

Extraordinary Meeting of Council - 1 May 2024 Attachments

7.1 DRAFT 2024/25 OPERATIONAL PLAN, BUDGET AND 2024-2034

RESOURCING STRATEGY FOR PUBLIC EXHIBITION.....2

7.1.1 Resourcing Strategy 2024-2034.....2



2024 edition

Resourcing Strategy

DRAFT For Exhibition





The Wingecarribee Shire acknowledges the Gundungurra and Tharawal people as the traditional custodians of this land we now call the Wingecarribee Shire. We pay our respect to Elders both past, present and emerging.



Information about the 2024 Edition Resourcing Strategy

Each year, Council updates its Long Term Financial Plan (LTFP), a key component of the Resourcing Strategy. This is to ensure that our financial assumptions and modelling are up to date and that forecasts are as accurate as possible.

The 2024 edition Resourcing Strategy builds on the 2023 edition, including updates to the LTFP, as well as the Asset Management Strategy.

The Resourcing Strategy will undergo a comprehensive review in 2025 following the 2024 elections.

Disclaimer

The Resourcing Strategy is a living document. The information contained within includes details about Wingecarribee Shire Council's assets, workforce, ICT systems and long-term financial position. Information is based on data available at the time of development. Council reserves the right to amend this document, including financial modelling, as new data emerges or circumstances change that impact resourcing.

**AGENDA OF THE EXTRAORDINARY MEETING OF COUNCIL
WEDNESDAY 1 MAY 2024**



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Message from the General Manager

The Resourcing Strategy is one of the most important planning documents that the Council produces. We develop the Strategy every four years in-line with the IP&R requirements post elections and monitor and update it annually.

It helps to guide decision making about resource allocation, investment and project delivery. It informs how we prioritise valuable resources across a variety of services – from waste and water services to the provision of libraries, recreation facilities and local roads.

It is key to ensuring we have the people, technology, funding and assets in place to provide these services to a level that is both acceptable to the community and affordable.

One of the most important conversations that we have with the community is about determining how we can achieve quality, cost effective, value for money services that are responsive to community needs.

In 2022 Micromex Research conducted a Community Research Survey which considered levels of satisfaction and importance with services delivered by Council. The results helped to inform not only this Resourcing Strategy, but our Delivery Program 2023-2025 and annual Operational Plan and Budget. We will be undertaking another survey in late 2024.

Areas identified for improvement include;

- Communicating and provision of information to residents.
- Condition of local roads.
- Availability of car parking in the town and village centres.
- Providing adequate drainage.
- Provision and quality of footpaths.
- Opportunities to participate in Council decision making.
- Managing development and growth.
- Enforcement of development and building regulations.

This Resourcing Strategy proposes a significant injection of funds to renew and maintain our local infrastructure assets. In the meantime, Council is reviewing internal work processes and systems to ensure we are operating in a lean and effective manner with an option to redirect any internal savings to filling key service gaps and improving performance.

This improvement activity aims to ensure;

- Staff and resources are being effectively utilised (Workforce Management Strategy).
- Value for money services are in place (sewer renewals).
- Funds are directed towards assets at appropriate times.
- We can improve our digital platforms making it easier for our customers to access services and make payments. (Digital Strategy).

This approach is outlined in our Delivery Program 2023-2025 as well as the Long Term Financial Plan which requires us to look internally, in the first instance, prior to considering any changes to our levels of services.

As always, I welcome the community's feedback on this Strategy, and I look forward to reporting the outcomes achieved in our next Annual Report.

Lisa Miscamble

General Manager

About the Resourcing Strategy

Effective resource planning means looking beyond the short-term. It requires a good understanding of both the medium and longer-term challenges and opportunities that might impact on Council's ability to deliver best value services to the community.

The Resourcing Strategy is an important document, that helps the Council. Council officers and the community understand what is required to deliver and maintain all of our services. This includes the costs attached to these services and how those costs will be funded.

Sometimes Council will need to make difficult decisions about how and where resources are allocated, knowing that some levels of service might need to be decreased, in order to increase others.

Council engages the community on potential increases or decreases to service levels. The community's input is important, because it helps to determine what is acceptable, as well as affordable.

We also know that not everything can be delivered at the same time.

This Resourcing Strategy helps us to prioritise resources and map out resource allocation over the short, medium and long term.

Together with our Delivery Program 2023-2025 and our annual Operational Plan and Budget, it provides the community with visibility of the costs attached to service delivery. It also serves to provide information about resourcing challenges and strategies to remedy these.

By responsibly managing our existing resources, and keeping an eye on potential future impacts, we are enabling the organisation to remain financially sustainable into the long term, while continuing to deliver services that meet the needs of the community.

The Resourcing Strategy consists of four parts

Part 1 – Long Term Financial Plan 2024-2034

**Part 2 – Asset Management Strategy
2024-2034**

Part 3 – Digital Strategy 2023-2025

Part 4 – Workforce Management Strategy
2023-2025

Engaging the Community on levels of service

In 2023, the Council adopted 'Delivering Better Services: a framework for providing best value services to the community.'

The Framework provides Council with a structure for planning and reviewing services. The focus is on improving our overall customer service and transforming the way we do business, while ensuring services are fit for purpose and financially sustainable.

In addition to developing the Framework, Council has carried out work reviewing internal efficiencies across its services to:

- Ensure staff and resources are being effectively utilised.
- Achieve value for money services that benefit the community.
- Improve our digital platforms making it easier for our customers to access services.

This is an ongoing process that supports continuous improvement.

A program of prioritised service reviews is currently in development and will be published later this year.

The community will sometimes be engaged in service reviews, with the level and type of involvement being dependent on the scope of the review and the service.

The community is surveyed every two years to identify levels of satisfaction with the many services Council provides. The community is also consulted on fees and charges and any proposed changes to rates.

Ongoing reviews of Council's financial management, will also continue as we seek to maximise value for money through effective procurement and management of Council's budget processes.



The Strategic Context

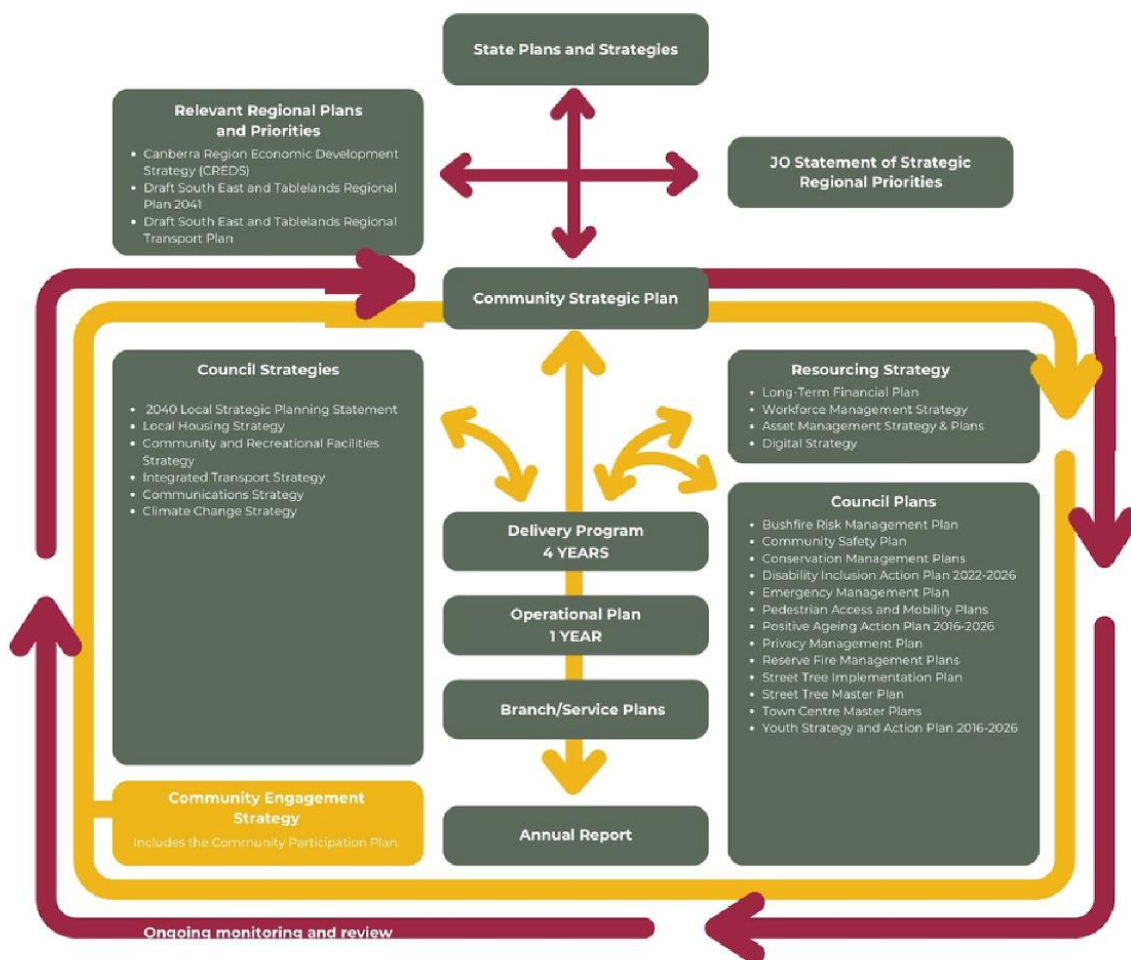
The Resourcing Strategy plays an important role in ensuring that our strategic and operational goals can be achieved. It does this by identifying the financial commitment, assets, technology and people needed to achieve our objectives.

The NSW Local Government Integrated Planning and Reporting framework, acknowledges most communities share similar aspirations: safe, and pleasant places to live, reliable infrastructure, opportunities to participate in community life, sustainable and healthy environments, and access to education and employment.

The framework requires councils to develop plans and strategies that are not only interconnected, but align to a community's vision for the future. This helps us to plan holistically and make the most of limited resources.

Our Community Strategic Plan, Wingecarribee 2041 is the highest level plan developed by the Council on behalf the community. It requires commitment and action from all levels of government, local business and industry, non-government organisations and service providers and of course the community itself.

Council's role in achieving the Community Strategic Plan is detailed in the Delivery Program which documents the activities, including major projects and other initiatives, the Council plans to carry out to achieve the community's goals. The annual Operational Plan and Budget provides another layer of detail with information on the key actions planned for the financial year ahead.



All of these plans are supported by the Resourcing Strategy which aims to address resourcing gaps and guide resource allocation.

The Resourcing Strategy is a living document that we continuously refine, as new information becomes available and/or impacts of the external operating environment.

We also need to ensure the Strategy remains agile and responsive to changing circumstances.

A good example is the cumulative impacts of the COVID-19 pandemic and extreme weather events on Council's service delivery, which could not have been predicted four years ago. We therefore update the Resourcing Strategy each year, to ensure it is reflective of our current environment and any new challenges and opportunities.

A comprehensive review is completed every four years to align with the election of a new Council and to coincide with the refresh of the Community Strategic Plan and the development of the new Delivery Program. The next review is scheduled for 2025.

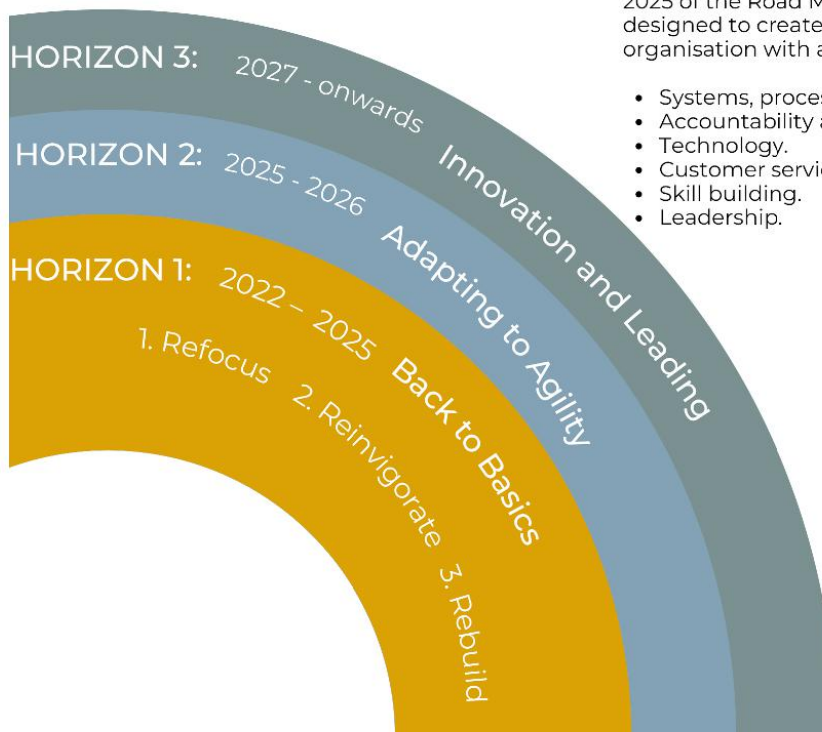


Our Road Map

The Resourcing Strategy aligns to 'Our Road Map: Moving forward to reset the Organisation' which is a plan outlining our approach to becoming a leading example in local government.

The strategic directions and priorities in this Resourcing Strategy support Horizon 1: 2022-2025 of the Road Map, 'Back to Basics' which is designed to create a strong foundation for the organisation with a focus on improving:

- Systems, processes and culture.
- Accountability and decision making.
- Technology.
- Customer service.
- Skill building.
- Leadership.



Overview of the Resourcing Strategy

The Resourcing Strategy supports all of the work that we do. It helps to ensure that the decisions we make today are supporting our current community, without compromising future generations.

Primarily, it contributes to the following strategies in our Community Strategic Plan, Wingecarribee 2041.

Strategy 1.1.1 - Achieve ethical governance and improve decision making, through open, accountable and positive leadership.

Strategy 1.1.2 - Ensure the long-term sustainability of the Council through effective planning and management of finances, assets, people and systems.

Strategy 1.1.3 - Improve customer service and achieve value for money services through informed, responsive and efficient service delivery.

Strategy 1.1.4 - Deliver strategy and planning that supports the community's vision and priorities.

Our Goals



Long Term Financial Plan (LTFP)



- Ensure the long-term financial sustainability of the Council.
- Provide the community with visibility of Council's approach to financial management.
- Guide responsible financial decision-making.
- Support the delivery of affordable and acceptable services across the community.
- Support business transformation.
- Minimise our financial risk.



Asset Management Strategy (AMS)



- Improve the sustainability of the assets under Council's control.
- Deliver levels of service to the community that are affordable and acceptable.
- Ensure our assets are reliable, safe and fit for purpose.
- Continuously improve how we manage our risk.
- Allocate appropriate resources to asset management.
- Support staff to undertake responsible asset management.
- Achieve best practice asset management.
- Meet legislative requirements.



Digital Strategy (DS)



- Increase productivity.
- Improve customer satisfaction.
- Increase efficiency.
- Improve data quality.
- Reduce costs.
- Increase employee engagement.
- Protect the organisation from cyber threats.



Workforce Management Strategy (WMS)



- Develop leaders that are innovative, accountable and empowered.
- Enable a workplace culture that develops talent and supports a healthy, diverse and inclusive working environment.
- Embed a culture of continuous improvement and innovation.
- Attract, recruit and retain a resilient, adaptable and high performing workforce.

Reporting on progress

There are three levels of performance that we look at when assessing the Resourcing Strategy

-  1. How much we did
-  2. How well we did it
-  3. Is anyone, or anything better off as a result of our actions.
(Results Based Accountability) TM

When monitoring the Resourcing Strategy, we are interested in answering all three questions with a focus on the third. If the Strategy is failing to achieve tangible benefits then a change in strategic direction may need to be considered.

The Resourcing Strategy is monitored regularly and progress is captured in our Annual Report.

We also provide Quarterly Budget Review Statements which consider the financial position of the Council and status of programs and activities within the annual Operational Plan and Delivery Program. These reports indicate where adjustments might need to be made to our budget allocation. They also help us to better manage risk.

Key actions from this Resourcing Strategy will feature in our annual Operational Plan and Budget and will be identified by the following abbreviations.



Long Term Financial Plan (LTFP)



Asset Management Strategy (AMS)



Digital Strategy (DS)



Workforce Management Strategy (WMS)





Long Term Financial Plan 2024-2034

1.1 Our Goals

The Long Term Financial Plan (LTFP) expresses in financial terms the activities that Council proposes to undertake over the short, medium and long term. It aligns with adopted strategies and decisions of Council and is designed to help the Council remain financially sustainable into the future.

The Plan is updated every year as part of Council's annual budget process. A detailed review of the Plan is carried out every four years to ensure it still represents the goals and service priorities identified in the Community Strategic Plan, Wingecarribee 2041.

In addition to meeting our legislative requirements, the LTFP aims to:

- Ensure the long-term financial sustainability of the Council.
- Provide the community with visibility of Council's approach to financial management.
- Guide responsible financial decision-making.
- Support the delivery of affordable and acceptable services across the community.
- Support business transformation.
- Minimise our financial risk.

1.2 Our Strategic Context

While ensuring the financial sustainability of Council supports all that we do, the LTFP primarily works to achieve the following goals within Wingecarribee 2041.

Strategy 1.1.2 - Ensure the long-term sustainability of the Council through effective planning and management of finances, assets, people and systems

Strategy 1.1.4 - Deliver strategy and planning that supports the community's vision and priorities

The priorities of the LTFP support these goals and include:

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 revenue streams to deliver services and community infrastructure. We are committed to ensuring that where key community infrastructure is delivered all funding options will be considered.

2. **Improving 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 to better meet the expectations of our community.



3. Protecting the natural environment - Council is dedicated to protecting our natural world through our Environment Levy, which supports projects and programs that protect and enhance our natural environment.

4. Delivering significant infrastructure projects - We have committed to delivering key infrastructure projects for the community. This includes delivering a number of major projects to provide the community with sustainable infrastructure that meets the needs of the community.

5. Achieving better alignment and delivery - Council is undertaking a program of service reviews to ensure we are delivering services that are both affordable and in line with community expectations. The first phase involves reviewing all Council's services to identify areas for immediate business improvements, followed by more detailed service reviews. These reviews will be informed by detailed business analysis and community feedback.

6. Supporting business transformation - We recognise that the community expects us to interact with them in ways which reflect modern business processes, utilising modern technologies. We are committed to ensuring the systems and processes that support service delivery and the way we interact with our customers, are responsive and provide a variety of methods for interaction.

7. Supporting 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 available locally. We will also work to attract further investment and events into the region that foster community spirit, inclusiveness and participation in community life.

1.3 About the Long Term Financial Plan

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

- Planning assumptions used to develop the Plan.
- Sensitivity analysis and testing.
- Financial modelling for different scenarios.
- Methods of monitoring financial performance.

The Long Term Financial Plan is required to present at least two scenarios. The two scenarios are as follows:

Business as Usual Scenario – Business as Usual Scenario – this scenario is reflective of Council's 2024/25 Operational Plan and extrapolated over a 10-year period based on assumptions. This includes a rate peg increase of 4.5% and a factor for population growth of 0.1% (total rates increase of 4.6%).

Alternative Scenario - this scenario provides the same assumptions as the 'Business as Usual' scenario with the following exception: Council currently has an unfunded projects list of \$134.6M, of which \$125M is attributable to the construction of Moss Vale Bypass (which has not been included in this iteration of the Long Term Financial Plan). The remaining unfunded projects total \$9.6M. This scenario models an increase of 25% in rates revenue (over a five year period) to fund the \$9.6M unfunded projects. Projects include both operational and capital budget increases to fund specific projects, commencing in 2025/26. The rate increase will be compounding for 5 years (inclusive) and be maintained into perpetuity. This scenario is to demonstrate the impact of a modest revenue on funding specific projects over the life of the plan.

The 'Business as Usual Scenario' is a "current state" scenario underpinned by assumptions for maintaining existing service levels outlined in Council's 2024/25 Operational Plan and delivering services within Council's financial means. The Alternative Scenario examines the likely impacts on ratepayers if delivering currently unfunded activities.

The financial modelling is presented in the format of Council's primary financial statements namely, the Income Statement, Balance Sheet, Cashflow Statement, and the Office of Local Government Key Performance Indicators (both Financial and Asset indicators).

Wingecarribee Shire Council is the Water and Sewer Authority for the 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.



1.4 Key Challenges

We are not unlike other Councils in New South Wales (NSW) in that we are potentially exposed to various external influences which may impact on our long-term financial position.

The following external factors or influences 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.

Significant changes regarding any of the issues below would require Council to review the Plan.

Economic Conditions

Council's revenue forecasts are heavily influenced by the wider economy.

Council's Long Term Financial Plan predicts a flattening of the current inflationary pressures in two years with a return to regular economic conditions in Year 3 of this plan. If the global economy was to experience another Global Financial Crisis, or if the domestic economic climate was to further deteriorate, then this would have a significant impact on this Plan.

Revenue Constraints - Rate Pegging and State Government Reform

Until recently, NSW was the only state in Australia where the level of rate income Councils can raise was 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.

The NSW Government is conducting a number of reviews throughout the sector including the ongoing requirement to operate Regional Joint Organisations. The Independent Pricing and Regulatory Tribunal of NSW (IPART) has undertaken a review of the Local Government Rating System which provided assurance the rate peg will be closely aligned to inflation. Whilst this was not evident in the current rate peg release, Council will include modest peg increases within this Long Term Financial Plan.

A State Government review of the NSW Council's ability to fund infrastructure is current being scoped with the draft Terms of Reference being exhibited for public comment. The outcomes of this review will not be incorporated into this iteration of the Long Term Financial Plan.

Council will continue to advocate to the State Government to reform the rate-peg to and seek to adopt a more strategic approach to levying rates and charges.

While 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.

Council will continue to assume that its revenue raising capacity will be constrained by rate pegging. As shown in Council's financial modelling, this will involve a range of cost containment strategies and revenue growth opportunities to ensure Council continues to balance its budget.

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.

Other Influences

Other external factors which could potentially have a significant impact on this 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 due to cost shifting from other levels of Government, including the imposition of new services and controls to be delivered by Council, but without the capacity to raise income to offset the cost of these services
- Population growth and provision of services required to support new or changing communities



1.5 Our Planning Assumptions

The future is always uncertain. This is why, as we consider what the future might look like, we make informed assumptions (i.e. based on evidence) to guide and inform our longer term planning. Robust assumptions become more important, the longer the horizon we are working to.



Our assumptions fall into the following categories:

- Operating Revenue Assumptions.
- Operating Revenue Sensitivity Analysis.
- Capital Revenue Assumptions.
- Capital Revenue Sensitivity Analysis.
- Operating Expenditure Assumptions.
- Operating Expenditure Sensitivity Analysis.
- Capital Expenditure Classes.
- Loans and Borrowings.
- Working Capital.



