



**FUTUREPLAN 20**  
*Our 20 year vision*

## 2013- 17 OVERARCHING RESOURCING STRATEGY



UPDATED JUNE 2014





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# INTRODUCTION

## City of Canada Bay Resourcing Strategy

Councils in New South Wales are required under the Local Government Act to undertake a range of planning processes aimed at understanding and then delivering the community's vision for the future of their local area.

A long term community strategic plan establishes the community's long term vision and the key strategies that will need to be implemented in order to bring about this future. This plan for Canada Bay is called *FuturesPlan20*. Council then determines the specific actions that it will undertake in each four year term in order to implement those strategies within its responsibility. This plan is called the Delivery Plan, and is delivered on an annual basis through Council's Annual Budget and Operating Plan.

One of the key aspects of the integrated planning and reporting framework is the preparation of a Resourcing Strategy. Council needs to know it has the capacity and capability to deliver its city strategies, plans, programs and key services contained within *FuturesPlan20* and the Delivery Plan so that the City can develop into the type of place and community that our residents desire.

To successfully implement *FuturesPlan20*, the community's vision for the future over the long term, Council must use the best mix of the resources – its people, assets and money – in an efficient and financially sustainable manner.

This document brings together Council's three Resource Strategies – Workforce Plan, Long Term Financial Plan and Asset Management Strategy. It identifies the key resource challenges for the City of Canada Bay over the coming years, and the possible way that these might be addressed. It presents these challenges in such a way as to continue the conversation with the community about the

future of this place, and how Council and its residents might work in partnership to bring this about in the most effective way.

Council established a panel of 36 randomly selected residents to consider Council services and the need for on-going infrastructure renewal when funding is finite. The Panel was asked to determine, subject to final approval, a set of recommended levels of service to form the basis of the Council's 2013-17 Delivery Plan. The Panel was asked to agree on the priority services for Council to deliver; agree the level of those services; and agree the preferred funding sources for each of their preferences. As an adjunct to this process, Council also initiated an organisational review, and engaged a specialised consultant to analyse Council's structure with a view to finding internal savings; ensuring all opportunities to fund infrastructure have been identified; matching service delivery to community expectations; and identifying innovative ways to generate income streams.

In considering the outcomes of both these projects, Council resolved to fully investigate and cost the detailed recommendations; and to look at avenues to find savings or generate income. As a result of this ongoing work, Council's annual Operating Plan activities, budgets and capital allocations have been informed by a revised version of Scenario Two, which is explored in this document, and in each of our Resourcing Strategy plans. This adopted position will be reflected in further iterations of our Resourcing Strategy documents as they are reviewed and updated over coming years.

# MEETING THE RESOURCE CHALLENGES FOR THE FUTURE OF CANADA BAY

## About Canada Bay

The City of Canada Bay is located in Sydney's Inner West, about six to 12 kilometres from Sydney's centre. The city is bounded by the Parramatta River in the north and east and Parramatta Road, Homebush Bay and Bicentennial Park on the south and west.

The City of Canada Bay was home to 79,905 people at the last census in 2011. This had increased from 65,748 in 2006, the fastest growth rate in Sydney according to the Department of Planning and Infrastructure.

Some of the key demographic features of the City of Canada Bay are:

- There is a smaller proportion of teenagers than the Greater Sydney Area, but greater proportions of young adults and parents/homebuilders
- It is more ethnically diverse than the Greater Sydney population -29% of residents were born in countries where English is not the first language
- There is a higher rate of labour force participation, higher levels of professionals and managers, and higher levels of education when compared to the rest of Sydney
- Incomes are higher
- There are less couples and one-parent households with children
- There is a higher proportion of medium to high density housing
- More households have a broadband internet connection
- Almost three quarters of workers leave the area for work

The population of Canada Bay is forecast to reach almost 92,000 people by 2031, with an average annual growth rate over that period of 0.83%. Growth between 2006 and 2011 was 2.3% per year on average, and forecast to be 1.66% between 2011 and 2016. Average annual growth is expected to decrease slowly between then and 2031.

The forecast growth of the City of Canada Bay is for an increase in dwellings from 28,554 in 2006 to 40,320 in 2031. The greatest amount of this growth is expected in the Liberty Grove/Rhodes area (4,918 new dwellings), North Strathfield/Strathfield area (1710 new dwellings) and Cabarita/Mortlake/Breakfast Point (1662 new dwellings).

## About FuturesPlan20

Our community strategic vision for the City of Canada Bay is called FuturesPlan20. It was developed in 2008 through significant consultation with community members, partners and stakeholders, and sets out a long term plan for what the City will look and feel like in 20 years time. In response to the community feedback that we received, FuturesPlan20 was adopted to reflect the simple and clear vision that the people of the City of Canada Bay can enjoy where they live and work. FuturesPlan20 is based on four key themes or areas of focus for Council and its partners in delivering the vision for the future:

- An active and vibrant City
- A City of sustainable spaces and places
- An Innovative and engaged City
- A thriving and connected City

All Council's activities are aligned with these four themes and seek to achieve the aims of FuturesPlan20. As part of this aim, Council's vision is to provide the programs, services and projects that ensure our residents enjoy where they live and work.

## About Council's Role

Council is required, under its charter in the NSW Local Government Act, to carry out its functions responsibly, exercising leadership, having regard for the long term effects of its decisions, planning strategically on behalf of the local community, and effectively planning for and managing public assets.

Under the Integrated Planning and Reporting Requirements of the Local Government Act, the City of Canada Bay has undertaken an extensive resource planning process to understand the key needs and challenges over the coming years in terms of its finances, assets and workforce.

## How do we deliver the future for Canada Bay?

In order to project future resource requirements, Council has had to make assumptions about the key impacts and drivers that will influence Council's finances, assets and workforce into the future. These assumptions include:

- Growth - by 2024 the city's population will increase from 77,000 to approximately 89,000 by 2024. This population growth is expected to be evenly spread over the next 10 years, which represent growth of around 1,000 new residents, or 500 properties, per year
- Business as usual – services and service levels will remain at similar levels unless otherwise identified
- Efficiencies – Council must continually investigate and adopt service delivery and process efficiencies so that rates remain within capped levels
- Strategic direction – the broad themes and aspiration in Futures Plan 20 will be regularly reviewed but are unlikely to change significantly over time
- External funding – fixed term external funding such as the Waste and Sustainability Improvement Payment or

our Sustainability Levy which may in the future cease, at which point delivery of the associated programs may finish

- Infrastructure – we must maintain Council infrastructure, and to do this, an increase in investment in asset renewal is required
- Financial sustainability – Council seeks to be financially sustainable, which means that it must achieve a fully funded operational position, maintain sufficient cash reserves, have a fully funded capital program and must maintain its asset base

These assumptions influence the future resource requirements and have been used to develop options to plan services and resources over the next 10 years.

