Wingecarribee Shire Council

Resourcing Strategy 2017–2027

Adopted June 2017

Working with you

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WINGECARRIBEE SHIRE COUNCIL

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Disclaimer

The information contained in this document provides a general overview on the long-term financial position of Wingecarribee Shire Council. Council reserves the right to make changes to this Plan accordingly. This Long Term Financial Plan contains information based on forward estimates and modelling which have been prepared using assumptions available at the time of publication.

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Introduction

Council's Long Term Financial Plan forms part of the organisation's Resourcing Strategy.

In line with the *Local Government Amendment (Planning and Reporting) Act 2009*, Council is required to review and update its suite of Integrated Planning and Reporting (IPR) documents every four years, generally at the commencement of each new Council term.

Council last updated its Resourcing Strategy in February 2016 as a result of a Special Rate Variation application (Investing in our Future Plan) which was submitted to the Independent Pricing and Regulatory Tribunal (IPART) and subsequently approved in May 2016.

The Resourcing Strategy gives consideration to the capacity for Wingecarribee Shire Council (WSC) to deliver on its responsibilities within *Wingecarribee 203*1 (W2031), our Community Strategic Plan. It also considers the broad range of regulatory and statutory frameworks which must also be met. Council has undertaken extensive community consultation as part of its review and updating of the Community Strategic Plan.

Further details regarding this consultation is provided in the Community Strategic Plan.

Figure 1 below outlines Council's IPR framework and the relationship between the Resourcing Strategy and other elements of the framework.

Figure 1: Wingecarribee Shire Council Integrated Planning and Reporting Framework

The Resourcing Strategy incorporates the following components:

Council's Workforce Plan

- The Workforce Plan is focused on:
- Developing and maintaining a skilled workforce
- Our workforce is structured to achieve W2031
- Workforce attraction and retention
- Workforce equity and diversity

Council's Strategic Asset Management Plan

Council's overarching Strategic Asset Management Plan is part of a larger asset management framework. That framework represents Council's intention to maintain our community's infrastructure, together with other levels of government and stakeholders, to meet the needs of our community. It is critical to the achievement of the Plan that sufficient funding is provided over the life of the Plan, to ensure that infrastructure provides services to a standard our community agrees to and can afford.

Council's Long Term Financial Plan

The Long Term Financial Plan (LTFP) focuses on Council's goal of financial sustainability and delivering quality services to the community. The LTFP is a decision making tool and is not intended to be a document that specifically indicates what services or proposed funds should be allocated. This plan addresses the areas that impact Council's ability to fund services and capital works, whilst ensuring Council operates within its means to enable financial sustainability.

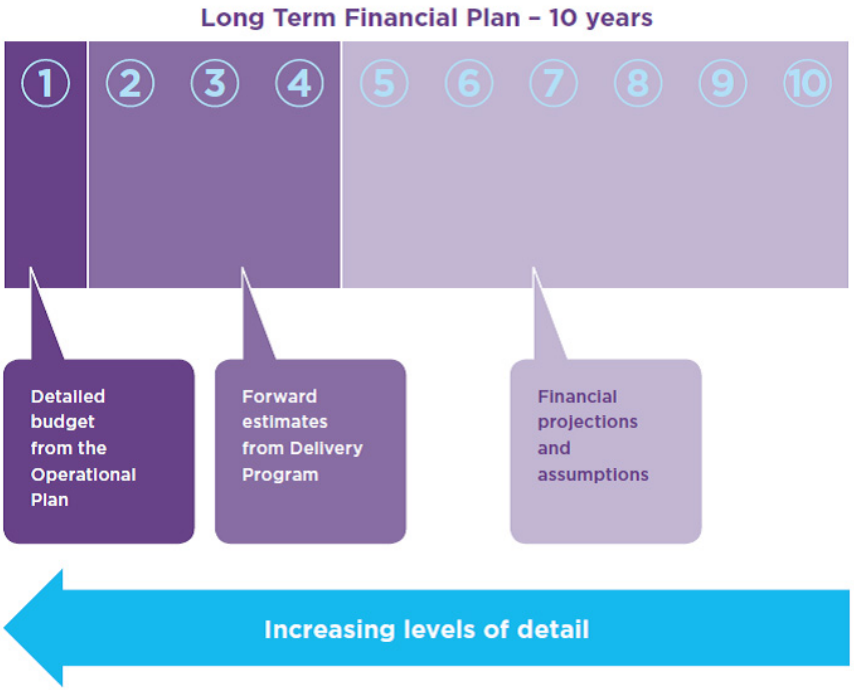

Figure 2: LTFP planning process

What is a Long Term Financial Plan?

The Long Term Financial Plan expresses in financial terms the activities that Council proposes to undertake over the short, medium and long term and iteratively guides the future strategies and actions of Council to ensure it continues to operate in a sustainable manner.

The Long Term Financial Plan is a necessary component of Council's Resourcing Strategy. It includes the financial modelling of actions and strategies contained within Council's Asset Management Plan and Workforce Plan, as well as other non- asset related strategies adopted by Council.

The Long Term Financial Plan acts as a tool for stakeholders (Council and the community) to use in deciding what resources Council needs to apply to deliver on the outcomes contained within the Community Strategic Plan – *Wingecarribee 2031*.

The Long Term Financial Plan is for a period of ten years and includes the following:

- the planning assumptions used to develop the plan
- sensitivity analysis and testing
- financial modelling for different scenarios*
- methods of monitoring financial performance

*Council's Long Term Financial Plan is modeled on achieving the stated benchmarks within its Fit for the Future Improvement Plan and delivering its Investing in Our Future commitments. As such there is only one scenario included in this plan. This will be reviewed on an annual basis and scenarios included as required.

The financial modelling for each fund is presented in the format of Council's primary financial statements namely, the Income Statement, Balance Sheet and Cashflow Statement.

Typically, the Long Term Financial Plan is updated annually as part of Council's annual budget process. Upon the review and adoption of a new Community Strategic Plan every four years, a detailed review of the Long Term Financial Plan is undertaken to ensure it still represents the key directives and service priorities identified in the Community Strategic Plan, *Wingecarribee 2031*.

Wingecarribee Shire Council is the Water and Sewer Authority for the Wingecarribee Shire. As required under the Local Government Act, Council has in place separate accounting funds for its general operations, water operations and sewer operations. This Long Term Financial Plan includes the consolidated financial statements, and models for each respective fund.

Local Government Reform
Fit for the Future

In 2014, the NSW State Government initiated its *Fit for the Future* local government reform program. This required all NSW councils to submit a proposal demonstrating its plans to achieve long term financial sustainability and meet seven asset and financial benchmarks.

As a part of our *Fit for the Future* process we reviewed the condition of our assets and detailed long term financial modelling. This information told us that we had a significant recurrent funding gap for infrastructure renewal and maintenance and needed to invest an additional $8.5 million per year. This additional investment would ensure that the number of assets in poor condition does not continue to grow.

On the 26 June 2015, Council submitted its *Fit for the Future Improvement Proposal* to IPART. This Proposal identified a number of strategies including an application for a Special Rate Variation to fund the identified asset maintenance and renewal gap. Other strategies included:

- Work Health Safety Initiatives to reduce workers compensation premiums
- Continue to refine asset management data
- Undertake a review of Council assets to determine utilisation rates
- Community levels of service engagement for all asset classes completed and used to review and prioritise backlog and works program
- A review of fees and charges for high priority items
- A Revised Workforce Management Plan including Organisational Development Strategy to ensure flexible workforce structure and practices
- Continue to participate in regional collaborative approaches and partnerships
- Implementation of business improvement strategies as part of Council's Internal Audit Program
- Revision and enhancement of procurement practices to ensure best value is achieved.

On the 20 October 2015, the NSW State Government released its findings under the *Fit for the Future* reform process. Wingecarribee Shire Council was deemed to meet the financial benchmarks (within the required timeframes) and have sufficient scale and capacity to remain a stand-alone Council, based on its submitted Improvement Plan.

An integral part of the Improvement Plan was the *Investing in our Future* – Special Rate Variation. This Special Rate Variation was submitted to IPART and subsequently approved in May 2016. The Special Rate Variation was an important step in allowing Council to maintain and manage our current assets and to ensure that we continue to deliver services in line with community expectations, while remaining financially sustainable into the future.

Investing in our Future
Special Rate Variation

Our community has consistently told us that assets like roads, footpaths and drainage are important to them, but we need to improve their condition.

This was confirmed as part of our Fit for the Future assessment where we reviewed the condition of our assets and its impact on our long term financial modelling. This information told us that we had a significant funding gap for infrastructure and that we needed to invest an additional $8.5 million per year.

In October 2015, residents were provided with three options based on differing levels of funding for the maintenance and renewal of community infrastructure. This information was provided in a brochure which was distributed to every household across the Shire.

In December 2015, the results of the community consultation were presented to Council for consideration. Based on this feedback, Council notified IPART of its intention to apply for a Special Rate Variation, with the application submitted in February 2016.

The application was for a Special Rate Variation of 8.85% in the first year, 9.25% in the following two years and 12.15% in the fourth year. This included the 1.8% approved rate peg in 2016/17 and an assumed rate peg of 2.5% in proceeding years. The application requested a cumulative increase of 45.3% (or 35.67% over the allowable increase) over a four-year period. We also included the continuation of the Environmental Levy which has been in place since 2000. The application was for a permanent increase in council's rate revenues.

Council was advised in May 2016 that its application had been approved in full. Details regarding our application, including all submissions made to IPART can be found on their website, www.ipart.nsw.gov.au.

Under this plan, Council will be able to significantly improve the quality of our community assets by being able to fund its required asset renewal and maintenance. We will also continue to look after our environment and be able to undertake new work to fill essential asset gaps.

This plan will generate $98.1 million over 10 years and will allow an *additional* spend of:

- $51.4 million on roads, road drainage, footpaths and shared pathways;
- $26.8 million on stormwater drainage;
- $15.8 million on buildings;
- $4.1 million parks and open spaces.

Our Strategic Priorities

To continue our journey from the *Fit for the Future* local government reform agenda, our Councillors have committed to seven strategic priorities to ensure Wingecarribee Shire is a better place to live, work and visit. These priorities will be delivered during the four-year Delivery Program timeframe and will be a key driver of decision making during this council term. Our council is committed to further building trust with the community and providing a model for collaborative civic leadership and ethical governance. The seven Councillor strategic priorities are outlined below:

1. **Responsible financial management** Council acknowledges it is the custodian of public funds and the community's assets. We are committed to ensuring finances are managed responsibly. This means we will prudently allocate funds to ensure a balanced budget is maintained both short and long term. We will actively pursue opportunities to diversify and maximise revenue streams to deliver services and community infrastructure. We are committed to ensuring that where key community infrastructure is constructed all funding options will be considered.

2. **Improving our community assets** Improving the standard of our community assets, such as roads, buildings, drainage and parks is a key focus for Council. This means investing more money into asset renewal and maintenance of our community assets over the Council term to better meet the expectations of our community. In 2016 Council adopted its *Investing in our Future* program which paved the way for a long term funding model which will address an $8.5 million shortfall annually in funding asset renewal and maintenance. We will deliver a number of signature road renewal projects including Old South Road, Wilson Drive, Throsby Street, Exeter Road, Merrigang Street and Church Street (Burrawang).

3. **Protecting our natural environment** Council is dedicated to protecting our unique environment through its Environment Levy to ensure that projects and programs are implemented that protect and enhance our natural environment.

4. **Delivery of significant infrastructure projects** We have committed to delivering key infrastructure projects for the community. This includes rectification works at Mittagong Pool, a major redevelopment of Bowral Memorial Hall, essential rectification works for Council's Civic Centre, major upgrades to the Shire's Sewer Treatment Plants and transport upgrades including Station Street, Bowral and Berrima Road deviation.

5. **Better service alignment and delivery** To ensure we deliver services which are in line with community expectations a comprehensive review of all Council services will be undertaken. A detailed business analysis and a broad community engagement program will underpin the services review program.

6. **Business transformation** We recognise that the community has an expectation that the way we interact with them should reflect modern business processes utilising modern technologies. We are committed to ensuring the systems and process that support service delivery and the way we interact with our customers is responsive and provides a variety of methods for interaction.

7. **Community Wellbeing** We are committed to promoting and supporting initiatives that enhance our community's wellbeing. We will achieve this by strengthening partnerships with State and Federal agencies, and community organisations to ensure community services and employment opportunities are enhanced and provided locally. Further, we are dedicated to fostering community spirit, inclusiveness and participation in community life by providing and working collaboratively with others to deliver a range of programs, events, festivals and community celebrations.

Long Term Financial Plan
Planning Assumptions

In conjunction with the seven strategic priorities committed to by our Councillors, this Long Term Financial Plan has been reviewed and updated using the following key assumptions:

Rates and Annual Charges

Council was advised in December 2016 that IPART had determined a rate peg for 2017/18 of 1.5%. The increase in the **Local Government Cost Index** had been determined to be 1.47%. The Local Government Cost Index is a measure of the increase in operational costs incurred by NSW councils for services and activities funded from general rate revenue. The increase was rounded up by 0.03% to arrive at the approved rate peg for 2017/18 of 1.5%.

As outlined earlier in this plan, Council sought and subsequently received approval form IPART for a **Special Rate Variation** to commence in the 2016/17 financial year. This application was approved in full.

The application was for a Special Rate Variation of 8.85% in the first year, 9.25% in the following two years and 12.15% in the fourth year. This included the 1.8% approved rate peg in 2016/17 and an assumed rate peg of 2.5% in proceeding years. The application requested a cumulative increase of 45.3% (or 35.67% over the allowable increase) over a four-year period. We also included the continuation of the Environmental Levy which has been in place since 2000. The application was for a permanent increase in Council's rate revenues.

Under the approved rate increase instrument, Council intends on applying this rate increase during the period 2016/17 to 2019/20. The Special Rate Variation factored in a required increase for general operations of 2.5% for the 2017/18 financial year.

In line with IPART's determination in May 2016, Council has now secured the future of its **Environmental Levy**, which is now a permanent revenue source in Council's Long Term Financial Plan. Council is committed to the continuation of this extremely important environmental initiative which has now been in place since 2000. The Environmental Levy is used to fund specific environmental projects which aim to address biodiversity conservation, river health and wetlands and sustainable living.

From 2020/21, the LTFP projects an increase in the **rate pegging** amount set by IPART of 2.5% per annum for the duration of the plan. The LTFP includes a provision for growth in rate income due to new development of 0.5% per annum.

Council currently levies properties which receive a stormwater service a minimum of $25 per annum charge **(Stormwater Management Levy)**. This plan includes the continuation of this charge. Funds raised through the Stormwater Management Levy must only be used on stormwater maintenance and improvements.

Council also provides a wide range of domestic waste services to residents and businesses within the shire. **Domestic Waste Annual Charges** are projected to increase by 2.5% per annum over the course of this plan (in-line with projected inflation). Council can only use income raised through domestic waste charges for the purpose of providing domestic waste management services.

At the time of updating this plan, Council is considering the approval of an **annual clean-up service at no cost for eligible pensioners**. The cost of this service has been calculated at $306,100 per annum. If Council approves this service, Domestic Waste Annual Charges will need to increase by an additional 4%. This would then be factored into the pricing structure for waste services on a permanent basis.

After undertaking an extensive review of operational expenditure, existing cash reserves and future capital expenditure requirements, Council is proposing no increase in **Water Access Charges** for the 2017/18 financial year. This will be the second year in a row that Council has been able to maintain the same pricing structure for its water service. This decision is made with careful consideration on the long-term impact on the financial sustainability of the water fund. For future years, Council has included a 2.5% price increase to offset the operational and maintenance cost of water supply to the Shire.

In conjunction with the review undertaken into Water Access Charges, a similar review has been completed for **Sewer Access Charges**. Council's Sewer fund has significant capital upgrade requirements over the next ten years which will be funded through a combination of loans, developer contributions and cash reserves. To enable Council to build sufficient cash reserves, it is proposed to increase Sewer Access Charges by 3.02% in the 2017/18 financial year. For future years, Council has included a 2.5% increase to offset the operational, maintenance and capital cost of sewer services to the Shire.

User Fees and Charges

Income from user fees and charges is primarily received for services relating to **building and development applications, planning services, recreation and community facilities**. In updating this plan, Council has included a 2.5% increase per annum in user fees and charges (in-line with projected inflation).

Council is continuing to undertake its **strategic review of its fees and charges** which commenced as part of the 2016/17 budget. This review is aimed at ensuring fees for Council services reflect the actual cost of service provision based on full cost recovery principles (with the exception of those services which are subsidised by consolidated revenue to ensure access and participation to all residents).

Areas which have been reviewed and subsequently increased (greater than 2.5%) as part of the 2017/18 budget include children services, road closures and trade waste charges.

While Council has projected a 2.5% increase per annum in user fees and charges, it is important to note that a number of fees and charges (such as development application fees) are set by legislation. As such, Council has no control over its ability to ensure that fee increases are in line with the cost of providing the service. Council will continue to closely monitor the impact of **regulatory fee increases** on its Long Term Financial Plan.

Council prepares its water supply pricing structure in accordance with the guidelines set by the NSW Office of Water. Council is proposing no increase in **Water Supply Charges** for the 2017/18 financial year. This will be the second year in a row that Council has been able to maintain the same pricing structure for its water service. This decision is made with careful consideration on the long-term impact on the financial sustainability of the water fund. For future years, Council has included a 2.5% increase to offset the operational and maintenance cost of water supply to the Shire.

Council operates the Wingecarribee **Resource Recovery Centre** which is located in Moss Vale. Fees and charges for the centre are prepared on the basis of full cost recovery, which also includes the waste levy imposed on transfer facilities by the NSW State Government. Council has made no assumption regarding any changes to the waste levy over the course of the Long Term Financial Plan.

Council has recently introduced a change in the accounting process for how revenue is reported for the **Moss Vale War Memorial Aquatic Centre**. The revenue and expenditure for this facility is now reported at gross value. This has led to a significant increase in projected revenue from user fees and charges when compared to previous versions of this plan. Revenue projections for the Centre for the 2017/18 financial year are $1.6 million.

Interest and Investment Income

Over the short-term, Council has not projected any significant improvement in interest rates. As such, Council has projected a weighted average return for **Investment Income** during the 2017/18 financial year of 2.50%. While interest rates are at historically low levels, Council's Long Term Financial Plan does assume that there will be gradual improvement to rates over the medium to long term.

Council's Investment Income forecasts have been reviewed in conjunction with the **Projected Level of Available Investment Funds**. Council has a number of significant capital improvement projects which are proposed to be funded from cash reserves over the next several years. These include the upgrade of Sewer Treatment Plants across the Shire (in combination with loans), the redevelopment of Bowral Memorial Hall, rectification of Mittagong Pool and essential repairs to the Moss Vale Civic Centre. These projects will result in a significant reduction in the level of cash reserves held by Council across all three funds.

The subsequent impact of funding these major projects is that the level of income generated through investment returns will reduce and/or remain stable over the first five years of this plan.

Other Revenue

Other revenue primarily represents income relating to **sale yard income, legal fees recovery, lease income and rebates and reimbursements**. The LTFP has allowed for a 2.5% increase per annum in other revenue.

There are no significant changes included in this plan which would indicate that Council will receive any significant increase (or decrease) in income from other revenue sources. It is important to note that other revenue in the 2015/16 and 2016 /17 financial years are significantly higher than other years. This is due to the recovery of Investment Funds relating to CDOs (Collateralised Debt Obligations).

Grants and Contributions for Operating Purposes

Council receives a number of recurrent (ongoing) and non-recurrent (one-off) grants from various Federal and State Government Departments.

The most significant of these grants is the **Financial Assistance Grant**. As part of the 2014/15 budget, the Federal Government announced a pause in the indexation of the Financial Assistance Grant for a period of three years. This places additional pressures on Council's budget. Further announcements regarding this freeze are expected as part of the 2017/18 Federal Budget which will be released in early May. Council has not included any increase in this grant over the course of this plan as there is still a great deal of uncertainty regarding what the Federal Government will announce as part of the 2017/18 Federal Budget.

Despite making a number of recommendations to IPART in response to their review into the NSW Local Government Rating System, no significant change has been included in this plan regarding the level of **Pensioner Rate Concessions** provided to eligible pensioners or the reimbursement of these concessions by the State Government.

While Council makes every effort to secure additional funding from Federal and State grants, the majority of these grants are one-off in nature and cannot be reliably included in Council's LTFP.

Despite the pausing of indexation on the Financial Assistance Grant and the uncertainty around non-recurrent grants, Council has allowed for a 2.5% increase per annum for other operating grants and contributions in the LTFP. This will largely be achieved through Council continuing to actively pursue all future grant funding opportunities.

Grants and Contributions for Capital Purposes

The major sources of capital revenue are Developer Contributions and the Federal Government's *Roads to Recovery Program*.

The level of grants and contributions shown in the first three years of this plan are significantly higher than other years as it includes funding secured from the NSW State Government for **Station Street Upgrade** and funding under the *National Stronger Regions Fund* (Federal Government Grant) for the **Berrima Road Deviation Project**.

Estimating the level of revenues received from **Developer Contributions** is extremely difficult as it is essentially market driven and depends on the timing of subdivision release. Developer Contributions have been modelled based on future land release projections. It is important to remember that both Section 94 Developer Contributions and contributions made under Development Servicing Plans (Water and Sewer Infrastructure) are payments which are restricted for the purpose for which the funds were collected.

Council has assumed a continuation of the **Roads to Recovery Program** for the duration of this plan (currently approved as a five year program). The level of funding available from 2017/18 onwards has returned to existing funding levels. The level of funding provided in the 2016/17 financial year was significantly higher due to the Federal Government's decision to allocate additional revenue from the fuel excise indexation.

Employee Costs

In anticipation of the announcement of the new Local Government (State) Award, Council has assumed an increase of 3% in **Salaries and Wages** for the 2017/18 financial year. For each subsequent year of this plan, Council has allowed for a 3% increase per annum in salaries and wages. In addition to the projected increase in the award, Council has factored in an additional 1% increase which relates to the performance appraisal system (PAS).

In line with Council's **Workforce Plan**, there is no significant increase in staffing levels over the course of the plan with the exception of additional staff resources in the first year – 2017/18. The 2017/18 Budget includes additional funding for Planning, Development and Regulatory Services which is aimed at improving customer service and reducing application determination times. The additional cost associated with this proposal has been factored into this plan, however no other significant increases have been considered.

While there will be a significant increase in project delivery over the course of this plan, particularly in the areas of asset maintenance and renewal, these works will largely be delivered through contract arrangements. Council will continue to closely monitor the best means of delivering this program of works and adjust its Workforce Strategy accordingly.

The plan also assumes there will be no change in the existing employment conditions (such as agreed working hours) for its workforce.

Council has recently introduced a range of **Work Health Safety Initiatives** aimed at reducing workers compensation premiums. This has included returning injured workers to employment more quickly and implementing robust systems and procedures to reduce the number of incidents where workers are injured. This is reflected in this plan with Council establishing a target for its workers compensation premium of 3% of total wages and salaries by 2023/24.

This plan also incorporates the Federal Government's decision to increase the level of the **Superannuation Guarantee Rate** to 12% by 2025/26. The current rate for superannuation payments of 9.5% will continue until 2020/21 with a phased increase to 12% by 2025/26.

Borrowing Costs

Council does not have a recurrent loan borrowings program. Council has a long standing practice where **loan funds** are only considered for infrastructure investment (Capital Expenditure) which provides inter-generational benefit. Council's loan liability for its Consolidated Fund as at 30 June 2016 was $39.982 million. The breakdown of this liability by fund is as follows:

General Fund	$16.736M
Water Fund	$2.534M
Sewer Fund	$20.712M
Total Loan Liability	**$39.982M**

Council has factored in an additional $44 million in loan borrowings over the course the of this long term financial plan relating to the upgrade of **Sewer Treatment Plants** across the Shire. A summary of these borrowing is shown below:

Sewer Treatment Plant	Loans	Reserves	Total
Bowral – Commence 18/19	$18.000M	$9.026M	**$27.026M**
Moss Vale – Commence 19/20	$9.000M	$16.564M	**$25.564M**
Mittagong – Commence 21/22	$17.000M	$12.830M	**$29.830M**
Total Funding Proposed	**$44.000M**	**$38.420M**	**$82.420M**

Council is currently undertaking a viability study which will review the benefits of consolidating these facilities into one major site against the upgrading of each individual Sewer Treatment Plant. The results of this viability study will be released over the next several months and will be used to inform updates of this long term financial plan.

As part of the NSW State Government's *Fit for the Future* Reform Agenda, the State Government announced that councils which were deemed to be fit could access **Loan Facilities from TCorp** (NSW Government Central Financing Agency) at competitive rates for future infrastructure projects. Council will consider all alternatives, including TCorp's loan facilities when seeking suitable market rates for these major projects.

Historically, Council has maintained a low **Debt Service Ratio** for its General Fund operations. This essentially means a greater proportion of operating revenue is used to provide services to the community as opposed to repaying debt. Council has used loan borrowings in the previous years to accelerate road improvement works under the Local Infrastructure Renewal Scheme and the construction of the Moss Vale War Memorial Aquatic Centre.

Council will continue to look towards loan borrowings as a responsible funding mechanism where the nominated project is a long-term intergenerational investment and where funding is available in Council's cash budget to meet the ongoing debt servicing costs. Provided below in **figure 3** is a chart which projects the level of outstanding debt for General Fund over the course of this plan:

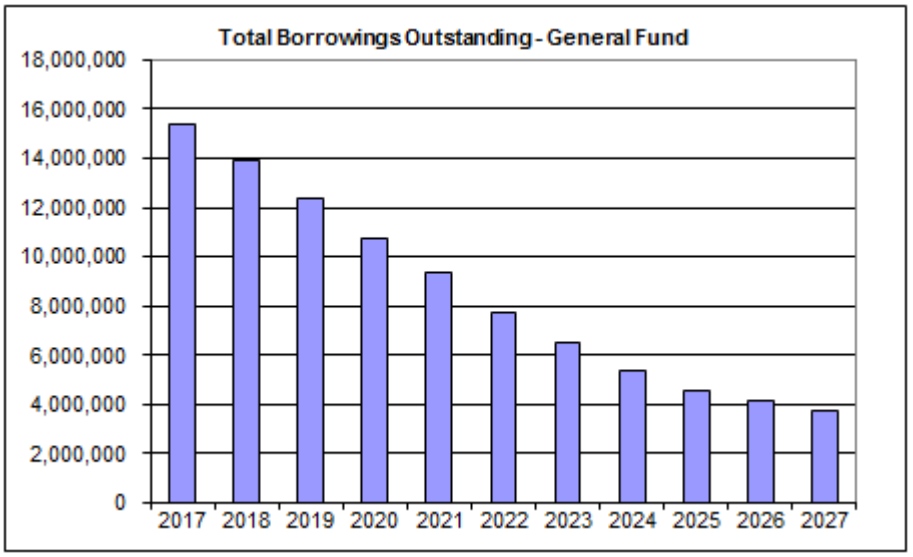

Figure 3: Total Borrowings Outstanding – General Fund

During the 2017/18 financial year, Council will develop a comprehensive **Loan Borrowings Strategy**, which incorporates all funds. This strategy will then inform future decisions regarding Council's appetite for debt and its capacity to service debt on a recurrent basis.

Materials and Contracts

In general terms, **Materials and Contracts** have been forecast to increase by approximately 2.5% per annum over the course of this plan. This is generally in line with the increase in the cost of materials and contract arrangements.

Council has also factored into this plan a significant increase in materials and contracts which relates to its infrastructure maintenance program. As highlighted in Council's **Report on Infrastructure Assets – Special Schedule 7** for the year ending 30 June 2016, Council currently only allocates 80% of the required funding for infrastructure maintenance. Through its *Investing in our Future* Plan, Council will address this gap by 2019/20. This will largely be achieved through an increase in materials and contracts.

Productivity Improvement Target and Cost Containment Strategies

In adopting the *Revised 2013/14 – 2016/17 Delivery Program*, Council endorsed an internal efficiency/saving program over the course of its Long Term Financial Plan which represents a minimum **Annual Savings program** of $234,000 per annum. This target is to be closely aligned with the Service Review Program which has been highlighted as one of the seven strategic priorities for this Council.

There will also be a need for Council to develop further cost containment strategies in future years of this Long Term Financial Plan. The years in which Council will need to carefully consider its budget priorities include 2022, 2025 and 2027.

Council's Long Term Financial Model has been developed on the basis of ensuring Council maintains a balanced budget position over the course of the plan. The **Service Review Program** and **Business Transformation Program** are two examples of significant organisational initiatives which will contribute to a broader savings program over the long term horizon.

Depreciation Expense

Depreciation forecasts have been prepared in consultation with Council's asset management staff. While Council's **Asset Management Data** has improved significantly over the past several years, it is expected that Council will continue to refine the quality of its data as revaluations are undertaken in accordance with the Office of Local Government's prescribed timetable.

Council has included a reduction target in **Depreciation Expense** of approximately 10% (per asset class) over the next four years. This will essentially be achieved through detailed asset condition assessments and a further refinement of the useful lives of infrastructure assets.

Other Expenses

Other expenses primarily represent payments and expenditure relating to electricity and gas, insurance premiums, waste disposal fees, street lighting and statutory contributions. This plan has allowed for a 2.5% increase per annum in other expenses which is in-line with projected inflation.

It is important to note that Council cannot exercise any control over the level of expenditure relating to **Statutory Payments**. These payments relate to election costs, emergency services levy and the waste disposal levy. Council will continue to closely monitor the impact of statutory payments on its Long Term Financial Plan.

Long Term Financial Plan
External Influences

Wingecarribee Shire Council is not unlike any other Council in New South Wales and is potentially exposed to a range of external factors which may impact on its long term financial projections.

There are a range of external factors which in the future could have a detrimental impact on Council's financial sustainability. These factors represent areas of the budget where Council cannot exercise any control (or has limited control), or where Council has limited ability to predict their impact over the long-term course of this plan.

Economic Conditions

Council's Long Term Financial Plan does not predict any significant shift in current economic conditions. If the global economy were to experience another Global Financial Crisis, or if the domestic economic climate was to further deteriorate, then this would have a significant impact on Council's plan.

Council's revenue forecasts are heavily influenced by the wider economy, and as such any significant change will require Council to review this plan.

Revenue Constraints - Rate Pegging

Until recently, NSW was the only state in Australia where the level of rate income a Council can raise is restricted by rate pegging. This has meant that for years, the level of income raised by Council has not been sufficient to meet the increased costs of providing services and infrastructure to our community.

Whilst councils have been able to apply for rate increases above the rate-peg through the Special Rate Variation process, there has been a reluctance to apply for increases relating to general service delivery.

As part of its recently approved Special Rate Variation, Council has secured certainty regarding operational increases for the next four years (2.5% assumed for rate pegging) however beyond 2019/20 Council will continue to assume that its revenue raising capacity continues to be constrained by rate pegging. As is highlighted through Council's financial modelling, this will involve a range of cost containment strategies to ensure Council continues to balance its budget.

As such, any significant change to the rate pegging process will require Council to review its revenue forecasts included within this plan.

State Government Reform Agenda

The NSW State Government is driving significant reform through Local Government, initially through its Fit for the Future platform, but also through the establishment of Regional Joint Organisations, the review of the Local Government Act and other reviews which have yet to be finalised. This includes IPART's review into the Local Government Rating System and Department of Planning Regulations.

These reforms could significantly alter the way in which councils provide services to their communities. They invariably will also bring additional costs which have yet to be determined. Any significant increase in cost, particularly in the case of establishing Regional Joint Organisations have not been included in this Long Term Financial Plan.

Council has also assumed that it will continue to be the Water and Sewer Authority for the Wingecarribee Shire over the course of this plan. Any significant change to this arrangement would require Council to review this plan.