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The review of Council's LTFP is underpinned by the following assumptions:

Operating Revenue	Assumption
General Rates	Based on a rate peg (including a factor for population growth) of 4.6% per annum for 2024/25 and trending toward to 2% in the future years. The General Rates incorporates an ongoing Special Rate Variation (SRV) of \$12.5M per annum (indexed annually in line with the rate peg). The funds collected for this SRV will be used for infrastructure maintenance and capital works related purposes. Any unspent SRV funds are internally restricted to be used for future infrastructure related works.
Environment Levy	The indexation of the Environmental Levy is tied to that of the rates peg indexation. The increase for the Environmental Levy has been set at 4.6% per annum for 2024/25 onwards and will generate \$1.61M per annum (indexed annually in line with the rate peg). The funds collected for this levy used to address biodiversity conservation, river health and wetlands and sustainable living. Any unspent funds are externally restricted to be used for future environmental services.
Pensioner Rate Subsidy	The Pensioner Rate Subsidy is set by the State Government at a maximum of \$250 per property per annum. This is a flat subsidy and does not increase annually.
Domestic Waste Management (DWM) Charge and related User Charges	The DWM charge is modelled to capture the costs of providing Domestic Waste Services. The indexation has generally been set at 7% per annum for the 2024/25 financial year and indexed annually at approximately 5% onwards (indexed annually in line with the rate peg). The Local Government Act prohibits Councils from either subsidising or receiving a profit from the DWM services. Any unspent funds are externally restricted to be used for future waste related services.
Stormwater Management Service Charge	This is a flat charge used to fund stormwater planning and infrastructure that was established and set in 2006/07 and has not been indexed since. The charge is set by the Local Government Act and associated Regulations as follows: <ul style="list-style-type: none"> • \$25.00 per residential property per annum • \$12.50 per strata unit per annum • \$25.00 per 350m² per business property per annum There is no indexation for this charge and will generate \$570K per annum. Any unspent funds are externally restricted to be used for future stormwater related services.
Water Access Charges	Water access charges apply to all properties (including vacant land) located within 225 meters of a Council water main and/or land that is supplied with water from a water pipe of the council in accordance with the Local Government Act. Any unspent water charges are externally restricted to be used for future water services related works. This class of revenue has generally been increased by 7.0% in the 2024/25 and indexed at approximately 5% over the duration of the Plan to ensure adequate funding of future Water related services and infrastructure.
Sewer Access Charges	Sewer access charges apply to all properties (including vacant land) that are located within 75 meters of a Council sewer main or when sewage can be discharged into Council's sewer main via a private pumping station in accordance with the Local Government Act. Any unspent water charges are externally restricted to be used for future water services related works. This class of revenue has generally been increased by 7.0% in the 2023/24 and indexed at approximately 5% over the duration of the Plan to ensure adequate funding of future Sewer related services and infrastructure.
User Fees and Charges and Other Revenue – Non-Statutory	Council generally increases its fees to at least offset expenditure each year. These revenue classes are reviewed on a case-by-case basis and are sensitive to market demand or increased to align with cost of doing business. The type of discretionary Fees and Charges and Other Revenue include: <ul style="list-style-type: none"> • Water and Sewer Usage Charges • Swimming Pools • RRC (Resource Recovery Centre) Tipping charges • Outside of School Hours revenue This class of revenue has been increased in accordance with the Fee Recovery Policy contained within Council's fees and charges for the 2024/25 financial year and reduces from an increased amount of 4% per annum in the 2025/26 financial year to 2.5% per annum in the future years of the Long term Financial Plan.



Operating Revenue	Assumption
User Fees and Charges and Other Revenue - Statutory	<p>Statutory Fees and Charges and Other Revenue are those prescribed by State or Federal Government. Types of fees include:</p> <ul style="list-style-type: none"> • Development Assessment revenue • Compliance revenue • Parking Fines <p>Statutory fees have been increased in accordance with advice given by the relevant statutory body.</p>
Interest on Investment	<p>The interest which Council receives on its investments is reviewed annually. Interest is linked to the projected level of cash reserves Council holds and forecast interest rates. As Council completes its major projects, cash is expected to diminish to a level where a sustainable level of interest income will support ongoing operations. It is expected that interest rates will remain stable over the life of this LTFP. Interest generated from funds held within Council's Water and Sewer funds will be held within those funds.</p>
Operating Grants	<p>Operating Grants are generally cyclical in nature and dependent on initiatives that the State and Federal Government are willing to subsidise based on their political priorities. This revenue class has been projected on current trends although there is no certainty that Council will receive the funds in the future.</p>
Disposal of Property, Plant and Equipment.	<p>Plant will be sold at its written down cost during the 10 years of the LTFP. Proceeds from sales including profits are transferred to an internally restricted reserve. Any proceeds of sale from Council land and/or buildings will also be transferred into Council's internally restricted Property Development reserve to fund future investments.</p>

1.6 Operating Revenue Sensitivity Analysis

Operating revenue assumptions will be sensitive to a variety of risks and opportunities, including the following:

- Future rate increases are determined by the IPART. Historically, rate increases have not kept pace with increasing costs. Recent experience has shown that IPART will not adjust future rates increases where the predicted Local Government Price Movements have proved to be well under actual price movements. If this trend continues, this will cause significant financial difficulties for Council or diminished service levels. This trend has continued after the IPART review in the Local Government rate peg completed in 2023.
- The Pensioner Rate Subsidy is set at a maximum of \$250 per property and has not increased since 1993. This creates a great burden on pensioners with the cost of living increase at higher than usual rates as a result of high inflation.
- The level of individual fines for traffic/parking offences is determined by the State Government
- The Stormwater Management Charge is fixed by State Government and has not risen since its introduction in 2006/07
- Interest rates have increased in the past 12 months and look to remain stable as inflation stabilises. It is forecast that interest rates will progressively increase as the inflation grows and will stabilise as inflation stabilises

1.7 Capital Revenue

The major sources of capital revenue are Developer Contributions and project-based grants to fund specific capital projects. Capital grants are generally dependent on the type of government stimulus available and are usually non-recurring in nature.

Capital Revenue	Assumption
Capital Grants and Contributions	<p>Council receives several types of capital grants offered by both the State and Federal government in the forms of stimulus. Capital Grants are generally one off in nature but there are some programs that occur over a number of years (Roads to Recovery Program). If the funds are not received, the nominated capital works will be deferred until funding becomes available. This revenue class has been projected based on trends where is receiving recurring Capital Grant funding although there is no certainty that Council will receive the funds in the future. The level of capital funds reduces over the life of this plan.</p>
Developer Contributions	<p>The funding is linked to the projected level of development and levied in accordance with Council's Section 7.11 Plan. All funds are held in externally restricted reserves and released to fund embellishment works as a response to increased population growth within the LGA (and outlined in Council s7.11 Plan). This revenue class has been projected based on current revenue trends.</p>

1.8 Capital Revenue Sensitivity Analysis



Capital revenue assumptions will be sensitive to a variety of risks and opportunities, including:

- State and Federal budgets which have a focus on infrastructure renewal initiatives and may impact Council. Some nominal allocations of these types of grants have been made in this LTFP based on recurring grants and historical trends but are usually dependent on legislation. Whilst Council has received a large number of grants in the early part of this plan, any large scale scpa.
- Developer Contributions are dependent on Council's planning controls and appetite for developers to pursue development opportunities. These planning decisions are usually subject to local or State planning outcomes which may impact the timing of receiving this type of revenue. As Council updates its masterplans and reviews its Section 7.11 and Section 7.12 Plans, this is expected to grow over the life of the LTFP.

1.9 Operating Expenditure Drivers

The following table summarises the operating expenditure assumptions on which both scenarios have been modelled.

Operating Expenditure Assumption	
Salaries and Wages	<p>The existing industrial award was negotiated in 2023 and is currently being negotiated for the next three years. Until the award negotiations are completed, an estimated increase of 3.5% has been factored in for 2024/25 financial year. An additional 1% increase has also been included to reflect Council's salary performance system above the award increase. A vacancy factor of \$1.02M per annum is also included in the LTFP that is recovered through the Quarterly Budget Review process to reflect the natural vacancy rate between staff leaving and new staff commencing. The vacancy factor represents approximately 2% of Council's Salaries and Wages. Salaries and Wages are budgeted for 52 weeks per annum and includes leave entitlements in accordance with award provisions.</p> <p>In 2024/25, Council has included its recently adopted salary system into the Long-Term Financial Plan. This has seen Council position itself in the top 25% percentile of the Local Government market, making Council more competitive in its recruitment and retention of staff.</p>
Superannuation	<p>This LTFP includes the increase of Superannuation to 11.5% in 2024/25 in line with Superannuation Guarantee Contributions legislation, which will progressively increase to 12.0% in 2025/26.</p> <p>It is assumed that superannuation costs for members of the Defined Benefits Schemes will be paid in accordance with the current advice from the Trustees of the Scheme.</p>
Workers Compensation	<p>Council's Workers Compensation premium has been set at \$2M for 2024/25 and remained constant throughout this plan. The forecast reduction in claims have been offset by the wage growth resulting in Worker Compensation remaining constant over the life of this plan.</p>
Borrowing Costs	<p>Borrowing costs are modelled in accordance with Council's Loan borrowings. Further details can be found on Council's Loan borrowings schedule over the life of this LTFP (see Table at 1.12).</p>
Material and Contractors	<p>Components of materials and contractors' expenditure are reviewed individually and indexed in accordance with associated contracts. These types of costs generally include:</p> <ul style="list-style-type: none"> • Contractors and Consultants • Waste related costs • Fuel and Oil • Electricity and Street Lighting • Utilities • Insurances • Telecommunications <p>These costs are generally expected to increase by 4% per annum across the LTFP. Where it is evident a contract will increase above, it will be indexed by that amount and dealt with as an exception to the general indexation.</p>
Depreciation	<p>Depreciation has been modelled in accordance with Council's Asset Management Strategy and Plans and is reflective of Council's Asset register. Depreciation will grow as Council, renews and upgrades its assets and reduces its infrastructure backlog. Asset revaluations will also have an impact on the value of depreciation as desktop revaluations are conducted on an annual basis (excluding those asset classes that are being comprehensively revalued). As inflation increases above the rate peg, Council's ability to fund depreciation be difficult which will impact service levels of assets.</p>
Other Expenses	<p>Other Expenses generally include State Government levies and Bad and Doubtful debts. This class of expenditure has been indexed by 2% per annum unless otherwise prescribed by the relevant agency.</p>



1.10 Operating Expenditure Sensitivity Analysis

Operating expenditure assumptions will be sensitive to a variety of risks and opportunities, including the following:

- Current industrial award was negotiated in 2023 and the outcomes have provided assurances to Council over 2024/25 and 2025/26 in relation to wage increases. Further wage increases have been forecast to align with inflation of materials and contractors.
- The Federal government legislated that the Superannuation Guarantee Charge will rise to 11.5% in 2024/25 and reach a maximum of 12% in 2025/26 unless deferred.
- With inflation being in excess of 4.6% over the past twelve months, Council is continually reviewing its process to drive efficiency and seeking new revenue sources to reduce the impact of high inflation. Council will be conducting service reviews and continuing its business transformation journey it commenced in 2023 with a view of becoming efficient and provide value for money for residents.
- Inflationary impacts have had an impact on Council depreciation which may see less projects delivered and increase in infrastructure backlog.
- Natural disasters and other unforeseeable events may impact to increase insurance premium levels.

1.11 Capital Expenditure Classes

The following is a list of Capital Expenditure classes that show how Council capitalises infrastructure expenditure in accordance with Accounting Standards and other regulations.

- Plant and Equipment.
- Office Equipment.
- Land Improvements.
- Buildings.
- Other Structures.
- Roads, Bridges and Footpaths.
- Stormwater and Drainage.
- Water Supply Network.
- Sewerage Network.
- Swimming Pools.
- Open Space/Recreation Assets.
- Library Books.
- Other.

Capital expenditure is determined by the condition of infrastructure and available funds to determine the capital works program for any nominated year. Capital expenditure will fluctuate as major capital projects commence and are completed in conjunction with funding becoming available through various grants and payment of contributions.

Council has prepared Asset Management Plans and as data is updated on the condition of these assets it is likely that further investment will be required to ensure roads, footpaths, drainage, parks facilities and buildings continue to be serviceable for both current and future generations.

As Council implements its Community Recreational Facilities Strategy and reviews its Developer Contributions Plan, these will guide Council's investment in future infrastructure along with our Asset Management Strategy and Asset Management Plans.





1.12 Loan Borrowings

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 or where funds cannot be sourced wholly to fund a large capital project.

The following borrowings are proposed within this iteration of this LTFP.

Loan Years	Purpose	Amount	Duration	Anticipated Interest Rate	Repayment Funding Source
2024/25	Bowral Treatment Plant Upgrade	\$11.0M	20 years	6.00% p.a.	Sewer Fund
2024/25	Moss Vale Treatment Plant	\$5.4M	20 years	6.00% p.a.	Sewer Fund
2024/25	Southern Highlands Animal Shelter Construction	\$4.1M	20 years	6.00% p.a.	General Fund
2025/26	Bowral Treatment Plant Upgrade	\$11.0M	20 years	6.00% p.a.	Sewer Fund
2025/26	Mittagong Treatment Plant Upgrade	\$9.1M	20 years	6.00% p.a.	Sewer Fund
2025/26	Moss Vale Treatment Plant Upgrade	4.4M	20 years	6.00% p.a.	Sewer Fund
2025/26	Water Network Upgrade	\$7.0M	20 years	6.00% p.a.	Water Fund
2025/26	Mittagong Playhouse	\$4.3m	20 years	6.00% p.a.	General Fund
2026/27	Mittagong Treatment Plant	\$13.0M	20 years	6.00% p.a.	Sewer Fund
2026/27	Water Network Upgrade	\$16.7M	20 years	6.00% p.a.	Water Fund
2027/28	Water Network Upgrade	\$15.0M	20 years	6.00% p.a.	Water Fund
2027/28	Mittagong Treatment Pant	\$10.0M	20 years	6.00% p.a.	Water Fund

Council's audited loan liability as at 30 June 2023 was \$14.8M. Council is proposing to borrow a total of \$131.1M over the life of this LTFP to fund major infrastructure upgrades, predominately from Council's Sewer fund.

We have considered the impact of the proposed borrowings, and subsequent debt servicing and can confirm that Council has sufficient financial capacity to fund these loan repayments and is still well within the industry benchmark for debt servicing (debt service ratio).

While Council's debt service ratio is substantially below the maximum threshold, Council has been presented with a balanced budget over the course of the Long Term Financial Plan, therefore any increase in loan borrowings beyond what is proposed would require additional funding to be identified to service the recurrent loan repayments.

Council will source the most competitive interest rate at the time of drawdown.

1.13 Working Capital and Reserves

Reserves represent funds that Council is required, by law or via Council resolution, to hold separately to unrestricted working capital as they can only be spent for specified purposes.

To ensure that appropriate funds have been charged adequately, an Overhead model has also been established to ensure that restricted funds have been charged for support services such as Finance, Governance, ICT and People and Culture.

Council has adopted a Financial Reserve Policy outlining the specifics of both statutory and Council resolved reserves and the purpose for allocation of expenditure.

The Financial Reserves Policy also requires Council to maintain a minimum unrestricted Working Capital position of \$5M and has done so for each year of the LTFP in both scenarios.

1.14 Scenario 1 – Business as Usual

Scenario 1 is predicated on the continuation of existing:

- Services at current service levels as outlined in the Operational Plan and Budget 2023/24.
- Levels of investment in infrastructure renewal.
- Income sources.

1.14.1 Scenario 1 Context

Council is currently operating from a position of financial stability. We have used the Integrated Planning and Reporting (IPR) Framework to drive long-term financial sustainability and ensure we remain financially and economically resilient.

While Council's immediate and long term financial position allows existing services to be delivered at their current levels, we do face some challenges.

These include increases to the costs of delivering services, an uncertain economic environment and the changing demand for services as evidenced across the Shire.

Council's major income source, rates, is capped by the State Government and continues to grow at a slower pace than salaries, depreciation and State Government levies.

In this environment, ongoing financial sustainability can only be achieved by:

- Further cost savings
- Income generation proposals or
- Reducing service levels.

Council has committed to an ongoing budget review process aimed at identifying cost savings and income generation options throughout the life of this LTFP.

Key aspects of the assumptions of this scenario are:

- Total operating expenditure budget of \$161M in the 2024/25 base year has been allocated to vital service and infrastructure provision.
- In response to natural disasters and extreme weather events and the ongoing maintenance as a result of these, the temporary allocation funds has been prioritised to expand pothole maintenance crews for the final year in 2024/25. This has been funded by deferring from the capital works program into the future years of Council's Long Term Financial Plan. With a large investment in capital roads renewal, it is expected that the pothole program will be reviewed as a part of the development of the Operational Plan 2025/26.
- Rates are projected to be increased by 4.5% subject to a further 0.1% increase (rates growth), totalling 4.6%.

It is also forecast that Council will maintain a minimum working capital position of \$5M throughout the life of the LTFP and cash reserves will not go into deficit.

1.14.2 Scenario 1 Financial Projections

The following financial projections are presented (Appendix 2)

- Statement of Financial Performance.
- Statement of Financial Position.
- Statement of Cash Flow.

Statements have been prepared for the following funds:

- Consolidated Fund (General, Water and Sewer).
- General Fund.
- Water Fund.
- Sewer Fund.



1.15 Scenario 2 – Alternative Scenario

Scenario 2 is predicated on the same assumptions as Scenario 1 with the following exception: that Council increases rates revenue of 5% per annum, for four (4) years, to fund additional infrastructure renewals. This scenario is to demonstrate the impacts of a modest revenue on infrastructure renewals, the amount outlined in Council's unfunded project list.

1.15.1 Scenario 2 Context

Scenario 2 is predicated that Council will generate additional revenue equivalent to a 5% increase in rates each year, compounding for four (4) years, resulting an increase in general revenue over the life of the LTFP. This increase in revenue will be used to primarily fund asset renewals which will result in increased service levels commencing in the 2025/26 financial year into perpetuity.

1.15.2 Scenario 2 Financial Projections

The following financial projections are presented based on the assumptions outlined earlier in this document. The following are presented:

- Statement of Financial Performance.
- Statement of Financial Position.
- Statement of Cash Flow.

As the General Fund is the only fund impacted by this scenario, only a General Fund statement has been prepared for this scenario.

Please refer to Appendix 2, Long Term Financial Plan - Detailed Financial Scenarios, for the full Statements of Performance for both scenarios across the next 10 years.



1.16 Measuring Performance

Council will use the following indicators to measure its financial performance. These measures are linked to those used in Council's published financial statements and are also used by the Office of Local Government in its annual publication of comparative information on Councils in NSW. This means that the measures are both transparent and comparable with other NSW councils.

1.16.1 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%.

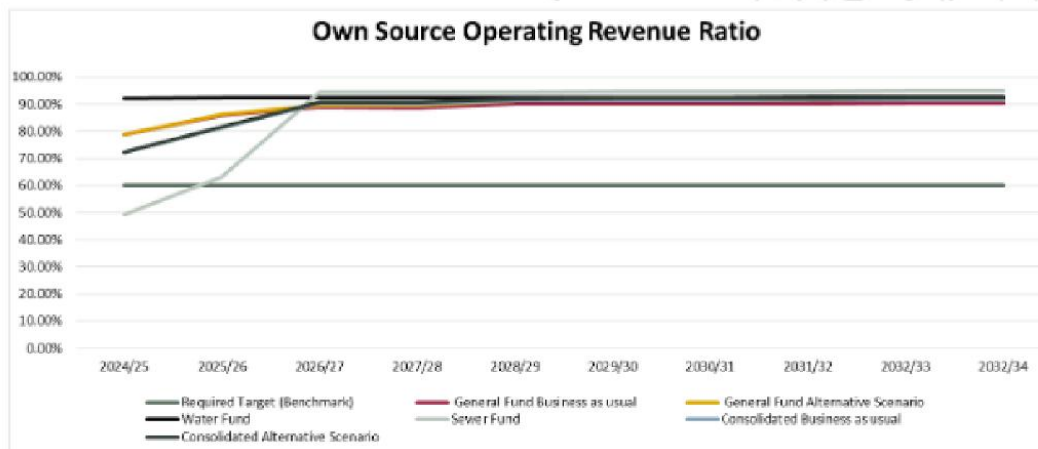


Council's Operating Performance ratio fluctuates for each Fund and over the life of the LTFP, Council will not meet benchmark in any of its Funds in Scenario 1 – business as usual. To achieve a ratio of above 0% in the General Fund, Council will need to identify new revenue sources or reduce operating expenditure through efficiencies. This is due to inflation being greater than the rate peg, which will see this indicator initially diminish (Council's General Fund) and stabilise well below the benchmark over the life of the plan. Scenario 2 – Alternative Scenario, which includes a special rating variation, meets benchmark in 2028/29.

A Service review of Council's Water and Sewer services will be undertaken to ensure both funds are financially sustainable, services are being delivered in an efficient manner and depreciation is adequately funded for future capital works outside of the life of this LTFP. The Sewer fund will remain in deficit as the remediation costs for the Welby Tip site is transferred from the General Fund to the Sewer fund.

1.16.2 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%.



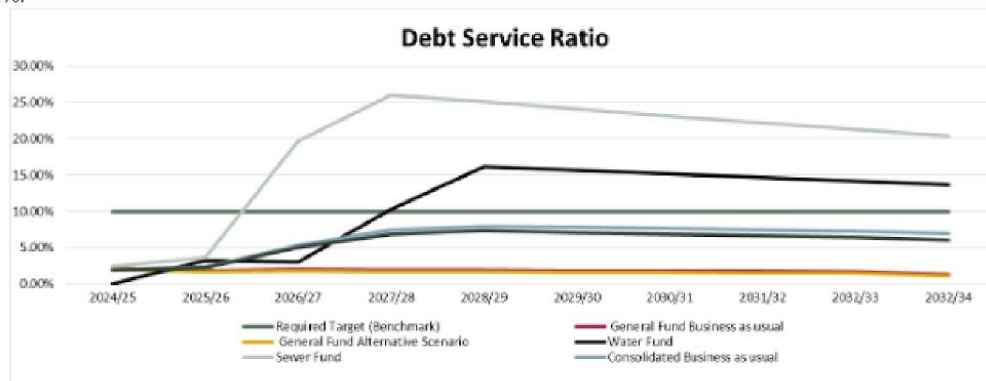
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Whilst Council is dependent on a number of grants to fund specific programs, each fund exceeds the benchmark of 60%. In the 2024/25 financial year, Council will utilise \$24.6M in capital grant funding, received for both the Bowral and Moss Vale Sewer Treatment, to partially fund the sewer treatment plant upgrades, resulting in the benchmark for the Sewer Fund to be below the benchmark. Council will continue to review its revenue base with the aim of diversifying its income source to mitigate revenue stream risks.

1.16.3 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 10%.

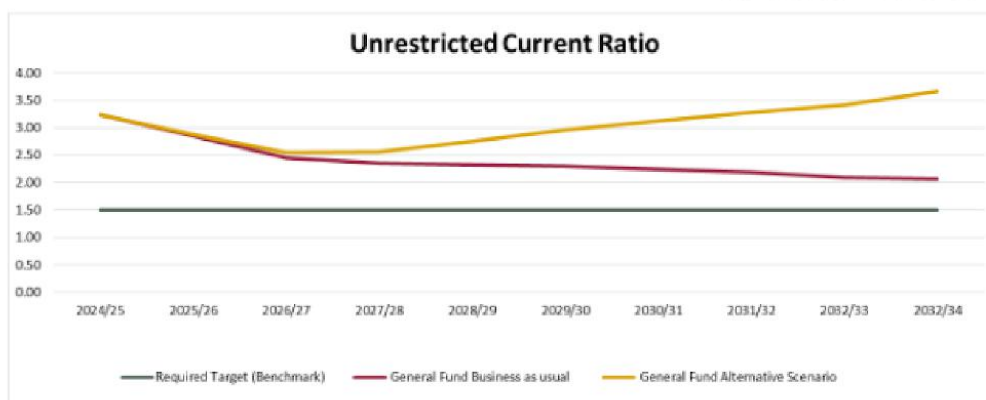


Council is proposing to borrow \$131.1M over the course of the LTFP. Borrowings will be used to fund, or in some cases, part-fund major infrastructure projects which will have demonstrated benefits to the residents of Wingecarribee Shire over the coming decades. These Water and Sewer fund capital projects will enable sustainable growth in the Shire as the New Living Areas are developed. The benchmark for both these funds will be exceeded unless additional grant funding is identified to further supplement the construction of the Bowral, Moss Vale and Mittagong Sewage Treatment Plants and the major Water network upgrades as budgeted over the life of this plan.