## What are our key challenges?

Council's asset management and financial planning has identified a significant shortfall in funding for long-term maintenance and renewal of infrastructure. This has created a backlog of asset renewal work that needs to be undertaken in order to keep these assets in a satisfactory condition. At present the level of asset renewal spending is approximately 50% of what it needs to be in the long term.

This is an issue that is common across local government, and one that many councils are currently grappling with – how to address the funding shortfall at the same time as continuing to deliver the many services and facilities that contribute to the amenity, safety and quality of life of the local area.

Low levels of asset expenditure means that the condition of community infrastructure assets will deteriorate over time and future ratepayers would need to bear an unreasonable burden of cost to replace assets.

The Citizen's Panel considered the funding shortfall for long term maintenance and renewal of infrastructure and identified a series of reductions to services, new sources of revenue

and recommended a focus on efficiency as initial measures to address the shortfall. The community survey identified some gaps between community expectations and current service delivery around the provision and maintenance of community infrastructure. Council has interpreted this an overall requirement to focus on delivering high quality core services.

It is important to note that whilst some asset types improve quality of life and amenity in an area, some are simply essential for the safe functioning of a local area, including roads, drainage and in the case of Canada Bay, seawalls.

There is significant risk associated with not addressing the condition of assets in Canada Bay over time, including managing large emergencies (such as flooding), business continuity and public health and safety.

Continuing to leave this asset renewal backlog unaddressed would not only see the burden of renewing assets shift to the future community but it would be at rising levels. This is because as assets deteriorate and reach the end of their life, the cost is far greater to bring them back to a satisfactory standard than if they were adequately maintained over the course of their life. Sometimes full replacement is the only option if they have been allowed to decline too far.

The current situation is not sustainable and cannot continue. The City of Canada Bay seeks to work in partnership with its local residents in order to find a solution that addresses the funding backlog, continues to deliver current services to the community, and does not unduly burden current or future residents in the process. Ultimately this solution will be essential for the future of Canada Bay to continue to provide the quality of life and amenity that its residents currently enjoy.

The City of Canada Bay needs to ensure that there are sufficient resources available in the right place, at the right time, with the right skills to deliver on the community's vision and aspirations for their place and community. Given the changes in the national and state

demographic profile, a burgeoning mining sector, skills shortages, emerging technology and international economic uncertainty managing the changes and requirements for the City's workforce will be a key challenge.

## How has this situation come about?

As with other councils in NSW, the City of Canada Bay's annual rate income is subject to 'rate pegging', with each year's percentage increase determined by an independent body (IPART).

Funding shortfalls for infrastructure renewal is a well-documented problem facing local government that has arisen over time. In 2005 it was estimated that in NSW alone the asset renewal backlog was around \$6 billion, and forecast to rise to almost \$12 billion over the next 15 years. Additionally, the City anticipates that some streams of funding such as the Sustainability Levy will cease and others such as the Waste & Sustainability Improvement Payment will be phased out; creating further pressure.

Local government has also faced rising costs over many years, greater than CPI and the allowable 'rate peg', including rising employee costs, cost shifting (where additional responsibilities are passed onto local government from other levels of government without corresponding funding), and utilities.

Council has worked hard to absorb as much of the increasing costs as possible without impacting on service levels by constantly striving to work more efficiently. The size of the asset renewal backlog, however, is such that a new solution needs to be found in order to address the issue responsibly, effectively and without unfairly shifting the burden for our past and current asset use onto future residents.

## What are our options?

Council prepared its resource plans with a consideration of three scenarios:

### Scenario One: Base Case

This is a short term option, useful only in demonstrating that we cannot continue to operate in this way without addressing the asset renewal backlog. Over time there would be a decline in Council's financial sustainability, assets and overall quality of life. This would shift the burden for asset renewal to future residents, which is neither fair nor responsible. In addition to this, Council's services and service levels would decline over time as forecast population growth would not fund any new services or additional maintenance or operational costs.

### Scenario Two: Basic Assets and Services

This increases spending on infrastructure by reducing finances currently held in "reserve". This scenario would slow the rate of asset decay but does not address the underlying problem of the declining condition of the asset base. It would enable assets to be kept in the condition that they are currently in, however some assets are already below satisfactory in condition. Over time the asset backlog would continue to grow, albeit at a slower rate than under Scenario 1. Council would have little capacity to increase or change services over time to meet community needs.

### Scenario Three: Sustainable Community

This scenario would see an increase in revenue through a rate rise for the purposes of addressing the asset renewal backlog, and would enable service levels to be maintained and in some cases improved in response to community need or expectation. A rate increase would mean that this scenario would cost current residents more, however it takes a more responsible and long term approach to

addressing asset condition backlog, and reduces the burden on future residents. It provides a better balance between delivering the community's long term vision and ensuring assets are fairly maintained to contribute to the long term quality of life and amenity of the City of Canada Bay.

## What community engagement has been undertaken on this Issue so far?

In 2012 Council conducted a Citizens Panel with a view to examining Council's services in detail. This panel was put together following 1,500 invitations being sent out to residents. Thirty-six panel members, reflecting the demographic make-up of Canada Bay, were randomly selected to take part.

The findings of the panel are as follows:

- Council services currently meet the community's diverse needs and expectations
- There is a significant shortfall in funding for the long-term maintenance and renewal of infrastructure, e.g. roads, storm water drains and seawalls, which will impact future generations if unaddressed
- A number of reductions to services were identified, such as frequency of street cleansing and park mowing
- Some new sources of funding were suggested, such as limited use of parking meters and increased commercial activity in public spaces
- Council should maintain their focus on efficient operations
- Despite identification of new revenue and cost savings, the panel acknowledged that raising rates was necessary to address Council's significant funding shortfall and still meet community expectations for services, taking into account the following:

- Raising the minimum rate
- An increase of 9% could be tolerated after consideration of the panel's other recommendations
- Minimising the impact on those least able to pay
- The reason for any rate rise must be clearly communicated to the residents and business owners of Canada Bay.