Other Influences

Other external factors which could potentially have a significant impact on Council's plan include;

- Changes to the level of assistance provided through Federal and State Government Grants with a particular exposure to changes in the calculation and distribution of the Financial Assistance Grant,
- increasing expenditure as a result of cost shifting (statutory payments) from other levels of Government,
- the imposition of new services and controls to be delivered by Council, without the equal capacity to raise income to offset the cost of these services.

Any significant changes to these factors above would require Council to review this plan.

Performance Monitoring
Fit for the Future Benchmarks

The Office of Local Government has developed criteria and certain benchmarks for a *Fit for the Future* Council. These have been based on the work of T-Corp and the Independent Local Government Review Panel and have also been reviewed by the Independent Pricing and Regulatory Tribunal (IPART).

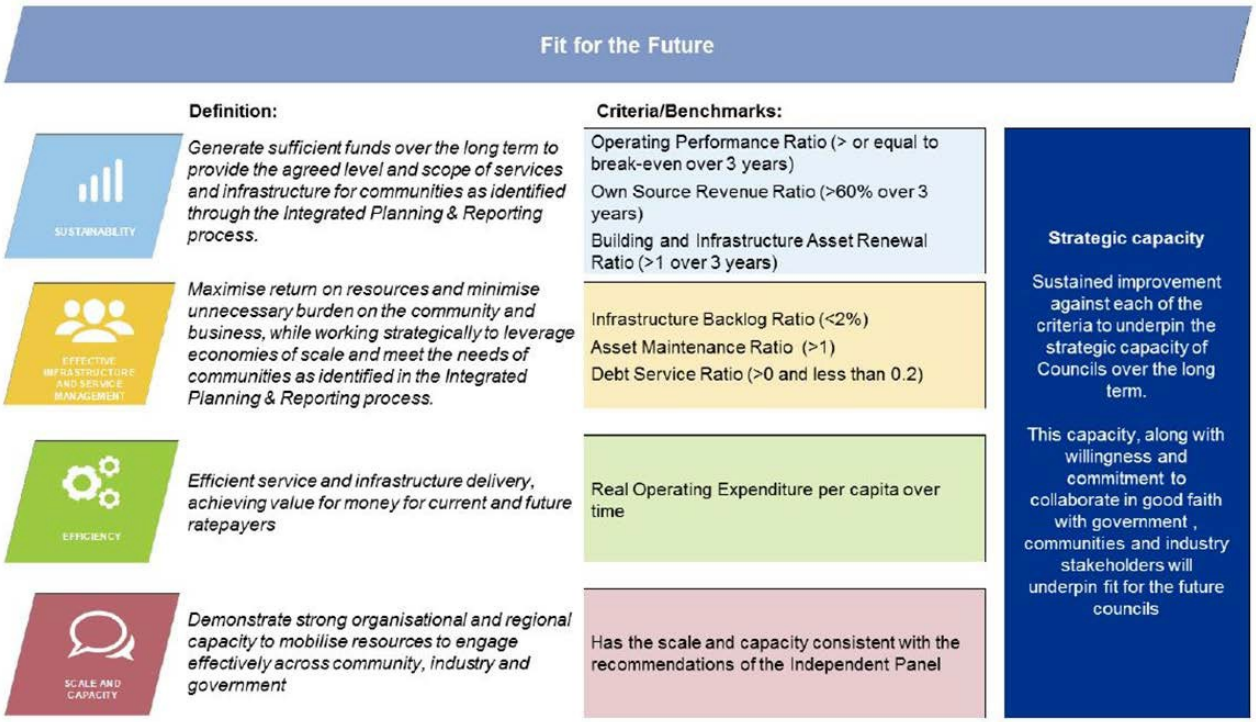

Figure 4: Fit for the Future Benchmarks

The results of Council's financial modelling and its performance against these benchmarks are detailed on the following pages.

Ratio projections have been provided for the following:

- Performance of the Consolidated Fund,
- Performance of Council's General Fund (*Fit for the Future*).

Projections are measured against industry benchmarks and Council's projections as reported in its *Fit for the Future Improvement Plan*.

Performance Monitoring
Ratio Projections

Operating Performance Ratio

This ratio measures Council's achievement of containing operating expenditure within operating revenues. The benchmark for this ratio is a ratio of greater than 0%.

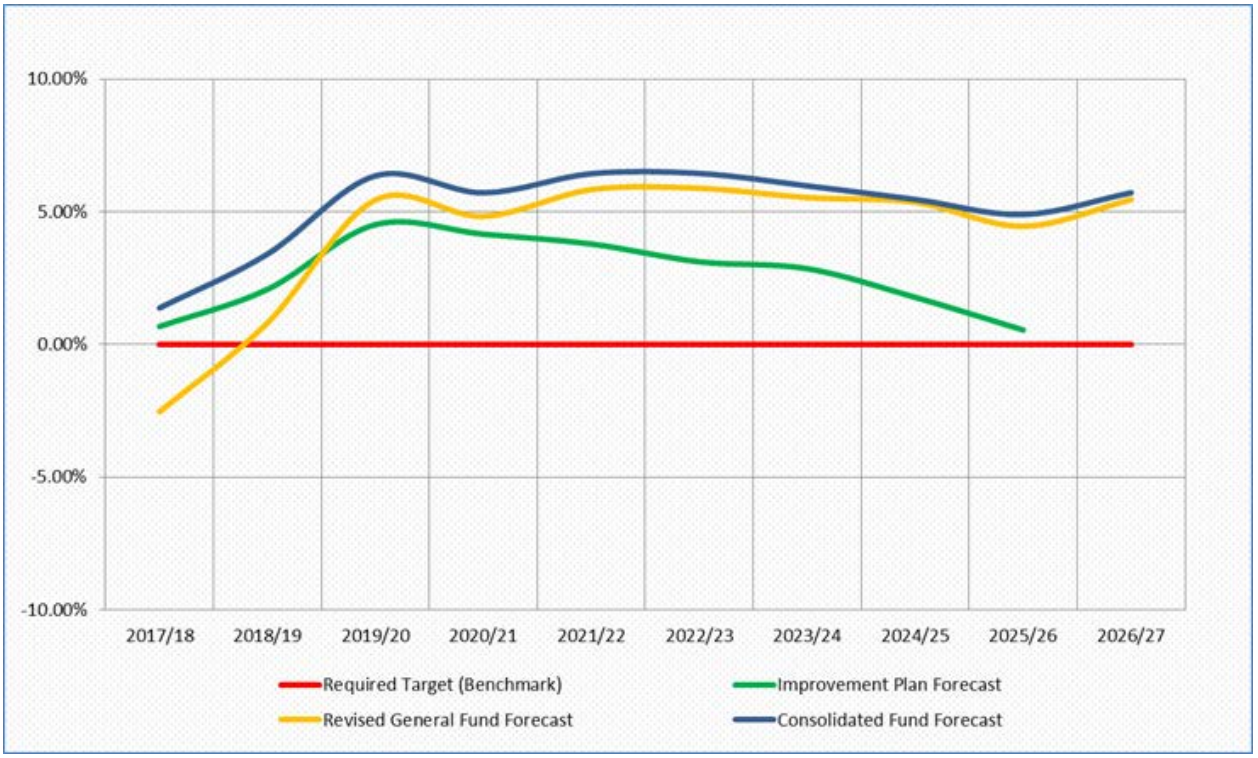

Figure 5: Operating Performance Ratio

Council will achieve a positive Operating Result surplus by 2018/19. This surplus will improve to 5% of total operating revenues (excluding capital grants and contributions) by 2019/20.

Council had initially projected to return an operating result surplus in 2017/18 as part of its *Fit for the Future Improvement Plan*. The primary reason for the delay is due to a significant increase in funding which has been allocated towards improving customer service and assessment timeframes in Planning, Development and Regulatory Services.

Importantly, Council will still meet this benchmark within the required timeframes set by IPART.

Council's updated Long Term Financial Plan also shows a sustained improvement in its operating performance with this ratio remaining at approximately 5% for the course of this plan. This is in part due to the inclusion of cost containment strategies in 2022, 2025 and 2027 which are required to ensure that Council maintains a balanced budget position.

The performance of Council's Consolidated Fund mirrors the performance of General Fund, with an operating performance ratio of approx. 5% maintained over the course of this plan.

Own Source Operating Revenue Ratio

This ratio measures the degree of reliance Council has on external funding sources such as operating grants and contributions. The benchmark for this ratio is greater than 60%.

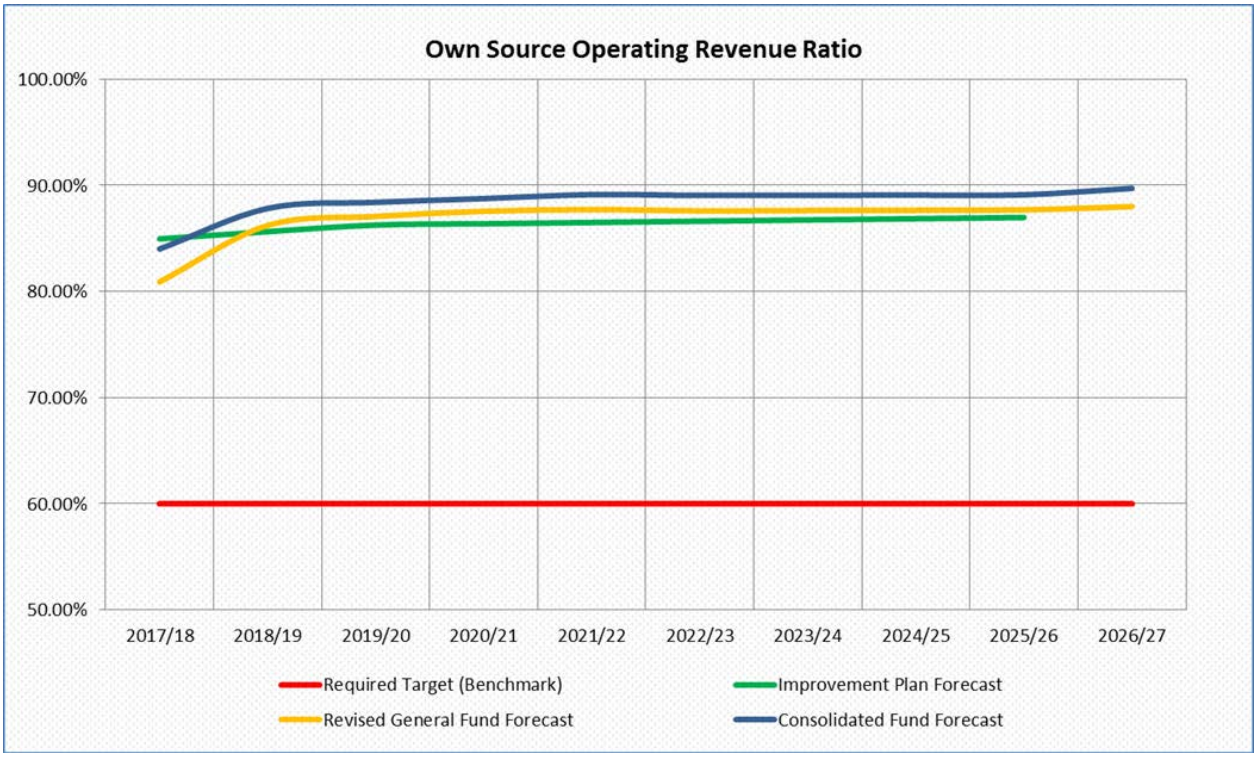

Figure 6: Own Source Operating Revenue Ratio

Council continues to meet this ratio comfortably over the course of this plan. This was also demonstrated through the modelling undertaken as part of Council's *Fit for the Future Improvement Plan*.

The performance of Council's Consolidated Fund is closely aligned with the General Fund.

Again, Council will achieve this ratio well within the timeframes which have been set by IPART.

Building and Infrastructure Renewal Ratio

This ratio measures the rate at which assets are being renewed relative to the rate at which they are depreciating. The benchmark for this ratio is greater than 100%.

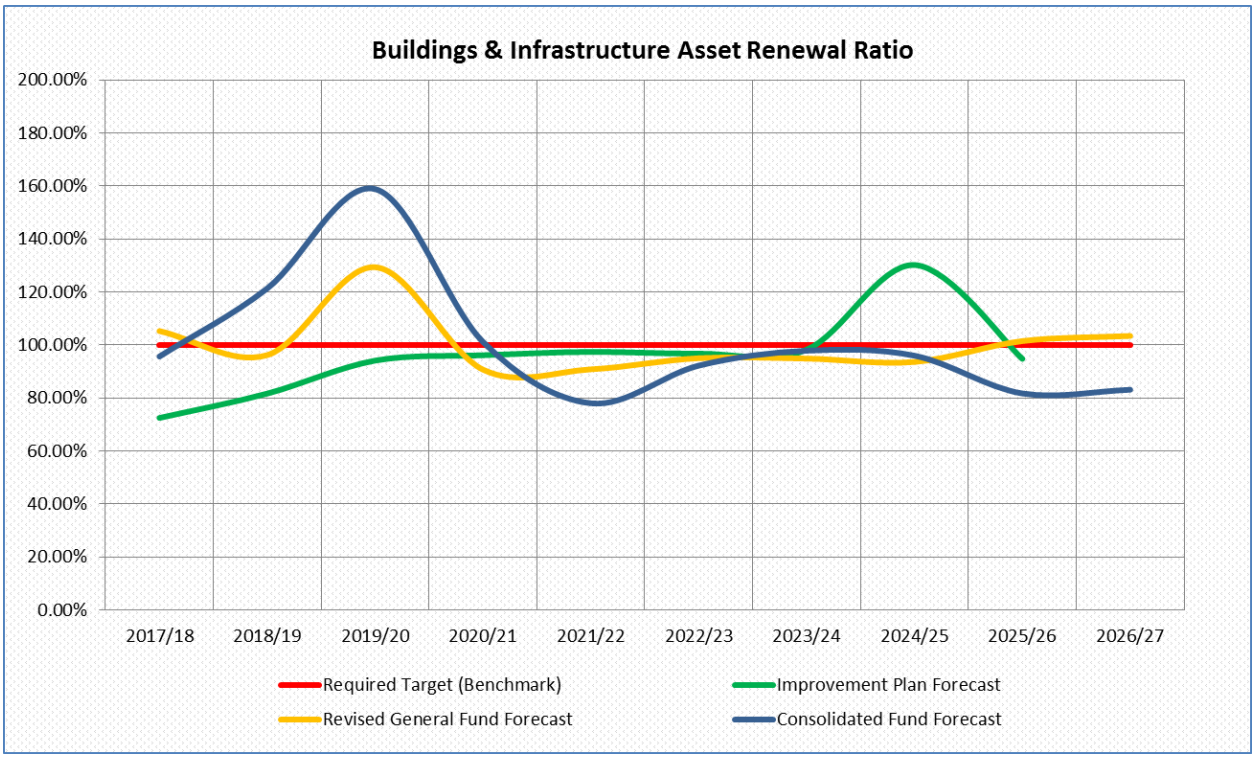

Figure 7: Building and Infrastructure Renewal Ratio

Council's Long Term Financial Plan includes the increase in capital renewal works which is funded through the approved Special Rate Variation. As the graph above shows, Council will be able to meet the benchmark (or remain very close) for the course of the plan.

The spike in the ratio is 2019/20 is primarily due to the forward funding of the refurbishment of Bowral Memorial Hall. Funds for this project had been included in Council's Special Rate Variation over several years. As part of the 2017/18 budget, a funding strategy has been developed which will see this much needed refurbishment project undertaken in 2019/20.

The ratio is improved in the first two years as a result of essential rectification works which will be undertaken at the Moss Vale Civic Centre. Again, a funding strategy was developed as part of the 2017/18 budget which will see $6 million allocated towards these works.

The spike in the ratio in 2024/25 was due to the inclusion of the redevelopment of Bowral Memorial Pool. This project has been removed from Council's long term financial plan pending the update of the Aquatic Facilities Strategy.

Infrastructure Backlog Ratio

This ratio shows what proportion the infrastructure backlog is against the total value of infrastructure. It is essentially a measure of the total value of infrastructure which is failing. The benchmark for this ratio is less than 2%.

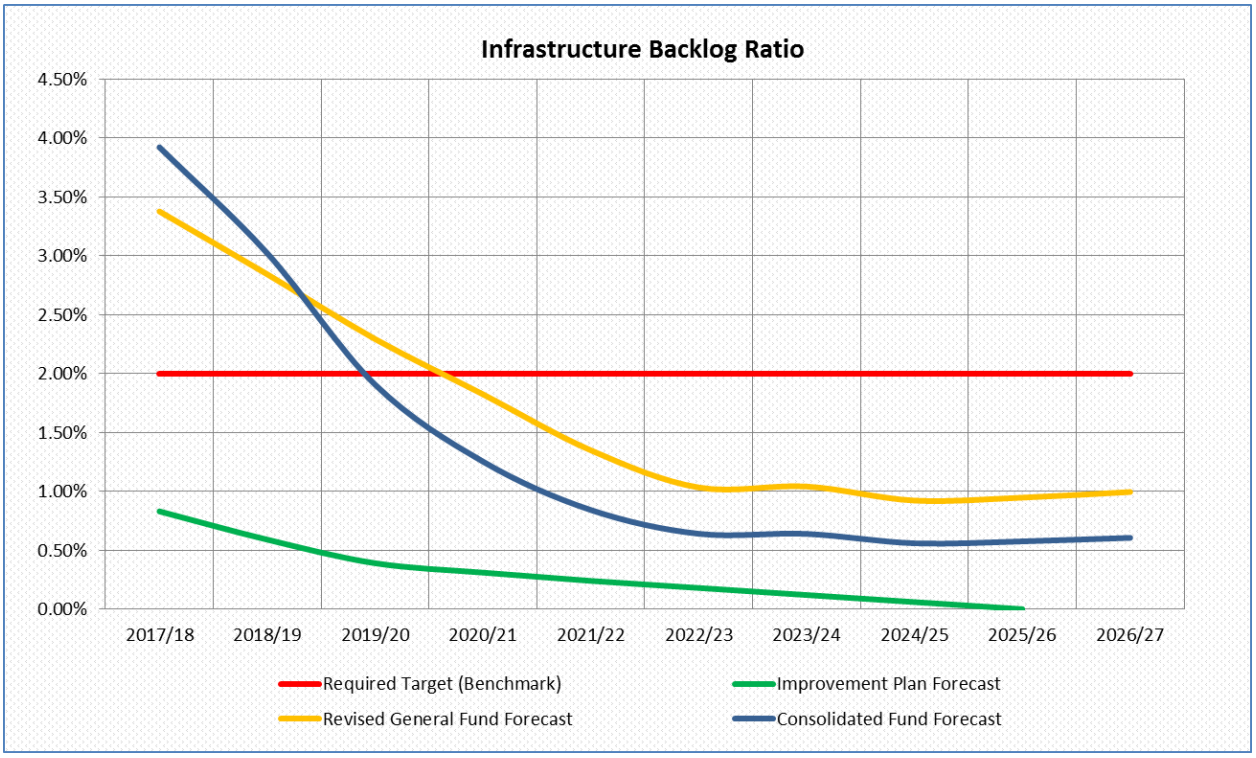

Figure 8: Infrastructure Backlog Ratio

Based on the recalculation of the estimated cost to bring infrastructure assets back to a satisfactory standard, Council does not currently meet this benchmark. The current ratio for General Fund is 3.38% while the current ratio for the Consolidated Fund is 3.92%.

Based on the increased funding for infrastructure which was secured as part of its Special Rate Variation, Council will achieve this benchmark for General Fund by 2020/21.

The level of backlog will reduce to approximately 1% which is well within the industry benchmarks. While this is outside the intended timeframe of 2019/20, Council can clearly demonstrate that it is clearing its infrastructure backlog and will be able to manage this level in the long term.

Asset Maintenance Ratio

This ratio compares actual maintenance vs required annual maintenance. The benchmark for this ratio is greater than 100%.

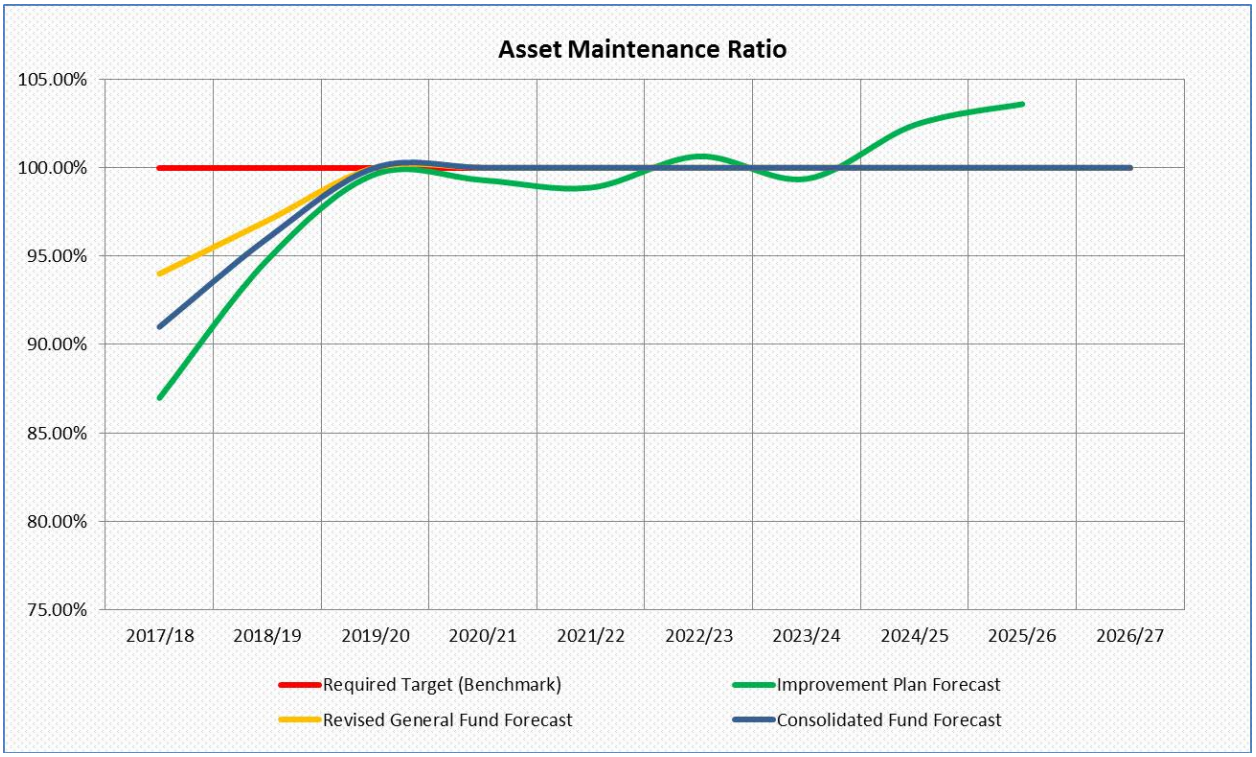

Figure 9: Asset Maintenance Ratio

An essential element of Council's Special Rate Variation application was to address the current shortfall in funding for infrastructure maintenance. Council currently allocates 80% of the required funding for infrastructure maintenance.

With the increase in funding available from the Special Rate Variation, Council will be able to fully fund its infrastructure maintenance requirements by 2019/20. This is within the required timeframes set by IPART.

Importantly, Council will also be able to achieve this benchmark for all infrastructure assets (including water and sewer) by 2019/20. This is illustrated in the ratio forecast for the Consolidated Fund.

Debt Service Ratio

This ratio highlights the extent to which Council's revenue from continuing operations is required for the repayment of debt (including both principal and interest repayments). The benchmark for this ratio is less than 20%.

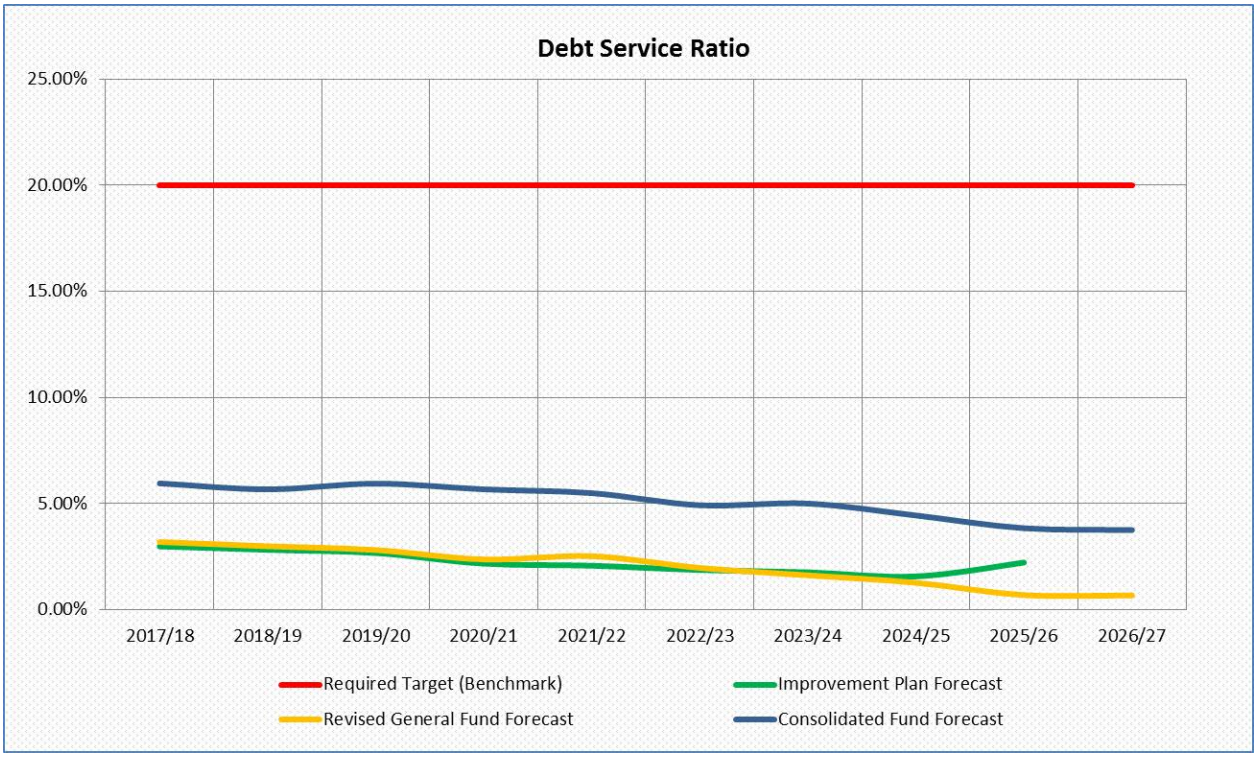

Figure 10: Debt Service Ratio

Council does not have a recurrent loan borrowings program.

Council has a long standing practice where loan funds are only considered for infrastructure investment (Capital Expenditure) which provides inter-generational benefit. Council's loan liability for its Consolidated Fund as at 30 June 2016 was $39.982

As shown in the graph above, Council meets this ratio comfortably for both its General Fund and Consolidated Fund over the course of this plan. These projections incorporate the additional $44 million borrowings which have been included as part of the funding strategy for the major upgrade of three Sewer Treatment Plants across the Shire.

As stated earlier in this plan, during 2017/18 Council will develop a comprehensive Loan Borrowings Strategy, which incorporates all funds. This strategy will then inform future decisions regarding Council's appetite for debt and its capacity to service debt on a recurrent basis.

Real Operating Expenditure (Per Capita) Ratio

This ratio has recently been introduced to measure the efficiency of service and infrastructure delivery for residents now and into the future. The benchmark is that real operating expenditure (per capita) should be declining.

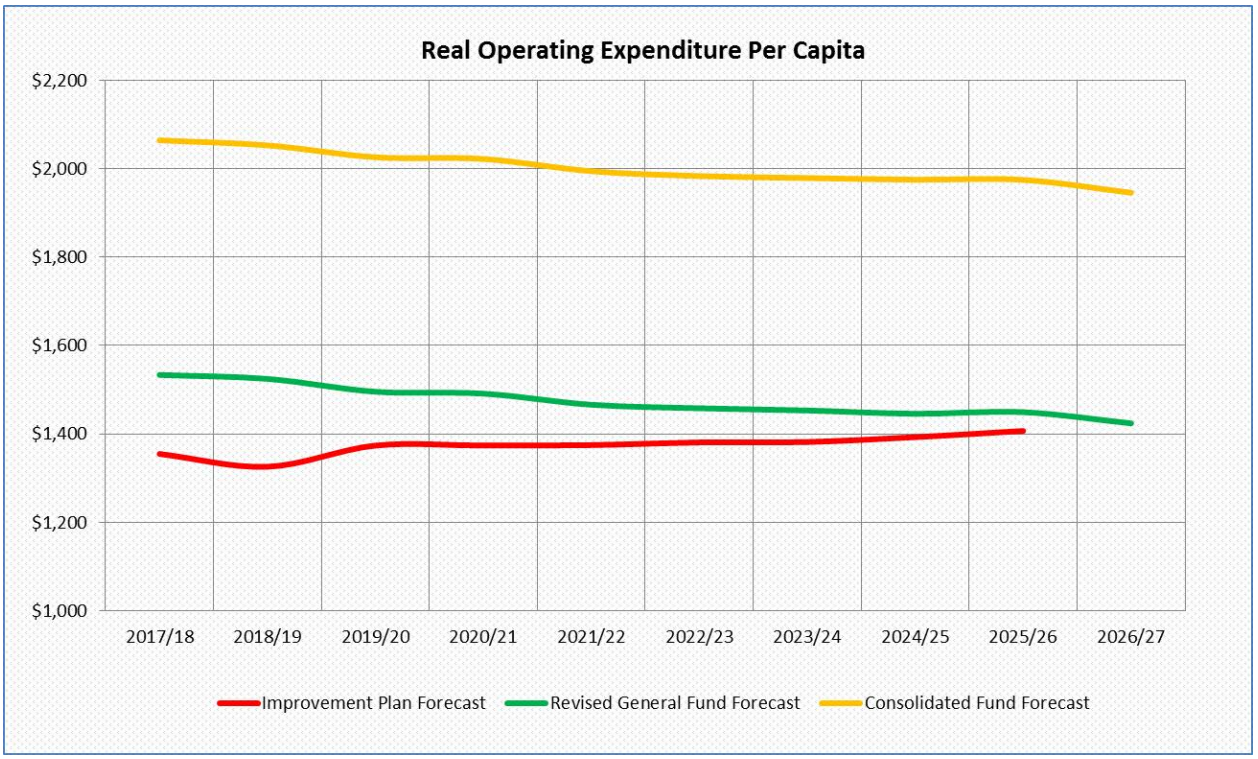

Figure 11: Real Operating Expenditure (Per Capita) Ratio

The updated Long Term Financial Plan shows that Council will essentially maintain its real operating expenditure per capita. This is a significant result given the increase in funding which will be allocated towards infrastructure maintenance.

The primary reason for the increase in the first year is due to a significant increase in funding which has been allocated towards improving customer service and assessment timeframes in Planning, Development and Regulatory Services.

The amount – per capita remains largely unchanged over the course of the plan. This is in part due to the inclusion of cost containment strategies in 2022, 2025 and 2027 which are required to ensure that Council maintains a balanced budget position.

The Consolidated Fund shows a similar trend to the General Fund. The cost per capital is naturally higher due to the inclusion of water and sewer operations.