Council has considered the impact of the proposed borrowings, and subsequent debt servicing as part of reviewing this Long Term Financial Plan. The revenue streams to fund loan repayments have been identified and are adequate to fulfil estimated loan obligations.

1.16.4 Unrestricted Current Ratio

This ratio highlights the proportion of unrestricted current assets against unrestricted current liabilities.



The benchmark for this ratio in the LTFP is greater than 1.5.

The Unrestricted Current Ratio has exceeded the benchmark of this LTFP over the life of this plan. As Council's unrestricted cash position grows, Council's financial liquidity becomes stable and the ability to fund future major projects increases. The Water and Sewer fund are not included as a part of this indicator as they are both restricted funds.

The progress against these measures are included as part of our Annual Report along with the Quarterly Budget Review Statement.

Part 2



Asset Management Strategy 2024-2034

2.1 Our Asset Management Goals

Many of the services provided by Council are supported and provided by infrastructure assets. A key responsibility of Council is to ensure that these assets are meeting affordable and acceptable levels of service and are sustainable into the longer term.

Council manages an asset register of six asset classes, consisting of over 157,000 assets with a combined cost of approximately \$2.7B.

Examples of assets include community buildings, sports fields, parks, carparks, roads, bridges, stormwater pits, footpaths and water treatment plants.

This Asset Management Strategy helps apply a consistent approach to how we manage our assets, ensuring they are planned for, created, operated, maintained, renewed and disposed of in accordance with Council's Asset Management Policy.

Asset Planning is a journey of continuous improvement. There will always be opportunities to further improve the accuracy of asset data, better understand community needs and expectations and more efficiently meet the service needs of the Shire both now and into the future.

The goals of this Strategy are to:

- Improve the sustainability of the assets under Council's control.
- Deliver levels of services to the community that are both affordable and acceptable.
- Ensure our assets are reliable, safe and fit for purpose.
- Continuously improve how we manage our risk.
- Allocate appropriate resources to asset management.
- Support staff to undertake responsible asset management.
- Achieve best practice asset management.
- Meet our legislative requirements.



2.2 Asset Systems & Structures

Asset Planning Framework

The Asset Management Planning Framework, as summarised in Figure 1, integrates into the wider IP&R Framework and ensures Council performs the Asset Management functions of planning, coordinating, controlling, executing, monitoring and improving the activities associated with managing its assets.

The Asset Management Framework has three primary components:

1. **Asset Management (AM) Policy:** defines Council's Asset Management goals.
2. **Asset Management Strategy (AMS):** also known as a Strategic Asset Management Plan (SAMP), shows how Council will achieve the goals of the AM Policy. It is a road map for the delivery of these objectives in accordance with the principles set in the AM Policy. It is to be continually monitored and regularly reviewed, in alignment with the formulation of the Long Term Financial Plan (LTFP) and the Delivery Program and Operational Plans adopted annually by Council.
3. **Asset Management Plans (AMP):** Further explore the high-level summary contained in the AMS with a detailed analysis of inventory, risk, levels of service and sustainability. AMPs are developed for all major infrastructure asset classes, grouped by the type of function the assets serve – i.e. community assets or a specific business unit.
 - a. Community assets
 - i. Transport
 - ii. Stormwater
 - iii. Buildings & Aquatics
 - iv. Open Space & Recreation
 - v. Water
 - vi. Wastewater
 - b. Business units
 - i. Cemeteries
 - ii. Resource Recovery Centre
 - iii. Southern Regional Livestock Exchange

The AMPs are continually reviewed, to ensure long-term sustainability of the Council services they support. They are informed by community consultation and are used as core inputs into the development of Council's Long Term Financial Plan.

AMPs will be made available on the Council website within the Asset Management Planning page as they are developed.



Figure 1



Asset Planning Systems

Wingecarribee Shire Council utilises several databases and systems to deliver on asset planning requirements. These databases and systems are summarised in Table 1 below:

System / Database	Description / Purpose
Conquest	Asset register – inventory, condition & attributes
ArcGIS	Spatial data
Technology One -Finance	Budgeting, purchase orders, expenditure
Technology One – Enterprise Content Management (ECM)	Record keeping
Technology One – Customer Request Management (CRM)	Workflow management for customer requests
Pulse – Project Management	Scoping and project control for Capital Projects
Pavement Management System (PMS)	Road condition modelling software
Infoworks WS Pro & ICM	Water and wastewater modelling software

Table 1 - Asset Planning Systems

Council has embarked on a digital transformation journey, with Council executing a 10 year contract at the 19 October 2022 Council Meeting with Technology One. This contract will see all Technology One modules and additional options being made available to Council and being progressively implemented across the organisation. A 10 year roadmap for the implementation of the Technology One suite is currently being developed. This will generate asset planning outcomes through modernisation & integration of the works management asset register and strategic asset modules. This will enable Council to model asset conditions such as result of 10 year funding scenarios and to enable data driven decision making to achieve financial sustainability.

Organisational Structure

Council has adopted a centralised approach to Asset Planning with all asset management and network planning functions being consolidated within the Assets Team. Management of operations and maintenance, as well as capital project delivery, are primarily distributed across the teams of Shire Presentation, Water Services and Project Delivery. However the provision of services through assets is managed across the Directorates of Council. The following table provides a summary of service managers across the organisation.

Service Manager	Asset Facility
Manager Community Life & Libraries	Libraries
Manager Waste and Resource Recovery	Resource Recovery Centre
Manager Business and Property	Southern Regional Livestock Exchange Southern Highlands Visitor Information Centre Bowral Memorial Hall
Manager Water Services	Mittagong Works Depot
Manager Shire Presentation	Moss Vale Works Depot Aquatics

Table 2 - Service Managers

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The below figures detail the structure of these teams within the Service and Project Delivery Directorate, as well as that the Assets Team. Further detail of the individual units within the Asset Team will be contained within the AMPs.

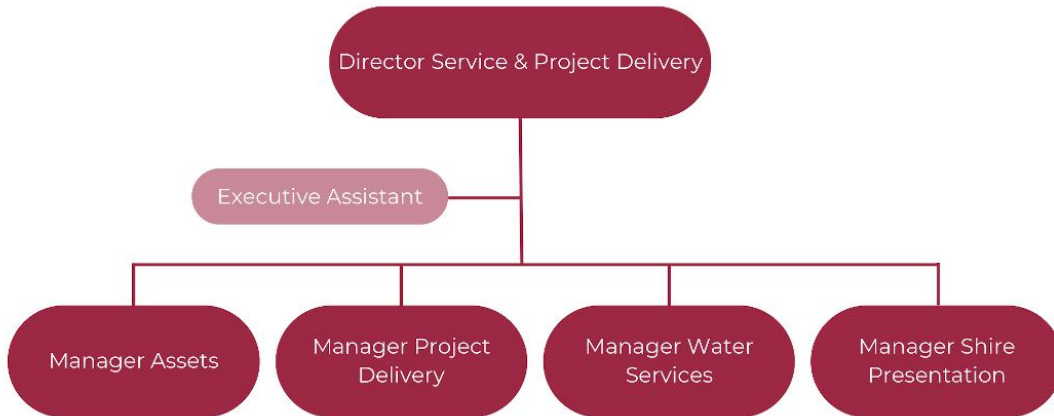


Figure 2 – Service & Project Delivery Directorate

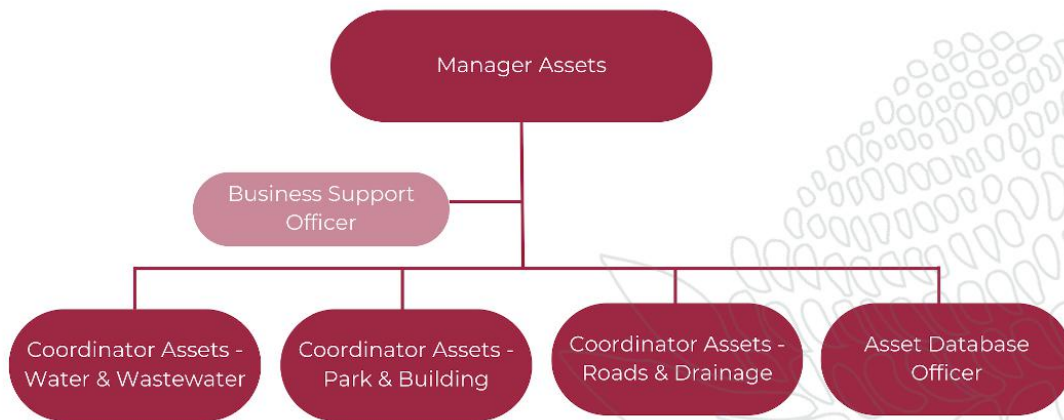


Figure 3 – Asset Team Structure

These assets are utilised to deliver a broad range of functions or services to the community, many of which are managed by a nominated Service Manager. Service Managers are major stakeholders of assets related to their corresponding facility, and so the planning and delivery of these assets is done with extensive consultation and high collaboration.



2.4 Our Assets

2.4.1 Inventory

Council manages an asset register of six discrete asset classes, in excess of 157,000 assets with a combined Current Asset Cost of approximately \$2.7B. A summary of the asset classes and the subsequent asset categories are provided below.







Capital Revenue	Assumption
 Buildings	Administration / Operational Buildings Community Buildings Commercial Buildings Public Toilets Sportsfield Amenities / Clubhouses Libraries
 Open Space & Recreation	Sportsfields Parks & Reserves Walking Trails Swimming Pools Playspaces Park Furniture Sportsfield Furniture
 Transport	Roads Carparks Bridges Footpaths & Shared Paths Roadside Furniture Traffic Facilities
 Stormwater	Stormwater pits Stormwater pipes & culverts Gross Pollutant Traps (GPTs) Stormwater Quality Improvement Devices (SQIDs) Detention Basins
 Water	Water Treatment Plants Water Reservoirs Water Pump Stations Water Mains Dams Hydrants, valves & meters
 Wastewater	Wastewater Treatment Plants Pump Stations Gravity & Rising Mains Manholes, valves & vents

Table 3 – Asset Class

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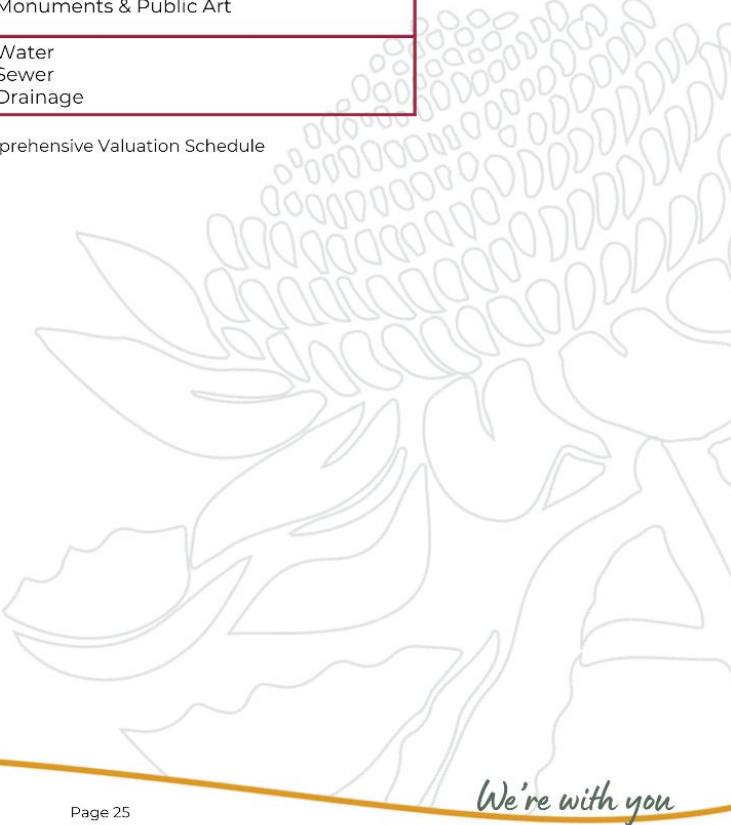
Asset inventory is maintained and updated through three primary means:

- Recognition of constructed assets – both through Council delivered capital projects, but also assets dedicated to Council through subdivision development.
- Ad-hoc Asset Inspections – inspections are regularly conducted in response to customer or internal requests, as well as part of project scoping phases.
- Scheduled Asset Inspections – all assets are to feature within a schedule of asset inspections. The frequency of inspection would be commensurate to the rate of degradation of the asset, as well as consequence of failure and cost of inspection. The development of a comprehensive schedule of asset network inspections is identified as an action in our Improvement Plan.

Assets are valued in accordance with the detailed revaluations of asset classes are undertaken in accordance with Australian Accounting Standards and so a comprehensive revaluation of each asset class is undertaken at a minimum every five years. Outside of the comprehensive revaluation years, fair value assessments are to be undertaken on an annual basis for all asset classes. If the assessment identifies that a material change has occurred, the corresponding asset classes will indexed with an industry accepted indices.

Financial Year	Comprehensive Valuation
2023/24	Roads
2024/25	Nil
2025/26	Parks & Sportsfields Monuments & Public Art
2026/27	Water Sewer Drainage

Table 4 - Comprehensive Valuation Schedule



The split of asset value across the asset classes is provided below.

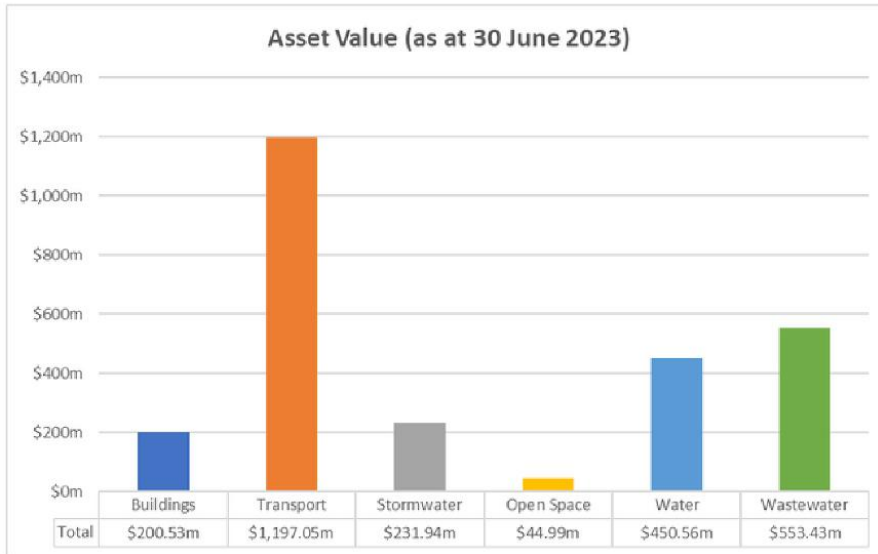


Figure 4 - Asset Value

2.4.2 Condition

Asset condition is assessed as part of comprehensive network inspections, conducted on a rolling program. These assessments are undertaken in accordance with the relevant Practice Notes issued by the Institute of Public Works Engineering Australasia. The condition rating scale is 1-5:

1. As new / excellent
2. Good / satisfactory
3. Fair / tolerable
4. Poor / intolerable
5. Very poor / reconstruction required

Asset condition by asset value is shown in Figure 5. The average condition for each asset class is contained in Table 5.

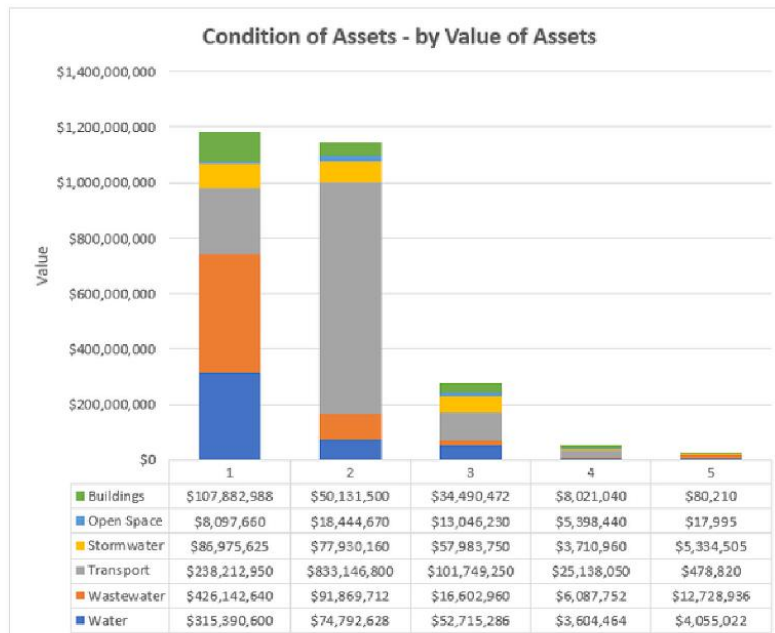


Figure 5 - Condition of Assets by Value of Assets



Asset Class	By Value of Assets
Buildings	1.72
Open Space & Recreation	2.35
Transport	1.98
Stormwater	1.93
Water	1.35
Wastewater	1.46
Grand Total	1.73

Table 5 - Average Condition of Asset Classes





2.5 Drivers of Levels of Service

Levels of Service (LoS) are comprised of four components: provision, renewal, maintenance and operations. Each LoS is constrained by funding and resource availability, however the fundamental drivers of LoS can be identified in three categories:

- Risk Management.
- Community Satisfaction.
- Strategies and Masterplans.

Risk Management

Risk is the effect of uncertainty on Council's ability to achieve its objectives. Risk Management is the process of systematically identifying, monitoring, treating and reporting these risks.

Risk Assessments has been completed within the Asset Management Plan for each Asset Class. The Risk Assessments identify potential hazards and select a treatment option to be implemented to control the generated risk. The resultant treatments would primarily fall within the categories of ensuring compliance with regulations and standards, adhering to a regime of systemic inspections, committing to a program of upgrades and ensuring proactive and reactive maintenance is completed. For each treatment, it is then identified as to what level of service it influences.

The Risk Assessments would cover generic hazards that are typical across the entire asset network, however they would also provide a specific treatment for the management of Critical Assets.

Critical Assets

Critical Assets are those assets that have a high consequence of failure in terms of community impact. By identifying critical assets and failure modes, Council can ensure that condition inspection programs, maintenance and capital expenditure plans are targeted to ensure that the risk of critical asset failure is minimised.

Council's current list of critical asset groups include:




	Asset Class	Critical Assets
	Buildings	Administration / Operational Buildings
	Open Spaces & Recreation	Nil
	Transport	Bridges Regional & Major Collector Roads
	Stormwater	Major Stormwater Network
	Water	Treatment Plants Reservoirs Pump Stations Dams
	Wastewater	Treatment Plants Pump Stations Rising Mains

Table 6 - Critical Assets

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Community Satisfaction

Council's community satisfaction survey is undertaken biennially and tracks Council's performance in service delivery, identifies priority areas and evaluates community attitudes towards customer services, communication and Council as an organisation.

The objectives of the community satisfaction survey process are to:

- Measure the importance of, and satisfaction with, services and facilities provided by Council.
- Compare levels of satisfaction for Council's services and facilities with similar councils.
- Assist Council in identifying service priorities for the community.
- Evaluate Council's customer services and communication.

The survey covers facilities and services provided by Council identifying both importance and satisfaction on a 5-point scale, with 1 = low and 5 = high.

A community survey was conducted in 2022, with the results of the prior years also provided for comparison. The following table contains the items relevant to this asset management plan.

Asset Class	Council Service	Importance			Satisfaction			2022 Performance Gap
		2019	2021	2022	2019	2021	2022	
Buildings	Provision and operation of libraries	4.11	4.07	4.20	4.02	4.00	4.14	1%
	Provision and maintenance of community halls	4.09	3.96	3.84	3.57	3.50	3.39	9%
	Protecting heritage values and buildings	3.92	3.96	4.05	3.33	3.23	3.19	17%
	Cleanliness and functionality of public toilets	4.15	4.32	4.03	3.39	3.46	3.31	14%
	Provision and maintenance of swimming pools	3.95	4.03	3.50	3.61	3.11	3.24	5%
Open Spaces	Provision and maintenance of local parks and gardens	4.21	4.35	4.15	3.46	3.39	3.31	17%
	Provision and maintenance of playgrounds	4.23	4.24	3.98	3.52	3.43	3.15	17%
	Provision and maintenance of sporting facilities	4.13	4.24	3.79	3.52	3.52	3.32	9%
	Cycle paths and walking tracks	4.14	4.28	4.00	3.11	3.20	3.26	15%
Transport	Condition of Local Roads	4.61	4.72	4.67	2.27	1.98	1.53	63%
	Provision and quality of footpaths	4.32	4.37	4.31	2.64	2.67	2.73	32%
	Local Traffic Management	4.32	4.44	4.35	2.79	2.70	2.86	30%
Stormwater	Providing adequate drainage	4.35	4.44	4.57	2.99	2.75	2.56	40%



Wastewater	Overall sewerage system performance (chokes, overflows, odour)	4.54	4.61	4.47	4.13	4.14	3.96	10%
Water	Town drinking water quality (taste, smell and colour)	4.73	4.72	4.64	3.79	4.07	3.91	14%
	Reliability of town water	4.68	4.72	4.70	4.19	4.26	4.18	10%

Table 7 - Community Survey Results Gaps

In the table above, the 2022 Performance Gap is the difference between community importance and community satisfaction.

Trends that can be seen from the survey results across the asset classes are:

- Buildings: the community is mostly satisfied with the provision and operation of libraries, community halls and swimming pools. However there is community desire for an increased Council performance in the maintenance of public toilets and the protection of heritage buildings.
- Open Spaces: With the exception of cycle paths and walking tracks, community satisfaction for parks, playgrounds and sporting facilities has been in consistent decline. It is evident that there is a community desire for an increased Council performance in the provision and maintenance across all areas of open space assets.
- Transport: Community satisfaction has consistently declined in the condition of local roads over the past three years and has the largest performance gap identified in the survey.
- Stormwater: Community survey results demonstrate stormwater drainage continuing to grow in importance for the community, however the community's satisfaction with the stormwater drainage continues to decline. This shows a clear disconnect between Council's current performance in the provision of adequate drainage and the community's expectations.
- Wastewater: The wastewater management network has consistently been valued of high importance by the community and survey results also show that community satisfaction is consistently high. The focus is therefore primarily on maintaining existing service provision.
- Water: The waste supply network has consistently been valued of high importance by the community and survey results also show that community satisfaction is consistently high. The focus is therefore primarily on maintaining existing service provision.

These community survey results are further explored in the Asset Management Plans and are utilised to guide and inform the schedule of service reviews for the asset classes.