Council engaged IRIS Research in 2012 to undertake a comprehensive telephone survey of City of Canada Bay residents. The survey sought to understand residents' opinions as to the importance of, and satisfaction with, the services provided by Council. Importantly this helps Council to understand those services with the greatest gap between importance and satisfaction as key priority areas. Gap analysis performed on the survey results identified the following council services and facilities with a performance gap significantly larger than the average:

- Maintaining local roads
- Maintaining footpaths
- Managing residential developments
- Providing off-road car parking in shopping centres
- Condition of public toilets
- Cleaning local streets
- Providing street lighting
- Managing drainage and local flooding
- Processing development applications
- Providing stormwater and pollution control devices
- Managing street trees and garden beds
- Managing business and shopping centre development
- Cleaning footpaths in shopping areas

- Providing services and facilities for teenagers and young people

These messages from the community survey and Citizen's Panel were taken into account by Council in preparing the Resourcing Strategy.

We also undertook an extensive engagement program in 2013 to confirm the first iteration of our Resourcing Strategy plans and the full suite of our integrated planning and reporting documents. Key components of the program included:

- an extended two-part exhibition of a revised *FuturesPlan20* to provide an opportunity for initial community input as well as ongoing consideration;
- broad community engagement opportunities via online, face to face and written means;
- a statistically valid telephone survey to confirm the broad vision and intent of *FuturesPlan20*;
- a series of community workshops to explore and facilitate feedback on *FuturesPlan20*, a draft 2013-17 Delivery Plan and the resourcing strategy; and
- targeted stakeholder engagement, including a stakeholder workshop to ensure relevant government agencies, partners, and otherwise hard to reach community members are provided with appropriate means to consider Council's plans and strategies.

Broadly speaking, the essence of what community, staff, stakeholders and workshop participants communicated through both phases of consultation was very much in keeping with the results of the IRIS Research findings and the main themes of the recommendations of the 2012 Citizens' Panel. This included the need to focus on communication as an area for potential improvement and the need to prioritise fundamental issues such as maintenance, development, traffic and parking. This

consistency in response confirmed the direction Council had taken in drafting the suite of integrated planning and reporting documents.

A review of the activities relating to the lowest priority aspects of the vision (related to large enterprises and high quality businesses operating in the City and the presence of tourism destinations) suggested that the current levels of resourcing in the Delivery Plan provided a reasonable level of attention without overinvestment. In the longer term when Council has considered reports on the investigation of the 84 Citizens' Panel recommendations and the ongoing organisational review, it will be possible and prudent to further evaluate the resourcing and prioritisation of those activities relating to maintenance, development, traffic and parking as well as better communication, partnership and facilitation. Continued attention to these areas can only improve the documents further and ensure an enhanced capacity to ultimately achieve the vision of *FuturesPlan20*.

## What are we proposing now?

The City of Canada Bay recognises that the shortfall of funding for asset renewal needs to be addressed. Scenario 1, described above, would lead to a decline over time in services and service levels, Council's financial position, the state of the community's assets, and in the overall amenity and quality of life in Canada Bay. Further, this would defer or shift the responsibility for renewing assets to future residents, which is neither fair nor responsible.

On the other hand, Council does not take the consideration of a rate increase lightly. Council wants to fully understand the costs and implications before it consults with the community on the preferred scenario; but before it does this it plans to conduct a full organisational review and a number of individual service reviews to ensure the organisation is operating as efficiently and effectively as possible. By doing this, the Council can ensure that it is well placed to identify the true costs of scenarios 2 and 3 along with the implication and

possible solutions prior to seeking feedback from the community.

For this reason, Council proposes to plan activities, budgets and capital allocations in remaining years of the Delivery Plan through a revised version of Scenario Two. This will be based on operational revenue and expenditure from the Base Case scenario, with an increased level of asset renewal expenditure. It will also include the delivery of a new childcare facility at Powells Creek, resourcing requirements for The Connection at Rhodes and will reflect the new organisational structure which came into effect in January 2014. This adopted position will be reflected in further iterations of our Resourcing Strategy documents as they are reviewed and updated over coming years. This will allow us to continue to identify opportunities for cost savings and efficiency improvements and to complete further modelling on Scenarios 2 and 3 in order to fully understand the long-term impacts of each scenario on the asset renewal backlog and Council's financial position.

## Where to from here?

Council has commenced responding to the recommendations of the Citizens' Panel with many recommendations since implemented, while others are being undertaken now. Some are subject to further community input and will be progressively considered and/or implemented over the remaining life of the Delivery Plan.

The organisational review was completed in 2013, and a new organisational structure was adopted in January 2014. The review also recommended a number of non-structural recommendations and further actions which will also be progressively considered and/or implemented over the remaining life of the Delivery Plan.

With this work ongoing, there is no consideration of an application to IPART to increase rates at this stage. Any future application would be proceeded by an extensive process of communicating and engaging with the

community about the proposal and taking into account the full outcomes of our efforts to achieve cost savings and efficiency improvements and to fully understand options in relation to the asset renewal backlog.

The City of Canada Bay is committed to maintaining the high levels of amenity and quality of life that its residents so greatly value, and will continue to work closely with the community to bring about the type of future they desire. Planning how these outcomes are realistically delivered is an important process, and Council looks forward to working with and engaging the community of Canada Bay in determining how this can best be achieved.

# SUMMARY OF THE INDIVIDUAL RESOURCE STRATEGIES

## Workforce Management Plan

### Introduction

Workforce management planning identified the human resources and skills required to deliver on the medium to long-term strategic direction of the community, as identified in the Community Strategic Plan, *FuturesPlan20*.

In partnership with Council's Long Term Financial Plan and Asset Management Plans, the Workforce Plan is about ensuring that there are sufficient resources available in the right place, at the right time, with the right skills to deliver on the community's vision and aspirations for their place and community of Canada Bay.

The Workforce Management Plan helps Council plan its human resource requirements for the next four years and beyond, and plan what needs to occur to ensure the necessary staff resources are in place when they are needed. The right workforce is a critical element to delivering each of Council's plans.

### Snapshot of Current Workforce

In 2012, Council employed 323 full-time equivalent staff (FTE). This has increased by 34 FTE positions over the past 5 years, an increase of 2.4% per annum. This is slightly lower than the average annual growth rate of the population between 2006 to 2011 of 3%. The city's workforce is predominantly male, however this has become more balanced in the last five years, down from 63% male in 2007 to 57% in 2012. Staff are typically older than in other NSW metropolitan councils, with more than 20% of the workforce over the age of 55. Few staff members are of Aboriginal or Torres Strait Islander descent, which is typical of most metropolitan councils, but more of the workforce is from a culturally and linguistically diverse

background, at 11.3% compared to 6.7% for other metropolitan councils. A higher proportion of the workforce is employed in permanent positions when compared to other NSW metropolitan councils.

