG) has also recently issued Circular 17-11: Council decision-making prior to the September 2017 local government elections (**ATTACHMENT 2**). This circular reminds Councils that the exercise of some of their functions is limited during the four weeks preceding the date of a local government election, in accordance with Clause 393B of the *Local Government (General) Regulation 2005*. This period is known as the Caretaker period. It commences on Friday 11 August, 2017 and ends on Saturday 9 September 2017.

ITEM 4 (continued)

Councils, the general manager or any other delegate of the council (other than a Joint Regional Planning Panel) must not exercise the following functions during the caretaker period:

- Entering into any contract or undertaking involving an expenditure or receipt by the council of an amount equal to or greater than \$150,000 or 1% of the council's revenue from rates in the preceding financial year (whichever is the larger). This figure is \$528.8K based on the 2015/16 financial statements;
- Determining a "controversial development application", except where a failure to make such a determination would give rise to a deemed refusal, or such a deemed refusal arose before the commencement of the caretaker period.

"Controversial development application" means a development application under the *Environmental Planning and Assessment Act 1979* for which at least 25 persons have made submissions under section 79(5) of that Act by way of objection.

- Appointing or reappointing the council's general manager (except for temporary appointments).

In certain circumstances, these functions may be exercised with the approval of the Minister.

Meeting Schedule

Council is required to review its meeting schedule and determine the date for the last Council Meeting prior to the 2017 Local Government Elections. Although caretaker provisions commence on 11 August 2017, Council is still able to hold meetings after the commencement of the caretaker period in order to conduct Council business.

Council's current meeting schedule, as adopted on 23 August 2016, includes a Council meeting on 22 August 2017. This report recommends that Council endorse 22 August 2017 as the last Council meeting prior to the 2017 Local Government Elections, noting that the caretaker provisions commence from 11 August 2017.

Financial Implications

Adoption of the recommendations will have no financial impact.

ITEM 4 (continued)

ATTACHMENT 1

Strengthening local government



Circular to Councils

Circular Details	17-12 / 14 June 2017 / A547255
Previous Circular	16-20
Who should read this	Councillors / Administrators / General Managers / All council staff for the 46 councils with elections on 9 September 2017.
Contact	Council Governance Team - 4428 4100 – olg@olg.nsw.gov.au
Action required	Information / Council to Implement

“Electoral matter” and use of council resources prior to local government elections

What’s new or changing

- Council officials (including Administrators) must not use council resources, property (including intellectual property), and facilities for the purposes of assisting their election campaign or the election campaign of others unless the use is lawfully authorised and proper payment is made where appropriate.
- In the 40 days preceding the election, councils (including councils currently under Administration) need to consider whether their publications could amount to an “electoral matter”.

What this will mean for your council

- Council officials (including Administrators) must use council resources lawfully, ethically, effectively and carefully keeping in mind the council’s code of conduct and other policies such as the policy on the payment of expenses and the provision of facilities to mayors and councillors.
- “Electoral matter” for the purposes of the *Local Government (General) Regulation, 2005* broadly includes any matter that is intended or likely to affect voting in an election. The name, photograph and likeness of a candidate fall within the definition of “electoral matter”.
- Council publications that promote the achievements of the council may also potentially fall within the definition of “electoral matter”.

Key points

- Under the Model Code of Conduct, the following must not be used for the purpose of assisting anyone’s election campaign:
 - council resources, property or facilities (unless the resources, property or facilities are otherwise available for use or hire by the public and any publicly advertised fee is paid for use of the resources, property or facility); and
 - council letterhead, council crests and other information that could give the appearance it is official council material.
- Breaches of a council’s code of conduct may result in disciplinary action.
- Councils and council officials (including Administrators) should be mindful of the need to maintain community confidence in the integrity of the performance of the council’s functions and activities in the lead-up to

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ITEM 4 (continued)

ATTACHMENT 1

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elections. Councils (including those currently under administration) should be mindful of how the community may perceive any of their activities or actions during this time.

Where to go for further information

- For further clarification on "electoral matter", refer to "Frequently Asked Questions" attached to the Circular.
- For further information, contact the Office's Council Governance Team on 4428 4100.



Tim Hurst
Acting Chief Executive

ITEM 4 (continued)

ATTACHMENT 1



Frequently Asked Questions

Q. What is "electoral matter"?

"Electoral matter" for the purposes of the *Local Government (General) Regulation 2005* (the Regulation) broadly includes any matter that is intended or likely to affect voting in an election. The name, photograph and likeness of a candidate also fall within the definition of electoral matter.

The regulatory requirements that relate to "electoral matter" and "electoral material" under the Regulation apply in the 40 days preceding the election.

Q. Can council publications be "electoral matter"?

A council publication that makes no reference to councillors or Administrators who are candidates and does not carry their images or statements would not constitute electoral matter if it is not intended or likely to affect voting at the election.

However, council publications that promote the achievements of the council may potentially have this effect and therefore may constitute "electoral matter" even if they do not carry the images or statements of councillors or Administrators who are candidates. This potentially includes end-of-term reports. More information on this is provided below.