Council has included a population growth factor which is in line with the Department of Planning forecasts in determining this ratio. See:

www.planning.nsw.gov.au/en-us/deliveringhomes/populationandhouseholdprojections/data.aspx

Long Term Financial Model
Financial Projection

Wingecarribee Shire Council
10 Year Financial Plan for the Years ending 30 June 2027

INCOME STATEMENT - CONSOLIDATED	Actuals	Current Year	Projected Years									
Scenario: Adopted Fit For The Future Improvement Plan	2015/16	2016/17	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	$'000
Income from Continuing Operations												
Revenue:												
Rates & Annual Charges	57,912	61,336	66,206	70,818	75,725	77,715	79,658	81,650	83,691	85,783	87,928	90,126
User Charges & Fees	19,648	17,658	18,920	19,348	19,758	20,214	20,650	21,065	21,490	21,925	22,372	22,829
Interest & Investment Revenue	3,037	3,202	3,248	3,047	3,008	3,111	3,199	3,186	3,160	3,106	3,187	3,271
Other Revenues	9,834	8,632	3,927	4,021	4,122	4,225	4,330	4,439	4,550	4,663	4,780	4,899
Grants & Contributions provided for Operating Purposes	9,421	11,036	8,811	8,669	8,612	8,458	8,644	9,026	9,221	9,422	9,627	9,838
Grants & Contributions provided for Capital Purposes	20,814	15,724	8,752	4,799	4,859	4,891	4,501	4,543	4,633	4,741	4,822	4,036
Other Income:												
Total Income from Continuing Operations	**120,666**	**117,589**	**109,863**	**110,703**	**116,084**	**118,614**	**120,983**	**123,907**	**126,745**	**129,641**	**132,716**	**134,999**
Expenses from Continuing Operations												
Employee Benefits & On-Costs	32,103	34,070	36,252	37,479	38,743	40,154	41,833	43,484	45,217	47,036	48,946	50,831
Borrowing Costs	2,095	1,763	1,585	1,416	1,552	1,774	1,783	1,643	1,713	1,956	2,020	1,892
Materials & Contracts	20,904	27,411	22,167	22,321	23,075	23,559	23,422	23,909	24,527	24,581	26,057	25,405
Depreciation & Amortisation	23,816	22,950	24,047	25,096	24,387	24,551	24,763	25,074	25,407	25,755	25,858	26,179
Other Expenses	14,434	15,409	15,665	15,985	16,390	17,180	17,174	17,553	17,940	18,738	18,745	19,162
Net Losses from the Disposal of Assets	3,765	-	-	-	-	-	-	-	-	-	-	-
Total Expenses from Continuing Operations	**97,117**	**101,603**	**99,716**	**102,297**	**104,146**	**107,218**	**108,975**	**111,662**	**114,804**	**118,065**	**121,626**	**123,469**
Operating Result from Continuing Operations	**23,549**	**15,986**	**10,147**	**8,405**	**11,938**	**11,396**	**12,008**	**12,245**	**11,941**	**11,576**	**11,090**	**11,530**
Net Operating Result for the Year	**23,549**	**15,986**	**10,147**	**8,405**	**11,938**	**11,396**	**12,008**	**12,245**	**11,941**	**11,576**	**11,090**	**11,530**
Net Operating Result before Grants and Contributions provided for Capital Purposes	**2,735**	**262**	**1,394**	**3,606**	**7,079**	**6,505**	**7,507**	**7,702**	**7,308**	**6,835**	**6,268**	**7,495**

1. Other Revenues are significantly higher in 2015/16 and 2016/17 due to the recovery of CDO Investments

Wingecarribee Shire Council
10 Year Financial Plan for the Years ending 30 June 2027
BALANCE SHEET - CONSOLIDATED
Scenario: Adopted Fit For The Future Improvement Plan

	Actuals	Current Year	Projected Years									
	2015/16	2016/17	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	$'000
ASSETS												
Current Assets												
Cash & Cash Equivalents	15,958	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	5,174	6,000	6,000
Investments	91,000	97,711	94,004	75,322	62,809	63,349	64,581	64,101	67,790	68,612	77,020	85,370
Receivables	13,619	12,198	11,141	11,258	11,564	11,906	12,313	12,758	13,216	13,677	14,226	14,743
Inventories	945	880	694	723	748	766	764	780	799	803	846	830
Other	451	764	661	684	706	730	724	739	756	770	796	788
Non-current assets classified as "held for sale"	847	847	-	-	-	-	-	-	-	-	-	-
Total Current Assets	122,820	118,401	112,499	93,986	81,827	82,751	84,382	84,377	88,561	89,035	98,889	107,730
Non-Current Assets												
Receivables	427	393	243	249	255	262	268	275	282	289	296	303
Infrastructure, Property, Plant & Equipment	1,249,352	1,269,255	1,280,436	1,302,606	1,338,191	1,353,480	1,359,459	1,369,868	1,382,670	1,398,577	1,397,415	1,397,267
Total Non-Current Assets	1,249,779	1,269,648	1,280,679	1,302,855	1,338,446	1,353,741	1,359,727	1,370,143	1,382,952	1,398,866	1,397,711	1,397,570
TOTAL ASSETS	**1,372,599**	**1,388,049**	**1,393,178**	**1,396,841**	**1,420,273**	**1,436,493**	**1,444,109**	**1,454,521**	**1,471,513**	**1,487,901**	**1,496,599**	**1,505,301**
LIABILITIES												
Current Liabilities												
Payables	7,959	11,463	10,580	10,142	10,390	10,613	10,560	10,696	10,862	11,006	11,275	11,236
Borrowings	4,227	4,200	4,378	4,565	4,327	4,412	4,015	4,048	3,096	2,739	2,868	2,674
Provisions	6,534	6,606	6,672	6,739	6,806	6,874	6,943	7,012	7,082	7,153	7,225	7,297
Total Current Liabilities	18,720	22,269	21,629	21,446	21,523	21,899	21,517	21,756	21,041	20,899	21,367	21,207
Non-Current Liabilities												
Payables	30	38	33	34	35	36	36	37	37	38	40	39
Borrowings	35,755	31,663	27,285	22,720	34,131	38,572	34,557	32,478	38,238	43,186	40,319	37,645
Provisions	525	524	529	534	540	545	550	556	561	567	573	578
Total Non-Current Liabilities	36,310	32,225	27,847	23,288	34,705	39,153	35,143	33,070	38,837	43,791	40,931	38,262
TOTAL LIABILITIES	**55,030**	**54,494**	**49,476**	**44,735**	**56,228**	**61,051**	**56,660**	**54,827**	**59,878**	**64,690**	**62,298**	**59,469**
Net Assets	**1,317,569**	**1,333,555**	**1,343,702**	**1,352,107**	**1,364,045**	**1,375,441**	**1,387,449**	**1,399,694**	**1,411,635**	**1,423,211**	**1,434,301**	**1,445,831**
EQUITY												
Retained Earnings	582,017	598,003	608,150	616,555	628,493	639,889	651,897	664,142	676,083	687,659	698,749	710,279
Revaluation Reserves	735,552	735,552	735,552	735,552	735,552	735,552	735,552	735,552	735,552	735,552	735,552	735,552
Council Equity Interest	1,317,569	1,333,555	1,343,702	1,352,107	1,364,045	1,375,441	1,387,449	1,399,694	1,411,635	1,423,211	1,434,301	1,445,831
Total Equity	**1,317,569**	**1,333,555**	**1,343,702**	**1,352,107**	**1,364,045**	**1,375,441**	**1,387,449**	**1,399,694**	**1,411,635**	**1,423,211**	**1,434,301**	**1,445,831**

Wingecarribee Shire Council
10 Year Financial Plan for the Years ending 30 June 2027
CASH FLOW STATEMENT - CONSOLIDATED
Scenario: Adopted Fit For The Future Improvement Plan

	Actuals	Current Year	Projected Years									
	2015/16	2016/17	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	$'000
Cash Flows from Operating Activities												
Receipts:												
Rates & Annual Charges	57,645	61,434	66,140	70,759	75,662	77,687	79,630	81,621	83,662	85,753	87,897	90,094
User Charges & Fees	19,698	18,666	18,655	19,137	19,565	19,988	20,358	20,764	21,178	21,603	21,969	22,411
Interest & Investment Revenue Received	2,348	3,768	3,287	3,026	3,011	3,071	3,152	3,144	3,109	3,068	3,141	3,229
Grants & Contributions	22,264	27,576	17,955	13,642	13,470	13,354	13,157	13,550	13,842	14,149	14,436	13,903
Bonds & Deposits Received	545	-	-	-	-	-	-	-	-	-	-	-
Other	14,262	8,433	5,071	4,097	4,149	4,199	4,303	4,409	4,521	4,634	4,750	4,872
Payments:												
Employee Benefits & On-Costs	(31,736)	(34,411)	(36,135)	(38,101)	(38,670)	(40,080)	(41,759)	(43,409)	(45,141)	(46,959)	(48,869)	(50,753)
Materials & Contracts	(27,226)	(24,670)	(22,814)	(22,158)	(22,919)	(23,378)	(23,459)	(23,803)	(24,403)	(24,466)	(25,881)	(25,445)
Borrowing Costs	(2,091)	(1,664)	(1,621)	(1,454)	(1,591)	(1,808)	(1,822)	(1,673)	(1,739)	(1,977)	(2,030)	(1,902)
Bonds & Deposits Refunded	-	-	-	-	-	-	-	-	-	-	-	-
Other	(15,680)	(15,409)	(15,665)	(15,985)	(16,390)	(17,180)	(17,174)	(17,553)	(17,940)	(18,738)	(18,745)	(19,162)
Net Cash provided (or used in) Operating Activities	40,029	43,724	34,874	32,961	36,287	35,853	36,385	37,049	37,088	37,067	36,668	37,248
Cash Flows from Investing Activities												
Receipts:												
Sale of Investment Securities	213,028	2,539	5,423	18,682	12,513	2,604	3,247	3,790	2,306	2,703	-	-
Sale of Infrastructure, Property, Plant & Equipmen	2,379	901	1,833	1,327	1,241	1,192	1,513	1,566	1,158	1,245	1,207	1,250
Deferred Debtors Receipts	55	-	-	-	-	-	-	-	-	-	-	-
Payments:												
Purchase of Investment Securities	(215,600)	(9,250)	(1,716)	-	-	(3,143)	(4,479)	(3,311)	(5,995)	(3,525)	(8,408)	(8,350)
Purchase of Infrastructure, Property, Plant & Equipmen	(24,510)	(43,754)	(36,214)	(48,593)	(61,212)	(41,032)	(32,254)	(37,049)	(39,366)	(42,907)	(25,902)	(27,281)
Deferred Debtors & Advances Made	(231)	-	-	-	-	-	-	-	-	-	-	-
Net Cash provided (or used in) Investing Activities	(24,879)	(49,563)	(30,674)	(28,584)	(47,459)	(40,379)	(31,973)	(35,004)	(41,897)	(42,484)	(33,103)	(34,381)
Cash Flows from Financing Activities												
Receipts:												
Proceeds from Borrowings & Advances	-	-	-	-	16,000	9,000	-	2,000	9,000	8,000	-	-
Payments:												
Repayment of Borrowings & Advances	(4,041)	(4,119)	(4,200)	(4,378)	(4,828)	(4,474)	(4,412)	(4,045)	(4,191)	(3,409)	(2,739)	(2,868)
Net Cash Flow provided (used in) Financing Activities	(4,041)	(4,119)	(4,200)	(4,378)	11,172	4,526	(4,412)	(2,045)	4,809	4,591	(2,739)	(2,868)
Net Increase/(Decrease) in Cash & Cash Equivalents	11,109	(9,958)	0	0	0	-	(0)	0	-	(826)	826	0
plus: Cash, Cash Equivalents & Investments - beginning of year	4,849	15,958	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	5,174	6,000
Cash & Cash Equivalents - end of the year	**15,958**	**6,000**	**6,000**	**6,000**	**6,000**	**6,000**	**6,000**	**6,000**	**6,000**	**5,174**	**6,000**	**6,000**
Cash & Cash Equivalents - end of the year	15,958	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	5,174	6,000	6,000
Investments - end of the year	91,000	97,711	94,004	75,322	62,809	63,349	64,581	64,101	67,790	68,612	77,020	85,370
Cash, Cash Equivalents & Investments - end of the year	**106,958**	**103,711**	**100,004**	**81,322**	**68,809**	**69,349**	**70,581**	**70,101**	**73,790**	**73,786**	**83,020**	**91,370**

Wingecarribee Shire Council
10 Year Financial Plan for the Years ending 30 June 2027
INCOME STATEMENT - GENERAL FUND
Scenario: Adopted Fit For The Future Improvement Plan

	Actuals	Current Year	Projected Years									
	2015/16	2016/17	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	$'000
Income from Continuing Operations												
Revenue:												
Rates & Annual Charges	41,265	44,341	48,404	52,572	57,022	58,545	60,009	61,509	63,047	64,623	66,238	67,894
User Charges & Fees	9,411	9,048	9,761	9,962	10,138	10,354	10,551	10,719	10,892	11,069	11,251	11,437
Interest & Investment Revenue	1,930	1,788	1,833	1,870	1,916	2,018	2,072	2,083	2,093	2,104	2,114	2,125
Other Revenues	6,586	6,121	3,783	3,874	3,971	4,070	4,172	4,276	4,383	4,493	4,605	4,720
Grants & Contributions provided for Operating Purposes	9,055	10,716	8,483	8,334	8,269	8,107	8,284	8,656	8,843	9,034	9,230	9,430
Grants & Contributions provided for Capital Purposes	12,420	13,750	6,568	2,571	2,576	2,551	2,481	2,472	2,511	2,566	2,592	2,322
Total Income from Continuing Operations	**80,667**	**85,764**	**78,833**	**79,183**	**83,893**	**85,645**	**87,568**	**89,715**	**91,769**	**93,888**	**96,030**	**97,928**
Expenses from Continuing Operations												
Employee Benefits & On-Costs	27,286	28,255	29,938	30,921	31,930	33,077	34,491	35,863	37,302	38,814	40,402	41,967
Borrowing Costs	874	765	706	642	575	505	440	374	317	263	228	207
Materials & Contracts	18,301	21,097	16,093	16,194	16,879	17,294	17,069	17,467	17,993	17,952	19,332	18,581
Depreciation & Amortisation	15,858	15,360	15,772	16,410	15,385	15,406	15,428	15,449	15,471	15,493	15,514	15,536
Other Expenses	7,254	11,547	11,580	11,819	12,120	12,803	12,688	12,955	13,229	13,909	13,796	14,091
Net Losses from the Disposal of Assets	3,005	-	-	-	-	-	-	-	-	-	-	-
Total Expenses from Continuing Operations	**72,578**	**77,024**	**74,089**	**75,985**	**76,889**	**79,084**	**80,116**	**82,107**	**84,311**	**86,430**	**89,272**	**90,382**
Operating Result from Continuing Operations	**8,089**	**8,740**	**4,743**	**3,198**	**7,004**	**6,561**	**7,453**	**7,608**	**7,457**	**7,458**	**6,759**	**7,546**
Net Operating Result for the Year	**8,089**	**8,740**	**4,743**	**3,198**	**7,004**	**6,561**	**7,453**	**7,608**	**7,457**	**7,458**	**6,759**	**7,546**
Net Operating Result before Grants and Contributions provided for Capital Purposes	**(4,331)**	**(5,010)**	**(1,825)**	**626**	**4,428**	**4,010**	**4,972**	**5,136**	**4,947**	**4,892**	**4,166**	**5,224**

1. Other Revenues are significantly higher in 2015/16 and 2016/17 due to the recovery of CDO Investments
2. Capital Grants and Contributions are significantly higher from 2015/16 to 2017/18 due to grant funding for Station Street Upgrade and Berrima Road Deviation Project
3. Council has established a reduction target of 10% in Depreciation which has been introduced in line with Council's revaluation cycle.

Wingecarribee Shire Council
10 Year Financial Plan for the Years ending 30 June 2027
BALANCE SHEET - GENERAL FUND
Scenario: Adopted Fit For The Future Improvement Plan

	Actuals	Current Year	Projected Years									
	2015/16	2016/17	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	$'000
ASSETS												
Current Assets												
Cash & Cash Equivalents	7,609	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000
Investments	43,688	41,149	36,217	34,870	32,151	35,294	39,130	42,441	46,681	49,669	53,409	56,686
Receivables	6,687	6,268	4,966	4,872	4,983	5,101	5,235	5,376	5,521	5,656	5,800	5,925
Inventories	575	675	530	555	577	590	584	595	610	608	647	626
Other	451	723	619	642	663	687	680	693	710	723	748	739
Non-current assets classified as "held for sale"	847	847	-	-	-	-	-	-	-	-	-	-
Total Current Assets	59,857	51,662	44,332	42,940	40,374	43,672	47,628	51,105	55,521	58,656	62,604	65,976
Non-Current Assets												
Receivables	427	393	243	249	255	262	268	275	282	289	296	303
Infrastructure, Property, Plant & Equipment	859,949	879,465	889,389	892,038	900,283	902,420	904,274	907,301	909,475	913,126	915,850	919,608
Total Non-Current Assets	860,376	879,858	889,632	892,287	900,538	902,682	904,542	907,575	909,756	913,415	916,146	919,911
TOTAL ASSETS	**920,233**	**931,521**	**933,964**	**935,227**	**940,912**	**946,353**	**952,170**	**958,680**	**965,277**	**972,070**	**978,750**	**985,887**
LIABILITIES												
Current Liabilities												
Payables	6,831	10,620	9,749	9,301	9,535	9,743	9,674	9,793	9,943	10,069	10,321	10,263
Borrowings	1,381	1,483	1,547	1,614	1,390	1,628	1,281	1,073	856	395	416	438
Provisions	5,442	5,499	5,554	5,610	5,666	5,722	5,780	5,837	5,896	5,955	6,014	6,075
Total Current Liabilities	13,654	17,603	16,851	16,525	16,591	17,093	16,734	16,704	16,694	16,420	16,751	16,776
Non-Current Liabilities												
Payables	30	38	33	34	35	36	36	37	37	38	40	39
Borrowings	15,355	13,944	12,397	10,783	9,393	7,765	6,484	5,411	4,555	4,159	3,743	3,305
Provisions	426	428	432	436	440	445	449	454	458	463	468	472
Total Non-Current Liabilities	15,811	14,410	12,861	11,253	9,868	8,246	6,969	5,901	5,050	4,661	4,250	3,817
TOTAL LIABILITIES	**29,465**	**32,013**	**29,712**	**27,778**	**26,459**	**25,339**	**23,703**	**22,605**	**21,745**	**21,080**	**21,001**	**20,592**
Net Assets	**890,768**	**899,508**	**904,251**	**907,449**	**914,453**	**921,014**	**928,467**	**936,075**	**943,533**	**950,990**	**957,749**	**965,295**
EQUITY												
Retained Earnings	402,134	410,874	415,617	418,815	425,819	432,380	439,833	447,441	454,899	462,356	469,115	476,661
Revaluation Reserves	488,634	488,634	488,634	488,634	488,634	488,634	488,634	488,634	488,634	488,634	488,634	488,634
Council Equity Interest	890,768	899,508	904,251	907,449	914,453	921,014	928,467	936,075	943,533	950,990	957,749	965,295
Total Equity	**890,768**	**899,508**	**904,251**	**907,449**	**914,453**	**921,014**	**928,467**	**936,075**	**943,533**	**950,990**	**957,749**	**965,295**

1. Council's Long Term Financial Plan does not include any assumptions regarding movements in Revaluation Reserves

Wingecarribee Shire Council
10 Year Financial Plan for the Years ending 30 June 2027
CASH FLOW STATEMENT - GENERAL FUND
Scenario: Adopted Fit For The Future Improvement Plan

	Actuals	Current Year	Projected Years									
	2015/16	2016/17	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	$'000
Cash Flows from Operating Activities												
Receipts:												
Rates & Annual Charges	-	44,552	48,355	52,521	56,969	58,527	59,991	61,491	63,028	64,604	66,219	67,874
User Charges & Fees	-	9,063	9,714	9,949	10,127	10,340	10,538	10,708	10,881	11,058	11,239	11,425
Interest & Investment Revenue Received	-	2,354	1,873	1,848	1,919	1,978	2,025	2,041	2,042	2,065	2,067	2,083
Grants & Contributions	-	25,160	15,453	11,083	10,847	10,666	10,760	11,113	11,344	11,589	11,812	11,755
Other	-	5,922	4,928	3,950	3,998	4,045	4,144	4,246	4,354	4,463	4,575	4,693
Payments:												
Employee Benefits & On-Costs	-	(28,608)	(29,833)	(31,555)	(31,870)	(33,016)	(34,429)	(35,800)	(37,239)	(38,750)	(40,337)	(41,903)
Materials & Contracts	-	(18,193)	(16,768)	(16,037)	(16,732)	(17,122)	(17,117)	(17,372)	(17,880)	(17,849)	(19,168)	(18,633)
Borrowing Costs	-	(666)	(742)	(679)	(614)	(538)	(479)	(405)	(343)	(283)	(238)	(217)
Other	-	(11,547)	(11,580)	(11,819)	(12,120)	(12,803)	(12,688)	(12,955)	(13,229)	(13,909)	(13,796)	(14,091)
Net Cash provided (or used in) Operating Activities	-	28,037	21,400	19,260	22,524	22,076	22,745	23,067	22,958	22,987	22,373	22,986
Cash Flows from Investing Activities												
Receipts:												
Sale of Investment Securities	-	2,539	4,932	1,346	2,719	-	-	-	-	-	-	-
Sale of Infrastructure, Property, Plant & Equipment	-	677	1,715	1,145	980	1,014	1,255	1,287	839	1,046	1,028	1,016
Purchase of Investment Securities	-	-	-	-	-	(3,143)	(3,836)	(3,311)	(4,240)	(2,987)	(3,740)	(3,277)
Purchase of Infrastructure, Property, Plant & Equipment	-	(35,553)	(26,564)	(20,204)	(24,609)	(18,557)	(18,536)	(19,762)	(18,484)	(20,190)	(19,266)	(20,309)
Net Cash provided (or used in) Investing Activities	-	(32,337)	(19,917)	(17,712)	(20,910)	(20,686)	(21,117)	(21,786)	(21,885)	(22,131)	(21,978)	(22,570)
Cash Flows from Financing Activities												
Receipts:												
Repayment of Borrowings & Advances	-	(1,309)	(1,483)	(1,547)	(1,614)	(1,390)	(1,628)	(1,281)	(1,073)	(856)	(395)	(416)
Net Cash Flow provided (used in) Financing Activities	-	(1,309)	(1,483)	(1,547)	(1,614)	(1,390)	(1,628)	(1,281)	(1,073)	(856)	(395)	(416)
Net Increase/(Decrease) in Cash & Cash Equivalents	-	(5,609)	0	0	-	0	(0)	0	(0)	(0)	0	0
plus: Cash, Cash Equivalents & Investments - beginning of year	-	7,609	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000
Cash & Cash Equivalents - end of the year	**7,609**	**2,000**	**2,000**	**2,000**	**2,000**	**2,000**	**2,000**	**2,000**	**2,000**	**2,000**	**2,000**	**2,000**
Cash & Cash Equivalents - end of the year	7,609	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000
Investments - end of the year	43,688	41,149	36,217	34,870	32,151	35,294	39,130	42,441	46,681	49,669	53,409	56,686
Cash, Cash Equivalents & Investments - end of the year	**51,297**	**43,149**	**38,217**	**36,870**	**34,151**	**37,294**	**41,130**	**44,441**	**48,681**	**51,669**	**55,409**	**58,686**

Wingecarribee Shire Council
10 Year Financial Plan for the Years ending 30 June 2027
INCOME STATEMENT - WATER FUND
Scenario: Adopted Fit For The Future Improvement Plan

	Actuals	Current Year	Projected Years									
	2015/16	2016/17	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	$'000
Income from Continuing Operations												
Revenue:												
Rates & Annual Charges	3,151	3,084	3,187	3,267	3,348	3,432	3,518	3,606	3,696	3,788	3,883	3,980
User Charges & Fees	9,061	7,744	8,024	8,223	8,428	8,638	8,847	9,062	9,282	9,508	9,739	9,976
Interest & Investment Revenue	699	822	849	866	887	909	914	919	923	928	932	937
Other Revenues	1,957	1,517	137	140	143	147	151	154	158	162	166	170
Grants & Contributions provided for Operating Purposes	193	170	174	178	182	187	191	196	201	206	211	217
Grants & Contributions provided for Capital Purposes	3,350	895	961	980	1,005	1,030	889	911	934	957	981	754
Total Income from Continuing Operations	**18,411**	**14,231**	**13,331**	**13,653**	**13,993**	**14,342**	**14,510**	**14,848**	**15,194**	**15,549**	**15,913**	**16,034**
Expenses from Continuing Operations												
Employee Benefits & On-Costs	2,227	2,713	2,865	2,975	3,091	3,211	3,331	3,457	3,590	3,729	3,876	4,020
Borrowing Costs	140	131	117	103	86	64	47	28	9	-	-	-
Materials & Contracts	1,207	2,955	2,647	2,664	2,688	2,713	2,747	2,783	2,819	2,856	2,894	2,933
Depreciation & Amortisation	4,074	3,889	4,236	4,425	4,526	4,623	4,810	4,927	5,000	5,179	5,287	5,440
Other Expenses	4,048	2,446	2,548	2,599	2,664	2,730	2,798	2,867	2,938	3,011	3,085	3,162
Net Losses from the Disposal of Assets	408	-	-	-	-	-	-	-	-	-	-	-
Total Expenses from Continuing Operations	**12,104**	**12,134**	**12,412**	**12,766**	**13,055**	**13,341**	**13,733**	**14,062**	**14,356**	**14,775**	**15,142**	**15,554**
Operating Result from Continuing Operations	**6,307**	**2,097**	**919**	**887**	**939**	**1,001**	**777**	**786**	**839**	**774**	**771**	**480**
Net Operating Result for the Year	**6,307**	**2,097**	**919**	**887**	**939**	**1,001**	**777**	**786**	**839**	**774**	**771**	**480**
Net Operating Result before Grants and Contributions provided for Capital Purposes	**2,957**	**1,203**	**(42)**	**(93)**	**(66)**	**(28)**	**(112)**	**(125)**	**(95)**	**(183)**	**(210)**	**(274)**

1. Other Revenues in 2015/16 and 2016/17 include the recovery of CDO Investments
2. Capital Grants & Contributions increase in 2015/16 is due to subdivision dedications - not projected over the course of the LTFP

Wingecarribee Shire Council
10 Year Financial Plan for the Years ending 30 June 2027
BALANCE SHEET - WATER FUND
Scenario: Adopted Fit For The Future Improvement Plan

	Actuals	Current Year	Projected Years									
	2015/16	2016/17	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	$'000
ASSETS												
Current Assets												
Cash & Cash Equivalents	5,285	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000
Investments	29,947	34,468	33,978	28,106	23,239	21,958	18,711	16,651	18,406	18,944	22,159	25,062
Receivables	2,975	2,257	2,341	2,399	2,459	2,520	2,568	2,631	2,695	2,760	2,828	2,877
Inventories	326	182	140	143	147	150	154	158	162	166	170	174
Other	-	18	17	18	18	18	19	19	19	20	20	20
Total Current Assets	38,533	38,926	38,476	32,666	27,862	26,647	23,452	21,459	23,282	23,890	27,177	30,134
Non-Current Assets												
Infrastructure, Property, Plant & Equipment	178,200	179,579	180,666	187,096	192,556	194,471	198,123	200,565	199,224	199,348	196,850	194,391
Total Non-Current Assets	178,200	179,579	180,666	187,096	192,556	194,471	198,123	200,565	199,224	199,348	196,850	194,391
TOTAL ASSETS	**216,733**	**218,505**	**219,141**	**219,761**	**220,419**	**221,117**	**221,575**	**222,024**	**222,506**	**223,238**	**224,027**	**224,525**
LIABILITIES												
Current Liabilities												
Payables	667	588	565	573	582	592	603	615	626	638	651	663
Borrowings	251	265	280	296	318	336	354	374	60	-	-	-
Provisions	483	501	506	511	516	521	526	531	537	542	547	553
Total Current Liabilities	1,401	1,353	1,350	1,380	1,416	1,449	1,484	1,520	1,223	1,180	1,198	1,216
Non-Current Liabilities												
Borrowings	2,283	2,018	1,738	1,442	1,124	788	434	60	0	0	0	0
Provisions	43	31	31	31	32	32	32	33	33	33	34	34
Total Non-Current Liabilities	2,326	2,048	1,769	1,473	1,155	820	466	93	33	33	34	34
TOTAL LIABILITIES	**3,727**	**3,402**	**3,119**	**2,853**	**2,571**	**2,269**	**1,950**	**1,613**	**1,256**	**1,214**	**1,232**	**1,250**
Net Assets	**213,006**	**215,103**	**216,022**	**216,909**	**217,847**	**218,849**	**219,625**	**220,411**	**221,250**	**222,024**	**222,795**	**223,275**
EQUITY												
Retained Earnings	63,763	65,860	66,779	67,666	68,604	69,606	70,382	71,168	72,007	72,781	73,552	74,032
Revaluation Reserves	149,243	149,243	149,243	149,243	149,243	149,243	149,243	149,243	149,243	149,243	149,243	149,243
Council Equity Interest	213,006	215,103	216,022	216,909	217,847	218,849	219,625	220,411	221,250	222,024	222,795	223,275
Total Equity	**213,006**	**215,103**	**216,022**	**216,909**	**217,847**	**218,849**	**219,625**	**220,411**	**221,250**	**222,024**	**222,795**	**223,275**

1. Council's Long Term Financial Plan does not include any assumptions regarding movements in Revaluation Reserves

Wingecarribee Shire Council
10 Year Financial Plan for the Years ending 30 June 2027
CASH FLOW STATEMENT - WATER FUND
Scenario: Adopted Fit For The Future Improvement Plan

	Actuals	Current Year	Projected Years									
	2015/16	2016/17	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	$'000
Cash Flows from Operating Activities												
Receipts:												
Rates & Annual Charges	-	3,086	3,183	3,263	3,345	3,428	3,514	3,602	3,692	3,784	3,879	3,976
User Charges & Fees	-	8,413	7,950	8,170	8,374	8,582	8,792	9,005	9,224	9,448	9,678	9,914
Interest & Investment Revenue Received	-	822	849	866	887	909	914	919	923	928	932	937
Grants & Contributions	-	1,111	1,130	1,156	1,184	1,214	1,091	1,105	1,133	1,161	1,190	988
Other	-	1,517	137	140	143	147	151	154	158	162	166	170
Payments:												
Employee Benefits & On-Costs	-	(2,708)	(2,859)	(2,970)	(3,085)	(3,205)	(3,326)	(3,452)	(3,584)	(3,724)	(3,870)	(4,014)
Materials & Contracts	-	(2,909)	(2,626)	(2,660)	(2,683)	(2,707)	(2,740)	(2,776)	(2,811)	(2,848)	(2,886)	(2,925)
Borrowing Costs	-	(131)	(117)	(103)	(86)	(64)	(47)	(28)	(9)	-	-	-
Other	-	(2,446)	(2,548)	(2,599)	(2,664)	(2,730)	(2,798)	(2,867)	(2,938)	(3,011)	(3,085)	(3,162)
Net Cash provided (or used in) Operating Activities	-	6,755	5,097	5,263	5,416	5,574	5,551	5,663	5,788	5,901	6,004	5,884
Cash Flows from Investing Activities												
Receipts:												
Sale of Investment Securities	-	-	491	5,871	4,867	1,281	3,247	2,060	-	-	-	-
Sale of Infrastructure, Property, Plant & Equipment	-	164	87	132	176	118	80	161	243	161	95	153
Payments:												
Purchase of Investment Securities	-	(4,521)	-	-	-	-	-	-	(1,755)	(538)	(3,215)	(2,904)
Purchase of Infrastructure, Property, Plant & Equipment	-	(5,432)	(5,409)	(10,987)	(10,162)	(6,655)	(8,543)	(7,530)	(3,902)	(5,464)	(2,885)	(3,133)
Net Cash provided (or used in) Investing Activities	-	(9,789)	(4,832)	(4,984)	(5,120)	(5,256)	(5,215)	(5,309)	(5,414)	(5,841)	(6,004)	(5,884)
Cash Flows from Financing Activities												
Payments:												
Repayment of Borrowings & Advances	-	(251)	(265)	(280)	(296)	(318)	(336)	(354)	(374)	(60)	-	-
Net Cash Flow provided (used in) Financing Activities	-	(251)	(265)	(280)	(296)	(318)	(336)	(354)	(374)	(60)	-	-
Net Increase/(Decrease) in Cash & Cash Equivalents	-	(3,285)	-	(0)	-	-	0	0	0	0	0	0
plus: Cash, Cash Equivalents & Investments - beginning of year	-	5,285	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000
Cash & Cash Equivalents - end of the year	**5,285**	**2,000**	**2,000**	**2,000**	**2,000**	**2,000**	**2,000**	**2,000**	**2,000**	**2,000**	**2,000**	**2,000**
Cash & Cash Equivalents - end of the year	5,285	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000
Investments - end of the year	29,947	34,468	33,978	28,106	23,239	21,958	18,711	16,651	18,406	18,944	22,159	25,062
Cash, Cash Equivalents & Investments - end of the year	**35,232**	**36,468**	**35,978**	**30,106**	**25,239**	**23,958**	**20,711**	**18,651**	**20,406**	**20,944**	**24,159**	**27,062**