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2.5.4 Strategies and Masterplans

Strategies and masterplans also drive levels of service. Council prepares strategies and masterplans across all asset classes to ensure that network planning, implementation and maintenance is being conducted in a holistic and effective manner.

Each strategy or masterplan will directly inform one or more levels of service for a distinct grouping of assets – be it by asset category or geographic location. As part of the development of asset class AMPs, each of these strategies and masterplans will be mapped to the level of service and assets it relates to.

Examples of strategies and masterplans that impact the levels of service for the asset base include:

	Asset Class	Strategies and Masterplans
	Buildings	Community & Recreation Facilities Strategy Public Toilet Plan
	Open Spaces & Recreation	Parks Plan Playspace Plan Recreation Walking Tracks Plan Conservation Management Plans Plans of Management Street Tree Masterplan
	Transport	Pedestrian Access & Mobility Plans Bicycle Strategy Town Centre Masterplans
	Stormwater	Floodplain Risk Management Studies & Plans Environment Strategy 2021-2027
	Water	Integrated Water Cycle Management Water Masterplan
	Wastewater	Integrated Water Cycle Management Sewer Masterplan

Table 8 - Strategies & Plans that impact the levels of service





2.6 Levels of Service

Provision Level of Service

The Provision LoS relates to what Council provides, how much and where. Council's current provision is that of almost 160,000 assets worth a combined \$2.7B to provide services to the Wingecarribee Shire. The Provision LoS is not consistent across the Shire as subdivisions and development are completed in accordance with the standards of the time – and these standards change. The provision LoS for new subdivisions and development is therefore that which is stipulated in the documents which govern it, namely Council's:

- Local Environmental Plan.
- Development Control Plan.
- Engineering Design and Construction Specifications.
- Developer Contribution and Servicing Plans.

Due to the Level of Service drivers Council must be striving for progressive implementation of a consistent Provision Level of Service across the Shire. This is a difficult and expensive endeavour and so is primarily led by the implementation of the strategies and masterplans detailed in Table 8.

Service Managers are major stakeholders of assets related to their corresponding facility, and so the planning and delivery of these assets is done with extensive consultation and high collaboration.

Renewal

The Renewal LoS defines how often Council intends to replace existing assets with a Modern Engineering Equivalent Replacement Asset (MEERA), including disposal of the existing asset. This renewal frequency is termed 'useful life' and adjusting this value has significant implications for annual depreciation, with asset useful being a direct factor in its calculation. Annual investment in the capital renewal of assets should ideally equate to the value of annual depreciation. Although asset degradation and failure will not follow a straight line across financial years, failure to maintain asset renewal at the rate of annual depreciation will result in an overwhelming volume of renewal works in later years.

Adjustments to asset useful life also has impacts on required maintenance and operations expenditures. Shorter useful lives generally result in less required maintenance, all other factors being equal, and vice versa.

Exhaustive lists of asset renewal lives are provided within the AMPs, however a summary of asset useful lives and required annual renewals is provided in Table 9 and Figure

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Detailed lists of asset renewal lives and required renewals can be found in our AMPs. A summary is provided below.







Asset Class	Useful Lives												
 Buildings	Useful lives are determined for specific assets, as opposed to asset categories. These useful lives are determined through the comprehensive evaluation exercise.												
 Open Spaces & Recreation	<table border="1"> <tr> <td>Playspaces</td> <td>20</td> </tr> <tr> <td>Park Furniture</td> <td>15-25</td> </tr> <tr> <td>Sportsfield Lighting</td> <td>25</td> </tr> </table>	Playspaces	20	Park Furniture	15-25	Sportsfield Lighting	25						
Playspaces	20												
Park Furniture	15-25												
Sportsfield Lighting	25												
 Transport	<table border="1"> <tr> <td>Footpath</td> <td>50</td> </tr> <tr> <td>Concrete Bridge</td> <td>100</td> </tr> <tr> <td>Road - Sprayseal Wearing Surface</td> <td>16</td> </tr> <tr> <td>Road - Asphalt Wearing Surface</td> <td>25</td> </tr> <tr> <td>Road - Basecourse</td> <td>80-100</td> </tr> <tr> <td>Road - Subbase</td> <td>80-100</td> </tr> </table>	Footpath	50	Concrete Bridge	100	Road - Sprayseal Wearing Surface	16	Road - Asphalt Wearing Surface	25	Road - Basecourse	80-100	Road - Subbase	80-100
Footpath	50												
Concrete Bridge	100												
Road - Sprayseal Wearing Surface	16												
Road - Asphalt Wearing Surface	25												
Road - Basecourse	80-100												
Road - Subbase	80-100												
 Stormwater	<table border="1"> <tr> <td>Stormwater Pits</td> <td>100</td> </tr> <tr> <td>Stormwater Pipes</td> <td>100</td> </tr> <tr> <td>Gross Pollutant Traps</td> <td>80</td> </tr> </table>	Stormwater Pits	100	Stormwater Pipes	100	Gross Pollutant Traps	80						
Stormwater Pits	100												
Stormwater Pipes	100												
Gross Pollutant Traps	80												
 Water	<table border="1"> <tr> <td>Water Main – PE or uPVC</td> <td>100</td> </tr> <tr> <td>Hydrants</td> <td>60</td> </tr> <tr> <td>Pumps</td> <td>15-20</td> </tr> <tr> <td>Valves</td> <td>20-60</td> </tr> </table>	Water Main – PE or uPVC	100	Hydrants	60	Pumps	15-20	Valves	20-60				
Water Main – PE or uPVC	100												
Hydrants	60												
Pumps	15-20												
Valves	20-60												
 Wastewater	<table border="1"> <tr> <td>Wastewater Main – PE or uPVC</td> <td>100</td> </tr> <tr> <td>Manhole</td> <td>70</td> </tr> <tr> <td>Pumps</td> <td>15-20</td> </tr> <tr> <td>Valves</td> <td>40</td> </tr> </table>	Wastewater Main – PE or uPVC	100	Manhole	70	Pumps	15-20	Valves	40				
Wastewater Main – PE or uPVC	100												
Manhole	70												
Pumps	15-20												
Valves	40												

Table 9 - Asset Useful Lives

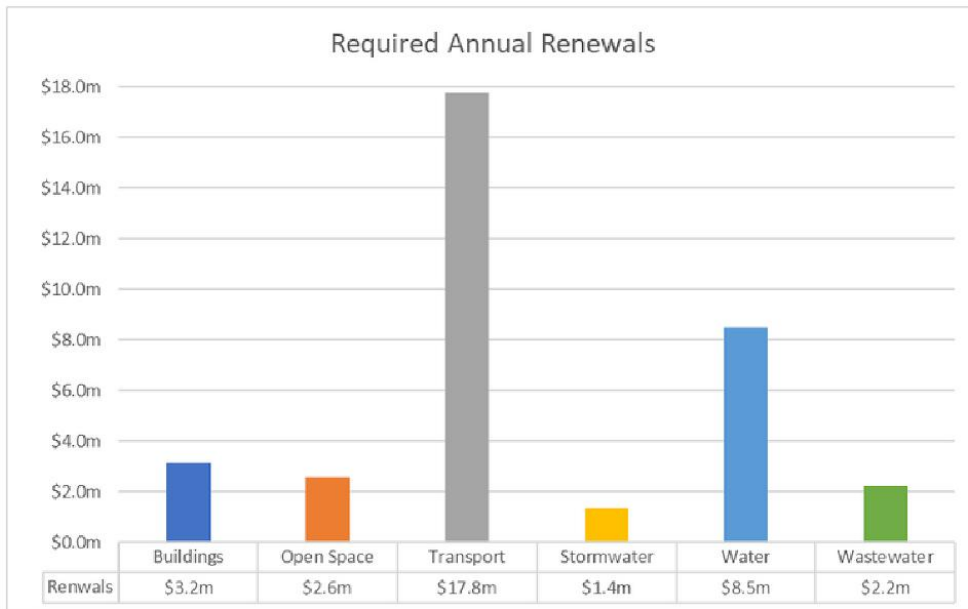


Figure 9 - Required Asset Renewals



Maintenance and Operations

Maintenance and operation activities are completed in both a proactive and reactive fashion across the asset network. Many operational activities by their nature are able to be scheduled and completed in a timely and controlled way. Maintenance activities are more difficult to deliver in a scheduled fashion, with mature systems and full resourcing required to do so.

Results from the 2022 community satisfaction survey show a mixed response to Council’s current level of service for maintenance and operations. High community satisfaction is noted for operation of the water and wastewater networks (92% and 88% satisfaction) however it is offset by a noted lack of satisfaction in Council’s current maintenance level of service for the transport and stormwater networks.

Maintenance and operations budgets are heavily constrained by both funding and resourcing availability. Although results of the 2022 community satisfaction survey indicate a performance gap in transport and stormwater maintenance, these constraints mean that solutions will need to be found whilst maintaining existing budget levels. Potential opportunities being investigated are a more planned approach to maintenance, as well as programming and delivery of more effective capital renewal and upgrade projects.

The current maintenance and operations budgets are provided in Table 10 below. The value of these budgets as a percentage of asset class value has also been calculated in order to enable forecasting maintenance and operation budgets required for the future years, as a result of asset base growth. This also provides an opportunity to benchmark these against other Council areas.







Asset Class	Annual Maintenance & Operations	
	\$	as % of Asset Value
 Buildings	\$1,868,000	0.9%
 Open Spaces & Recreation	\$2,464,000	5.5%
 Transport	\$8,012,000	0.7%
 Stormwater	\$320,000	0.1%
 Water	\$10,903,000	2.4%
 Wastewater	\$12,327,000	2.2%

Table 10 - Maintenance & Operations by Asset Class



2.7 Asset Base Growth

Council's asset base will expand over the next 10 years through committed and expected new and upgrade expenditure, assets contributed by development through conditions of consent, and the Developer Contributions and Servicing Plans. This growth can be decreased through asset disposals; however, no significant disposals are currently committed.

In this analysis, all future asset values, as well as planned and recommended expenditures, assume an indexation rate of 3% per annum.

New and Upgraded Assets

The new and upgrade asset projects category covers those projects resourced by Council or grant funding, but excluding Development Contributions, that involve existing assets being enhanced or new assets being constructed.

New and upgrade expenditure included within the draft 2024/25 to 2026/27 Capital Works Program has been considered within the Asset Base Growth calculation. This expenditure is largely derived from grant funded projects and the significant water and wastewater upgrade projects. With grant funding only being reflected in Council's budgets upon notification of success, grant funding does not impact the asset base growth calculation after 2025/26 of the Capital Program. This, combined with the forecast delivery of the significant water and wastewater upgrade projects by 2026/27, results in there being minimal new and upgrade expenditure considered post this year.

A current difficulty with the calculation of new and upgrade asset expenditure for water and wastewater projects are the utilisation of S64 funding. In future revisions of the AMS, further delineation between S64 and Council revenue expenditure will be provided. As such, the current Asset Base Growth graphs provided in the AMS combine New and Upgraded Assets and the Developer Contributions Plan expenditure into a single category.

Assets Contributed by Development through Conditions of Consent

As development occurs, particularly within the new living areas identified within the Wingecarribee Local Housing Strategy, it is intended that infrastructure be provided at a rate consistent with the Provision LoS in existing parts of the Wingecarribee Local Government Area.

With the Wingecarribee Local Housing Strategy setting an objective of a 50:50 split of infill and greenfield development, it is therefore forecast that only 50% of the annual population growth will result in asset base growth, through conditions of consent.

Reviewing the rate of contributed assets across 2021/22 and 2022/23, it is observed that the value of contributed assets is equivalent to 30% of this forecast population growth from greenfield development. This is a result of assets contributed through this method generally being of a non-major nature. (e.g. sewer pipelines will be contributed through a development, but not another sewage treatment plant).

This methodology will continue to be monitored and if required, reviewed to ensure accuracy is maintained as New Living Areas begin to come online.

Financial Year	Population	Population Growth (from previous year)	Forecast Asset Base Growth
2023/24	53,226	1.1%	0.16%
2024/25	54,196	1.1%	0.16%
2025/26	54,766	1.1%	0.16%
2026/27	55,357	1.1%	0.16%
2027/28	55,975	1.1%	0.17%
2028/29	56,593	1.1%	0.17%
2029/30	57,212	1.1%	0.16%
2030/31	57,830	1.1%	0.16%
2031/32	58,448	1.1%	0.16%
2032/33	59,138	1.1%	0.18%



Table 11 - Population growth and contributed assets

Developer Contributions and Servicing Strategies

An important funding source for new infrastructure are Development Contributions collected under Section 7.11 and 7.12 of the Environmental Planning and Assessment Act, as well as Voluntary Planning Agreements (VPA). These contributions fund a significant proportion, though not all, of the infrastructure required by new development.

Council currently primarily levies contributions through the following Plans:

- Open Space, Recreation, Community and Cultural Facilities 2013 to 2036.
- Roads and Traffic Facilities 2012 to 2031.
- Southern Highlands Innovation Park (SHIP) Plan.
- Water and Sewer Development Servicing Plan.
- Stormwater Development Servicing Plan.

Several strategic studies are currently in progress which will inform future updates to the plans, these strategic studies being:

- Community and Recreation Facilities Strategy (completed 2023).
- Integrated Transport Study (to be completed 2024).
- Wastewater Masterplans (Bowral to be completed 2024, Moss Vale to be completed 2024, Mittagong to be completed 2025).
- Water Masterplan (completed 2020).

Only projects that currently feature within the 2024/25 to 2028/29 Capital Works Program which are funded by Developer Contributions are included within this section. Please refer to the AMPs for a listing of the projects within this category.

Asset Disposals

Asset disposals entail the removal of an existing asset without replacing it with a similar asset. No such disposals are considered in this AMS. This may be examined in future revisions when considering the results of community engagement.

Asset Indexation

An indexation rate of 3.0% p.a has been applied across the 10 year forecast period. This aligns with the indexation rate adoption in the LTFP. The same rate has been adopted in this AMS to ensure that lifecycle costs and associated budgets are comparable in future financial years.

Asset Base Growth

Total asset base growth comprises:

- Asset upgrades.
- Assets contributed by development through conditions of consent.
- Development Contributions.
- Subtracting asset disposals.
- Indexation.

The figures below show this forecast asset base growth of \$1.2B over 10 years, with indexation being responsible for 87% of this value growth.

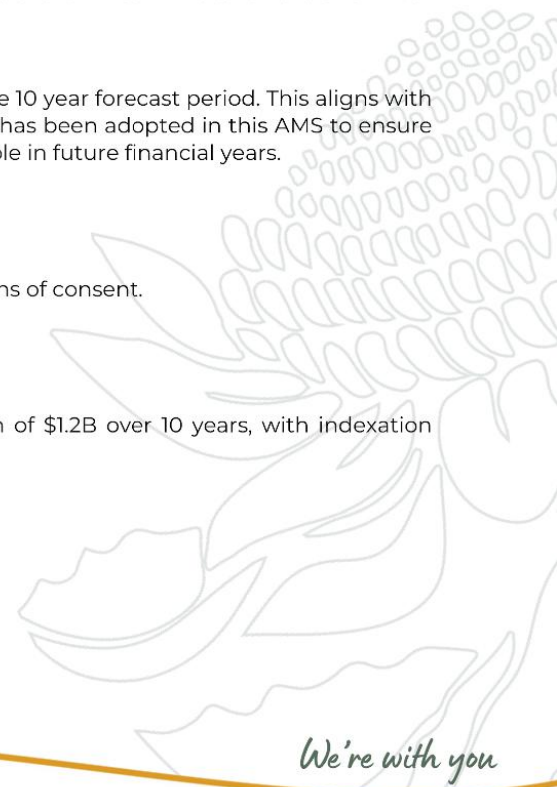




Figure 7 - Asset Base Growth – Asset Class

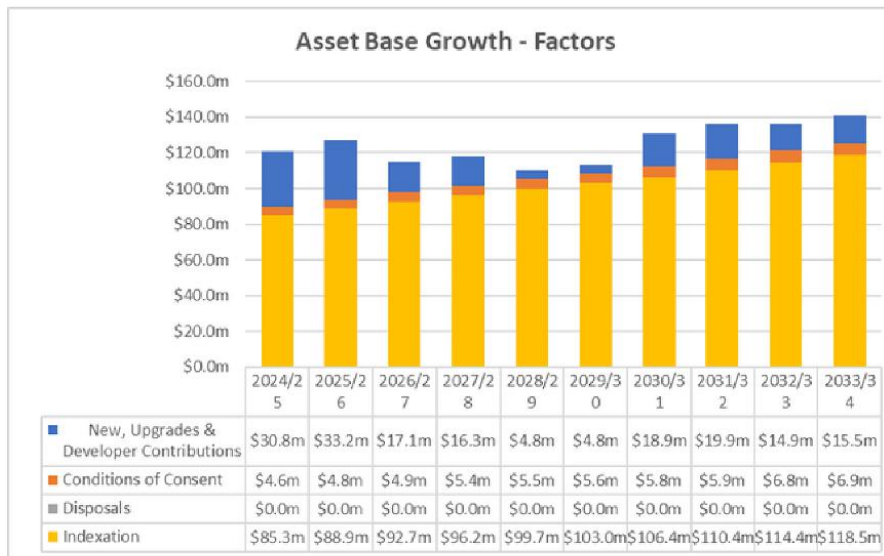


Figure 8 - Asset Base Growth Factors

2.8 Financial Lifecycle Forecast

Council assets and asset base growth forecasts require resourcing across their lifecycle in order to achieve the required LoS.



The two main components are renewal expenditure, and maintenance and operations expenditure, which together give the recommended overall expenditure on Council assets over the next 10 years.

Renewal Forecast

To ensure that satisfactory condition is maintained across the asset base and the Infrastructure Backlog Ratio benchmark is achieved, capital renewal works should be undertaken when assets reach the end of their useful lives. These capital renewal works involve disposing of the existing asset and constructing the MEERA.

However, if the expiry of useful lives or asset conditions are solely relied upon to inform these recommended renewals, annual budgets fluctuate significantly, which creates difficulties from a resourcing perspective. Rather, it is better practice to average out the recommended renewal expenditure in order to reduce annual fluctuations. When future Delivery Programs are prepared, actual allocations to each asset class may vary depending upon the scale of individual projects

Buildings, Open Space, Transport, Stormwater

The required renewal expenditure across the 10 year period for Buildings, Open Spaces, Transport and Stormwater is forecast to be \$274M.

The current Long Term Financial Plan can only accommodate a renewal investment of \$197M, which has been calculated on the parameters of:

- SRV allocation to be that of 2025/26 application (\$9.88M, annually indexed at 3%).
- GF allocation of 2025/26 to be \$6.5M, annually indexed at 3%.

Figure 9 below shows the annual depreciation of the asset classes and the programmed renewal expenditure.

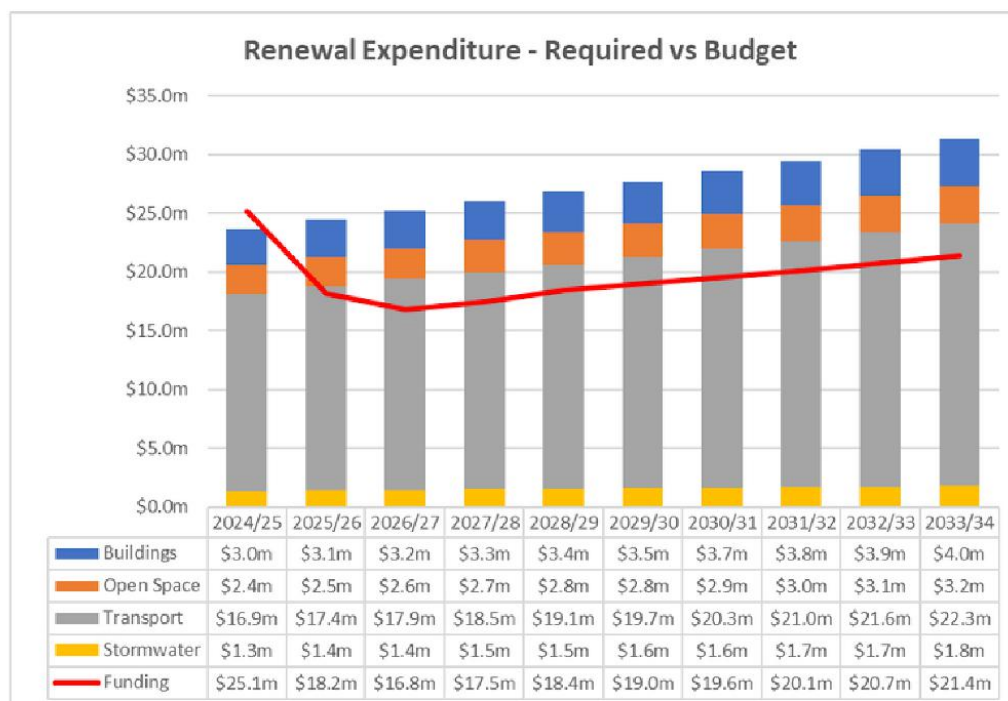


Figure 9 - Renewal Required & Actual - Buildings, Open Space, Transport, Stormwater



This funding allocation only meets 72% of annual depreciation. Annual renewal investment will therefore continue to fall 28% short of aligning with annual depreciation – with the disparity commencing from Year 2 and by Year 10 is a \$10M disparity.

A portion of this funding shortfall, potentially \$2-4M, can reasonably be assumed to be covered by grant funding opportunities such as:

- Roads to Recovery 2025 – 2030 Program.
- Regional Road Block Grant.
- Regional Road Repair Program.
- Fixing Local Roads.

There may be new funding opportunities offered by State and Federal Governments however, given the uncertainty of these funding's, and that there are no funding agreements as of yet, they have not been included within the financial assessment of the Asset Management Strategy.

This shortfall will also be partially addressed through asset useful lives being reviewed through each asset class comprehensive valuation, to ensure that asset life is being maximised as much as reasonably possible. As a minimum, it is understood the useful life of footpaths can be extended – which will reduce the annual depreciation of footpaths by 38%.

However, investment in asset renewals will not meet with asset depreciation within this AMS. As result it is expected that asset condition will deteriorate, resulting in a larger percentage of the network residing as Condition 4 or 5.

As part of the current digital transformation journey, the Technology One Strategic Assets module is to be implemented within the 2024/25 financial year. Once implemented, this will enable the modelling of forecast asset condition as result of funding profiles.

The next iteration of the AMS will therefore detail the asset condition that will result from renewal investment not aligning with asset depreciation.

Water and Wastewater

The required renewal expenditure across the 10 year period for Water and Wastewater is forecast to be \$186M.

The current Long Term Financial Plan accommodates a renewal expenditure across the 10 year period with a renewal investment of \$151M.

Figure 10 below shows the annual depreciation of the asset classes and the programmed renewal expenditure.



It is evident that renewal investment is significantly higher than annual depreciation for the first four years of the study period, which is as result of the significant Sewage Treatment Plant and Water Treatment Plant upgrade projects. Although the projects are for the purpose of increasing the treatment process and capacity, the projects do contain a significant degree of asset renewal and so a portion of the project cost is deemed renewal (50% for STP upgrades, 25% for WTP upgrade).

Therefore, as result of this high renewal expenditure for Years 1 to 4, it is not of immediate concern that asset renewal does not align with annual depreciation for Years 5 to 10.

