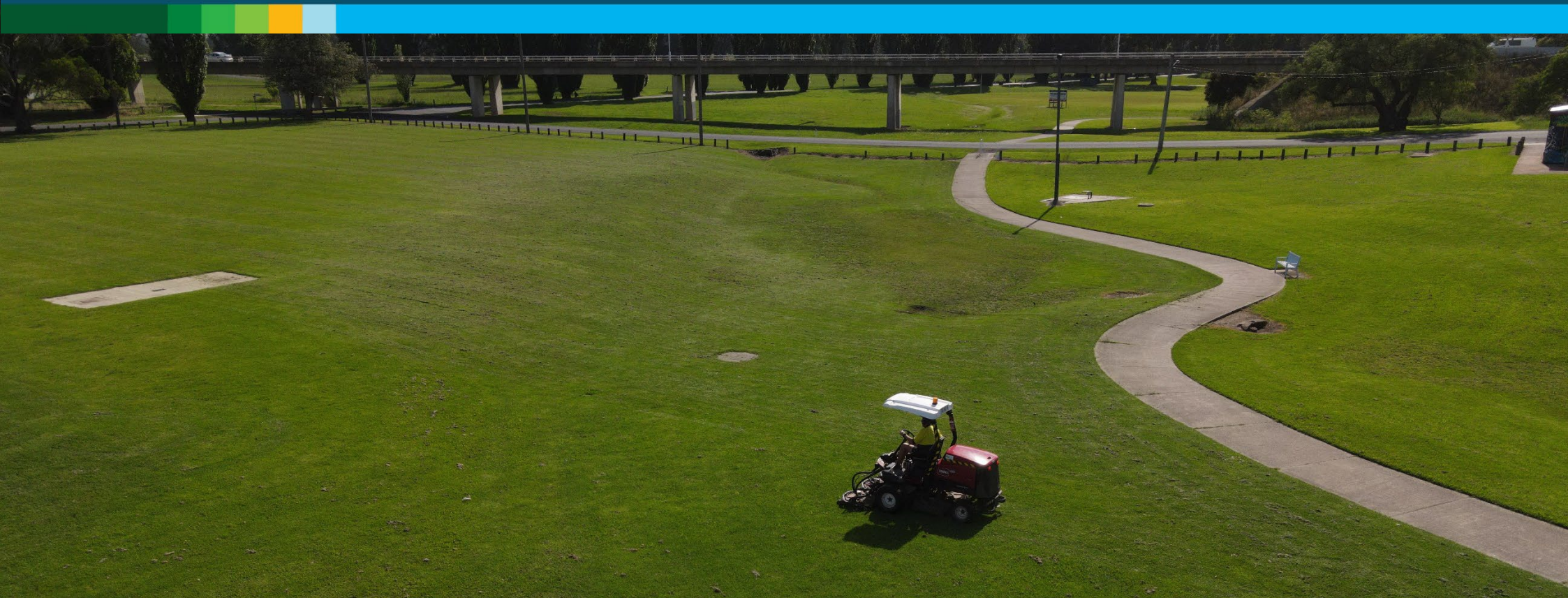


# Resourcing Strategy 2022-25



# Resourcing Strategy

The reality is, we can't afford to do everything that the community desires all at once.

The Resourcing Strategy allows Council to map out our community's needs in an affordable way over the next 10 years.

Bega Valley Shire Council's Resourcing Strategy supports the Community Strategic Plan (CSP) 2042. Where the CSP provides a vehicle for expressing long-term community aspirations, the Resourcing Strategy details how Council can help achieve these in terms of time, money, assets and people.

Effective resource planning ensures Council will focus not only on the short-term actions indicated in the yearly Operational Plan, but also on the medium and long-term goals for the shire.

The CSP documents the aspirations and priorities of our community. Importantly it is the community's plan for the future, not just a Council plan.

Based on what the community told us, the CSP is framed around five themes:

- Our community – A connected and vibrant community where people are happy, safe and well
- Our economy – A resilient and prosperous economy that supports employment and learning opportunities
- Our environment – We embrace sustainable living and value and conserve our natural environment

- Our infrastructure – Our infrastructure complements our natural surroundings and character while enhancing the lives of our community
- Our civic leadership – Local leadership, is strong, consultative and responsive to our community's needs.

The Resourcing Strategy is the critical link between the Community Strategic Plan and the Delivery Program, detailing the provision of resources to implement the strategies for which Council is responsible.

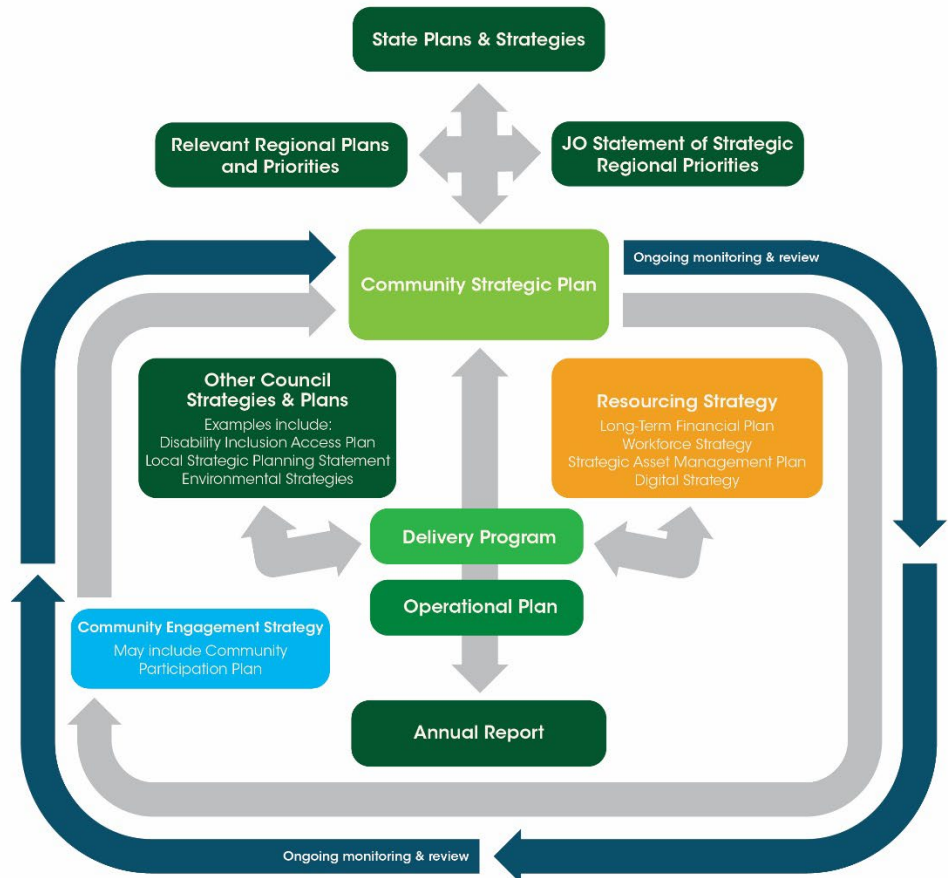
Like the Delivery Program, the Resourcing Strategy is prepared every four years although the action plan in each component is monitored and reviewed annually to ensure our resources are being managed to achieve the community's goals.



# Framework

The NSW Local Government Integrated Planning and Reporting framework acknowledges most communities share similar aspirations: a safe, healthy and pleasant place to live, a sustainable environment, opportunities for social interaction, education and employment, and reliable infrastructure. The difference lies in how each community responds to these needs.

The framework has been developed with the understanding that council plans and policies should not exist in isolation – they are interconnected. It allows NSW councils to draw their various plans together, understand how they interact and get the maximum leverage from their efforts by planning holistically and sustainably for the future.



**Community Strategic Plan**

Outlines the 20 year + strategic direction for the Bega Valley Shire.

**Resourcing Strategy**

Details Council's approach to long term financial planning, workforce planning, digital investment and asset management. It provides a vital link between the Community Strategic Plan and Delivery Program.

**Delivery Program**

Aligns with the four year term of the Council; it details Council's response and commitment to implementing, within available resources, the long term vision contained in the Community Strategic Plan.

**Operational Plan and Budget**

Outlines the activities Council will carry out in the coming financial year to achieve the Delivery Program and the long-term vision identified in the Community Strategic Plan.

**Monitoring and Reporting**

The Community Strategic Plan and Resourcing Strategy are reviewed every four years in line with the Local Government election cycle.

The Delivery Program and Operational Plan are reviewed annually to ensure Council's long-term planning is consistent with the current and future needs of the community.

In addition to our Annual Report, we report every six months on progress towards our Delivery Program and current annual Operational Plan.

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This Resourcing Strategy contains four key components, which consider the time, money, assets and people needed to respond to the long term strategic aspirations outlined by the community. Importantly the initiatives outlined in each of the plans are reviewed annually to ensure they remain appropriate for the changing environment and incorporate community feedback.

A short summary of each component of the Resourcing Strategy is included below.

## Long Term Financial Plan

The Long Term Financial Plan (LTFP) is a decision making tool that allows various assumptions and sensitivity analysis to be carried out that will indicate the ability of Council to deliver cost-effective services to our community into the future, within a framework of financial sustainability. The LTFP takes into account known and projected events over the next 10 years and compiles the best estimates of its operating results and financial position.

The Long Term Financial Plan:

- provides long-term financial projections and highlights issues which may impact on our future financial sustainability

- helps assess the long-term financial sustainability of present and future service levels
- allows various scenarios to be tested with regard to different levels of service delivery
- identifies future funding gaps in advance so action can be taken to address shortfalls
- allows sensitivity testing with regard to various assumptions contained within the plan.

It is within this plan that the long-term aspirations and goals of our community are tested against financial reality.

## Workforce Strategy

The Workforce Strategy considers the people, capabilities, experience and expertise required to implement Council's four-year Delivery Program and continue progressing us towards the Community's long-term goals outlined in the Community Strategic Plan. The plan integrates principles of human resource management, strategic workforce planning and capability building. It outlines how Council will develop and maintain a high-calibre employee base that meets current and future organisational and community needs.

The Workforce Strategy includes:

- an explanation of the Integrated Planning and Reporting (IPR) framework and where the Workforce Strategy sits within that framework

- an overview of the corporate values embedded within the organisation
- the major achievements from the 2017-21 Workforce Strategy
- an organisational profile
- a summary of the strategic challenges and opportunities
- financials considerations
- the actions Council will take to ensure we build and maintain an appropriate workforce structure and culture to meet the objectives of the Delivery Program 2022-25.

## Strategic Asset Management Plan

Council manages and maintains more than \$1.7 billion of assets, which enable us to provide services to our community. These assets include roads, drainage, pathways, water and sewer infrastructure, community facilities, parks and recreational facilities, administration buildings, cemeteries, works depots, plant, fleet and the Merimbula Airport. The Strategic Asset Management Plan (SAMP) sets out the broad framework for undertaking structured and coordinated management of Council's assets. It outlines key principles that underpin our approach to providing the assets that are essential to our community.

The SAMP highlights the long-term funding challenges Council must address to meet the commitments outlined in the Community Strategic Plan and deliver the level of service desired by the community over the next 10 years. Supporting the SAMP are detailed Asset Management Plans for each asset class, which are living documents that are continually updated and refined.

## Digital Strategy

Council, like many other modern organisations, relies on effective digital resource management to support the operational activities required to deliver services.

Council has substantial investment in traditional information technology infrastructure including corporate information systems, website services, data management and storage and technology assets.

Continued investment in digital transformation will enable Council to keep pace with the modern world and technology advancements.





The Digital Strategy outlines how Council will continue our journey of digital transformation delivering on our key digital transformation outcomes of:

1. A more efficient Council – increased flexibility and mobility of our staff
  2. Improved service to Council customers – increased ease of use and access to our services
  3. Smarter community engagement – increased digital investment to better connect with our community.
-



## Stay Connected



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Monday to Friday 9.00AM to 4.30PM  
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Bega



# Long Term Financial Plan

## 2024-33 – June 2024 Update



Bega Valley Shire Council acknowledges and pays our respects to the traditional custodians of the lands, waterways and airspace of the shire.

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# Executive Summary

The Long Term Financial Plan (LTFP) is an essential element of the Resourcing Strategy that details how the strategic aspirations of Bega Valley Shire Council (Council) outlined in the Community Strategic Plan can be achieved in terms of time, money, assets and people.

The LTFP is a 10-year financial planning document with an emphasis on long-term financial sustainability. Financial sustainability is one of the key issues facing local government, due to several contributing factors including growing demands for community services and facilities, constrained revenue growth, escalating cost of materials and ageing infrastructure.

The LTFP is formulated using estimates and assumptions to project the future revenue and expenditure required by Council to deliver those services, projects and programs expected by the community. In doing so, it considers the resources that impact Council's ability to fund its services and capital works whilst

remaining financially sustainable. The current LTFP, adopted in June 2023 and this updated LTFP outline 3 options.

Option A- Financial Sustainability- remains our recommended position. This is what's needed, in addition to the current Asset and Services SRV, over the next 10 years to meet current and future asset management and operational needs. To pursue this level of investment in our assets and meet our financial sustainability ratios, the LTFP model shows that a further rate increase is needed. Option A shows that there is a cash shortfall of \$10.7m each year.

Option B- the approved Assets and Services SRV- is our current adopted position and is what we have used to develop the 2024-25 budget. The Assets and Services SRV has helped to close the gap between revenue and expenditure, however it will not be adequate to maintain current levels of service. This option prioritises catching up on our infrastructure backlog and then reducing our capital program below recommended levels. Under Option B, Council will need to consider multiple loans from 2025-26 onwards funded from the Assets and Services SRV to provide additional cash upfront for funding the infrastructure backlog, particularly where there are spikes in our capital works program.

Option C- rate peg only- assumes our revenue across the 10-year LTFP period will only increase in line with the known rate peg of 4.9% in 2024-25 and then an assumed rate peg of 3% thereafter. Under Option C the cash shortfall would be \$32m over the 10 year LTFP. The detrimental financial impact of relying on rate peg increases alone is clear.

It is important to continue to demonstrate the gap in revenue that we are facing despite the recent approval of the two-year SRV. Without further significant asset renewal intervention, the quality of assets (and the services they support) will continue to decline across key service areas of Council.

The consolidated scenarios included in the LTFP are all based on one model each for water, sewer and waste. Council adopted a strategic position on waste services (with an improved level of service) in October 2021 that informs the waste model. The waste fund will no longer be reported separately and will be included in the general fund statements.

This LTFP provides the blueprint for future delivery of works and services at Council with a focus on long-term financial sustainability. To develop this LTFP we have compiled our annual budget for 2024-25 as the base year for the model.

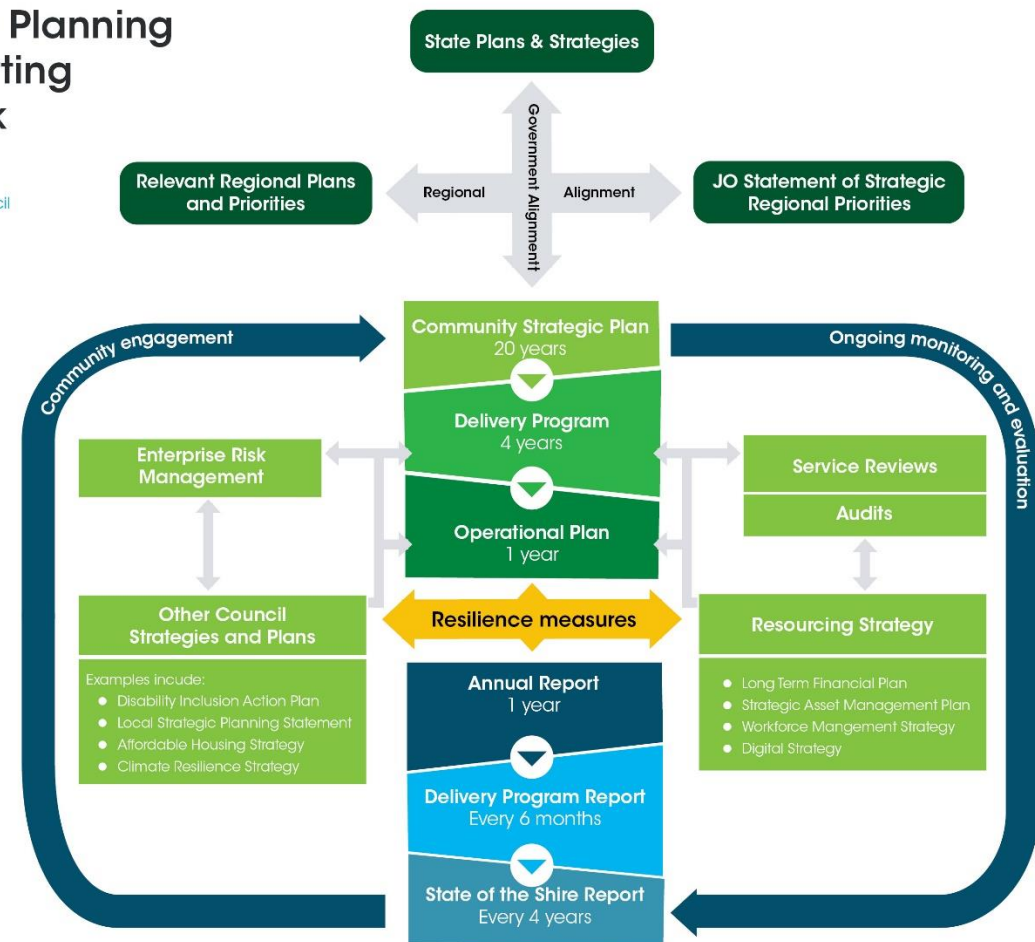


# Framework

The LTFP is a decision-making tool that allows various assumptions and sensitivity analysis to be carried out that indicates the ability of Council to deliver cost-effective services to our community into the future, within a framework of financial sustainability. The LTFP includes known and projected events over the next 10 years and compiles the best estimates of operating results and financial position.

It is within this plan the long-term aspirations and goals of our community are tested against financial reality. It underpins all other documents in the Integrated Planning and Reporting framework and is reviewed annually when Council forecasts the next year's budget.

## Integrated Planning and Reporting Framework



# Financial Sustainability

Financial sustainability for the Council means:

- Council must have an appropriately funded capital program
- Council must maintain its asset base 'fit for purpose'
- Council must achieve a fully funded operating position
- Council must maintain sufficient cash reserves
- Council must have adequate resources to meet ongoing compliance obligations.

This presents us with challenges that have informed the LTFP forecasting model. In simple terms, this can be expressed as:

- funding the capital program with a focus on renewing existing assets and not building 'new' assets, including consideration of life-cycle costing of assets in decision-making
- investing in our asset base at agreed service levels (which includes potential asset rationalisation to focus investment on priority community assets)
- ensuring General Fund expenses do not exceed income (stop spending more than we have) and we work towards a positive cash flow
- reporting our externally restricted reserves and actively monitoring internal reserves managed by Council
- achieving our target of \$1.5 million in unrestricted cash
- Ensuring our priority is to meet our legal obligations and all reserves are cash-backed.

Council has developed and adopted multiple LTFPs in the last 5 years that all indicated the need for an SRV to increase revenue to close the widening gap between income and expenditure. Council will continue to model 3

options to demonstrate the increasing financial pressures it is facing both in the immediate and long-term.

Should Council choose to change the current level of services or projects it delivers, the impacts of those decisions and cost to the community must be taken into consideration.

# General Assumptions

In planning for the financial year 2024-25 and beyond, Council has made a range of assumptions. Our draft 2024-25 budget and LTFP model is based on the most likely scenarios.

As part of undertaking financial modelling, key assumptions that underpin the estimates must be made. The following assumptions have been used in the modelling contained in the LTFP.

## Growth

In assessing future growth, we have referred to NSW Planning and Environment's Local Government Area Population, Household and Dwelling Projections for the Bega Valley.

## Inflation

We have applied a 4.9% increase for 2024-25 and subsequent years have been modelled at 2.5% aligned with rate peg modelling. There have been significant increases in the Consumer Price Index (CPI) in the last 12 months. Any movement in the CPI indices can have a significant impact on Council's operating position.

## Asset Management

One key assumption of the LTFP is that Council's Strategic Asset Management Plan (SAMP) and Asset Management Plans (AMPs) for each asset class reflect an accurate maintenance profile for all Council's \$1.7 billion of assets (including water, sewer and waste as well as general fund assets).

Council is continuing to implement an asset management system to improve the timeliness, relevance and accuracy of data. It is considered a critical investment for Council if we are to make significant progress in this area of our operations.

Revaluations of building assets and transport network assets will be completed by the end of FY24.

## Service Standards

Council's services are not all at the required levels, there are some operational areas where additional funding is required to meet service levels including:

- information technology improvements
- record digitisation
- infrastructure design
- additional DA assessment resources
- transport studies including bridge assessments

- customer self-service systems for rates payments
- public health service provision
- land use planning and development strategic projects
- implementation of several existing strategies and plans.

These additional costs, where relevant and achievable, have been included in this updated LTFP.

## Structure and Regulatory Environment

Council is both a Local Government Authority regulated by the *Local Government Act 1993* and a Water Supply Authority regulated by the *Water Management Act 2000*. This means Council is responsible for delivering the diverse range of services associated with local government such as roads, open space, community facilities and waste management along with provision of local water and sewer services.

Council has separate funds - Water Fund, Sewer Fund and General Fund (including domestic waste) - to ensure appropriate reporting of services based on restrictions. The Consolidated Fund refers to the total of all services provided by Council and includes all abovementioned funds.



# Revenue Assumptions

In determining the likely revenue that will be available to meet the community's long-term objectives, we have considered the following.

## Rates and Charges

Rates and charges are the primary source of income, contributing about 45% of total annual income. Council general rates will increase by 19.6% in 2024-25, inclusive of an assumed 2.5% rate peg. Council was instructed to assume a 2.5% rate peg when applying for the SRV. With the actual rate peg higher (4.9%) than the amount we were instructed to assume there is a shortfall in the funding we were anticipating the SRV increase would provide. This shortfall, along with increasing costs across our services continue to have a detrimental impact on Council's financial position. In effect our approved second year SRV increase is reduced to 17.2% well below the amount needed to meet the objectives Council has outlined in the SRV application. This places further financial pressure on Council and the community both in the immediate and longer-term, particularly as the assumptions do not reflect the reality of the real costs that Council is absorbing.

As rates and charges are a major component of Council's revenue base, this LTFP continues to include modelling for a future SRV to further increase Council's revenue to meet the

required levels of service- Option A. Despite the recent rate increases there continues to be a shortfall in the revenue needed to deliver services and maintain our assets to the required level.

## User Fees and Charges

Several services we provide are funded by on a user-pays basis. In general, Council follows a cost-recovery philosophy towards the provision of those services. It recognises people's ability to pay and balances an expectation that some services will be cross subsidised from rates for the common good of the community.

In preparing this LTFP, possible future income from fees and charges has been refined by moving towards identifying the true cost of service delivery for each area of Council, so accurate and reflective fees and charges can be applied. The LTFP model currently allows for a 4.9% increase for 2024-25 and 3% for each year beyond 2025 to apply to fees and charges, except where they are determined by relevant legislation, management committees, those aligned with CPI or a Council resolution.

## Grants and Subsidies

Council receives an annual Financial Assistance Grant (FAG) allocation from the Commonwealth as well as grants for specific projects and programs. In preparing this LTFP,

we have assumed we will continue to receive both operating and capital grants and have applied a 3% increase for the duration of the model.

We have reduced expected grant income in 2024-25 to reflect the removal of current project operating grants that are not expected to continue.

In modelling future grant income, we have reduced our projections to remove reliance on government grants. During the past four years, with multiple disaster declarations and COVID-19, there has been significant capital and operating grants made available to assist Council in funding specific projects and programs. This funding is unlikely to continue and with the assumption of grant income reducing, Council must seek other methods of funding operating and capital programs without the benefit of grants.

It is important to note that all options modelled in the LTFP still assume that some of the larger capital projects to be delivered will receive partial grant funding through competitive grants. Should this grant funding not be received not all projects to be delivered under the models may be able to be delivered.

## Developer Contributions

Section 7.11 and Section 7.12 developer contributions must be expended on the works outlined in the adopted Contributions Plan. Revenue from these contributions is largely aligned to population and housing growth and have been modelled at conservative levels, close to CPI, with allocation of the contributions to capital works sitting at 85% of the projected income. The adopted Developer Contributions Plan was presented to Council in April for public exhibition.

## Asset and Land Sales

Council continues to review its current land and asset holdings and divesting where no longer required for the operation of Council. Income from asset and land sales is only included in the LTFP and annual budget when the sale proceeds are received and the income is deposited in the appropriate reserve.

Income related to the sale of plant and equipment is outlined in a detailed change-over plan which estimates the trade value of all items of plant and the year of optimum trade. The overall impact of asset sales does not impact the LTFP as the balancing entry will be asset purchase (replacement of the fleet asset). The net impact is always zero.

## Reserve Transfers

Council uses reserves (cash set aside for a specific purpose) as a means of building up required funds, rather than relying on borrowing. Council has continued to reduce

and realign the reserves we hold. Many of the reserves are restricted due to regulations and cannot be allocated to general use. Reserve balances are reported quarterly and movements are presented to Council via the quarterly budget review process. In all instances where reserve funds are used in the LTFP, calculations are undertaken to ensure adequate funding will exist to meet the LTFP forecasts.

## Borrowings

The LTFP recognises debt as an important source of funds for large capital projects. Council finances some of its major infrastructure expenditure through borrowings. This allows the cost of these long-lived assets to be spread over a number of years and across the generations that will use them and smooths out long term expenditure peaks and troughs.

The use of loan proceeds is only used to fund capital projects. Under Option B, Council will need to consider multiple loans from 2025-26 onwards funded from the Assets and Services SRV to provide additional cash upfront for funding the infrastructure backlog, particularly where there are spikes in our capital works program. The use of loans helps to smooth out cash flow issues across the life of the model.

The LTFP also includes loans for improvements to Councils airport and water and sewer services.

The LTFP forecasts both the quantum of any borrowings required to fund the planned

capital project as well as the cost to repay that debt. The model includes a debt allocation and associated repayment profiles.

## Interest and Investment Income

The cash rate since the year 2000 has averaged 5%. The amount received in General Fund is only minor and will not see a significant change, with interest rate movements. Income from interest and investments in the LTFP model is conservatively set at 3%.

## Other Revenue

For operating revenue this includes items such as fines, recovery fees, fundraising and insurance claims. These have been forecast to increase by 3% for the duration of the model. Capital contributions by third parties (not including government) are included in the LTFP or annual budget process as they are confirmed.

# Expenditure Assumptions

In developing expenditure forecasts, new expenditure items and ongoing commitments have been considered. This includes costs for capital and ongoing expenditure such as maintenance costs and capital renewals for infrastructure assets. Consideration has also been given to appropriate phasing of when the costs are expected to be incurred including expenditure for planning, construction, implementation and ongoing maintenance.

The capital expenditure forecasts are guided by Council's Asset Management Plans. These values represent the funding required to deliver on the adopted level of service. It is important to understand that a change in level of service, whether to increase or decrease, must result in a change to the funding of that service as well as its resourcing profile.

To provide better clarity and consistent reporting in line with our financial statements and to foster links through to our Asset Management Plans, this LTFP categorises operating expenditure into:

- employment costs
- borrowing costs
- materials and contracts
- depreciation and amortisation
- other expenses.

Due to the difficulties in forecasting some of these categories, the LTFP in some instances uses a historical trend formula to assign expenditure as a guide to future decision-making.

## Employment Costs

Employment costs are modelled at 4.5% in FY25, 4% in FY26 and then 3% across the remainder of the LTFP model. The increasing costs are impacted by several issues including skill shortages, staff turnover, workforce demographics, award salary increases being above CPI and recent agreements determined under the Local Government State Award. The LTFP also includes the superannuation guarantee increase.

## Materials and Contracts

Material and contract costs represent a significant investment to deliver services to the community. It covers all materials used in operational activities including contract and consultancy expenditure. The LTFP allows for an increase of 3.97 % for 2024-25 and 3% for each year beyond 2025. Increasing costs of materials, as well as the availability of these materials, create many challenges for Council. The cost of construction has risen significantly impacting Council's capacity to continue to

deliver the same level of service when revenue is constrained under annual rate-pegging.

## Borrowing Costs

The borrowing costs on any new borrowings has been modelled at 5.5%.

## Depreciation and Amortisation

Depreciation is a charge made against each of Council's assets to measure its degradation over the financial year, less any residual value at point of sale. Council's depreciation methodology can be found in the notes to the General Purpose Financial Statements. Estimates have been included for the projected depreciation cost of new assets identified within the proposed capital works program.

## Other Expenses

This category primarily relates to insurances, statutory charges (including election costs, emergency services levy) and other program expenditure such as Councillor expenses and valuation fees. The LTFP allows for an increase of 3 % for the duration of the model excluding insurances which have been modelled based on advice from Council's insurer.

## Assumptions Table

	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31	2031-32	2032-33	2033-34
Rates and Annual Charges	19.6%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%
User Charges and Fees	4.9%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%
Grants and Contributions Operating and Capital	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%
Asset and Land Sales	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%
Interest and Investment Income	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%
Other Revenues	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%
Employee Costs	4.5%	4%	3.5%	3.5%	3.5%	3.5%	3.5%	3.5%	3.5%	3.5%
Materials and Contracts	3.97%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%
Borrowing Costs	5.5%	5.5%	5.5%	5.5%	5.5%	5.5%	5.5%	5.5%	5.5%	5.5%
Depreciation	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%
Other Expenses	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%
Insurance	15.0%	15.0%	15.0%	15.0%	12.0%	12.0%	12.0%	12.0%	12.0%	12.0%



# Options Modelled

We have modelled three options in this Long Term Financial Plan. Option A- Financial Sustainability- is the recommended pathway as it would allow Council to meet current and future asset management and operational needs and financial sustainability ratios. Option B- Asset Renewals and Services SRV- models the approved SRV. Option C- Rate peg- models increasing revenue by the rate peg only.