Wingecarribee Shire Council
10 Year Financial Plan for the Years ending 30 June 2027

INCOME STATEMENT - SEWER FUND	Actuals	Current Year	Projected Years									
Scenario: Adopted Fit For The Future Improvement Plan	2015/16	2016/17	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	$'000
Income from Continuing Operations												
Revenue:												
Rates & Annual Charges	13,496	13,911	14,615	14,980	15,354	15,738	16,132	16,535	16,948	17,372	17,807	18,252
User Charges & Fees	1,176	866	1,135	1,163	1,192	1,222	1,252	1,283	1,315	1,348	1,382	1,416
Interest & Investment Revenue	408	592	566	312	204	184	213	185	144	75	141	209
Other Revenues	1,291	994	7	7	7	8	8	8	8	8	9	9
Grants & Contributions provided for Operating Purposes	173	150	154	157	161	165	169	173	177	182	186	191
Grants & Contributions provided for Capital Purposes	5,044	1,080	1,223	1,247	1,279	1,311	1,131	1,160	1,189	1,218	1,249	960
Total Income from Continuing Operations	**21,588**	**17,594**	**17,699**	**17,866**	**18,198**	**18,627**	**18,905**	**19,344**	**19,782**	**20,204**	**20,773**	**21,037**
Expenses from Continuing Operations												
Employee Benefits & On-Costs	2,590	3,102	3,449	3,582	3,722	3,866	4,012	4,164	4,324	4,492	4,669	4,843
Borrowing Costs	1,081	867	762	672	890	1,205	1,296	1,241	1,387	1,694	1,792	1,685
Materials & Contracts	1,396	3,359	3,428	3,463	3,507	3,552	3,606	3,660	3,716	3,773	3,831	3,891
Depreciation & Amortisation	3,884	3,701	4,039	4,261	4,476	4,522	4,525	4,698	4,936	5,083	5,057	5,203
Other Expenses	3,132	1,416	1,537	1,568	1,607	1,647	1,688	1,730	1,774	1,818	1,863	1,910
Net Losses from the Disposal of Assets	352	-	-	-	-	-	-	-	-	-	-	-
Total Expenses from Continuing Operations	**12,435**	**12,445**	**13,215**	**13,546**	**14,202**	**14,793**	**15,126**	**15,493**	**16,137**	**16,860**	**17,212**	**17,532**
Operating Result from Continuing Operations	**9,153**	**5,149**	**4,485**	**4,321**	**3,996**	**3,834**	**3,778**	**3,851**	**3,645**	**3,344**	**3,560**	**3,504**
Net Operating Result for the Year	**9,153**	**5,149**	**4,485**	**4,321**	**3,996**	**3,834**	**3,778**	**3,851**	**3,645**	**3,344**	**3,560**	**3,504**
Net Operating Result before Grants and Contributions provided for Capital Purposes	**4,109**	**4,068**	**3,262**	**3,073**	**2,717**	**2,523**	**2,647**	**2,691**	**2,456**	**2,126**	**2,312**	**2,545**

1. Other Revenues in 2015/16 and 2016/17 include the recovery of CDO Investments
2. Increase in 2015/16 is due to subdivision dedications - not projected over the course of the LTFP

Wingecarribee Shire Council
10 Year Financial Plan for the Years ending 30 June 2027
BALANCE SHEET - SEWER FUND
Scenario: Adopted Fit For The Future Improvement Plan

	Actuals	Current Year	Projected Years									
	2015/16	2016/17	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	$'000
ASSETS												
Current Assets												
Cash & Cash Equivalents	3,064	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	1,174	2,000	2,000
Investments	17,365	22,094	23,810	12,345	7,419	6,096	6,740	5,009	2,703	-	1,452	3,622
Receivables	3,957	3,673	3,834	3,987	4,122	4,285	4,510	4,751	5,001	5,260	5,599	5,940
Inventories	44	23	24	24	25	26	26	27	28	28	29	30
Other	-	23	24	25	25	25	26	26	27	27	28	28
Total Current Assets	24,430	27,813	29,691	18,381	13,591	12,433	13,302	11,813	9,758	6,490	9,108	11,620
Non-Current Assets												
Infrastructure, Property, Plant & Equipment	211,203	210,211	210,381	223,472	245,352	256,589	257,062	262,003	273,971	286,103	284,714	283,268
Total Non-Current Assets	211,203	210,211	210,381	223,472	245,352	256,589	257,062	262,003	273,971	286,103	284,714	283,268
TOTAL ASSETS	**235,633**	**238,023**	**240,073**	**241,853**	**258,942**	**269,022**	**270,364**	**273,816**	**283,729**	**292,593**	**293,822**	**294,888**
LIABILITIES												
Current Liabilities												
Payables	461	255	265	268	273	277	282	288	293	298	304	310
Borrowings	2,595	2,452	2,551	2,655	2,619	2,448	2,380	2,601	2,180	2,344	2,452	2,236
Provisions	609	606	612	618	625	631	637	643	650	656	663	670
Total Current Liabilities	3,665	3,313	3,428	3,542	3,516	3,357	3,299	3,533	3,123	3,299	3,418	3,215
Non-Current Liabilities												
Borrowings	18,117	15,701	13,151	10,496	23,614	30,019	27,639	27,007	33,684	39,027	36,575	34,339
Provisions	56	65	66	67	67	68	69	70	70	71	72	72
Total Non-Current Liabilities	18,173	15,767	13,217	10,562	23,682	30,087	27,708	27,076	33,754	39,098	36,647	34,412
TOTAL LIABILITIES	**21,838**	**19,080**	**16,644**	**14,104**	**27,198**	**33,444**	**31,007**	**30,609**	**36,877**	**42,396**	**40,065**	**37,627**
Net Assets	**213,795**	**218,944**	**223,428**	**227,749**	**231,745**	**235,579**	**239,357**	**243,208**	**246,852**	**250,196**	**253,757**	**257,261**
EQUITY												
Retained Earnings	116,120	121,269	125,753	130,074	134,070	137,904	141,682	145,533	149,177	152,521	156,082	159,586
Revaluation Reserves	97,675	97,675	97,675	97,675	97,675	97,675	97,675	97,675	97,675	97,675	97,675	97,675
Council Equity Interest	213,795	218,944	223,428	227,749	231,745	235,579	239,357	243,208	246,852	250,196	253,757	257,261
Total Equity	**213,795**	**218,944**	**223,428**	**227,749**	**231,745**	**235,579**	**239,357**	**243,208**	**246,852**	**250,196**	**253,757**	**257,261**

1. Council's Long Term Financial Plan does not include any assumptions regarding movements in Revaluation Reserves

Wingecarribee Shire Council
10 Year Financial Plan for the Years ending 30 June 2027
CASH FLOW STATEMENT - SEWER FUND
Scenario: Adopted Fit For The Future Improvement Plan

	Actuals	Current Year	Projected Years									
	2015/16	2016/17	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	$'000
Cash Flows from Operating Activities												
Receipts:												
Rates & Annual Charges	-	13,797	14,603	14,974	15,348	15,732	16,125	16,528	16,942	17,365	17,799	18,244
User Charges & Fees	-	1,190	991	1,017	1,065	1,066	1,028	1,051	1,074	1,097	1,052	1,073
Interest & Investment Revenue Received	-	592	566	312	204	184	213	185	144	75	141	209
Grants & Contributions	-	1,305	1,372	1,403	1,438	1,474	1,306	1,332	1,365	1,399	1,434	1,160
Other	-	994	7	7	7	8	8	8	8	8	9	9
Payments:												
Employee Benefits & On-Costs	-	(3,095)	(3,442)	(3,576)	(3,715)	(3,859)	(4,005)	(4,157)	(4,317)	(4,485)	(4,662)	(4,836)
Materials & Contracts	-	(3,568)	(3,420)	(3,460)	(3,504)	(3,549)	(3,602)	(3,656)	(3,712)	(3,769)	(3,827)	(3,887)
Borrowing Costs	-	(867)	(762)	(672)	(890)	(1,205)	(1,296)	(1,241)	(1,387)	(1,694)	(1,792)	(1,685)
Other	-	(1,416)	(1,537)	(1,568)	(1,607)	(1,647)	(1,688)	(1,730)	(1,774)	(1,818)	(1,863)	(1,910)
Net Cash provided (or used in) Operating Activities	-	8,932	8,378	8,438	8,347	8,203	8,089	8,319	8,342	8,179	8,291	8,378
Cash Flows from Investing Activities												
Receipts:												
Sale of Investment Securities	-	-	-	11,464	4,926	1,323	-	1,730	2,306	2,703	-	-
Sale of Infrastructure, Property, Plant & Equipment	-	60	32	50	86	59	178	117	76	39	84	81
Payments:												
Purchase of Investment Securities	-	(4,729)	(1,716)	-	-	-	(643)	-	-	-	(1,452)	(2,169)
Purchase of Infrastructure, Property, Plant & Equipment	-	(2,769)	(4,241)	(17,402)	(26,441)	(15,819)	(5,175)	(9,757)	(16,980)	(17,253)	(3,752)	(3,838)
Net Cash provided (or used in) Investing Activities	-	(7,437)	(5,926)	(5,888)	(21,429)	(14,437)	(5,641)	(7,909)	(14,598)	(14,512)	(5,120)	(5,926)
Cash Flows from Financing Activities												
Receipts:												
Proceeds from Borrowings & Advances	-	-	-	-	16,000	9,000	-	2,000	9,000	8,000	-	-
Payments:												
Repayment of Borrowings & Advances	-	(2,559)	(2,452)	(2,551)	(2,918)	(2,766)	(2,448)	(2,410)	(2,745)	(2,493)	(2,344)	(2,452)
Net Cash Flow provided (used in) Financing Activities	-	(2,559)	(2,452)	(2,551)	13,082	6,234	(2,448)	(410)	6,255	5,507	(2,344)	(2,452)
Net Increase/(Decrease) in Cash & Cash Equivalents	-	(1,064)	-	-	-	-	(0)	(0)	-	(826)	826	-
plus: Cash, Cash Equivalents & Investments - beginning of year	-	3,064	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	1,174	2,000
Cash & Cash Equivalents - end of the year	**3,064**	**2,000**	**2,000**	**2,000**	**2,000**	**2,000**	**2,000**	**2,000**	**2,000**	**1,174**	**2,000**	**2,000**
Cash & Cash Equivalents - end of the year	3,064	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	1,174	2,000	2,000
Investments - end of the year	17,365	22,094	23,810	12,345	7,419	6,096	6,740	5,009	2,703	-	1,452	3,622
Cash, Cash Equivalents & Investments - end of the year	**20,429**	**24,094**	**25,810**	**14,345**	**9,419**	**8,096**	**8,740**	**7,009**	**4,703**	**1,174**	**3,452**	**5,622**

Wingecarribee Shire Council

Workforce Management Plan 2017-2021

Adopted June 2017

Working with you

www.wsc.nsw.gov.au

WINGECARRIBEE SHIRE COUNCIL

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Introduction and Overview

Message from the General Manager

Welcome to Wingecarribee Shire Council's 2017 to 2021 Workforce Management Plan.

New South Wales (NSW) Local Government has been experiencing a dramatic period of change, with some uncertainty for individual councils.

Our Council has been deemed Fit for the Future and we are moving forward with confidence to build our future with certainty. There will be some unique challenges ahead. To respond effectively and provide a quality service, our Council will need to evolve into an agile and progressive organisation.

One of the key challenges is positioning Council to respond to ongoing change. Strategically building capacity to ensure our sustainability will be critical, whilst continuing to deliver services in the most cost effective manner.

Council's workforce must be fit for purpose and ensure we are positioned to address challenges such as project delivery, compliance and customer service as well as implementing our Fit for the Future improvement plan.

Council is a key local employer and will be required to develop skills to meet ongoing business needs in a competitive labour market.

Technological changes are occurring at a fast pace, which is an issue facing all employers not only Council. We will continue to invest in technology to enhance service provision and increase efficiency.

An important part of the workforce planning and development process is to acknowledge the challenges of the past and to use this experience to influence and guide the positive development of Councils organisational culture, values and performance.

It is essential that Council provide more career opportunities for staff and continue to recognise the significant contribution made to the many services of our community. Council's workforce management plan will rely on strategies to further develop our most important asset, our people.

Ann Prendergast
General Manager
Wingecarribee Shire Council

Why Workforce Planning?

Workforce planning is a pivotal element within the Integrated Planning and R eporting (IPR) framework adopted by Council and incorporates strong governance mechanisms.

Our workforce management plan will address both operational and s trategic issues and identify actions to address specific workforce gaps.

Continuous business planning processes will shape and structure the workforce to ensure there is sufficient and s ustainable capability and c apacity to deliver our objectives within the available allocated resources, now and in the future.

Current Workforce Profile and Demographics

Wingecarribee Council currently employs the fulltime equivalent (FTE) of 405.88 staff, comprising:

Corporate Strategy and Development Services	123.37
Operations, Finance and Risk	273.01
Executive and support	9.50

A breakdown of FTE by branch is shown below.

General Manager

Deputy General Manager Corporate, Strategy and Development Services

Planning, Development and Regulatory Services	40.48
Environment and Sustainability	10.00
Tourism and Events	7.20
Corporate and Community	43.71
Information Services	21.98

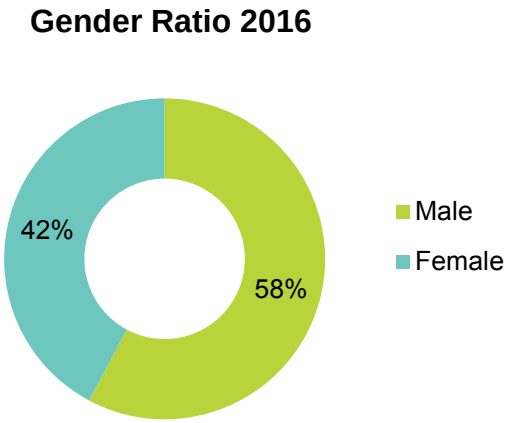
Deputy General Manager Operations, Finance and Risk

Finance, Procurement and Fleet	30.36
Business Services	29.46
Assets and Project Delivery	31.12
Organisational Development	10.00
Infrastructure Services	115.27
Water and Sewer	56.80

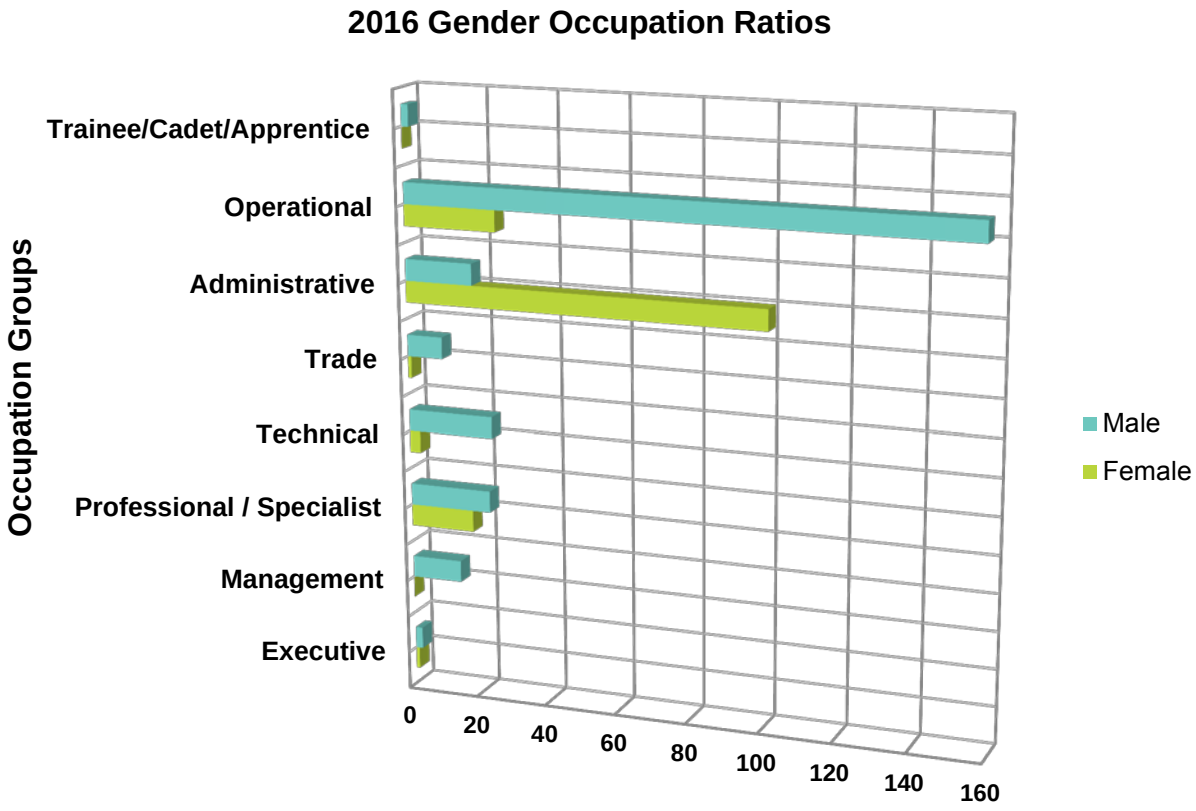
Profile

The average age of our employees is 45 years. A 2010 census on local government employees showed over half of the local government workforce in NSW is aged between 35 and 54.

The overall gender split sits at males 58 per cent and females 42 per cent in our Council. According to the 2010 census women made up 46 per cent of the NSW local government workforce.



86 per cent of our outdoor workforce is male, accounting for a total of 67 per cent of our total male workforce.



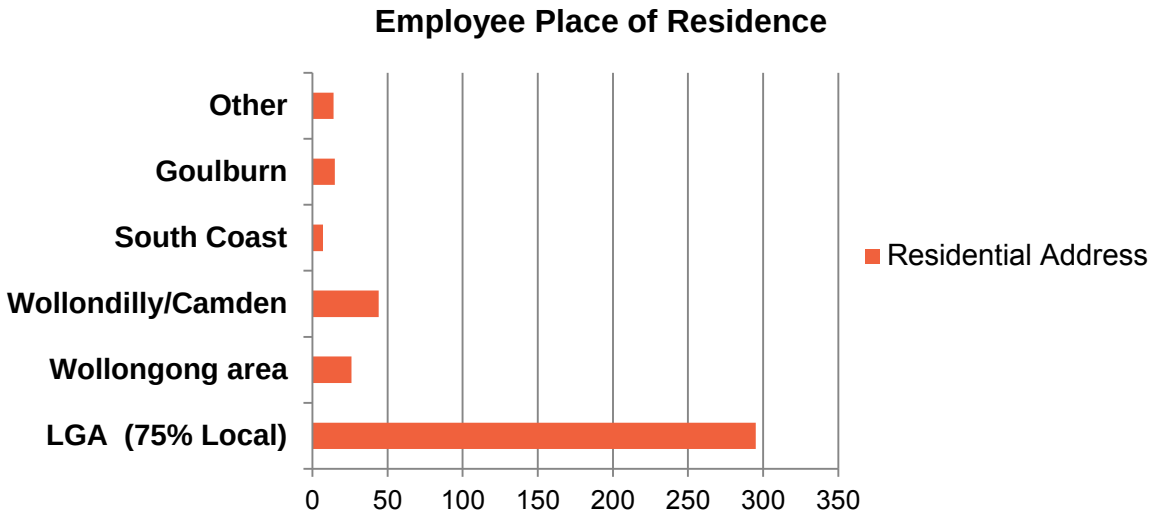
Workforce Trends and Turnover

At Wingecarribee the 2015/16 turnover rate was approximately 19 per cent. This is higher than the industry average of approximately seven per cent.

This higher figure is largely due to a recent restructure and an ageing workforce. While it is cost effective to keep the turnover percentage to single figures, natural attrition allows an organisation to engage staff who can contribute new ideas and fresh concepts as well as provide possible career paths for skilled or talented internal applicants.

Council will continue to analyse information gained through survey information, feedback and exit interviews and develop appropriate strategies to maintain an acceptable turnover percentage.

It is envisaged that the 2016/17 turnover percentage will align more closely to industry standards. Our figures show that a high number of our operational and trade staff live within the local government area.



75 per cent of our employees reside within the Wingecarribee Shire.

Health and Wellbeing

Our commitment to Work Health Safety, the wellbeing of our staff and obligation to legislative compliance is paramount to Council. We recognised that dedicated expert resources were required to develop a comprehensive and compliant safety management system and ensure that all staff are educated to ensure better understanding of the responsibilities, principles, protocols and procedures within that system.

These resources were allocated and highly skilled staff have been appointed to form an important part of the Organisational Development branch. Close attention to improving the workers compensation and rehabilitation policy and procedures has resulted in better staff engagement and significant savings on insurance premiums in 2014/15 and following years.

Importantly, this has seen an improvement in Council's safety culture.

Learning and Development

Training expenditure has focussed on the immediate and urgent reactive issues facing Council.

Expenditure ($'000)	2013/2014	2014/2015	2015/2016
Training costs	$512,000	$398,000	$500,000
Employment costs (excluding training costs)	$31,515,000	$32,674,000	$33,277,000
Training costs as a % of total employment expenditure	1.62%	1.22%	1.5%

It is imperative that we focus on the benefits that appropriate good quality training provides to the business of Council and staff by clearly targeting skills to meet the operational needs of the organisation now and in the future.

Council will utilise our performance management system to assist with training needs identification.

A leadership series program for current and aspiring supervisory staff to target the needs of future succession planning is also being undertaken.

Employment Costs

Council is mindful that the cost of staff is a significant overall annual cost. However, without the employment of skilled and dedicated staff the level of service to the community and the governance functions of Council would not meet the communities' expectations of a modern organisation or the rigorous legislative operating environment.

Our Roadmap for the Future

Workforce Gaps and Priorities

Special Rate Variation

As part of the State Government Fit for the Future reforms, Councils throughout NSW were required to demonstrate how they intended to meet a range of financial benchmarks. At the time of Council's submission (June 2015) Council met two of seven benchmarks.

Council's Fit for the Future submission identified the need to introduce a Special Rate Variation (SRV) to fund our asset maintenance and renewal backlog. A subsequent SRV application in early 2016 was approved which will have a flow on effect to the priorities of delivery programs and service levels, and in turn allocation of resources.

The makeup of Council's future workforce will include a combination of day and contracted labour. Council will source external expertise to deliver specialist advice or dedicate existing resources to manage projects where required. Workforce changes will be assessed regularly and the workforce management plan reviewed where necessary.

An Ageing Workforce

Over the next 10 years, as the Australian population ages, organisation's will be faced with a decreasing number of young people entering the workforce and an increasing number of older workers staying in the workforce past the traditional retirement age. In response Council will need to develop strategies, policies and procedures which will address both the advantages and challenges that are associated with an ageing workforce.

Flexibility in the Workplace

Council respects and values diversity in the workplace. It is important that we encourage a healthy work/life balance which will benefit our employees while still allowing business needs to be met.

While Council does have certain elements of flexibility, to be successful in attracting and retaining staff in a competitive environment we will be open to exploring further options.

Skills Shortages

The following positions are included on the Department of Employment Skill Shortage List of New South Wales are areas where Council has difficulty in recruiting suitable applicants with the depth of experience required:

- Accountants: 'The recruitment difficulty is for accountants with four years or more experience in some regional towns'.
- Accredited Certifiers: 'Shortages have been identified across the Local Government sector'.
- Surveyors: 'Shortages are evident across various sectors and specialisations including engineering, construction and cadastral surveying'.
- Engineering Professionals: 'The recruitment difficulty is for experienced engineers'.
- Property Management Specialists: 'Recruitment for experienced property management specialists has been an identified shortage.

There is also an impact to Council where the cost of expert professional services is financially difficult for Councils to afford and compete with private enterprise. This includes areas such as Information Technology and Corporate Services/Organisational Development professionals.

Where specific shortages have been identified, Council may consider the use of trainees, internships and cadetships to accommodate professional development within these specialised areas.

Critical Positions

These are positions that:

- are key, or may become key, to the functions of Council in the future
- have had a high number of vacancies and/or vacancies that have been difficult to fill due to labour market tensions
- have an impact on Council's business outcomes if left vacant
- require a long lead time to develop the required skills
- have broad or unlikely mix of skills
- have ongoing niche or specialised skills

Positions which have been, or may be in the future be identified as critical, will have strategies allocated or possible succession planning options implemented to minimise any negative impact.

Budget and Systems Implications

Prior to the Fit for the Future reforms the need for change was identified. However the reform process put the review on hold.

A series of recommendations for change – process, procedural and cultural, together with enhancements to service delivery have been identified throughout Council.

A more strategic approach to manage the transformation of Council as a business is needed to facilitate the change program.

This would require dedicated allocation of funds to ensure that Council would become an agile organisation with the capacity to provide a better customer experience with more robust reporting and accountability.

Leadership Improvement

As an element of Councils continuous improvement program, an all staff wellness survey was undertaken in 2016. The survey captured the key action areas to develop an Organisational Well Being Action Plan, with a key emphasis on:

- Change Management;
- Communication and Consultation;
- Performance and Reward;
- Leadership

A project delivery plan on each area will support objectives being met.

Succession Planning

Succession planning is a key element of workforce planning and is a strategic planning tool to reduce the risk of disruption to Council's overall operations in the event of staff at any level separating from Council, whether by resignation, retirement or extended leave periods.

Council's future succession planning system aims to:

- identify critical positions and assess risks to Council should the positions become vacant;
- develop mitigating strategies and solutions tailored to suit; and
- revise assessments and undertake regular reviews

Employee Engagement

Engaged employees are committed to the organisation's goals and values, motivated to contribute to organisational success, and able to enhance their own sense of well-being.

We believe attitudes, behaviours and outcomes, combined with Council's values will contribute to achieving our goals.

Our Values

- *Integrity, Trust and Respect*
- *Responsibility and Accountability*
- *Communication and Teamwork*
- *Service Quality*

Wingecarribee Shire Councils employee engagement will focus on the following:

Council is committed to a consultative and participative industrial relations processes in order to maintain positive relationships, resolve disputes and negotiate outcomes beneficial to Council.

Gap Analysis

Gap analysis is crucial tool to inform development of workforce planning strategies. We must identify the gaps (shortages or surpluses) between supply and demand, now and into the future.

We are gaining a better understanding of where the gaps in our organisation and have identified areas of criticality. We need to build:

- A stronger foundation of policy and procedure for operational effectiveness.
- Superior organisational system usage and documentation control.
- Development of an updated delegations register for effectiveness.
- To be more successful in their roles, all management levels should become more strategically focused and less operationally involved.
- Development of training plans to improve effective and appropriate skills and capabilities.

Our Priorities

Policy Development and Implementation

To provide a solid foundation, clear guidelines and direction Council needs to review, develop and implement a comprehensive framework of compliant policies and procedures which will reflect a more contemporary standard.

Through a dedicated process involving contribution from subject matter experts, management and staff it is envisaged that all policies and procedures will be developed, approved and adopted by the Executive in a timely manner.

Once policies are adopted all staff will participate in an education process and all policies will be readily available on Council's intranet.

Salary System

To develop a modern and competitive salary system based on capability and learning and development. Council will ensure transparency in the ability to progress through demonstration of required skills/competencies and core behavioral expectations in compliance with the Local Government State Award and any other agreements.

Improved Engagement and Project Planning

Community engagement remains a focus for Council. The Community Engagement Strategy will be reviewed in 2018/19 to ensure Council continues with a contemporary approach to engagement and participation in decision making.

Council recognises the need for better alignment of project planning to support the implementation of our strategic asset management plan and fit for the future improvement plan. Upon approval of Council's Special Rate Variation application, Council has made significant steps towards improving the management of infrastructure and community assets, with the recruitment of a Group Manager Assets and Project Delivery.

Council has introduced a structured and tailored a project management methodology enabling greater controls for project managers and Executive.

Organisational Performance Review - Customer Focus

Council has conducted a service delivery/customer service audit and review with reports recommending improvement actions focused on outcomes.

Service reviews - a continuous improvement process - will be under taken across all Council services to ensure they are appropriate, effective and efficient. It is expected that these reviews will enable Council to remove duplication of effort, embrace modern technology and tools, be more responsive and accountable and allow customers more choice in doing business with us.

A program of cultural change and bu siness transformation will enable Council to implement the recommendations from services reviews.

Systems and Processes Training

Council has identified the need to better utilise and integrate its workplace systems and processes going forward. This will create the opportunity to implement a more skilled workforce to support these processes with the allocation of budget funds and a c ommitment to training for staff. This opportunity will also minimise rework across Council which will free up staff to perform duties elsewhere.

Attraction and Retention

Develop a streamlined and effective attraction and retention program based on:

- streamlined and timely recruitment processes built on merit based selection
- comprehensive and involved induction and probation processes
- clear and collaborative performance management processes
- innovative and valid reward and recognition programs; and
- analysed exit surveys and reports.

Council recognises the cost of staff turnover impacts its ability to deliver the services identified by the community.

Strategies for Growth

Workforce Strategies

After careful analysis of the data and the future effects of a changing Local Government environment, the following strategies have been identified for further exploration.

As a Council deemed Fit for the Future we must continually look for ways to remain capable, competent and effective and be a s ustainable entity which provides value and opportunity for our staff, the organisation and the community.

Leadership

The focus for Council will be to harness the drive and enthusiasm of our leaders to consolidate our direction and enhance the leadership capabilities of staff within all levels of the organisation. The provision of succession planning for future leaders will provide a balance of technical, operational and managerial knowledge nurturing innovation and growth.

Strategy focus area	Potential actions
Develop and implement a leadership program across Council	Identify suitable program and include in the corporate training calendar
	Implement middle management program and include in corporate training calendar
Talent Identification (TID) Program for potential leaders	Develop TID program and nominate appropriate staff and dedicated mentors and coaches
	Nominate participating staff

Organisational Development and Performance

Organisational development empowers leaders and individual employees creating a culture of positive growth by aligning our shared goals and enhancing the quality and speed of decisions. It promotes innovation and organisational flexibility, job, work, and life satisfaction. Combined with a robust performance management process, managers and employees can work together to plan, monitor and review work objectives and overall contribution to the organisation to achieve a cohesive, positive and productive workplace.