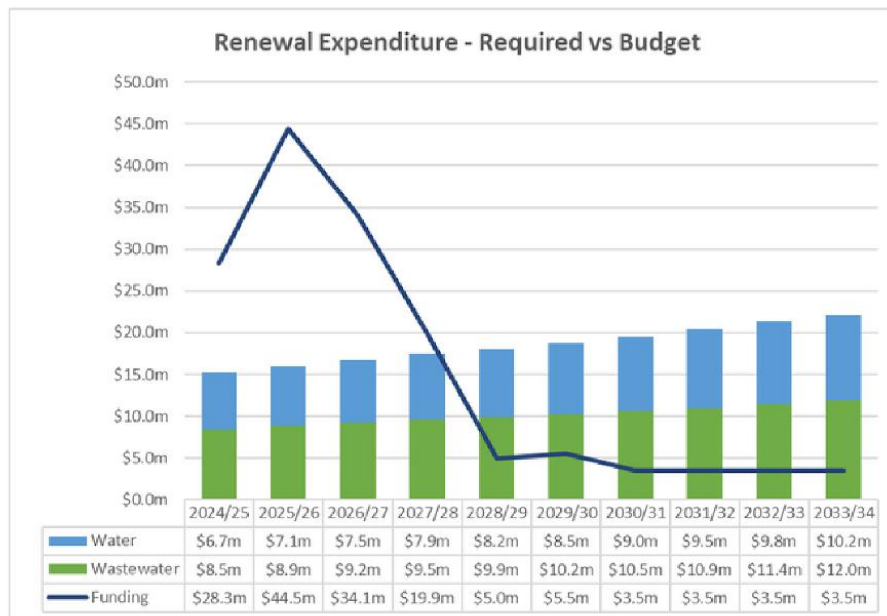


Figure 10 - Renewal Expenditure Required VS Actual - Water & Wastewater

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Maintenance & Operations Forecast

To sustain the current Maintenance and Operations LoS whilst accommodating a growing asset base, annual maintenance and operations budget increases are required. The required maintenance and operations expenditure across the 10 year period is therefore forecast to be \$501.5M. Failure to achieve this expenditure may result in a lowering of levels of service and prevent assets from reaching their desired useful life - which in turn increases renewal expenditure requirements.



That withstanding, Council embark on a process of benchmarking maintenance and operations budgets across similar Councils, to determine its current levels are appropriate, or if efficiencies can be expected.



Figure 14 - Recommended Maintenance & Operations Expenditure

Overall Forecast

The recommended overall expenditure is a combination of the new, upgrades and Developer Contributions and the recommended renewal, maintenance and operations expenditure, resulting in an overall recommended expenditure of \$985M over 10 years as depicted below.

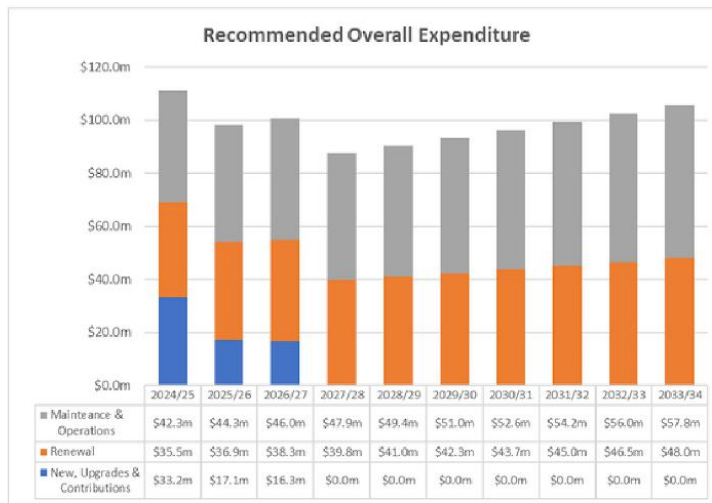


Figure 15 - Recommended Overall Expenditure



2.9 Improvement Plan

Asset Planning is a journey of continuous improvement and there will always be opportunities to further improve the accuracy of asset data, better understand community needs and expectations and deliver better services across the Shire. To this end, an Asset Management Improvement Plan (Table 12) has been prepared to guide this journey of continuous improvement.

Ref	Task	Target Completion Date
1	Develop of AMPs for all Community Asset Classes	30/06/2024
2	Prepare Stormwater Materplans - Yerrinbool	30/06/2024
3	Update the Water and Wastewater Financial Model	30/12/2024
4	Prepare Plans of Management – Parks, General Community Use and Sportsfields	30/12/2024
5	Implement Technology One Asset Register	30/12/2024
6	Implement Technology Strategic Assets	30/12/2024
7	Prepare Wastewater Masterplan - Mittagong	30/06/2025
8	Prepare asset inspection schedule, covering all asset classes	30/06/2025
9	Prepare Stormwater Materplans - Hill Top, Bundanoon & New Berrima	28/02/2025
10	Develop AMPs for all Business Asset Classes	30/06/2026
11	Review of Developer Contributions & Servicing Strategies	30/06/2026
-	Undertake condition inspection of Stormwater Network	Annually
-	Complete comprehensive Valuations & Fair Vale Assessment	Annually

Table 12 - Asset Management Improvement Plan

2.10 Measuring performance

There are several Key Performance Indicators that we use to assess the effectiveness of our Asset Management Strategy.

We report back against these at least once a year in Council's Annual Report.

As also outlined in our Long Term Financial Plan, all Councils will report on the following:

- Asset maintenance ratio – which compares the actual versus required annual asset maintenance (Target >100%).
- Infrastructure backlog ratio – which shows the proportion of the backlog against the total value of a council's infrastructure (Target <2%).
- Building and infrastructure renewal ratio – which compares the rates of renewal against the rate at which they are depreciating. (Target >100%).

We also consider the following when assessing our performance:

- Council adoption of Asset Management Plans.
- Implementation of the Asset Management Improvement Program.
- Progressive improvement in our Asset Maturity score.
- Level of improvement in the overall condition of assets.
- Level of improvement in community satisfaction with the services provided and condition of assets.
- Satisfactory audit reports.

We monitor our performance regularly and report on associated Delivery Program and Operational Plan actions at least every six-months.



Digital Strategy 2023-2025



3.1 Our Digital Goals

Council acknowledges that digital transformation is required if we are to achieve our strategic and organisational goals and that this work will help us to achieve efficiencies, enhance services, and create new opportunities for growth.

Our community is increasingly looking to us for a more modernised approach that delivers fast, convenient, secure, personalised, consumer centric services.

With working from home becoming the new normal, many people are spending more time in their local communities. Our local assets and public spaces are therefore becoming increasingly important, and we need to proactively maintain and adapt these spaces in line with community needs. Digital technology can help us to better understand these needs and deliver and manage infrastructure that improves the liveability of our towns and villages.

Modern technology is always evolving, and service delivery needs to evolve with it. Council is therefore working to streamline processes and introduce user-friendly technology. This will enable flexible and innovative service delivery appropriate to both centralised and remote workforce arrangements.

Through digital transformation we aim to achieve the following goals:

1. Increase productivity.
2. Improve customer satisfaction.
3. Increase efficiency.
4. Improve data quality.
5. Reduce costs.
6. Increase employee engagement.
7. Protect the organisation from cyber threats.



3.2 Strategic Context

3.2.1 Challenges

The Local Government Act (1993) sets out the requirements and purpose of local governments to meet the needs of their communities. The Act outlines the strategic and financial management accountabilities of Councils, both of which are enhanced by a modern operational capability.

Without modern operations, a Council's organisational risk exposure will continue to grow, and this can impact the ability to meet the needs of the community and legislative requirements.

Council faces several challenges in the absence of digital transformation. These challenges include:

- **Legacy Systems:** Many councils have outdated legacy systems that are difficult and costly to upgrade. These systems often lack the flexibility, scalability, and integration capabilities required for modern digital transformation initiatives.
- **Data Management:** Councils often have large amounts of data stored in disparate systems, making it difficult to manage and access information efficiently. There may also be challenges around data quality, privacy, and security.
- **Resistance to Change:** Introducing new technologies and processes can be met with resistance from staff members who are used to working in a certain way. It can be challenging to get everyone on board with new initiatives and to build a culture of innovation and continuous improvement.
- **Budget Constraints:** Councils have limited budgets and may struggle to secure funding for digital transformation initiatives. This can make it difficult to invest in the hardware, software, and personnel needed to successfully transform.
- **Cybersecurity:** Councils handle sensitive data that must be kept secure. Digital transformation initiatives can increase the risk of cyber-attacks and data breaches if security is not adequately addressed.
- **Community Engagement:** Councils must engage their communities to ensure that digital transformation initiatives align with customer needs and expectations. There may be challenges around community awareness, adoption, and satisfaction with new technologies and services.
- **Regulatory Compliance:** Councils must comply with a range of regulations, laws, and policies related to data privacy, security, and accessibility. Digital transformation initiatives must be designed to comply with these requirements while still supporting the achievement of our corporate and community goals.

These challenges are the current reality for Council and form the baseline for what has been an underinvestment in systems and processes over the past decade. Due to the lack of prioritisation of funding and resources invested during this time, the current technological environment is antiquated, lacks integration and requires a hardware refresh.

These challenges will be somewhat addressed during this iteration of the Long Term Financial Plan but will require further refinement as Council evolves and matures to become a leader in using technology.



3.2.2 Opportunities

Digital transformation can provide organisations with opportunities to improve their operations, engage with customers, and stay ahead of the curve in terms of technology and innovation.

Council is prioritising its business transformation journey via the investment of resources and budget to expedite the digitisation of a number of systems and process transformation process. The investment of over \$8M over the next five years to ensure that Council can bring its systems up to speed and ensure it can engage with the community in a more efficient manner. These opportunities will see Council provide proactive information to the public and have the ability to interact in a digital capacity that is transparent and timely.

By embracing digital transformation, organisations can position themselves for long term success and growth.

- **Improved Efficiency:** Digital technologies can streamline processes, automate routine tasks, and reduce paperwork. This can help Council to operate more efficiently, freeing up resources for other important initiatives.
- **Enhanced Service Delivery:** Digital technologies can help Council to deliver services more effectively and efficiently. For example, online portals can provide customers with self-service options for paying bills, applying for permits, and accessing information.
- **Better Data Management:** Digital transformation can improve the way that we manage and use data. By integrating data from disparate sources and using analytics tools, the organisation can gain valuable insights into its operations and make data-driven decisions.
- **Increased Transparency:** Digital technologies can increase transparency and accountability in local government by providing the community with easy access to information about government operations and spending.
- **Improved Community Engagement:** Digital technologies can provide new ways for the community to engage with Council, such as through online forums, social media, and mobile apps. This can help to improve communication and build trust.
- **Greater Flexibility:** Digital technologies can make it easier for us to adapt to changing needs and circumstances. Cloud-based systems, for example, can provide the flexibility and scalability needed to rapidly deploy new services and applications.
- **Enhanced Public Safety:** Digital technologies can help us to improve public safety through initiatives such as smart city technologies, emergency response systems, and public safety analytics.

The following opportunities have been costed and embedded in the Long Term Financial Plan to ensure Council can commence its business transformation journey.

- Upgrade of Council's Core Technology System, Technology One which will provide an updated platform for the community and Council staff to engage in a seamless manner.
- Invest in Council's Cyber Security infrastructure and reporting to ensure our systems are resilient and hold our customers personal information in a secure manner.
- Investing in an integrated approach to Asset Management by ensuring our financial information and aligns to our asset condition data to make informed decisions on how Council invests its funds.
- Digitisation of a number of paper-based processes to ensure staff are working on value-added business processes in an effective manner.

These projects will require additional resources and have been factored into the Long Term Financial Plan, to ensure they are embedded and used as a foundation to drive continuous improvement.



3.3 Risks

Digital transformation can also present risks that need to be carefully managed. These risks are multi-faceted and will require staged planning, communication and training to ensure all stakeholders are adequately serviced during this period of change. The risk is exacerbated as the transformation is large investments as a result of a backlog of underinvestment in technology over the past decade. This will mean that Council will need to ensure team adequately resourced projects with suitably qualified staff and contractors to mitigate some of the risks outlined below.

- **Cybersecurity risks:** Digital transformation can increase the risk of cyber-attacks and data breaches. This is particularly concerning for local governments as we often hold sensitive information, such as personal details and financial information. It's important to implement robust cybersecurity measures, such as firewalls, antivirus software, encryption, and access controls, to protect against cyber threats.
- **Digital divide:** Digital transformation can also exacerbate the digital divide, where certain groups, such as people on low-incomes, older people, or those living in isolation, are left behind due to a lack of access to digital tools and services. Council therefore needs to ensure that we all have equal access to digital services and provide support for those who need it.
- **Lack of skills and expertise:** Digital transformation requires specialised skills and expertise, such as data analytics, cybersecurity, and software development. It can be difficult to recruit and retain staff with the necessary skills, particularly when in competition with the private sector. It's important to invest in training and development to build the necessary skills in-house and to partner with external organisations where necessary.
- **Cost overruns and budget constraints:** Digital transformation can be expensive, and local governments may struggle to fund the necessary investments, particularly in times of economic downturns. It's important to carefully plan and prioritise investments based on their potential impact and to explore alternative funding sources, such as grants, public-private partnerships, or shared services.
- **Resistance to change:** Digital transformation often requires changes in processes, workflows, and culture, which can be difficult for people to accept. Local governments need to communicate the benefits of digital transformation clearly, involve stakeholders in the process, and provide training and support to manage the transition effectively.

Continual oversight of these risks is critical and to ensure full transparency, quarterly reporting to the Audit Risk and Improvement Committee on ICT deliverables is now a standing agenda item. Other reporting such as Operational Plan reporting and project bases reporting are controls that have been introduced to ensure that are actively managed and reported upon.



3.4 Strategic Priorities

The following strategic priorities will help us to achieve our Digital Goals and will guide our planning and resource allocation over the next two years.

1. **Customer Experience** – improving interactions with external stakeholders and improving the quality of interactions. This will involve developing digital platforms and tools to increase community participation in Council activities and decision-making processes. Examples include online forums, social media, and mobile apps.

Measuring community satisfaction through surveys, feedback mechanisms, and other metrics can help assess the success of the transformation in terms of its impact.

2. **Scalability** – achieving integrated processes and systems which are scalable. Scalable processes and systems can help organisations rapidly adapt to changing business needs and increase their capacity as they grow.
3. **Standardised and connected process** – simplified architecture enabling a standardised processes and connected data. This includes the use of digital technologies to automate and streamline our services, such as online payment processing, permitting, and licensing applications, and online scheduling for public appointments.
4. **Efficiency** – implementing digital tools and systems to improve Council operations and increase productivity. Digital transformation can streamline processes, reduce paperwork, and automate tasks, resulting in increased efficiency and reduced costs.

Measuring the time and cost savings achieved as a result of the transformation can be an important indicator of success.

5. **Traceability and transparency** – improved data analytics and reporting that provides a clear view of operations and performance to make better decisions.

Digital transformation can enable us to collect and analyse data, leading to improved decision-making and better allocation of resources. We measure improvements in data quality, data usage, and data-driven decision-making when assessing progress in this area.

6. **Cybersecurity** - maintaining a secure and a well-integrated platform. We will strengthen Council's digital infrastructure and improve data security measures to protect sensitive information.

Digital transformation can increase the risk of cyber-attacks and data breaches. Measuring the effectiveness of cybersecurity measures, such as firewalls, antivirus software, and access controls, can help assess the success of the transformation in protecting sensitive information.

7. **Staff productivity** - digital transformation can reduce the workload of staff, enabling them to focus on higher-value tasks and improve their productivity. Measuring improvements in staff productivity and job satisfaction can help assess the success of the transformation.

8. **Innovation** - digital transformation can enable us to develop new solutions and services that meet current and future community needs and expectations. Measuring the number and impact of new initiatives, as well as the level of innovation and collaboration, can help assess our effectiveness.



3.5 Measuring performance

Assessing the success of digital transformation requires a set of metrics and measures that are tailored to our goals.

Examples of key performance indicators we will use to assess the effectiveness of the strategy include:

Strategy from the CSP	Workforce Goals
1. Increase productivity.	Time saved by employees as a result of digital transformation. This could be measured by tracking the time spent on specific tasks before and after the transformation.
2. Improve customer satisfaction.	Customer satisfaction levels before and after the transformation. This could be done through surveys, online reviews, or other forms of feedback.
3. Increase efficiency.	Percentage of tasks that are now automated or streamlined as a result of the digital transformation. This could be tracked through an analysis of the before-and-after process maps or by tracking the reduction in errors.
4. Improve data quality.	Data quality before and after the transformation. This could be done by comparing the accuracy and completeness of data before and after the transformation.
5. Reduce costs.	Cost savings associated with the transformation. This could include savings in staffing costs, hardware or software costs, and energy costs.
6. Increase employee engagement.	Employee satisfaction and engagement levels before and after the transformation. This could be tracked through employee surveys or other forms of feedback.
7. Protect the organisation from cyber threats.	Number of threats identified and successfully resolved prior to and after the transformation.

We will report on the progress of our Digital Strategy as part of our Annual Report.

We will also report back quarterly on the status of digital initiatives supporting this strategy included in our Operational Plan and Budget.



Part 4

Workforce Management Strategy 2023-2025

4.1 Our Workforce Goals

Our people are our greatest asset.

In recent years our workforce, along with the broader community, has felt the impacts of floods, severe storms and bushfires. We have also been disrupted by the global pandemic which has impacted not only the way in which some services are delivered, but also the way we work.

Over the next two years, we aim to refocus and reinvigorate the workforce, whilst also striving to be an innovative, resilient and effective organisation that consistently demonstrates strong leadership.

Our goals are to:

1. Develop leaders that are innovative, accountable and empowered.
2. Enable a workplace culture that develops talent and supports a healthy, diverse and inclusive working environment.
 1. Embed a culture of continuous improvement and innovation.
 2. Attract, recruit and retain a resilient, adaptable and high performing workforce.

We will achieve this by:

- Keeping up to date on matters affecting local government, our employees and our community.
- Developing and implementing a range of contemporary programs and initiatives, to help us attract and retain engaged, talented, high performing staff.
- Implementing strategies that develop and provide a healthy and safe work environment and empower and engage our people.
- Developing capable leaders who are innovative, accountable and effective and able to navigate our people through current and future challenges.



4.2 Strategic Context

The Workforce Management Strategy is aligned with Council's Community Strategic Plan (CSP) and Delivery Program. It considers Council's operational and strategic goals, outlining the challenges, support and actions required to deliver on our commitments.

It aims to support the following strategies in the Community Strategic Plan:

Strategy 1.1.1 - Achieve ethical governance and improve decision making, through open, accountable and positive leadership.

Strategy 1.1.2 - Ensure the long-term sustainability of the Council through effective planning and management of finances, assets, people and systems.

Strategy 1.1.3 - Improve customer service and achieve value for money services through informed, responsive and efficient service delivery.

Strategy 1.1.4 - Deliver strategy and planning that supports the community's vision and priorities.

Our Strategy also focuses on continuously improving the way we develop high performing employees, attract and engage talent and develop leadership capabilities.

The Strategy is a living document in that it requires ongoing monitoring to ensure we are aware of and responsive to changing community needs, legislative reform, technological advances and evolving workforce demographics.

4.3 Our Workforce

Wingecarribee Shire is located 75 kilometres from the south-western fringe of Sydney and 110 kilometres from Sydney's central business district.

The location of Wingecarribee Shire influences population demographics and impacts Council's access to certain diversity groups and skilled workers.

Of the most recent census (2022) there were 52,456 people residing in Wingecarribee with a median age of 48.

Of these;

- 48.02% were male and 51.98% were female.
- 8,309 males over the age of 15 are employed fulltime with 3,179 employed part time.
- 4,887 females over the age of 15 are employed fulltime with 5,783 employed part time.
- 2.3% identified as Aboriginal and/or Torres Strait Islander

Council's workforce consists of 491.25 Full-Time equivalents, including Full-Time, Part-Time and temporary staff. Council has a number of Casual staff that are employed from time to time, as services require, to fill seasonal vacancies such as the pools & OOSH. These casuals do not make up, a part of Council's establishment.

Of particular interest to this strategy is that 23% of the staff has been employed with Council for more than 10 years, with 10% employed for greater than 20 years. The majority of our staff resides within the Wingecarribee Shire with 71% living locally, and 37% of staff are aged between 43-58 (Gen X).

Collecting data around diversity has been optional for the staff, with limited information available to accurately capture our current workforce diversity.

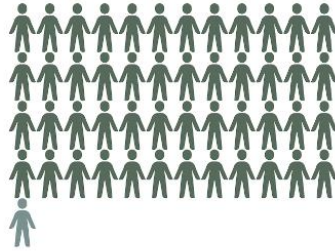
Council is committed to attracting and retaining a diverse workforce and will be developing a Diversity Plan that will ensure all staff have access to opportunities including training and career development. This plan will assist Council to understand the needs of our community by attracting and retaining people from a range of backgrounds and experiences.



Workforce Snapshot



Head Count Employees - 511
(excludes casuals)



Full Time Equivalent (FTE)
- 491.25 (excludes casuals)



Staff Vacancy - 17%

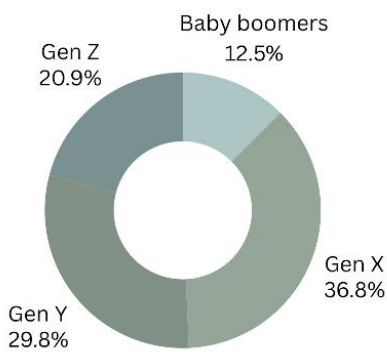
Gender Percentage



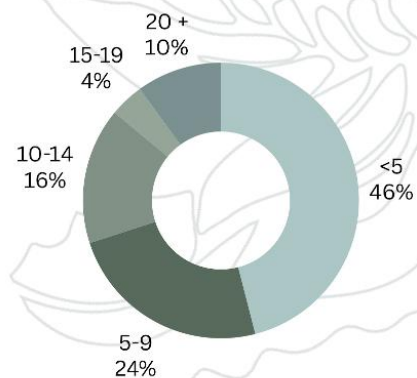
Our leaders which includes Executive, Managers and Coordinators



Perm Workforce by Age



Tenure of councils workforce





4.4 The Organisational Structure

Our organisational structure has been updated to achieve a more agile and customer focused organisation. The structure will be reviewed again in 2025 in discussion with our incoming Council.





4.5 Challenges and Opportunities

1. Attracting and Developing a High Performing Workforce

The 2022 Local Government Workforce Skills and Capability survey identified 54 local government areas that experienced between 1-27% unplanned turnover as a proportion of total Full-Time Equivalent (FTE). Areas experiencing the greatest employee turnover included water operations, plant operators, aged, disability and children services. Over 91% of Councils across NSW reported that they were experiencing skill shortages in 2021-2022 compared to 86% in 2018. Skill shortages across the sector (including for Wingecarribee) included engineers, urban and town planners, building surveyors, project managers and labourers.

2. Ageing Workforce and investment in skills

Council will develop strategies to support knowledge transfer and career opportunities for younger and less experienced employees and emerging leaders to reduce the impact on service provision due to the turnover of our ageing workforce. A priority of this strategy is to partner with local education providers and industry specialists to develop an attractive and effective work experience program and increase opportunities for traineeships, apprenticeships, cadetships and new graduate programs.

Council is developing strategies to ensure corporate knowledge within our workforce is retained. This will be achieved by mentoring less experienced employees through our mentorship program and individual development programs. In addition to partnering with TAFE to identify suitable opportunities for our ageing workforce to share their on-the-job knowledge and skill to students in training positions.