	Option A- Financial Sustainability	Option B- Assets and Services SRV	Option C- Rate Peg only
<b>Overview</b>	<p>This option remains <b>our recommended position</b>. Option A- Financial Sustainability- remains our recommended position. This is what’s needed, in addition to the current Asset and Services SRV, over the next 10 years to meet current and future asset management and operational needs.</p> <p>To pursue this level of investment in our assets and meet our financial sustainability ratios, the LTFP model shows that a further rate increase is needed. Option A shows that there is a cash shortfall of \$10.7m each year.</p>	<p>Option B- the approved Assets and Services SRV- is our <b>current adopted position</b> and is what we have used to developed 2024-25 budget. The Assets and Services SRV has helped to close the gap between revenue and expenditure, however it will not be adequate to maintain current levels of service.</p> <p>Under Option B Council will need to consider loans from 2025-26 funded from the Assets and Services SRV to provide additional cash upfront for funding the infrastructure backlog, particularly where there are spikes in our capital works program.</p>	<p>Option C- rate peg only- assumes our revenue across the 10-year LTFP period will only increase in line with the known rate peg of 4.9% in 2024-25 and then an assumed rate peg of 3% thereafter.</p> <p>Under Option C the cash shortfall would be \$32m over the 10 year LTFP. The detrimental financial impact of relying on rate peg increases alone is clear.</p>
<b>Service Changes</b>	<p>It is important to continue to demonstrate the gap in revenue that we are facing despite the recent approval of the two-year SRV. Without further significant asset renewal intervention, the quality of assets (and the services they support) will continue to decline across key service areas of Council.</p>	<p>This option prioritises catching up on our infrastructure backlog and reducing our capital program below recommended levels.</p> <p>The delivery program for Option B and C are the same- the difference is the speed at which cash is exhausted.</p>	<p>This option demonstrates the financial impact of maintaining increases in line with the assumed rate peg. This option demonstrates an unsustainable financial trajectory and would mean Council are not able to manage core assets such as roads and bridges.</p>

# Performance Monitoring - General Fund

A key part of the LTFP is the measurement of performance against the plan. IPART and NSW Treasury Corporation (TCORP) have provided ratios which serve as benchmarks to assess the measurement of performance and long term financial sustainability of local government. Council is required to publish the ratios in the Annual Financial Statements under Note 26(a). The performance measures demonstrate trends on the basis of forward projections and assumptions contained in the LTFP.

These projections are based on **Option A for the General Fund**.

	Benchmark	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31	2031-32	2032-33	2033-34
<b>1. Operating Performance</b>	>0.00%	● ↓	● —	● ↓	● —	● —	● —	● —	● —	● —	● —
		-0.99%	0.52%	-0.60%	9.62%	7.70%	7.86%	7.37%	6.96%	6.07%	7.50%
Total continuing operating revenue excluding capital grants and contributions, less operating expenses / Total continuing operating revenue excluding capital grants and contributions											
<b>2. Unrestricted Current Ratio</b>	>1.50	● ↓	● ↓	● ↓	● ↓	● ↓	● ↓	● ↓	● ↓	● ↓	● —
		0.64	0.33	0.32	0.32	0.35	0.35	0.70	0.87	1.25	1.95
Current assets less all external restrictions / Current liabilities less specific purpose liabilities											
<b>3. Own Source Operating Revenue Ratio</b>	>60.00%	● ↓	● —	● ↓	● —	● —	● —	● —	● —	● —	● —
		52.34%	60.09%	55.25%	70.99%	73.34%	72.74%	72.26%	70.98%	71.88%	73.42%
Total continuing operating revenue excluding all grants and contributions / Total continuing operating revenue											
<b>4. Debt Service Cover Ratio</b>	>2	● —	● —	● —	● —	● —	● —	● —	● —	● —	● —
		7.41	8.51	7.57	6.87	5.79	6.03	6.09	6.08	7.29	7.63
Operating result before capital excluding interest and depreciation/impairment/amortisation / Principal repayments (from the statement of cash flow) plus borrowing interest costs (from the income statement)											
<b>5. Cash Expense Cover Ratio</b>	> 3 months	● ↓	● ↓	● ↓	● ↓	● ↓	● ↓	● ↓	● —	● —	● —
		2.51	0.59	0.52	0.56	0.70	0.62	2.31	3.00	4.76	7.83
Current year's cash and cash equivalents + term deposits / Payments from cash flow of operating and financial activities											
<b>6. Building and Infrastructure Renewals Ratio</b>	>100%	● —	● —	● —	● ↓	● ↓	● ↓	● ↓	● ↓	● ↓	● ↓
		280.86%	143.39%	171.24%	95.18%	82.32%	83.22%	48.44%	85.12%	46.60%	22.95%
Asset renewals (renewals only for Infrastructure Assets)											

These projections are based on **Option B for the General Fund.**

Benchmark		2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31	2031-32	2032-33	2033-34
<b>1. Operating Performance</b>	>0.00%	● ↓	● —	● ↓	● ↓	● ↓	● ↓	● ↓	● ↓	● ↓	● ↓
		-0.99%	0.52%	-0.16%	-1.55%	-3.50%	-3.47%	-4.19%	-4.82%	-5.98%	-4.23%
Total continuing operating revenue excluding capital grants and contributions, less operating expenses / Total continuing operating revenue excluding capital grants and contributions											
<b>2. Unrestricted Current Ratio</b>	>1.50	● ↓	● ↓	● ↓	● ↓	● ↓	● ↓	● ↓	● ↓	● ↓	● —
		0.79	0.45	0.62	0.70	0.87	0.97	1.21	1.29	1.48	1.87
Current assets less all external restrictions / Current liabilities less specific purpose liabilities											
<b>3. Own Source Operating Revenue Ratio</b>	>60.00%	● ↓	● —	● ↓	● —	● —	● —	● —	● —	● —	● —
		52.23%	61.06%	58.17%	69.13%	69.75%	69.50%	68.59%	67.58%	68.56%	69.84%
Total continuing operating revenue excluding all grants and contributions / Total continuing operating revenue											
<b>4. Debt Service Cover Ratio</b>	>2	● —	● —	● —	● —	● —	● —	● —	● —	● —	● —
		7.41	8.51	11.09	8.72	8.22	8.61	8.60	8.32	12.8	13.55
Operating result before capital excluding interest and depreciation/impairment/amortisation / Principal repayments (from the statement of cash flow) plus borrowing interest costs (from the income statement)											
<b>5. Cash Expense Cover Ratio</b>	> 3 months	● —	● ↓	● ↓	● ↓	● —	● —	● —	● —	● —	● —
		3.60	1.57	2.50	2.72	3.46	3.82	4.90	5.04	5.91	7.49
Current year's cash and cash equivalents + term deposits / Payments from cash flow of operating and financial activities											
<b>6. Building and Infrastructure Renewals Ratio</b>	>100%	● —	● —	● ↓	● ↓	● ↓	● ↓	● ↓	● ↓	● ↓	● ↓
		250.12%	109.4%	95.46%	37.99%	32.30%	32.93%	26.50%	63.19%	32.54%	24.46%
Asset renewals (renewals only for Infrastructure Assets)											

These projections are based on **Option C for the General Fund.**

	Benchmark	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31	2031-32	2032-33	2033-34
<b>1. Operating Performance</b>	>0.00%	● ↓	● ↓	● ↓	● ↓	● ↓	● ↓	● ↓	● ↓	● ↓	● ↓
		-6.64%	-5.13%	-5.84%	-7.32%	-9.38%	-9.35%	-10.11%	-10.77%	-12.01%	-10.15%
Total continuing operating revenue excluding capital grants and contributions, less operating expenses / Total continuing operating revenue excluding capital grants and contributions											
<b>2. Unrestricted Current Ratio</b>	>1.50	● ↓	● ↓	● ↓	● ↓	● ↓	● ↓	● ↓	● ↓	● ↓	● ↓
		0.63	0.20	0.22	0.17	0.17	0.16	0.19	0.18	0.17	0.21
Current assets less all external restrictions / Current liabilities less specific purpose liabilities											
<b>3. Own Source Operating Revenue Ratio</b>	>60.00%	● ↓	● ↓	● ↓	● —	● —	● —	● —	● —	● —	● —
		50.24%	59.16%	56.23%	67.24%	68.05%	67.79%	88.86%	65.82%	66.82%	66.14%
Total continuing operating revenue excluding all grants and contributions / Total continuing operating revenue											
<b>4. Debt Service Cover Ratio</b>	>2	● —	● —	● —	● —	● —	● —	● —	● —	● —	● —
		5.70	6.74	8.78	6.88	6.40	6.73	6.67	6.41	9.71	10.36
Operating result before capital excluding interest and depreciation/impairment/amortisation / Principal repayments (from the statement of cash flow) plus borrowing interest costs (from the income statement)											
<b>5. Cash Expense Cover Ratio</b>	> 3 months	● ↓	● ↓	● ↓	● ↓	● ↓	● ↓	● ↓	● ↓	● ↓	● ↓
		2.85	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.14
Current year's cash and cash equivalents + term deposits / Payments from cash flow of operating and financial activities											
<b>6. Building and Infrastructure Renewals Ratio</b>	>100%	● —	● —	● ↓	● ↓	● ↓	● ↓	● ↓	● ↓	● ↓	● ↓
		250.12%	109.4%	95.46%	37.99%	32.30%	32.93%	26.50%	63.19%	32.54%	24.46%
Asset renewals (renewals only for Infrastructure Assets)											

# Appendix 1 - GENERAL FUND

## GENERAL FUND- Option A

Bega Valley Shire Council

10 Year Financial Plan for the Years ending 30 June 2034

### INCOME STATEMENT - GENERAL FUND

Scenario: Option A Financial Sustainability

	2024/25	2025/26	2026/27	2027/28	Projected Years					2033/34
	\$'000	\$'000	\$'000	\$'000	2028/29	2029/30	2030/31	2031/32	2032/33	\$'000
<b>Income from Continuing Operations</b>										
<b>Revenue:</b>										
Rates & Annual Charges	50,884	52,401	53,964	69,129	71,194	73,320	75,511	77,767	80,091	82,485
User Charges & Fees	10,210	10,496	10,810	11,135	11,469	11,813	12,167	12,532	12,908	13,295
Other Revenues	975	1,004	1,035	1,066	1,098	1,130	1,164	1,199	1,235	1,272
Grants & Contributions provided for Operating Purposes	28,400	27,922	28,695	29,491	30,312	31,221	32,158	33,122	34,116	35,140
Grants & Contributions provided for Capital Purposes	32,008	16,041	26,612	4,783	1,099	2,116	3,021	5,463	3,907	1,099
Interest & Investment Revenue	2,227	2,294	2,363	2,434	2,507	2,582	2,659	2,739	2,821	2,906
<b>Other Income:</b>										
Other Income	-	-	121	124	128	132	136	140	144	148
<b>Total Income from Continuing Operations</b>	<b>124,705</b>	<b>110,159</b>	<b>123,600</b>	<b>118,162</b>	<b>117,806</b>	<b>122,315</b>	<b>126,817</b>	<b>132,963</b>	<b>135,223</b>	<b>136,346</b>
<b>Expenses from Continuing Operations</b>										
Employee Benefits & On-Costs	37,240	36,912	38,185	39,799	41,526	43,073	45,052	47,100	49,220	51,414
Borrowing Costs	341	267	921	1,791	2,252	2,027	1,789	1,539	1,277	1,032
Materials & Contracts	32,471	31,028	31,876	32,654	34,314	34,602	35,749	36,679	38,443	38,142
Depreciation & Amortisation	21,803	23,602	24,722	26,302	27,647	29,005	29,977	31,145	32,174	32,221
Impairment of investments	-	-	-	-	-	-	-	-	-	-
Impairment of receivables	12	12	12	12	12	12	12	12	12	12
Other Expenses	1,751	1,803	1,857	1,913	1,971	2,030	2,091	2,153	2,218	2,284
Net Losses from the Disposal of Assets	-	-	-	-	-	-	-	-	-	-
Revaluation decrement/impairment of IPPE	11	11	11	11	11	11	11	11	11	11
<b>Total Expenses from Continuing Operations</b>	<b>93,629</b>	<b>93,636</b>	<b>97,585</b>	<b>102,481</b>	<b>107,732</b>	<b>110,760</b>	<b>114,681</b>	<b>118,639</b>	<b>123,354</b>	<b>125,117</b>
<b>Net Operating Result for the Year</b>	<b>31,076</b>	<b>16,522</b>	<b>26,015</b>	<b>15,681</b>	<b>10,074</b>	<b>11,555</b>	<b>12,136</b>	<b>14,325</b>	<b>11,868</b>	<b>11,229</b>
<b>Net Operating Result before Grants and Contributions provided for Capital Purposes</b>	<b>(932)</b>	<b>481</b>	<b>(597)</b>	<b>10,898</b>	<b>8,974</b>	<b>9,439</b>	<b>9,115</b>	<b>8,861</b>	<b>7,962</b>	<b>10,130</b>



Bega Valley Shire Council

10 Year Financial Plan for the Years ending 30 June 2034

BALANCE SHEET - GENERAL FUND

Scenario: Option A Financial Sustainability

	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
<b>ASSETS</b>										
<b>Current Assets</b>										
Cash & Cash Equivalents	15,813	3,597	3,222	3,712	4,892	4,441	17,183	23,092	37,738	63,627
Investments	-	-	-	-	-	-	-	-	-	-
Receivables	13,220	11,259	12,854	11,251	11,107	11,553	12,067	12,745	12,981	13,146
Inventories	729	706	725	743	777	786	810	831	868	866
Other	22	21	22	22	23	23	24	25	26	26
<b>Total Current Assets</b>	<b>29,783</b>	<b>15,583</b>	<b>16,823</b>	<b>15,728</b>	<b>16,799</b>	<b>16,803</b>	<b>30,085</b>	<b>36,693</b>	<b>51,613</b>	<b>77,665</b>
<b>Non-Current Assets</b>										
Investments	-	-	-	-	-	-	-	-	-	-
Receivables	14	14	14	14	14	13	13	13	13	5
Inventories	-	-	-	-	-	-	-	-	-	-
Infrastructure, Property, Plant & Equipment	1,271,660	1,334,029	1,404,490	1,451,312	1,483,148	1,518,623	1,541,574	1,573,586	1,595,141	1,575,179
Other	-	-	-	-	-	-	-	-	-	-
<b>Total Non-Current Assets</b>	<b>1,271,674</b>	<b>1,334,042</b>	<b>1,404,504</b>	<b>1,451,326</b>	<b>1,483,162</b>	<b>1,518,636</b>	<b>1,541,587</b>	<b>1,573,599</b>	<b>1,595,154</b>	<b>1,575,185</b>
<b>TOTAL ASSETS</b>	<b>1,301,457</b>	<b>1,349,625</b>	<b>1,421,326</b>	<b>1,467,054</b>	<b>1,499,961</b>	<b>1,535,439</b>	<b>1,571,672</b>	<b>1,610,292</b>	<b>1,646,767</b>	<b>1,652,850</b>
<b>LIABILITIES</b>										
<b>Current Liabilities</b>										
Bank Overdraft	-	-	-	-	-	-	-	-	-	-
Payables	15,340	15,032	15,359	15,974	16,461	16,599	16,964	17,275	17,796	17,804
Income received in advance	-	-	-	-	-	-	-	-	-	-
Contract liabilities	16,955	12,339	15,523	9,620	8,816	9,357	9,873	10,830	10,672	10,171
Lease liabilities	-	-	-	-	-	-	-	-	-	-
Borrowings	2,597	2,390	3,884	4,458	4,684	4,921	5,301	4,409	4,654	4,913
Employee benefit provisions	8,223	8,223	8,223	8,223	8,223	8,223	8,223	8,223	8,223	8,223
Other provisions	144	144	144	144	144	144	144	144	144	144
<b>Total Current Liabilities</b>	<b>43,257</b>	<b>38,128</b>	<b>43,133</b>	<b>38,418</b>	<b>38,327</b>	<b>39,244</b>	<b>40,506</b>	<b>40,880</b>	<b>41,488</b>	<b>41,255</b>
<b>Non-Current Liabilities</b>										
Borrowings	6,690	17,661	31,776	39,269	34,585	29,663	24,363	19,954	15,300	10,387
Employee benefit provisions	292	292	292	292	292	292	292	292	292	292
Other provisions	5,006	5,006	5,006	5,006	5,006	5,006	5,006	5,006	5,006	5,006
<b>Total Non-Current Liabilities</b>	<b>11,988</b>	<b>22,959</b>	<b>37,075</b>	<b>44,567</b>	<b>39,883</b>	<b>34,962</b>	<b>29,661</b>	<b>25,252</b>	<b>20,598</b>	<b>15,685</b>
<b>TOTAL LIABILITIES</b>	<b>55,246</b>	<b>61,087</b>	<b>80,208</b>	<b>82,985</b>	<b>78,210</b>	<b>74,206</b>	<b>70,166</b>	<b>66,132</b>	<b>62,086</b>	<b>56,940</b>
<b>Net Assets</b>	<b>1,246,212</b>	<b>1,288,538</b>	<b>1,341,119</b>	<b>1,384,070</b>	<b>1,421,750</b>	<b>1,461,234</b>	<b>1,501,506</b>	<b>1,544,160</b>	<b>1,584,681</b>	<b>1,595,910</b>
<b>EQUITY</b>										
Retained Earnings	599,245	615,768	641,783	657,464	667,537	679,093	691,229	705,553	717,421	728,651
Revaluation Reserves	646,966	672,771	699,336	726,606	754,213	782,141	810,277	838,607	867,259	867,259
<b>Total Equity</b>	<b>1,246,212</b>	<b>1,288,538</b>	<b>1,341,119</b>	<b>1,384,070</b>	<b>1,421,750</b>	<b>1,461,234</b>	<b>1,501,506</b>	<b>1,544,160</b>	<b>1,584,681</b>	<b>1,595,910</b>

**Bega Valley Shire Council**  
**10 Year Financial Plan for the Years ending 30 June 2034**

**CASH FLOW STATEMENT - GENERAL FUND**

**Scenario: Option A Financial Sustainability**

	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
<b>Cash Flows from Operating Activities</b>										
<b>Receipts:</b>										
Rates & Annual Charges	50,545	52,297	53,856	68,514	71,046	73,166	75,350	77,599	79,916	82,302
User Charges & Fees	10,005	10,445	10,754	11,077	11,409	11,752	12,104	12,467	12,841	13,226
Investment & Interest Revenue Received	2,295	2,349	2,338	2,385	2,483	2,572	2,576	2,695	2,730	2,747
Grants & Contributions	54,553	40,992	57,356	30,475	30,894	33,685	35,512	39,201	37,921	35,917
Bonds & Deposits Received	-	-	-	-	-	-	-	-	-	-
Other	1,814	1,396	857	1,694	1,279	1,196	1,235	1,235	1,373	1,444
<b>Payments:</b>										
Employee Benefits & On-Costs	(37,078)	(36,941)	(38,152)	(39,753)	(41,476)	(43,031)	(44,994)	(47,040)	(49,158)	(51,350)
Materials & Contracts	(33,926)	(31,299)	(31,627)	(32,419)	(33,876)	(34,476)	(35,425)	(36,403)	(37,974)	(38,145)
Borrowing Costs	(347)	(239)	(881)	(1,770)	(2,264)	(2,039)	(1,802)	(1,552)	(1,288)	(1,044)
Bonds & Deposits Refunded	-	-	-	-	-	-	-	-	-	-
Other	(1,751)	(1,803)	(1,857)	(1,913)	(1,971)	(2,030)	(2,091)	(2,153)	(2,218)	(2,284)
<b>Net Cash provided (or used in) Operating Activities</b>	<b>46,111</b>	<b>37,197</b>	<b>52,645</b>	<b>38,289</b>	<b>37,524</b>	<b>40,795</b>	<b>42,466</b>	<b>46,048</b>	<b>44,142</b>	<b>42,813</b>
<b>Cash Flows from Investing Activities</b>										
<b>Receipts:</b>										
Sale of Investment Securities	39,591	-	-	-	-	-	-	-	-	-
Sale of Real Estate Assets	-	-	-	-	-	-	-	-	-	-
Sale of Infrastructure, Property, Plant & Equipment	1,579	1,579	1,579	1,579	1,579	1,579	1,579	1,579	1,579	1,579
<b>Payments:</b>										
Purchase of Investment Securities	-	-	-	-	-	-	-	-	-	-
Purchase of Investment Property	-	-	-	-	-	-	-	-	-	-
Purchase of Infrastructure, Property, Plant & Equipment	(79,723)	(61,756)	(70,207)	(47,443)	(33,464)	(38,141)	(26,381)	(36,416)	(26,666)	(13,849)
Other Investing Activity Payments	-	-	-	-	-	-	-	-	-	-
<b>Net Cash provided (or used in) Investing Activities</b>	<b>(38,554)</b>	<b>(60,177)</b>	<b>(68,629)</b>	<b>(45,865)</b>	<b>(31,886)</b>	<b>(36,562)</b>	<b>(24,803)</b>	<b>(34,838)</b>	<b>(25,087)</b>	<b>(12,271)</b>
<b>Cash Flows from Financing Activities</b>										
<b>Receipts:</b>										
Proceeds from Borrowings & Advances	-	13,361	18,000	11,950	-	-	-	-	-	-
<b>Payments:</b>										
Repayment of Borrowings & Advances	(2,523)	(2,597)	(2,390)	(3,884)	(4,458)	(4,684)	(4,921)	(5,301)	(4,409)	(4,654)
Other Financing Activity Payments	-	-	-	-	-	-	-	-	-	-
<b>Net Cash Flow provided (used in) Financing Activities</b>	<b>(2,523)</b>	<b>10,764</b>	<b>15,610</b>	<b>8,066</b>	<b>(4,458)</b>	<b>(4,684)</b>	<b>(4,921)</b>	<b>(5,301)</b>	<b>(4,409)</b>	<b>(4,654)</b>
<b>Net Increase/(Decrease) in Cash &amp; Cash Equivalents</b>	<b>5,034</b>	<b>(12,216)</b>	<b>(375)</b>	<b>490</b>	<b>1,180</b>	<b>(451)</b>	<b>12,742</b>	<b>5,909</b>	<b>14,646</b>	<b>25,888</b>
<b>plus: Cash &amp; Cash Equivalents - beginning of year</b>	<b>10,779</b>	<b>15,813</b>	<b>3,597</b>	<b>3,222</b>	<b>3,712</b>	<b>4,892</b>	<b>4,441</b>	<b>17,183</b>	<b>23,092</b>	<b>37,738</b>
<b>Cash &amp; Cash Equivalents - end of the year</b>	<b>15,813</b>	<b>3,597</b>	<b>3,222</b>	<b>3,712</b>	<b>4,892</b>	<b>4,441</b>	<b>17,183</b>	<b>23,092</b>	<b>37,738</b>	<b>63,627</b>

# GENERAL FUND- Option B

Bega Valley Shire Council

10 Year Financial Plan for the Years ending 30 June 2034

## INCOME STATEMENT - GENERAL FUND

Scenario: Option B Assets and Services SRV

	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
<b>Income from Continuing Operations</b>										
<b>Revenue:</b>										
Rates & Annual Charges	50,884	52,401	53,964	55,574	57,232	58,940	60,699	62,511	64,377	66,299
User Charges & Fees	10,210	10,496	10,810	11,135	11,469	11,813	12,167	12,532	12,908	13,295
Other Revenues	975	1,004	1,035	1,066	1,098	1,130	1,164	1,199	1,235	1,272
Grants & Contributions provided for Operating Purposes	28,400	27,922	28,695	29,491	30,312	31,221	32,158	33,122	34,116	35,140
Grants & Contributions provided for Capital Purposes	30,415	14,291	20,418	1,911	1,099	1,522	3,021	4,829	3,257	1,099
Interest & Investment Revenue	2,227	2,294	2,363	2,434	2,507	2,582	2,659	2,739	2,821	2,906
<b>Other Income:</b>										
Other Income	-	-	121	124	128	132	136	140	144	148
<b>Total Income from Continuing Operations</b>	<b>123,111</b>	<b>108,409</b>	<b>117,406</b>	<b>101,735</b>	<b>103,844</b>	<b>107,340</b>	<b>112,005</b>	<b>117,073</b>	<b>118,859</b>	<b>120,160</b>
<b>Expenses from Continuing Operations</b>										
Employee Benefits & On-Costs	37,240	36,912	38,185	39,799	41,526	43,073	45,052	47,100	49,220	51,414
Borrowing Costs	341	267	489	693	869	771	668	561	450	363
Materials & Contracts	32,471	31,028	31,876	32,654	34,314	34,602	35,749	36,679	38,443	38,142
Depreciation & Amortisation	21,803	23,602	24,722	26,302	27,647	29,005	29,977	31,145	32,174	31,875
Impairment of investments	-	-	-	-	-	-	-	-	-	-
Impairment of receivables	12	12	12	12	12	12	12	12	12	12
Other Expenses	1,751	1,803	1,857	1,913	1,971	2,030	2,091	2,153	2,218	2,284
Net Losses from the Disposal of Assets	-	-	-	-	-	-	-	-	-	-
Revaluation decrement/impairment of IPPE	11	11	11	11	11	11	11	11	11	11
<b>Total Expenses from Continuing Operations</b>	<b>93,629</b>	<b>93,636</b>	<b>97,153</b>	<b>101,383</b>	<b>106,349</b>	<b>109,504</b>	<b>113,560</b>	<b>117,661</b>	<b>122,527</b>	<b>124,102</b>
<b>Net Operating Result for the Year</b>	<b>29,482</b>	<b>14,772</b>	<b>20,253</b>	<b>352</b>	<b>(2,505)</b>	<b>(2,164)</b>	<b>(1,555)</b>	<b>(588)</b>	<b>(3,668)</b>	<b>(3,942)</b>
<b>Net Operating Result before Grants and Contributions provided for Capital Purposes</b>	<b>(932)</b>	<b>481</b>	<b>(165)</b>	<b>(1,559)</b>	<b>(3,604)</b>	<b>(3,686)</b>	<b>(4,576)</b>	<b>(5,417)</b>	<b>(6,925)</b>	<b>(5,041)</b>

**Bega Valley Shire Council**  
**10 Year Financial Plan for the Years ending 30 June 2034**

**BALANCE SHEET - GENERAL FUND**

Scenario: Option B Assets and Services SRV

	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
<b>ASSETS</b>										
<b>Current Assets</b>										
Cash & Cash Equivalents	22,667	9,528	15,375	17,433	23,179	26,267	34,967	37,276	44,966	58,565
Investments	-	-	-	-	-	-	-	-	-	-
Receivables	13,060	11,075	12,148	10,098	10,318	10,680	11,218	11,766	11,931	12,077
Inventories	729	706	725	743	777	786	810	831	868	866
Other	22	21	22	22	23	23	24	25	26	26
<b>Total Current Assets</b>	<b>36,477</b>	<b>21,329</b>	<b>28,269</b>	<b>28,296</b>	<b>34,296</b>	<b>37,755</b>	<b>47,019</b>	<b>49,898</b>	<b>57,791</b>	<b>71,533</b>
<b>Non-Current Assets</b>										
Investments	-	-	-	-	-	-	-	-	-	-
Receivables	14	14	14	14	14	13	13	13	13	5
Inventories	-	-	-	-	-	-	-	-	-	-
Infrastructure, Property, Plant & Equipment	1,262,925	1,316,427	1,361,766	1,387,405	1,404,844	1,425,410	1,441,424	1,464,788	1,480,693	1,461,078
Other	-	-	-	-	-	-	-	-	-	-
<b>Total Non-Current Assets</b>	<b>1,262,939</b>	<b>1,316,440</b>	<b>1,361,780</b>	<b>1,387,418</b>	<b>1,404,857</b>	<b>1,425,424</b>	<b>1,441,438</b>	<b>1,464,802</b>	<b>1,480,706</b>	<b>1,461,083</b>
<b>TOTAL ASSETS</b>	<b>1,299,416</b>	<b>1,337,770</b>	<b>1,390,049</b>	<b>1,415,714</b>	<b>1,439,153</b>	<b>1,463,179</b>	<b>1,488,457</b>	<b>1,514,699</b>	<b>1,538,497</b>	<b>1,532,616</b>
<b>LIABILITIES</b>										
<b>Current Liabilities</b>										
Bank Overdraft	-	-	-	-	-	-	-	-	-	-
Payables	15,340	15,011	15,307	15,596	16,094	16,243	16,621	16,945	17,480	17,504
Income received in advance	-	-	-	-	-	-	-	-	-	-
Contract liabilities	16,507	11,848	13,784	8,813	8,816	9,190	9,873	10,652	10,489	10,171
Lease liabilities	-	-	-	-	-	-	-	-	-	-
Borrowings	2,597	1,771	2,224	2,164	2,262	2,364	2,601	1,558	1,645	1,736
Employee benefit provisions	8,223	8,223	8,223	8,223	8,223	8,223	8,223	8,223	8,223	8,223
Other provisions	144	144	144	144	144	144	144	144	144	144
<b>Total Current Liabilities</b>	<b>42,810</b>	<b>36,997</b>	<b>39,682</b>	<b>34,940</b>	<b>35,538</b>	<b>36,164</b>	<b>37,462</b>	<b>37,522</b>	<b>37,980</b>	<b>37,778</b>
<b>Non-Current Liabilities</b>										
Borrowings	6,690	10,280	13,055	15,842	13,580	11,215	8,614	7,056	5,411	3,675
Employee benefit provisions	292	292	292	292	292	292	292	292	292	292
Other provisions	5,006	5,006	5,006	5,006	5,006	5,006	5,006	5,006	5,006	5,006
<b>Total Non-Current Liabilities</b>	<b>11,988</b>	<b>15,578</b>	<b>18,354</b>	<b>21,140</b>	<b>18,878</b>	<b>16,514</b>	<b>13,912</b>	<b>12,354</b>	<b>10,709</b>	<b>8,973</b>
<b>TOTAL LIABILITIES</b>	<b>54,798</b>	<b>52,575</b>	<b>58,036</b>	<b>56,079</b>	<b>54,416</b>	<b>52,678</b>	<b>51,375</b>	<b>49,876</b>	<b>48,689</b>	<b>46,750</b>
<b>Net Assets</b>	<b>1,244,618</b>	<b>1,285,195</b>	<b>1,332,013</b>	<b>1,359,635</b>	<b>1,384,737</b>	<b>1,410,501</b>	<b>1,437,082</b>	<b>1,464,824</b>	<b>1,489,808</b>	<b>1,485,866</b>
<b>EQUITY</b>										
Retained Earnings	597,652	612,424	632,677	633,029	630,524	628,360	626,805	626,217	622,549	618,607
Revaluation Reserves	646,966	672,771	699,336	726,606	754,213	782,141	810,277	838,607	867,259	867,259
<b>Total Equity</b>	<b>1,244,618</b>	<b>1,285,195</b>	<b>1,332,013</b>	<b>1,359,635</b>	<b>1,384,737</b>	<b>1,410,501</b>	<b>1,437,082</b>	<b>1,464,824</b>	<b>1,489,808</b>	<b>1,485,866</b>