### External and internal influences on the workforce

It is widely acknowledged the national and international workforce is changing. Changes in the national and state demographic profile, a burgeoning mining sector, skills shortages, emerging technology and international economic uncertainty make workforce planning in 2012 more challenging than it has been for several decades.

External influences that will have a major impact on Council include:

- Workforce supply (e.g. aging workforce and skill shortages)
- Recruitment, retention, and workforce structure (e.g. trend to part time work, market competition, local government reform)
- Technology

Internal influences that have been identified as having an impact on Council into the future include:

- Local issues and challenges
- Organisational climate and culture
- Work Health and Safety obligations and commitment to on-going improvement of practices
- Equal Employment Opportunities and Diversity

### Strategies

The Workforce Management Plan contains a range of strategies and actions designed to ensure that there are sufficient resources available in the right place, at the right time, with the right skills to deliver on the community's

vision and aspirations for their place and community of the City of Canada Bay.

These strategies focus on areas including:

- Recruitment, selection and retention of the right workforce to support the shorter term Delivery Program and long term outcomes in FuturesPlan20
- Processes and systems to maximise the efficiency and effectiveness of Council's workforce, including service and process reviews, technology, resource-sharing and organisational culture
- Training and development of Council's workforce targeted to ensuring Council has the right skills at the right time
- Workforce health and wellbeing, and health and safety programs to ensure a healthy and safe workforce
- Workforce management and diversity planning to ensure current and future workforce needs are met

## Asset Management Strategy

### Introduction

The City of Canada Bay provides a wide range of services to its community. Some of these services are supported by infrastructure assets. A strong and informed decision-making process is required to effectively and adequately plan to manage, renew and replace existing assets and develop new ones.

In developing this plan, council has predicted infrastructure consumption, renewal needs and additional infrastructure requirements to meet future community service expectations as identified in FuturesPlan20.

The purpose of the Asset Management Strategy is to:

- Communicate information about assets in the local government area (including condition and performance)

- Identify strategies and actions required to provide defined levels of service
- Prioritise and address asset renewal and maintenance to ensure on-going service priority to the community

### Asset management principles

The key elements of infrastructure asset management are:

- Taking a life cycle approach – this means considering assets over their entire life
- Developing cost-effective management strategies for the long-term
- Providing a defined level of service and monitoring performance
- Understanding and meeting the demands of growth through demand management and infrastructure investment
- Managing risks associated with asset failures
- Sustainably using physical resources
- Ensuring continuous improvement in asset management practices

It is essential that the assets required to provide the services to our community are managed and maintained in a sustainable manner. Asset sustainability identifies the need to spend more on asset renewal than is being consumed on an annual and on-going basis.

This strategy provides for long term sustainability of our assets, to be achieved over a period of 20 years. To achieve this, the scope and standard of our services will continually be reviewed and consideration will be given to extending these where necessary to cover any changing community needs.

### Asset management framework

The Asset Management Policy sets out Council's commitment to manage its assets,

which will help achieve the FuturesPlan20 vision to meet the needs of the community. This policy will guide the strategic management of Council's assets.

It will be supported by:

- An asset management strategy
- An asset management plan and detailed plans for each asset class
- Operational and delivery plans
- An asset management information system

Together, these documents and our processes, software and data, make up Council's Asset Management Framework that support the management of Council's assets.

### What does the asset management framework cover?

The infrastructure assets in Council's care have a value of \$400 million; with a current replacement cost more than \$675 million.

This portfolio of assets includes:

- Infrastructure assets such as road transport assets, drainage, open space and recreation, marine structures (including seawalls), buildings (including administration, child care centres, community centres, public toilets and leisure centres)
- Non-infrastructure assets such as plant and equipment (such as trucks, computers) and other (including office furniture, library books, artwork, land etc.)

### Levels of service: community priorities

The gap analysis performed on the community survey results identified the following council services and facilities with a performance gap significantly larger than the average. Whilst the telephone survey is useful in understanding the community's priorities in relation to services (and

the assets that support these), it should be noted that some assets are not immediately recognised as important because they are not visible and not generally recognised until they fail. Seawalls are a good example of these assets.

Council further conducted a citizen's panel of residents in 2012 to explore Council services – priorities and service levels – in a more in-depth fashion. The panel acknowledged that there was a significant shortfall in funding for long-term maintenance and renewal of infrastructure, and that this will impact future generations if left unaddressed.

### Future demand

The City of Canada Bay is expecting the population to grow from 79,905 people at the last census in 2011, to almost 92,000 by 2031. Some future demands have been identified; however the anticipated impact has not been quantified. This work will be carried out in future revisions of Council's Asset Management Plans.

Demand for assets, and the changes that take place in this demand over time, need to be carefully managed. Council employs a range of strategies to address the increasing and changing requirements on community assets over time, including (but not limited to):

- Refurbishment and maintenance to cater for increasing service levels on Council's buildings
- Consideration of environmental factors such as climate change and energy usage
- Legislative and safety requirements
- Consultations with the community
- Identification of under-supply and under-use of existing assets

The demand for new and enhanced assets and services will be managed through a combination of better use and upgrading of existing assets, and providing new assets to meet growth.

Developer contributions will contribute funding towards new assets and infrastructure.

## Risk management

Council undertakes a rigorous process of managing risk through identification and mitigation of risk that might arise from its range of activities. This is because Council is committed to minimising personal injury, loss or damage by ensuring Councillors and Council staff adopt a collective and individual responsibility for the management of risk.

Council's critical assets are identified as the Administration Centre and Works and Services Depot – both these assets are essential for Council's operations and outcomes. Failure of either of these assets would have significant impact on the ability of the organisation to continue its business.

The risk areas for which Council does not have adequate existing controls are:

- Deteriorating condition of existing assets
- Increasing annual costs to maintain assets and infrastructure capacity and condition
- Reduction in access and increases in costs of energy and water
- Effect of climate change
- Rate base unable to sustain customer/community wants
- Changing service levels
- Unable to meet future demand requirements based on current assets and infrastructure capacity and condition
- Deterioration of infrastructure leading to failure or collapse
- Declining customer satisfaction levels
- Not maintaining a sustainable approach to assets and infrastructure
- Limited budget availability to maintain and renew existing assets and infrastructure

## Lifecycle management strategy

Good asset management relies on an understanding of the costs of assets across their entire lifecycle. Council has undertaken lifecycle analysis across each of its asset classes and the major budget implications associated.