Strategy focus area	Potential actions
Policy improvement and process efficiencies	Continue policy and process review
	Continue implementation of project improvement
System improvement	Implementation of, and education in system improvement
	Improved reporting
Performance management system	Implementation of online performance management system
Salary system development	Design and implement new salary system based on capabilities/skills and competencies
Business transformation	Undertake service reviews across Council

Culture and Sustainability

The connection between culture and sustainability is a significant component in the changing local government and community environments. A positive culture connects different departments, sections, interest groups and contributes to social development, identity and inclusion. It is a valuable add-on to the three pillars of sustainability – economic, social and environmental and is fundamental to achieving our goals.

Strategy focus area	Potential actions
Communication improvement staff surveys	Implementation of employee engagement communication and connection platforms
	Conduct staff survey every two years
Developing partnerships and resource sharing	Investigate opportunities for resource sharing with other Councils
Industrial Relations	Continue contribution to Consultative Committee
	Maintain positive relationship with all unions
Organisational health and wellbeing	Continue the implementation of the safety management system and Workers Compensation management process

Professional Development

The organisation must implement a robust learning and development framework across all staffing levels to ensure that Council meets its agreed service levels and is flexible and resilient enough to meet the future needs. By identifying any capability gaps, the organisation can educate and upskill current staff to develop the confidence and knowledge base, or attract the needed capabilities required from a broader recruitment pool. This will ensure that the workforce becomes more competitive, innovative, knowledgeable and engaged.

Strategy focus area	Potential actions
Capability gap identification	Review and record workforce capability against strategic objectives to identify any current or future gaps
	Research and report on skills gap trends
Implement corporate training plan which is communicated on Council's intranet	Design annual corporate training elements and populate plan
Implement learning and development module in HRIS	Ensure individual development plans are generated from performance management review and are within the personal and professional needs of the individual and benefit of the organisation.
	Grouping like training to enable Council to identify savings by ensuring economies of scale.
Traineeship/ cadet/undergraduate and coach/mentor program	Develop and implement potential positons for traineeship/cadet/ program and identify corresponding potential coach/mentors
	Identify key skills shortages and commence attraction and engagement of future skills
Funding	Identify funding to support learning and development outcomes across Council.

Attraction and Retention

Council recognises that a reward and recognition program beyond remuneration is needed to attract, motivate and retain today's workforce. We need to offer flexible, balanced work-life programs to attract and retain employees. Some are low-cost but highly valued by employees and would give Council an advantage in the competition for talent.

Strategy focus area	Potential actions
Review advertising practices	Develop all advertisements and document templates within the style guidelines
Corporate induction	Develop online induction program
	Develop specific onsite induction
Reward and recognition program	Develop a policy and procedure for a new reward and recognition program with links to the performance management system
	Rollout consultation, communication and education program for reward and recognition
Salary surveys	Conduct research in competitive market skill shortage areas

Supporting Documents and Policies

Listed below is supporting documentation and policies utilised throughout Wingecarribee Shire Council's Workforce Management Plan 2017 - 2021:

- Australian Bureau of Statistics (2015). Labour Force – Southern Highlands/ Shoalhaven. Retrieved from
- www.abs.gov.au/AUSSTATS/abs@.nsf/DetailsPage/6291.0.55.001Mar%202015?OpenDocument
- Australian Government – Australian Public Services Commission (2012). Australian Public Services Workforce Planning Guide. Retrieved from
- www.apsc.gov.au/publications-and-media/current-publications/workforce-planning-guide
- Australian Government – Department of Employment (2016). Skills Shortage List – Australia. Retrieved from https://docs.employment.gov.au/documents/skill-shortage-list-australia
- 2010 Census of Local Government Employees: Report on Findings – August 2011 /www.olg.nsw.gov.au/sites/default/files/2010%20Census%20of%20Local%20Government%20Employees%20-%20Report%20on%20Findings.pdf
- Local Government Managers Australia (2007). National Skills Shortage Strategy for Local Government.
- Wingecarribee Shire Council Recruitment and Selection Policy – General Manager Practice Note.
- Wingecarribee 2031 Community Strategic Plan.
- Wingecarribee Shire Council Delivery Program 2013-2017.
- Wingecarribee Shire Council Operational Plan and Budget 2016-2017.
- Wingecarribee Shire Council Resourcing Strategy 2013-2017.
- Wingecarribee Shire Council Equal Employment Opportunity (EEO) Management Plan 2010-2013.

Wingecarribee Shire Council

Strategic Asset Management Plan 2017-2027

Adopted June 2017

Working with you

www.wsc.nsw.gov.au

WINGECARRIBEE
SHIRE COUNCIL

Disclaimer

The capital works programs included in this Strategic Asset Management Plan are subjected to change in terms of addition and deletion of projects, change of project scope and change of delivery year. Changes may be required for various reasons including changes in available grant/development funds/requirements, changes in forecast income, changes in risks or community priorities of projects, identification of new high risk/priority projects and significant changes in cost of construction. The renewal works programs are based on the best available condition and other relevant data at present. Any changes made to the program will be outlined in Council's Annual Operational Plan & Budget.

Version 7.

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Executive Summary

This Strategic Asset Management Plan is prepared to assist Wingecarribee Shire Council (Council) in improving the way it delivers services from infrastructure including roads, bridges, footpaths, stormwater drainage, parks and recreation, buildings, water services, and sewerage. These infrastructure assets have a replacement value of approximately $1.6 billion.

The Strategic Asset Management Plan enables Council to:

- show how its asset portfolio will meet the service delivery needs of its community into the future,
- achieve asset management policies, and
- ensure the integration of Council's asset management with its Community Strategic Plan.

Adopting this Strategic Asset Management Plan will assist council in meeting the requirements of national sustainability frameworks, State Integrated Planning and Reporting frameworks and providing services needed by the community in a financially sustainable manner.

The Strategic Asset Management Plan is prepared following a review of the council's service delivery practices, financial sustainability indicators, asset management maturity and fit with council's vision for the future outlined in the Wingecarribee Community Strategic Plan. This strategic plan outlines an asset management improvement plan detailing a program of tasks to be completed and resources required to bring council to an 'Appropriate' level (more than 'Core' level) of asset maturity and competence.

Strategy outlook

1. Council has established a dedicated Asset Management Branch and all asset management practice areas have been significantly improved in the last 2-3 years. As per section 3.7 the overall 'core' AM maturity level is assessed at approximately 83%. Continual implementation of the Asset Management Improvement Plan (section 6) and i nvestment in asset management is recommended to further improve information management, lifecycle management, service management & accountability and direction.

Subject to Council endorsement, this Strategic Asset Management Plan will be exhibited for public submission as part of the Operational Plan process and then adopted by Council by 30 June 2017.

1. Introduction

1.1 Objective and National Framework

Assets deliver important services to communities. A key issue facing local governments throughout Australia is the management of ageing assets in need of renewal and replacement.

Infrastructure assets such as roads, drains, bridges, water and sewerage and public buildings present particular challenges. Their condition and longevity can be difficult to determine. Financing needs can be large, requiring planning for large peaks and troughs in expenditure for renewing and replacing such assets. The demand for new and improved services adds to the planning and financing complexity.[1] The creation of new assets also presents challenges in funding the ongoing operating, maintenance, and replacement costs necessary to provide the needed service over the assets' full life cycle.[2]

The objective of the Asset Management Strategy included in this Strategic Asset Management Plan is to establish a framework to guide the planning, construction, maintenance and operation of the infrastructure essential for council to provide services to the community.

The national frameworks on asset planning and management and financial planning and reporting endorsed by the Local Government and Planning Ministers' Council (LGPMC) require councils to adopt a longer-term approach to service delivery and funding comprising:

- A strategic longer-term plan covering, as a minimum, the term of office of the councillors and:
    - bringing together asset management and long term financial plans,
    - demonstrating how council intends to resource the plan, and
    - consulting with communities on the plan
- Annual budget showing the connection to the strategic objectives, and
- Annual report with:
    - explanation to the community on variations between the budget and actual results,
    - any impact of such variances on the strategic longer-term plan,
    - report of operations with review on the performance of the council against strategic objectives.[3]

The LGPMC Framework 2 Asset Planning and Management has seven elements to assist in highlighting key management issues, promote prudent, transparent and accountable management of local government assets and introduce a strategic approach to meet current and emerging challenges.

- Asset management policy
- Strategy and planning:
    - asset management strategy
    - asset management plan
- Governance and management arrangements
- Defining levels of service
- Data and systems
- Skills and processes and
- Evaluation.[4]

[1] LGPMC, 2009, Framework 2 Asset Planning and Management, p 2.
[2] LGPMC, 2009, Framework 3 Financial Planning and Reporting, pp 2-3.
[3] LGPMC, 2009, Framework 3 Financial Planning and Reporting, pp 4-5.
[4] LGPMC, 2009, Framework 2 *Asset Planning and Management*, p 4.

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,
- to enable Council's asset management policies to be achieved, and
- to ensure the integration of Council's asset management with its long term strategic plan.[5]

1.2 Asset Management Planning Process

The goal of asset management is to ensure that services are provided:

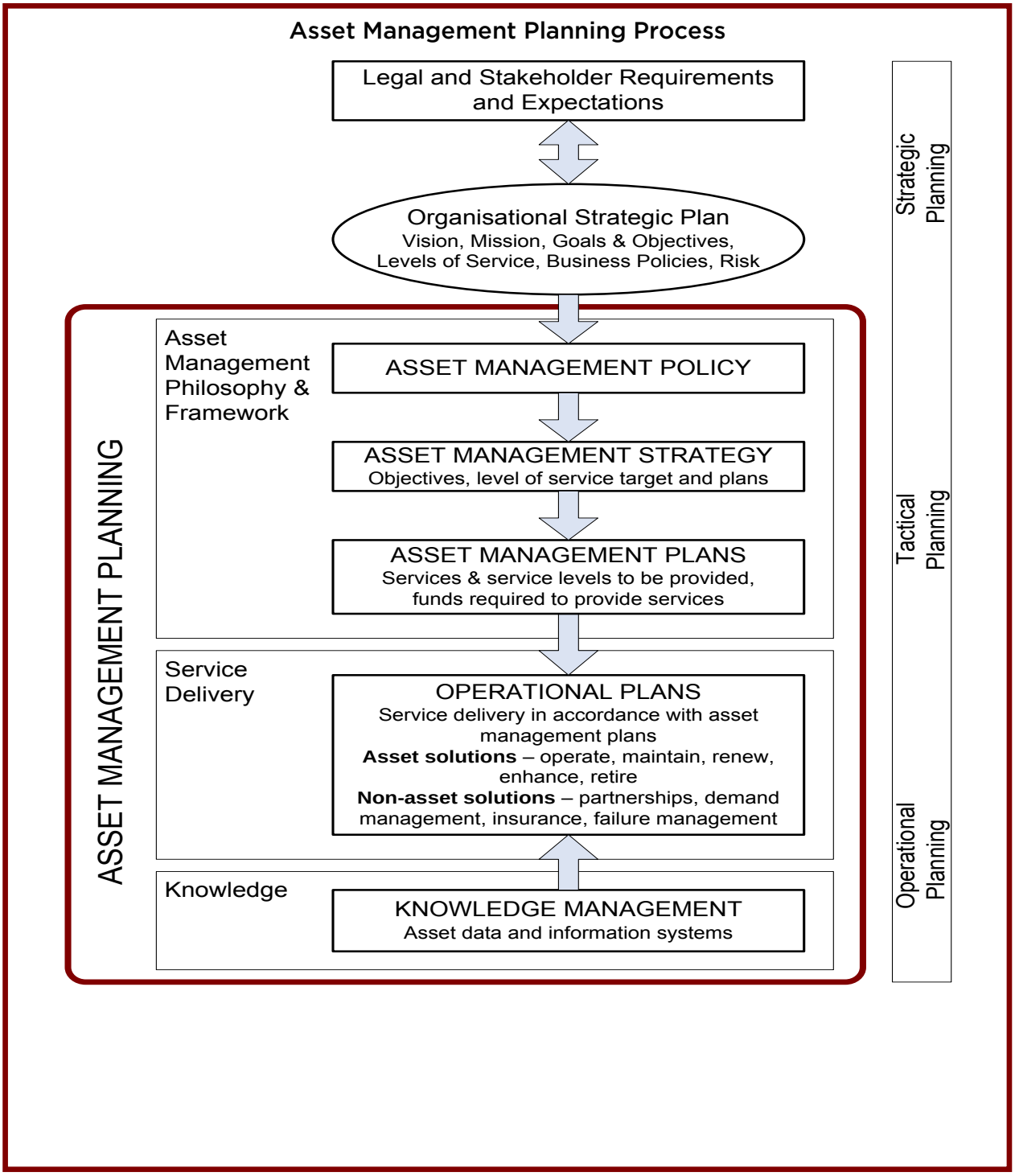
- in the most cost effective manner,
- through the creation, acquisition, maintenance, operation, rehabilitation and disposal of assets,
- for present and future consumers.

Asset management planning is a comprehensive process to ensure that assets are managed and maintained in a way that enables affordable services from infrastructure to be provided in an economically optimal way. In turn, affordable service levels can only be determined by assessing Council's financially sustainability under scenarios with different proposed service levels.

Asset management planning commences with defining stakeholder and legal requirements and needs, incorporating these needs into the organisation's strategic plan, developing an asset management policy, strategy, asset management plan and operational plans, linked to a long-term financial plan with funding scenarios.[6]

[5] LGPMC, 2009, Framework 2 *Asset Planning and Management*, p 4.
[6] IPWEA, 2009, AIFMG, Quick Guide, Sec 4, p 5.

The following diagram shows the asset management planning process.



1.3 Asset Management Framework

The ISO55000 Asset Management International Standards refer to Asset Management System as being a set of tools comprising asset management policies, plans and business processes. In this case, the term Asset Management System equates to an Asset Management Framework. Council's Asset Management Framework is represented below.

AM Policy	Strategic Asset Management Plan	AM Plan	Operational/ Annual Plan
What is it? Broadly outlines the principles and requirements for undertaking AM across the organisation in a structured and coordinated way, consistent with the organisation's strategic plan.	Specific high level long term action plan and objectives for managing the assets. The implementation of the AM strategy is demonstrated through the development of the AM Plan.	Long term plans that outline the asset activities for each asset class and resources to provide a defined level of service in the most cost effective way.	The Annual AM Operational Plan spells out the AM activities that the Council will undertake in the next financial year.
Typical Contents			
Purpose of policy Policy objectives Principles: AM strategy & AM plans Legislative compliance Resource & funds allocation Risk management AM information system Life-cycle costs Performance measurement Integration of AM with strategic planning and business processes. Asset renewal Sustainability Reporting requirements Responsibilities Performance measures and reviews.	AM Framework AM Processes State of Assets Assets & services Financial status Asset condition Life cycle costs Management of assets Objectives AM vision AM structure AM maturity assessment User satisfaction Long term financial plan Strategy outlook Risk management Key components of AMPs Inventory Condition of assets Levels of service Capital works program AM strategy AM improvement plan	Goals and objectives AM framework Levels of Service Future demand Lifecycle management plan Financial summary Plan improvement and monitoring.	Maintenance program Regulatory Routine/Proactive Reactive Inspections Capital works program Renewal New/upgrade AM program Asset valuation Condition assessment Reporting

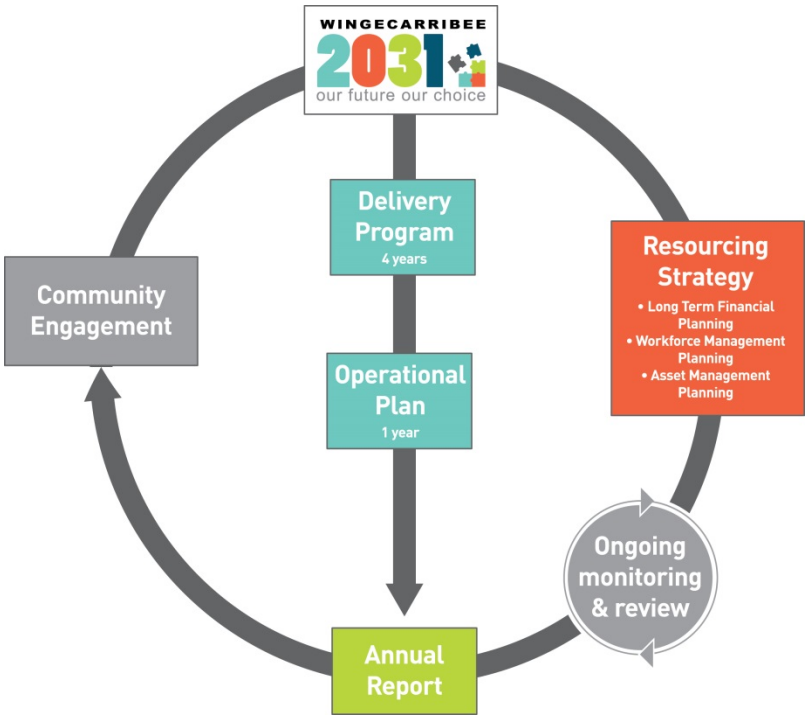
1.4 Integrated Planning and Reporting Framework

The 'Integrated Planning and R eporting' legislation (Local Government Act Amendments 2009) introduced by the NSW Government in 2009 requires NSW councils to adopt and implement the 'Integrated Planning & Reporting Framework' shown below, to improve councils' long term community, financial and asset planning.

The main components of the framework are:

- Community Strategic Plan (CSP) – Aspirations of the community
- Delivery Program – Actions to implement the CSP, 4 years.
- Resourcing Strategy – Assists in the preparation of Delivery Program. Comprising Asset Management Strategy & Plans (10 years), Workforce Plan (4years) and Long Term Financial Plan (10 years).
- Operational Plan – Annual sub-plan of Delivery Program, 1 year.
- Annual Report – Progress in implementing the Delivery Program and the Operational Plan.

In consultation with residents and other stake-holders Council developed, adopted and has been implementing a CSP called *Wingecarribee 2031* (W2031) since July 2011, the plan is currently being reviewed.



Integrated Planning and Reporting Framework

The overarching driver behind *Wingecarribee* (W2031) is the vision statement. The content of W2031 was developed to achieve this vision taking into account the current and anticipated challenges and issues as well as other plans and strategies relevant to our Shire.

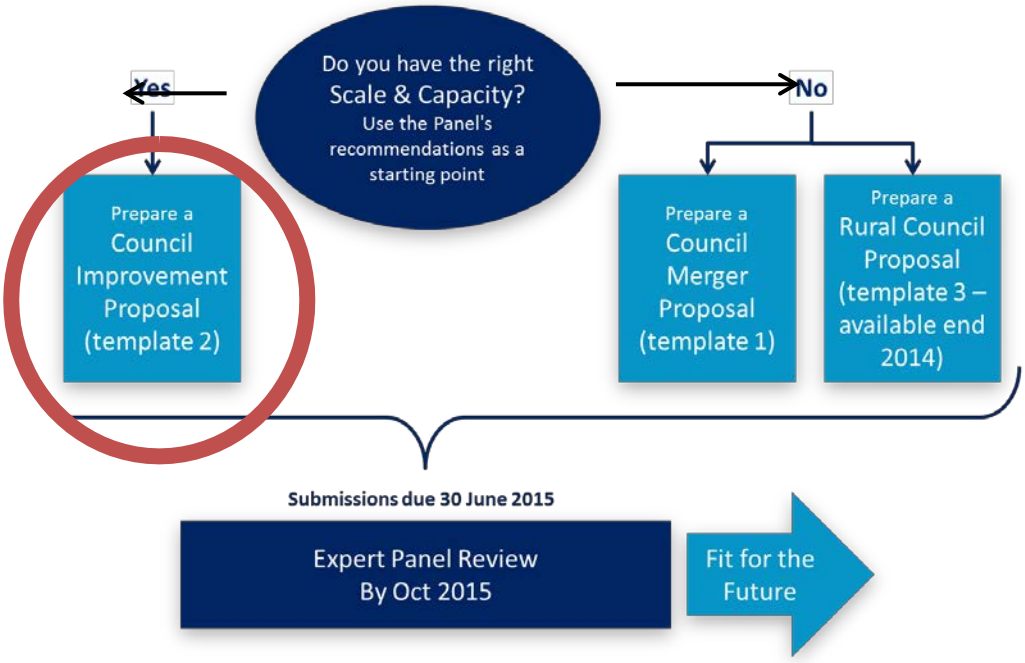
W2031 is comprised of five themes – People, Places, Environment, Economy and Leadership. These five themes provide the focus and direction for the development of goals and strategies by our community. These provide a framework for delivery of sustainable and equitable outcomes to make our choices for our future and achieve our vision together. Each theme contains a number of goals which are the aspirations or destinations as identified or described by our community for 2031 and beyond. Each goal contains a number of strategies which were developed as the pathways to achieving the community's goals.

1.5 Fit for the Future Program

In 2013 the NSW Government appointed an Independent Local Government Review Panel (LGRP) to review the institutional arrangement and financial sustainability of the 152 NSW councils. The panel consulted widely and submitted its recommendations in early 2014. In September 2014 the NSW Government launched the 'Fit for the Future' program designed to make councils strong and more sustainable.

Each council was asked to look at its current situation and consider the future needs of its community and t he recommendations of the Independent Panel. After considering their situation, councils were asked to submit a proposal by 30 June 2015, on how they intend to become Fit for the Future.

Depending on their scale and capacity, councils were given three options as shown in the diagram below.



The LGRP assessed the financial sustainability of Wingecarribee Shire Council as moderate and suitable for a 'stand-alone' arrangement. Council submitted its proposal in June 2015 and proposed a number of initiatives to become 'Fit for the Future'.

IPART was nominated to review the proposals by councils and submit their recommendations to the NSW Government. In mid-October 2015 t he NSW Government released IPART's recommendations that found that Wingecarribee Shire Council is 'Fit' for the future.

To become Fit for the Future councils were required to assess their current position in relation to seven Fit for the Future criteria and submit proposals/strategies to improve them to the specified benchmark levels. At that time Council complied with two of the criteria and submitted strategies to improve the others by June 2020. Three of the Asset Management related criteria that need to be improved and their benchmarks are given below.

1. Asset Renewal Ratio – Asset renewal expenditure / Depreciation – Benchmark: >100%
2. Backlog Ratio – Cost to bring assets to satisfactory condition / Written down value – Benchmark: <2%.
3. Asset Maintenance Ratio – Actual maintenance expenditure / Required maintenance – Benchmark: >100%

Increased funding for renewal, backlog and maintenance through a proposed Special Rate Variation (SRV) over four years was a key part of the strategies outlined in Council's proposal and Council applied for a SRV in November 2015. The application included funding for the following:

1. Additional SRV funding for asset renewal and maintenance. Condition of and the levels of service can be progressively improved over the first four years and then maintained. Council will be able to meet the Fit for the Future asset renewal criteria.
2. Additional SRV funding for new/upgrade works. Much needed new or upgrade works such as new footpaths and drainage works can be undertaken. The levels of service in those areas therefore can be improved.

The existing maintenance activities were reviewed and the additional maintenance works required to meet the expected levels of service were assessed and included in the above item 1. Details of the additional maintenance works required are covered under Section 4.6.

2. State of Assets

2.1 Assets and Services

Council uses infrastructure assets to provide services to the community. The range of infrastructure assets and the services provided from the assets is shown in **Table 1**.

Table 1: Assets used for providing Services

Asset Class	Asset Categories		Services Provided
Buildings	Community Centres Public toilets Commercial Buildings Children's Centres Emergency Services	Cemeteries Works Depots Waste Services Southern Region Livestock Exchange Residential Dwellings Resource Recovery Centre	Provision of buildings and facilities for community services, interaction, development and recreation.
Parks & Recreation	Sports Fields Parks, Gardens & Reserves, Floral Gardens, Parks, Reserves, Swimming Pools	Sporting Facilities Playgrounds Building Site Surrounds	Community recreation and leisure.
Roads & Drainage	Bridges Carparks Cycle-paths Footpaths Local sealed roads	Regional sealed roads Unsealed roads Traffic facilities Road drainage Stormwater drainage	Transportation of goods and services from production to market and consumers. Movement of people around the Shire area for business, education, recreation and leisure.
Water Supply	Water Treatment plants Water reservoirs Pump stations Dams Water Mains Hydrants	Valves Meters Service Connections Bulk Meters Urban Filling Stations	Provision of potable water to residential, commercial and industrial consumers.
Sewerage	Pump Stations Gravity Mains Rising Mains Valves	Vents Access Chambers (Manholes) Service Connections Sewage Treatment Plants	Collection, treatment and disposal of wastewater from residential, commercial and industrial premises.

2.2 Financial Status of the Assets

The financial status of Council's assets (as on 1 July 2016) is shown in **Table 2**.

Table 2: Financial Status of the Assets

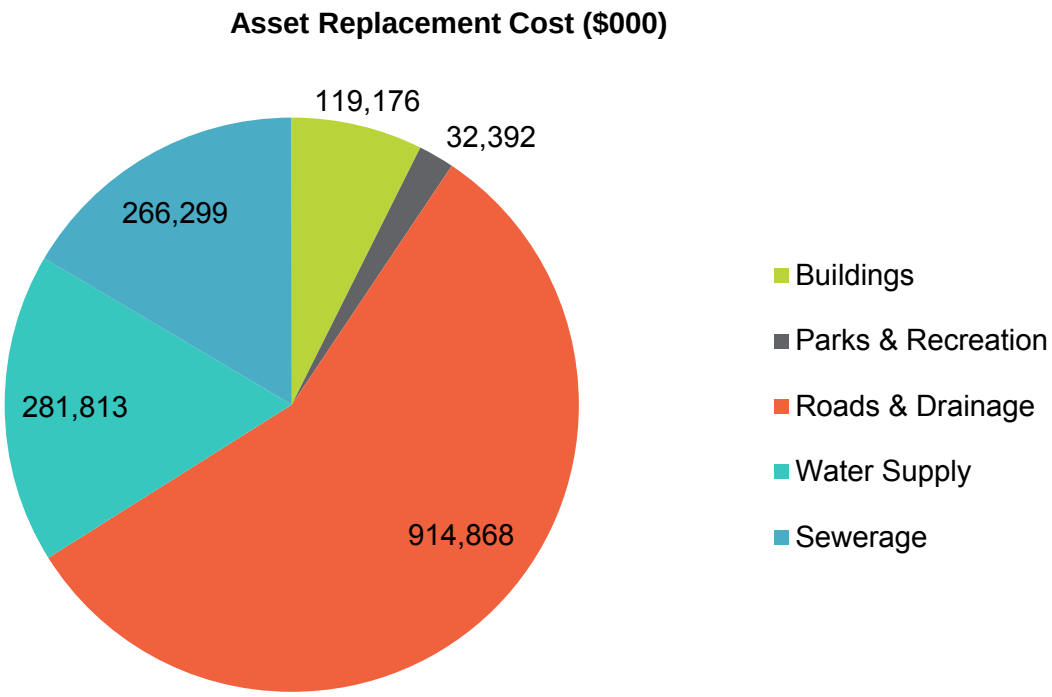
Asset Class	Replacement Cost ($000)	Depreciated Replacement Cost ($000)	Annual Depreciation Expense ($000)
Buildings	117,483	67,137	1,791
Parks & Recreation	34,075	22,835	917
Roads & Drainage	914,868	644,555	10,992
Water Supply	281,813	169,530	3,905
Sewerage	266,299	197,089	3,704
Total	1,614,548	1,101,149	21,313

As shown in **Table 2**, the replacement cost of Council's infrastructure assets is valued at approximately $1.6B. The annual depreciation expense is approximately $21M, which is approximately 1.3% of the total replacement cost.

The annual depreciation represents the annual asset consumption or the replacement cost of the assets that need to be replaced on an annual basis.

The land value of roads, land value of parks and value of green/soft assets are not included in the above figures. **Figure 1** shows the replacement values of Council's assets.

Figure 1: Asset Replacement Values

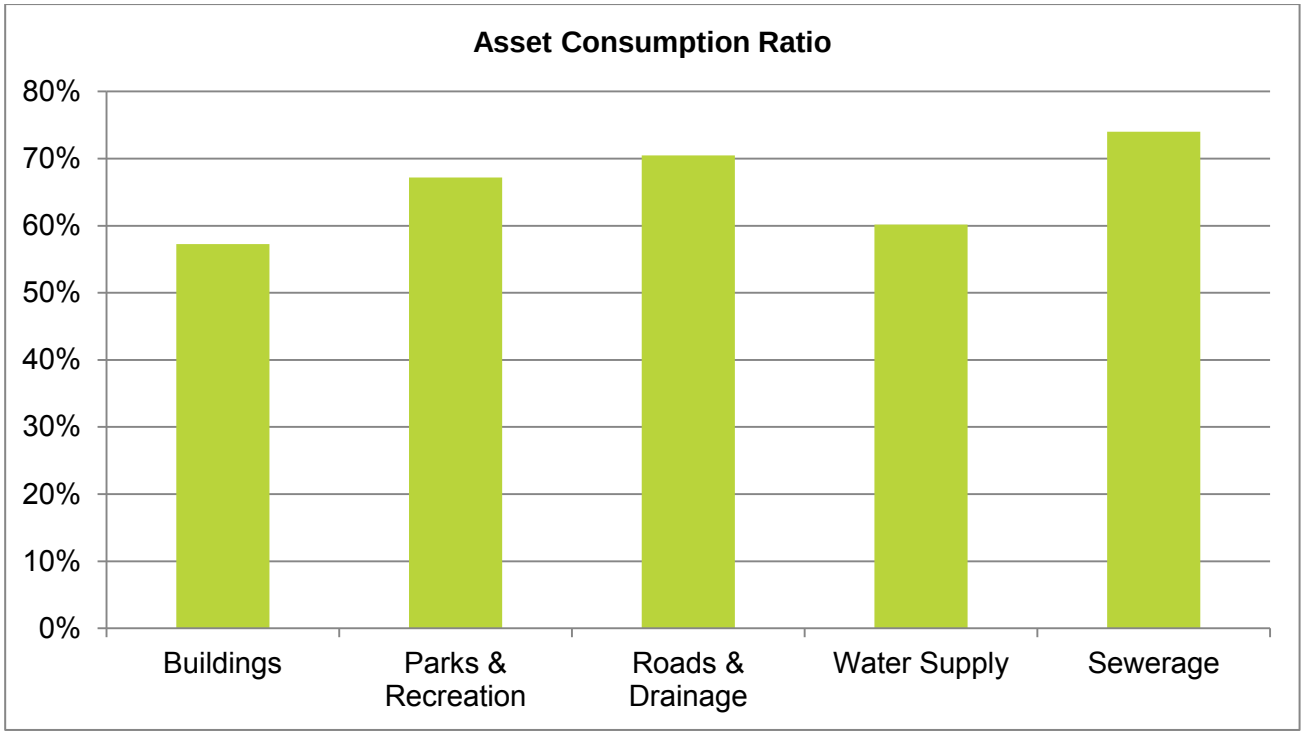


The proportion of the replacement cost of each asset class is given below:

Buildings	7.4%
Parks & Recreation	2.0%
Roads & Drainage	56.6%
Water Supply	17.5%
Sewerage	16.5%
Total	100%

The asset consumption ratios of Council's assets are shown in **Figure 2**.

Figure 2: Asset Consumption Ratio



Asset Consumption Ratio = Depreciated Replacement Cost / Replacement Cost.

It represents the average proportion of 'as new' condition left in assets or the 'remaining life' of the assets.

The asset consumption ratios of the main asset classes are:

Buildings	57%
Parks & Recreation	67%
Roads & Drainage	70%
Water Supply	60%
Sewerage	74%
All Assets	68%

The graph illustrates that all of Council's infrastructure asset classes have more than 57% of their life left and that the overall remaining life is 68%. A majority of Council's assets, in terms of replacement cost, therefore are in newer condition.