**Bega Valley Shire Council**  
**10 Year Financial Plan for the Years ending 30 June 2034**

**CASH FLOW STATEMENT - GENERAL FUND**

**Scenario: Option B Assets and Services SRV**

	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
<b>Cash Flows from Operating Activities</b>										
<b>Receipts:</b>										
Rates & Annual Charges	50,545	52,297	53,856	55,461	57,114	58,816	60,570	62,376	64,236	66,152
User Charges & Fees	10,005	10,445	10,754	11,077	11,409	11,752	12,104	12,467	12,841	13,226
Investment & Interest Revenue Received	2,257	2,354	2,305	2,433	2,453	2,556	2,601	2,718	2,771	2,820
Grants & Contributions	52,672	39,214	50,360	28,202	31,413	32,983	35,619	38,452	37,268	36,034
Bonds & Deposits Received	-	-	-	-	-	-	-	-	-	-
Other	1,854	1,400	967	1,611	1,207	1,211	1,221	1,251	1,373	1,428
<b>Payments:</b>										
Employee Benefits & On-Costs	(37,078)	(36,941)	(38,152)	(39,753)	(41,476)	(43,031)	(44,994)	(47,040)	(49,158)	(51,350)
Materials & Contracts	(33,926)	(31,299)	(31,627)	(32,419)	(33,876)	(34,476)	(35,425)	(36,403)	(37,974)	(38,145)
Borrowing Costs	(347)	(260)	(481)	(686)	(874)	(777)	(675)	(567)	(454)	(367)
Bonds & Deposits Refunded	-	-	-	-	-	-	-	-	-	-
Other	(1,751)	(1,803)	(1,857)	(1,913)	(1,971)	(2,030)	(2,091)	(2,153)	(2,218)	(2,284)
<b>Net Cash provided (or used in) Operating Activities</b>	<b>44,230</b>	<b>35,407</b>	<b>46,125</b>	<b>24,013</b>	<b>25,399</b>	<b>27,004</b>	<b>28,930</b>	<b>31,100</b>	<b>28,686</b>	<b>27,514</b>
<b>Cash Flows from Investing Activities</b>										
<b>Receipts:</b>										
Sale of Investment Securities	39,591	-	-	-	-	-	-	-	-	-
Sale of Real Estate Assets	-	-	-	-	-	-	-	-	-	-
Sale of Infrastructure, Property, Plant & Equipment	1,579	1,579	1,579	1,579	1,579	1,579	1,579	1,579	1,579	1,579
<b>Payments:</b>										
Purchase of Investment Securities	-	-	-	-	-	-	-	-	-	-
Purchase of Investment Property	-	-	-	-	-	-	-	-	-	-
Purchase of Infrastructure, Property, Plant & Equipment	(70,989)	(52,888)	(45,086)	(26,259)	(19,068)	(23,233)	(19,444)	(27,768)	(21,016)	(13,849)
Other Investing Activity Payments	-	-	-	-	-	-	-	-	-	-
<b>Net Cash provided (or used in) Investing Activities</b>	<b>(29,819)</b>	<b>(51,310)</b>	<b>(43,507)</b>	<b>(24,681)</b>	<b>(17,489)</b>	<b>(21,654)</b>	<b>(17,866)</b>	<b>(26,190)</b>	<b>(19,437)</b>	<b>(12,271)</b>
<b>Cash Flows from Financing Activities</b>										
<b>Receipts:</b>										
Proceeds from Borrowings & Advances	-	5,361	5,000	4,950	-	-	-	-	-	-
<b>Payments:</b>										
Repayment of Borrowings & Advances	(2,523)	(2,597)	(1,771)	(2,224)	(2,164)	(2,262)	(2,364)	(2,601)	(1,558)	(1,645)
Other Financing Activity Payments	-	-	-	-	-	-	-	-	-	-
<b>Net Cash Flow provided (used in) Financing Activities</b>	<b>(2,523)</b>	<b>2,764</b>	<b>3,229</b>	<b>2,726</b>	<b>(2,164)</b>	<b>(2,262)</b>	<b>(2,364)</b>	<b>(2,601)</b>	<b>(1,558)</b>	<b>(1,645)</b>
<b>Net Increase/(Decrease) in Cash &amp; Cash Equivalents</b>	<b>11,888</b>	<b>(13,139)</b>	<b>5,847</b>	<b>2,058</b>	<b>5,746</b>	<b>3,088</b>	<b>8,700</b>	<b>2,309</b>	<b>7,691</b>	<b>13,598</b>
<b>plus: Cash &amp; Cash Equivalents - beginning of year</b>	<b>10,779</b>	<b>22,667</b>	<b>9,528</b>	<b>15,375</b>	<b>17,433</b>	<b>23,179</b>	<b>26,267</b>	<b>34,967</b>	<b>37,276</b>	<b>44,966</b>
<b>Cash &amp; Cash Equivalents - end of the year</b>	<b>22,667</b>	<b>9,528</b>	<b>15,375</b>	<b>17,433</b>	<b>23,179</b>	<b>26,267</b>	<b>34,967</b>	<b>37,276</b>	<b>44,966</b>	<b>58,565</b>

## GENERAL FUND - Option C

Bega Valley Shire Council

10 Year Financial Plan for the Years ending 30 June 2034

### INCOME STATEMENT - GENERAL FUND

Scenario: Option C Rate Peg Only

	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
<b>Income from Continuing Operations</b>										
<b>Revenue:</b>										
Rates & Annual Charges	45,975	47,345	48,756	50,210	51,707	53,249	54,838	56,473	58,159	59,894
User Charges & Fees	10,210	10,496	10,810	11,135	11,469	11,813	12,167	12,532	12,908	13,295
Other Revenues	975	1,004	1,035	1,066	1,098	1,130	1,164	1,199	1,235	1,272
Grants & Contributions provided for Operating Purposes	28,400	27,922	28,695	29,491	30,312	31,221	32,158	33,122	34,116	35,140
Grants & Contributions provided for Capital Purposes	30,415	14,291	20,418	1,911	1,099	1,522	3,021	4,829	3,257	1,099
Interest & Investment Revenue	2,227	2,294	2,363	2,434	2,507	2,582	2,659	2,739	2,821	2,906
<b>Other Income:</b>										
Other Income	-	-	121	124	128	132	136	140	144	148
<b>Total Income from Continuing Operations</b>	<b>118,202</b>	<b>103,353</b>	<b>112,198</b>	<b>96,371</b>	<b>98,319</b>	<b>101,649</b>	<b>106,143</b>	<b>111,036</b>	<b>112,640</b>	<b>113,755</b>
<b>Expenses from Continuing Operations</b>										
Employee Benefits & On-Costs	37,240	36,912	38,185	39,799	41,526	43,073	45,052	47,100	49,220	51,414
Borrowing Costs	341	267	489	693	869	771	668	561	450	363
Materials & Contracts	32,471	31,028	31,876	32,654	34,314	34,602	35,749	36,679	38,443	38,142
Depreciation & Amortisation	21,803	23,602	24,722	26,302	27,647	29,005	29,977	31,145	32,174	31,875
Impairment of investments	-	-	-	-	-	-	-	-	-	-
Impairment of receivables	12	12	12	12	12	12	12	12	12	12
Other Expenses	1,751	1,803	1,857	1,913	1,971	2,030	2,091	2,153	2,218	2,284
Net Losses from the Disposal of Assets	-	-	-	-	-	-	-	-	-	-
Revaluation decrement/impairment of IPPE	11	11	11	11	11	11	11	11	11	11
<b>Total Expenses from Continuing Operations</b>	<b>93,629</b>	<b>93,636</b>	<b>97,153</b>	<b>101,383</b>	<b>106,349</b>	<b>109,504</b>	<b>113,560</b>	<b>117,661</b>	<b>122,527</b>	<b>124,102</b>
<b>Net Operating Result for the Year</b>	<b>24,573</b>	<b>9,716</b>	<b>15,045</b>	<b>(5,012)</b>	<b>(8,030)</b>	<b>(7,855)</b>	<b>(7,417)</b>	<b>(6,625)</b>	<b>(9,887)</b>	<b>(10,347)</b>
<b>Net Operating Result before Grants and Contributions provided for Capital Purposes</b>	<b>(5,841)</b>	<b>(4,575)</b>	<b>(5,373)</b>	<b>(6,923)</b>	<b>(9,129)</b>	<b>(9,376)</b>	<b>(10,438)</b>	<b>(11,454)</b>	<b>(13,143)</b>	<b>(11,446)</b>

Bega Valley Shire Council

10 Year Financial Plan for the Years ending 30 June 2034

BALANCE SHEET - GENERAL FUND

Scenario: Option C Rate Peg Only

	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
<b>ASSETS</b>										
<b>Current Assets</b>										
Cash & Cash Equivalents	17,975	-	497	-	-	-	-	-	-	2,913
Investments	-	-	-	-	-	-	-	-	-	-
Receivables	12,716	10,706	11,727	9,665	9,827	10,160	10,636	11,160	11,271	11,344
Inventories	729	706	725	743	777	786	810	831	868	866
Other	22	21	22	22	23	23	24	25	26	26
<b>Total Current Assets</b>	<b>31,440</b>	<b>11,433</b>	<b>12,971</b>	<b>10,429</b>	<b>10,627</b>	<b>10,969</b>	<b>11,471</b>	<b>12,016</b>	<b>12,164</b>	<b>15,149</b>
<b>Non-Current Assets</b>										
Investments	-	-	-	-	-	-	-	-	-	-
Receivables	14	14	14	14	14	13	13	13	13	5
Inventories	-	-	-	-	-	-	-	-	-	-
Infrastructure, Property, Plant & Equipment	1,262,925	1,316,427	1,361,766	1,387,405	1,404,844	1,425,410	1,441,424	1,464,788	1,480,693	1,461,078
Other	-	-	-	-	-	-	-	-	-	-
<b>Total Non-Current Assets</b>	<b>1,262,939</b>	<b>1,316,440</b>	<b>1,361,780</b>	<b>1,387,418</b>	<b>1,404,857</b>	<b>1,425,424</b>	<b>1,441,438</b>	<b>1,464,802</b>	<b>1,480,706</b>	<b>1,461,083</b>
<b>TOTAL ASSETS</b>	<b>1,294,380</b>	<b>1,327,873</b>	<b>1,374,751</b>	<b>1,397,848</b>	<b>1,415,484</b>	<b>1,436,393</b>	<b>1,452,908</b>	<b>1,476,817</b>	<b>1,492,871</b>	<b>1,476,232</b>
<b>LIABILITIES</b>										
<b>Current Liabilities</b>										
Bank Overdraft	-	195	-	2,794	2,515	5,086	2,183	5,885	4,356	-
Payables	15,212	14,885	15,182	15,472	15,972	16,124	16,504	16,830	17,368	17,395
Income received in advance	-	-	-	-	-	-	-	-	-	-
Contract liabilities	16,507	11,848	13,784	8,813	8,816	9,190	9,873	10,652	10,489	10,171
Lease liabilities	-	-	-	-	-	-	-	-	-	-
Borrowings	2,597	1,771	2,224	2,164	2,262	2,364	2,601	1,558	1,645	1,736
Employee benefit provisions	8,223	8,223	8,223	8,223	8,223	8,223	8,223	8,223	8,223	8,223
Other provisions	144	144	144	144	144	144	144	144	144	144
<b>Total Current Liabilities</b>	<b>42,683</b>	<b>37,066</b>	<b>39,557</b>	<b>37,611</b>	<b>37,931</b>	<b>41,131</b>	<b>39,528</b>	<b>43,292</b>	<b>42,224</b>	<b>37,669</b>
<b>Non-Current Liabilities</b>										
Borrowings	6,690	10,280	13,055	15,842	13,580	11,215	8,614	7,056	5,411	3,675
Employee benefit provisions	292	292	292	292	292	292	292	292	292	292
Other provisions	5,006	5,006	5,006	5,006	5,006	5,006	5,006	5,006	5,006	5,006
<b>Total Non-Current Liabilities</b>	<b>11,988</b>	<b>15,578</b>	<b>18,354</b>	<b>21,140</b>	<b>18,878</b>	<b>16,514</b>	<b>13,912</b>	<b>12,354</b>	<b>10,709</b>	<b>8,973</b>
<b>TOTAL LIABILITIES</b>	<b>54,671</b>	<b>52,644</b>	<b>57,911</b>	<b>58,750</b>	<b>56,809</b>	<b>57,645</b>	<b>53,441</b>	<b>55,645</b>	<b>52,933</b>	<b>46,641</b>
<b>Net Assets</b>	<b>1,239,709</b>	<b>1,275,230</b>	<b>1,316,840</b>	<b>1,339,097</b>	<b>1,358,675</b>	<b>1,378,748</b>	<b>1,399,468</b>	<b>1,421,172</b>	<b>1,439,938</b>	<b>1,429,591</b>
<b>EQUITY</b>										
Retained Earnings	592,743	602,459	617,504	612,492	604,462	596,607	589,191	582,565	572,678	562,331
Revaluation Reserves	646,966	672,771	699,336	726,606	754,213	782,141	810,277	838,607	867,259	867,259
<b>Total Equity</b>	<b>1,239,709</b>	<b>1,275,230</b>	<b>1,316,840</b>	<b>1,339,097</b>	<b>1,358,675</b>	<b>1,378,748</b>	<b>1,399,468</b>	<b>1,421,172</b>	<b>1,439,938</b>	<b>1,429,591</b>

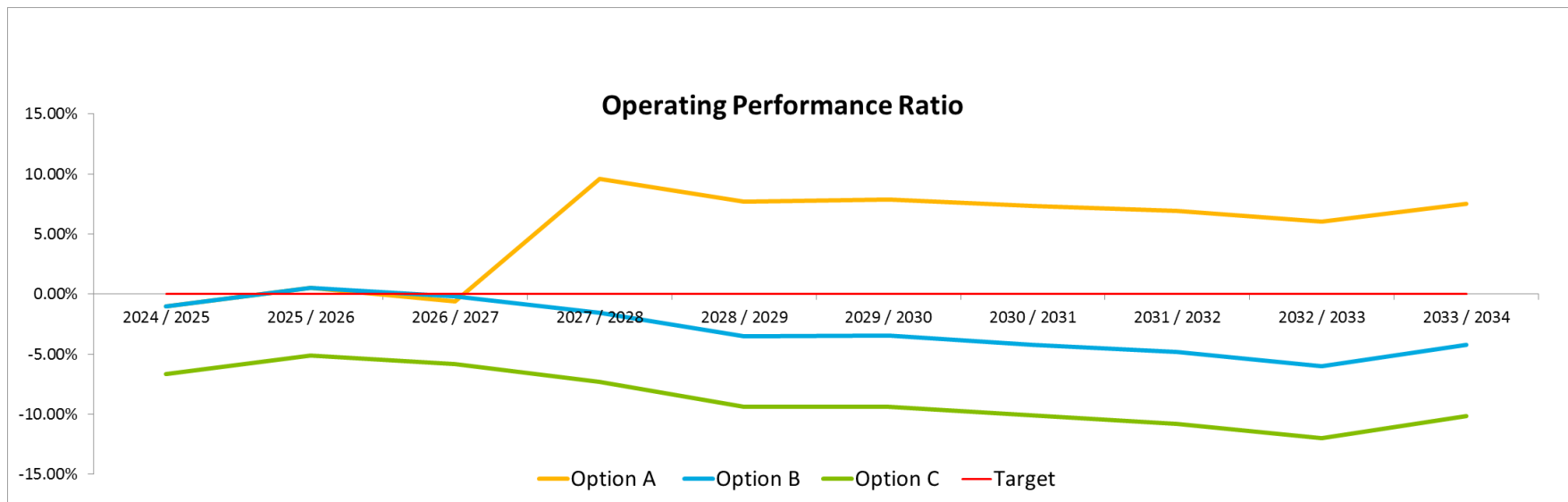
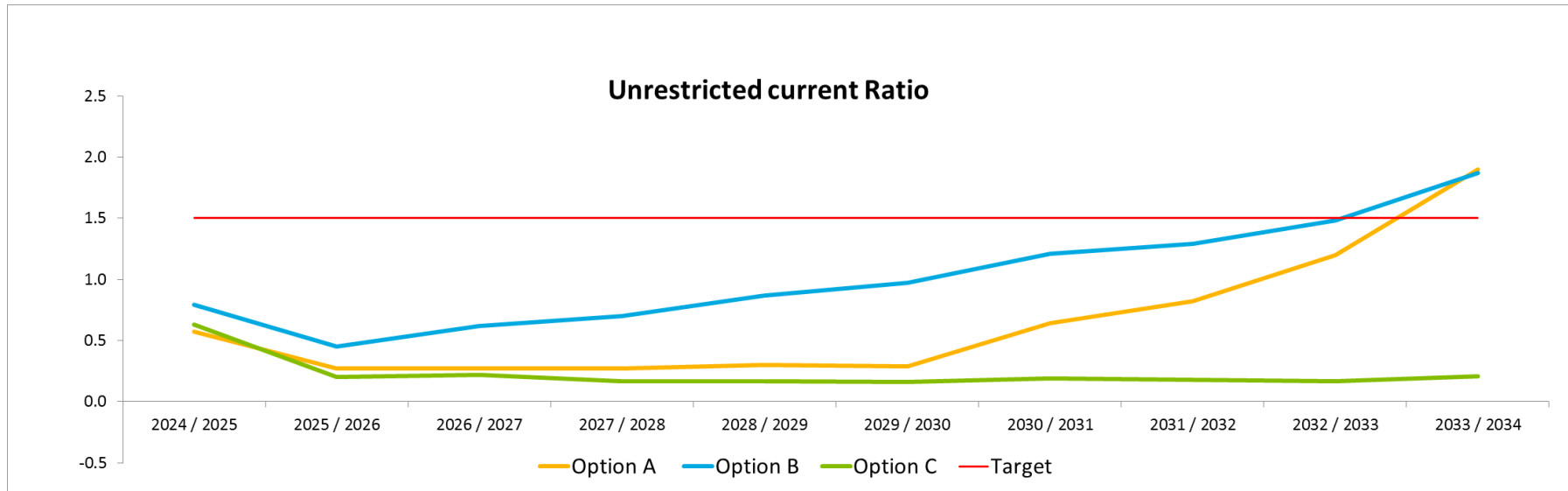
**Bega Valley Shire Council**  
**10 Year Financial Plan for the Years ending 30 June 2034**

**CASH FLOW STATEMENT - GENERAL FUND**

**Scenario: Option C Rate Peg Only**

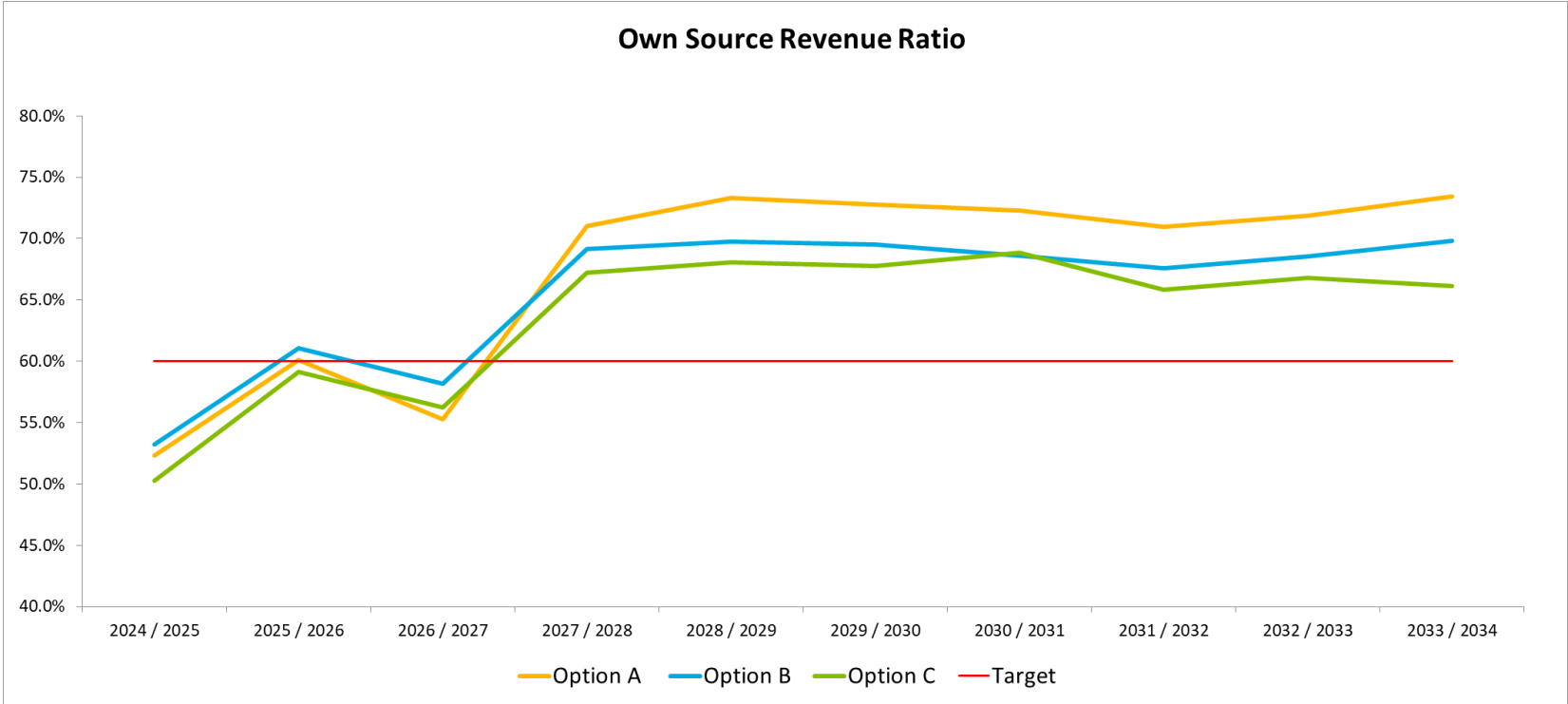
	Projected Years									
	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Cash Flows from Operating Activities</b>										
<b>Receipts:</b>										
Rates & Annual Charges	45,803	47,251	48,658	50,107	51,600	53,137	54,721	56,352	58,031	59,761
User Charges & Fees	10,005	10,445	10,754	11,077	11,409	11,752	12,104	12,467	12,841	13,226
Investment & Interest Revenue Received	2,307	2,369	2,348	2,436	2,500	2,575	2,653	2,732	2,814	2,881
Grants & Contributions	52,672	39,214	50,360	28,202	31,413	32,983	35,619	38,452	37,268	36,034
Bonds & Deposits Received	-	-	-	-	-	-	-	-	-	-
Other	1,854	1,400	967	1,611	1,207	1,211	1,221	1,251	1,373	1,428
<b>Payments:</b>										
Employee Benefits & On-Costs	(37,078)	(36,941)	(38,152)	(39,753)	(41,476)	(43,031)	(44,994)	(47,040)	(49,158)	(51,350)
Materials & Contracts	(33,926)	(31,299)	(31,627)	(32,419)	(33,876)	(34,476)	(35,425)	(36,403)	(37,974)	(38,145)
Borrowing Costs	(347)	(260)	(481)	(686)	(874)	(777)	(675)	(567)	(454)	(367)
Bonds & Deposits Refunded	-	-	-	-	-	-	-	-	-	-
Other	(1,751)	(1,803)	(1,857)	(1,913)	(1,971)	(2,030)	(2,091)	(2,153)	(2,218)	(2,284)
<b>Net Cash provided (or used in) Operating Activities</b>	<b>39,538</b>	<b>30,376</b>	<b>40,971</b>	<b>18,664</b>	<b>19,932</b>	<b>21,345</b>	<b>23,133</b>	<b>25,090</b>	<b>22,524</b>	<b>21,185</b>
<b>Cash Flows from Investing Activities</b>										
<b>Receipts:</b>										
Sale of Investment Securities	39,591	-	-	-	-	-	-	-	-	-
Sale of Real Estate Assets	-	-	-	-	-	-	-	-	-	-
Sale of Infrastructure, Property, Plant & Equipment	1,579	1,579	1,579	1,579	1,579	1,579	1,579	1,579	1,579	1,579
<b>Payments:</b>										
Purchase of Investment Securities	-	-	-	-	-	-	-	-	-	-
Purchase of Investment Property	-	-	-	-	-	-	-	-	-	-
Purchase of Infrastructure, Property, Plant & Equipment	(70,989)	(52,888)	(45,086)	(26,259)	(19,068)	(23,233)	(19,444)	(27,768)	(21,016)	(13,849)
Other Investing Activity Payments	-	-	-	-	-	-	-	-	-	-
<b>Net Cash provided (or used in) Investing Activities</b>	<b>(29,819)</b>	<b>(51,310)</b>	<b>(43,507)</b>	<b>(24,681)</b>	<b>(17,489)</b>	<b>(21,654)</b>	<b>(17,866)</b>	<b>(26,190)</b>	<b>(19,437)</b>	<b>(12,271)</b>
<b>Cash Flows from Financing Activities</b>										
<b>Receipts:</b>										
Proceeds from Borrowings & Advances	-	5,361	5,000	4,950	-	-	-	-	-	-
<b>Payments:</b>										
Repayment of Borrowings & Advances	(2,523)	(2,597)	(1,771)	(2,224)	(2,164)	(2,262)	(2,364)	(2,601)	(1,558)	(1,645)
Other Financing Activity Payments	-	-	-	-	-	-	-	-	-	-
<b>Net Cash Flow provided (used in) Financing Activities</b>	<b>(2,523)</b>	<b>2,764</b>	<b>3,229</b>	<b>2,726</b>	<b>(2,164)</b>	<b>(2,262)</b>	<b>(2,364)</b>	<b>(2,601)</b>	<b>(1,558)</b>	<b>(1,645)</b>
<b>Net Increase/(Decrease) in Cash &amp; Cash Equivalents</b>	<b>7,196</b>	<b>(18,170)</b>	<b>692</b>	<b>(3,292)</b>	<b>279</b>	<b>(2,571)</b>	<b>2,903</b>	<b>(3,701)</b>	<b>1,529</b>	<b>7,269</b>
<b>plus: Cash &amp; Cash Equivalents - beginning of year</b>	<b>10,779</b>	<b>17,975</b>	<b>(195)</b>	<b>497</b>	<b>(2,794)</b>	<b>(2,515)</b>	<b>(5,086)</b>	<b>(2,183)</b>	<b>(5,885)</b>	<b>(4,356)</b>
<b>Cash &amp; Cash Equivalents - end of the year</b>	<b>17,975</b>	<b>(195)</b>	<b>497</b>	<b>(2,794)</b>	<b>(2,515)</b>	<b>(5,086)</b>	<b>(2,183)</b>	<b>(5,885)</b>	<b>(4,356)</b>	<b>2,913</b>

## GENERAL FUND

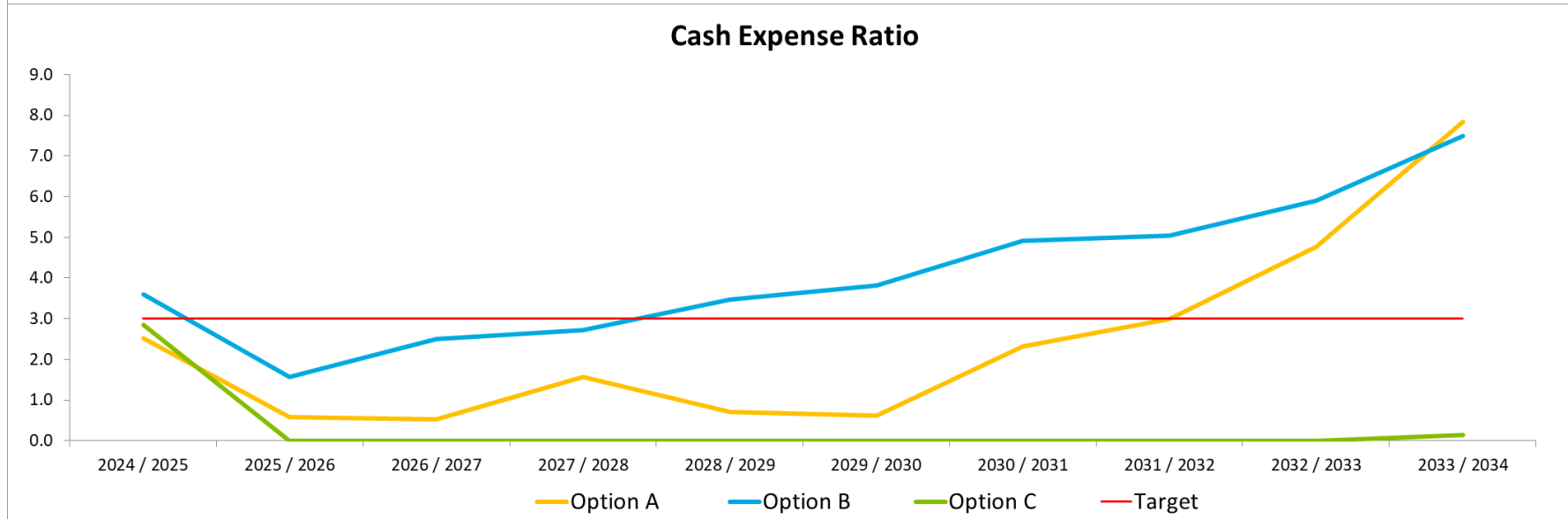
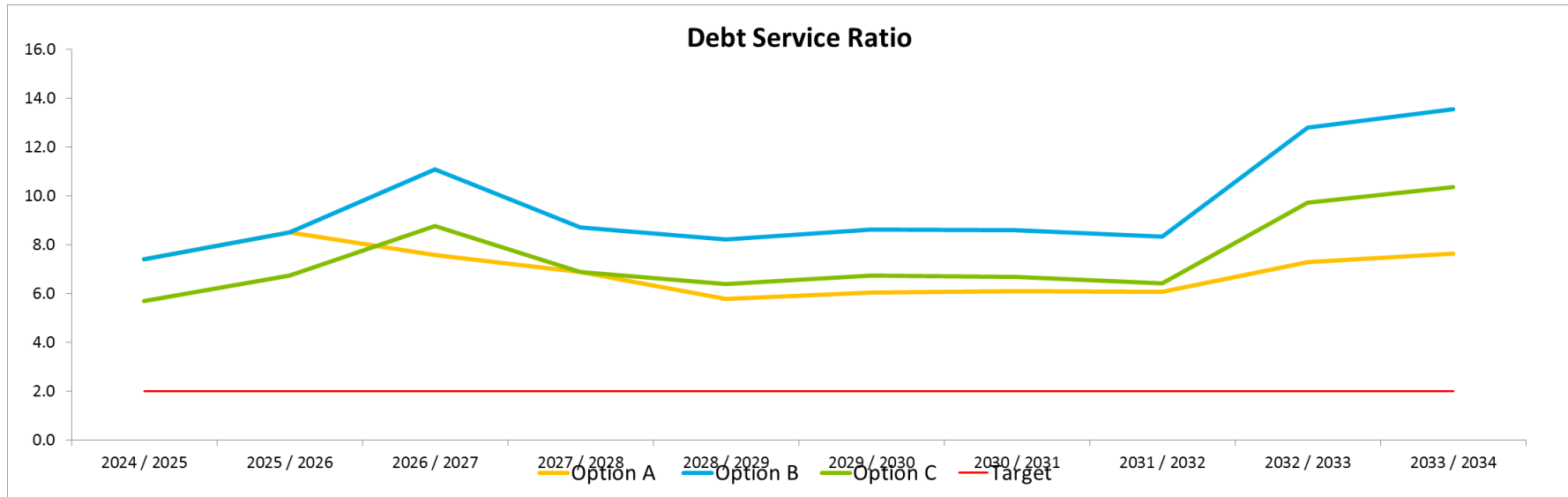




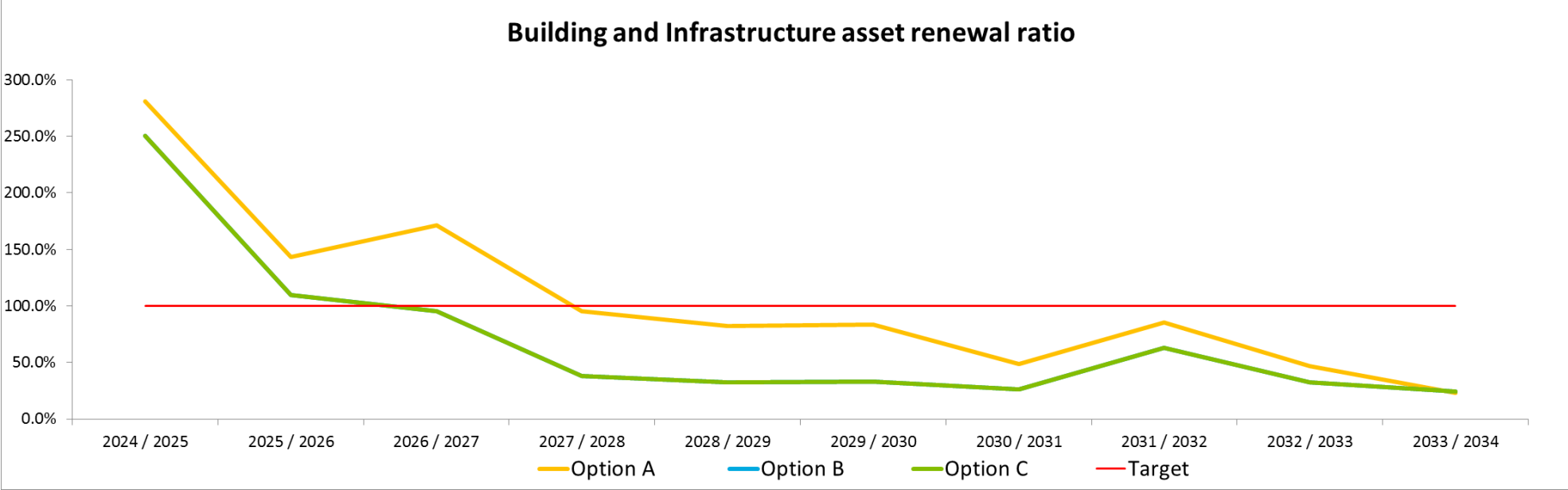
# GENERAL FUND



## GENERAL FUND



# GENERAL FUND



\*Note Option B and Option B trend on the same line.