Road transport assets include road surface, road pavement, footpaths and cycleways, kerb and gutter and bridges. Council currently is responsible for maintaining road transport assets to the value of more than \$226 million. 75% of Council's road surface assets are considered to be in satisfactory condition or better. The majority of footpaths and kerb and gutter are a significant way through their useful lives with 80% of footpaths and 68% of kerb and gutter assets are rated as being in satisfactory condition. Initial modelling indicates that Council needs to spend almost \$3.9 million per year on renewals of road pavements and surface to maintain the current condition level over the next 10 years. Council's renewal budget for 2012/13 is \$1.9 million. This is a \$2 million gap. There is also a significant gap in current renewal funding for footpaths and kerb and gutter.

Drainage assets include pipes, pits, culverts, channels and gross pollutant traps, to the value of almost \$59 million. There are two separate issues with Council's drainage systems. One is maintaining existing assets in a functional condition, and the other is bringing them up to modern standards. Condition of drainage assets is generally satisfactory, with a small percentage requiring urgent renewal. However, the capacity of the systems is generally far below modern standards and expectations, which could be a problem if significant rainfall was experienced. The 2009 Asset Management Plan concluded that the average annual maintenance and renewal expenditure over the next 10 years is \$4.6 million, but this is based on overly negative condition assessment. For the drainage system to be upgraded to current standards, a significantly larger expenditure would be required. Council currently levies a Stormwater Management Services Charge that generates approximately \$670,000 per year.

Parks assets includes civil and landscaping structures, playgrounds, playing courts, fields and facilities with a value of almost \$40 million. Generally Council's parks assets are maintained to a high standard. There is increasing demand for sporting fields and playgrounds, and whilst this is partly being met by improved floodlighting, this puts increasing pressure on surface quality through wear and tear.

Marine structures include boat ramps, public tidal baths, boardwalks, pontoons and sea walls with a value of over \$18.5 million. The poor condition of seawalls in the City of Canada Bay is well-documented. The consumption ratio is 82% which represents a significant lack of funding for maintenance over many years. The renewal gap is almost \$19 million. There is a large backlog in marine structures renewals. Council must address these as a matter of urgency.

The buildings asset category includes administration centres, childcare and community centres, leased/commercial buildings, swimming/leisure centres and public toilets with a value over \$57 million. The majority of Council's buildings are in a satisfactory or better condition. There are a number of park, public toilets and operational buildings in poor condition which will require refurbishment or renewal in the next 10 years. Recent building inspections indicate that Council needs to spend \$1.3 million per year on building asset renewals. Council's budget allocation in 2012/13 for building renewals was \$80,000.

## Financial summary

Council is required to report on the cost to bring its infrastructure assets up to a satisfactory condition in its Annual Report. This report, called Special Schedule 7, gives an overview of the possible infrastructure backlog. "Satisfactory condition" is determined to be a rating of 3 in a 1-5 condition rating scale.

The cost to bring assets back to a satisfactory condition is only a portion of the cost of fully

reconstructing assets that have reached a condition of 4 or 5.

The cost to bring assets back to a satisfactory condition for each asset class is:

Road Assets	\$11,348,211
Drainage Assets	\$7,167,563
Parks Assets	\$251,261
Marine Structures and Sea Walls	\$ 12,374,362 (seawalls \$12.22 million)
Buildings	\$4,196,532 (public toilets \$2.12 million)
Total	\$35,337,930

## Asset management strategy

Council's overall asset management strategy centres on improvements in asset service delivery. This will be achieved by undertaking a series of on-going service reviews to understand what we do and how to improve or enhance our service delivery. This is about providing value for service at an affordable and achievable price. Whilst it is inevitable that additional funds will be required to address the current backlog in infrastructure renewal, it is essential that the services we provide now and into the future provide maximum value to our community.

Council's capital works program should, as a priority, focus on asset renewal rather than expansion or the creation of new asset.

## Improving Asset Management Capacity

Council has an on-going asset management improvement plan to improve asset management capability and capacity. The plan is to be reviewed on a regular basis.

# Long Term Financial Plan

## Introduction

The Long Term Financial Plan acts as a tool for stakeholders (Council and the community) to use in deciding what resources Council needs to apply to deliver on the outcomes contained in *FuturesPlan20*. The Long Term Financial Plan seeks to answer the following questions:

- Can we survive the financial pressures of the future?
- What are the opportunities for future income and economic growth?
- Can we afford what the community wants?
- How can we go about achieving these outcomes?

In particular, this plan will model the financial implications of the strategies in *FuturesPlan20*, along with the ability to maintain existing facilities and infrastructure based on a range of assumptions and within any known constraints.

In partnership with Council's Asset Management Plans and Workforce Management Plan, the Long Term Financial Plan is about ensuring there are sufficient resources available to deliver on the community's vision and aspirations for their place and community of the City of Canada Bay. In addition, the Long Term Financial Plan is about doing this in such a way as to ensure the long term financial sustainability of the Council organisation. This means that existing service delivery and infrastructure are maintained without imposing excessive burden on future generations, either through excessive debt or rate increases.

## What is long term financial sustainability?

A financially sustainable Council is one that has the ability to fund on-going service delivery and renew and replace assets without imposing excessive debt or rate or rate increases on future generations.

This would mean that:

- Council must achieve a fully funded operating position reflecting that it collects enough revenue to fund operational expenditure, repayment of debt and depreciation
- Council must maintain sufficient cash reserves to ensure it can meet its short-term working capital requirements
- Council must have a fully funded capital program, where the source of funding is identified and secured for both capital renewal and new capital works
- Council must maintain its asset base, by renewing identified ageing infrastructure, and ensuring cash reserves are set asides for those works yet to be identified

It is important to note that while these principles represent financial sustainability in the current environment, most councils will find it difficult to obtain this level of sustainability for the following reasons:

- Funding the life cycle of assets is a major issue for all levels of government. The Percy Allan Report (released 2006) identified that NSW councils had an infrastructure renewal backlog of \$6.3 billion and an annual renewal gap of \$500 million.
- Sufficient funds are not being put aside to replace assets at the end of their useful life so Councils cannot afford to renew assets at the rate they are being consumed.
- Rates are pegged to CPI by the state government which limits Councils' ability to raise revenue while other costs progressively increase further limiting Councils' ability fund asset renewals.