2.3 Asset Condition

The condition of Council's assets based on replacement cost as on 1 July 2016 is summarised below.

Table 2A: Condition of Assets as a percentage of replacement cost (1-5 Rating)

Asset class	Condition 1	Condition 2	Condition 3	Condition 4	Condition 5	Total ($ 000)
Buildings	6.9	48.8	39.9	3.3	1.0	119,176
Parks & Recreation	37.2	22.9	28.5	10.8	0.5	32,392
Roads	51.1	26.9	19.5	2.2	0.3	794,372
Drainage	22	39	34	2	3	120,496
Water Supply	65	19	13	2	1	281,813
Sewerage	77	14	4	1	4	266,299
Total	52.3	25.7	18.4	2.2	1.4	1,614,548

*Road figures includes earthworks.

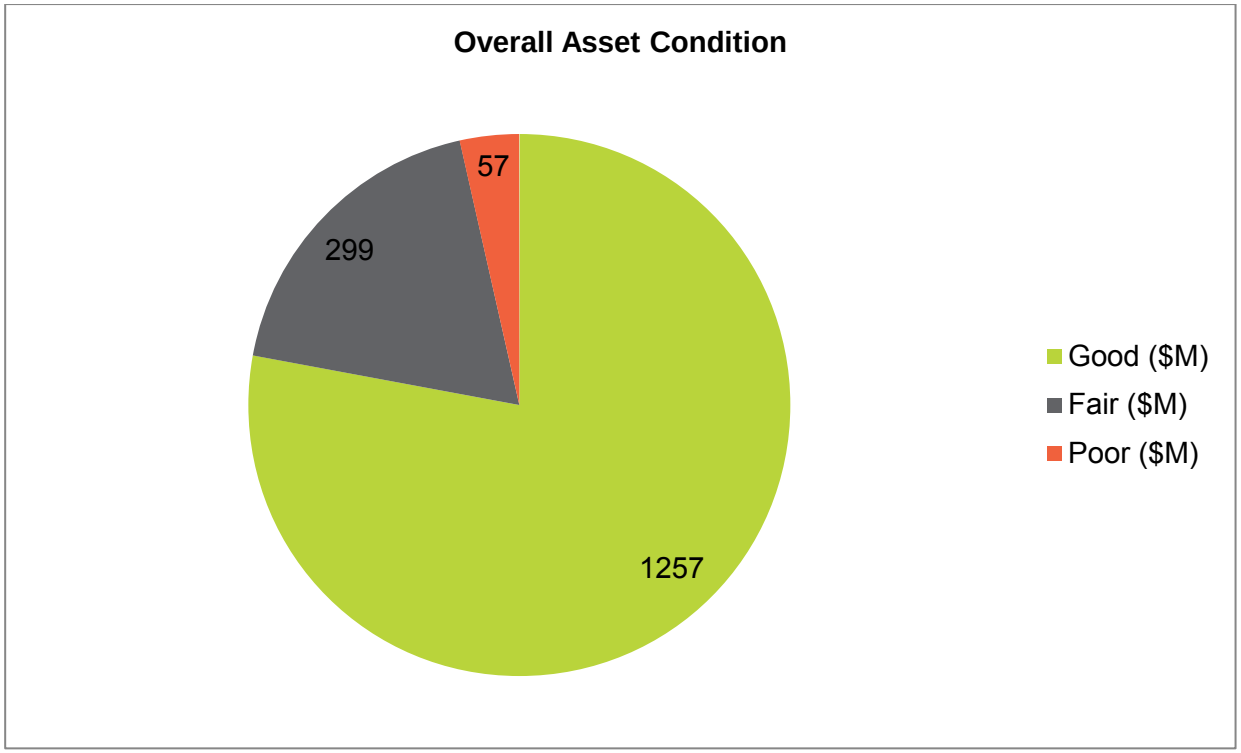
Various combinations of simple and s ophisticated techniques/methods such as visual inspection, measurement of defects and CCTV inspection (for pipes) are used for condition assessment. The condition of assets is assessed using a 1 -5 grading system. The description of the condition grades and frequency of condition assessment varies according to the asset class, assets and/or components. These details and pictorial examples of various conditions are given under sections 4.1 to 4.5

The figures given in **Table 2A** are presented in a simple format in **Table 2B** and shown in **Figure 3**.

Table 2B: Condition of Assets based on replacement cost in $Million

Asset Class	Good	Fair	Poor	Total
Buildings	66	48	5	119
Parks & Recreation	19	9	4	32
Roads	620	155	19	794
Drainage	73	40	7	120
Water Supply	237	37	8	282
Sewerage	242	10	14	266
Total	1257	299	57	1,614

Figure 3: Asset Condition Profile



Council undertook community consultation on appropriate Levels of Service (LOS) in terms of condition and replacement/renewal of assets in September 2015. In addition, further consultation on the proposed SRV (to achieve Fit for the Future benchmarks) took place in October 2015. Following those consultations, the LOS in regard to target condition of assets have been amended.

In the Asset Management Plans for various asset classes and in this Strategic Asset Management Plan, the current service levels provided by Council are included as the Levels of Service to be provided. Regarding condition of assets, Conditions 4 and 5 are considered as 'Not Acceptable'.

2.4 Life Cycle Cost

Life cycle costs (or whole of life costs) are the average costs that are required to sustain the service levels over the longest asset life. Life cycle costs include operating and maintenance expenditure and asset consumption (depreciation expense). The life cycle cost for the services covered in this Strategic Asset Management Plan is shown in Table 3.

Table 3: Life Cycle Cost for Council Services in ($'000)

Service	Required Expenditure per annum		Previous Year Depreciation Exp.	Life Cycle Cost per annum)
	Operations	Maintenance		
Buildings	160	1,064	1,899	3,123
Parks & Recreation	2,926	509	885	4,320
Roads & Drainage	5,964	9,256	12,431	27,651
Water Supply	4,177	1,708	3,478	9,363
Sewerage	3,484	1,749	3,463	8,696
TOTAL	16,711	14,286	22,156	53,153

Life cycle costs can be compared to life cycle expenditure to give an indicator of sustainability in service provision. Life cycle expenditure includes operating, maintenance and capital renewal expenditure in the previous year or preferably averaged over the past 3 years. Life cycle expenditure will vary depending on the timing of asset renewals. The life cycle expenditure at the start of the plan is shown in **Table 4**.

Table 4: Life Cycle Expenditure for Council Services in ($'000) for 2015/16.

Service	Actual Expenditure		Capital Renewal Expenditure	Life Cycle Expenditure
	Operations	Maintenance		
Buildings	145	741	1,549	2,435
Parks & Recreation	2,861	458	2,305	5,624
Roads & Drainage	6,066	8,149	8,122	22,337
Water Supply	3,776	1,187	998	5,961
Sewerage	3,433	1,073	1,041	5,547
TOTAL	16,281	11,608	14,015	41,904

The life cycle costs and life cycle expenditure comparison highlights any difference between present outlays and the average cost of providing the service over the long term. If the life cycle expenditure is less than the life cycle cost, it is most likely that outlays will need to be increased or cuts in services and/or drops in LOS made in the future.

Knowing the extent and timing of any required increase in outlays and the service consequences, if funding is not available, will assist organisations in providing service to their communities in a financially sustainable manner. This is the purpose of the Asset Management Plans for individual asset classes and long term financial plan.

A shortfall between life cycle cost and life cycle expenditure gives an indication of the life cycle gap to be addressed in the asset management and long term financial plan.

The life cycle gap and life cycle indicator for services covered by this Strategic Asset Management Plan is summarised in **Table 5**.

Table 5: Life Cycle Indicators in ($'000)

Service	Life Cycle Cost (per annum)	Life Cycle Expenditure (per annum)	Life Cycle Gap * (per annum)	Life Cycle ** Indicator
Buildings	3,123	2,435	-688	78%
Parks & Recreation	4,320	5,624	1,304	130%
Roads & Drainage	27,651	22,337	-5,314	81%
Water Supply	9,363	5,961	-3,402	64%
Sewerage	8,696	5,547	-3,149	64%
TOTAL	53,153	41,904	-11,249	79%

* A life cycle gap is reported as a negative value.
**The life cycle indicator is a percentage found by dividing the life cycle expenditure by life cycle cost.

The overall life cycle indicator for all infrastructure assets is 79%, which is 21% less than the required level for long term sustainability at the current levels of service (LOS).

As per Council's Fit for the Future proposal, Council has adopted a combination of the following actions to address the above gap:

- Review LOS in consultation with the community
- Implement efficiency improvement strategies.
- Increase revenue/rates.

3. Management of Council's Assets

3.1 Community Strategic Plan, Goals & Strategies

Wingecarribee 2031 (W2031) is a long term plan that identifies where the Wingecarribee community wants to be in the future. It outlines the community's priorities and aspirations and how to these will be achieved.

The vision statement in W2031 is:

"A healthy and productive community, learning and living in harmony, proud of our heritage and nurturing our environment."

W2031 is comprised of five themes – People, Places, Environment, Economy and Leadership. These five themes provided the focus and direction for the development of goals and strategies by our community. These provide a framework for delivery of sustainable and equitable outcomes to make our choices for our future and achieve our vision together.

Each theme contains a number of goals which are the aspirations or destinations as identified or described by our community for 2031 and beyond. Each goal contains a number of strategies which were developed as the pathways to achieving our goals.

The Goals and strategies relating to the delivery of services from infrastructure are shown in **Table 6**.

Table 6: Goals and Strategies for Infrastructure Services

Goals	Strategies
We have an integrated and efficient network of public transport and shared pathways	Provide an accessible, efficient and interconnected public transport system within and out of the Shire Plan and deliver an interconnected and accessible network of cycleways and footpaths between towns and villages Investigate and implement opportunities to reduce travel time between the Shire and other population centres (e.g. Sydney, Canberra and Wollongong)
Our built environment creates vibrant and inviting public spaces	Work collaboratively to improve and revitalise town and village centres throughout the Shire Create welcoming and accessible community facilities that support opportunities for people to meet and connect with one another
We have safe, maintained and effective assets and infrastructure	Work in partnership to ensure a safe road network Manage and plan for future water, sewer and stormwater infrastructure needs Improve access to communication services

3.2 Asset Management Policy

Council's Asset Management Policy defines the council's vision and service delivery objectives for asset management in accordance with the W2031, community needs and applicable legislation.

The Strategic Asset Management Plan is developed to support the asset management policy and is to enable council to show:

- How its asset portfolio will meet the affordable service delivery needs of the community into the future
- Enable Council's asset management policies to be achieved and
- Ensure the integration of Council's asset management with its long term strategic plans.

The previous Asset Management Policy was adopted by Council in July 2011. It has now been updated and included in this Strategic Asset Management Plan as **Appendix 1**. The updated policy was adopted by Council in September 2015.

3.3 Asset Management Vision

To ensure the long-term financial sustainability of Council, it is essential to balance the community's expectations for services with their ability and willingness to pay for the infrastructure assets used to provide the services. Maintenance of service levels for infrastructure services requires appropriate investment over the whole of the asset life cycle. To assist in achieving this balance, Council aspires to develop and maintain asset management governance, skills, process, systems and data in order to provide the level of service the community needs at present and in the future, in the most cost-effective and fit for purpose manner.

In line with the vision, the objectives of the Strategic Asset Management Plan are to:

- Ensure that the Council's infrastructure services are provided in an economically optimal way, with the appropriate level of service to residents, visitors and the environment determined by reference to Council's financial sustainability
- Safeguard Council's physical assets by implementing appropriate asset management strategies and appropriate financial resources for those assets
- Adopt the long term financial plan as the basis for all service and budget funding decisions
- Meet legislative requirements for all Council's operations
- Ensure resources and operational capabilities are identified and responsibility for asset management is allocated
- Provide high-level oversight of financial and asset management responsibilities through the proposed Asset Management Steering Committee to Council Executives on development and implementation of the Strategic Asset Management Plan, the Asset Management Plans for individual asset classes, and the Long Term Financial Plan.

Strategies to achieve this position are outlined in Section 5.

3.4 Asset Management Structure

The Deputy General Manager – Operation, Finance & Risk is responsible for asset management planning and for delivery of services through infrastructure and other physical assets such as roads, drainage, buildings, parks, recreational facilities, water and sewer. The Group Manager Assets and Project Delivery manages the Asset Branch and is responsible to the Deputy General Manager for delivering asset management planning services. The Asset Branch has a team of approximately twelve dedicated staff who manage the following asset classes:

- Buildings
- Parks and Recreation
- Roads and Drainage
- Water and Sewer.

Asset Management is recognised in Council's AM Policy as an organisational responsibility. However, the Asset Branch and the Assets Team have a key role in integrating the various facets of asset management, driving the Asset Management principles and providing a leadership role. The key roles of the Asset Team can be summarised as follows:

- Provide leadership to Council to better align asset planning with service delivery objectives
- Provide a responsive role to enhance asset knowledge and awareness
- Develop renewal and new/upgrade works programs and inform the development of Long Term Financial Plans
- Guide the Council in transitioning asset management as a corporate responsibility
- Ensure an accurate asset register for Council's infrastructure and other identified assets is maintained complete with asset attribute, condition, valuation and work history data.
- Determine/review appropriate levels of service in consultation with the community and in compliance with the relevant legislative and policy requirements
- Prepare/update and implement an asset management policy, asset management strategy and asset management plans. The strategy and asset management plans must incorporate levels of service and asset management improvement plans for each class of assets

3.5 Corporate Asset Management Team

A 'whole of organisation' approach to asset management can be developed with a corporate asset management team, i.e. an Asset Management Steering Committee. The benefits of an Asset Management Steering Committee include:

- demonstrate corporate support for sustainable asset management
- encourage corporate buy-in and responsibility
- coordinate strategic planning, information technology and asset management activities
- promote uniform asset management practices across the organisation
- information sharing across IT hardware and software
- pooling of corporate expertise
- championing of asset management process
- wider accountability for achieving and reviewing sustainable asset management practices.

The role of the Asset Management Steering Committee will evolve as the organisation maturity increases over several phases.

Phase 1

- strategy development and implementation of asset management improvement program

Phase 2

- asset management plan development and implementation
- reviews of data accuracy, levels of service and systems plan development

Phase 3

- asset management plan operation
- evaluation and monitoring of asset management plan outputs
- ongoing asset management plans review and continuous improvement.

Formation of a formal Asset Management Steering Committee to be chaired by the General Manager or the Deputy General Manager –Operation, Finance & Risk and with representatives from the Finance, Assets, Infrastructure Services, Information Services & Corporate Planning Branches is recommended and is included in the Asset Management Improvement Plan.

3.6 Financial and Asset Management Core Competencies

A key part of the Strategic Asset Management Plan is an assessment of Council's maturity in adopting the core asset management competencies set out in the national financial sustainability frameworks adopted by the Australian Local Government Planning Ministers Council. The National Frameworks on Asset Planning and Management and Financial Planning and Reporting define 10 elements. 11 core competencies have been developed from these elements[7] to assess 'core' competency under the National Frameworks. The core competencies are:

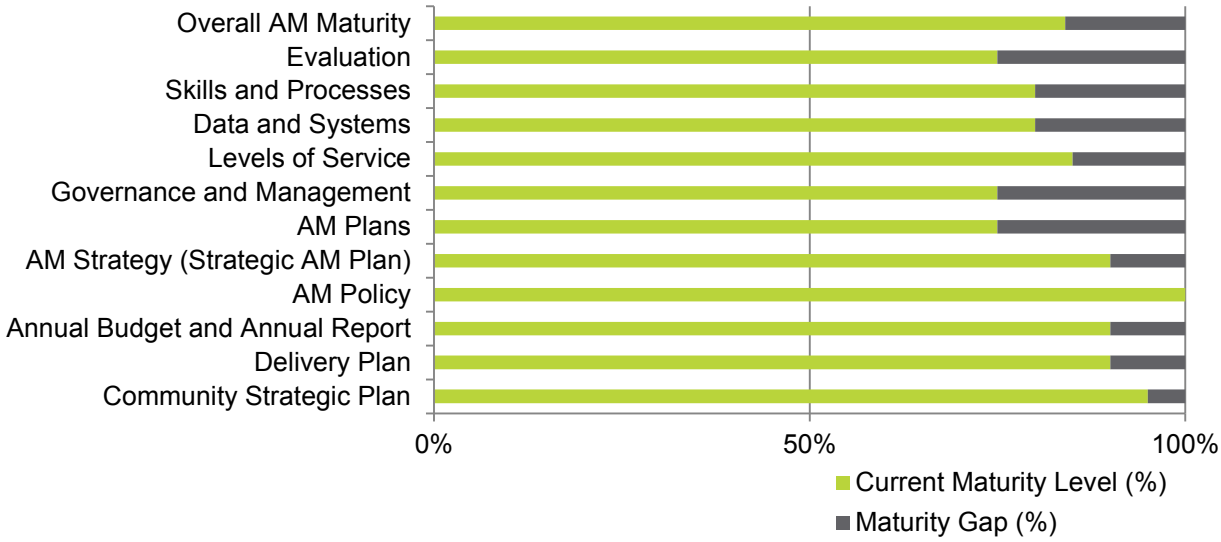
- Financial Planning and Reporting
- Strategic Longer Term Plan / Community Strategic Plan
- Delivery Program
- Annual budget & report
- Asset Planning and Management
- Asset Management Policy
- Asset Management Strategy
- Asset Management Plan
- Governance & Management
- Levels of Service
- Data & Systems
- Skills & processes
- Evaluation

3.7 Asset Management Maturity Assessment

Council's maturity self-assessment for the core competencies is summarised in **Figure 4**. The current maturity level is shown by the blue bars. The maturity gap to be overcome for Council to achieve a 'core' financial and asset management competency is shown by the bars.

[7] Asset Planning and Management Element 2 *Asset Management Strategy and Plans* divided into Asset Management Strategy and Asset Management Plans competencies.

Figure 4: Core Asset Management Maturity



The International Infrastructure Management Manual (IIMM) identifies four progressive stages of AM Maturity – Minimum, Core, Intermediate and Advanced. As above Council's current overall maturity level is assessed at approximately 83%. Council does not consider that seeking 'Advanced' practice in all areas is the best solution for Council. It will aspire to achieve 100% 'Core' level in two years and to 'Appropriate/Intermediate' or 'Advanced' level for selected practice areas in the following years.

3.8 Levels of Service

Service levels are defined service levels in two terms, customer levels of service and technical levels of service.

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

Community levels of service measures used in the asset management plan are:

Quality	How good is the service?
Function	Does it meet users' needs?
Capacity/Utilisation	Is the service over or under used?

The organisation's current and expected community service levels (detailed in **Tables 4.1.3, 4.2.3, 4.3.3, and 4.4.3**) differ between asset groups. The agreed expected community levels of service is based on resource levels in the current long-term financial plan and community consultation/engagement.

3.9 Long Term Financial Plan

The Long Term Financial Plan (LTFP) is one of the three key documents that make up the 'Resourcing Strategy' under the Integrated Planning and Reporting framework as outlined under Section 1.4. This Strategic Asset Management Plan and the individual asset management plans (AMPs) provide key inputs and inform the LTFP in the form of capital works programs and maintenance work programs. Capital works programs for the next four years are given in this Strategic Asset Management Plan under Section 4 and under **Appendices 4.1.4** to **4.5.4**.

3.10 Strategy Outlook

1. Council has been successful in securing a Special Rate Variation (SRV) which will progressively increase its capital expenditure on roads, drainage, parks & building infrastructure assets for the four year period from 2016/17 to 2019/20 by approximately 40% and then maintain that level subjected to annual indexing. The additional funds will significantly improve the overall condition of assets and hence the levels of service.

2. Council has established a dedicated Asset Management Branch and all asset management practice areas have been significantly improved in the last 2-3 years. As per section 3.7 the overall 'core' AM maturity level is assessed at approximately 83%. Continual implementation of the Asset Management Improvement Plan (Section 6) and investment in asset management is recommended to further improve information management, lifecycle management, service management & accountability and direction.

4. Key Components of Asset Management Plans

Under this section the following key components covered in the asset management plans of the major asset classes are outlined:

1. Asset Inventory
2. Asset Condition
3. Level of Service
4. Capital Works Program.

Details of maintenance works required are covered under Section 4.6.

4.1 Roads and Drainage

4.1.1 Roads and Drainage Asset Inventory

A summary of the Roads & Drainage asset categories is given in **Table 6**. All financial figures are in current dollars as on 30 June 2016.

Table 6: Road and Drainage Asset Inventory in ($'000)

Asset Category	Replacement Cost	Depreciated Replacement Cost	Annual Depreciation Expense
Bridges	20,139	9,912	169
Carparks	5,744	4,262	76
Cycle paths	10,774	7,791	212
Cycle path Bridges	414	331	7
Footpaths	20,485	8,307	424
Footpath Bridges	29	23	0
Road Drainage	40,742	16,278	671
Road Drainage Earthworks	5,501	5,501	-
Sealed Road Segments	388,826	265,831	6,145
Sealed Roads Structure	179,884	179,880	-
Unsealed Road Segments	76,601	19,654	1,888
Unsealed Roads Structure	31,253	31,253	-
Traffic Facilities	13,981	7,667	319
Stormwater	120,496	87,865	1,081
Total	914,868	644,555	10,992

4.1.2 Roads and Drainage Asset Condition

A summary of the condition of Roads & Drainage asset categories is given in **Table 7**.

Table 7: Road and Drainage Asset Condition in ($'000)

Asset Category	Total	Condition 1	Condition 2	Condition 3	Condition 4	Condition 5
Bridges	20,139	16,120	679	95	2,680	565
Carparks	5,744	3,168	1,785	659	-	133
Cycle paths	10,774	8,662	1,708	281	123	-
Cycle path Bridges	414	406	8	-	-	-
Footpaths	20,485	4,254	6,657	8,637	691	149
Footpath Bridges	29	29	-	-	-	-
Road Drainage	40,742	6,183	2,505	31,586	411	58
Road Drainage Earthworks	5,501	7	909	2,356	2,228	-
Sealed Road Segments	388,826	252,553	104,596	23,917	7,026	733
Sealed Roads Structure	179,884	275	179,609	-	-	-
Unsealed Road Segments	76,601	446	33,534	41,589	955	77
Unsealed Roads Structure	31,253	-	31,197	56	-	-
Traffic Facilities	13,981	3,149	3,701	7,168	45	18
Stormwater	120,493	26,715	46,643	41,399	1,826	3,909
Total	914,868	321,966	413,530	157,744	15,986	5,642

Note: Figures include earthworks

4.1.3 Roads and Drainage Levels of Service

Service Attribute	Service Objective	Performance Measure Process	Current Performance	Expected position in 10 years based on current LTFP
COMMUNITY LEVELS OF SERVICE				
Quality	Roads provide a smooth ride	Response times to repair potholes	(Monitoring system being developed)	100% potholes repaired within times specified within Council adopted NatSpec specifications.
	Roads and pathways are safe and free of hazards	Reduce insurance claims and crash occurrences due to road / footpath hazards	(Monitoring system being developed)	No claims
	Roads, pathways and drainage assets are in good functioning condition	Average Condition	(Monitoring system being developed)	Average condition of roads 3 or better Average condition of footpaths 3 or better Average condition of drainage assets 3 or better
	Ensure road, pathway and drainage asset construction meets council standards	Inspect all works post construction	(Monitoring system being developed)	Final inspection completed for all capital works program items
Function	Ensure roads and pathways meet the needs of the community	Customer satisfaction survey rating	(Monitoring system being developed)	High
	Ensure drainage infrastructure meet the needs of the community	Customer satisfaction survey rating	(Monitoring system being developed)	High

Service Attribute	Service Objective	Performance Measure Process	Current Performance	Expected position in 10 years based on current LTFP
Capacity/ Utilisation	Roads and drains are adequately designed and constructed to meet usage levels	Minimal customer complaints; maximum utilisation	(Monitoring system being developed)	100% of assets are adequately designed and constructed fit for purpose
	Eliminate flooding of dwellings	Number of complaints per year	(Monitoring system being developed)	Minimal flooding
Sustainability	Transport and Drainage networks are managed with respect to future generations	Emphasis on asset renewal works	(Monitoring system being developed)	In compliance with asset management policy
TECHNICAL LEVELS OF SERVICE				
Operations	To maintain assets to ensure they meet the required service standard	Transport and drainage networks maintained to ensure operational continuity	(Monitoring system being developed)	100% of operational tasks completed
Maintenance	To maintain assets to ensure they meet the required service standard	Transport and drainage preventative maintenance program implemented	(Monitoring system being developed)	100% of preventative maintenance tasks completed
Renewal	To renew assets to meet demand and agreed levels of service	10-year capital works plan completed. Annual asset renewals completed	(Monitoring system being developed)	100% of projects completed within the financial year
Upgrade/New (subject to funding)	To upgrade and construct new assets to meet demand and agreed levels of service	10-year capital works plan completed Annual asset upgrade/ new construction works completed	(Monitoring system being developed)	100% of projects completed within the financial year

4.1.4 Roads and Drainage Capital Works Program

Details of the four-year capital works program including SRV funded works are given in **Appendix 2**. SRV funded projects are also separately identified in **Appendix 3**.

4.2 Buildings

4.2.1 Buildings Inventory

A summary of the Buildings asset categories is given in **Table 8**. All financial figures are in current dollars as on 30 June 2016.

Table 8: Buildings Asset Inventory in ($'000)

Asset Category	Replacement Cost	Depreciated Replacement Cost	Annual Depreciation Expense
Buildings - Specialised	115,904	66,402	1,780
Buildings - Non Specialised	1,579	735	12
Total	117,484	67,137	1,792

4.2.2 Buildings Asset Condition

A summary of the condition of Building asset categories is given below.

Table 9: Buildings Asset Condition in ($'000)

Asset Category	Total	Condition 1	Condition 2	Condition 3	Condition 4	Condition 5
Buildings - Specialised	115,904	7,556	56,889	46,795	3,813	852
Buildings - Non Specialised	1,579	25	567	532	450	4
Total	117,484	7,581	57,456	47,328	4,263	856

4.2.3 Buildings Level of Service

Service Attribute	Service Objective	Performance Measure Process	Current Performance	Expected position in 10 years based on current LTFP
COMMUNITY LEVELS OF SERVICE				
Quality	Buildings are maintained in clean and presentable condition	Minimal customer complaints	Yet to be measured	100% of buildings comply with standards of hygiene; building aesthetics meet standard of criticality level
	Buildings are safe and free of hazards	Minimal customer complaints and incidents; regular risk assessments undertaken	Yet to be measured	100% of buildings free of safety related defects
	Heritage aspect of buildings is preserved	Minimal deterioration in items of significance	Heritage policy and strategy to be developed	Heritage preservation policy and strategy developed and all items of significance identified
	Buildings are equipped with modern audio/visual and information technology systems/ connectivity	Increased usage; minimal customer complaints	Yet to be measured; required technology to be identified	100% of buildings at criticality level B and selected buildings at level C are equipped with modern audio/visual and information technology systems/connectivity appropriate to their use
	Buildings are equipped with environmental control systems suitable to each facility	Increased usage; minimal customer complaints	Yet to be identified across all facilities	100% of buildings requiring environmental control systems are equipped

Service Attribute	Service Objective	Performance Measure Process	Current Performance	Expected position in 10 years based on current LTFP
Function	Building services are operating as designed	Planned maintenance is consistently carried out; minimal reactive maintenance requests	70% reactive maintenance; 30% planned	80% planned maintenance; 20% reactive Services are maintained at a minimum condition 3
	Building structure and fabric is sound	Planned maintenance is consistently carried out; minimal reactive maintenance requests	70% reactive maintenance; 30% planned	80% planned maintenance; 20% reactive Structures are maintained at a minimum condition 3
	Buildings meet required standards for accessibility (premises standard)	Minimal customer complaints; increased patronage	Access strategy to be developed	Access strategy developed and building compliance program implemented
	Buildings comply with legislation and codes	No infringement penalties; minimized risk resulting in lower insurance premiums	Yet to be identified across all facilities	All buildings are 100% compliant
	Maintenance of buildings is carried out efficiently and effectively in prescribed timeframes	Cyclic inspections completed on time; customer requests dealt with in prescribed timeframes	Yet to be measured	100% of requests are responded to within prescribed timeframes
Capacity/ Utilisation	Facilities are adequately sized for use	Minimal customer complaints; maximum utilisation	Yet to be identified	80% of facilities are adequately sized for use
	Appropriate and sustainable hire rates	Increased usage resulting in increased income; minimal customer complaints	Yet to be assessed	Usage is above 50% of availability

Service Attribute	Service Objective	Performance Measure Process	Current Performance	Expected position in 10 years based on current LTFP
	Utilisation rates are maximising potential use of facility	Low use facilities are rationalised to focus funding and resources towards higher use buildings	Yet to be identified across all facilities	Disposal of low use facilities; improved funding to community preferred facilities
Sustainability	Facilities are managed with respect to future generations	Number of facilities that have 'Energy/Resource Efficiency Plans'	0	All facilities with a criticality rating of A, B or C have 'Energy/Resource Efficiency Plans' implemented
TECHNICAL LEVELS OF SERVICE				
Operations	To maintain assets to ensure they meet the required service standard	Buildings maintained to ensure operational continuity	Yet to be measured	100% of operational tasks completed
Maintenance	To maintain assets to ensure they meet the required service standard	Buildings preventative maintenance program implemented	Yet to be measured	100% of preventative maintenance tasks completed
Renewal	To renew assets to meet demand and agreed levels of service	10-year capital works plan completed Annual asset renewals completed	Yet to be measured	100% of projects completed within the financial year
Upgrade/ New (Subject to funding)	To upgrade and construct new assets to meet demand and agreed levels of service	10-year capital works plan completed Annual asset upgrade/ new construction works completed	Yet to be measured	100% of projects completed within the financial year

4.2.4 Buildings Capital Works Program

Details of the four-year capital works program including SRV funded works are given in **Appendix 2**. SRV funded projects are also separately identified in **Appendix 3.**

4.3 Parks and Recreation

4.3.1 Parks and Recreation Asset Inventory

A summary of the Parks & Recreation asset categories is given in **Table 10**. All financial figures are in current dollars as on 30 June 2016.

Table 10: Parks and Recreation Asset Inventory in ($'000)

Asset Category	Replacement Cost	Depreciated Replacement Cost	Annual Depreciation Expense
Other Structures	1,692	1,082	47
Swimming Pools	14,791	12,007	192
Other Open Space/Recreation Assets	17,589	9,745	678
Total	34,071	22,834	781

4.3.2 Parks and Recreation Asset Condition

A summary of the condition of Parks & Recreation asset categories is given in **Table 11**.