3. Work Experience Program

A priority of the Community Strategic Plan is the broadening of local youth activities, education and employment.

At Council we want to provide opportunities for more young people within our community to experience a career with Council. With 5.6% (2021 census) of the local community aged between 15-19, we understand the importance of creating valuable work experience opportunities for students providing them with hands-on experience to learn more about the varied careers available at Council, both on the frontline and behind the scenes.

Council will partner with local schools and TAFE to develop a structured work experience program affording students the opportunity to acquire general knowledge about how a council functions, an understanding of the work environment and what types of career opportunities are available.

4. Trainee, Apprenticeship and Cadet Program

Council is committed to further developing local employment opportunities for young people as well as encouraging broader workforce participation. Council will therefore continue to develop our current Trainee, Apprenticeship and Cadet program, to provide opportunities for people to work full-time while studying. This is an important opportunity for people wanting to start their careers, re-enter the workforce or change their careers. Council has identified several positions within Council as part of our restructure which are targeted specifically for Trainee, Apprenticeships and Cadets.

Developing the capability for Council to grow is important and providing greater opportunity for training positions can bring 'new life' into Council through a fresh perspective, with Council aiming to have 5% of our workforce composition being in training related positions. This will provide an opportunity for long term employees to share their knowledge and skills, ensuring valuable tricks of the trade are passed on to future generations.

Council currently has five training-based positions, and we aim to achieve the 5% target through the utilisation of grant opportunities to fund additional trainee positions in addition to identifying positions to re-establish into training positions through Councils recent restructure.



5. Learning and Development

Council will be investing in ongoing learning and development opportunities for our staff. At Council we aspire to create a learning organisation that inspires our staff to grow, be innovative and develop their career with Council. We will further develop the delivery of education and training programs to build knowledge of our staff and leaders. We will do this by creating additional opportunities for growth via staff transfers and secondments, on the job training, coaching and mentoring and the development of a seasonal training calendar that includes in-house training and learning opportunities that assist staff to confidently navigate and comply with regulative and legislative requirements. Council currently invests approximately \$438,000 per annum in training programs across the organisation and reviews the training needs within these financial constraints.

6. Safety, Health and Wellbeing Program

Ensuring workplace safety is our most important duty as an employer. We will continue to develop our health and wellbeing program, ensuring our staff has access to integrated programs that support and improve health, wellbeing and lifestyle choices.

Collaboration with key internal and external stakeholders will assist Council in the implementation of targeted training, education and preventative methods to reduce injuries, strengthen a culture of safety across Council, enhance employee resilience and support psychological wellbeing in our workplace.

Council will invest approximately \$140,000 annually in Safety, Health and Wellbeing programs.

7. Building Leadership Capability

We will develop leadership capability to confidently lead our people through change, realise our strategic and operational objectives, and achieve well informed decision making. We will do this by promoting a culture of positive leadership; achieving accountability and ethical governance; building and maintaining positive and collaborative relationships with stakeholders and implementing effective people strategies and programs that are responsive and adaptive to the needs of employees and our community.

8. Continuous Improvement and Being Digitally Connected

Council strives to identify opportunities that ensure efficiency and continuous improvement. This involves the assessment of current workforce processes, practices and services to ensure that advice is accurate and productivity levels are at their peak. We are committed to ongoing improvement in the way we provide our workforce services and will continue to review current practices and processes to ensure they are efficient, effective and align with legislative requirements. This involves working with the Governance team to ensure all policies adhere to legislative requirements and are updated in a timely manner.

In working through Council's digital transformation, we appreciate that a workforce that is confident in the use of technology will help us to maintain the desired pace of change. Our people require support and education to embrace and adopt new ways of working as outlined in our Digital Strategy. Our challenge is to ensure we are strategic in the way we balance the delivery and implementation of new technology to assist staff in adopting a digital mindset and thinking innovatively both to improve customer outcomes and deliver services more efficiently.

We work collaboratively with the ICT team to ensure training is delivered and staff are supported during changes relating to continuous improvements.



4.6 Strategic Priorities

Actions that have been prioritised for delivery in 2024/25 have been included in Council's Operational Plan 2024/25. Other actions are scheduled for completion by June 2025. As Workforce Management Strategies are reviewed and actions achieved, People and Culture will identify any change in organisational needs and priorities and develop further programs as required to enhance the organisation and improve performance. They are aligned to the strategies within our Community Strategic Plan (CSP).

Strategy from the CSP	Workforce Goals	Actions
1.1.1 Achieve ethical governance and improve decision making, through open, accountable and positive leadership.	Goal 1. Develop leaders that are innovative, accountable and empowered	<ul style="list-style-type: none"> Undertake succession planning for critical and at-risk roles. Embed mentoring initiatives to support and develop staff. Improve systems that support career progression
1.1.2 Ensure the long-term sustainability of the Council through effective planning and management of finances, assets, people and systems.	Goal 2. Develop and promote a workplace culture that develops talent and supports a healthy, diverse and inclusive working environment	<ul style="list-style-type: none"> Develop a health and wellbeing plan to reduce injury and strengthen our safety culture. Enhance opportunities for training, learning and career progression. Deliver an annual compliance and mandatory training program Improve workforce planning with enhanced workforce metrics. Review effectiveness of the Performance Feedback Development Program Develop a Diversity Plan
1.1.3 Improve customer service and achieve value for money through informed, responsive and efficient service delivery.	Goal 3. Embed a culture of continuous improvement and innovation	<ul style="list-style-type: none"> Review current practices and efficiencies to develop a continuous improvement strategy. Develop workstream specific training programs. Develop a culture of feedback through revised Performance Feedback Development Program
1.1.4 Deliver strategy and planning that supports the community's vision and priorities	Goal 4. Attract, recruit and retain a resilient, adaptable and high performing workforce	<ul style="list-style-type: none"> Partner with industry professionals and local education providers to develop innovative programs to attract high performing people. Develop an improved employee value proposition to attract and retain staff. Improve the applicant experience with enhanced technology and systems in place. 5% of positions within the workforce are apprentice, trainee and cadet roles 80% participation in Aboriginal and Torres Strait Islander Cultural Competence Course 80% participation in Disability Inclusion Awareness Training for all Front line Staff



4.7 Engaging our stakeholders

In developing our Workforce Management Strategy, we have considered the outcomes of recent community and staff engagement informing the update to the Community Strategic Plan, Wingecarribee 2041.

We have also engaged key internal stakeholders through committee meetings, staff forums and working parties in addition to identifying trends from staff exit surveys.

Council has engaged key external stakeholders such as TAFE, the Canberra Region Joint Organisation (CRJO) and other Councils to ensure we provide the best opportunity and experience for our staff whilst employed at Council.

We will continue to engage with our stakeholders to monitor the effectiveness of our approach.

4.8 Measuring performance

The Workforce Management Strategy is a living document. That means that while some actions will be completed, we continuously monitor our progress and introduce new actions, where required, to help us achieve our objectives.

This approach allows us to be agile and responsive to emerging workplace issues and challenges. It also allows us to take advantage of any new opportunities.

The strategies are determined to be achieved if the actions have been completed and measurable outcomes, including improvements to workplace culture, can be demonstrated.

Examples of measures we consider when assessing the Strategy include:

- Overall completion or progress of strategic actions.
- Number of days between vacancy created and filled by a person.
- 5% of workforce in cadet, trainee or apprentice roles.
- Workplace culture.
- Lost time injuries.
- Excess leave balances.
- Staff and applicant feedback.
- Staff establishment will reflect cultural demographics.

We will report our progress in the Annual Report as well as provide status updates related to supporting Delivery Program 2023-2025 and Operational Plan actions at least every six-months.

Regular, internal reports will be prepared for management to help identify and address workforce trends in a timely manner.

Individual actions are aligned to senior positions within the organisation and are monitored to inform performance objectives.



Glossary

Term	Definition
Annual Performance Target	what we aim to achieve in any given year. Often expressed in numerical terms for example as a percentage complete (%), number, date (for completion), ratio, mean score.
Asset Management	is systematic and coordinated activities and practices of the Council to deliver on its objectives optimally and sustainably through the cost-effective lifecycle management of assets.
Baseline	a starting point, usually measured numerically e.g., a number, percentage or ratio, to compare and measure performance against.
Benchmark	recognised better or best standards to work towards or maintain.
Capital budget	supports the implementation of the Capital Works Program, identifying the capital works funded in any given year
Capital Works Program	our program of funded capital projects (infrastructure) to be delivered within any given year or timeframe (e.g., across 2 years)
Cash Flow	Inflows and outflows of cash and cash equivalents
Community Strategic Plan	is the highest-level strategic plan developed by the Council on behalf of the community. It has a minimum 10-year horizon and includes a vision for the future, goals and strategies to achieve those goals.
Condition	refers to the physical state of our assets
Delivery Program	is a statement of commitment to the community from each council which translates the community's strategic goals into Principal Activities and actions.
Disposal	refers to decommissioning and disposing of assets that are no longer needed
Evaluation	an interpretation of the effectiveness of a strategy, plan, program, project or process; it considers the original objective or goal and whether or not this was achieved, and how it was achieved.
Full time equivalent (FTE)	is a unit of measurement that indicates the workload (hours) of an employed person. An FTE of 1.0 is equivalent to a full time worker, while a FTE of 0.5 is half of a full time load/hours.
Function	prescribed responsibilities of local government, as described within legislation
Integrated Planning and Reporting (IP&R)	describes a system of planning for local government. All councils in NSW must work within the IP&R Framework. This means, that all plans and strategies developed by a council should be connected, working together to achieve common objectives.

AGENDA OF THE EXTRAORDINARY MEETING OF COUNCIL WEDNESDAY 1 MAY 2024

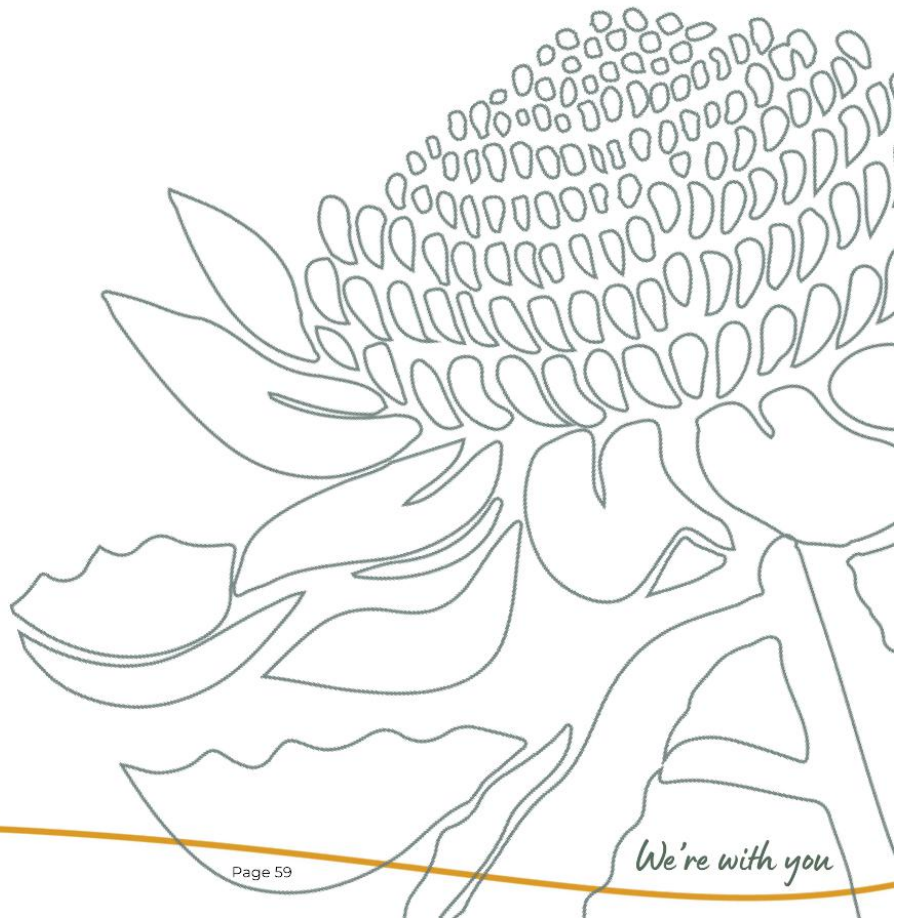
Term	Definition
Key Performance Indicator (KPI)	is a measure of performance that is considered to be particularly important to assessing the effectiveness of something e.g., a strategy
Levels of service (LoS)	are agreed, funded standards of operating and delivering a service to the community. LoS refers to both technical requirements for operating a service to certain standard and the customer requirements which considers the quality of the user experience.
Lifecycle	is the time interval that commences with the identification of the need for a particular asset and ends with the decommissioning of that asset.
Maintenance	refers to actions necessary for retaining an asset as near as practicable to its original condition but excluding rehabilitation or renewal. Maintenance slows down deterioration of assets.
Monitoring	is the continuous or periodic assessment of actual performance compared against our objectives and targets.
Operating expenses	any expenses incurred by the organisation in the delivery of its Services and Principal Activities
Operational Plan	is an annual action Plan and sub-plan of the Delivery Program which identifies the projects, programs, activities and budget the Council aims to deliver in any given year.
Outcome	the end result of what we did (or the result that we aim to achieve) and the difference we made i.e., the impact, good or bad, on the community, environment, economy, or the Council.
Outputs	the quantity of something we did and and/or what we produced at the end of a process
Performance measure (measure)	a qualitative or quantitative standard used to measure actual performance against a baseline or target.
Principal Activities	a term covering the leading activities the Council delivers when performing its functions. These activities provide the foundation of the Delivery Program and cover the full range of Council operations.
Principle	a rule that guides or influences how we work or behave
Program	a body of work that consists of various activities, all of which are working to towards achievement of a goal
Project	a unique, planned activity; a project is usually time-bound with a defined budget (or resourcing plan) attached to it
Reserves	represent funds that Council is required, by law or via Council resolution, to hold separately to unrestricted working capital as they can only be spent for specified purposes.
Resourcing Strategy	(this document) a strategy that shows how Council will manage its resources to ensure its long-term sustainability. It includes the Long-Term Financial Plan, Asset Management Strategy, Digital Strategy and Workforce Strategy.
Risk	is the effect of uncertainty on Council's ability to achieve its objectives. Risk Management is the process of systematically identifying, monitoring, treating and reporting these risks.
Stakeholder	someone who has a particular interest or concern in the Wingecarribee Shire local government area.
Trend	a change or development in a certain direction usually demonstrated over time e.g., towards or way from a goal or target.



Appendix 2



Long Term Financial Plan – Detailed Financial Scenarios



**AGENDA OF THE EXTRAORDINARY MEETING OF COUNCIL
WEDNESDAY 1 MAY 2024**

Scenario 1 – Consolidated Fund – 10 Year Statement of Financial Performance

Wingecarribee Shire Council 10 Year Financial Plan for the Years ending 30 June 2034 INCOME STATEMENT - CONSOLIDATED Scenario: Scenario 1 - Business as usual												
	2024/25 \$'000	2025/26 \$'000	2026/27 \$'000	2027/28 \$'000	Projected Years					2032/33 \$'000	2033/34 \$'000	
					2028/29 \$'000	2029/30 \$'000	2030/31 \$'000	2031/32 \$'000	2032/33 \$'000			
Income from Continuing Operations												
Revenue:												
Rates & Annual Charges	99,465	103,284	108,145	111,879	115,425	119,111	122,936	126,909	131,037	135,327		
User Charges & Fees	26,066	27,369	28,577	29,508	30,478	31,487	32,539	33,635	34,777	35,965		
Other Revenues	3,454	3,616	3,736	3,829	3,925	4,022	4,123	4,228	4,331	4,439		
Grants & Contributions provided for Operating Purposes	11,718	8,281	8,484	8,654	8,834	9,015	9,199	9,387	9,579	9,775		
Grants & Contributions provided for Capital Purposes	41,141	24,607	7,100	7,842	5,988	6,138	6,292	6,449	6,610	6,775		
Interest & Investment Revenue	8,400	8,522	7,377	7,002	6,527	6,140	5,788	5,363	4,968	4,542		
Total Income from Continuing Operations	190,264	175,678	163,419	168,714	171,477	175,913	180,877	185,989	191,302	196,824		
Expenses from Continuing Operations												
Employee Benefits & On-Costs	50,146	51,469	52,958	54,235	55,544	56,886	58,262	59,672	61,118	62,601		
Borrowing Costs	730	1,863	5,019	7,267	7,857	7,575	7,276	6,963	6,629	6,279		
Materials & Contracts	56,427	60,633	61,404	56,993	59,108	59,900	61,459	62,967	65,274	66,234		
Depreciation & Amortisation	50,720	51,521	53,970	56,546	59,055	61,337	63,731	66,243	68,878	71,644		
Other Expenses	3,579	3,814	3,931	4,031	4,134	4,239	4,348	4,459	4,572	4,688		
Total Expenses from Continuing Operations	161,602	169,300	177,283	179,071	185,697	189,938	195,078	200,294	206,471	211,447		
Operating Result from Continuing Operations	28,663	6,378	(3,864)	(10,357)	(14,221)	(14,025)	(14,201)	(14,305)	(15,169)	(14,623)		
Net Operating Result for the Year	28,663	6,378	(3,864)	(10,357)	(14,221)	(14,025)	(14,201)	(14,305)	(15,169)	(14,623)		
Net Operating Result before Grants and Contributions provided for Capital Purposes	(12,479)	(18,229)	(20,964)	(18,200)	(20,509)	(20,163)	(20,493)	(20,764)	(21,779)	(21,398)		

**AGENDA OF THE EXTRAORDINARY MEETING OF COUNCIL
WEDNESDAY 1 MAY 2024**

Scenario 1 – Consolidated Fund – 10 Year Statement of Financial Position

Wingecarribee Shire Council 10 Year Financial Plan for the Years ending 30 June 2034 BALANCE SHEET - CONSOLIDATED Scenario: Scenario 1 - Business as usual												
	Projected Years											
	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34		
	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	
ASSETS												
Current Assets												
Cash & Cash Equivalents	10,000	10,000	10,000	13,190	14,000	14,000	14,000	14,000	14,000	14,000	14,000	
Investments	169,643	149,469	123,913	121,997	120,560	125,319	131,660	139,566	148,803	160,666		
Receivables	21,100	20,800	21,266	22,136	22,748	23,599	24,399	25,407	26,388	27,494		
Inventories	1,189	1,185	1,254	1,285	1,329	1,351	1,368	1,420	1,468	1,493		
Contract assets and contract cost assets	17,223	17,212	17,201	17,190	17,178	17,167	17,155	17,143	17,130	17,117		
Other	821	803	803	884	919	929	954	977	1,014	1,028		
Total Current Assets	219,976	199,639	174,498	176,683	176,734	182,365	189,672	198,642	208,803	221,789		
Non-Current Assets												
Investments	-	-	-	-	-	-	-	-	-	-		
Receivables	411	348	283	217	149	101	61	61	61	-		
Infrastructure, Property, Plant & Equipment	2,381,254	2,442,243	2,480,471	2,488,908	2,489,825	2,444,903	2,418,148	2,389,251	2,358,094	2,324,555		
Intangible Assets	395	395	395	395	395	395	395	395	395	395		
Right of use assets	274	274	274	274	274	274	274	274	274	274		
Other	59	68	74	47	48	50	51	53	54	58		
Total Non-Current Assets	2,382,399	2,443,348	2,481,497	2,489,869	2,470,491	2,445,722	2,418,930	2,390,034	2,366,878	2,325,279		
TOTAL ASSETS	2,582,367	2,542,976	2,655,995	2,656,542	2,647,225	2,628,088	2,608,602	2,588,676	2,557,682	2,547,068		
LIABILITIES												
Current Liabilities												
Payables	17,309	18,102	18,819	18,920	19,368	19,562	19,935	20,279	20,768	21,024		
Contract liabilities	4,185	3,268	2,939	3,068	2,922	2,950	3,061	3,133	3,207	3,283		
Borrowings	1,424	3,115	4,324	5,100	5,356	5,707	6,037	6,388	6,732	7,117		
Employee benefit provisions	8,188	8,188	8,188	8,188	8,188	8,188	8,188	8,188	8,188	8,188		
Other provisions	343	343	343	343	343	343	343	343	343	343		
Total Current Liabilities	31,448	33,006	34,813	35,817	36,210	36,811	37,564	38,330	38,829	39,555		
Non-Current Liabilities												
Contract liabilities	2	3	3	3	3	3	3	3	3	3		
Lease liabilities	580	580	580	580	580	580	580	580	580	580		
Borrowings	32,517	85,090	110,486	130,366	124,971	119,264	113,226	106,838	100,515	94,798		
Employee benefit provisions	511	511	511	511	511	511	511	511	511	511		
Other provisions	18,582	18,582	18,582	18,582	18,582	18,582	18,582	18,582	18,582	18,582		
Total Non-Current Liabilities	52,193	104,766	130,142	150,042	144,948	138,939	132,902	126,514	120,191	114,474		
TOTAL LIABILITIES	83,641	137,772	164,955	185,859	181,158	175,750	170,466	164,845	159,020	153,029		
Net Assets	2,498,726	2,405,204	2,491,040	2,480,683	2,466,067	2,452,337	2,438,136	2,423,831	2,408,662	2,394,039		
EQUITY												
Retained Earnings	503,996	910,374	896,150	898,153	871,632	857,607	843,408	829,101	813,932	799,309		
Revaluation Reserves	1,594,730	1,594,730	1,594,730	1,594,730	1,594,730	1,594,730	1,594,730	1,594,730	1,594,730	1,594,730		
Total Equity	2,498,726	2,505,104	2,491,040	2,480,883	2,466,362	2,452,337	2,438,136	2,423,831	2,408,662	2,394,039		