Deferring asset renewals compounds the asset renewal problem, as the older assets get the more they cost Council to maintain. This in part is being addressed through the implementation of Integrated Planning and Reporting, moving a council's focus away from simply maintaining

assets to managing an assets life cycle. This framework will also allow Council to clearly demonstrate to the community the long-term financial ramifications of not renewing assets.

Revenue Framework for Local Government identified a number of performance indicators that measure Council’s financial performance and position. The indicators measure both recurrent operations and capital sustainability.

### How financially sustainable is the City of Canada Bay currently?

A recent review undertaken by the Independent Pricing and Regulatory Tribunal (IPART) into the

Council will review its Long Term Financial Plan against these indicators as part of assessing the long-term financial health of the organisation and its capacity to fund any proposed delivery program.

Ratio	Calculation	What is being measured?	Sustainable target	2011/12 actual ratio
Operating result	Total operating revenue less total operating expenditure	Does the Council have a balanced budget?	Greater than zero	> 0 
Operating result (excluding capital revenue)	Total operating revenue less revenue for capital purposes less total operating expenditure	Is the Council sustainable in terms of its operating result?  Sufficient funding from operational activities?	Sustainable – Greater than zero	< 0 
Unrestricted current ratio	Unrestricted current assets (excludes externally restricted assets) divided by unrestricted current liabilities	Council’s ability to fund its short-term expenditure needs.	Over 1:1 Sustainable Less than 1:1 Unsustainable	2.32 : 1 
Rates and annual charges coverage	Rates and annual charges as a percentage of operating revenue	Indicates the level of Council’s self-sufficiency.	>40% sustainable	50.26% 
Asset renewal ratio (buildings and infrastructure)	Asset renewal expenditure divided by depreciation	Is asset renewal expenditure sufficient to maintain assets in the long-term?	Greater than 100% Good Less than 100% Unsustainable	40.04% 
Debt service ratio	Interest divided by operating revenue	Indicates whether Council has excessive debt servicing costs relative to operating	Less than 15% Sustainable Over 15% Unsustainable	1.28% 

		revenue		
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## Financial management at the City of Canada Bay

Council operates in a highly regulated environment, which means that Council has a range of responsibilities and obligations which must be met. Council's ability to align rating revenues with the increased cost of providing services is further restrained by rate pegging, which means that the annual increase in rating revenue is determined by an external body, namely the Independent Pricing and Regulatory Tribunal.

## Current State of Council's Finances

Council is currently in a strong financial position, with most financial indicators within industry guidelines, however Canada Bay is well below the guideline for asset renewal and has an operating deficit once grants and contributions for capital are excluded. This means that not enough is spent on asset renewal (almost half the industry benchmark) and if for some reason grants and capital contributions were no longer available, Council could not deliver certain services at current levels.

Council has a sound base and an ability to borrow for key infrastructure if required. However the fundamental issue for Canada Bay, as with other NSW councils, is the restriction on rate increases. So whilst Council could borrow to fund new works and asset renewals, it is not able to increase revenue (rates) to repay the additional debt.

Council's budget has faced significant pressures, including:

- An increasing burden from cost shifting from other levels of government
- Increasing costs of procuring goods and services, the costs for which have consistently risen higher than rate pegging increases determined by IPART
- Greater competition in the allocation of external funding, such as the Financial Assistance Grants

These pressures mean that, as with many councils in NSW, Canada Bay is faced with an income gap where costs are increasing at a greater rate than income. Council addresses this income gap by way of productivity gains and efficiency savings, active pursuit of grants, collaboration with neighbouring councils, and through careful financial management and monitoring.

Council has worked hard to absorb as much of the rising costs as it can and aims to achieve a balanced budget every year without affecting service levels. However given the backlog of infrastructure renewal (seen by the asset renewal ratio and detailed in the Asset Management Plan), it will become increasingly difficult over time to maintain services levels within existing budget constraints.

## Financial management principles

The following principles underpin the Long Term Financial Plan:

- In preparing the 2012-22 Long Term Financial Plan, the following underpinning principles have been used:
- Council will maintain its existing service levels to residents
- Management will continually look for ways to structurally realign resources and/or increase income opportunities without changes to service standards
- Services and infrastructure in any new areas will be provided when they are needed
- Council will continue to improve its capacity to fund its recurrent operations and renew critical infrastructure through sustainable financial decision-making
- Council will manage within the existing financial constraints as much as possible

In addition, the following policies and strategies guide the preparation of the Long Term Financial Plan:

- *Rating Income* Strategy – fair and equitable rating system where each rating category and property contributes according to the demands placed on Council's limited resources
- Domestic Waste Management Charges – covers the cost of all aspects of domestic waste management
- Investment Principles – reinforces Council's on-going commitment to maintaining a conservative risk/return portfolio
- Loan Borrowings – a low level of debt with no new borrowings proposed, and a policy that the use of loans is appropriate for new community assets or to smooth the cost of major asset renewals
- Cash Reserves and Restrictions – Council has a number of cash reserves that are either a legislative requirement (externally restricted) or made through a Council decision (internally restricted). 57% of these are currently externally restricted, 24% internally restricted and 20% is unrestricted cash)
- Developer Contributions –Environmental Planning and Assessment Act (1979) enables Council to levy contributions for public amenities and services required as a consequence of development. These funds are externally restricted and can only be used in the area and for the purpose for which they were collected
- Fees and Charges - some of Council's fees/charges are regulatory (determined by state government legislation) and some are discretionary (determined by Council). Council sets its fees and charges under the principle that it does not intend to profit from them, but that they are to recover the cost of the services provided

- Asset Disposal and Investment Strategy – this strategy guides the time-to-time disposal of Council's property assets

## Long Term Financial Plan assumptions

Key assumptions made in the preparation of the Long Term Financial Plan cover the following key principles and are set out in detail in the plan:

- Population forecasts
- Inflation
- Revenue & expenditure
- Capital expenditure

# DETAILED SCENARIOS

## Scenario 1

Scenario 1 represents status quo. This would see a continuation of services and funding of asset renewals at current levels. Staff numbers would not increase under this scenario and initially service levels would remain the same as in 2012/13. Forecast population growth would not fund any new services or additional maintenance or operational costs.

Over time there would be a decline in Council's financial position, in the state of the community's assets, and in the overall amenity and quality of life in Canada Bay. This would defer or shift the responsibility for renewing assets to future residents, which is neither fair nor responsible.