Table 11: Parks and Recreation Asset Condition in ($'000)

Asset Category	Total	Condition 1	Condition 2	Condition 3	Condition 4	Condition 5
Other Structures	1,669	493	658	424	92	2
Swimming Pools	14,791	9,720	734	3,325	1,012	0
Other Open Space/Recreation Assets	17,601	2,296	6,682	5,924	2,503	195
Total	34,060	12,509	8,074	9,673	3,608	197

4.3.3 Parks and Recreation Level of Service

Service Attribute	Service Objective	Performance Measure Process	Current Performance	Expected position in 10 years based on current LTFP
COMMUNITY LEVELS OF SERVICE				
Quality	Parks & Open Space facilities meet the needs of the community	Customer request system	Specific statistics not yet available	>90% satisfaction with quality and standard of facilities
	Parks & Open Space facilities are appropriately maintained	Customer request system and routine inspection program	Current customer requests regarding maintenance approx. 800 p/a	Customer requests regarding maintenance approx. <500 p/a
	Floral gardens are of high quality	Plans of Management in place	35% parks covered by Plans of Management	100% of parks covered by Plans of Management
Function	Parks, Floral Gardens, Sporting Facilities & Natural Reserves provide a positive experience and are fit for purpose	Customer request system identifies shortfalls in service requirements	Specific statistics not yet available	Specific statistics not yet available
	Playgrounds are designed to provide a good play experience and are well maintained to ensure safety	- Routine inspection program - Annual playground audit by qualified consultant - Customer request systems	Current customer requests regarding playground maintenance approx. 25 p/a	Improved play experiences and minimal customer complaints

Service Attribute	Service Objective	Performance Measure Process	Current Performance	Expected position in 10 years based on current LTFP
	Sporting facilities are fit for purpose and suitable for a range of sporting activities	Utilisation of sporting facilities. Note; Existing User Agreements and booking system identifies participation rates	Full time and seasonal use of facilities are known subsequent to use of mandatory agreements and booking system	Greater utilisation of facilities and minimal customer complaints
Capacity/ Utilisation	Parks & Open spaces are adequately sized and available to the community	Minimal customer complaints	Parks & Open space strategy current in redevelopment	100% of facilities are adequate and fit for purpose
	Hire rates for the use of specific facilities are competitive and relative to the facility	Increase usage resulting in increase in income; minimal customer complaints	Fees & Charges in line with CPI, seasonal usage by sporting grounds and casual hirers	Usage is above 50% of availability
	Utilisation rates are maximising potential use of facility	Low use facilities are rationalised to focus funding and resources towards higher use facilities	Yet to be identified across all facilities	Disposal of low use facilities; improved funding and sustainability to community preferred assets

Service Attribute	Service Objective	Performance Measure Process	Current Performance	Expected position in 10 years based on current LTFP
TECHNICAL LEVELS OF SERVICE				
Operations	Operational tasks for Floral Gardens, Main, Local & Pocket Parks, Natural Resources, Sporting & Recreational Facilities are undertaken to meet the level of service for various facilities	Routine operations such as cleaning, mowing, etc., are undertaken within specified time frames to achieve the desired levels of service	- Current customer requests regarding maintenance approx. 800 p/a - Routine operational activities are scheduled to align with the category of the park of facility	Customer requests regarding maintenance approx. <500 p/a
	-	Reduction in number of defects associated with Park & Open Space facilities	- Customer requests regarding defects associated with infrastructure, playgrounds, bins etc. (this excludes vandalism) - Routine inspections - Capital/Renewal program	-50% reduction in customer requests -80% decrease of Condition 4/5 assets
Mainten-ance	Parks & Open Space assets are maintained in an appropriate condition that is fit for purpose and allows full functional enjoyment of the facility	Customer request system and routine inspection program	- Customer requests regarding maintenance issues associated with mowing, infrastructure, playgrounds, bins etc. (this excludes vandalism) - Routine inspections	-50% reduction in customer requests -80% decrease of Condition 4/5 assets
Renewal	Renew Parks & Open Space assets to ensure facilities retain the service capability and continue to meet the requirements of the community	- 10yr Capital/Renewal program - Conquest reporting asset conditions 3/4/5	- Asset condition inspections - Routine maintenance inspections - Customer requests - Community feedback	90% decrease of Condition 4/5 assets within 10yrs

Service Attribute	Service Objective	Performance Measure Process	Current Performance	Expected position in 10 years based on current LTFP
Upgrade/ New (Subject to funding)	Upgrade and provide new Parks & Open Space assets to provide a higher level of service. Typically to meet current and future needs of the community	- 10yr Capital/Renewal program - Conquest reporting asset conditions 3/4/5	- Asset Condition inspections - Routine Maintenance inspections - Customer requests - Community feedback	90% decrease of Condition 4/5 assets within 10yrs

4.3.4 Parks and Recreation Capital Works Program

Details of the four-year capital works program including SRV funded works are given in **Appendix 2**. SRV funded projects are also separately identified in **Appendix 3**.

4.4 Water Supply

Water supply is managed through a separate and ring-fenced financial system and the proposed SRV does not apply.

4.4.1 Water Supply Asset Inventory

A summary of the Water Supply asset categories is given in **Table 12**. All financial figures are in current dollars as on 30 June 2016.

Table 12: Water Supply Asset Inventory in ($'000)

Asset Category	Replacement Cost	Depreciated Replacement Cost	Annual Depreciation Expense
Treatment Plants (incl. Mitta Depot)	40,781	24,619	666
Reservoirs (incl. Telemetry)	38,052	22,383	516
Pump Stations	12,728	5,689	225
Dams	20,858	13,344	142
Mains	86,946	55,157	879
Hydrants	23,569	12,017	375
Valves	17,934	9,322	287
Meters	5,182	3,260	207
Water Services	34,847	23,045	579
Bulk Meters	664	499	21
Urban Filling Station	251	196	8
Total	281,813	169,531	3,905

4.4.2 Water Supply Asset Condition

A summary of the condition of Water Supply asset categories is given in **Table 13**.

Table 13: Water Supply Asset Condition

Asset Category	Total	Condition 1	Condition 2	Condition 3	Condition 4	Condition 5
Treatment Plants (incl. Mitta Depot)	40,781	6,020	24,056	9,419	292	994
Reservoirs (incl. Telemetry)	38,052	17,485	14,323	5,921	104	219
Pump Stations	12,728	6,467	2,869	1,426	1,258	709
Dams	20,858	364	1,178	18,739	283	294
Mains	86,946	82,382	2,489	407	1,015	653
Hydrants	23,569	16,783	4,427	663	450	1,245
Valves	17,934	13,325	2,329	807	683	790
Meters	5,182	4,257	455	177	291	1
Water Services	34,847	34,694	84	20	7	42
Bulk Meters	664	603	61	-	-	-
Urban Filling Station	251	227	24	-	-	-
Total	281,813	182,607	52,295	37,580	4,383	4,947

4.4.3 Water Supply Level of Service

Current performance figures are based on 2013/14 DPI Water Performance Reports.

Service Attribute	Service Objective	Performance Measure Process	Current Performance	Expected position in 10 years based on current LTFP
COMMUNITY LEVELS OF SERVICE				
Quality	Council will endeavour to ensure water supplied is in compliance with the physical and chemical parameters of Australian Drinking Water Guideline and is free from objectionable taste and odour	Customer surveys and analysis of customer complaints. Microbiological and Chemical water sampling 'Department of Primary Industries (DPI) Water' performance reporting	"Fairly satisfied" rating in the customer satisfaction survey 100% compliance with microbiological and chemical testing 5.6 customer complaints /1000 connections/year recorded in relation to water quality	"Very satisfied" rating in the customer satisfaction survey 100% compliance with microbiological and chemical testing <4 customer complaints/1000 connections / year
	Eliminate the need for "boil water alerts" through providing appropriate water supply and treatment infrastructure and carrying out the necessary operation and maintenance activities	Number of boil water alerts issued in performance reporting period. ('DPI Water' performance reporting.) Operational and Maintenance plans implemented	Nil 10% completion of maintenance program	Nil 90% completion of maintenance program
	Maintains effective disinfection within the water distribution system (including a minimum free chlorine residual of 0.2mg/L)	Percentage of samples satisfying the minimum free residual chlorine levels water network sampling	60% compliance	100% compliance
Function	Pressure Provide pressures between 12 and 90m head of water in the reticulation system whilst conveying a minimum of 6 litres per minute per residential connection under normal conditions	Percentage of connections complying with pressure and flow requirements. (Network modelling)	97% comply with pressure between 12 & 90m head Average pressure shire wide 56m	100% compliance

Response times to; Rectification of system failures (Time to have staff on site to commence rectification after notification) Priority 1 - defined as failure to maintain continuity or quality of supply to a large number of customers or to a critical use at a critical time. • 1 hour (during working hours) • 2 hours (after working hours) Priority 2 - defined as failure to maintain continuity or quality of supply to a small number of customers or to a critical user at a non-critical time. • 3 hours (during working hours) • 4 hours (after working hours) Priority 3 - defined as failure to maintain continuity or quality of supply to a single customer. • One working day Priority 4 - defined as a minor problem or complaint which can be dealt with at a time convenient to the customer and the water authority. • Within 2 weeks Catastrophe Any situation of this nature would prompt immediate action involving senior personnel and emergency services with the aim of containing and resolving the situation as quickly as possible	Customer surveys Develop Conquest system to report time of request / failure and time onsite.	“Fairly satisfied” rating in the customer satisfaction survey	“Very satisfied” rating in the customer satisfaction survey

	Interruptions to supply Planned – Domestic customers will receive 24 hours written notice and industrial customers will receive 7 days' written notice. Unplanned – Not to occur more than six times per year and not to last longer than 12 hours.	Develop process for planned interruptions and include notification requirements Develop Conquest system to report unplanned incidents and duration of interruption.	Monitoring system is being developed	Minimal non-compliance
	Customer complaints and inquiries of a general nature will be responded to: Written complaint or inquiry within 10 working days Personal complaint or inquiry within one working day	Conquest requests system report Random checking of recorded requests	Monitoring system is being developed	100% of inquiries and complaints responded to within agreed LOS timeframes.
Capacity/ Utilisation	Water restrictions will be kept to a minimum	Restrictions should not be applied for more than 5% of the time / year	100% compliance	100% compliance
	Provide more than 90% of peak day demand.	Water Network Modelling Analysis	More than 90% of peak day demand met	100% of peak day demand is met
	Water for Fire Fighting will be available from reticulation fire hydrants for firefighting at a minimum flow of 10l/s 15m residual pressure	Fire hydrants installed at 60m intervals in urban areas and 140m in rural areas. Water network modelling analysis	To be determined	100% of hydrants meet criteria
TECHNICAL LEVELS OF SERVICE				
Operations	Operation of Water Assets to ensure compliance with Australian Drinking Water Guidelines	Operational activities are undertaken as per operational manuals / operational plans and Australian Drinking Water Guidelines Operational tasks recorded and tracked in Conquest Maintenance Management System	To be determined	100% operational tasks completed

Maintenance	To maintain assets to ensure they meet the required service standard	Water Treatment Plant preventative maintenance program implemented Reticulation preventative maintenance program implemented	To be determined	100% of preventative maintenance tasks completed
Renewal	To renew assets to meet demand and agreed levels of service	10 year capital works plan completed Annual Asset renewals completed	80% of projects completed	100% of projects completed within the Financial Year
Upgrade/New	To upgrade and construct new assets to meet demand and agreed levels of service	10 year capital works plan completed Annual Asset upgrade / construction works completed	80% of projects completed	100% of projects completed within the Financial Year

4.4.4 Water Supply Capital Works Program

Details of the four-year capital works program are given in **Appendix 2**.

4.5 Sewerage Services

Sewer supply is managed through a separate and ring-fenced financial system and the proposed SRV does not apply.

4.5.1 Sewerage Services Asset Inventory

A summary of the Sewerage asset categories is given in **Table 14**. All financial figures are in current dollars as on 30 June 2016.

Table 14: Sewer Services Asset Inventory in ($'000)

Asset Category	Replacement Cost	Depreciated Replacement Cost	Annual Depreciation Expense
Pump Stations	29,279	20,220	670
Gravity Mains	61,897	49,007	505
Rising Mains	9,999	8,809	86
Valves	1,226	951	31
Vents	928	405	8
Access Chambers	45,445	32,153	491
Service lines	45,629	27,981	621
Treatment Works (incl. Telemetry)	71,892	57,557	1,292
Total	266,299	197,087	3,704

4.5.2 Sewerage Services Asset Condition

A summary of the condition of Roads & Drainage asset categories is given in **Table 15**.

Table 15: Sewer Services Asset Condition in ($'000)

Asset Category	Total	Condition 1	Condition 2	Condition 3	Condition 4	Condition 5
Pump Stations	29,281	22,932	4,333	750	948	318
Gravity Mains	61,897	54,412	2,882	2,057	743	1,803
Rising Mains	9,999	9,796	138	65	-	-
Valves	1,225	1,189	29	-	7	-
Vents	928	545	16	-	8	359
Access Chambers	45,444	38,852	3,911	247	32	2,402
Service Lines	45,629	37,045	4,093	125	210	4,156
Treatment Works (incl. Telemetry)	71,897	40,861	22,151	7,454	1,390	41
Total	266,299	205,632	37,553	10,698	3,338	9,079

4.5.3 Sewerage Services Level of Service

Current performance figures are based on 2013/14 DPI Sewerage Performance Reports.

Service Attribute	Service Objective	Performance Measure Process	Current Performance	Expected position in 10 years based on current LTFP
COMMUNITY LEVELS OF SERVICE				
Quality	Council will use its best endeavours to ensure safe and sustainable sewerage collection and disposal, as outlined by industry standards	Customer surveys Nutrient and pathogen effluent sampling (EPA licences) Public Health Incidents – 'Department of Primary Industries (DPI) Water' performance reporting	Data not available 1 breach of EPA licence discharge conditions 0	"Very satisfied" rating in the customer satisfaction survey 0 breaches of EPA licence discharge conditions 0
Function	Frequency of system failures	Recorded chokes and overflow ('DPI Water' performance report)	44 main breaks & chokes / 100km /y 36 overflows / 100km/y	<20 chokes / 100km /y <10 overflow / 100km/y
	Response times to system failures (Time to have staff on site to commence rectification after notification) Priority 1 - defined as "major failure to contain sewage within the sewer system or any problem affecting a critical user at a critical time". • 1 hour (during working hours) • 2 hours (after working hours) Priority 2 - defined as 'minor failure to contain sewage within the sewer	Customer surveys and associated analysis Develop Conquest system to report time of request / failure and time onsite.	"Fairly satisfied" rating in the customer satisfaction survey	"Very satisfied" rating in the customer satisfaction survey

Service Attribute	Service Objective	Performance Measure Process	Current Performance	Expected position in 10 years based on current LTFP
	system or any problem affecting a critical user at a non-critical time'. • 3 hours (during working hours) • 4 hours (after working hours) Priority 3 - defined as 'minor failure to contain sewage affecting a property or as bad odours'. • One working day			
	Customer complaints and inquiries of a general nature will be responded to: Written complaint or inquiry within 10 working days Personal complaint or inquiry within one working day	Conquest requests system report Random checking of Dataworks requests	Monitoring system to be developed	100% of inquiries and complaints responded to within agreed LOS timeframes.
	Odour	NOW performance reporting	1.1 complaints/1000prop	<1 complaints/1000prop
Capacity/ Utilisation	Availability of Service: Council provide sewage collection and disposal services to local community	Extent of area serviced within the defined service area. NOW performance report	99.6%	100%

Service Attribute	Service Objective	Performance Measure Process	Current Performance	Expected position in 10 years based on current LTFP
TECHNICAL LEVELS OF SERVICE				
Operations	Operation of Sewer Assets to ensure compliance with Environmental Protection Agency licence requirements	Operational activities are undertaken as per operational manuals / operational plans and Environmental Protection Agency licence requirements	Conquest Maintenance Management System to be fully implemented to monitor progress	100% operational tasks completed
Maintenance	To maintain assets to ensure they meet the required service standard	Sewage Treatment Plant preventative maintenance program implemented Reticulation preventative maintenance program implemented	Conquest Maintenance Management System to be fully implemented to monitor progress	100% of preventative maintenance tasks completed
Renewal	To renew assets to meet demand and agreed levels of service	Annual Asset renewal projects completed Assets are maintained in a condition 3 or better	92% of renewal projects completed within the Financial Year 95.4% of assets are in condition 3 or better	100% of renewal projects completed within the Financial Year 97% of assets maintained to condition 3 or better
Upgrade/New	To upgrade and construct new assets to meet demand and agreed levels of service	Annual Asset upgrade / construction projects completed	86% of upgrade projects completed within the Financial Year	100% of projects completed within the Financial Year and within budget

4.5.4 Sewerage Services Capital Works Program

Details of the four-year capital works program are given in **Appendix 2**.

4.6 Maintenance Requirements

Current Situation

Current maintenance works for roads, drainage, buildings, parks and recreation facilities are predominantly reactive. Response times and quality associated with reactive maintenance works do not consistently meet expected levels of service. Under-resourced manpower and finances restrict Council's ability to transition from reactive to an acceptable level of proactive maintenance regime. Inadequate level of proactive maintenance results in premature deterioration/failure of assets. A minimum level of proactive maintenance is required to realise the design/potential economic life of assets. For example, shoulder grading and cleaning of table drains are essential to get water off roads and protect the road pavement.

Proposal

Increased funding for maintenance through a special rate variation (Scenario 2 outlined under Section 1.5) is a key part of the strategies outlined in Council's Fit for the Future submission and Council intends to apply for a SRV. Additional funds are required to increase/improve the following maintenance activities for the main asset classes:

Roads & Drainage

- Maintenance inspections
- Shoulder grading
- Table drain maintenance
- Maintenance grading – unsealed roads
- Crack filling/repairs
- Creek cleaning
- Clear/Repair drainage structures
- Pipe drainage & gross pollutant traps (GPT) maintenance
- Bus shelter maintenance.

Buildings

- Programmed painting
- Maintenance of roof stormwater system
- Test and tag electrical appliances
- Fire equipment maintenance
- Pest treatment
- Maintenance of air condition systems
- Ground maintenance
- Maintenance of wastewater systems – septic tank etc.

Parks & Recreation

- Playground equipment maintenance
- Parks furniture maintenance
- Fencing maintenance
- Pavers and concrete pavement maintenance
- Access road maintenance
- Resurfacing/repair of sports playing surfaces
- Sports lighting
- Irrigation system maintenance

A summary of current maintenance funding level and additional funds required for maintenance works under Scenario 2 are summarised below:

Current Maintenance Expenditure

Description	10 year Total	Indexed Current Maintenance Expenditure ($'000)									
		FY - 16/17	17/18	18/19	19/20	20/21	21/22	22/23	23/24	24/25	25/26
Roads	69,815	5,432	5,896	6,524	7,008	7,090	7,167	7,375	7,400	7,808	8,116
Drainage	15,592	1,254	1,344	1,464	1,558	1,578	1,596	1,636	1,647	1,725	1,789
Parks	5,764	429	473	535	582	588	594	614	614	653	682
Buildings	20,614	1,328	1,555	1,880	2,115	2,132	2,145	2,248	2,224	2,429	2,558
Water	33,312	3,142	3,025	3,060	3,142	3,245	3,331	3,431	3,546	3,640	3,749
Sewer	28,589	3,706	3,238	2,871	2,652	3,045	2,812	2,661	2,570	2,524	2,510
Grand Total	173,686	15,291	15,532	16,334	17,057	17,678	17,645	17,965	18,000	18,780	19,404

Additional Maintenance Required

Description	10 year Total	Indexed Increase Required ($'000)									
		FY - 16/17	17/18	18/19	19/20	20/21	21/22	22/23	23/24	24/25	25/26
Roads	11,142	314	625	1,094	1,415	1,329	1,234	1,263	1,105	1,324	1,439
Drainage	1,849	55	110	192	248	228	207	205	172	207	225
Parks	1,229	33	66	116	150	143	135	142	127	152	165
Buildings	7,613	194	387	677	875	856	830	894	829	993	1,078
Water	0	0	0	0	0	0	0	0	0	0	0
Sewer	0	0	0	0	0	0	0	0	0	0	0
Grand Total	**21,833**	**597**	**1,187**	**2,078**	**2,688**	**2,556**	**2,406**	**2,504**	**2,234**	**2,676**	**2,907**

*Values shown in both of these tables have been indexed with a CPI of 3%.

5. Asset Management Strategy

The Strategic Asset Management Plan proposes strategies to enable the objectives of the Strategic Plan, Asset Management Policy and Asset Management Vision to be achieved.

Table 7: Asset Management Strategies

No	Strategy	Desired Outcome
1	Move from Annual Budgeting to Long Term Financial Planning	The long term implications of Council services are considered in annual budget deliberations.
2	Develop and annually review Asset Management Plans covering at least 10 years for all major asset classes (80% of asset value).	Identification of services needed by the community and required funding to optimise 'whole of life' costs.
3	Develop 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.
4	Incorporate Year 1 of Long Term Financial Plan revenue and expenditure projections into annual budgets.	Long term financial planning drives budget deliberations.
5	Review and update asset management plans and long term financial plans after adoption of annual budgets. Communicate any consequence of funding decisions on service levels and service risks.	Council and the community are aware of changes to service levels and costs arising from budget decisions.
6	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.
7	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.
8	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.
9	Ensure responsibilities for asset management are identified and incorporated into staff position descriptions.	Responsibility for asset management is defined.
10	Implement an Improvement Plan to realise 100% 'Core' maturity for the financial and asset management competencies by June 2017 and 'Appropriate' competency level by June 2019.	Improved financial and asset management capacity within Council.
11	Report annually to the Council Executives through the AM Steering Committee on development and implementation of Asset Management Strategy, AM Plans and Long Term Financial Plans.	Oversight of resource allocation and performance.

6. Asset Management Improvement Plan

The tasks required to achieve an 'Appropriate' financial and asset management maturity are shown in the table below in priority order.

Table 8: Asset Management Improvement Plan

Ref	Task	Responsibility	Target Date	Budget
1	Policy & Strategy: Review and update Council's AM Policy and Strategic Asset Management Plan to reflect the IP&R regulation, Fit for the Future program and link with the Community Strategic Plan and the Long Term Financial Plan.	MA	Nov 2019	Not required
2	Asset Management Plans AMPs): Review and update the AMPs for each asset class.	MA, AC	Dec each year	Not required
3	Levels of Service (LOS): Undertake effective consultation with the residents & stake- holders and develop optimal and affordable LOS that complies with legislative requirements for each asset class. Communicate the agreed LOS to the residents and stakeholders and incorporate them in the AMPs.	MA, AC	June 2018	$$80K
4	Risk Management: Develop asset risk management plans in conjunction with the corporate risk management system and with the emphasis on asset failures and identifying critical assets. Develop Emergency Management plans. Incorporate the risk plans in the AMPs.	AC	June 2018	Not required.
5	Rationalisation Strategy: (a) Develop Parks, Recreation & Buildings asset rationalisation strategies and programs in consultation with the community and stakeholders. (b) Implement the strategies and programs	MA, AC-PR, AC-B.	Dec 2018 June 2020	$50K
6	Customer Service: Develop and implement processes and procedures to further improve customer service in terms of providing accurate information and response times.	MA, AC	Dec 2017	Not required
7	Steering Committee: Establish an AM Steering Committee responsible for guiding, monitoring and reporting on implementation of Am Improvement Plan and for promoting an AM culture throughout the Council.	GM, MA	Dec 2017	Not required.
8	Growth/Future Planning: Undertake shire-wide programmed roads network and water/sewer network modelling and identify future infrastructure requirements in terms of new assets and upgrades required.	AC-RW	June each year.	$60 per annum

Ref	Task	Responsibility	Target Date	Budget
9	Asset Data: Capture all missing inventory, attributes, and valuation data in Council's AM System (AMS) and Geographical Information System (GIS).	AC	Dec 2017	$120K
10	Condition Assessment: Implement annual asset condition assessment programs.	AC	June each year	$70K per annum
11	Depreciation: Review and fine tune unit/replacement costs, economical life and depreciation of assets	AC	In revaluation year	Not required
12	Capital Works Planning: (a) Assess and include new capital works in the capital works program; assess/prepare scope, cost estimates & priority; undertake initial consultation with stakeholders where required; and prepare/update capital works programs in consultation with all parties concerned.	AC	June each year	
	(b) Develop and implement improved capital works planning processes and procedures in consultation with all stakeholders to improve the accuracy and completeness of project scope, budget estimates and priority of capital works. Prepare process charts for approval by the Executives.	MA, AC	Dec 2017	Not required
13	Renewal Plan: Implement Pavement Management System (PMS) and pipe CCTV programmes and prepare optimal roads and pipe asset renewal programs. Based on condition and other relevant parameters/factors prepare renewal programs for other assets and include in the capital works program.	AC	June each year	$120 per year.
14	Asset Utilisation: Monitor utilisation of assets such as community buildings, halls, parks & recreational facilities; and monitor roads traffic volumes to inform development of rationalisation strategies and prioritisation of maintenance and capital works.	AC	June each year	$30K
15	Flood Studies: Develop a flood study and flood risk management plan development program and apply for grant funding.	AC-RW	June 2017	Not required
	Undertake the studies and preparation of plans as per the program.	AC-RW	As per program	$40K per annum

GM	General Manager
MA	Manager Assets
AC	Asset Coordinators
AC-RW	Asset Coordinator – Roads & Water
AC-PR	Asset Coordinator – Parks & Recreation
AC-B	Asset Coordinator – Buildings

Appendix 1
Asset Management Policy

Asset Management Policy

LEADERSHIP

1.2 **Wingecarribee leadership is visionary through creative thinking and practical planning**

Adoption Date:	9 September 2015
Council Reference:	MN461/15
Owner/Contact officer:	Asset Manager. Asset Branch
Next review date:	September 2017
File Reference:	508/1
Related Policies/Legislation:	Local Government Amendment (Planning and Reporting) Act 2009. Local Government Act 1993. Local Government Code of Accounting Practice. Civil Liability Act 2002
Related Documents:	Integrated Planning & Reporting Guidelines & Manual. NSW Office of Water Best Management Practice Guidelines. Community Strategic Plan – Wingecarribee 2031+. Strategic Asset Management Plan. Individual Asset Management Plans

OBJECTIVES

The objective of this policy is to ensure that adequate provision is made for the sustainable management of Council's infrastructure assets by:

- Ensuring that Council's services and infrastructure are provided in a sustainable manner, with the appropriate levels of service to residents, visitors and the environment.
- 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 organisation by training and development.
- 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.

Asset Management Policy

POLICY STATEMENT

Purpose

To outline the asset management (AM) principles and requirements for undertaking AM across Wingecarribee Shire Council (Council) in a structured and coordinated way, consistent with the Community Strategic Plan – Wingecarribee 2031+.

Background

Council owns and uses approximately $1.6B (replacement cost as on 1 July 2014) of infrastructure/non-current assets to support its core business of delivery of service to the community.

Many services provided by Council are supported and provided by infrastructure assets. Provision and maintenance of those assets to meet agreed and affordable level of service to the present and future consumers in a sustainable manner is a key function of Council. Council is committed to implementing systematic AM practices to ensure that assets are planned, created, operated, maintained, renewed and disposed of in accordance with Council's priorities for service delivery.

Local Government Amendment (Planning & Reporting) Act 2009 requires Council to have a long-term resourcing strategy including AM planning as per the Integrated Planning & Reporting Guidelines. AM planning requirements include the development of an AM policy endorsed by Council. This AM policy states the principles and requirements for the development of Council's Strategic Asset Management Plan (AM Strategy).

AM Policy: Principles

1. Council shall adopt and implement an AM policy, Strategic AM plan, AM plans (for each asset class), Long term financial plan/s, AM processes/procedures and work plans in compliance with the following legislations, requirements and standards:

    - Local Government Act 1993
    - Local Government Code of Accounting Practice
    - Council's AM framework
    - Community strategic plan
    - International infrastructure management manual
    - ISO 55001 International AM standard
    - Financial Reporting Guidelines
    - Fit for the Future benchmarks.

    In the case of water & sewer assets, in addition to the above all criteria stipulated in DPI Water's Best Management Practice Guidelines will be complied with.

2. Risk management, best practice and sustainability together with economic, environmental, social & political environments will be taken into account in AM.

3. Levels of service (LOS) will be determined in consultation with the community, integrating customer expectation, financial affordability & works planning.

4. Council will follow a corporate approach to AM and integrate AM principles within existing planning and operational processes.

5. Service levels defined in adopted AM plans will form the basis of annual work programs and budget estimates.

6. A capital works prioritising system for various asset and work types shall be adopted and implemented. That system will be based on economic, technical, risk, asset utilisation, future demand, environment, social & cultural multi criteria approach. Selection of capital works shall be based on overall priority score and availability of funds. Council's preference will be to allocate resources to maintain and renew existing assets that effectively deliver the agreed level of service.

7. Additional new & upgrade capital works that need to be undertaken by Council to meet future growth, demand or requirements will be identified and incorporated in the capital works program.

8. Acquisition of new assets or upgrading existing assets shall include consideration of 'life cycle cost' including initial construction/acquisition, operation, maintenance, rehabilitation, renewal and disposal costs.

9. Adequate and dedicated resources shall be allocated for asset inspection and for undertaking programmed maintenance works. Asset inspection includes identifying maintenance works and assigning risk based priority ratings; programmed condition assessment; and confirming requirements and priority of renewal works.

10. Council will strive to achieve the 'Fit for the Future' benchmark criteria in terms of renewal ratio >100%, maintenance ratio >100% and backlog ratio <2% by 2020.

11. Annual operation/maintenance budgets shall include an allowance for additional costs arising from addition of new assets and an allowance to cover cost increases in line with relevant indices.

12. Internal and external reviews at least on a two yearly basis will be undertaken to ensure assets are accurately recorded in the asset register, valued and depreciated in accordance with best practice applicable Australian/International standards.

13. Council will allocate adequate resources and improve and refine the asset data captured in Council's Asset Management Information System (AMIS) in terms of asset inventory, economical life, valuation, condition, utilisation and maintenance work history. Council will advance the AM maturity level from 'Core' to 'Appropriate' level as outlined in the Strategic AM Plan.

14. The AM Information System will be integrated with the other corporate information systems such as GIS, Finance, Customer Service Request, Maintenance Management systems and Property. The integrated system should be able to report on operation, maintenance, renewal and new/upgrade costs at asset, activity or project levels.

15. Utilisation and life cycle cost of major assets such as buildings and recreational facilities shall be a nalysed and assets will be rationalised in consultation with the affected communities.

16. AM will be overseen and supported by an AM Steering Committee appointed by the General Manager.

17. Training in asset and financial management will be provided for councillors and relevant staff.

18. The AM policy, Strategic AM plan (strategy) and the individual AM plans (for each asset class) shall be reviewed and adopted every four years or as directed by Council.

Rescinding Policy

This policy will replace the existing 'Asset Management Policy – 28 July 2011'.

SCOPE

This policy applies to the following asset classes:

1. Buildings
2. Parks and Recreation
3. Roads & Drainage
4. Water
5. Sewerage.

DEFINITIONS

Asset Management Strategy (AMS) or Strategic Asset Management Plan (SAMP)
A strategy for asset management covering development and implementation of plans and programs for asset creation, operation, maintenance, rehabilitation/replacement, disposal and performance monitoring to ensure desired level of service and other operational objectives are achieved at optimum cost.

Asset Management Plan (AMP)
A plan developed for the management of one or more infrastructure assets that combines multi-disciplinary management techniques (including technical and financial) over the lifecycle of the assets in the most cost effective manner to provide a specified level of service.

Asset Management Information System (AMIS)
An Asset Management Information System is the foundation of all Asset Management practices. It is a combination of processes, data, software and hardware applied to provide the essential outputs for effective asset management such as reduced risk, optimised decision making. The Asset Management Information System should integrate with other information systems within Council.

Asset Management Improvement Plan (AMIP)
This plan identifies the gap between current and the desired asset management practices.

Infrastructure Asset
Infrastructure assets are typically large, interconnected networks or portfolios of composite assets, comprising components and sub-components that are usually renewed or replaced individually to continue to provide the required level of service from the network. Some examples are: roads; footpaths and cycle-ways; bridges; and community buildings.

Level of Service (LOS)
Defining and meeting community expectations in relation to the quality and quantity of assets and services delivered by Council.

RESPONSIBILITIES

Responsibilities for implementing this policy are shared between Councillors, Executive, AM Steering Committee and staff as follows:

Councillors

- Provide sustainable assets for the community by recognising and considering the life cycle cost of assets in making asset related decisions.