# Appendix 2 - CONSOLIDATED FUNDS

## CONSOLIDATED FUND - Option A

Bega Valley Shire Council

10 Year Financial Plan for the Years ending 30 June 2034

### INCOME STATEMENT - CONSOLIDATED

Scenario: Option A Financial Sustainability

	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
<b>Income from Continuing Operations</b>										
<b>Revenue:</b>										
Rates & Annual Charges	76,666	79,417	82,306	98,898	101,856	102,046	105,098	108,242	111,480	114,816
User Charges & Fees	22,321	23,787	25,416	27,204	28,020	28,545	29,401	30,283	31,191	32,127
Other Revenues	975	1,004	1,035	1,066	1,098	1,130	1,164	1,199	1,235	1,272
Grants & Contributions provided for Operating Purposes	28,661	28,191	28,972	29,777	30,605	31,523	32,469	33,443	34,447	35,480
Grants & Contributions provided for Capital Purposes	42,680	17,645	27,993	6,936	6,427	5,635	4,669	7,009	5,489	2,718
Interest & Investment Revenue	2,462	2,536	2,612	2,691	2,771	2,854	2,940	3,028	3,119	3,213
<b>Other Income:</b>										
Other Income	-	-	121	124	128	132	136	140	144	148
<b>Total Income from Continuing Operations</b>	<b>173,765</b>	<b>152,581</b>	<b>168,454</b>	<b>166,694</b>	<b>170,904</b>	<b>171,866</b>	<b>175,878</b>	<b>183,345</b>	<b>187,106</b>	<b>189,774</b>
<b>Expenses from Continuing Operations</b>										
Employee Benefits & On-Costs	45,626	45,185	46,725	48,601	50,636	52,503	54,812	57,201	59,675	62,235
Borrowing Costs	1,118	959	1,523	2,297	2,656	3,456	3,310	3,022	2,592	2,237
Materials & Contracts	47,948	45,939	47,063	48,246	50,324	52,081	53,668	55,051	57,280	57,458
Depreciation & Amortisation	31,416	33,379	34,643	36,380	37,886	39,415	40,585	42,112	43,573	44,414
Impairment of receivables	12	12	12	12	12	12	12	12	12	12
Other Expenses	1,751	1,803	1,857	1,913	1,971	2,030	2,091	2,153	2,218	2,284
Revaluation decrement/impairment of IPPE	11	11	11	11	11	11	11	11	11	11
<b>Total Expenses from Continuing Operations</b>	<b>127,882</b>	<b>127,289</b>	<b>131,835</b>	<b>137,461</b>	<b>143,496</b>	<b>149,507</b>	<b>154,488</b>	<b>159,562</b>	<b>165,361</b>	<b>168,651</b>
<b>Net Operating Result for the Year</b>	<b>45,884</b>	<b>25,292</b>	<b>36,619</b>	<b>29,233</b>	<b>27,408</b>	<b>22,359</b>	<b>21,389</b>	<b>23,783</b>	<b>21,744</b>	<b>21,123</b>
<b>Net Operating Result before Grants and Contributions provided for Capital Purposes</b>	<b>3,204</b>	<b>7,647</b>	<b>8,627</b>	<b>22,298</b>	<b>20,982</b>	<b>16,724</b>	<b>16,721</b>	<b>16,774</b>	<b>16,256</b>	<b>18,405</b>

**Bega Valley Shire Council**  
**10 Year Financial Plan for the Years ending 30 June 2034**

**BALANCE SHEET - CONSOLIDATED**

Scenario: Option A Financial Sustainability

	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
<b>ASSETS</b>										
<b>Current Assets</b>										
Cash & Cash Equivalents	37,965	18,974	22,164	8,806	12,339	17,314	36,993	49,492	69,998	103,338
Investments	0	0	0	0	0	0	0	0	0	0
Receivables	16,902	14,329	16,125	14,836	15,082	15,289	15,736	16,510	16,858	17,139
Inventories	778	748	768	787	822	836	862	885	922	922
Other	22	21	22	22	23	23	24	25	26	26
<b>Total Current Assets</b>	<b>55,666</b>	<b>34,072</b>	<b>39,078</b>	<b>24,451</b>	<b>28,266</b>	<b>33,462</b>	<b>53,615</b>	<b>66,911</b>	<b>87,804</b>	<b>121,425</b>
<b>Non-Current Assets</b>										
Investments	0	0	0	0	0	0	0	0	0	0
Receivables	14	14	14	14	14	13	13	13	13	5
Inventories	-	-	-	-	-	-	-	-	-	-
Infrastructure, Property, Plant & Equipment	1,774,512	1,861,969	1,948,930	2,032,787	2,111,634	2,167,409	2,205,399	2,250,841	2,288,980	2,269,222
<b>Total Non-Current Assets</b>	<b>1,774,526</b>	<b>1,861,983</b>	<b>1,948,944</b>	<b>2,032,801</b>	<b>2,111,647</b>	<b>2,167,423</b>	<b>2,205,413</b>	<b>2,250,855</b>	<b>2,288,993</b>	<b>2,269,227</b>
<b>TOTAL ASSETS</b>	<b>1,830,192</b>	<b>1,896,055</b>	<b>1,988,022</b>	<b>2,057,253</b>	<b>2,139,914</b>	<b>2,200,885</b>	<b>2,259,028</b>	<b>2,317,765</b>	<b>2,376,797</b>	<b>2,390,652</b>
<b>LIABILITIES</b>										
<b>Current Liabilities</b>										
Bank Overdraft	-	-	-	-	-	-	-	-	-	-
Payables	15,673	15,326	15,644	16,250	16,819	16,987	17,358	17,650	18,163	18,164
Income received in advance	-	-	-	-	-	-	-	-	-	-
Contract liabilities	17,221	12,382	15,560	9,675	8,941	9,442	9,918	10,872	10,715	10,215
Borrowings	3,976	3,860	5,451	6,127	7,596	8,379	8,511	6,414	6,769	7,144
Employee benefit provisions	8,223	8,223	8,223	8,223	8,223	8,223	8,223	8,223	8,223	8,223
Other provisions	144	144	144	144	144	144	144	144	144	144
<b>Total Current Liabilities</b>	<b>45,237</b>	<b>39,935</b>	<b>45,021</b>	<b>40,419</b>	<b>41,723</b>	<b>43,175</b>	<b>44,154</b>	<b>43,303</b>	<b>44,014</b>	<b>43,890</b>
<b>Non-Current Liabilities</b>										
Borrowings	16,357	25,858	38,407	44,230	58,634	55,255	49,744	43,330	36,561	29,418
Employee benefit provisions	292	292	292	292	292	292	292	292	292	292
Other provisions	5,006	5,006	5,006	5,006	5,006	5,006	5,006	5,006	5,006	5,006
<b>Total Non-Current Liabilities</b>	<b>21,655</b>	<b>31,156</b>	<b>43,706</b>	<b>49,529</b>	<b>63,932</b>	<b>60,554</b>	<b>55,042</b>	<b>48,628</b>	<b>41,859</b>	<b>34,716</b>
<b>TOTAL LIABILITIES</b>	<b>66,892</b>	<b>71,091</b>	<b>88,727</b>	<b>89,947</b>	<b>105,655</b>	<b>103,728</b>	<b>99,196</b>	<b>91,931</b>	<b>85,874</b>	<b>78,606</b>
<b>Net Assets</b>	<b>1,763,300</b>	<b>1,824,963</b>	<b>1,899,295</b>	<b>1,967,305</b>	<b>2,034,259</b>	<b>2,097,157</b>	<b>2,159,832</b>	<b>2,225,834</b>	<b>2,290,923</b>	<b>2,312,046</b>
<b>EQUITY</b>										
Retained Earnings	857,872	883,165	919,784	949,017	976,425	998,785	1,020,174	1,043,958	1,065,702	1,086,825
Revaluation Reserves	905,427	941,799	979,511	1,018,288	1,057,833	1,098,372	1,139,657	1,181,876	1,225,221	1,225,221
<b>Total Equity</b>	<b>1,763,300</b>	<b>1,824,963</b>	<b>1,899,295</b>	<b>1,967,305</b>	<b>2,034,259</b>	<b>2,097,157</b>	<b>2,159,832</b>	<b>2,225,834</b>	<b>2,290,923</b>	<b>2,312,046</b>

**Bega Valley Shire Council**  
**10 Year Financial Plan for the Years ending 30 June 2034**

**CASH FLOW STATEMENT - CONSOLIDATED**

Scenario: Option A Financial Sustainability

	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
<b>Cash Flows from Operating Activities</b>										
<b>Receipts:</b>										
Rates & Annual Charges	76,242	79,253	82,132	98,212	101,666	101,977	104,897	108,032	111,262	114,588
User Charges & Fees	22,009	23,601	25,209	26,978	27,905	28,464	29,280	30,158	31,063	31,995
Investment & Interest Revenue Received	2,527	2,589	2,585	2,639	2,746	2,848	2,855	2,982	3,026	3,052
Grants & Contributions	65,236	43,452	59,028	32,859	36,295	37,631	37,599	41,075	39,830	37,872
Bonds & Deposits Received	-	-	-	-	-	-	-	-	-	-
Other	1,814	1,396	857	1,694	1,279	1,196	1,235	1,235	1,373	1,444
<b>Payments:</b>										
Employee Benefits & On-Costs	(45,463)	(45,214)	(46,692)	(48,556)	(50,587)	(52,461)	(54,754)	(57,142)	(59,613)	(62,171)
Materials & Contracts	(49,400)	(46,230)	(46,812)	(48,009)	(49,882)	(51,946)	(53,341)	(54,771)	(56,808)	(57,456)
Borrowing Costs	(1,136)	(944)	(1,496)	(2,290)	(2,592)	(3,446)	(3,323)	(3,061)	(2,618)	(2,264)
Bonds & Deposits Refunded	-	-	-	-	-	-	-	-	-	-
Other	(1,751)	(1,803)	(1,857)	(1,913)	(1,971)	(2,030)	(2,091)	(2,153)	(2,218)	(2,284)
<b>Net Cash provided (or used in) Operating Activities</b>	<b>70,078</b>	<b>56,099</b>	<b>72,954</b>	<b>61,614</b>	<b>64,858</b>	<b>62,234</b>	<b>62,358</b>	<b>66,355</b>	<b>65,298</b>	<b>64,776</b>
<b>Cash Flows from Investing Activities</b>										
<b>Receipts:</b>										
Sale of Investment Securities	76,989	-	-	-	-	-	-	-	-	-
Sale of Infrastructure, Property, Plant & Equipment	1,579	1,579	1,579	1,579	1,579	1,579	1,579	1,579	1,579	1,579
<b>Payments:</b>										
Purchase of Infrastructure, Property, Plant & Equipment	(126,674)	(86,053)	(85,482)	(83,049)	(78,777)	(56,241)	(38,879)	(46,924)	(39,956)	(26,246)
<b>Net Cash provided (or used in) Investing Activities</b>	<b>(48,106)</b>	<b>(84,475)</b>	<b>(83,903)</b>	<b>(81,470)</b>	<b>(77,198)</b>	<b>(54,662)</b>	<b>(37,301)</b>	<b>(45,346)</b>	<b>(38,378)</b>	<b>(24,667)</b>
<b>Cash Flows from Financing Activities</b>										
<b>Receipts:</b>										
Proceeds from Borrowings & Advances	-	13,361	18,000	11,950	22,000	5,000	3,000	-	-	-
<b>Payments:</b>										
Repayment of Borrowings & Advances	(3,818)	(3,976)	(3,860)	(5,451)	(6,127)	(7,596)	(8,379)	(8,511)	(6,414)	(6,769)
<b>Net Cash Flow provided (used in) Financing Activities</b>	<b>(3,818)</b>	<b>9,385</b>	<b>14,140</b>	<b>6,499</b>	<b>15,873</b>	<b>(2,596)</b>	<b>(5,379)</b>	<b>(8,511)</b>	<b>(6,414)</b>	<b>(6,769)</b>
<b>Net Increase/(Decrease) in Cash &amp; Cash Equivalents</b>	<b>18,154</b>	<b>(18,991)</b>	<b>3,190</b>	<b>(13,357)</b>	<b>3,533</b>	<b>4,975</b>	<b>19,679</b>	<b>12,498</b>	<b>20,506</b>	<b>33,340</b>
<b>plus: Cash &amp; Cash Equivalents - beginning of year</b>	<b>19,810</b>	<b>37,965</b>	<b>18,974</b>	<b>22,164</b>	<b>8,806</b>	<b>12,339</b>	<b>17,314</b>	<b>36,993</b>	<b>49,492</b>	<b>69,998</b>
<b>Cash &amp; Cash Equivalents - end of the year</b>	<b>37,965</b>	<b>18,974</b>	<b>22,164</b>	<b>8,806</b>	<b>12,339</b>	<b>17,314</b>	<b>36,993</b>	<b>49,492</b>	<b>69,998</b>	<b>103,338</b>



## CONSOLIDATED FUNDS - Option B

Bega Valley Shire Council

10 Year Financial Plan for the Years ending 30 June 2034

### INCOME STATEMENT - CONSOLIDATED

Scenario: Option B Assets and Services SRV

	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
<b>Income from Continuing Operations</b>										
<b>Revenue:</b>										
Rates & Annual Charges	76,666	79,417	82,306	85,343	87,894	87,666	90,287	92,986	95,766	98,630
User Charges & Fees	22,321	23,787	25,416	27,204	28,020	28,545	29,401	30,283	31,191	32,127
Other Revenues	975	1,004	1,035	1,066	1,098	1,130	1,164	1,199	1,235	1,272
Grants & Contributions provided for Operating Purposes	28,661	28,191	28,972	29,777	30,605	31,523	32,469	33,443	34,447	35,480
Grants & Contributions provided for Capital Purposes	41,086	15,895	21,799	4,063	6,427	5,041	4,669	6,375	4,839	2,718
Interest & Investment Revenue	2,462	2,536	2,612	2,691	2,771	2,854	2,940	3,028	3,119	3,213
<b>Other Income:</b>										
Other Income	-	-	121	124	128	132	136	140	144	148
<b>Total Income from Continuing Operations</b>	<b>172,172</b>	<b>150,831</b>	<b>162,260</b>	<b>150,266</b>	<b>156,943</b>	<b>156,891</b>	<b>161,066</b>	<b>167,455</b>	<b>170,742</b>	<b>173,589</b>
<b>Expenses from Continuing Operations</b>										
Employee Benefits & On-Costs	45,626	45,185	46,725	48,601	50,636	52,503	54,812	57,201	59,675	62,235
Borrowing Costs	1,118	959	1,091	1,198	1,272	2,200	2,189	2,044	1,765	1,569
Materials & Contracts	47,948	45,939	47,063	48,246	50,324	52,081	53,668	55,051	57,280	57,458
Depreciation & Amortisation	31,416	33,379	34,643	36,380	37,886	39,415	40,585	42,112	43,573	44,068
Impairment of receivables	12	12	12	12	12	12	12	12	12	12
Other Expenses	1,751	1,803	1,857	1,913	1,971	2,030	2,091	2,153	2,218	2,284
Revaluation decrement/impairment of IPPE	11	11	11	11	11	11	11	11	11	11
<b>Total Expenses from Continuing Operations</b>	<b>127,882</b>	<b>127,289</b>	<b>131,403</b>	<b>136,362</b>	<b>142,112</b>	<b>148,251</b>	<b>153,368</b>	<b>158,584</b>	<b>164,534</b>	<b>167,637</b>
<b>Net Operating Result for the Year</b>	<b>44,290</b>	<b>23,542</b>	<b>30,857</b>	<b>13,904</b>	<b>14,830</b>	<b>8,640</b>	<b>7,698</b>	<b>8,871</b>	<b>6,208</b>	<b>5,952</b>
<b>Net Operating Result before Grants and Contributions provided for Capital Purposes</b>	<b>3,204</b>	<b>7,647</b>	<b>9,058</b>	<b>9,841</b>	<b>8,404</b>	<b>3,599</b>	<b>3,029</b>	<b>2,496</b>	<b>1,369</b>	<b>3,234</b>

**Bega Valley Shire Council**

**10 Year Financial Plan for the Years ending 30 June 2034**

**BALANCE SHEET - CONSOLIDATED**

**Scenario: Option B Assets and Services SRV**

	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
<b>ASSETS</b>										
<b>Current Assets</b>										
Cash & Cash Equivalents	44,818	24,904	34,316	22,527	30,626	39,139	54,777	63,675	77,226	98,276
Investments	0	0	0	0	0	0	0	0	0	0
Receivables	16,741	14,145	15,419	13,683	14,292	14,416	14,887	15,531	15,808	16,069
Inventories	778	748	768	787	822	836	862	885	922	922
Other	22	21	22	22	23	23	24	25	26	26
<b>Total Current Assets</b>	<b>62,359</b>	<b>39,818</b>	<b>50,524</b>	<b>37,019</b>	<b>45,763</b>	<b>54,415</b>	<b>70,550</b>	<b>80,115</b>	<b>93,982</b>	<b>115,293</b>
<b>Non-Current Assets</b>										
Investments	0	0	0	0	0	0	0	0	0	0
Receivables	14	14	14	14	14	13	13	13	13	5
Inventories	-	-	-	-	-	-	-	-	-	-
Infrastructure, Property, Plant & Equipment	1,765,778	1,844,367	1,906,206	1,968,880	2,033,329	2,074,196	2,105,250	2,142,044	2,174,532	2,155,120
<b>Total Non-Current Assets</b>	<b>1,765,792</b>	<b>1,844,381</b>	<b>1,906,220</b>	<b>1,968,893</b>	<b>2,033,343</b>	<b>2,074,210</b>	<b>2,105,263</b>	<b>2,142,057</b>	<b>2,174,545</b>	<b>2,155,126</b>
<b>TOTAL ASSETS</b>	<b>1,828,151</b>	<b>1,884,199</b>	<b>1,956,744</b>	<b>2,005,912</b>	<b>2,079,106</b>	<b>2,128,625</b>	<b>2,175,813</b>	<b>2,222,172</b>	<b>2,268,527</b>	<b>2,270,419</b>
<b>LIABILITIES</b>										
<b>Current Liabilities</b>										
Bank Overdraft	-	-	-	-	-	-	-	-	-	-
Payables	15,673	15,305	15,591	15,872	16,451	16,631	17,014	17,320	17,847	17,864
Income received in advance	-	-	-	-	-	-	-	-	-	-
Contract liabilities	16,774	11,891	13,822	8,868	8,941	9,275	9,918	10,694	10,533	10,215
Borrowings	3,976	3,241	3,791	3,833	5,174	5,822	5,812	3,564	3,760	3,967
Employee benefit provisions	8,223	8,223	8,223	8,223	8,223	8,223	8,223	8,223	8,223	8,223
Other provisions	144	144	144	144	144	144	144	144	144	144
<b>Total Current Liabilities</b>	<b>44,790</b>	<b>38,804</b>	<b>41,571</b>	<b>36,940</b>	<b>38,934</b>	<b>40,095</b>	<b>41,111</b>	<b>39,945</b>	<b>40,507</b>	<b>40,413</b>
<b>Non-Current Liabilities</b>										
Borrowings	16,357	18,477	19,686	20,803	37,629	36,807	33,996	30,432	26,672	22,705
Employee benefit provisions	292	292	292	292	292	292	292	292	292	292
Other provisions	5,006	5,006	5,006	5,006	5,006	5,006	5,006	5,006	5,006	5,006
<b>Total Non-Current Liabilities</b>	<b>21,655</b>	<b>23,775</b>	<b>24,984</b>	<b>26,102</b>	<b>42,927</b>	<b>42,106</b>	<b>39,294</b>	<b>35,730</b>	<b>31,970</b>	<b>28,003</b>
<b>TOTAL LIABILITIES</b>	<b>66,445</b>	<b>62,579</b>	<b>66,555</b>	<b>63,042</b>	<b>81,861</b>	<b>82,200</b>	<b>80,405</b>	<b>75,675</b>	<b>72,477</b>	<b>68,416</b>
<b>Net Assets</b>	<b>1,761,706</b>	<b>1,821,620</b>	<b>1,890,189</b>	<b>1,942,870</b>	<b>1,997,245</b>	<b>2,046,424</b>	<b>2,095,408</b>	<b>2,146,498</b>	<b>2,196,050</b>	<b>2,202,002</b>
<b>EQUITY</b>										
Retained Earnings	856,279	879,821	910,678	924,582	939,412	948,052	955,751	964,621	970,829	976,781
Revaluation Reserves	905,427	941,799	979,511	1,018,288	1,057,833	1,098,372	1,139,657	1,181,876	1,225,221	1,225,221
<b>Total Equity</b>	<b>1,761,706</b>	<b>1,821,620</b>	<b>1,890,189</b>	<b>1,942,870</b>	<b>1,997,245</b>	<b>2,046,424</b>	<b>2,095,408</b>	<b>2,146,498</b>	<b>2,196,050</b>	<b>2,202,002</b>

**Bega Valley Shire Council**  
**10 Year Financial Plan for the Years ending 30 June 2034**

**CASH FLOW STATEMENT - CONSOLIDATED**

**Scenario: Option B Assets and Services SRV**

	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
<b>Cash Flows from Operating Activities</b>										
<b>Receipts:</b>										
Rates & Annual Charges	76,242	79,253	82,132	85,159	87,733	87,627	90,117	92,809	95,582	98,439
User Charges & Fees	22,009	23,601	25,209	26,978	27,905	28,464	29,280	30,158	31,063	31,995
Investment & Interest Revenue Received	2,488	2,593	2,551	2,687	2,716	2,832	2,880	3,006	3,067	3,124
Grants & Contributions	63,354	41,674	52,031	30,586	36,814	36,929	37,706	40,326	39,178	37,990
Bonds & Deposits Received	-	-	-	-	-	-	-	-	-	-
Other	1,854	1,400	967	1,611	1,207	1,211	1,221	1,251	1,373	1,428
<b>Payments:</b>										
Employee Benefits & On-Costs	(45,463)	(45,214)	(46,692)	(48,556)	(50,587)	(52,461)	(54,754)	(57,142)	(59,613)	(62,171)
Materials & Contracts	(49,400)	(46,230)	(46,812)	(48,009)	(49,882)	(51,946)	(53,341)	(54,771)	(56,808)	(57,456)
Borrowing Costs	(1,136)	(965)	(1,096)	(1,205)	(1,203)	(2,184)	(2,196)	(2,076)	(1,783)	(1,588)
Bonds & Deposits Refunded	-	-	-	-	-	-	-	-	-	-
Other	(1,751)	(1,803)	(1,857)	(1,913)	(1,971)	(2,030)	(2,091)	(2,153)	(2,218)	(2,284)
<b>Net Cash provided (or used in) Operating Activities</b>	<b>68,198</b>	<b>54,309</b>	<b>66,434</b>	<b>47,338</b>	<b>52,733</b>	<b>48,442</b>	<b>48,822</b>	<b>51,408</b>	<b>49,842</b>	<b>49,477</b>
<b>Cash Flows from Investing Activities</b>										
<b>Receipts:</b>										
Sale of Investment Securities	76,989	-	-	-	-	-	-	-	-	-
Sale of Infrastructure, Property, Plant & Equipment	1,579	1,579	1,579	1,579	1,579	1,579	1,579	1,579	1,579	1,579
<b>Payments:</b>										
Purchase of Infrastructure, Property, Plant & Equipment	(117,940)	(77,186)	(60,360)	(61,865)	(64,380)	(41,333)	(31,942)	(38,276)	(34,306)	(26,246)
<b>Net Cash provided (or used in) Investing Activities</b>	<b>(39,372)</b>	<b>(75,607)</b>	<b>(58,781)</b>	<b>(60,286)</b>	<b>(62,802)</b>	<b>(39,754)</b>	<b>(30,363)</b>	<b>(36,698)</b>	<b>(32,728)</b>	<b>(24,667)</b>
<b>Cash Flows from Financing Activities</b>										
<b>Receipts:</b>										
Proceeds from Borrowings & Advances	-	5,361	5,000	4,950	22,000	5,000	3,000	-	-	-
<b>Payments:</b>										
Repayment of Borrowings & Advances	(3,818)	(3,976)	(3,241)	(3,791)	(3,833)	(5,174)	(5,822)	(5,812)	(3,564)	(3,760)
<b>Net Cash Flow provided (used in) Financing Activities</b>	<b>(3,818)</b>	<b>1,385</b>	<b>1,759</b>	<b>1,159</b>	<b>18,167</b>	<b>(174)</b>	<b>(2,822)</b>	<b>(5,812)</b>	<b>(3,564)</b>	<b>(3,760)</b>
<b>Net Increase/(Decrease) in Cash &amp; Cash Equivalents</b>	<b>25,008</b>	<b>(19,914)</b>	<b>9,411</b>	<b>(11,789)</b>	<b>8,098</b>	<b>8,514</b>	<b>15,637</b>	<b>8,898</b>	<b>13,551</b>	<b>21,050</b>
<b>plus: Cash &amp; Cash Equivalents - beginning of year</b>	<b>19,810</b>	<b>44,818</b>	<b>24,904</b>	<b>34,316</b>	<b>22,527</b>	<b>30,626</b>	<b>39,139</b>	<b>54,777</b>	<b>63,675</b>	<b>77,226</b>
<b>Cash &amp; Cash Equivalents - end of the year</b>	<b>44,818</b>	<b>24,904</b>	<b>34,316</b>	<b>22,527</b>	<b>30,626</b>	<b>39,139</b>	<b>54,777</b>	<b>63,675</b>	<b>77,226</b>	<b>98,276</b>

## CONSOLIDATED FUNDS - Option C

Bega Valley Shire Council

10 Year Financial Plan for the Years ending 30 June 2034

### INCOME STATEMENT - CONSOLIDATED

Scenario: Option C Rate Peg Only

	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
<b>Income from Continuing Operations</b>										
<b>Revenue:</b>										
Rates & Annual Charges	71,757	74,361	77,098	79,979	82,369	81,975	84,425	86,949	89,548	92,225
User Charges & Fees	22,321	23,787	25,416	27,204	28,020	28,545	29,401	30,283	31,191	32,127
Other Revenues	975	1,004	1,035	1,066	1,098	1,130	1,164	1,199	1,235	1,272
Grants & Contributions provided for Operating Purposes	28,661	28,191	28,972	29,777	30,605	31,523	32,469	33,443	34,447	35,480
Grants & Contributions provided for Capital Purposes	41,086	15,895	21,799	4,063	6,427	5,041	4,669	6,375	4,839	2,718
Interest & Investment Revenue	2,462	2,536	2,612	2,691	2,771	2,854	2,940	3,028	3,119	3,213
<b>Other Income:</b>										
Other Income	-	-	121	124	128	132	136	140	144	148
<b>Total Income from Continuing Operations</b>	<b>167,263</b>	<b>145,775</b>	<b>157,052</b>	<b>144,902</b>	<b>151,418</b>	<b>151,200</b>	<b>155,204</b>	<b>161,418</b>	<b>164,523</b>	<b>167,184</b>
<b>Expenses from Continuing Operations</b>										
Employee Benefits & On-Costs	45,626	45,185	46,725	48,601	50,636	52,503	54,812	57,201	59,675	62,235
Borrowing Costs	1,118	959	1,091	1,198	1,272	2,200	2,189	2,044	1,765	1,569
Materials & Contracts	47,948	45,939	47,063	48,246	50,324	52,081	53,668	55,051	57,280	57,458
Depreciation & Amortisation	31,416	33,379	34,643	36,380	37,886	39,415	40,585	42,112	43,573	44,068
Impairment of receivables	12	12	12	12	12	12	12	12	12	12
Other Expenses	1,751	1,803	1,857	1,913	1,971	2,030	2,091	2,153	2,218	2,284
Revaluation decrement/impairment of IPPE	11	11	11	11	11	11	11	11	11	11
<b>Total Expenses from Continuing Operations</b>	<b>127,882</b>	<b>127,289</b>	<b>131,403</b>	<b>136,362</b>	<b>142,112</b>	<b>148,251</b>	<b>153,368</b>	<b>158,584</b>	<b>164,534</b>	<b>167,637</b>
<b>Net Operating Result for the Year</b>	<b>39,381</b>	<b>18,486</b>	<b>25,649</b>	<b>8,540</b>	<b>9,305</b>	<b>2,949</b>	<b>1,837</b>	<b>2,833</b>	<b>(11)</b>	<b>(453)</b>
<b>Net Operating Result before Grants and Contributions provided for Capital Purposes</b>	<b>(1,705)</b>	<b>2,591</b>	<b>3,850</b>	<b>4,477</b>	<b>2,879</b>	<b>(2,091)</b>	<b>(2,832)</b>	<b>(3,542)</b>	<b>(4,849)</b>	<b>(3,171)</b>