This scenario is a temporary solution. It is useful for demonstrating the effect that not addressing the serious asset renewal backlog would have on the community of Canada Bay.

This Scenario would see Council maintain its financial liquidity or cash position however the *operating position* will gradually decline as sufficient revenue is not being collected to fund all operating costs.

In addition, the base case scenario uses additional revenue from growth in the rating base (from new properties) to help fund services to the existing community. Whilst some growth in demand for services can be accommodated by further efficiency gains, there will be a point where the population growth will require Council to fund additional services or increase the level of resources required to deliver existing services.

Council's *cash position (reserves)* will continue to improve over the life of the Long Term Financial Plan, and whilst this appears to be a good outcome, it is achieved through continuing to not invest the required amount into the renewal of community infrastructure.

Council would continue to have a *fully funded capital program* under this Scenario; however the size of the program is below the level that is needed to maintain assets.

This scenario does not provide for a sufficient level of *asset renewal expenditure*, which would result in an increasing backlog of asset renewal work required and, over time, a deterioration of assets across the area.

This scenario does not allow for potential issues that may arise over the coming years, such as legislative change, and does not provide for increased demand that will come as a result of population growth.

Under this scenario, the capital maintenance, rehabilitation and new capital expenditure program is based on historical expenditure levels rather than on the requirements in the Asset Management Strategy.

The gap between historical levels of spending on asset renewals and what is required to be spent to keep them in a satisfactory condition has created a backlog of asset renewal.

Low levels of asset expenditure means that the condition of community infrastructure assets will deteriorate and future ratepayers would need to bear an unreasonable burden of cost to replace assets.

It is important to note that whilst some asset types improve quality of life and amenity in an area, some are simply essential for the safe functioning of a local area, including roads, drainage and in the case of Canada Bay, seawalls.

There is significant risk associated with not addressing the condition of assets in Canada Bay, including managing large emergencies (such as flooding), business continuity and public health and safety.

Under this scenario there are no additional staff. This means that any additional service growth for the increased population is resourced through efficiency gains.

The impact of Scenario 1 over time would see a decline in the current service levels across the range of the City's services.

Additional revenue from growth in the rating base from an increasing population is being used to fund existing services. No allowance has been made for the additional demand on resources

from this growing population. Over time a growing population will need additional services and facilities, however this scenario would not allow this.

This scenario would mean that rates are not increased beyond the annual allowable increase determined by IPART, which is usually around the CPI.

The historic under-spending on asset renewal means that current ratepayers are not paying enough towards the maintenance and renewal of essential community assets. This has created a backlog of work that is needed, and the longer this situation is not addressed the greater the cumulative effect will be on future work required.

This scenario would see the burden of renewing assets shift to the future community, but at rising levels. This is because as assets deteriorate and reach the end of their life, the cost is far greater to bring them back to a satisfactory standard than if they were adequately maintained over the course of their life. Sometimes full replacement is the only option if they have been allowed to decline too far.

This scenario would also leave future residents with lower levels of service than are enjoyed by current residents. This is a move away from a sustainable community, and would represent serious generational inequity where future generations are required to pay for the asset use of previous residents.

*FuturesPlan20* is about delivering on the community's vision that the people of the City of Canada Bay can enjoy where they live and work, which is for a city that is *innovative, dynamic and sustainable*. Scenario 1 is not consistent with this vision, as it would lead to a deterioration of community assets and Council's service levels over time. Scenario 1 is unsustainable, both from a community and a financial perspective. It shifts a burden that needs to be addressed now onto future residents. It is also not consistent with the Citizens Panel which recognised a significant shortfall in funding for long term maintenance and renewal of infrastructure and proposed measures to address that, including, if required rate rises.

Council's Mission includes *planning and delivering appropriate services and facilities* to the community of Canada Bay. Not addressing the asset backlog now would be an irresponsible decision by Council, as stewards of the community's assets, and would not result in the delivery of appropriate services and facilities over the long term.

Scenario 1 would not deliver the kind of future that residents desire and would lead to a decline in the sustainability of the community and quality of life through asset and service deterioration, a decline in the financial sustainability of the council organisation and a reduction in service levels over time. Neither does Scenario 1 address the concerns of the Citizens Panel.

## Scenario 2

This scenario is based on the same operational revenue and expenditure profile as Scenario 1, however an increased level of renewal expenditure is proposed. Existing levels of service would stay the same.

Asset renewal expenditure would increase from the current rate of 54% of the long term requirement, however not enough to make any real impact on the condition of Council's asset base. In fact this scenario would see Council's assets maintained at their current condition; however some assets are already below satisfactory condition. This scenario would see Council's assets decline at a *slower rate* than under Scenario 1 but does not provide a sufficient long-term solution.

This scenario would see Council's *operating position* decline from that in Scenario 1 as the use of available *cash reserves* for asset renewals reduces the level of investment income available.

Whilst Council's *cash position (reserves)* will decline under this scenario, as they are diverted to funding asset renewal, the asset renewal ratio will improve from the current ratio of 54% under Scenario 1, however not at a rate sufficient to effectively reduce the asset renewal backlog.

Council would continue to have a *fully funded capital program* under this scenario.

This scenario essentially sees the use of some money, currently held in reserves, redistributed towards asset renewal. This does not improve Council's overall financial sustainability.

Under this scenario there would be an enhanced level of asset renewal spending, which will increase gradually to the point where a further \$3.2 million per annum will be spent on assets from 2015/16 onwards.

The overall condition of Council's assets would be maintained at their current condition. This means that the rate of asset decay is slower than under Scenario 1. The problem is that this scenario still does not effectively address the underlying condition of Council's asset base, some of which are already below satisfactory condition, such as seawalls.

Under this scenario there are no additional staff. This means that any additional service growth for the increased population is resourced through efficiency gains and increase in funding allocation for infrastructure renewals will be resourced using external contract resources.

Under this scenario there are no changes to current service levels. External funding for some services will cease (Sustainability Levy and Waste and Sustainability Improvement Payments), and if these programs are to be maintained then resources will need to be adjusted accordingly, or further efficiency savings found.

Whilst the area will experience population (and therefore some rate income growth) it will not be sufficient to fund asset renewal work required or effectively respond to changing community needs over time.

Current residents would not be financially impacted under this scenario. Rate increases would be in line with the allowable increase determined by IPART, typically based on CPI.

The increased spending on asset renewal will mean that over time community assets will undergo renewal to be maintained at the condition they are in currently, which will mean that there is not the same level of potential decline in the

safety and amenity of these assets as under Scenario 1. However this scenario continues to delay necessary asset renewal work, which at some point would need to be addressed.