- Provide assets that deliver sustainable services to benefit the community to a level of service that justifies the costs of owning and operating these assets
- Act as custodian for assets on behalf of the community.
- Make AM decisions in accordance with Council's Corporate and Community Strategic Directions and Asset Management Policy and Strategy.
- Approve/Adopt Council's AM Policy, AM Strategy, AM Plans & Capital Works Programs

Executive

- Reflect the corporate and community strategic planning principles embraced by Council in the Asset Management Policy, Strategy and Plans.
- Seek to ensure Council allocates sufficient resources to the development, ongoing improvement and delivery of the Asset Management Strategy, Asset Management Plans, work programs and supporting systems.
- Integrate the Asset Management Policy and Strategy with the other policies and business processes of Council.
- Comply with Council's legal AM obligations.

Asset Management Steering Committee

- Provide corporate support and oversee the management of Council's assets. The Steering Committee has cross organisation representation.

Council Staff

- Develop and maintain AM Strategy and AM Plans.
- Develop long term and annual capital works programs.
- Deliver asset maintenance, renewal, upgrade and disposal programs in accordance with Asset Management Plans and agreed levels of service.
- Periodically review the Asset Management Policy, Strategy and Asset Management Plans.
- Engage up-to-date technologies, methodologies and continuous improvement processes in the management of Council's assets.
- Implement Council's AM Improvement Program.
- Implement Councils AM Annual Program.

PERFORMANCE MEASURES

The success of this policy will be measured by the following:

- Level of improvement in community satisfaction with the services provided and condition of assets in future years.
- Level of improvement in the overall condition of assets.
- Progressive reduction in the number of customer complaints and the number of reactive repair works.
- Satisfactory audit reports.
- Number of AM improvement targets identified in the Strategic AM Plan, Annual Plan and Delivery Plan achieved.
- Progressive improvement in AM maturity score.
- Level of progress towards achieving the 'Fit for the Future' benchmark criteria.

APPROVED BY:

(For Council Policies)
WINGECARRIBEE
SHIRE COUNCIL

9 September 2015

Appendix 2
Four Year Capital Works Program

Capital Works Budget - Consolidated by Asset Class

	2017/18	2018/19	2019/20	2020/21
Buildings				
Aboriginal Cultural Centre Roof (SRV)	-	-	-	37,080
Balmoral Village Land near Community Hall	-	-	98,855	-
Boronia Park Amenities Block Structure	-	-	512,400	-
Bowral Cemetery Rationalise Garden Shed	-	-	-	191,000
Bowral Cemetery Toilet Block Roof	-	-	-	12,360
Bowral Memorial Hall Refurbishment	11,000	139,000	3,270,000	118,000
Burrawang Oval Public Toilet Upgrade	188,400	-	-	-
Church Road Oval Upgrade/Extend Amenities Building	458,820	-	-	-
Civic Centre Refurbishment	3,000,000	2,200,000		
Community Centres Building Works (SRV)	-	14,420	-	-
East Bowral Community Centre Carpark Extension	129,000	-	-	-
Hill Top Community Centre provision of roof safety systems	-	36,050	-	-
Iron Mines Oval Amenities Building	-	478,000	-	-
Lake Alexandra Public Toilet Renewal	-	-	-	563,800
Leighton Gardens Public Toilet Refurbishment	79,310	-	-	-
Mittagong CWA addition of access ramps	-	112,510	-	-
Mittagong Library Roof (SRV)	-	77,000	-	-
Mittagong Oval Canteen/Amenities Building Upgrade Stage 2	92,700	-	-	-
Moss Vale Depot Renewal	-	-	225,000	
Mt Gibraltar Outer Bowl Public Toilet Upgrade	-	-	159,650	-
Penrose Hall Kitchen Upgrade	37,080	-	-	-
Penrose Hall Structure Renewal & Extension	-	-	-	415,730
Robertson Community Centre Roof	-	68,000	-	-
Southern Regional Livestock Exchange security improvements	80,000	-	-	-
Sutton Forest Hall kitchen renewal	-	36,050	-	-
Winifred West Public Toilet Interior Finishes Renewal	38,110	-	-	-
Total Buildings	**4,114,420**	**3,161,030**	**4,265,905**	**1,337,970**
Other Structures				
Aboriginal Community and Cultural Centre Car Park Formilisat	-	72,100	-	-
Cemetery Various New Infrastructure	26,780	38,780	26,780	26,780
Total Other Structures	**26,780**	**110,880**	**26,780**	**26,780**
Roads, Bridges & Footpaths				
Bus bay on the east side of Mittagong Rd N of Tulloona Ave	-	80,000	-	-
Advanced Design of Proposed Projects	300,000	200,000	200,000	200,000
Albert Street Construction of new footpath on (N)	38,000	-	-	-
Anembo Street Kerb & Gutter Renewal	-	-	-	50,000
Argyle Street Replace Footpath	-	91,000	-	-
Ascot Road, Bowral Kerb & Gutter	-	-	-	15,000
Banyette Street Rehabilitation	-	100,000	-	60,000
Belmore Falls Rd Wallagunda/Barrengary Ck Bridge Replacement	-	650,000	-	-
Bendooley Street, Bowral Kerb & Gutter	-	-	-	75,000

	2017/18	2018/19	2019/20	2020/21
Berrima Road Bridge Overpass	8,200,000	-	-	-
Berrima Street Welby Seal of Approval	-	-	-	150,000
Boardman Road Asphalt Resheeting	-	270,000	-	-
Boolwey Street, Bowral Footpath	-	-	71,000	-
Boundary Road Rehabilitation	-	-	565,000	-
Browley Street, Moss Vale Footpath Renewal	-	50,000	-	-
Bundaroo Street Kerb & Gutter	-	-	-	28,000
Burrawang Lane Construction and Sealing	-	-	-	170,000
Bus Interchange, Bowral	-	-	-	215,000
Church Street Replace Footpath	-	32,000	-	-
Church St Burrawang Road Rehabilitation	630,000	-	-	-
Clarence Street K&G Renewal	-	60,000	-	-
Clearview Street Rehabilitation	-	-	-	390,000
Collins Road Rehabilitation	-	-	540,000	-
Colo Street, Mittagong - Footpath	-	-	-	112,000
Culverts and Bridges (SRV)	106,000	-	-	-
Culverts Installation/Renewal	-	102,743	103,411	206,129
Exeter Road Repair	-	175,000	-	-
Exeter Road segment 40 Repair	-	640,000	-	-
Garrett Street Footpath	-	85,000	75,000	-
Garrett Street Kerb & Gutter	-	-	-	45,000
Garrett Street Seal of Approval	-	-	-	190,000
Gladstone Road	-	-	543,000	-
Gravel Resheeting Program (SRV)	-	604,204	388,020	582,848
Greenhills Road Rehabilitation	-	-	-	255,000
Hamilton Avenue Rehabilitation	110,000	-	-	-
Hansen Street, Bowral Kerb & Gutter	-	-	-	22,000
Harley Road Asphalt Resheeting	-	150,000	-	-
Heavy Patching	400,000	400,000	400,000	400,000
Hoddle Street, Burrawang Seal of Approval	-	-	424,217	-
Holly Street, Bowral Kerb & Gutter Renewal	-	-	-	33,000
Kirkham Road Reconstruction	-	-	540,000	-
Kirkham Road Rehabilitation	-	-	510,000	-
Lee Street Rehabilitation	-	280,000	-	-
Local Roads Intersections Asphalt Heavy Patching (SRV)	-	24,507	-	71,782
Local Roads Gravel Resheeting Program	789,000	574,000	574,000	574,000
Local Roads Resealing Program	1,498,017	946,887	1,132,413	1,624,877
Local Roads Reseals - Urban and Rural (SRV)	-	308,229	451,165	701,016
Main St Mittagong Car Park	185,000	-	-	-
Merrigang Street Bridge Repair	-	-	950,000	-
Merrigang Street segment 40 Pavement Rehabilitation	-	-	1,035,000	-
Meryla Road, Manchester Square	-	-	-	250,000
Mittagong Road Bowral Footpath Construction	-	-	200,000	-
Myrtle St, Bowral K&G Renewal	-	20,000	-	-
Narellan Rd Moss Vale Road Upgrade	250,000	-	-	-
Old Hume Hwy Repair	-	-	1,310,000	-
Old Hume Hwy, Yerinbool New Footpath	-	-	75,000	-
Old South Road	1,300,000	-	-	240,000
Orchard Street	-	123,480	-	-
Oxley Hill Road	-	-	-	290,000
Park Road, Bowral Footpath	-	-	105,000	-
Parkes Rd, Moss Vale K&G renewal	-	16,000	-	-

	2017/18	2018/19	2019/20	2020/21
Railway Avenue, Colo Vale Footpath	-	-	100,000	-
Railway St Moss Vale Footpath Construction	45,000	-	-	-
Railway Parade segment 30	-	-	-	680,000
Range Road Rehabilitation	-	640,000	-	-
Regional Roads Asphalt Resheeting Program	-	-	323,200	-
Regional Roads Gravel Resheeting Program	80,000	80,000	80,000	80,000
Regional Roads Resealing Program	347,000	352,000	-	240,000
Robertson Road, Moss Vale - Footpath	-	-	-	170,000
Sheffield Road Rehabilitation	370,000	-	-	-
Shephard Street Construction and Sealing	-	-	-	122,000
Shirewide Cycleway Renewals	-	-	-	15,000
Shirewide Footpath Renewal	-	-	-	155,766
Shirewide Guardrail Replacement & Upgrade Program	-	105,900	-	100,000
Shirewide Kerb Ramp Renewals - based on condition	-	15,000	15,000	15,000
Shirewide Litter Bins	-	5,000	5,000	5,000
Shirewide Sign Renewal and New	15,000	15,000	15,000	15,000
Shirewide Street Seat Installations and Renewals	-	5,000	5,000	5,000
Telopea Street Rehabilitation	-	-	-	305,000
Throsby Street Rehabilitation	-	1,230,000	-	-
Valetta Street	-	-	-	112,000
Victoria St Bowral Footpath Renewal	90,000	-	-	-
Willow Drive, Moss Vale Footpath	-	-	80,000	-
Wilson Drive	1,205,000	-	-	477,000
Winifred Cres, Mittagong K&G renewal	-	25,000	-	-
Wombeyan Caves retaining wall	100,000	206,429	-	206,129
Wombeyan Caves road segment 200	500,000	-	-	-
Wombeyan Caves road segment 210	-	-	-	41,759
Wombeyan Caves road segment 250	-	-	-	390,934
Yarrawa Street Moss Vale Footpath	-	62,000	41,160	-
Total Roads, Bridges & Footpaths	**16,558,017**	**8,724,379**	**10,856,586**	**10,086,240**
Stormwater Drainage				
Acquire land for Detention Basin, inside Bowral Golf Course, Bowral FRS	-	-	265,000	-
Acquire land for Retford Farm Basin, Bowral FRS	-	515,000	-	-
Construct (Renew) Pit/pipe, Sheaffe St	100,000	-	-	-
Construct levee, Opposite 15 Centennial Rd (Inside Park)	10,000	-	-	-
Construct pipe drainage, Argyle & Howard Sts.	-	-	-	163,500
Construct piped drainage & K&G, Hamilton Avenue/Banksia Street	412,000	-	-	-
Construct Piped Drainage Belmore to Renwick Channel Stage 2	-	772,500	-	-
Construct Piped Drainage Belmore to Renwick Channel-Stage 1	400,000	-	-	-
Construct Piped Drainage, Dalton St	422,000	-	-	-
Construct Piped Drainage, Murrimbah Rd	-	-	26,500	-
Construct Piped Drainage/Open Channel, Soma Av	-	-	68,900	-
Construct Retford Farm Detention Basin , Stage 1, Bowral FRS	-	-	2,332,000	-
Construct Retford Farm Detention Basin , Stage 2, Bowral FRS	-	-	-	2,507,000
Construct Stormwater Pipes on Easement, 280 Kangaloon Rd	-	-	-	16,350
Construct Upper Caalong Street Drainage, Robertson FRS	300,000	-	-	-
Construct Watleridge Rd Culvert	-	-	-	109,000

	2017/18	2018/19	2019/20	2020/21
Construct Wembley Rd Drainage	-	309,000	-	-
Construct/Upgrade culvert under Penola Street	-	-	-	327,000
Construct/Upgrade culvert, Jctn of Lytton/Gibbons Rds Under Berrima Rd (twin pipes)	-	154,500	-	-
Construct/Upgrade Culvert, on Braemar Avenue	600,000	-	-	-
Construct/upgrade drainage Pits, Banksia St	-	20,600	-	-
Construct/Upgrade pipe & K/G; Option4, line3, Masterplan (Lyell/Cook)	-	824,000	-	-
Construct/Upgrade Piped Drainage on Wingecarribee Street (Outside Motel)	-	-	-	100,280
Design Open Channel Harnetts Ln	-	-	5,300	-
Design & construct drainage swale, Appenine Rd	-	74,160	-	-
Design & construct Open channel & levee to divert water away from 58 Osborne Rd at Rear Fence	-	-	26,500	-
Design Detention Basin, in Retford Farm, Bowral FRS	-	51,500	-	-
Design pipe drainage, Argyle & Howard Sts.	-	-	15,900	-
Design Piped Drainage Belmore to Renwick Channel	40,000	-	-	-
Design Piped Drainage K&G Glebe St	-	10,300	-	-
Design upgrade of pipe & K/G; Option 3, line 2, Masterplan	-	-	26,500	-
Design upgrade of culvert under Penola Street	-	-	21,200	-
Design upgrade of culvert, Jctn of Lytton/Gibbons Rds Under Berrima Rd (twin pipes)	15,000	-	-	-
Design upgrade of piped drainage on Wingecarribee Street (Outside Motel)	-	-	5,300	-
Design Upgrade of pipes under Post Office, Main & Edward Sts, Gibbergunyah FRS	-	-	74,200	-
Design Wembley Rd Drainage (Overland flow study)	30,000	-	-	-
Install Flood Marker & Awareness Sign (Various Locations)	10,000	10,300	-	-
Install Inlet pit infront of 2 Ellsmore Rd Bundanoon	10,000	-	-	-
Modify Pit on Garland Road	10,000	-	-	-
Piped Drainage Construction 32 Victoria Street	-	82,400	-	-
Piped Drainage Construction Erith/Ellsmore Rd	-	257,500	-	-
Renew Pipe, Banksia St (under Cycle Path)	15,000	-	-	-
Renew Pit on Kylie Place	-	10,300	-	-
Renew Pit Pipe, Price St	-	443,930	-	-
Renew Pit/Pipe, Cnr Parkes/Berrima Rd	-	43,260	-	-
Renew Pit/Pipe, Cnr Purcell/Price Sts (betwn 51/53 Purcell)	20,000	-	-	-
Stormwater Drainage-Construction 39-41 Tyndall St	-	25,750	-	-
Upgrade pipes under Post Office, Main & Edward Sts, Gibbergunyah FRS Construction	-	-	530,000	-
Total Stormwater Drainage	**2,394,000**	**3,605,000**	**3,397,300**	**3,223,130**
Water Supply Network				
Advanced design of projects	300,000	-	-	-
Backflow Prevention Devices	-		53,845	55,191
Balmoral Water Supply	-	-	-	441,525
Bulk Meters New / Renew	30,000	-	32,307	-
Bundanoon Dam Aeration	200,000	-	-	-
Bundanoon W.T.P. - Improvements	-	26,266	26,922	27,595

	2017/18	2018/19	2019/20	2020/21
Dams Component Renewal	-	42,025	43,076	44,153
Dams Component upgrade	70,000	31,519	32,307	33,114
Design Standby Generators WTP	100,000	-	-	-
Duplication of Transfer Main Bowral to Moss Vale	-	4,100,000	-	-
Gib North to Willow Vale Main	1,000,000	-	-	-
Hydrants, Valves & PRVs New / Renew	100,000	105,063	107,689	110,381
Medway W.T.P. - Improvements	-	1,155,688	5,481,373	1,710,910
New Meters and Connections	145,000	152,341	156,149	160,053
Penrose / Wingello Water Supply	-	-	430,756	551,906
Private works, connections, extensions	150,000	157,594	161,534	165,572
Pump Station - Component upgrade	-	36,772	37,691	38,633
Pump station Renewal (Werai)	350,000	-	-	-
Pump Station Component Renewal	-	78,797	80,767	82,786
Reservoirs Component Upgrade	100,000	78,797	80,767	82,786
Reservoirs - Component Renewal	60,000	31,519	32,307	33,114
Service Connection Renewal	50,000	52,531	53,845	55,191
System Master Planning Review Projects	1,215,000	2,074,984	107,689	1,545,338
Telemetry System	-	21,013	21,538	22,076
Water Treatment Plant Total control system	-	1,260,750	-	-
Urban Filling Station Hill Top (construction)	-	105,000	-	-
Urban filling station, Berrima Road (construction)	105,000	-	-	-
Urban filling station, Hill Top (design)	20,000	-	-	-
Water Main Renewals	1,000,000	845,753	872,281	894,088
Water Meter Renewals	200,000	31,519	32,307	33,114
Water Treatment Plant Component Renewal	-	210,125	215,378	220,763
Wingecarribee W.T.P. - Improvements	-	78,797	1,696,103	82,786
Total Water Supply Network	**5,195,000**	**10,676,853**	**9,756,631**	**6,391,075**
Sewerage Network				
Bowral STP Upgrade to 16000 EP	-	11,031,563	11,307,352	331,144
Main capacity upgrade for growth & PRP	100,000	105,063	107,689	110,381
Mittagong STP Inlet Bypass	-	1,500,000	-	-
Moss Vale STP Stage 1 Upgrade to 13500 EP	-	1,575,938	11,845,797	12,141,942
Private Works - Extension & connection	75,000	78,797	80,767	82,786
Pump replacements	100,000	105,063	107,689	110,381
Pump station Asset / Component Renewal	450,000	157,594	161,534	165,572
Pump Station capacity upgrade for growth & PRP	75,000	78,797	80,767	82,786
Pump Station upgrades / improvements	85,000	89,303	91,536	93,824
Reticulation - Mains / Service Line Renewal	1,600,000	1,681,000	1,723,025	1,766,101
Sewer Manhole Renewals	200,000	210,125	215,378	220,763
STP Component Renewal	200,000	210,125	215,378	220,763
STP Component Upgrades / Improvements	600,000	210,125	215,378	220,763
Telemetry Component Upgrade	650,000	210,125	26,922	27,595
Telemetry System Component Renewal	-	31,519	-	-
Vent pipe replacement	20,000	21,013	21,538	22,076
Total Sewerage Network	**4,155,000**	**17,296,150**	**26,200,750**	**15,596,877**
Swimming Pools				
Bowral Pool - Amenities building upgrade	-	225,642	-	-

	2017/18	2018/19	2019/20	2020/21
Bowral Pool - Diving Blocks Renewal	12,000	-	-	-
Bowral Pool - Flexible membrane liner or epoxy to 50m	-	-	103,000	-
Bowral Pool - Renew Control Joints in pool shell	-	-	25,750	-
Bowral Pool - Renew Pool Render	-	40,000	-	-
Bowral Pool - Tile coping on 50m and 25m pools	95,000	-	-	-
Bundanoon Pool - BBQ Shelter	-	-	27,000	-
Bundanoon Pool - Pressure Filter Renewal	19,000	-	-	-
Bundanoon Pool - Resurface Pool Shell - Specialist epoxy paint	35,000	-	-	-
Mittagong Pool Rectification Works	1,000,000	-	-	-
Pools - Infrastructure Renewal in accordance with Asset Mana	-	39,000	48,410	204,970
Total Swimming Pools	**1,161,000**	**304,642**	**204,160**	**204,970**
Open Space/Recreational Assets				
Alexandra Square Rotunda Relocation & Renewal	-	-	203,000	-
Berrima Market Place Tree Renewal & Park Furniture	10,000	10,300	10,300	10,300
Bong Bong Common Exercise Equipment	-	-	51,500	-
Botanic Gardens Entrance	-	-	-	63,826
Children's Playground Renewal	30,900	30,900	41,200	103,000
Children's Playground Renewal - Seymour Park, Moss Vale	51,500	-	-	-
Corbett Gardens - Design Documentation Infrastructure Upgrade	-	138,419	-	-
Corbett Gardens - Infrastructure Upgrade, public toilets	-	-	1,604,000	-
East Bowral Dog off Leash Area	-	-	-	51,500
Eridge Park - Lighting Renewal	-	123,600	-	-
Eridge Park - Perimeter Fence Renewal	-	46,350	-	-
Eridge Park - Velodrome Re-surfacing	-	46,350	-	-
Exeter Oval Cricket Net Renewal & Wicket Relocation	42,000	-	-	-
Hampden Park - Ball Stop Fencing	25,750	-	-	-
Jurd Park Tennis Court Resurface & Fence	-	-	56,650	-
Lackey Park Upgrade - Fencing, Access Roads	-	-	-	236,900
Lake Alexandra Exercise Equipment	36,050	-	-	-
Lake Alexandra Outlet Rehabilitation	-	60,000	-	-
Loseby Oval Fencing Renewal	-	-	67,980	-
Mittagong Oval Access Road Renewal	-	77,250	-	72,100
Mittagong Oval Basketball Court - Refurbish Tennis Court	-	-	61,800	-
Park Furniture Renewal	21,050	18,540	18,540	18,540
Playground Renewal (Loseby Park & Skate Park)	-	-	-	74,160
Recreational Pathways - Box Vale Track renewal	-	51,500	33,300	-
Recreational Pathways - Hampden Park Reserve Robertson	10,300	-	-	-
Recreational Pathways - Mittagong Old Hume Hwy South Connect	-	-	12,360	-
Recreational Pathways - Mt Gibraltar Recreation Track & Stairs	-	-	92,700	15,450
Seymour Park Dog Agility Equipment	-	15,450	-	-
Sportfield & Reserve Park Furniture Renewal	20,900	30,900	30,900	30,900
Sportsfields - Goal Posts, Access Roads and Fence Renewal	21,200	30,900	30,900	30,900
Streetscape Improvements - Bowral Northern Entry	-	10,300	-	-
Streetscape Improvements - Bowral Southern Entry	-	-	-	15,450
Streetscape Improvements - Moss Vale Southern Entry	-	-	15,450	-
Streetscape Improvements - Willow Vale Entry	10,300	-	-	-
Track & Trails Strategy	-	77,250	-	-
Tree Planting Renewal	15,450	-	100,100	41,200
Upgrade Tourist Attraction - Bowral Northern Entry	-	-	-	-
Upgrade Tourist Attraction - Moss Vale Northern Entry	-	-	-	15,450
Upgrade Tourist Attraction - Hammock Hill	-	-	15,450	-

	2017/18	2018/19	2019/20	2020/21
Upgrade Tourist Attraction - Mt Alexandra	-	10,300	-	-
Upgrade Tourist Attraction - Welby Weir	12,360	-	-	-
Wingello Tennis Court Fencing & Cricket Nets Renewal	-	-	86,520	-
Total Open Space/Recreational Assets	**307,760**	**778,309**	**2,532,650**	**779,676**
Library Books				
Library Resources	189,000	189,000	189,000	189,000
Total Library Books	**189,000**	**189,000**	**189,000**	**189,000**
Other				
Welby Rehabilitation	150,000	-	-	-
Total Other	**150,000**	**-**	**-**	**-**
Total Capital Works	**36,947,009**	**48,593,709**	**61,212,576**	**41,150,230**

Appendix 3
Four Year Capital Works Program
Funded from SRV

Forecast Estimates 2017/18 – 2020/21	2017/18	2018/19	2019/20	2020/21
SRV Capital Expenditure				
Buildings				
East Bowral Community Centre Car Park	99,000	-	-	-
Penrose Hall Kitchen	6,180		-	-
Bowral Memorial Hall Renewal	11,000	55,000	360,000	118,000
Community Centre Renewal Program	-	14,420		-
Mittagong CWA Access Ramps	-	43,500		-
Mittagong Public Library Roof	-	77,000		-
Depot Renewal - Moss Vale	-	-	225,000	
Rotunda Renewal - Alexandra Square Mittagong	-	-	203,000	
Robertson Community Centre Roof Renewal		68,000	-	-
Ironmines Oval Mittagong Amenities Building	-	478,000	-	-
Burrawang Park Amenities Building	106,000		-	-
Church Road Oval Moss Vale Amenities Buildings	458,820	-		-
Bowral Cemetery Toilet Block Roof				12,360
Bowral Cemetery Renew Shelter				191,000
Penrose Hall Renewal				415,730
Lake Alexandra Toilet Block Renewal				399,000
Boronia Park Hill Top Amenities Building	-	-	315,000	
Total Buildings	**681,000**	**735,920**	**1,103,000**	**1,136,090**
Roads Bridges & Footpaths				
Culverts Renewal	106,000	102,743	103,411	206,129
New Footpath Construction – Church Street Bundanoon		32,000	-	-
New Footpath Construction – Argyle Street Moss Vale		91,000	-	-
New Footpath Construction - Railway Street Moss Vale	45,000		-	-
New Footpath Construction - Garrett Street Moss Vale		85,000		
New Footpath Construction - Yarrawa Street Moss Vale	-	62,000	41,160	-
New Footpath Construction - Garrett Street Moss Vale	-	-	75,000	
New Footpath Construction - Railway Avenue Colo Vale	-	-	100,000	
New Footpath Construction - Boolwey Street Bowral	-	-	71,000	
New Footpath Construction - Willow Drive MossVale	-	-	80,000	
New Footpath Construction - Old Hume Highway Yerrinbool	-	-	48,503	
New Footpath Construction - Park Road Bowral	-	-	70,466	
New Footpath Construction - Mittagong Road Bowral			200,000	
New Footpath Construction – Colo Street Mittagong				84,406
New Footpath Construction – Robertson Road Moss Vale				136,827
Footpath Renewal – Browley Street Moss Vale	-	50,000		
Footpath Renewal				25,766
Kerb and Gutter – Garrett Street Moss Vale				36,859
Kerb and Gutter – Bundaroo Street Bowral				28,000
Gravel Resheeting Program	215,000	604,204	388,020	582,848
Heavy Patching	-		100,000	100,000
Advanced Design of Projects			50,000	50,000
Local Roads Asphalt Resheeting Intersections	-	24,507		71,782
Local Roads Reseals - Urban and Rural	327,000	439,725	451,165	701,016
Local Roads Rehab/Recon - Range Road Mittagong	-	640,000		-
Local Roads Rehab/Recon - Church Street Burrawang	519,000	-		-
Local Roads Rehab/Recon - Orchard Street Bowral	-	123,480		-
Local Roads Rehab/Recon - Gladstone Road Bowral	-	-	422,105	
Local Roads Rehab/Recon - Old Hume Highway Berrima	-	-	211,398	
Local Roads Rehab/Recon - Boundary Road Buxton	-	-	455,741	

Forecast Estimates 2017/18 – 2020/21	2017/18	2018/19	2019/20	2020/21
Local Roads Rehab/Recon - Collins Road Moss Vale	-	-	540,000	
Local Roads Rehab/Recon - Kirkham Road Bowral	-	-	500,715	
Local Roads Rehab/Recon – Wilson Drive Hill Top				112,744
Local Roads Rehab/Recon – Railway Parade Mittagong				254,996
Local Roads Rehab/Recon – Valetta Street Moss Vale				29,320
Local Roads Rehab/Recon – Telopea Street Hill Top				105,730
Local Roads Rehab/Recon – Oxley Hill Road Bowral				174,143
Local Roads Rehab/Recon – Meryla Road Manchester Square				128,831
Local Roads Rehab/Recon – Clearview Street Bowral				244,334
Local Roads Rehab/Recon – Greenhills Road Berrima				130,608
Regional Rds-Wombeyan Caves Rd	349,000	206,429		638,822
Seal of Approval Program - Garrett Street, Wingello				135,939
Seal of Approval Program - Berrima Street, Welby				150,000
Seal of Approval Program - Hoddle Street, Burrawang	-	-	424,217	
Total Roads Bridges & Footpaths	**1,561,000**	**2,461,088**	**4,332,900**	**4,129,100**
Stormwater Drainage				
Stormwater Drainage Renewal - Price Street Bowral	20,000	148,930	-	-
Stormwater Drainage Renewal – Kylie Place Moss Vale		10,300	-	-
Stormwater Drainage Renewal – Glebe Street Bowral		10,300	-	-
Stormwater Drainage Renewal – Parkes Berrima Rd Moss Vale		43,260	-	-
Stormwater Drainage Renewal - Banksia Street Bowral	15,000		-	-
Stormwater Drainage New – Hamilton Ave / Banksia St	412,000	-	-	-
Stormwater Drainage New – Sheaffe St	100,000	-	-	-
Stormwater Drainage New - Dalton Street Mittagong	422,000		-	-
Stormwater Drainage New - Apennine Road Yerrinbool	-	74,160	-	-
Stormwater Drainage New – Lyell Cook Street Mittagong	-	417,150	-	-
Stormwater Drainage New - Centennial Road Bowral	10,000		-	-
Stormwater Drainage New - Belmore to Renwick Channel	386,000	772,500		-
Stormwater Drainage New – Wembley Road Moss Vale		298,700		
Stormwater Drainage New – Lytton Gibbons Road Moss Vale		134,500		
Stormwater Drainage New – Banksia Street Colo Vale		20,600		
Stormwater Drainage New – Victoria Street Bowral		82,400		
Stormwater Drainage New – Erith Ellsmore Road Bundanoon		103,000		
Stormwater Drainage New – Tyndall Street Mittagong		25,750		
Stormwater Drainage New – Soma Avenue Bowral	-	-	68,900	
Stormwater Drainage New – Murrimbah Road Wingello	-	-	26,500	
Stormwater Drainage New - Osborne Road Burradoo	-	-	26,500	
Stormwater Drainage New – Retford Park Bowral	-	-	1,431,000	2,212,700
Stormwater Drainage New – Main & Edward Streets Mittagong			530,000	
Stormwater Drainage New – Penola Street Bundanoon				327,000
Stormwater Drainage New – Kangaloon Road Bowral				16,350
Stormwater Drainage New – Argyle Howards Sts New Berrima				163,500
Stormwater Drainage New – Wattle Ridge Road Hill Top				109,000
Stormwater Drainage Design – Harnetts Lane Mittagong			5,300	
Stormwater Drainage Design – Argyle Howards Sts New Berrima			15,900	
Stormwater Drainage Design – Option 3 Line 2 Masterplan Mgong			26,500	
Stormwater Drainage Design – Penola Street Bundanoon			21,200	
Stormwater Drainage Design – Wingecarribee Street Berrima			5,300	
Stormwater Drainage Acquisition – Bowral Golf Course	-	-	265,000	

Forecast Estimates 2017/18 – 2020/21	2017/18	2018/19	2019/20	2020/21
Total Stormwater Drainage	**1,365,000**	**2,141,550**	**2,422,100**	**2,828,550**
Swimming Pools				
Swimming Pools Ancillary Works		210,642	27,000	27,810
Total Swimming Pools		**210,642**	**27,000**	**27,810**
Open Space/Recreational Assets				
Tree Planting Renewal	15,450		100,100	41,200
Park Furniture Renewal	21,050			18,540
Children's Playground Renewal Seymour Park	51,500			
Exeter Oval Cricket Net Renewal Wicket Relocation	42,000			
Box Vale Track Renewal		41,200	33,300	
Eridge Park Fence Renewal Tree Replacement		46,350		
Mittagong Oval Access Road		77,250		
Lake Alexandra Outlet Rehabilitation		60,000		
Wingello Tennis Courts Fence & Cricket Net Renewal			86,520	
Loseby Park Fence Renewal			37,080	
Aboriginal Cultural Centre Centre Roof				37,080
Playground Renewal				44,290
Lackey Park Sports Field Upgrade				123,600
Open Space/Recreational Assets	**130,000**	**224,800**	**257,000**	**264,710**
Total SRV Capital Expenditure	**3,737,000**	**5,774,000**	**8,142,000**	**8,386,260**