**Bega Valley Shire Council**  
**10 Year Financial Plan for the Years ending 30 June 2034**

**BALANCE SHEET - CONSOLIDATED**

Scenario: Option C Rate Peg Only

	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
<b>ASSETS</b>										
<b>Current Assets</b>										
Cash & Cash Equivalents	40,126	15,182	19,439	2,300	4,932	7,786	17,627	20,514	27,903	42,624
Investments	0	0	0	0	0	0	0	0	0	0
Receivables	16,397	13,776	14,998	13,249	13,802	13,897	14,305	14,925	15,148	15,336
Inventories	778	748	768	787	822	836	862	885	922	922
Other	22	21	22	22	23	23	24	25	26	26
<b>Total Current Assets</b>	<b>57,323</b>	<b>29,727</b>	<b>35,226</b>	<b>16,359</b>	<b>19,580</b>	<b>22,542</b>	<b>32,818</b>	<b>36,349</b>	<b>44,000</b>	<b>58,909</b>
<b>Non-Current Assets</b>										
Investments	0	0	0	0	0	0	0	0	0	0
Receivables	14	14	14	14	14	13	13	13	13	5
Inventories	-	-	-	-	-	-	-	-	-	-
Infrastructure, Property, Plant & Equipment	1,765,778	1,844,367	1,906,206	1,968,880	2,033,329	2,074,196	2,105,250	2,142,044	2,174,532	2,155,120
<b>Total Non-Current Assets</b>	<b>1,765,792</b>	<b>1,844,381</b>	<b>1,906,220</b>	<b>1,968,893</b>	<b>2,033,343</b>	<b>2,074,210</b>	<b>2,105,263</b>	<b>2,142,057</b>	<b>2,174,545</b>	<b>2,155,126</b>
<b>TOTAL ASSETS</b>	<b>1,823,114</b>	<b>1,874,108</b>	<b>1,941,446</b>	<b>1,985,252</b>	<b>2,052,922</b>	<b>2,096,752</b>	<b>2,138,081</b>	<b>2,178,406</b>	<b>2,218,545</b>	<b>2,214,034</b>
<b>LIABILITIES</b>										
<b>Current Liabilities</b>										
Bank Overdraft	-	-	-	-	-	-	-	-	-	-
Payables	15,545	15,179	15,466	15,749	16,330	16,512	16,897	17,205	17,736	17,755
Income received in advance	-	-	-	-	-	-	-	-	-	-
Contract liabilities	16,774	11,891	13,822	8,868	8,941	9,275	9,918	10,694	10,533	10,215
Borrowings	3,976	3,241	3,791	3,833	5,174	5,822	5,812	3,564	3,760	3,967
Employee benefit provisions	8,223	8,223	8,223	8,223	8,223	8,223	8,223	8,223	8,223	8,223
Other provisions	144	144	144	144	144	144	144	144	144	144
<b>Total Current Liabilities</b>	<b>44,662</b>	<b>38,678</b>	<b>41,446</b>	<b>36,817</b>	<b>38,812</b>	<b>39,975</b>	<b>40,994</b>	<b>39,830</b>	<b>40,395</b>	<b>40,304</b>
<b>Non-Current Liabilities</b>										
Borrowings	16,357	18,477	19,686	20,803	37,629	36,807	33,996	30,432	26,672	22,705
Employee benefit provisions	292	292	292	292	292	292	292	292	292	292
Other provisions	5,006	5,006	5,006	5,006	5,006	5,006	5,006	5,006	5,006	5,006
<b>Total Non-Current Liabilities</b>	<b>21,655</b>	<b>23,775</b>	<b>24,984</b>	<b>26,102</b>	<b>42,927</b>	<b>42,106</b>	<b>39,294</b>	<b>35,730</b>	<b>31,970</b>	<b>28,003</b>
<b>TOTAL LIABILITIES</b>	<b>66,317</b>	<b>62,453</b>	<b>66,430</b>	<b>62,919</b>	<b>81,739</b>	<b>82,081</b>	<b>80,287</b>	<b>75,560</b>	<b>72,365</b>	<b>68,307</b>
<b>Net Assets</b>	<b>1,756,797</b>	<b>1,811,655</b>	<b>1,875,016</b>	<b>1,922,333</b>	<b>1,971,183</b>	<b>2,014,671</b>	<b>2,057,793</b>	<b>2,102,846</b>	<b>2,146,180</b>	<b>2,145,727</b>
<b>EQUITY</b>										
Retained Earnings	851,370	869,856	895,505	904,045	913,350	916,300	918,136	920,970	920,959	920,506
Revaluation Reserves	905,427	941,799	979,511	1,018,288	1,057,833	1,098,372	1,139,657	1,181,876	1,225,221	1,225,221
<b>Total Equity</b>	<b>1,756,797</b>	<b>1,811,655</b>	<b>1,875,016</b>	<b>1,922,333</b>	<b>1,971,183</b>	<b>2,014,671</b>	<b>2,057,793</b>	<b>2,102,846</b>	<b>2,146,180</b>	<b>2,145,727</b>

**Bega Valley Shire Council**  
**10 Year Financial Plan for the Years ending 30 June 2034**

**CASH FLOW STATEMENT - CONSOLIDATED**

Scenario: Option C Rate Peg Only





	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
<b>Cash Flows from Operating Activities</b>										
<b>Receipts:</b>										
Rates & Annual Charges	71,499	74,207	76,934	79,806	82,220	81,948	84,268	86,785	89,378	92,048
User Charges & Fees	22,009	23,601	25,209	26,978	27,905	28,464	29,280	30,158	31,063	31,995
Investment & Interest Revenue Received	2,538	2,608	2,595	2,690	2,763	2,851	2,932	3,020	3,110	3,186
Grants & Contributions	63,354	41,674	52,031	30,586	36,814	36,929	37,706	40,326	39,178	37,990
Bonds & Deposits Received	-	-	-	-	-	-	-	-	-	-
Other	1,854	1,400	967	1,611	1,207	1,211	1,221	1,251	1,373	1,428
<b>Payments:</b>										
Employee Benefits & On-Costs	(45,463)	(45,214)	(46,692)	(48,556)	(50,587)	(52,461)	(54,754)	(57,142)	(59,613)	(62,171)
Materials & Contracts	(49,400)	(46,230)	(46,812)	(48,009)	(49,882)	(51,946)	(53,341)	(54,771)	(56,808)	(57,456)
Borrowing Costs	(1,136)	(965)	(1,096)	(1,205)	(1,203)	(2,184)	(2,196)	(2,076)	(1,783)	(1,588)
Bonds & Deposits Refunded	-	-	-	-	-	-	-	-	-	-
Other	(1,751)	(1,803)	(1,857)	(1,913)	(1,971)	(2,030)	(2,091)	(2,153)	(2,218)	(2,284)
<b>Net Cash provided (or used in) Operating Activities</b>	<b>63,506</b>	<b>49,278</b>	<b>61,280</b>	<b>41,989</b>	<b>47,266</b>	<b>42,783</b>	<b>43,025</b>	<b>45,398</b>	<b>43,680</b>	<b>43,148</b>
<b>Cash Flows from Investing Activities</b>										
<b>Receipts:</b>										
Sale of Investment Securities	76,989	-	-	-	-	-	-	-	-	-
Sale of Infrastructure, Property, Plant & Equipment	1,579	1,579	1,579	1,579	1,579	1,579	1,579	1,579	1,579	1,579
<b>Payments:</b>										
Purchase of Infrastructure, Property, Plant & Equipment	(117,940)	(77,186)	(60,360)	(61,865)	(64,380)	(41,333)	(31,942)	(38,276)	(34,306)	(26,246)
<b>Net Cash provided (or used in) Investing Activities</b>	<b>(39,372)</b>	<b>(75,607)</b>	<b>(58,781)</b>	<b>(60,286)</b>	<b>(62,802)</b>	<b>(39,754)</b>	<b>(30,363)</b>	<b>(36,698)</b>	<b>(32,728)</b>	<b>(24,667)</b>
<b>Cash Flows from Financing Activities</b>										
<b>Receipts:</b>										
Proceeds from Borrowings & Advances	-	5,361	5,000	4,950	22,000	5,000	3,000	-	-	-
<b>Payments:</b>										
Repayment of Borrowings & Advances	(3,818)	(3,976)	(3,241)	(3,791)	(3,833)	(5,174)	(5,822)	(5,812)	(3,564)	(3,760)
<b>Net Cash Flow provided (used in) Financing Activities</b>	<b>(3,818)</b>	<b>1,385</b>	<b>1,759</b>	<b>1,159</b>	<b>18,167</b>	<b>(174)</b>	<b>(2,822)</b>	<b>(5,812)</b>	<b>(3,564)</b>	<b>(3,760)</b>
<b>Net Increase/(Decrease) in Cash &amp; Cash Equivalents</b>	<b>20,316</b>	<b>(24,945)</b>	<b>4,257</b>	<b>(17,138)</b>	<b>2,632</b>	<b>2,854</b>	<b>9,840</b>	<b>2,888</b>	<b>7,389</b>	<b>14,721</b>
<b>plus: Cash &amp; Cash Equivalents - beginning of year</b>	<b>19,810</b>	<b>40,126</b>	<b>15,182</b>	<b>19,439</b>	<b>2,300</b>	<b>4,932</b>	<b>7,786</b>	<b>17,627</b>	<b>20,514</b>	<b>27,903</b>
<b>Cash &amp; Cash Equivalents - end of the year</b>	<b>40,126</b>	<b>15,182</b>	<b>19,439</b>	<b>2,300</b>	<b>4,932</b>	<b>7,786</b>	<b>17,627</b>	<b>20,514</b>	<b>27,903</b>	<b>42,624</b>





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Bega

# Workforce Strategy 2022-25



Bega Valley Shire Council acknowledges the Traditional Custodians of the lands and waters of the shire, the people of the Yuin nation, and show our respect to elders past, present and emerging.

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# Executive Summary

This workforce strategy, developed through internal and external consultation, identifies Council's challenges, opportunities and priorities in relation to its workforce for the 2022-2025 period.

The Workforce Strategy considers the people, capabilities, experience and expertise required to implement Council's four-year Delivery Program and continue progressing us towards the Community's long-term goals outlined in the Community Strategic Plan. The plan integrates principles of human resource management, strategic workforce planning and capability building. It outlines how Council will develop and maintain a high-calibre employee base that meets current and future organisational and community needs.

The Workforce Strategy includes:

- an explanation of the Integrated Planning and Reporting (IPR) framework and where the Workforce Strategy sits within that framework
- an overview of the corporate values embedded within the organisation
- the major achievements from the 2017-21 Workforce Strategy
- an organisational profile
- a summary of the strategic challenges and opportunities
- financials considerations
- the actions Council will take to ensure we build and maintain an appropriate workforce structure and culture to meet the objectives of the Delivery Program 2022-25.

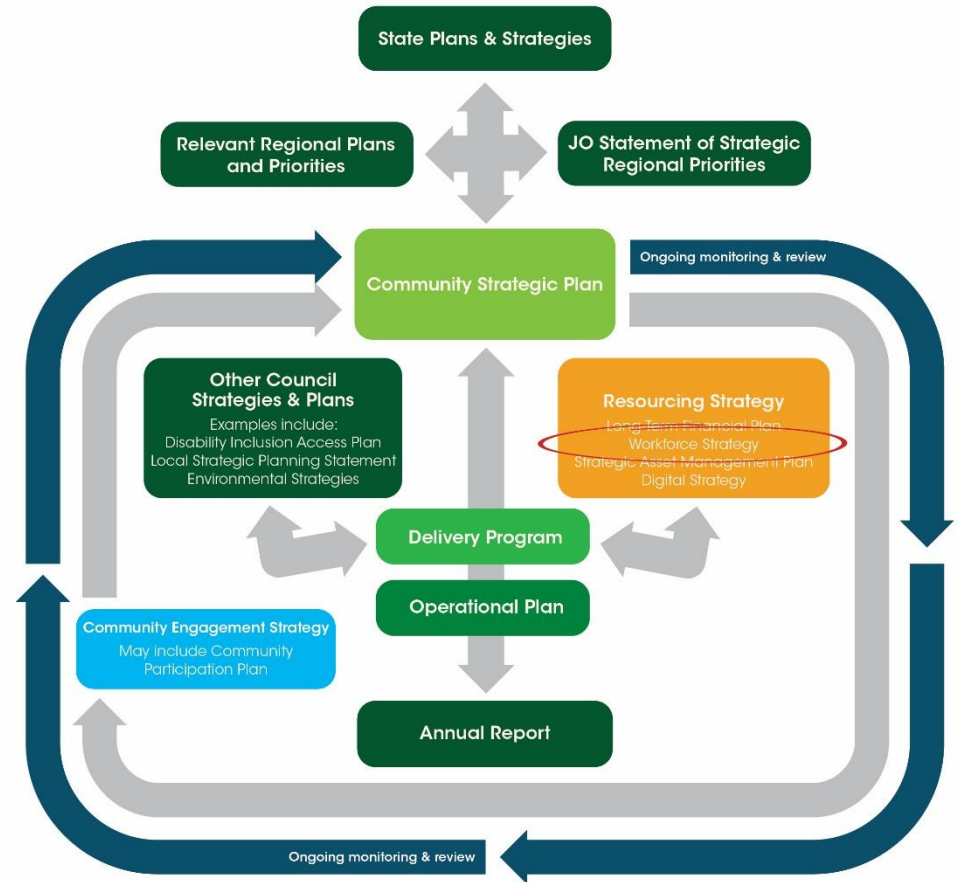


# Framework

The Workforce Strategy identifies the strategic challenges, opportunities, and priorities for Council in relation to its people, and how we make sure we get the right people in the right positions to deliver our services effectively and efficiently.

The Community Strategic Plan 2042 outlines strategies that relate directly to our workforce:

- We have meaningful employment and learning opportunities for people at all stages in life.
- We are an informed and engaged community with a transparent, consultative and responsive Council.
- Council has strong organisational practices to ensure a viable organisation that delivers services and facilities to meet community needs.



# Our Values

We are committed to being a values-based organisation. Council's core values are supported by commitment statements. Our 'PLaCE values' are:

- People matter – we care for our people and each other
  - We respect, value and trust each other
  - We provide a caring and safe workplace
  - We act with integrity and honesty
  - We maintain the right work/life balance
- Learning is important – we learn and innovate
  - We actively encourage innovation and learning
  - We learn from our mistakes
  - We are a no-blame workplace
  - We invite constructive feedback
  - We are always improving
- and we
- Can do – we have a can-do approach and focus on solutions and outcomes
  - We strive for excellence
  - We do what we say
  - We achieve outcomes as a team
  - We celebrate success
- Engaging the whole organisation is key – we engage and communicate, clearly and consistently
  - We go to the right person
  - We are open and transparent
  - We listen
  - We communicate clearly and consistently

These values continue to be applied within our organisation and guide our people and business activities, practices, systems and processes.





# Achievements

During the four-year period preceding this workforce strategy, Council developed and implemented a number of actions and strategies, which have helped set the platform for future workforce planning and delivery of services.

Some of the key initiatives implemented as part of the 2017-21 Workforce Strategy are highlighted in the table below.

Item	Achievement
Gender diversity	<p>Council has experienced a shift in its 'gender profile' since 2017. At 5 January 2022, 48% of employees are male and 52% female.</p> <p>A significant shift has occurred at the management level with a higher proportion of females now being employed in managerial positions. Out of the total of 20 managerial positions across the organisation, 9 of these are filled by women. Prior to 2017, the ratio of female to male staff in leadership roles was significantly lower.</p>
Engaging with youth	<p>In 2020, Council developed and implemented a Work Experience and Work Placement program. This was prepared in consultation with local high schools and tertiary education providers.</p> <p>Council has also developed positive networks in the local community and attend careers days and information sessions with the Department of Education, TAFE NSW and University of Wollongong (Bega Campus).</p> <p>Council has supported six (6) local high school students to complete a School Based Apprenticeship or Traineeship.</p>
Organisational culture and staff satisfaction	<p>In October 2020, Council entered a research project with the University of South Australia to deliver the first of three organisational culture and staff satisfaction surveys.</p> <p>The second survey was delivered in November 2021 and the third expected to be implemented in October/November 2022.</p> <p>The results of the first survey were positive, with a response rate over 60%. The overall satisfaction of staff was higher than the industry average, as was the level of resilience and organisational citizenship experience from our employees.</p>

Item	Achievement
Engaging cadets/trainees/apprentices	<p>At 5 January 2022, Council employs 9 people on 6-year contracts as cadets. These fixed-term positions are currently working in engineering, finance, human resources, and environmental planning.</p> <p>During 2017-21, Council had several cadets complete their tertiary studies and successfully apply for permanent roles within the organisation, particularly in engineering, waste services, finance and human resources.</p> <p>In November 2021, Council developed a formal traineeship program, appointing 10 new trainees to fixed-term contract positions. The trainees are working in finance, revenue, property services, IT, compliance, building and certification, and records management.</p> <p>We also have three people engaged in four-year apprenticeships within our Water and Sewer Services, and Fleet Services.</p>
Learning and Development	<p>In November 2021, Council implemented an online Learning Management System (LMS) that is being used to deliver training and education to all employees.</p>
Improvement of Human Resource Management System (HRMS)	<p>To help improve delivery of its services, Council has implemented a number of new and improved software solutions concerning its Human Resource Information System (HRIS), including:</p> <ul style="list-style-type: none"> <li>• introduction of an improved recruitment and selection platform in December 2019</li> <li>• implementation of project management software in 2020</li> <li>• implementation of delegations' software in 202.</li> <li>• implementation of an online Learning Management System (LMS) in December 2021</li> <li>• implementation of a new financial reporting software (BIS) in October 2021.</li> </ul> <p>The introduction of these systems has seen improvements in the efficiency of operational processes.</p>
Decentralisation and mobilisation of the workforce	<p>In response to the COVID-19 pandemic, Council introduced formalised Home-based Work Agreements in February 2020 that will remain in place as a strategic objective of workforce management through attraction and retention.</p>
Working together	<p>Council is a member of the Canberra Region Joint Organisation (CRJO) and continued to work in collaboration with this group.</p> <p>Council's Memorandum of Understanding (MOU) between Bega, Eden and Merrimans Local Aboriginal Lands Council was adopted in August 2019.</p> <p>In 2020, Council developed and implemented a Work Experience and Work Placement program. This was developed in consultation with local high schools and tertiary education providers.</p> <p>In October 2021, Council adopted its Disability Inclusion Action Plan (DIAP) 2021-2025.</p>

# Organisational profile

Leadership and management of Bega Valley Shire Council is a collaborative effort between the Mayor, Councillors, the Chief Executive Officer (CEO) and staff. The CEO is responsible for the effective and efficient delivery of Council’s day-to-day operations and reports to the Council (Councillors). Our CEO is supported in the role by three Directors who, with the CEO, form the Leadership Executive Group.







Council traditionally has stable employee numbers and trends or comparisons in data are difficult to analyse. During the period between December 2019 and January 2022, Council experienced a number of external events which impacted our workforce profile. The Black Summer bushfires in 2019-20, multiple flooding events, and COVID-19 have all had significant and ongoing effects on our business operations.

The number of fixed-term contract positions and secondments has increased significantly during the 2017-21 period. These increases were driven predominantly by recovery from the Black Summer bushfires and other natural disasters. Overall, as at 5 January 2022, there is an improvement in the gender balance.

## Employment types

### Workforce snapshot

	Full-time equivalent positions	<b>345</b>
	Fixed term contract positions	<b>158</b>
	<ul style="list-style-type: none"> <li>• Cadets</li> <li>• Trainees</li> <li>• Apprentices</li> </ul>	9 15 3
	Casual employees engaged	<b>65</b>
	Total head count	<b>568</b>

## Gender profile

<b>Male Employees</b>	<b>48%</b>
<b>Female employees</b>	<b>52%</b>
<b>Gender by directorate</b>	
<b>Assets and Operations</b>	
- Male	<b>221</b>
- Female	<b>100</b>
<b>Community, Environment and Planning</b>	
- Male	<b>147</b>
- Female	<b>30</b>
<b>Business and Governance</b>	
- Male	<b>15</b>
- Female	<b>55</b>
<b>Men in managerial positions</b>	<b>11</b>
<b>Women in managerial positions</b>	<b>9</b>

The data provided in these tables are the status as at 5 January 2022. The number of casual employees engaged (65) were those engaged in casual work in the two-week pay period preceding 5 January 2022.

### Age profile

15-19 years	<b>16</b>
20-24 years	<b>26</b>
25-29 years	<b>44</b>
30-34 years	<b>56</b>
35-39 years	<b>79</b>
40-44 years	<b>61</b>
45-49 years	<b>78</b>
50-54 years	<b>72</b>
55-59 years	<b>63</b>
60-64 years	<b>50</b>
65 or oder	<b>23</b>

### Length of Service

Length of tenure is less than 10 years	<b>433</b>
Length of tenure is between 11-19 years	<b>91</b>
Length of tenure is between 20-29 years	<b>28</b>
Length of tenure is between 30-39 years	<b>12</b>
Length of tenure is 40 years or above	<b>4</b>

### Diversity profile

Aboriginal or Torres Strait Islander people	<b>14</b>
People with disability	<b>2</b>
Culturally and linguistically diverse people	<b>12</b>

### Turnover and retirement rates

Turnover rate	9.3%
Retirement rate	1%

# Strategic Challenges

Bega Valley Shire Council is a member of the Canberra Region Joint Organisation (CRJO). In October 2020, following a process of collaboration and consultation with members, the CRJO adopted and published the Regional Workforce Strategy.

The regional strategy identified key drivers and pressures being experienced by Council regarding the management of its workforce and ability to continue delivering services to the community as a result of external forces.

The drivers and pressures for Bega Valley Shire Council identified in the regional strategy include:

- **Geography**  
The geographic location of the shire can create challenges in attracting and retaining employees to the organisation.
- **Local economy and employment**  
The local economy and employment opportunities outside of Council can create challenges in attracting and retaining employees to the organisation – especially prospective employees with families.
- **Demographics and education**  
The importance of lifestyle is a significant motivator for attracting and retaining prospective employees. A high proportion

of people under the age of 30 are moving out of the shire to pursue employment and education opportunities. The Bega Valley Shire has a higher-than-average amount of people with graduate and postgraduate qualifications; many of these qualified individuals are retirees.

- **Competition with other employers**  
Major infrastructure projects in the South East such as Snowy Hydro 2.0 or other region-wide infrastructure projects make it a challenge to attract new employees. The potential for employees to work from home is a challenge due to private enterprise, state and federal government employers enabling staff to work remotely, decentralising the workforce and increasing competition in the employer market.
- **The state of local government as an industry**
  - Employee costs (salaries, wages, and other employee costs) are 37% of total expenditure across the CRJO members.
  - There are major skills shortages within local government – particularly in disciplines of engineering, project management, planning and plant operators.

- Difficult to retain employees due to remuneration in regional areas as well as lower levels of opportunities for career progression and experiences that larger metropolitan councils may offer.
- Recovery from natural disasters; in particular the 2019-20 bushfires has diversified the services provided by Council and in some cases, redirected the priority of desired community outcomes.
- The ongoing impacts and opportunities that arise as a result of the COVID-19 pandemic.

In addition to the challenges identified at the regional level, Council also faces a number of challenges on a local level, including:

- the low ratepayer base in the Bega Valley
- the ability to generate revenue to pay for a skilled and experienced workforce
- the availability and affordability of housing in the shire
- the high number of volunteers that council relies on to support the community
- the need to adapt to and adopt new technology suitable to local government.

# Financial Considerations

Employment costs are estimated to account for 34% of our total draft estimated 2022-23 operating expenditure and have been developed under the following assumptions:

- continuation of current agreed service levels for delivering outputs, functions and actions
- a stable workforce number with no significant changes to functions and services
- an annual turnover rate of between 10- 20%
- continued internal focus to develop and grow staff skills, experience and knowledge programs
- minimal industrial activity
- no significant labour policy changes
- appropriate workforce and resources to complete the delivery program and operational plan actions
- completion of asset management annual programs

Using these assumptions, employment costs have been projected to support business as usual service delivery.

With 24% of Council employees aged 55 or over we need to plan for impending liabilities associated with staff exiting the workforce.

The forecast balance of the Employee Leave Entitlements (ELE) as at 30 June 2022 is \$1.6million. We will continue to monitor the ELE over the coming years and will actively manage Council’s leave liability.

Ongoing capacity to fund rising employment costs will require a strategic approach that maximises revenue streams, reviews service provisions and models, and increases resource capabilities.

Increases in employee costs can be attributed to:

- Local Government Award salary/wage and performance review increases
- changes to employee leave entitlements
- superannuation
- workers compensation
- staff training
- other employment costs.

Year	Total Employee Costs (\$,000)
2020-21	39,838
2021-22	40,847
2022-23	42,498

^ These include operational and capital wages.



# Strategic Opportunities

Although the operations of Council and delivery of services to the community will be influenced by the challenges identified within this document, there are also a number of opportunities that will be considered as part of this workforce strategy and the actions included.

The strategic opportunities are:

- involvement in the development of a circular economy and other networking opportunities
- the geographical location of the Shire
- the provision of flexible and remote work arrangements
- culture of the organisation
- utilising economies of scale in our workforce that allows us to encourage diversity and be agile when needed
- the development and growth of existing personnel as well as other local residents who join our organisation.

Based on the challenges and opportunities identified above, Bega Valley Shire Council has identified the following as its strategic priorities for the 2022-25 period.



# Action Plan

Strategic priority	Action	Year
Technology	Implement new performance management system	2022/23
	Implement new payroll system	2023/24
	Conduct audit of personnel data with Financial Management Information System (FMIS)	2022/23
	Mobile devices and software	2022- 2025
Attraction and retention	Provide flexible and remote working arrangements for new and existing employees	2022/23
	Develop and maintain partnerships with local high schools and tertiary education providers to promote local government as a career	2022-2025
	Develop a formal internship, work experience and work placement program	2022-2024
	Develop and implement a staff wellbeing program that includes informal rewards and recognition	2022/23
	Develop a service level agreement with other councils within the CRJO that enables resource sharing through fixed-term secondments	2023/24
	Conduct a review of Council's salary structure	2024/25
	Finalise and implement diversity and inclusion employment strategies	2022/23

Strategic priority	Action	Year
Learning and development	Deliver learning and development program through Learning Management System	2022/23
	Implement mentoring strategy	2022/23
	Develop a service level agreement with other Councils within the CRJO to promote, encourage and enable resource sharing	2023/24
	Higher duty arrangements and internal secondments	2022-2025
Skills shortages	Develop and implement a formalised succession plan which focusses on hard to recruit roles and potential areas where skills shortages exist	2022/23
	Develop and implement a formal cadet, trainee, and apprentice program	2022-2025
Knowledge management	Implement succession planning strategy	2022/23

Council's People and Culture team is responsible for implementing the Action Plan. The Plan will evolve as the community and the organisation reviews and evaluates its needs. At a minimum, it will be reviewed every year alongside our Operational Plan to ensure its objectives reflect the changing workforce, community and Council priorities.

## Key performance measures

Performance Measure	Baseline- 2022	Desired Trend
Training expenditure	\$166,515	Stabilise
Gender profile	48:52 Female to Male ratio	Stabilise
Number of cadets, trainees, and apprentice	25	Increase
Indigenous employment and diversity profile	15	Increase
Employee with excess leave accruals		Decrease
- Number of staff with more than 13 weeks Long Service Leave	46	
- Number of staff with more than 8 weeks Annual Leave	49	
Employee satisfaction	4.16/5.00	Stabilise
Employee resilience	4.74/6.00	Increase
Employee turnover	9.3%^	Stabilise

^ Benchmark from PWC Excellence Program and CRJO Regional Workforce Strategy is between 10%- 20%

## Supporting documents





- Regional Workforce Strategy
- Community Strategic Plan
- BVSC IPR document suite
- Succession plan
- Mentoring strategy
- Local Aboriginal Land Councils- Memorandum of Understanding
- Disability and Inclusion Action Plan
- Corporate learning and development plan
- CERM PI culture survey report





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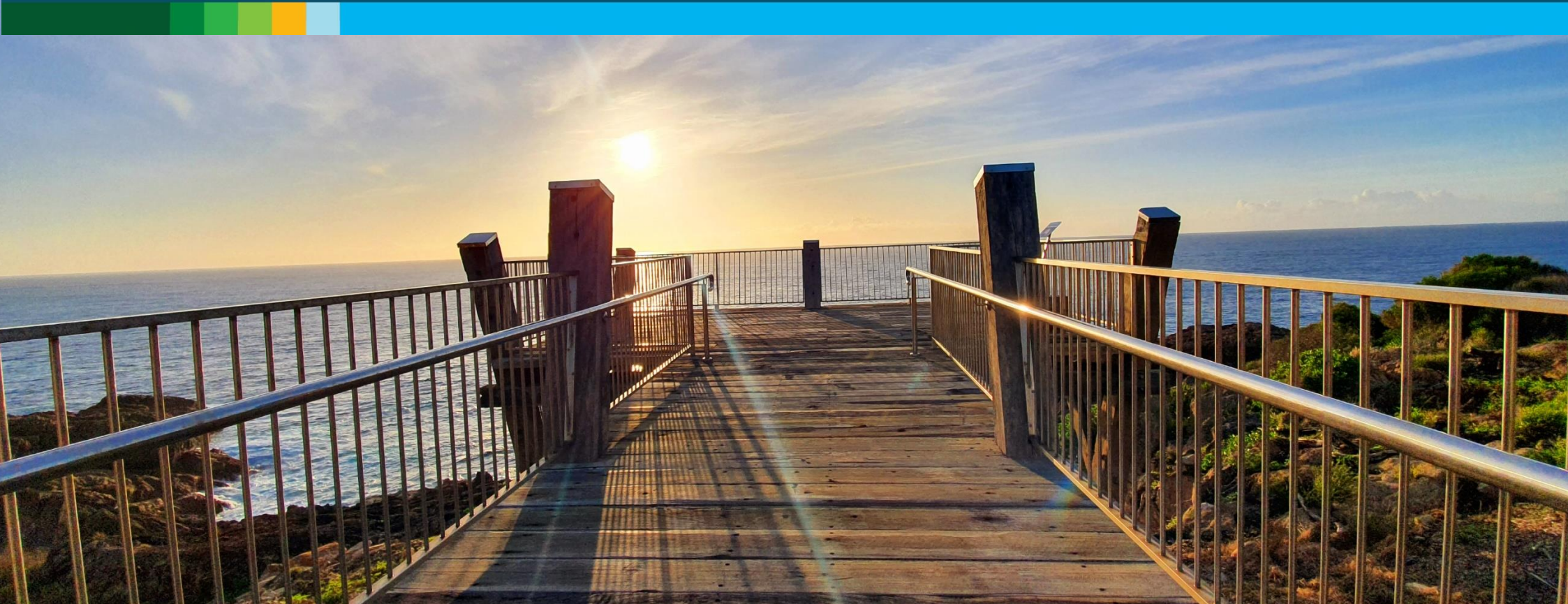
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# Strategic Asset Management Plan

## 2022-25 June 2024 Update





Bega Valley Shire Council acknowledges and pays our respects to the traditional custodians of the lands, waterways and airspace of the shire.