**AGENDA OF THE EXTRAORDINARY MEETING OF COUNCIL
WEDNESDAY 1 MAY 2024**

Scenario 1 – Consolidated Fund – 10 Year Statement of Cashflow

Wingecarribee Shire Council 10 Year Financial Plan for the Years ending 30 June 2034 CASH FLOW STATEMENT - CONSOLIDATED											
Scenario: Scenario 1 - Business as usual	Projected Years										2033/34 \$'000
	2024/25 \$'000	2025/26 \$'000	2026/27 \$'000	2027/28 \$'000	2028/29 \$'000	2029/30 \$'000	2030/31 \$'000	2031/32 \$'000	2032/33 \$'000	2033/34 \$'000	
Cash Flows from Operating Activities											
Receipts:											
Rates & Annual Charges	99,428	103,197	108,053	111,787	116,329	119,010	122,830	126,798	130,921	135,205	
User Charges & Fees	24,741	26,618	27,756	29,029	29,970	30,902	31,889	33,069	34,174	35,333	
Investment & Interest Revenue Received	8,354	8,949	7,358	6,949	6,473	6,079	5,728	5,320	4,909	4,470	
Grants & Contributions	38,549	33,894	15,753	15,513	14,780	15,155	15,454	15,839	16,182	16,563	
Other	3,952	3,808	3,780	3,762	3,950	3,970	4,069	4,170	4,275	4,381	
Payments:											
Employee Benefits & On-Costs	(49,956)	(51,432)	(52,916)	(54,199)	(55,507)	(56,849)	(58,223)	(59,633)	(61,078)	(62,559)	
Materials & Contracts	(58,329)	(60,504)	(61,028)	(61,015)	(61,802)	(62,782)	(63,231)	(63,737)	(64,940)	(66,088)	
Borrowing Costs	(709)	(1,307)	(4,922)	(7,204)	(7,868)	(7,008)	(7,313)	(7,009)	(6,668)	(6,319)	
Other	(3,579)	(3,813)	(3,926)	(4,028)	(4,130)	(4,238)	(4,345)	(4,458)	(4,568)	(4,685)	
Net Cash provided (or used in) Operating Activities	64,016	59,019	38,955	45,534	44,151	46,701	48,956	51,360	53,216	56,292	
Cash Flows from Investing Activities											
Receipts:											
Sale of Investment Securities	24,800	20,174	25,556	2,761	4,770	918	448	-	-	-	
Sale of Infrastructure, Property, Plant & Equipment	2,079	1,646	1,413	1,002	1,580	1,580	1,580	1,580	1,580	1,580	
Other Investing Activity Receipts	-	-	-	-	-	-	-	-	-	-	
Payments:											
Purchase of Investment Securities	-	-	-	(635)	(3,324)	(5,077)	(6,809)	(8,017)	(9,107)	(11,883)	
Purchase of Infrastructure, Property, Plant & Equipment	(109,448)	(134,156)	(93,610)	(99,004)	(41,334)	(38,195)	(38,657)	(39,925)	(39,302)	(39,689)	
Contributions Paid to Joint Ventures & Associates	-	-	-	-	-	-	-	-	-	-	
Net Cash provided (or used in) Investing Activities	(82,509)	(112,275)	(68,579)	(97,200)	(39,251)	(41,309)	(43,289)	(45,323)	(48,828)	(49,359)	
Cash Flows from Financing Activities											
Receipts:											
Proceeds from Borrowings & Advances	20,575	55,878	29,700	25,000	-	-	-	-	-	-	
Payments:											
Repayment of Borrowings & Advances	(2,052)	(1,611)	(5,115)	(4,324)	(5,100)	(5,395)	(5,707)	(6,037)	(6,388)	(6,723)	
Net Cash Flow provided (used in) Financing Activities	18,493	54,264	24,585	20,676	(5,100)	(5,395)	(5,707)	(6,037)	(6,388)	(6,723)	
Net Increase (Decrease) in Cash & Cash Equivalents	-	-	-	3,190	810	-	-	(0)	-	-	
plus: Cash & Cash Equivalents - beginning of year	10,000	10,000	10,000	10,000	13,150	14,000	14,000	14,000	14,000	14,000	
Cash & Cash Equivalents - end of the year	10,000	10,313	14,000	14,000	14,000	14,000	14,000	14,000	14,000	14,000	
Cash & Cash Equivalents - end of the year	10,000	10,000	10,000	13,150	14,000	14,000	14,000	14,000	14,000	14,000	
Investments - end of the year	159,643	149,469	122,913	121,957	120,550	125,319	131,880	139,996	146,803	160,996	
Cash, Cash Equivalents & Investments - end of the year	179,643	159,469	133,913	135,187	134,550	133,319	145,680	153,696	162,803	174,666	

**AGENDA OF THE EXTRAORDINARY MEETING OF COUNCIL
WEDNESDAY 1 MAY 2024**

Scenario 1 – General Fund – 10 Year Statement of Financial Performance

Wingecarribee Shire Council 10 Year Financial Plan for the Years ending 30 June 2034 INCOME STATEMENT - GENERAL FUND Scenario: Scenario 1 - Business as usual												
	2024/25 \$'000	2025/26 \$'000	2026/27 \$'000	2027/28 \$'000	Projected Years					2032/33 \$'000	2032/34 \$'000	
					2028/29 \$'000	2029/30 \$'000	2030/31 \$'000	2031/32 \$'000	2032/33 \$'000			
Income from Continuing Operations												
Revenue:												
Rates & Annual Charges	73,439	75,875	79,282	81,586	83,630	85,739	87,909	90,144	92,449	94,824		
User Charges & Fees	14,525	15,071	15,472	15,770	16,075	16,387	16,708	17,036	17,373	17,716		
Other Revenues	3,144	3,293	3,402	3,487	3,574	3,663	3,754	3,848	3,944	4,042		
Grants & Contributions provided for Operating Purposes	11,718	8,281	8,484	8,654	8,834	9,015	9,199	9,387	9,579	9,775		
Grants & Contributions provided for Capital Purposes	13,541	7,572	3,855	4,517	2,579	2,644	2,710	2,778	2,847	2,918		
Interest & Investment Revenue	3,070	3,105	2,798	2,758	2,677	2,594	2,509	2,422	2,332	2,240		
Total Income from Continuing Operations	119,437	113,197	113,294	116,771	117,369	120,042	122,788	125,615	128,523	131,515		
Expenses from Continuing Operations												
Employee Benefits & On-Costs	41,875	42,950	44,183	45,241	46,325	47,437	48,576	49,745	50,942	52,170		
Borrowing Costs	721	794	1,009	1,012	897	837	776	710	642	574		
Materials & Contracts	36,557	35,077	38,120	38,987	40,582	40,872	41,894	42,839	44,587	44,957		
Depreciation & Amortisation	31,641	32,472	33,281	34,111	34,977	35,829	36,708	37,613	38,545	39,505		
Other Expenses	3,566	3,800	3,917	4,016	4,119	4,224	4,332	4,443	4,555	4,671		
Total Expenses from Continuing Operations	114,360	115,092	120,510	123,367	126,901	129,199	132,286	135,350	139,271	141,878		
Operating Result from Continuing Operations	5,077	(1,895)	(7,217)	(6,596)	(9,531)	(9,158)	(9,498)	(9,735)	(10,748)	(10,362)		
Net Operating Result for the Year	5,077	(1,895)	(7,217)	(6,596)	(9,531)	(9,158)	(9,498)	(9,735)	(10,748)	(10,362)		
Net Operating Result before Grants and Contributions provided for Capital Purposes	(8,464)	(9,467)	(11,072)	(11,113)	(12,111)	(11,801)	(12,208)	(12,513)	(13,595)	(13,281)		

**AGENDA OF THE EXTRAORDINARY MEETING OF COUNCIL
WEDNESDAY 1 MAY 2024**

Scenario 1 – General Fund – 10 Year Statement of Financial Position

Wingecarribee Shire Council 10 Year Financial Plan for the Years ending 30 June 2034 BALANCE SHEET - GENERAL FUND Scenario: Scenario 1 - Business as usual												
	2024/25	Projected Years										
		2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34		
A\$ SETS	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Current Assets												
Cash & Cash Equivalents	6,000	6,000	6,000	9,150	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000
Investments	58,759	58,563	55,247	55,247	58,580	62,824	67,258	71,922	76,129	81,457	81,457	81,457
Receivables	9,518	8,659	8,482	8,740	8,730	8,931	9,147	9,340	9,571	9,881	9,881	9,881
Inventories	722	702	757	775	806	815	836	866	890	901	901	901
Contract assets and contract cost assets	17,223	17,212	17,201	17,150	17,178	17,167	17,155	17,143	17,130	17,117	17,117	17,117
Other	821	803	853	884	919	929	954	977	1,014	1,028	1,028	1,028
Total Current Assets	94,083	89,969	88,630	92,027	96,213	100,666	105,360	110,233	114,734	120,385	120,385	120,385
Non-Current Assets												
Investments	--	--	--	--	--	--	--	--	--	--	--	--
Receivables	411	346	263	217	149	101	81	81	81	81	81	--
Infrastructure, Property, Plant & Equipment	1,638,633	1,643,305	1,636,778	1,626,015	1,611,332	1,596,658	1,581,467	1,566,740	1,549,456	1,532,596	1,532,596	1,532,596
Intangible Assets	395	395	395	395	395	395	395	395	395	395	395	395
Right of use assets	274	274	274	274	274	274	274	274	274	274	274	274
Other	--	--	--	--	--	--	--	--	--	--	--	--
Total Non-Current Assets	1,639,913	1,644,321	1,637,730	1,626,901	1,612,150	1,597,428	1,582,197	1,566,470	1,550,187	1,533,285	1,533,285	1,533,285
TOTAL ASSETS	1,733,995	1,734,291	1,726,260	1,718,328	1,708,363	1,698,093	1,687,557	1,676,708	1,664,921	1,653,650	1,653,650	1,653,650
LIABILITIES												
Current Liabilities												
Payables	15,189	15,108	15,791	16,004	16,405	16,630	16,942	17,233	17,677	17,883	17,883	17,883
Contract liabilities	3,528	2,595	2,850	2,764	2,605	2,459	2,713	2,769	2,825	2,884	2,884	2,884
Borrowings	1,111	1,163	1,123	1,278	1,337	1,399	1,465	1,495	1,535	1,173	1,173	1,173
Employee benefit provisions	6,630	6,630	6,630	6,630	6,630	6,630	6,630	6,630	6,630	6,630	6,630	6,630
Total Current Liabilities	27,200	26,225	26,537	27,076	27,380	27,695	28,053	28,514	28,648	28,315	28,315	28,315
Non-Current Liabilities												
Contract liabilities	2	3	3	3	3	3	3	3	3	3	3	3
Lease liabilities	560	560	560	560	560	560	560	560	560	560	560	560
Borrowings	16,300	19,543	18,420	17,144	15,807	14,408	12,943	11,408	10,235	9,650	9,650	9,650
Employee benefit provisions	396	396	396	396	396	396	396	396	396	396	396	396
Other provisions	18,662	18,662	18,662	18,662	18,662	18,662	18,662	18,662	18,662	18,662	18,662	18,662
Total Non-Current Liabilities	35,943	39,006	37,983	36,707	35,371	33,971	32,506	30,971	29,798	29,223	29,223	29,223
TOTAL LIABILITIES	63,143	65,331	64,520	63,783	62,751	61,666	60,559	59,485	58,447	57,538	57,538	57,538
Net Assets	1,670,852	1,668,960	1,661,740	1,655,144	1,645,613	1,636,427	1,626,998	1,617,223	1,606,475	1,596,112	1,596,112	1,596,112
EQUITY												
Retained Earnings	581,478	579,583	572,366	565,770	558,239	547,081	537,584	527,849	517,101	506,738	506,738	506,738
Revaluation Reserves	1,089,374	1,089,374	1,089,374	1,089,374	1,089,374	1,089,374	1,089,374	1,089,374	1,089,374	1,089,374	1,089,374	1,089,374
Total Equity	1,670,852	1,668,957	1,661,740	1,655,144	1,645,613	1,636,455	1,626,958	1,617,223	1,606,475	1,596,112	1,596,112	1,596,112

**AGENDA OF THE EXTRAORDINARY MEETING OF COUNCIL
WEDNESDAY 1 MAY 2024**

Scenario 1 – General Fund – 10 Year Statement of Financial Cashflow

Wingecarribee Shire Council 10 Year Financial Plan for the Years ending 30 June 2034 CASH FLOW STATEMENT - GENERAL FUND Scenario: Scenario 1 - Business as usual											
	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34	
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Cash Flows from Operating Activities											
Receipts:											
Rates & Annual Charges	73,507	75,874	79,261	81,595	83,629	85,738	87,908	90,143	92,448	94,823	
User Charges & Fees	14,423	15,032	15,446	15,754	16,058	16,371	16,690	17,018	17,354	17,697	
Investment & Interest Revenue Received	3,024	3,132	2,787	2,705	2,824	2,934	2,448	2,358	2,274	2,189	
Grants & Contributions	25,133	15,038	12,259	13,190	11,373	11,654	11,975	12,171	12,432	12,659	
Other	3,252	3,485	3,446	3,419	3,579	3,610	3,700	3,793	3,887	3,984	
Payments:											
Employee Benefits & On-Costs	(41,727)	(42,913)	(44,141)	(45,265)	(46,288)	(47,399)	(48,538)	(49,705)	(50,902)	(52,129)	
Materials & Contracts	(36,666)	(35,210)	(37,843)	(38,520)	(40,310)	(40,784)	(41,700)	(42,854)	(44,288)	(44,846)	
Borrowing Costs	(707)	(777)	(1,015)	(1,016)	(904)	(844)	(763)	(718)	(650)	(600)	
Other	(3,569)	(3,759)	(3,912)	(4,014)	(4,110)	(4,223)	(4,329)	(4,440)	(4,523)	(4,609)	
Net Cash provided (or used in) Operating Activities	39,073	30,492	26,907	27,597	25,947	26,987	27,312	27,900	28,003	29,147	
Cash Flows from Investing Activities											
Receipts:											
Sale of Investment Securities	5,361	3,208	1,346	-	-	-	-	-	-	-	
Sale of Infrastructure, Property, Plant & Equipment	1,772	1,401	1,232	722	1,240	1,240	1,240	1,240	1,240	1,240	
Other Investing Activity Receipts	-	-	-	-	-	-	-	-	-	-	
Payments:											
Purchase of Investment Securities	-	-	-	-	(3,334)	(4,244)	(4,444)	(4,854)	(4,206)	(5,329)	
Purchase of Infrastructure, Property, Plant & Equipment	(46,529)	(38,345)	(27,965)	(24,071)	(21,834)	(22,356)	(22,757)	(23,125)	(23,502)	(23,885)	
Net Cash provided (or used in) Investing Activities	(39,337)	(33,677)	(25,944)	(23,244)	(23,561)	(26,333)	(25,912)	(26,900)	(26,488)	(27,874)	
Cash Flows from Financing Activities											
Receipts:											
Proceeds from Borrowings & Advances	4,125	4,328	-	-	-	-	-	-	-	-	
Payments:											
Repayment of Borrowings & Advances	(1,461)	(1,111)	(1,163)	(1,123)	(1,276)	(1,337)	(1,399)	(1,465)	(1,535)	(1,173)	
Net Cash Flow provided (or used in) Financing Activities	2,664	3,215	(1,163)	(1,123)	(1,276)	(1,337)	(1,399)	(1,465)	(1,535)	(1,173)	
Net Increase/(Decrease) in Cash & Cash Equivalents	-	-	-	3,150	810	0	(61)	-	-	-	
plus: Cash & Cash Equivalents - beginning of year	6,000	6,000	6,000	6,000	9,150	10,000	10,000	10,000	10,000	10,000	
Cash & Cash Equivalents - end of the year	6,000	6,000	6,000	6,000	9,150	10,000	10,000	10,000	10,000	10,000	
Cash & Cash Equivalents - end of the year	6,000	6,000	6,000	6,000	9,150	10,000	10,000	10,000	10,000	10,000	
Investments - end of the year	55,799	50,593	56,247	55,247	58,580	62,824	67,268	71,522	76,129	81,457	
Cash, Cash Equivalents & Investments - end of the year	65,799	52,593	61,247	61,247	68,360	72,824	77,268	81,522	86,129	91,457	

**AGENDA OF THE EXTRAORDINARY MEETING OF COUNCIL
WEDNESDAY 1 MAY 2024**

Scenario 1 – Water Fund – 10 Year Statement of Financial Performance

Wingecarribee Shire Council 10 Year Financial Plan for the Years ending 30 June 2034 INCOME STATEMENT - WATER FUND Scenario: Scenario 1 - Business as usual												
	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34		
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Income from Continuing Operations												
Revenue:												
Rates & Annual Charges	4,566	4,878	5,210	5,465	5,732	6,012	6,307	6,615	6,940	7,280		
User Charges & Fees	10,065	10,729	11,464	12,025	12,614	13,232	13,881	14,562	15,277	16,027		
Other Revenues	301	315	325	334	342	350	359	368	377	387		
Grants & Contributions provided for Operating Purposes	-	-	-	-	-	-	-	-	-	-		
Grants & Contributions provided for Capital Purposes	1,500	1,568	1,622	1,663	1,704	1,747	1,791	1,836	1,881	1,928		
Interest & Investment Revenue	2,900	3,002	2,592	2,406	2,216	2,022	1,867	1,664	1,456	1,242		
Total Income from Continuing Operations	19,332	20,491	21,213	21,893	22,609	23,364	24,205	25,045	25,931	26,864		
Expenses from Continuing Operations												
Employee Benefits & On-Costs	3,980	4,100	4,223	4,328	4,436	4,547	4,661	4,777	4,897	5,019		
Borrowing Costs	-	416	404	1,384	2,235	2,167	2,096	2,019	1,939	1,853		
Materials & Contracts	7,916	7,952	8,221	8,446	8,693	8,915	9,161	9,415	9,676	9,946		
Depreciation & Amortisation	8,366	8,537	9,104	9,915	10,712	11,348	12,021	12,734	13,491	14,293		
Other Expenses	-	-	-	-	-	-	-	-	-	-		
Total Expenses from Continuing Operations	20,262	21,004	21,952	24,073	26,077	26,977	27,938	28,946	30,003	31,111		
Operating Result from Continuing Operations	(930)	(513)	(739)	(2,181)	(3,468)	(3,613)	(3,733)	(3,901)	(4,072)	(4,247)		
Net Operating Result for the Year	(930)	(513)	(739)	(2,181)	(3,468)	(3,613)	(3,733)	(3,901)	(4,072)	(4,247)		
Net Operating Result before Grants and Contributions provided for Capital Purposes	(2,430)	(2,081)	(2,361)	(3,844)	(5,172)	(5,360)	(5,624)	(5,736)	(5,953)	(6,175)		

**AGENDA OF THE EXTRAORDINARY MEETING OF COUNCIL
WEDNESDAY 1 MAY 2024**

Scenario 1 – Water Fund – 10 Year Statement of Financial Position

Wingecarribee Shire Council 10 Year Financial Plan for the Years ending 30 June 2034 BALANCE SHEET - WATER FUND Scenario: Scenario 1 - Business as usual												
	Periods of Years											
	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34		
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
ASSETS												
Current Assets												
Cash & Cash Equivalents	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000
Investments	66,072	62,502	49,014	40,862	43,639	42,001	42,173	42,181	42,678	43,702	43,702	43,702
Receivables	4,109	4,381	4,078	4,906	5,144	5,295	5,858	5,933	6,223	6,527	6,527	6,527
Inventories	408	422	435	446	457	468	480	482	504	517	517	517
Contract assets and contract cost assets	-	-	-	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-	-	-	-
Total Current Assets	71,589	69,306	66,727	54,213	51,140	50,484	50,310	50,608	51,408	51,408	51,408	52,745
Non-Current Assets												
Investments	-	-	-	-	-	-	-	-	-	-	-	-
Receivables	-	-	-	-	-	-	-	-	-	-	-	-
Infrastructure, Property, Plant, & Equipment	264,605	265,232	301,650	316,358	314,876	310,758	305,958	300,463	294,202	287,139	287,139	287,139
Intangible Assets	-	-	-	-	-	-	-	-	-	-	-	-
Right of use assets	-	-	-	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-	-	-	-
Total Non-Current Assets	264,605	265,232	301,650	316,358	314,876	310,758	305,958	300,463	294,202	287,139	287,139	287,139
TOTAL ASSETS	336,194	334,538	368,376	370,572	366,016	361,242	356,278	351,069	345,610	345,610	345,610	339,885
LIABILITIES												
Current Liabilities												
Payables	1,461	1,494	1,560	1,613	1,670	1,725	1,784	1,845	1,909	1,976	1,976	1,976
Contract liabilities	168	177	188	188	208	218	229	240	252	265	265	265
Borrowings	-	199	686	1,156	1,225	1,301	1,381	1,465	1,555	1,555	1,555	1,555
Employee benefit provisions	624	624	624	624	624	624	624	624	624	624	624	624
Other provisions	2,251	2,494	3,069	3,530	3,727	3,867	4,017	4,175	4,340	4,419	4,419	4,419
Total Current Liabilities	4,494	5,168	6,127	6,809	7,254	7,747	8,191	8,709	9,358	9,939	10,599	11,299
Non-Current Liabilities												
Contract liabilities	-	-	-	-	-	-	-	-	-	-	-	-
Lease liabilities	-	-	-	-	-	-	-	-	-	-	-	-
Borrowings	-	6,613	22,627	36,473	36,247	33,947	32,668	31,101	29,546	27,991	27,991	27,991
Employee benefit provisions	49	49	49	49	49	49	49	49	49	49	49	49
Other provisions	-	-	-	-	-	-	-	-	-	-	-	-
Total Non-Current Liabilities	49	6,662	22,676	36,522	36,256	33,956	32,687	31,150	29,595	28,040	28,040	28,040
TOTAL LIABILITIES	2,201	8,157	25,796	40,112	38,074	37,063	36,532	35,525	33,935	33,935	33,935	32,459
Net Assets	333,993	326,380	342,680	330,460	327,942	324,295	319,746	315,544	311,673	311,673	311,673	307,426
EQUITY												
Retained Earnings	66,577	66,064	66,325	63,144	60,676	58,063	56,329	54,429	52,357	50,110	47,767	45,317
Revaluation Reserves	237,316	237,316	237,316	237,316	237,316	237,316	237,316	237,316	237,316	237,316	237,316	237,316
Total Equity	303,893	303,380	303,641	300,460	297,992	295,379	293,645	291,745	289,673	287,426	284,926	282,633

**AGENDA OF THE EXTRAORDINARY MEETING OF COUNCIL
WEDNESDAY 1 MAY 2024**

Scenario 1 – Water Fund – 10 Year Statement of Cash Flow

Wingecarribee Shire Council 10 Year Financial Plan for the Years ending 30 June 2034 CASH FLOW STATEMENT - WATER FUND Scenario: Scenario 1 - Business as usual													
2024/25	2025/26					Projected Years							
	\$'000	\$'000	\$'000	\$'000	\$'000	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34
Cash Flows from Operating Activities													
Receipts:													
Rates & Annual Charges	4,654	4,865	5,193	5,454	5,721	6,001	6,294	6,602	6,926	7,265	7,618	7,986	8,368
User Charges & Fees	9,851	10,513	11,224	11,842	12,422	13,031	13,670	14,340	15,044	15,783	16,517	17,247	17,972
Investment & Interest Revenue Received	2,900	3,002	2,992	2,908	2,716	2,022	1,807	1,654	1,466	1,242	1,000	763	527
Grants & Contributions	1,500	1,565	1,620	1,661	1,703	1,745	1,783	1,824	1,864	1,904	1,944	1,984	2,024
Other	301	315	325	334	342	350	359	365	371	377	382	387	392
Payments:													
Employee Benefits & On-Costs	(3,900)	(4,100)	(4,223)	(4,323)	(4,408)	(4,477)	(4,541)	(4,601)	(4,657)	(4,711)	(4,764)	(4,816)	(4,867)
Materials & Contracts	(7,898)	(7,962)	(8,193)	(8,427)	(8,672)	(8,927)	(9,140)	(9,353)	(9,564)	(9,773)	(9,981)	(10,188)	(10,395)
Borrowing Costs	-	(416)	(404)	(1,384)	(2,256)	(2,157)	(2,096)	(2,019)	(1,939)	(1,853)	(1,763)	(1,669)	(1,574)
Other	-	-	-	-	-	-	-	-	-	-	-	-	-
Net Cash provided (or used in) Operating Activities	7,260	7,781	8,132	7,658	7,061	7,537	8,063	8,619	9,193	9,788	10,403	11,038	11,693
Cash Flows from Investing Activities													
Receipts:													
Sale of Investment Securities	1,869	12,570	2,839	2,751	3,323	918	448	-	-	-	-	-	-
Sale of Infrastructure, Property, Plant & Equipment	212	142	106	122	170	170	170	170	170	170	170	170	170
Other Investing Activity Receipts	-	-	-	-	-	-	-	-	-	-	-	-	-
Payments:													
Purchase of Investment Securities	-	-	-	-	-	-	-	-	-	-	-	-	-
Purchase of Infrastructure, Property, Plant & Equipment	(9,340)	(27,305)	(27,628)	(24,745)	(9,400)	(7,400)	(7,400)	(7,400)	(7,400)	(7,400)	(7,400)	(7,400)	(7,400)
Net Cash provided (or used in) Investing Activities	(7,269)	(14,594)	(24,933)	(21,872)	(5,907)	(6,312)	(6,782)	(7,139)	(7,438)	(7,728)	(8,023)	(8,253)	(8,533)
Cash Flows from Financing Activities													
Receipts:													
Proceeds from Borrowings & Advances	-	7,000	16,700	15,000	-	-	-	-	-	-	-	-	-
Payments:													
Repayment of Borrowings & Advances	-	(183)	(199)	(690)	(1,155)	(1,225)	(1,301)	(1,381)	(1,465)	(1,555)	(1,650)	(1,750)	(1,855)
Net Cash Flow provided (or used in) Financing Activities	-	6,817	16,501	14,310	(1,155)	(1,225)	(1,301)	(1,381)	(1,465)	(1,555)	(1,650)	(1,750)	(1,855)
Net Increase/(Decrease) in Cash & Cash Equivalents	0	-	-	-	-	(10)	0	-	-	0	-	-	-
Plus: Cash & Cash Equivalents - beginning of year	2,000	2,000	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	2,000	2,000	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	2,000	2,000	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	65,072	52,502	49,514	46,862	43,539	42,521	42,173	42,181	42,878	43,702	44,578	45,502	46,472
Cash, Cash Equivalents & Investments - end of the year	67,072	54,502	51,514	48,862	45,539	44,521	44,173	44,181	44,678	45,702	46,078	46,978	47,972