Ultimately whether a council publication constitutes "electoral matter" is an assessment that needs to be made by each council on a case-by-case basis. If a council is in doubt, then it should defer issuing the publication until after the election.

Q. Does the Mayoral column constitute "electoral matter"?

Yes. Because the Mayoral column carries the Mayor's image and name, it will constitute electoral matter. The same consideration applies to Administrators' columns where the Administrator is a candidate. Councils should instead consider publishing the Mayoral or Administrator's column in the 40 days preceding the election as a generic council column.

Q. Does the end-of term report constitute "electoral matter"?

Because the end of term report identifies the achievements of the council over its preceding term it may potentially constitute "electoral matter" because of its potential to impact on voting at the election.

Q. Can the end of term report be reported to council during caretaker period?

ITEM 4 (continued)

ATTACHMENT 1

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Yes. The end-of-term report *must* be presented to the final meeting of an outgoing council. The provisions in the Regulation relating to "electoral material" do not prevent the end-of-term report being presented to the council or from being made available on a council's website as part of the business papers of the meeting.

However, because the final meeting of the outgoing council will normally fall within the 40 day "regulated period" preceding the election, councils should refrain from publishing the end-of-term report as a separate publication until after the elections on 9 September 2017. The end-of-term report should be appended to that year's annual report.

The 20 new councils proclaimed in 2016 are not required to prepare an end-of-term report.

Q. Can councillors and Administrators who are candidates attend council-arranged or community events?

Nothing in this circular should be interpreted as preventing councillors or Administrators who are candidates from attending or presiding over council-arranged or community events in the lead up to the election.

Q. Can councillors and Administrators who are candidates make "political statements" at council-arranged events?

Councillors and Administrators who are candidates must not use council arranged events that they attend in an official capacity to actively campaign for re-election. However, nothing under the Model Code would serve to preclude a councillor or an Administrator who is a candidate from expressing their political views or making political statements at such events.

Q. Can councillors and Administrators who are candidates make comments in the media?

This circular does not seek to prevent councillors or Administrators who are candidates from offering media comment, provided that comment is not made in an advertisement, newspaper column, or a radio or television broadcast paid for by the council or produced by the council or with council resources and the comment is not inconsistent with the council's adopted media policy.

ITEM 4 (continued)

ATTACHMENT 2



Circular Details	17-11 / 14 June 2017 / A547255
Previous Circular	16-18
Who should read this	Councillors / General Managers / All council staff for the 46 councils with elections on 9 September 2017
Contact	Council Governance Team - 4428 4100 – olg@olg.nsw.gov.au
Action required	Information / Council to Implement

Council decision-making prior to the September 2017 local government elections

What's new or changing

- Clause 393B of the *Local Government (General) Regulation 2005* limits councils' ability to exercise some of their functions in the four weeks preceding the date of a local government election (the caretaker period).

What this will mean for your council

- Councils are expected to assume a "caretaker" role during election periods to ensure that major decisions are not made which would limit the actions of an incoming council.
- Councils, the general manager or any other delegate of the council (other than a Joint Regional Planning Panel or the Central Sydney Planning Committee) must not exercise the following functions during the caretaker period:
 - Entering into any contract or undertaking involving an expenditure or receipt by the council of an amount equal to or greater than \$150,000 or 1% of the council's revenue from rates in the preceding financial year (whichever is the larger);
 - Determining a "controversial development application", except where a failure to make such a determination would give rise to a deemed refusal, or such a deemed refusal arose before the commencement of the caretaker period;
 - Appointing or reappointing the council's general manager (except for temporary appointments).
- In certain circumstances, these functions may be exercised with the approval of the Minister.

Key points

- "Controversial development application" means a development application under the *Environmental Planning and Assessment Act 1979* for which at least 25 persons have made submissions under section 79(5) of that Act by way of objection.
- The caretaker period for the September 2017 local government elections commences on Friday 11 August 2017 and ends on Saturday 9 September 2017.

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Strengthening local government

ITEM 4 (continued)

ATTACHMENT 2

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Where to go for further information

- For further information, contact the Office's Council Governance Team on 4428 4100.



Tim Hurst
Acting Chief Executive

CONFIDENTIAL ITEMS

5 ADVICE ON COURT ACTIONS

Confidential

This item is classified CONFIDENTIAL under Section 10A (2) of the Local Government Act, 1993, which permits the meeting to be closed to the public for business relating to the following: (g) advice concerning litigation, or advice as comprises a discussion of this matter, that would otherwise be privileged from production in legal proceedings on the ground of legal professional privilege.

This matter is classified confidential because it contains advice concerning legal matters that are:-

- (a) substantial issues relating to a matter to which the Council is involved.
- (b) clearly identified in the advice, and
- (c) fully discussed in that advice.

It is not in the public interest to reveal all details of this matter as it would prejudice Council's position in any court proceedings.

Report prepared by: Solicitor

File No.: GRP/09/5/8 - BP17/711

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