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ADOPTED 26 June 2024

# Executive Summary

The overall objective of asset management is to provide clear direction for the management of Council-controlled assets, to ensure Council can deal with changes to meet community needs, in accordance with legislation, and deliver fit-for-purpose assets for the community.

Council manages and maintains more than \$1.9 billion of assets, which enable us to provide services to our community. These assets include roads, drainage, pathways, water and sewer infrastructure, community facilities, parks and recreational facilities, administration buildings, cemeteries, works depots, plant and vehicle fleet and the Merimbula Airport. The level of service delivered by these assets is largely determined by the way they are maintained and operated within Council's available resources.

The Strategic Asset Management Plan (SAMP) sets out the broad framework for undertaking structured and coordinated management of Council's assets in accordance with Council's Asset Management Policy. It outlines key principles that underpin our approach to providing the assets that are essential to our community.

Supporting the SAMP are detailed Asset Management Plans (AMP's) for each asset class, which are living documents that are continually updated and refined. Summaries of the AMP's are attached at Appendix 1.

The SAMP aggregates the key insights from those detailed plans and in doing so highlights the long-term funding challenges Council must address to meet the commitments outlined in the Community Strategic Plan and deliver the level of service

desired by the community over the next 10 years within constraints.

Considered in conjunction with the Long Term Financial Plan 2024-33, the SAMP lays bare the available funding under Council's existing revenue compared to the costs of providing levels of service currently adopted to meet the communities current and future demand.

It becomes obvious that Council must seek additional sources of revenue or lower its levels of service in some or most of its service areas.

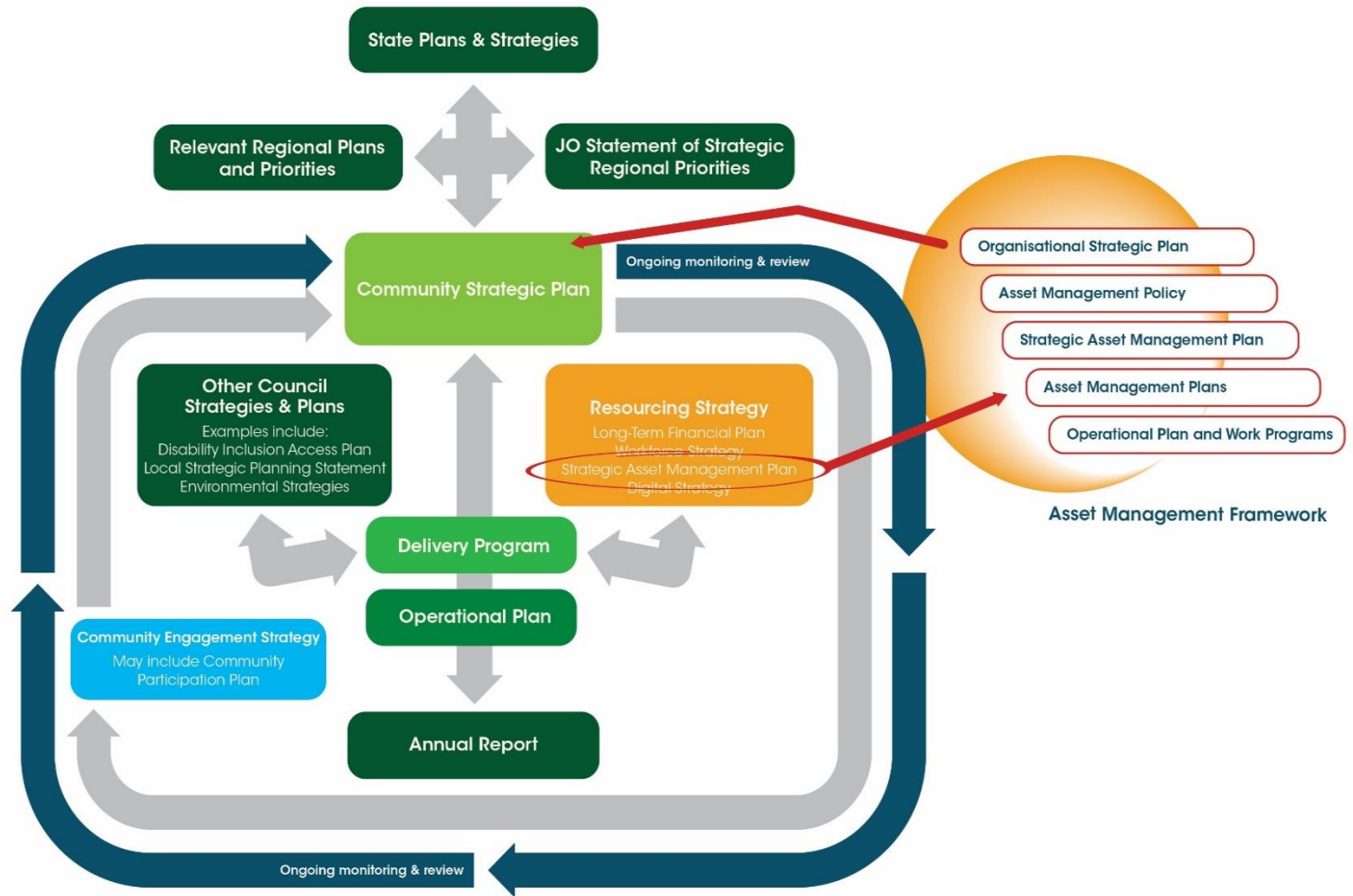
The SAMP 2022-25 was originally adopted in June 2022. It was updated in February 2023 and readopted to support Council's Special Rate Variation application. Further updates have been made to the SAMP to reflect revised modelling in the LTFP 2023-32, asset revaluation work undertaken, and current replacement costs revised to reflect the FY23 Audited Financials.

More broadly, Council will also continue to improve on its asset management practices as outlined in the SAMP Improvement Plan thereby demonstrating an ongoing commitment to the effective and responsible administration of public infrastructure.

# Framework

Council must account and plan for all existing assets under its control by way of an Asset Management Policy, Strategic Asset Management Plan and Asset Management Plans (AMPs) for each asset class. These documents form an integrated component of Council's overall Resourcing Strategy.

The community has set out their aspirations in the Community Strategic Plan 2042. Council's asset portfolio plays both a direct and an indirect role in achieving the strategic objectives of Council and supporting the service delivery needs of the community.



## Legislative Context

There are various legislative requirements, codes of practice and Australian Standards Council must comply with in relation to the management of its assets. Some of these, such as the *Roads Act NSW 1993* and its subordinate regulations and guidelines are only applicable to certain asset classes or service delivery areas, whereas others apply to all of Council's assets.

### Integrated Planning and Reporting Framework

Under the *Local Government Amendment (Governance and Planning) Act 2016* and associated guidelines, Council must have a long-term Resourcing Strategy covering the provision of resources required to implement its Community Strategic Plan. The Resourcing Strategy is to cover asset management planning, among other areas. Asset management planning requirements of this legislation include the development of an Asset Management Policy endorsed by Council for inclusion in an Asset Management Strategy. The Asset Management Strategy is required to support the Community Strategic Plan and Delivery Program and provide for a minimum timeframe of 10 years.

### Local Government Act

Council has a number of statutory responsibilities in relation to asset management under the *Local Government Act 1993*, which outlines Council's functions, responsibilities, and powers, including providing and maintaining community infrastructure.

### Other Acts and Regulations

The NSW and Federal Acts and associated Regulations that may apply to strategic asset management include the:

- *Roads Act 1993*
- *Environmental Planning and Assessment Act 1979 and Regulations 2000*
- *Work Health and Safety Act 2011 and Regulations 2011*
- *Protection of the Environment Operation Act 1997 and Regulations 2009.*

The *Civil Liability Act 2002* also requires Council to minimise the risk to Council from public liability and address the reasonable expectations of the community in managing the risk to the public through the prudent management of Council's assets.

### Asset Management Policy

The purpose of the Asset Management Policy is to set guidelines for implementing consistent asset management processes throughout Bega Valley Shire Council.

Our Economic development vision is that the Bega Valley Shire is an inclusive and welcoming community that integrates quality of life, prosperity, sustainable development, and conservation of the environment. Our connection to Country is guided by the culture and heritage of our Traditional Owners.

### Scope

The policy encompasses the systems implemented by Council to effectively manage and maintain its assets and should be read in conjunction with the Community Strategic Plan (CSP) 2042, the Resourcing Strategy and the Financial Management Policy. The policy applies to all departments, officers, employees, contractors, and elected representatives. The full policy is available as a stand-alone document on Council's website.

# Strategic Asset Management

The Strategic Asset Management Plan (SAMP) sets out Council's plans to undertake structured and coordinated management of Council's assets across asset classes and service delivery areas. Infrastructure assets exist within the service delivery areas of transport, buildings, water, sewer, waste, cemeteries, airport, and parks, aquatics and recreation.

Our Strategic Assessment Management Plan (SAMP) will outline:

- the broader Asset Management System supporting asset planning
- the planning process along with the limitations and exclusions
- the asset strategic priorities
- the current state of our assets
- how assets are delivered and managed in a cost-effective manner throughout the entire asset life cycle
- service levels and service delivery drivers
- future demand and risks
- the financial impact of current and future assets
- continuous improvement actions for asset management.

## Asset Management System

The Asset Management System is “the set of inter-acting elements of an organisation to establish AM policies and objectives, and processes to achieve those objectives”<sup>1</sup>. It includes the people, policy, procedures, tools, information technology, data, governance frameworks, and of course the physical assets themselves. The SAMP and Asset Management Plans (AMPs) for each asset class are fundamental planning documents in the system.

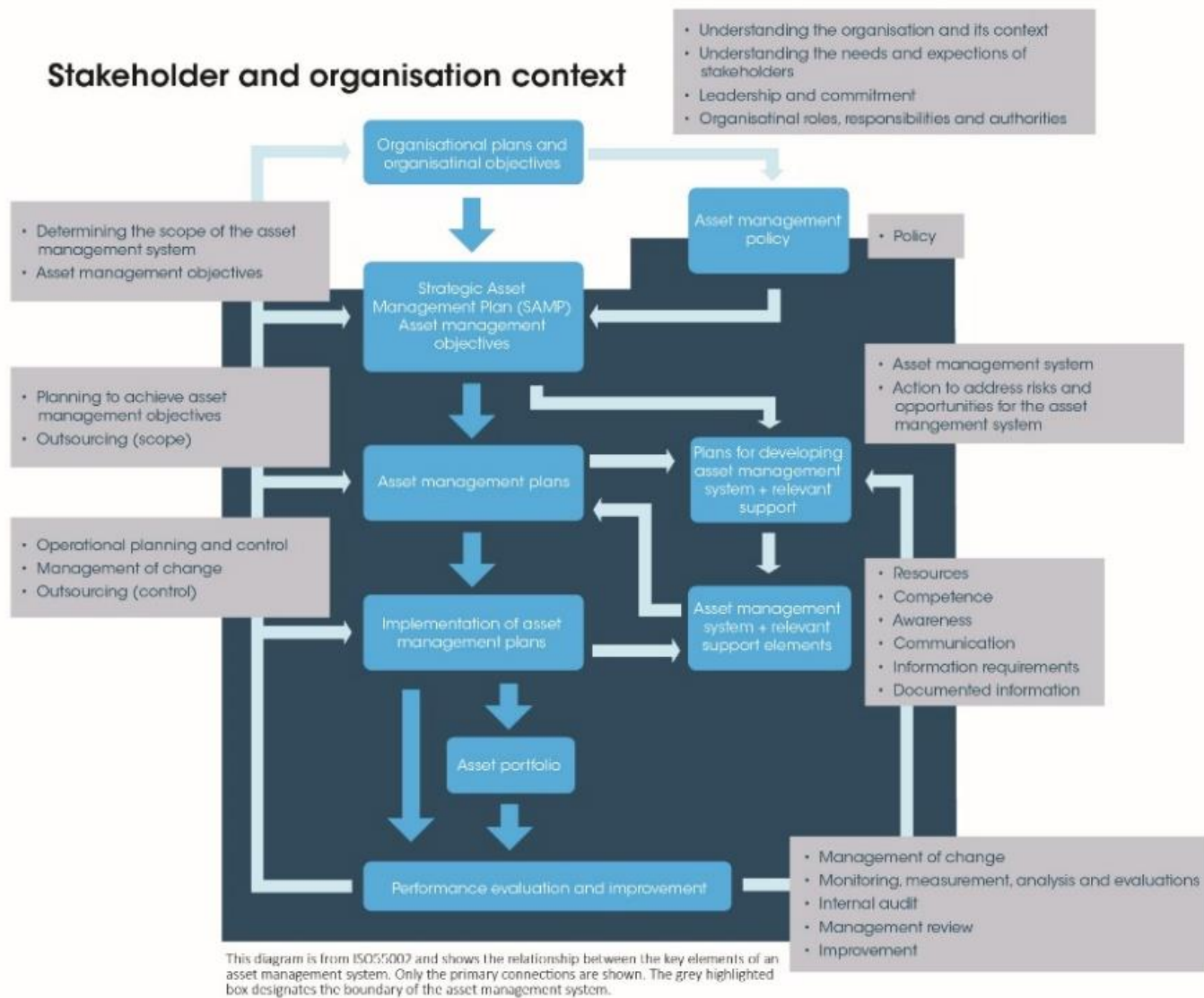
## ISO 55000 Asset Management System Standard

The ISO 55000 Asset Management System Standard developed by ISO technical committee ISO/TC 251 published in January 2014, sets a benchmark for excellence in assessing asset management performance. It has been instrumental in driving professional industry development and evaluating the maturity of company asset management practices.

Bega Valley Shire Council is on an alignment model rather than a compliance model with this currently for best practice. Council continues to move towards integrating the ISO 55000 standards principles while also taking into consideration the resource implications associated with compliance.

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<sup>1</sup> ISO 55000 Asset management



**Figure 1: ISO 55000 Asset Management System**



## Planning Process

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

## Planning Integration

The SAMP integrates with the Long Term Financial Plan and the individual asset class Asset Management Plans. In particular it aggregates the asset management requirements for each asset class, prioritises them, and puts forward three scenarios for asset management that reflect the Long Term Financial Plan options. Option A will result in Maintained levels of service. Option B and Option C will result in declining levels of service. By clearly defining these options Council can better consider the benefits, costs and sustainability implications for the community of adopting a particular financial and level of service model.

## Limitations of the Plan

The SAMP is developed at a point in time, and bases its assumptions, facts and recommendations on information (data) held static at that point in time. The validity of the SAMP (and related strategies and plans) therefore reduces over time as information is superseded therefore requiring review and monitoring. It is also impacted on by the relative confidence level of the data at the point in time it is assessed. In particular, financial information such as asset value, remaining useful life and renewal and upgrade cost estimates are linked to the most recent asset valuation data, which varies in age depending on asset class and service delivery area.

In recognition of this, the SAMP and AMPs implementation is typically reviewed annually, and updated as necessary. A range of asset revaluation and indexation work is being undertaken and the SAMP and AMPs will be updated accordingly. Waste assets were revalued externally as part of a

transition to Council's Asset Management Information System. Transport related assets including roads, bridges, paths and stormwater along with parks, aquatic and recreation assets had an indexation applied based on industry wide assumptions. Revaluation of buildings is being completed in 2024. A complete revaluation of the road network commenced in April 2024 and will conclude by the end of June 2024. Both revaluation datasets will be considered in a future revision of this SAMP.

This SAMP is based on a medium level of confidence of the information overall. Improvement in information quality/confidence is a key theme of the Asset Management Improvement Plan. The following table explains data confidence levels based upon industry practice guides.

Confidence Level	General Meaning
High	Data based on sound records, procedures, investigation, and analysis which is properly documented and recognised as the best method of assessment.
Medium	Data based on sound records, procedures, investigations and analysis which is properly documented but has minor shortcomings; for example, the data is old, some documentation is missing and reliance is placed on unconfirmed reports or some extrapolation.
Low	Data based on sounds records, procedures, investigations, and analysis which is incomplete or unsupported, or extrapolations from a limited sample for which High or Medium data is available.
No Confidence	Data based on unconfirmed verbal reports and/or cursory inspection and analysis.

## Exclusions in the Plan

This version of the SAMP has excluded Water and Sewer assets data from the “Current State”, “Lifecycle Costs” and “Risks” sections of the SAMP. Separately regulated, Council’s Water and Sewer Services have developed a Strategic Business Plan (SBP) that guides the provision of their services. The SBP was adopted by Council in July 2022.

Whilst their asset data is excluded, they still form part of Council’s Asset Management System and are therefore mentioned throughout the remainder of the SAMP from a policy and governance perspective. Importantly, the revenue base from Water and Sewer charges cannot be considered conceptually isolated from all other Council revenue bases, as collectively they impact the resident and ratepayers’ ability to afford the levels of service provided by Council.

Waste Services have adopted a Strategic Business Plan in October 2021. The adopted levels of service and revenue option (improved levels of service) has been included consistently throughout this SAMP so that those scenarios do not misrepresent Council’s financial options.

Cemeteries and Airport services have not developed Asset Management Plans subordinate to this SAMP. These service delivery areas are provided in such a context that instead, they are guided by a Cemeteries Plan 2020-2030 and Airport Masterplan achieving the same planning objectives. The Airport Masterplan is currently being reviewed. Their data is included throughout the SAMP.

## Strategic Priorities

Implementing the SAMP impacts the entire business and to keep focussed, Council has developed high level focus areas to improve asset management practices. The operational actions related to these focus areas are captured in the Asset Management Improvement Plan.

1

### Financial and asset management planning integration and reporting

Improved decision making and greater value for money by ensuring financial and asset information is available for Council and the community and changes to service levels arising from budget decisions can be easily determined

2

### Data collection and management

Greater accuracy and consistency of corporate data

3

### Capacity building

Improved financial and asset management capacity within Council

4

### Operational implementation

Service delivery is matched to available resources and operational capabilities

# Current State

## Asset Management at Council

A 'whole of organisation' approach to asset management has been developed at Council with the re-vitalisation of the Corporate Asset Management Group in 2020. This group ensures there is a more coordinated approach to strategic and financial planning, information and data management and asset management governance. It also provides wider accountability for achieving and reviewing sustainable asset management practices.

Achievements in asset management include:

- Commencing the implementation of a corporate asset management information system and integrated asset register
- Continuing to mature the Asset Management Group meeting with cross-organisation representation
- Asset management knowledge training for staff from across the business
- Organisational alignment of transport and buildings asset management with the Works department of Council
- Improved Capital works planning and project management procedures
- Significant levels of grant support secured to deliver desired upgrade projects

## Asset Maturity Assessment

Council has not undertaken a contemporary ISO55000 asset maturity assessment due to budgetary and other resource constraints imposed in dealing with several years of unprecedented natural disasters and COVID-19 and their impact on the community and Council's assets and operations.

Despite this, Council's maturity is expected to have improved due to several main factors; the re-organisation of asset management structures and procedures in Council, the ongoing implementation of formal information systems and their integration with financial and geospatial systems and further professional development of staff. Undertaking a formal maturity assessment and moving further toward standards alignment of Council's Asset Management System are key features of the Asset Management Improvement Plan, and the logical next steps on Council's roadmap for improving asset management maturity.

## Asset Management Plans

This Strategic Asset Management Plan summarises the key issues and data from the following plans:

- Parks, Aquatic and Recreation Asset Management Plan
- Buildings Asset Management Plan
- Roads Asset Management Plan
- Stormwater Asset Management Plan
- Path Asset Management Plan
- Structures Asset Management Plan
- Waste Services Asset Management Plan
- Merimbula Airport Master Plan
- Cemeteries Plan 2020-2030

## Our Assets

The Bega Valley Shire Council is responsible for managing the following Assets.

**Table 1: BVSC Assets**

Asset Class	Qty Measure
Roads – Sealed	819.30km
Roads - Unsealed <sup>2</sup>	710.85km
Carparks	88
Kerb and Gutter	286.21km
Bridges and Major Culverts >6m	292
Shared Path, Footpaths & Cycleways	110.17km
Airports	1
Urban Stormwater network	124.75km
Major Marine (Wharves & Jetties)	3
Community Halls (sites)	21
Childcare and Pre-schools	5
Civic Centre, Libraries and Museums	5
Regional Galleries	1
Administration and other Buildings	85

Asset Class	Qty Measure
Saleyards	1
Sporting Fields/Ovals	25
Sports Courts	65
Swimming Pool Facilities	13 pools and associated buildings over 7 sites
Playgrounds	42 <sup>3</sup>
Skateparks	9
Public Amenities	52 <sup>4</sup>
Landfills	1
Waste Transfer Stations	7 <sup>5</sup>
Cemeteries	14
Beaches	101
Estuaries	29
Recreational Marine Facilities/boat ramps	22
Fleet (Plant and Vehicles)	301

<sup>2</sup> The total unsealed road network is considerably less than previously reported due to data improvement, network definition and upgrades

<sup>3</sup> This is less than 2017 as skateparks were not separately reported.

<sup>4</sup> This has increased due to acquisitions and redefinition of complying structures

<sup>5</sup> This has decreased due to losses to bushfire

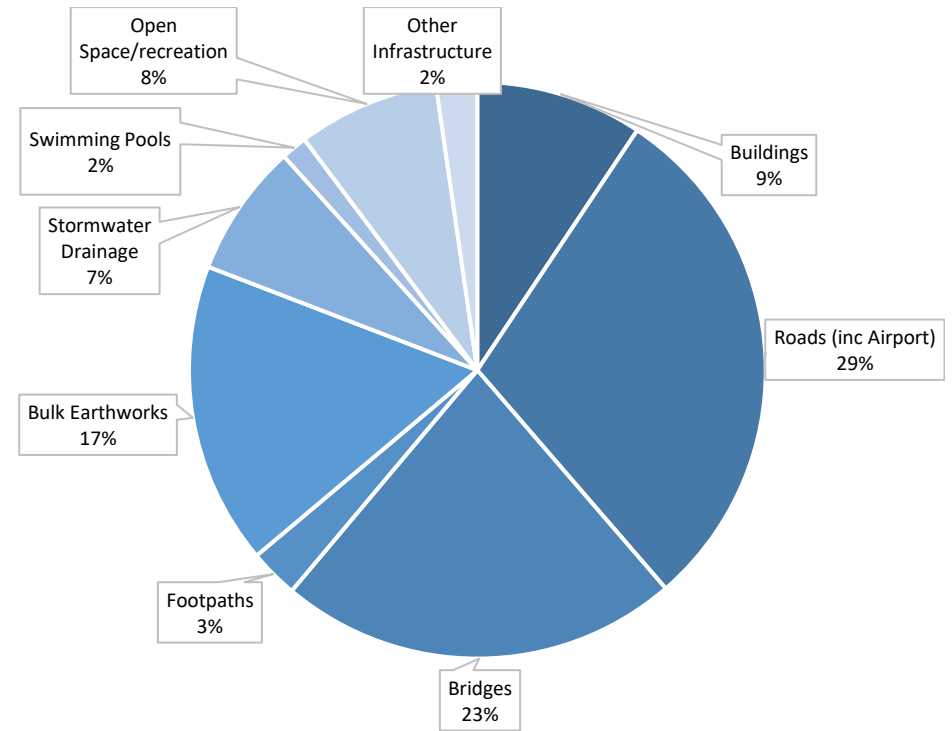
## Asset Replacement Cost

Council manages and maintains more than \$1.9 billion of assets\*, which enable us to provide services to our community. These assets include roads, drainage, pathways, water and sewer pipes and treatment plants, community facilities, parks, natural assets and recreational facilities, administration buildings, cemeteries, works depots, plant and fleet, waste facilities and the Merimbula Airport.

Table 2 includes the General Fund asset class gross replacement cost (GRC) based on the gross carrying amount from the FY23 Audited Financials (excludes Water and Sewer assets but includes Waste facilities).

**Table 2: General Fund- Asset Replacement Costs**

<i>Asset Class</i>	<i>Gross Replacement Cost (\$m)</i>
Buildings	112,963
Roads (inc Airport)	353,808
Bridges	271,201
Footpaths	33,183
Bulk Earthworks	204,767
Stormwater Drainage	90,062
Swimming Pools	17,651
Open Space/recreation	95,859
Other Infrastructure	27,703
<b>TOTAL</b>	<b>1,207,197</b>



**Figure 2: Proportion of total CRC value by asset class**

\*Gross replacement cost 2023 Audited Financials

Note: Additional revaluation work is currently in progress for Buildings and Roads assets which will be incorporated into the next revision of those Asset Management Plans.

## Asset Condition

Council regularly assesses the condition of owned assets as part of data collection processes. The condition scores are described in Table 3. The asset condition scoring is based on a scale of 1-5 as per the Integrated Planning and Reporting Guidelines. The descriptions in the table are a general guide to assist in understanding the meaning of each condition score. Asset condition scores contribute to a framework for determining sustainable asset service levels. Other factors to be considered include:

- affordability
- intergenerational equity
- risk of asset failure
- capacity
- function

**Table 3: Asset Condition Scores Scale**

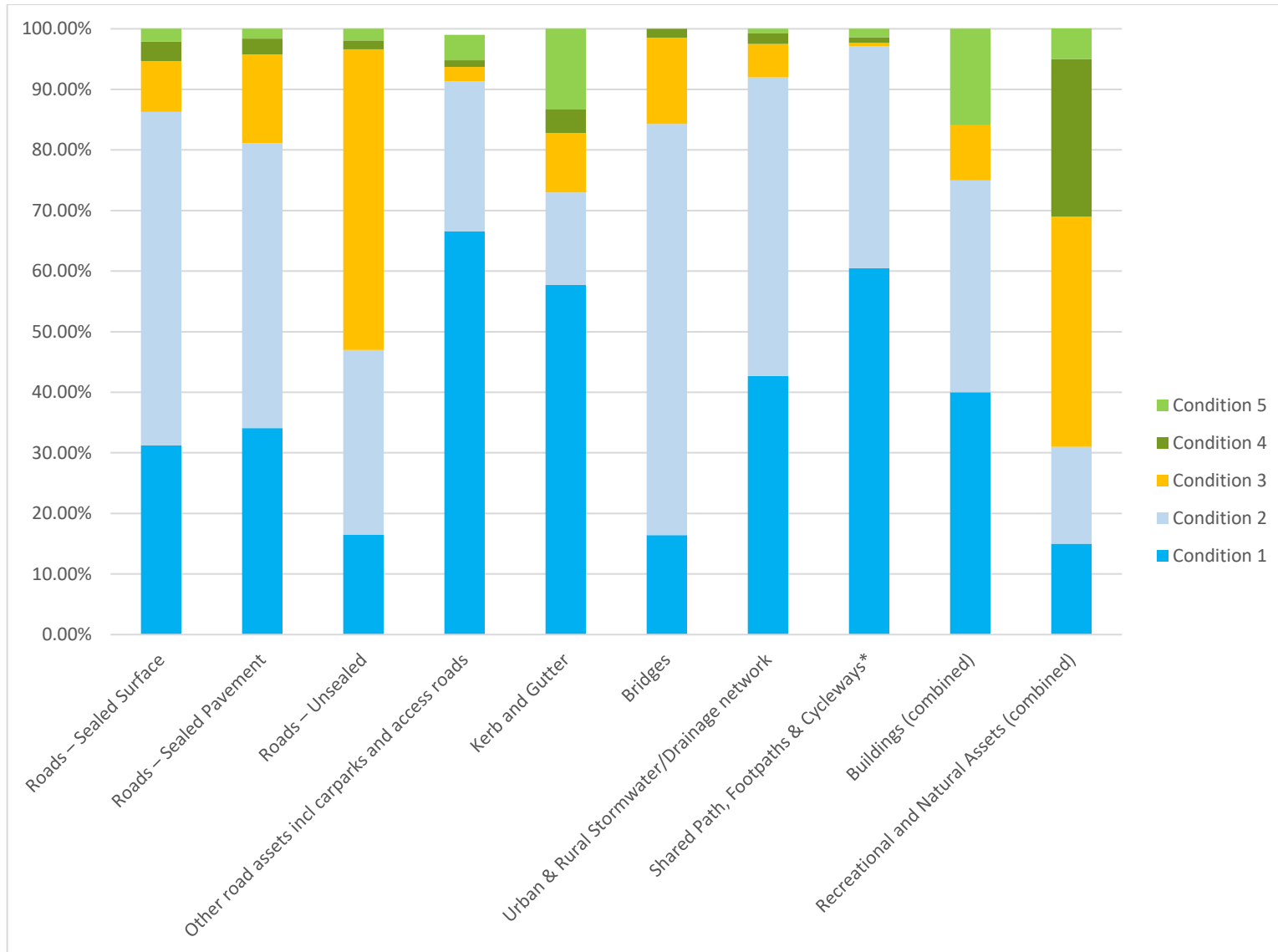
<i>Condition Score</i>	<i>Tag</i>	<i>Description</i>	<i>Remaining service potential</i>
1	Excellent	New or near new condition. Only planned cyclic inspection and maintenance required.	Very high
2	Good	Sound or good condition with minor defects. Minor routine maintenance along with planned cyclic inspection and maintenance required.	High
3	Average	Fair condition with significant defects requiring regular maintenance on top of planned cyclic inspections and maintenance to keep the asset serviceable.	Adequate
4	Poor	Poor condition with asset requiring significant renewal/rehabilitation, or higher levels of inspection and substantial maintenance to keep the asset serviceable.	Low
5	Very Poor	Very poor condition. Physically unsound and/or beyond rehabilitation. Renewal required.	Very Low



**Table 4: BVSC Assets in condition as a percentage of current replacement cost**

	<i>Condition 1</i>	<i>Condition 2</i>	<i>Condition 3</i>	<i>Condition 4</i>	<i>Condition 5</i>
Roads – Sealed Surface	31.2%	55.1%	8.4%	3.2%	2.1%
Roads – Sealed Pavement	34.1%	47.0%	14.7%	2.6%	1.6%
Roads – Unsealed	16.5%	30.5%	49.6%	1.5%	1.9%
Other road assets incl carparks and access roads	66.6%	24.7%	2.4%	1.1%	4.2%
Kerb and Gutter	57.7%	15.3%	9.8%	3.9%	13.3%
Bridges	16.4%	67.9%	14.2%	1.5%	0.0%
Urban & Rural Stormwater/Drainage network	42.7%	49.3%	5.5%	1.8%	0.7%
Shared Path, Footpaths & Cycleways*	60.5%	36.6%	0.6%	0.9%	1.4%
Buildings (combined)	40.0%	35.0%	9.1%	0.0%	15.9%
Recreational and Natural Assets (combined)	15%	16%	38%	26%	6%
Waste Facilities (combined)	1.1%	32.7%	62.5%	3.3%	0.4%
Fleet	Not Reported - Not Managed by Condition				

\*There is extremely limited formal condition assessment of our Shared Network. The figures here are extrapolated from existing data. Asset condition was extracted from the FY23 Audited Financials where available. Existing data was used for other asset classes.