The impact on future residents will be the same as for current residents. However, unlike Scenario 1, they will not be faced with the same level of asset backlog that would result if it is not addressed. It is anticipated that whilst this scenario would contribute to slowing the rate of asset decline, it will still shift the burden to future residents to see the condition of assets improve, particularly where they are already in an unsatisfactory condition.

Scenario 2 enables current outcomes and service levels to be maintained, with a greater level of spending on asset renewal through the use of funding currently held in reserve. This will enable the rate of asset deterioration to be reduced, however does not address the underlying condition of Council's assets. It is also not consistent with the Citizens Panel which recognised a significant shortfall in funding for long term maintenance and renewal of infrastructure and proposed measures to address that, including, if required rate rises.

Over time, however, Scenario 2 will provide very limited capacity for Council to respond to changing or growing community needs as even increased income from population growth will go towards maintaining service levels.

Scenario 2 provides a "middle ground" approach to addressing the funding shortfall for asset renewal. It relies on funding currently held in reserve to be used to increase spending on renewal, without additional cost to the community. This will slow that rate of asset decay; however it is based on maintaining assets at their current condition. The problem here is that some of these assets are already in a condition less than satisfactory. In the longer term Council will still need to find further funding to address asset renewal, and will have limited capacity to address changing community need or expectations for services. Neither does Scenario 2 address the concerns of the Citizens Panel.

## Scenario 3

Scenario 3 sees an increase in income to enable Council to fund both normal operations and provide adequate funds for the renewal of community assets so the growing backlog of asset renewals is reversed and does not create an unreasonable burden for future ratepayers.

This scenario uses the Basic Assets and Services scenario and also addresses recommendations of the 2012 Citizens Panel, which acknowledged the significant shortfall in funding for the long term maintenance and renewal of infrastructure and the impact on future generations if not addressed. The Citizens Panel decided that a rate increase of 9% could be tolerated in order to target this shortfall while still meeting community expectations for services. This scenario would see some improvement in service levels over time.

Under this scenario Council's *operating position* will gradually decline due to operating deficits but at a lesser rate than in Scenarios one and two. Continuing operating deficits are not sustainable in the long term and further expenditure reviews and additional revenue sources are required to reverse the trend.

Council's cash position improves over the term of the LTFP as a result of the forecast 9% rate increase that takes effect from 2014/15.

Council would continue to have a *fully funded capital program* under this scenario.

This scenario does provide for a sufficient level of *asset renewal expenditure* over time.

In summary, Scenario Three provides a more sustainable approach to funding Council's expenditure needs over the next 10 years and key financial sustainability ratios are enhanced.

This scenario would see an additional \$1.8 million annually available for asset renewal to address the backlog, with expenditure guided by the Community Satisfaction Survey.

The greatest impact is expected in the seawall and marine structure class of assets. These structures have experienced significant decline in

condition over the past 10 years and is likely to increase significantly in the next decade.

As a result of applying this additional funding to asset renewal, the underlying condition of assets can be brought to satisfactory.

In addition, the increased spending on asset renewal that would be possible under this scenario would more effectively manage the risk that is associated with deteriorating assets, including management of emergency events, public health and safety, and excessive cost associated with replacement of assets that have not been effectively maintained.

Under this scenario there will be a gradual increase in workforce each year (3-4 FTE) to respond to Delivery Program strategic priorities, citizen panel priorities, service level changes and other demands such as legislative change. It is expected that the City will achieve productivity and efficiency gains in the workforce to minimise cost to the community of workforce increase.

Under this scenario, service levels will be maintained and, in some cases, improved where there has been a service level gap identified.

In 2012 Council empanelled a group of citizens to examine Council service levels. This panel acknowledged the need to address the significant shortfall in funding, and that this could only realistically be achieved through an increase in rates if other service levels were to be maintained. They determined the maximum level that could be tolerated by the community was up to 9%, with steps taken to minimise the impact on those least able to pay.

This scenario has a financial impact on residents through an increase in rates. However, it also leads to better outcomes for residents in the longer term through maintaining service levels and addressing the condition of assets which contribute significantly to quality of life in the City of Canada Bay in terms of amenity, function and safety.

Increasing rates now will mean that future residents will be paying a higher rate than under Scenario 1 or 2. However, as with current residents, this scenario will secure a better quality

of life for residents in the future, with the underlying condition of Council's asset base improved.

This scenario has the greatest capacity to deliver on the community's vision for the future of Canada Bay through increased spending and investment in asset renewal and in enabling services to be improved based on priorities determined by the community. The outcome will be a better place, with assets that are being sustainably managed to continue to deliver the levels of service and quality of life that residents of Canada Bay expect and enjoy.

This scenario will have the greatest impact on addressing the asset renewal backlog, so will lead to the greatest reduction in the burden on future residents to pay for past use of assets. This enables Council and the current community to take a responsible approach to the future sustainability of the area and the Council organisation in an equitable fashion.

The Citizens Panel conducted in 2012 enabled a group of residents to consider Council's services and resourcing situation, and responded with a recommendation that a rate increase was needed to address the asset renewal backlog, and that an increase of 9% was at a level that could be tolerated by the community.

Scenario 3 provides the greatest opportunity for Council to continue to provide high quality and responsive services to the community at the same time as addressing the funding shortfall for asset renewal. It presents the best long-term approach for delivering the community's vision and the need for Council to be effective stewards of community assets and maintain financial sustainability into the future.

Scenario 3 does, however, incur an increased cost on the community through increased rates. Council does not take this consideration lightly, and took into account the findings of the Citizens Panel conducted in 2012, which noted a reluctant view that if revenue and cost saving initiatives still left a funding shortfall, that raising rates by up to 9% was necessary. However, it also leads to better outcomes for residents in the longer term through maintaining service levels and addressing

the condition of assets which contribute significantly to quality of life in the City of Canada Bay in terms of amenity, function and/ safety.

## REFERENCES

Preparation of this Overarching Resourcing Strategy has been based on the content of the following documents:

- FuturesPlan20;
- 2013-17 Delivery Plan;
- Resourcing Strategy: Our Finances;
- Resourcing Strategy: Our Assets; and
- Resourcing Strategy: Our Workforce.

It has also drawn on the report of the 2012 Citizens' Panel and the report on the 2012 Customer Satisfaction Survey, and on the findings of an extensive engagement program in 2013 to confirm the full suite of our integrated planning and reporting documents.