**AGENDA OF THE EXTRAORDINARY MEETING OF COUNCIL
WEDNESDAY 1 MAY 2024**

Scenario 1 – Sewer Fund – 10 Year Statement of Financial Performance

Wingecarribee Shire Council 10 Year Financial Plan for the Years ending 30 June 2034 INCOME STATEMENT - SEWER FUND Scenario: Scenario 1 - Business as usual												
	2024/25 \$'000	2025/26 \$'000	2026/27 \$'000	2027/28 \$'000	Projected Years					2033/34 \$'000	2033/34 \$'000	
					2028/29 \$'000	2029/30 \$'000	2030/31 \$'000	2031/32 \$'000	2032/33 \$'000			
Income from Continuing Operations												
Revenue:												
Rates & Annual Charges	21,461	22,530	23,652	24,828	26,063	27,359	28,720	30,149	31,649	33,224		
User Charges & Fees	1,497	1,569	1,641	1,713	1,789	1,868	1,950	2,037	2,127	2,222		
Other Revenues	8	8	9	9	9	9	10	10	10	10		
Grants & Contributions provided for Operating Purposes	-	-	-	-	-	-	-	-	-	-		
Grants & Contributions provided for Capital Purposes	26,100	15,468	1,622	1,663	1,704	1,747	1,791	1,836	1,881	1,928		
Interest & Investment Revenue	2,430	2,415	1,988	1,837	1,633	1,524	1,412	1,297	1,180	1,059		
Total Income from Continuing Operations	51,495	41,990	28,912	30,051	31,199	32,507	33,883	35,329	36,848	38,444		
Expenses from Continuing Operations												
Employee Benefits & On-Costs	4,291	4,420	4,552	4,666	4,783	4,902	5,025	5,150	5,279	5,411		
Borrowing Costs	9	653	3,606	4,871	4,725	4,571	4,407	4,233	4,049	3,853		
Materials & Contracts	11,954	17,605	15,063	9,560	9,832	10,113	10,403	10,702	11,010	11,331		
Depreciation & Amortisation	10,713	10,513	11,586	12,520	13,366	14,160	15,003	15,896	16,843	17,846		
Other Expenses	13	14	14	15	15	15	16	16	16	17		
Total Expenses from Continuing Operations	26,980	33,204	34,820	31,631	32,720	33,761	34,853	35,998	37,197	38,458		
Operating Result from Continuing Operations	24,515	8,787	(5,908)	(1,581)	(1,522)	(1,254)	(970)	(669)	(349)	(44)		
Net Operating Result for the Year	24,515	8,787	(5,908)	(1,581)	(1,522)	(1,254)	(970)	(669)	(349)	(44)		
Net Operating Result before Grants and Contributions provided for Capital Purposes	(1,585)	(6,881)	(7,531)	(3,243)	(3,226)	(3,001)	(2,761)	(2,505)	(2,231)	(1,942)		

**AGENDA OF THE EXTRAORDINARY MEETING OF COUNCIL
WEDNESDAY 1 MAY 2024**

Scenario 1 – Sewer Fund – 10 Year Statement of Financial Position

Wingecarribee Shire Council 10 Year Financial Plan for the Years ending 30 June 2034 BALANCE SHEET - SEWER FUND Scenario: Scenario 1 - Business as usual											
	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34	
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	
ASSETS											
Current Assets											
Cash & Cash Equivalents	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	
Investments	44,772	40,374	19,043	19,898	16,441	19,874	22,239	25,593	29,960	35,807	
Receivables	7,472	7,820	8,125	8,451	8,873	9,274	9,694	10,133	10,584	11,077	
Inventories	59	61	63	66	68	71	70	71	73	76	
Contract assets and contract cost assets	-	-	-	-	-	-	-	-	-	-	
Other	-	-	-	-	-	-	-	-	-	-	
Total Current Assets	54,303	50,256	29,241	30,443	29,381	31,216	34,003	37,758	42,863	48,869	
Non-Current Assets											
Investments	-	-	-	-	-	-	-	-	-	-	
Receivables	-	-	-	-	-	-	-	-	-	-	
Infrastructure, Property, Plant & Equipment	467,816	515,706	542,043	546,552	543,417	537,487	530,714	523,048	514,435	504,819	
Intangible Assets	-	-	-	-	-	-	-	-	-	-	
Right of use assets	-	-	-	-	-	-	-	-	-	-	
Other	59	60	74	47	48	50	51	53	54	56	
Total Non-Current Assets	467,875	515,766	542,117	546,599	543,465	537,536	530,765	523,100	514,489	504,875	
TOTAL ASSETS	912,178	866,047	871,358	877,042	872,846	868,752	864,768	860,858	857,353	853,744	
LIABILITIES											
Current Liabilities											
Payables	659	1,499	1,468	1,243	1,233	1,222	1,210	1,198	1,181	1,165	
Contract liabilities	91	95	100	104	109	113	118	124	129	135	
Borrowings	313	1,754	2,515	2,669	2,833	3,007	3,192	3,397	3,595	3,800	
Employee benefit provisions	935	935	935	935	935	935	935	935	935	935	
Total Current Liabilities	1,997	4,283	5,017	4,961	5,109	5,277	5,454	5,642	5,840	6,081	
Non-Current Liabilities											
Contract liabilities	-	-	-	-	-	-	-	-	-	-	
Lease liabilities	-	-	-	-	-	-	-	-	-	-	
Borrowings	16,137	58,934	65,419	70,749	73,916	70,909	67,717	64,330	60,734	57,148	
Employee benefit provisions	63	63	63	63	63	63	63	63	63	63	
Other provisions	-	-	-	-	-	-	-	-	-	-	
Total Non-Current Liabilities	16,201	58,997	65,482	70,813	73,979	70,972	67,781	64,393	60,798	57,211	
TOTAL LIABILITIES	18,197	63,280	70,499	75,774	79,088	76,249	73,235	70,035	66,638	63,292	
Net Assets	893,981	802,767	800,859	801,268	797,758	792,503	791,533	790,823	790,715	790,452	
EQUITY											
Retained Earnings	225,941	234,727	228,819	227,239	225,717	224,463	223,493	222,624	221,754	220,885	
Revaluation Reserves	268,040	268,040	268,040	268,040	268,040	268,040	268,040	268,040	268,040	268,040	
Total Equity	493,981	502,767	496,859	495,279	493,757	492,503	491,533	490,664	490,794	490,925	

**AGENDA OF THE EXTRAORDINARY MEETING OF COUNCIL
WEDNESDAY 1 MAY 2024**

Scenario 1 – Sewer Fund – 10 Year Statement of Financial Cash Flow

	Wingecarribee Shire Council 10 Year Financial Plan for the Years ending 30 June 2034 CASH FLOW STATEMENT - SEWER FUND Scenario: Scenario 1 - Business as usual										
	2024/25	Projected Years					Projected Years				
		\$'000	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34
Cash Flows from Operating Activities											
Receipts:											
Rates & Annual Charges	21,366	22,455	23,576	24,745	25,979	27,271	28,623	30,052	31,547	33,117	
User Charges & Fees	466	1,074	1,125	1,433	1,466	1,561	1,629	1,700	1,775	1,854	
Investment & Interest Revenue Received	2,430	2,415	1,988	1,837	1,833	1,524	1,412	1,297	1,180	1,059	
Grants & Contributions	11,916	15,692	1,914	1,662	1,704	1,746	1,790	1,835	1,890	1,927	
Other	8	8	9	9	9	9	10	10	10	10	
Payments:											
Employee Benefits & On-Costs	(4,291)	(4,420)	(4,552)	(4,686)	(4,783)	(4,902)	(5,025)	(5,150)	(5,279)	(5,411)	
Materials & Contracts	(11,787)	(17,333)	(15,188)	(9,825)	(9,820)	(10,101)	(10,391)	(10,690)	(10,997)	(11,317)	
Borrowing Costs	(1)	(114)	(3,502)	(4,802)	(4,750)	(4,597)	(4,435)	(4,263)	(4,080)	(3,898)	
Other	(13)	(14)	(14)	(15)	(15)	(15)	(16)	(16)	(16)	(17)	
Net Cash provided (or used in) Operating Activities	20,084	19,787	5,355	10,379	11,463	12,456	13,602	14,778	16,020	17,335	
Cash Flows from Investing Activities											
Receipts:											
Sale of Investment Securities	17,571	4,368	21,321	-	1,447	-	-	-	-	-	
Sale of Infrastructure, Property, Plant & Equipment	90	104	75	158	170	170	170	170	170	170	
Other Investing Activity Receipts	-	-	-	-	-	-	-	-	-	-	
Payments:											
Purchase of Investment Securities	-	-	-	(635)	-	(1,433)	(2,365)	(3,354)	(4,403)	(5,511)	
Purchase of Infrastructure, Property, Plant & Equipment	(53,578)	(65,500)	(37,958)	(17,187)	(10,400)	(8,400)	(8,400)	(8,400)	(8,400)	(8,400)	
Net Cash provided (or used in) Investing Activities	(35,907)	(61,132)	(16,637)	(17,664)	(8,763)	(9,663)	(10,593)	(11,584)	(12,633)	(13,741)	
Cash Flows from Financing Activities											
Receipts:											
Proceeds from Borrowings & Advances	16,450	44,550	13,000	10,000	-	-	-	-	-	-	
Payments:											
Repayment of Borrowings & Advances	(622)	(313)	(1,754)	(2,515)	(2,669)	(2,833)	(3,007)	(3,192)	(3,387)	(3,595)	
Net Cash Flow provided (used in) Financing Activities	15,828	44,237	11,246	7,485	(2,669)	(2,833)	(3,007)	(3,192)	(3,387)	(3,595)	
Net Increase/(Decrease) in Cash & Cash Equivalents	-	-	-	-	-	-	(0)	(0)	(0)	0	
plus: Cash & Cash Equivalents - beginning of year	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	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	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	44,772	40,374	15,053	19,888	18,441	19,874	22,238	25,553	29,898	35,507	
Cash, Cash Equivalents & Investments - end of the year	46,772	42,374	21,053	21,888	20,441	21,874	24,239	27,593	31,998	37,507	

**AGENDA OF THE EXTRAORDINARY MEETING OF COUNCIL
WEDNESDAY 1 MAY 2024**

Scenario 2 – General Fund – 10 Year Statement of Financial Performance

Wingecarribee Shire Council 10 Year Financial Plan for the Years ending 30 June 2034 INCOME STATEMENT - GENERAL FUND Scenario: Alternative Scenario											
	Projected Years										
	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34	
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Income from Continuing Operations											
Revenue:											
Rates & Annual Charges	73,439	78,783	85,331	91,068	96,795	100,476	104,276	108,202	112,256	116,445	
User Charges & Fees	14,525	15,071	15,472	15,770	16,075	16,387	16,708	17,036	17,373	17,716	
Other Revenues	3,144	3,293	3,402	3,487	3,574	3,663	3,754	3,848	3,944	4,042	
Grants & Contributions provided for Operating Purposes	11,718	8,281	8,484	8,654	8,834	9,015	9,199	9,387	9,579	9,775	
Grants & Contributions provided for Capital Purposes	13,541	7,572	3,855	4,517	2,579	2,844	2,710	2,778	2,847	2,918	
Interest & Investment Revenue	3,070	3,105	2,798	2,758	2,677	2,594	2,509	2,422	2,332	2,240	
Total Income from Continuing Operations	119,437	116,105	119,343	126,253	130,534	134,779	138,156	143,672	148,331	153,137	
Expenses from Continuing Operations											
Employee Benefits & On-Costs	41,875	42,950	44,183	45,241	46,325	47,437	48,576	49,745	50,942	52,170	
Borrowing Costs	721	794	1,009	1,012	897	837	776	710	642	574	
Materials & Contracts	36,557	35,077	38,120	38,987	40,582	40,872	41,894	42,839	44,587	44,957	
Depreciation & Amortisation	31,641	32,472	33,281	34,111	34,977	35,829	36,708	37,613	38,545	39,505	
Other Expenses	3,566	3,800	3,917	4,016	4,119	4,224	4,332	4,443	4,555	4,671	
Total Expenses from Continuing Operations	114,360	115,092	120,510	123,367	126,901	129,199	132,286	135,350	139,271	141,878	
Operating Result from Continuing Operations	5,077	1,013	(1,168)	2,886	3,634	5,580	6,870	8,322	9,060	11,259	
Net Operating Result for the Year	5,077	1,013	(1,168)	2,886	3,634	5,580	6,870	8,322	9,060	11,259	
Net Operating Result before Grants and Contributions provided for Capital Purposes	(6,464)	(6,569)	(5,023)	(1,631)	1,054	2,336	4,160	5,544	6,213	8,341	

AGENDA OF THE EXTRAORDINARY MEETING OF COUNCIL WEDNESDAY 1 MAY 2024

Scenario 2 – General Fund – 10 Year Statement of Financial Position

Wingecarribee Shire Council 10 Year Financial Plan for the Years ending 30 June 2024 BALANCE SHEET - GENERAL FUND Scenario: Alternative Scenario												
	2024/25	2025/26	2026/27	2027/28	Projected Years			2030/31	2031/32	2032/33	2033/34	
	\$'000	\$'000	\$'000	\$'000	2028/29	2029/30	2030/31	\$'000	\$'000	\$'000	\$'000	
A S S E T S												
Current Assets												
Cash & Cash Equivalents	6,000	6,000	9,170	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000
Investments	58,789	58,574	55,210	55,210	58,502	62,737	67,171	71,815	76,011	81,380	81,380	81,380
Receivables	9,518	8,720	8,557	8,555	9,000	9,252	9,482	9,709	9,977	10,324	10,324	10,324
Inventories	722	702	715	836	805	815	836	856	856	850	901	901
Contract assets and contract cost assets	17,233	17,212	17,201	17,150	17,178	17,167	17,155	17,143	17,130	17,117	17,103	17,103
Other	821	803	863	884	919	929	854	977	1,014	1,014	1,028	1,028
Total Current Assets	94,083	90,011	92,164	92,164	95,405	100,880	105,958	110,600	115,023	120,703	120,703	120,703
Non-Current Assets												
Investments	-	-	-	-	-	-	-	-	-	-	-	-
Receivables	411	348	217	149	101	61	61	61	61	61	61	61
Infrastructure, Property, Plant & Equipment	1,538,833	1,646,214	1,644,454	1,544,454	1,542,505	1,542,505	1,544,175	1,545,505	1,550,030	1,554,761	1,554,761	1,554,761
Intangible Assets	396	395	395	395	395	395	395	395	395	395	395	395
Right of use assets	274	274	274	274	274	274	274	274	274	274	274	274
Other	-	-	-	-	-	-	-	-	-	-	-	-
Total Non-Current Assets	1,839,913	1,847,231	1,844,088	1,844,754	1,843,754	1,843,759	1,844,908	1,847,238	1,850,760	1,855,400	1,855,400	1,855,400
TOTAL ASSET \$	1,933,996	1,807,242	1,736,352	1,737,595	1,740,159	1,744,640	1,750,563	1,757,736	1,765,783	1,776,103	1,776,103	1,776,103
LIABILITIES												
Current Liabilities												
Payables	15,189	15,150	16,021	16,021	16,007	16,850	17,180	17,500	17,900	18,196	18,196	18,196
Contract liabilities	3,928	2,985	2,784	2,784	2,805	2,859	2,713	2,769	2,825	2,884	2,884	2,884
Borrowings	1,111	1,183	1,278	1,278	1,307	1,359	1,485	1,530	1,573	1,573	1,573	1,573
Employee benefit provisions	6,630	6,630	6,630	6,630	6,630	6,630	6,630	6,630	6,630	6,630	6,630	6,630
Total Current Liabilities	27,200	26,271	26,625	27,214	27,571	27,881	28,331	28,777	29,038	29,283	29,283	29,283
Non-Current Liabilities												
Contract liabilities	2	3	3	3	3	3	3	3	3	3	3	3
Lease liabilities	580	580	580	580	580	580	580	580	580	580	580	580
Borrowings	10,380	19,543	18,420	17,144	16,807	14,408	12,943	11,408	10,235	9,060	9,060	9,060
Employee benefit provisions	336	336	336	336	336	336	336	336	336	336	336	336
Other provisions	18,582	18,582	18,582	18,582	18,582	18,582	18,582	18,582	18,582	18,582	18,582	18,582
Total Non-Current Liabilities	39,943	39,108	37,983	36,707	35,371	33,971	32,500	30,971	29,796	29,223	29,223	29,223
TOTAL LIABILITIES	67,143	65,379	64,608	63,921	62,942	61,852	60,831	59,748	58,834	57,506	57,506	57,506
Net Assets	1,870,852	1,801,863	1,801,863	1,801,863	1,801,863	1,801,863	1,801,863	1,801,863	1,801,863	1,801,863	1,801,863	1,801,863
EQUITY												
Retained Earnings	581,478	582,491	584,209	584,209	587,843	593,423	600,252	608,814	617,874	628,983	628,983	628,983
Revaluation Reserves	1,089,374	1,089,374	1,089,374	1,089,374	1,089,374	1,089,374	1,089,374	1,089,374	1,089,374	1,089,374	1,089,374	1,089,374
Total Equity	1,670,852	1,671,865	1,673,583	1,673,583	1,677,217	1,682,797	1,689,626	1,698,188	1,707,248	1,718,357	1,718,357	1,718,357

**AGENDA OF THE EXTRAORDINARY MEETING OF COUNCIL
WEDNESDAY 1 MAY 2024**

Scenario 2 – General Fund – 10 Year Statement of Financial Cashflow

	Projected Years									
	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Wingecarribee Shire Council										
10 Year Financial Plan for the Years ending 30 June 2034										
CA SH FLOW STATEMENT - GENERAL FUND										
Scenario: Alternative Scenario										
Cash Flows from Operating Activities										
Receipts:										
Rates & Annual Charges	73,507	78,781	86,328	91,065	98,792	100,476	104,275	108,200	112,265	116,443
User Charges & Fees	14,423	15,032	15,448	15,754	16,068	16,371	16,680	17,018	17,364	17,697
Investment & Interest Revenue Received	3,024	3,118	2,770	2,687	2,804	2,925	2,439	2,349	2,264	2,169
Grants & Contributions	25,133	19,638	12,259	13,190	11,373	11,664	11,915	12,171	12,432	12,699
Other	3,252	3,485	3,448	3,419	3,579	3,610	3,700	3,793	3,887	3,984
Payments:										
Employee Benefits & On-Costs	(41,727)	(42,913)	(44,141)	(45,205)	(46,268)	(47,339)	(48,538)	(49,705)	(50,902)	(52,129)
Materials & Contracts	(36,666)	(35,210)	(37,843)	(38,820)	(40,310)	(40,784)	(41,700)	(42,654)	(44,288)	(44,848)
Borrowing Costs	(707)	(777)	(1,015)	(1,015)	(904)	(844)	(783)	(718)	(650)	(590)
Other	(3,568)	(3,799)	(3,912)	(4,014)	(4,116)	(4,222)	(4,329)	(4,440)	(4,552)	(4,668)
Net Cash provided (or used in) Operating Activities	35,673	33,352	32,537	37,658	38,790	41,396	43,869	46,013	47,801	50,758
Cash Flows from Investing Activities										
Receipts:										
Sale of Investment Securities	5,381	3,225	1,365	-	-	-	-	-	-	-
Sale of Infrastructure, Property, Plant & Equipment	1,772	1,401	1,232	722	1,240	1,240	1,240	1,240	1,240	1,240
Other Investing Activity Receipts	-	-	-	-	-	-	-	-	-	-
Payments:										
Purchase of Investment Securities	-	-	-	-	(3,292)	(4,235)	(4,434)	(4,644)	(4,196)	(5,318)
Purchase of Infrastructure, Property, Plant & Equipment	(40,528)	(41,254)	(34,034)	(33,562)	(34,899)	(37,132)	(39,124)	(41,183)	(43,309)	(45,507)
Net Cash provided (or used in) Investing Activities	(39,337)	(39,597)	(31,375)	(32,755)	(35,894)	(40,059)	(42,270)	(44,548)	(46,269)	(49,355)
Cash Flows from Financing Activities										
Receipts:										
Proceeds from Borrowings & Advances	4,125	4,326	-	-	-	-	-	-	-	-
Payments:										
Repayment of Borrowings & Advances	(1,481)	(1,111)	(1,163)	(1,123)	(1,276)	(1,337)	(1,399)	(1,465)	(1,535)	(1,173)
Net Cash Flow provided (used in) Financing Activities	2,644	3,215	(1,163)	(1,123)	(1,276)	(1,337)	(1,399)	(1,465)	(1,535)	(1,173)
Net Increase/(Decrease) in Cash & Cash Equivalents	0	0	0	3,170	830	(6)	(6)	0	0	(6)
plus: Cash & Cash Equivalents - beginning of year	6,000	6,000	6,000	6,000	9,170	10,000	10,000	10,000	10,000	10,000
Cash & Cash Equivalents - end of the year	6,000	6,000	6,000	9,170	10,000	10,000	10,000	10,000	10,000	10,000
Cash & Cash Equivalents - end of the year	6,000	6,000	6,000	9,170	10,000	10,000	10,000	10,000	10,000	10,000
Investments - end of the year	59,759	55,574	55,210	55,210	58,502	62,737	67,171	71,815	76,011	81,330
Cash, Cash Equivalents & Investments - end of the year	65,759	62,574	61,210	64,380	69,502	72,737	77,171	81,815	86,011	91,330



Resourcing Strategy 2024-2034

Availability

This document is available on Council's website.

<https://www.wsc.nsw.gov.au/Council/Policies-Strategies-and-Reports/Strategies-and-Plans>

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