**Figure 3: Asset Condition Breakdown**

## Key Insights

Council's assets have degraded, with the number and value of assets at or below condition level 4 at concerning levels. These condition ratings are based on the 2022-23 Audited Financials. Condition level 4 or lower suggests the need for renewal or upgrade. The urgency will depend on safety, criticality, and component condition. It is important to note the following detailed insights:

- The renewal of unsealed roads generally requires a methodology of resheeting e.g. the importation of quality road base material and reconstruction of the road pavement. This is a very expensive methodology relative to the amount of unsealed road renewed.
- The renewal of bridges and other (complex) structures is expensive, generally requiring the replacement of the majority of the structure or the complete decommissioning of the existing structure and replacement with a new, modern equivalent. Bridges and other structures in condition 4 or lower also present potentially extreme risks to safety. The relative few number of assets in this condition should not bely the cost and urgency of renewal requirements.
- The renewal of buildings is a complex undertaking. Some may only require the renewal of commercial fit outs, others may require structural reinforcement, or the replacement of entire components of the building (such as roofs). At condition level 4 or below, the safe habitation of the building may be compromised. The relative few number of assets in this condition should not bely the cost and urgency of renewal requirements. Additionally, buildings may be valued at a whole of building level and not component level which could create inconsistency in renewal/value models.

- Council has invested significantly in the quality of assets at the airport with further works proposed as outlined in the updated draft Airport Masterplan that is aiming to be adopted in mid-2024. Once these future projects are funded, delivered and capitalised it will update our financial position.
- Waste Services indicate that there is insufficient funding to provide agreed levels of service while also meeting NSW EPA licence requirements, and that the adopted improvement model will rely on increases to waste fees and charges, or alternate revenue sources.
- There are several major Parks Aquatics and Recreation projects with construction underway or in early planning stages. These include Pambula Sporting Complex Multi-Sport Building, Bega Sporting Complex Building and Bega War Memorial Pool. Each of these represent renewal and significant upgrades to aging building infrastructure.
- Council has commenced its Recreation Strategy Project. This strategic document will combine information about use of assets, community needs and future provision requirements. It will combine with the Recreation Asset Management Plan to inform future service levels and asset provision to ensure assets meet community needs, are in the best locations, are well used and provide good value to the community.

Without significant asset renewal intervention, the quality of assets (and the services they support) will continue to decline across key service areas of Council. For several of these asset classes, the safety of the asset is paramount.

# Asset Lifecycle Management

Lifecycle management details how Council plans to manage and operate our assets at agreed levels of service while optimising life cycle costs and managing risks. Underpinning any plan are the resources required to deliver it. Rarely do resource inputs perfectly match expenditure output, being driven by levels of services and available funding.

## Asset Financial Management

The activities required to maintain financial sustainability and meet our asset management needs are detailed in the Long-Term Financial Plan (LTFP) 2024-33. The LTFP has been developed using operations, maintenance and renewal forecasts from Asset Management Plans to achieve asset management objectives. The following information provides an explanation of key aspects of asset management that have significant influence on Council's financial sustainability and are integrated in the LTFP.

### Asset life cycle costs

Council allocates funds in the Long-Term Financial Plan and annual budgets to manage the life cycle costs of assets. Asset renewals, maintenance and operations targets have been developed through asset life cycle modelling and incorporated into the LTFP. Committing and delivering these targets in annual budgets is crucial to achieving the desired outcomes within the Asset Management Framework.

### Asset class revaluations

Council undertakes asset revaluations by individual service areas over a five yearly rolling cycle, as recommended by the Audit Office NSW. The revaluations are integral to confirming and updating financial planning figures against our assets. Due to the rolling cycle and fluctuating economic conditions, the assets within a service area may undergo a bold adjustment as condition ratings, unit rates, and replacement values are re-baselined. Multiple asset class revaluations, and in some cases industry benchmarking

have recently been undertaken. This is out of sync with the five year cycle as a result of impacts of natural disasters and COVID-19 on resourcing.

## Routine Operation and Maintenance

Operations includes regular activities to provide services such as public health, safety and amenity, e.g. cleaning, utility services, street sweeping, grass mowing and street lighting to allow assets to function as intended. Routine maintenance is the regular on-going work that is necessary to keep assets operating for the intended life of the asset, including instances where portions of the asset fail and need immediate repair to make the asset operational again (reactive maintenance).

### Funding Asset maintenance

Maintenance funding should aim to align to increases in the size and age of the asset base, changing standards and increasing community expectations.

## Asset Renewal and Upgrade

Asset renewal is an asset life cycle phase that restores an existing asset or component of an asset to its original condition and service potential. It includes activities that refurbish or replace assets with assets of equivalent capacity or performance capability. Key factors in the decision to undertake asset renewal is the asset desired useful life. This is the extent of time that the asset is desired to remain in service. If renewal occurs prior to useful life being achieved, then there is a financial write off to be accounted for.

Renewal works are identified in forward works plans, and prioritised based on criteria relevant to each asset class, including risk, condition, criticality, technical levels of service and customer levels of service. Due to limited resource constraints prioritised projects are typically included in the Delivery Program and Operational Plan.

### **Asset renewal funding gap**

Infrastructure assets have a useful economic life, after which renewal should occur to ensure continued service and cost-effective maintenance and repairs (which tend to increase as assets age). The availability of infrastructure assets is imperative to the delivery of Council's asset-related services. Therefore, an important performance indicator relating to asset management is the renewal funding gap.

This is determined by identifying projected (or required) renewal expenditure, based on a range of factors, including asset condition, age and remaining life. The projected renewal expenditures are then compared to planned (or funded) renewal expenditure over the planning period. This identifies the funding gap between projected and planned renewals. Minimising this gap ensures that services are being provided in a sustainable manner.

### **Asset Upgrade Expenditure**

Asset upgrades, those capital works that create new or increase an assets original intended design capacity or level of service potential are sometimes essential due to increases in demand regardless of the constraints Council faces. Council proactively seeks financial assistance for upgrade projects and proceeds on the basis of securing non-Council funding.

### **Asset Disposal**

Asset disposal is the removal or decommissioning of assets from service following the end of an asset's service life or change in asset requirements due to rationalisation. It includes the sale of assets no longer deemed operationally useful.

These costs, and the use of the sale proceeds, are determined by Council as part of the disposal decision-making process. Where renewal or replacement of an asset is undertaken before the asset has reached the end of its useful life, the remaining asset value is written off.

The sale of fleet assets is an adopted business practice and is fundamental to the management of this asset class. Council is investigating options to divest (through transfer of ownership/sale) building assets. These include Rural Fire Service, Surf Living Saving and some heritage listed Council managed Crown buildings. There is considerable work, including legislative change, required to pursue this option.

### **Planning Asset Lifecycles**

Asset renewals are prioritised and generally renewed at condition level 3 so that the number of assets at condition level 4 or 5 are limited. In the LTFP 2024-33 Council has developed three options representing various levels of service.

- **Option A- Financial Sustainability** remains our recommended position. This is what's needed, in addition to the current Asset and Services SRV, over the next 10 years to meet current and future asset management and operational needs. To pursue this level of investment in our assets and meet our financial sustainability ratios, the LTFP model shows that a further rate increase is needed. Option A shows that there is a cash shortfall of \$10.7m each year.
- **Option B- Asset and Services SRV** is our current adopted position and is what we have used to develop the 2024-25 budget. The Assets and Services SRV has helped to close the gap between revenue and expenditure, however it will not be adequate to maintain current levels of service. This option prioritises catching up on our infrastructure backlog and then reducing our capital program below recommended levels. Under Option B, Council will need to consider multiple loans from 2025-26 onwards funded from the Assets and Services SRV to provide additional cash upfront for funding the infrastructure backlog, particularly where there are spikes in our capital works program.

- **Option C- Rate Peg Only** assumes our revenue across the 10-year LTFP period will only increase in line with the known rate peg of 4.9% in 2024-25 and then an assumed rate peg of 3% thereafter. Under Option C the cash shortfall would be \$32m over the 10 year LTFP. The detrimental financial impact of relying on rate peg increases alone is clear. This option would see a significant reduction in the levels of service and quality of assets, including extending the operating life of assets beyond their estimated useful life. This option would continue an unsustainable financial trajectory and would mean we are not able to manage core assets such as roads and bridges.

The SAMP presents Option B, based on the approved Special Rate Variation. Option A remains our recommended position as it would allow Council to meet current and future asset management and operational needs and financial sustainability ratios. The following table presents the financial summary for Option B from the Long-Term Financial Plan 2024-33. Asset performance indicators are drawn from the FY23 Audited Financial Statements, updated to exclude Water and Sewer assets.

## Long Term Financial Plan 2024-33- Option B

### Bega Valley Shire Council

#### 10 Year Financial Plan for the Years ending 30 June 2034

#### INCOME STATEMENT - GENERAL FUND

#### Scenario: Option B Assets and Services SRV

	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
<b>Income from Continuing Operations</b>										
<b>Revenue:</b>										
Rates & Annual Charges	50,884	52,401	53,964	55,574	57,232	58,940	60,699	62,511	64,377	66,299
User Charges & Fees	10,210	10,496	10,810	11,135	11,469	11,813	12,167	12,532	12,908	13,295
Other Revenues	975	1,004	1,035	1,066	1,098	1,130	1,164	1,199	1,235	1,272
Grants & Contributions provided for Operating Purposes	28,400	27,922	28,695	29,491	30,312	31,221	32,158	33,122	34,116	35,140
Grants & Contributions provided for Capital Purposes	30,415	14,291	20,418	1,911	1,099	1,522	3,021	4,829	3,257	1,099
Interest & Investment Revenue	2,227	2,294	2,363	2,434	2,507	2,582	2,659	2,739	2,821	2,906
<b>Other Income:</b>										
Other Income	-	-	121	124	128	132	136	140	144	148
<b>Total Income from Continuing Operations</b>	<b>123,111</b>	<b>108,409</b>	<b>117,406</b>	<b>101,735</b>	<b>103,844</b>	<b>107,340</b>	<b>112,005</b>	<b>117,073</b>	<b>118,859</b>	<b>120,160</b>
<b>Expenses from Continuing Operations</b>										
Employee Benefits & On-Costs	37,240	36,912	38,185	39,799	41,526	43,073	45,052	47,100	49,220	51,414
Borrowing Costs	341	267	489	693	869	771	668	561	450	363
Materials & Contracts	32,471	31,028	31,876	32,654	34,314	34,602	35,749	36,679	38,443	38,142
Depreciation & Amortisation	21,803	23,602	24,722	26,302	27,647	29,005	29,977	31,145	32,174	31,875
Impairment of investments	-	-	-	-	-	-	-	-	-	-
Impairment of receivables	12	12	12	12	12	12	12	12	12	12
Other Expenses	1,751	1,803	1,857	1,913	1,971	2,030	2,091	2,153	2,218	2,284
Net Losses from the Disposal of Assets	-	-	-	-	-	-	-	-	-	-
Revaluation decrement/impairment of IPPE	11	11	11	11	11	11	11	11	11	11
<b>Total Expenses from Continuing Operations</b>	<b>93,629</b>	<b>93,636</b>	<b>97,153</b>	<b>101,383</b>	<b>106,349</b>	<b>109,504</b>	<b>113,560</b>	<b>117,661</b>	<b>122,527</b>	<b>124,102</b>
<b>Net Operating Result for the Year</b>	<b>29,482</b>	<b>14,772</b>	<b>20,253</b>	<b>352</b>	<b>(2,505)</b>	<b>(2,164)</b>	<b>(1,555)</b>	<b>(588)</b>	<b>(3,668)</b>	<b>(3,942)</b>
<b>Net Operating Result before Grants and Contributions provided for Capital Purposes</b>	<b>(932)</b>	<b>481</b>	<b>(165)</b>	<b>(1,559)</b>	<b>(3,604)</b>	<b>(3,686)</b>	<b>(4,576)</b>	<b>(5,417)</b>	<b>(6,925)</b>	<b>(5,041)</b>

Table 5: General Fund- Option B- Assets and Services SRV- Income Statement extract from the LTFP 2024-33



**Bega Valley Shire Council**  
**10 Year Financial Plan for the Years ending 30 June 2034**  
**BALANCE SHEET - GENERAL FUND**

Scenario: Option B Assets and Services SRV	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
<b>ASSETS</b>										
<b>Current Assets</b>										
Cash & Cash Equivalents	22,667	9,528	15,375	17,433	23,179	26,267	34,967	37,276	44,966	58,565
Investments	-	-	-	-	-	-	-	-	-	-
Receivables	13,060	11,075	12,148	10,098	10,318	10,680	11,218	11,766	11,931	12,077
Inventories	729	706	725	743	777	786	810	831	868	866
Other	22	21	22	22	23	23	24	25	26	26
<b>Total Current Assets</b>	<b>36,477</b>	<b>21,329</b>	<b>28,269</b>	<b>28,296</b>	<b>34,296</b>	<b>37,755</b>	<b>47,019</b>	<b>49,898</b>	<b>57,791</b>	<b>71,533</b>
<b>Non-Current Assets</b>										
Investments	-	-	-	-	-	-	-	-	-	-
Receivables	14	14	14	14	14	13	13	13	13	5
Inventories	-	-	-	-	-	-	-	-	-	-
Infrastructure, Property, Plant & Equipment	1,262,925	1,316,427	1,361,766	1,387,405	1,404,844	1,425,410	1,441,424	1,464,788	1,480,693	1,461,078
Other	-	-	-	-	-	-	-	-	-	-
<b>Total Non-Current Assets</b>	<b>1,262,939</b>	<b>1,316,440</b>	<b>1,361,780</b>	<b>1,387,418</b>	<b>1,404,857</b>	<b>1,425,424</b>	<b>1,441,438</b>	<b>1,464,802</b>	<b>1,480,706</b>	<b>1,461,083</b>
<b>TOTAL ASSETS</b>	<b>1,299,416</b>	<b>1,337,770</b>	<b>1,390,049</b>	<b>1,415,714</b>	<b>1,439,153</b>	<b>1,463,179</b>	<b>1,488,457</b>	<b>1,514,699</b>	<b>1,538,497</b>	<b>1,532,616</b>
<b>LIABILITIES</b>										
<b>Current Liabilities</b>										
Bank Overdraft	-	-	-	-	-	-	-	-	-	-
Payables	15,340	15,011	15,307	15,596	16,094	16,243	16,621	16,945	17,480	17,504
Income received in advance	-	-	-	-	-	-	-	-	-	-
Contract liabilities	16,507	11,848	13,784	8,813	8,816	9,190	9,873	10,652	10,489	10,171
Lease liabilities	-	-	-	-	-	-	-	-	-	-
Borrowings	2,597	1,771	2,224	2,164	2,262	2,364	2,601	1,558	1,645	1,736
Employee benefit provisions	8,223	8,223	8,223	8,223	8,223	8,223	8,223	8,223	8,223	8,223
Other provisions	144	144	144	144	144	144	144	144	144	144
<b>Total Current Liabilities</b>	<b>42,810</b>	<b>36,997</b>	<b>39,682</b>	<b>34,940</b>	<b>35,538</b>	<b>36,164</b>	<b>37,462</b>	<b>37,522</b>	<b>37,980</b>	<b>37,778</b>
<b>Non-Current Liabilities</b>										
Borrowings	6,690	10,280	13,055	15,842	13,580	11,215	8,614	7,056	5,411	3,675
Employee benefit provisions	292	292	292	292	292	292	292	292	292	292
Other provisions	5,006	5,006	5,006	5,006	5,006	5,006	5,006	5,006	5,006	5,006
<b>Total Non-Current Liabilities</b>	<b>11,988</b>	<b>15,578</b>	<b>18,354</b>	<b>21,140</b>	<b>18,878</b>	<b>16,514</b>	<b>13,912</b>	<b>12,354</b>	<b>10,709</b>	<b>8,973</b>
<b>TOTAL LIABILITIES</b>	<b>54,798</b>	<b>52,575</b>	<b>58,036</b>	<b>56,079</b>	<b>54,416</b>	<b>52,678</b>	<b>51,375</b>	<b>49,876</b>	<b>48,689</b>	<b>46,750</b>
<b>Net Assets</b>	<b>1,244,618</b>	<b>1,285,195</b>	<b>1,332,013</b>	<b>1,359,635</b>	<b>1,384,737</b>	<b>1,410,501</b>	<b>1,437,082</b>	<b>1,464,824</b>	<b>1,489,808</b>	<b>1,485,866</b>
<b>EQUITY</b>										
Retained Earnings	597,652	612,424	632,677	633,029	630,524	628,360	626,805	626,217	622,549	618,607
Revaluation Reserves	646,966	672,771	699,336	726,606	754,213	782,141	810,277	838,607	867,259	867,259
<b>Total Equity</b>	<b>1,244,618</b>	<b>1,285,195</b>	<b>1,332,013</b>	<b>1,359,635</b>	<b>1,384,737</b>	<b>1,410,501</b>	<b>1,437,082</b>	<b>1,464,824</b>	<b>1,489,808</b>	<b>1,485,866</b>

**Table 6: General Fund- Option B- Assets and Services SRV- Balance Sheet extract from the LTFP 2024-33**

## Bega Valley Shire Council

### Report on infrastructure assets as at 30 June 2023

#### Infrastructure asset performance indicators (consolidated) \*

\$ '000	Amounts 2023	Indicator 2023	Indicators		Benchmark
			2022	2021	
<b>Buildings and infrastructure renewals ratio</b>					
Asset renewals <sup>1</sup>	26,936	107.34%	143.79%	91.40%	> 100.00%
Depreciation, amortisation and impairment	25,095				
<b>Infrastructure backlog ratio</b>					
Estimated cost to bring assets to a satisfactory standard	27,833	2.08%	2.19%	2.07%	< 2.00%
Net carrying amount of infrastructure assets	1,341,327				
<b>Asset maintenance ratio</b>					
Actual asset maintenance	12,844	116.57%	90.86%	111.91%	> 100.00%
Required asset maintenance	11,018				
<b>Cost to bring assets to agreed service level</b>					
Estimated cost to bring assets to an agreed service level set by Council	27,833	1.46%	1.55%	1.40%	
Gross replacement cost	1,903,360				

(\*) All asset performance indicators are calculated using classes identified in the previous table.

(1) Asset renewals represent the replacement and/or refurbishment of existing assets to an equivalent capacity/performance as opposed to the acquisition of new assets (or the refurbishment of old assets) that increases capacity/performance.

**Table 7: Infrastructure asset performance indicators (consolidated) - FY23 Audited Financial Statements extract**



Figure 4: Performance Ratios - FY23 Audited Financial Statements extract

\*These ratios include significant proportion of restricted grant funding that cannot be relied upon in future years

\*\* These figures and ratios include significant State funded disaster recovery works and distort the performance of Council in delivering required maintenance. When adjusted to remove these funding sources Council fails to meet its benchmarks.

## Key Insights

Acknowledging the difficulty in meeting service levels over the last three financial years due to constraints imposed by unprecedented successive natural disasters and COVID-19, Council has failed to meet benchmarks for asset renewals investment when adjusted to reflect the large injections of funding from grants secured during the same period. The financial forecast presented in the Long Term Financial Plan 2024-33 update demonstrates that within available funding, including the recently approved SRV, this is likely to continue without some form of further intervention in the future.

It is evident in the LTFP performance monitoring, that without another SRV in the future Council's infrastructure renewals ratio will be lower than the benchmarks and the infrastructure backlog ratio will worsen. Whilst Council will continue to seek operational efficiencies and savings, it is important to demonstrate the ongoing need for additional revenue in order to improve the overall asset condition and financial position over the remainder of the 10 year forecast period. If nothing changes, current levels of service must decrease to match the available income.

# Service Delivery

## Community Consultation

Council's last comprehensive community satisfaction survey was conducted in 2016 which means there is a lack of recent data across the business to assist in definition of required levels of service to meet the community's expectations. There has been targeted community consultation in some service areas including in the development of the Water and Sewer Strategic Business Plan in 2022, Waste Services Strategic Business Plan in 2024 and the Cemeteries Plan in 2020.

The consultation conducted in the development of the Community Strategic Plan 2042 did not directly canvass satisfaction levels against service areas; however, feedback was generally aspirational indicating a potential preference for assets to be provided and managed in line with the Improve model in the LTFP. Improved infrastructure was rated as a key attribute in the community consultation with the following sentiments expressed by the community.

*"Improving road conditions, more footpaths, public toilets, tarring the heavily-used dirt roads, preservation of heritage infrastructure, and better infrastructure maintenance in general."*

Council also undertook community engagement through various methods regarding the proposed Special Rate Variation options during 16 November 2022 to 16 January 2023 to raise awareness of Council's intention to apply for an SRV and the implications of each option.

## Service Delivery

There are many areas within Council that have responsibility for infrastructure asset management. Responsibilities range from managing an entire road network to single buildings and recreational facilities across the Shire and include identifying projects for delivery, planning project delivery,

securing funding and servicing of the physical asset. The physical project delivery and/or servicing can be achieved using in-house and/or contract resources managed by Council.

## Service Level Drivers

It is a key priority action in the Asset Management Improvement Plan to conduct detailed and targeted community consultation on service levels. This was not conducted in the prior Integrated Planning and Reporting review cycle due to COVID-19 and successive natural disasters. Regardless of the strategic and operational environment Council will face in this review cycle, this consultation is of the highest priority. The community engagement undertaken in promoting the available options for an SRV and the relevant implications was a key step in the consultation process.

Council has three key drivers for our levels of service;

1. Community Expectations: communicated to Council through various mechanisms including customer requests, have your say and direct/targeted community consultation
2. Legislative Requirements: Local, State and Federal Acts and Regulations.
3. Technical Levels of Service: Linked to annual budgets.

The Technical Levels of Service, definition and examples are indicated in the Table below. They have not changed substantially since the previous Integrated Planning and Reporting review.

**Table 8: Technical Levels of Service and Examples**

Level of service	Definition and Examples
Operations	Activities to allow services and facilities to function for their intended purpose e.g. opening hours, cleaning, roadside mowing grass, energy, inspections, water pump and chlorination plant operations, dam operations, landfill operations, waste collection, environmental monitoring and maintenance, waste and resource recovery, managing vegetation and noxious weeds, controlling wind-blown litter, graveside maintenance
Maintenance	Activities to allow an asset to reach its intended service life e.g. road patching, unsealed road grading, building and structure repairs, painting buildings, structural repairs, water pump mechanical repairs, chlorination equipment instrument calibration and maintenance, maintenance of environmental controls, maintaining an appropriate network of access roads and tracks in waste facilities, building maintenance and repairs, silt control dams, six monthly or annual inspections and compliance checks, annual maintenance programs (ovals restoration, tree pruning program, pool plant servicing, painting park furniture and shelters)
Renewal	Activities that return an asset to its original service capability e.g. frequency and cost of road resurfacing and pavement reconstruction, pipeline replacement and building component replacement (e.g. replacing a roof), frequency and cost of water mains replacement, replacement of pumping equipment at end of useful life, fencing replacements and renewal of access roads in waste facilities, signage replacement, frequency and cost of pool plant replacement, park furniture replacement, amenities building replacement, play equipment replacement and cemetery furniture replacement
Upgrades	Activities that provide a higher level of service e.g. widening a road, sealing an unsealed road, replacing a pipeline with a larger size, new kitchen in community building, , increasing the capacity to landfill waste by construction of a new cell, widening or sealing a gravel pathway, adding additional play equipment, adding a viewing platform to a lookout area, increasing sportsground lighting capacity, installing an irrigation system, replacing an oval pavilion with a larger version or a new service that did not exist, e.g. a new library, new water treatment facility, new waste transfer station extension of lawn cemetery, memorial gardens and niche walls

## Key Insights

When considering the key insights presented in the “Current State of the Assets” and “Asset Lifecycle Management” sections compared to the modelled options in the Long Term Financial Plan, it becomes obvious that the service levels of Council exceed our financial means to sustainably deliver them. In light of changes in demand for Council’s services discussed in the next section, it becomes obvious that Council must seek additional sources of revenue or lower its levels of service in some or most of its service areas.

# Future Demand

Predicting future demand is an uncertain science that help to enable Council to plan and identify the best way of meeting the predicted demand. Council monitors and analyses demand regularly through various means such as utilisation data, industry trend reports, population growth and demographics, community surveys and observation of other councils with similar scale and demographics. Various master plans and strategies have been adopted by Council that influence asset management decisions. We understand future demand on Council’s assets and services is being driven by three main factors, although there are many more complex and nuanced reasons for changes in demand.

1. Population growth and change in demographic composition
2. Changes in technologies and legislative frameworks
3. Climate change adaption requiring rebuilding, recovery and resilience (prevention and preparedness) activities

## Population growth and change in demographic composition

The current population (2023) in the Bega Valley is estimated to be 35,972 and is expected to grow to 40,709 by 2036. This represents an increase of 11.5% over the 14-year time horizon. Growth can generally be attributed to net migration, with the major contribution historically from Sydney. Dwelling occupancy rates are currently sitting at 84% and are expected to remain consistent. Despite the high vacancy rate (16%) housing supply and affordability are major issues for the Shire. This suggests the high proportion of vacant dwellings are not available for purchase or rent by those seeking accommodation and operate as secondary residences for ratepayers living elsewhere. This trend is forecast to continue in the future.

<sup>6</sup> Generated by .id (Informed Decisions)

Additionally, the average number of persons per household is estimated to be 2.25 people, with a forecast decline to 2.15 people by 2036. This suggests a generally ageing and retiring population, migrating to the Valley.<sup>6</sup>

**Figure 5: Forecast household types**

Bega Valley Shire	2021		2026		2036		Change between 2021 and 2036
	Number	%	Number	%	Number	%	
Couple families with dependents	3,308	20.9	3,475	21.0	3,849	21.4	+541
Couples without dependents	5,522	34.8	5,780	34.9	6,168	34.3	+646
Group households	408	2.6	418	2.5	452	2.5	+44
Lone person households	4,909	31.0	5,078	30.7	5,591	31.0	+682
One parent family	1,412	8.9	1,487	9.0	1,621	9.0	+209
Other families	293	1.8	303	1.8	327	1.8	+34

Source: Population and household forecasts, 2021 to 2036, prepared by .id (informed decisions), February 2023.

Specific economic insights cannot be reliably drawn from these estimates; however, an ageing population profile is likely to drive change in the way Council services and assets are used. Demand for early childhood services and the assets that support them will likely remain static, whilst demand for recreational assets, community facilities and transport options desired by older populations will increase.

Population growth generally leads to new development activity in the form of new sub-divisions and redevelopment of existing properties. This will result in growth to Council’s assets. The rate of new development activity in the shire is significantly greater than in the past; however, the transfer of assets to Council from development tends to be less than 1% of total asset networks annually. Whilst this seems modest, the increase in rateable



population does not generally cover the additional costs of those assets to Council over time and presents another sustainability challenge for Council to address, particularly when the quality of assets transferred to Council is varied.

### **Changes in technology and legislative frameworks**

It is widely accepted that our national and global economic structure is not sustainable. The global community is estimated to consume resources almost twice as fast as the planet's ecosystems can regenerate them, while many resources simply cannot be regenerated naturally. The transition to a circular economy is being advocated at all levels of government, with technology a major component of driving change. Council has recently elected to join other major stakeholders in the shire in the Bega Valley Circular Economy initiative supported by Bega Cheese Limited and Rabobank. Council is in the early stages of adopting a Circular Economy framework which will help guide our future asset management planning to support this transition.

Our transition to a Circular Economy is expected to change the materials and methodologies used in managing our assets, with associated cost impacts. At this time these are not well understood, and more work is planned to assess and adopt proven technologies as they emerge.

As legislative frameworks change over time, Council, like all jurisdictions, is required to adapt and comply. There are associated costs of adaptation and compliance over the similar period of change that may place strain on limited resources if other revenue sources cannot be identified.

### **Climate Change adaptation and resilience**

Since the adoption of the previous Asset Management Plans in 2017 the Bega Valley has suffered unprecedented successive natural disasters brought about by rapidly accelerating climate change. We recognise this is now the status quo and must prepare for an increase in detrimental impacts for our community and Council's operations, assets and services. Council is grappling with providing assets that are resilient to the change in expected operating conditions. This includes upgrading our assets to be

more sustainable, emitting less carbon, more resilient to extremes in climatic conditions and offering refuge to our communities during events.

In particular, our buildings, stormwater and transport infrastructure need to account for sea level rise, larger and more frequent floods and inundation, contrasted with periods of extreme drought and heat leading to more frequent and dangerous bushfires. To proactively adapt to climate change, Council's Asset Management Plans are beginning to be informed by; natural disaster strategies/plans, flood studies and flood plain risk management plans, climate resilience strategies, coastal hazard management plans, current and projected exposure and damages from climate change hazards.

Upgrading or adapting our assets to meet these needs is predominantly contained in the Option A- Financial Sustainability model, requiring a significant increase in investment. Council has been fortunate in recent years to be provided federal and state Government disaster recovery funding to gradually build back "like for like" our assets lost or damaged through natural disasters, more broadly Council is taking a resilience approach in its future asset management planning.

# Risk Management

Council recognises that risk exists in all aspects of its operations. It takes seriously the impact of risk on business continuity and service delivery and is committed to an approach that embraces a strong risk management culture and fulfils Council’s duty to provide a safe environment that fulfills the organisation’s purpose and asset management objectives.

Council has adopted an Enterprise Risk Management Framework, strategic risk register and corporate risk register that is used to identify and manage enterprise risks. The framework is founded on principles from the Australian and New Zealand ISO Standard on Risk Management ISO 31000.

It guides the monitoring and reporting of risk profiles and the required actions to reduce the level of risk presented to Council and the community. Linked to the corporate risk register is a system that ensures asset specific risk management plans are incorporated into the Asset Management Plans for each asset class. These assist in the identification and management of significant risks and controls for each asset class. They provide detailed evaluation of the risks, risk treatments and risk monitoring activities. This is used to inform the management of the asset class to inform decision making for investment prioritisation. A summary of specific risks to Council assets are provided below.

Asset Class / Service Delivery Area	Risk/Opportunity Description	Risk Impact Statement	Mitigation/Management Strategies
Corporate – Whole of Council	<ol style="list-style-type: none"> <li>Forecast asset renewal costs<sup>7</sup> exceed forecast revenue</li> <li>Asset data is low-medium quality</li> </ol>	<ol style="list-style-type: none"> <li>Levels of service decline as the condition of assets deteriorate Maintenance costs increase against general fund. Community risk also increases as assets deteriorate</li> <li>Margins of error increase and affect quality of decisions</li> </ol>	<ol style="list-style-type: none"> <li>Seek external funding opportunities (grants), prepare for special rate variation, lower technical levels of service, increased monitoring</li> <li>Complete asset technology transformation projects, conduct revaluations to refresh asset condition, value and depreciation data</li> </ol>
Airport	<ol style="list-style-type: none"> <li>Asset capacity does not meet increasing demand for GA<sup>8</sup> and RPT services</li> </ol>	<ol style="list-style-type: none"> <li>Lost economic generation, service disputes with carriers and lessee’s</li> </ol>	<ol style="list-style-type: none"> <li>Implement 2043 airport master plan and seek additional funding for future stages of development</li> </ol>

<sup>7</sup> Based on condition inspections and remaining useful life estimates

<sup>8</sup> General Aviation and Regular Public Transport

Asset Class / Service Delivery Area	Risk/Opportunity Description	Risk Impact Statement	Mitigation/Management Strategies
Buildings incl community facilities	4. Buildings not maintained or components renewed appropriately especially roofs and structural components	4. Assets deteriorate beyond safe or habitable condition, depreciation impacts overall financial viability, assets unused and services relocated	4. Investigate divestment of RFS, Surf Life Saving and high-cost Council managed Crown assets, increase inspection and maintenance activities in lieu of renewals
Cemeteries	5. Low risk-low relative cost service area. No significant risks to report	5. The adopted Cemeteries Plan has not identified any major service impacts	5. Delivery and regular update of the Cemeteries Plan 2020-2030
Parks, Aquatic and Recreation	6. A lack of funding to upgrade or renew assets ultimately leads to a decline in the condition of these assets to be rendered “unfit for purpose”	6. This translates to a real or perceived inequity in provision of facilities below what the community expects, increased potential of injury to the community in the use of Council’s park, aquatic and recreational assets, particularly those which are not properly maintained, lower quality of life outcomes	6. Prioritise operations and maintenance programs on high use-high value recreational assets to ensure they are in a ‘fit for purpose’ condition
Roads Infrastructure	7. Condition and valuation data is becoming obsolescent and due for re-valuation within the term of this plan. Successive intensive climate conditions are accelerating deteriorating assets	7. Renewals and repairs are not prioritised to most needed assets, local access and rural unsealed road condition worsens and access interruptions become more frequent	7. Convert asset data to corporate system, undertake whole of transport revaluation and network definition activities, lower technical levels of service against low use-value assets. Complete revaluation tasks
Path Network	8. Assets deteriorating and introduce non-compliant trip hazards. Poor connectivity with path networks that incorporates cycleways and boardwalks to critical infrastructure like schools, CBD, hospitals, aged care homes etc. Reduced compliance for accessibility and mobility	8. Increased frequency of incidents and claims and maintenance costs from an increase in trip hazards, marginalised vulnerable community members unable to access active transport options	8. Accept risk in this asset class/service area. Prioritise maintenance and inspection for higher traffic areas (Zone 1 CBDs)
Sewer	9. <i>Considered separately in Water and Sewer Strategic Business Plan and Asset Management Plan – however the fees and charges associated with this service delivery area contribute to the corporate level risk of asset forecast renewal costs exceed forecast revenue and the overall resident and ratepayers’ ability to afford the levels of service provided by Council</i>		
Stormwater	10. Inundation and extreme vegetation growth impacting system capacity, low confidence condition data due to cost and difficulty of effective inspections	10. Unforeseen, unpredictable localised failure to manage current and future stormwater volume, increased property damage and claims and pavement sinkhole repairs	10. Prioritise condition assessment and reactive maintenance in highly impacted catchments


Asset Class / Service Delivery Area	Risk/Opportunity Description	Risk Impact Statement	Mitigation/Management Strategies
Structures	11. Timber structures at/nearing end of useful life and costly to replace Detailed inspection regime historically unfunded	11. Load limits applied to routes with negative social and economic impact, assets vulnerable to intense weather events, reactive maintenance activities are not carried out	11. Increase operations and maintenance budgets, convert timber structures to more resilient materials giving consideration to heritage values. Maintain an assessment regime
Waste	12. Waste generation volumes continue to increase, and with lesser focus on diversion, provision of landfill airspace takes priority over consolidation and maintenance of existing waste infrastructure	12. Waste diversion is not prioritised, landfill airspace is over utilised and Council's ability to deliver affordable waste management solutions deteriorates	12. Consolidate operations, minimise landfill airspace consumption through improved operational practices, increased resource recovery and waste minimisation programs
Water	13. Considered separately in Water and Sewer Strategic Business Plan and Asset Management Plan – however the fees and charges associated with this service delivery area contribute to the corporate level risk of asset forecast renewal costs exceed forecast revenue and the overall resident and ratepayers' ability to afford the levels of service provided by Council		

# Asset Management Improvement

The actions outlined in the below Improvement Plan are mutually supportive to continuously improve Council's Asset Management System. This can be conceptualised by visualising the benefits of these actions as the building blocks of a mature Asset Management System.


The Mature Asset Management System		
Strategic objectives are correctly resourced		
Decisions are based on high quality/confidence information and sensitive to emerging opportunities and risk		
Processes and their outputs are transparent, repeatable, reliable and well understood		
Consistent, accurate and timely (High quality/confidence) information		
Council understands its position	Council understands the needs of its stakeholders	Council understands its strategic and operating environment

Council has developed high level focus areas and specific operational actions to improve asset management practices. These actions, described in the table below, are closely aligned with the Delivery Program and form the Asset Management Improvement Plan which will be implemented by the Corporate Asset Management Group.

Focus Area	Action	Expected Benefit(s)	Timeframe	Priority
Financial and asset management planning, integration and reporting  	Align asset operation, maintenance, renewal, and upgrade information with finance systems and reporting	Consistent, accurate and timely (High quality/confidence) information	FY24-25	High
	Developer Contributions Plans include the priorities of Corporate Asset Management Group and adopted by Council	Strategic objectives are correctly resourced	Completed- pending adoption of Developer Contributions Plan	Medium
	Asset accounting processes identify all asset expenditure requirements into clear categories- renewal, growth, maintenance or operational	Processes and their outputs are transparent, repeatable, reliable and well understood	FY23 onwards	High
	Review corporate chart of accounts to ensure cost centres and classifications for each class are accurate and reflect current organisation structure and service delivery	Consistent, accurate and timely (Higher quality/confidence) information	Complete- Finance staff do an annual checks on cost centre naming, noting there are often multiple asset classes per cost centre.	Medium
	Formalise and document processes that reduce processing time for annual financial budgets and reporting requirements and external valuation processes	Consistent, accurate and timely (Higher quality/confidence) information	FY24-25	Medium
	Ensure the SAMP is reviewed and updated annually	Planning decisions are based on High quality/confidence information and sensitive to emerging opportunities and risk	Annually in the last FY Quarter	Medium
Document in procedures a consistent approach to calculating depreciation and backlog	Processes and their outputs are transparent, repeatable, reliable and well understood	FY24-25	High	

Focus Area	Action	Expected Benefit(s)	Timeframe	Priority
Data collection and information management	Establish clear processes and procedures for all asset classes to the review, collect, maintain and record asset data in the corporate asset register	Processes and their outputs are transparent, repeatable, reliable and well understood	FY24 onwards	High
	2 Ensure all Council assets are captured in Council's corporate asset register and all Council service areas use fit for purpose asset maintenance systems	Consistent, accurate and timely (Higher quality/confidence) information	FY24 onwards- pending finalisation of Assetic Implementation	High
	Establish annual audit of information in the corporate asset register to ensure each asset has relevant attributes filled, assets are assigned to a position and that asset managers are confident with the data	Council understands its position Consistent, accurate and timely (Higher quality/confidence) information	FY24 onwards	Medium
	Develop and introduce data validation, auditing, and reporting processes that integrate Council's geospatial, finance and customer service systems with asset systems.	Processes and their outputs are transparent, repeatable, reliable and well understood	FY25	High
	Utilise the corporate asset register modelling tool to support the consideration of adding new assets to Council's portfolio, explicitly detail the impact on the future operations and maintenance budgets, "whole of life" costs and risk management assessments	Council understands its strategic and operating environment Planning decisions are based on high quality/confidence information and sensitive to emerging opportunities and risk	FY25	Low
Capacity building	Implement and incorporate AS/ISO55000 (2014) standards into processes	Processes and their outputs are transparent, repeatable, reliable and well understood	FY25	Medium
	3 Undertake a review of roles, resources and responsibilities for asset management across all service delivery areas and provide recommendations for improvement	Council understands its position. Strategic objectives are correctly resourced	FY24 onwards	Medium
	Undertake an organisation wide Asset Management Maturity Assessment and seek Council commitment to implement recommendations	Council understands its position	FY26- pending budget bid support	High
	Develop a roadmap for organisation-wide asset management literacy	Strategic objectives are correctly resourced	FY26	Medium







Focus Area	Action	Expected Benefit(s)	Timeframe	Priority
Operational implementation  	Enterprise adopted project management software and processes are used for delivering all of Council's capital and operational projects	Processes and their outputs are transparent, repeatable, reliable and well understood	FY24 onwards- platform transition under consideration	Medium
	Each asset class has measurable and repeatable methodologies for asset inspection and network assessment	Processes and their outputs are transparent, repeatable, reliable and well understood	Complete	Low
	Conduct targeted community engagement including our strategic partners about the condition and performance of our assets to update service levels	Council understands the needs of its stakeholders Consistent, accurate and timely (Higher quality/confidence) information	Underway	High
	Ensure alignment with Council's Risk Management Framework in managing Council's assets and develop Asset Risk Management Plans	Processes and their outputs are transparent, repeatable, reliable and well understood	Ongoing	Medium
	Revisit the charter, composition and resourcing of the Corporate Asset Management Group	Strategic objectives are correctly resourced	FY25	High
	Review technical levels of service that are compliant with regulatory requirements for each asset class	Council understands the needs of its stakeholders	FY25	High
	Minimum design standards established once technical and community levels of service levels have been confirmed.	Processes and their outputs are transparent, repeatable, reliable and well understood	Ongoing	High
	Develop practices for responding to asset-related risk occurrences	Council understands its strategic and operating environment Processes and their outputs are transparent, repeatable, reliable and well understood	FY25	Medium
	Plan and undertake activities to build resilience in the asset base in response to environmental challenges	Council understands its strategic and operating environment	Ongoing	High



## Stay Connected



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-  [council@begavalley.nsw.gov.au](mailto:council@begavalley.nsw.gov.au)
-  02 6499 2222

PO Box 492  
Bega NSW 2550

Monday to Friday 9.00AM to 4.30PM  
Administration building Zingel Place  
Bega

# Structures Asset Management Plan



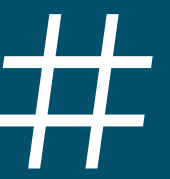
## Assets covered by this plan

Assets that provide crossings of waterways, support to roads and major maritime infrastructure (wharves and jetties):

- Bridges - structures > 6m length
- Major Culverts – structures < 6m length, > 1.8m span or 3sq.m, often concrete box or pipe construction
- Causeways (also known as floodways) - crossings subject to inundation by floodwater
- Retaining Walls - structures which support the road reserve or retain material from it
- Major Marine assets - Merimbula Wharf, Tathra Wharf, Merimbula Public Jetty

Exclusions include:

- Minor Culverts (<1.8m span or 3sq.m) which are considered as stormwater assets- around 4,000 in rural areas.



## Number and Condition

Average Condition Rating Score: 1.95  
491 routinely inspected structures assets  
229 Bridges and Major Culverts > 6m  
36 timber bridges (incl. 9 funded for renewal in concrete)  
15 Armco-corrugated steel structures remaining  
74 causeway or floodway crossings  
44 retaining walls



## Gross Replacement Costs (GRC)

\$247.2m (Source: FY22 Audited Financials)



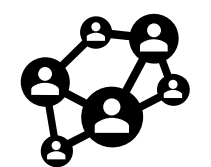
## What does it cost?

The forecast lifecycle costs necessary to provide structures assets including operation, maintenance, renewal, acquisition, and disposal.

10-year outlay required:  
\$98.0m or \$9.8m on average per year.

Approved SRV (24% FY24, 19.6% FY25):  
\$60.7m grants or rates over the 10 years 2023-32, on average per year \$6m

Rate peg only (4.1% FY24) and 2.5% thereafter:  
\$57.8m grants or rates over the 10 years 2023-32, on average per year \$5.7m



## Future demands which may affect service delivery

- Changes in technology e.g. changes in high productivity vehicle (HPV) configurations
- School bus services may no longer be required, or additional services required due to changes in development in urban, peri-urban and rural areas
- Change in industry mix or economic activity, more or less heavy vehicle access required
- Resilience to natural disasters (flood and fire )



## Improvement Plan

- Continuous inspection to validate condition data
- Trial and implement ranking process for works proposals
- Improve renewal cost estimates (scope and unit rates)
- Measure resilience in service delivery, particularly closures due to flooding
- Record, inspect and condition rate retaining wall structures



## Risk management

### What can happen?

- Structural failure leading to collapse of bridge
- Reduced access to properties
- Increased cost of works such as painting due to deferred preventative maintenance

### Risk treatment plan

- Continue to undertake condition inspections to identify structures near end of life
- Impose load limits where assets are not renewed in a timely manner due to lack of funding

### Critical assets

- Cuttagee Lake Bridge, Bermagui River Bridge, Bega River Bridge (Mogareeka), Six Mile Bridge and Seven Mile Ck Culverts (Lochiel), causeway structures generally

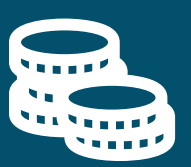


# Structures Asset Management Plan



## Structural Assessments

The calculated safe carrying capacity of structures. Dependant on structure (properties and condition) and vehicle (axle loads and spacings)



## Recent structures grant funding secured

- 2023
  - \$70k 6 Assessments – SLGAAP Ph2
- 2022
  - \$3.54M Watergums Ck renewal – BRP
  - \$15.96M 6 timber bridge renewals - FCB2
- 2021
  - \$120k 10 Assessments – SLGAAP Ph1
- 2020
  - \$500k Pretty Point Bridge – BRP
  - \$130k 11 Assessments – SLGAAP Ph pilot
- 2019
  - \$3.00M Murrabrine & Whipstick bridges
  - \$16.4M 12 timber bridge renewals – FCB1
  - \$501k 52 Structural assessments - FCR



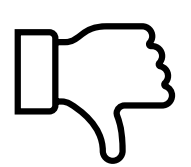
## Levels of service

We understand that our community values a safe, accessible and resilient structures network.



### We are committed to

- The operation, maintenance, renewal and acquisition of structures assets to meet service levels set by the Long Term Financial Plan and annual budgets
- No significant acquisitions within the 20-year planning period
- Renewal in accordance with current design standards
- Pursuing grant funding to support delivery of the structures assets capital renewals program



### What we cannot do

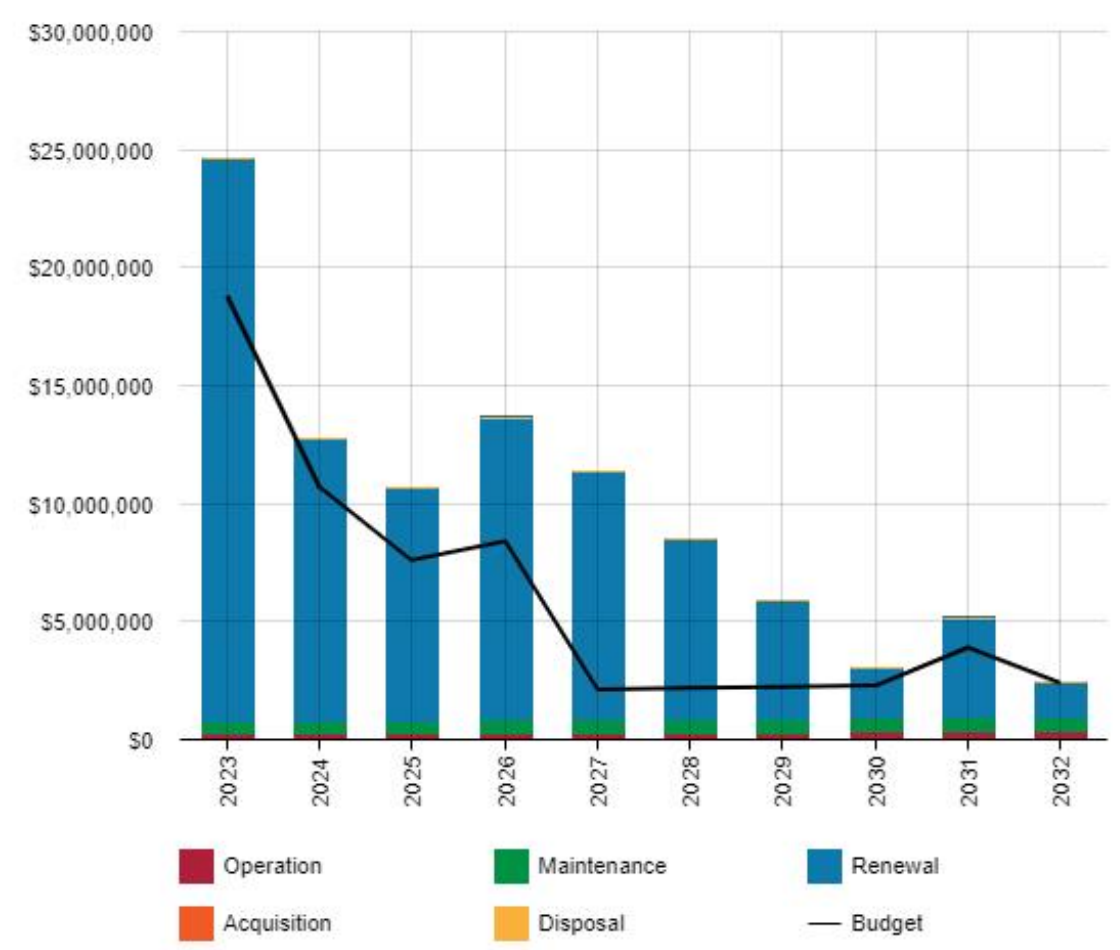
Under present funding levels we cannot provide:

- unrestricted access for heavy vehicles across the transport network
- resilient infrastructure to minimise disruption to transport by natural disaster events
- modern guardrail installations at all bridge locations
- structural assessments of all bridges in the short-medium term

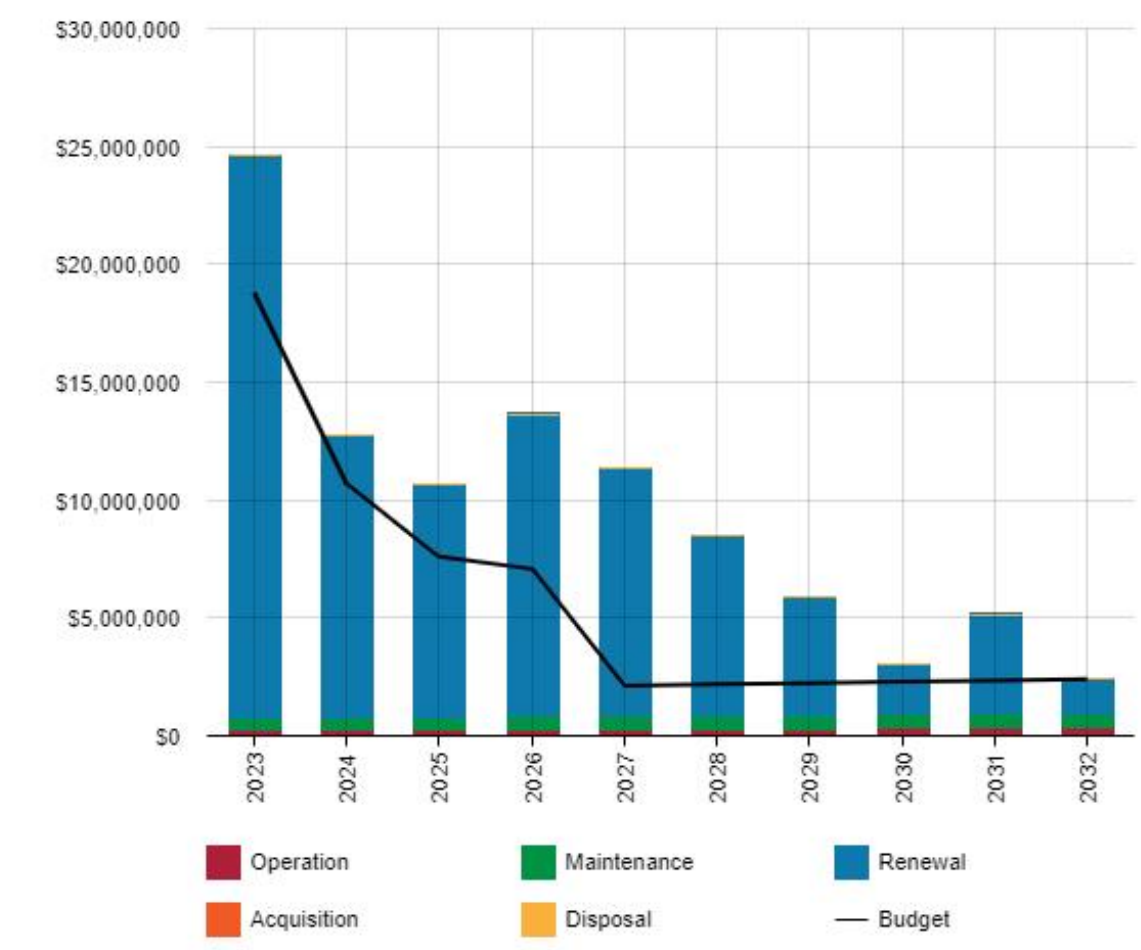


### Financial Summary

We currently do **not** allocate enough budget to sustain these services at the proposed standard or to provide all new services being sought.



Option B- 2-year approved SRV funding with grant contributions



Option C- Rate Peg funding with grant contributions



# Parks, Aquatic and Recreation Management Plan



## Assets covered by this plan

Assets that provide recreational services for the Bega Valley including sporting facilities, playgrounds and skateparks, parkland reserves, natural reserves, aquatic facilities and marine recreation facilities.



## Number and Condition

Average Condition Rating Score – 2.80

Sporting Facilities	25 ovals, 65 courts, 30 pavilion buildings, + associated assets
Playgrounds and Skate Parks	43 Playgrounds; 9 Skate Parks
Parkland Reserves	83 reserves; multiple asset types including amenities buildings.
Natural Reserves	30 reserves; multiple asset types
Aquatic Facilities	13 pools & features and associated buildings and assets over 7 sites
Marine Recreation Facilities	22 boat ramps and associated assets over 10 sites; water access structures and platforms.



## Gross replacement cost (\$m)

\$135.8m Total

(Source: The PAR CRC reflects revaluation work undertaken in 2022) (Includes \$50.1m various building assets)

Sporting Facilities	\$44.6m
Playgrounds and Skate Parks	\$7m
Parkland Reserves	\$31.6m
Natural Reserves	\$7.6m
Aquatic Facilities	\$31m
Marine Recreation Facilities	\$14m



## What does it cost?

The forecast lifecycle costs necessary to provide parks, aquatics and recreation assets includes operation, maintenance, renewal, acquisition, and disposal.

## 10 year outlay required

\$137.6m or \$13.7m on average per year with SRV and \$133.6m or \$13.3m on average per year with rate peg only.\*

Approved SRV (24% FY24, 19.6% FY25):

\$118.4m grants and rates or \$11.8m on average per year

Rate peg only (4.1% FY24) and 2.5% thereafter:

\$99.4m grants and rates or \$9.9m on average per year.

*\*Differing outlay amounts relates to higher level acquisitions (upgrades) possible with funding increased through the SRV model, which can be leveraged to additional grant funding.*



## Future demands which may affect service delivery

- Population increases
- Changing demographics (ageing population)
- Changing recreation trends and community needs
- Tourism
- Climate change
- Increasing community expectations



## Improvement Plan

- Mapping of Assets on Council's GIS framework
- Continued implementation of AM system (Assetic) as a basis for capital works program and asset management
- Continue to review and improve renewal cost estimates (scope and unit rates)
- Undertake strategic planning across key asset categories and types including review of provision and service levels
- Continued review of asset register unit rates and useful lives and collation into a single register



## Risk management

### What can happen?

- Increased potential for injury to people while using Council owned and managed facilities, particularly those which are not maintained in a 'fit for purpose' condition.
- Damage to assets as a result of natural disasters.

### Risk treatment plan

- Continue to develop and review programmed operations and maintenance works for key asset types based on risk and hierarchy.

### Critical assets

- Pool filtration and chemical dosing systems with health related impacts from inability to appropriately dose and filter to NSW Health standards.



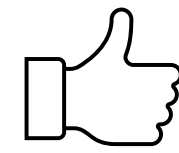


# Parks Aquatics & Recreation - Lifecycle Models



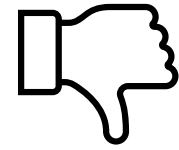
## Levels of service

We understand that our community value access to good quality open space, recreation and sporting facilities that support health and wellbeing. However maintaining historic provision levels with changing community needs and expectations across a large shire area is an ongoing challenge and not possible with current resourcing levels.



### We are committed to

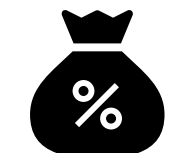
- The operation, maintenance, renewal and acquisition of parks, aquatics and recreation assets to meet service levels set by the Long-Term Financial Plan and annual budgets
- Renewal in accordance with current design standards
- Pursuing grant funding to support delivery of the parks, aquatics and recreation assets capital renewals program



### What we cannot do

Under present funding levels we cannot provide:

- All scheduled asset renewals at historic provision levels.
- Delivery of new and upgraded facilities and services without prior planning, funding and endorsement considering a strategic approach to provision.
- Delivery of new and upgraded facilities without considering 'redistribute or rationalise' aging underutilised assets.
- Major reactive works and the development

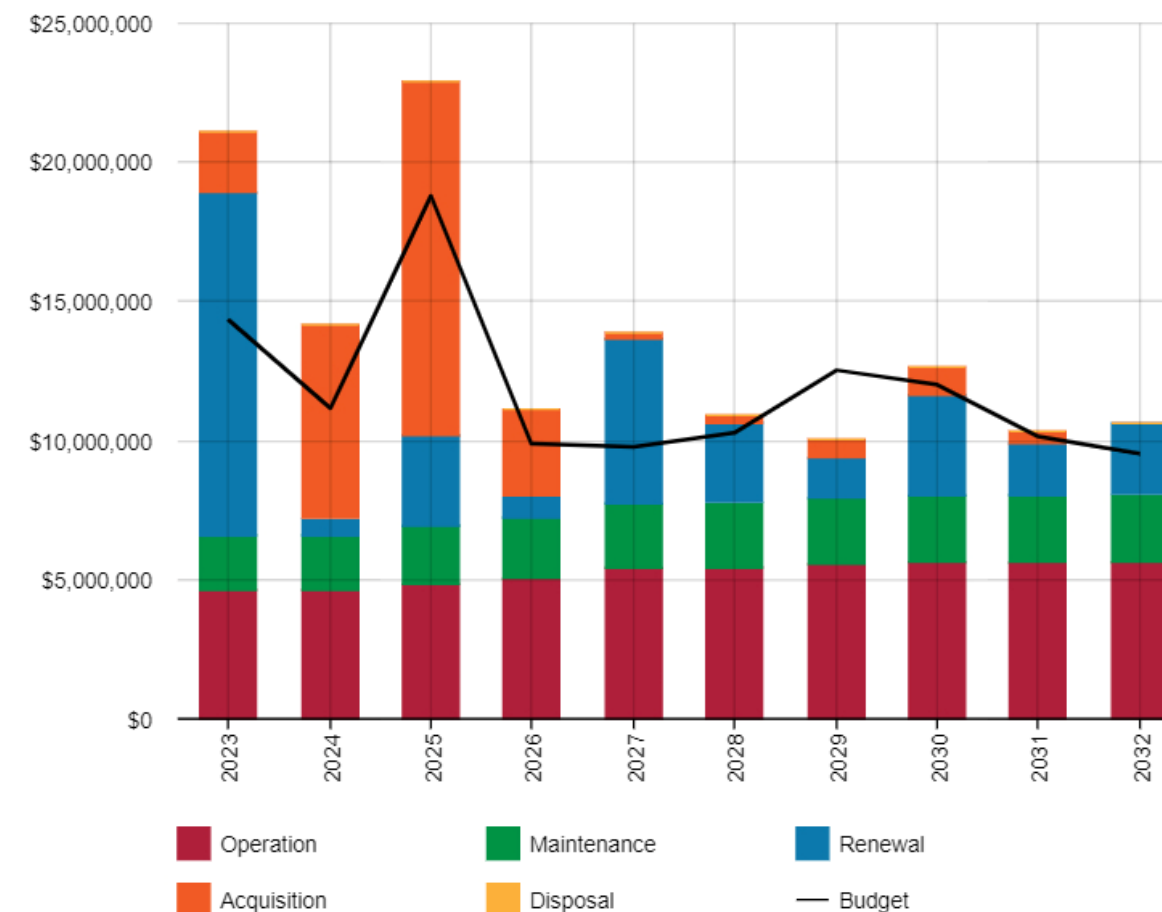


### Financial Summary:

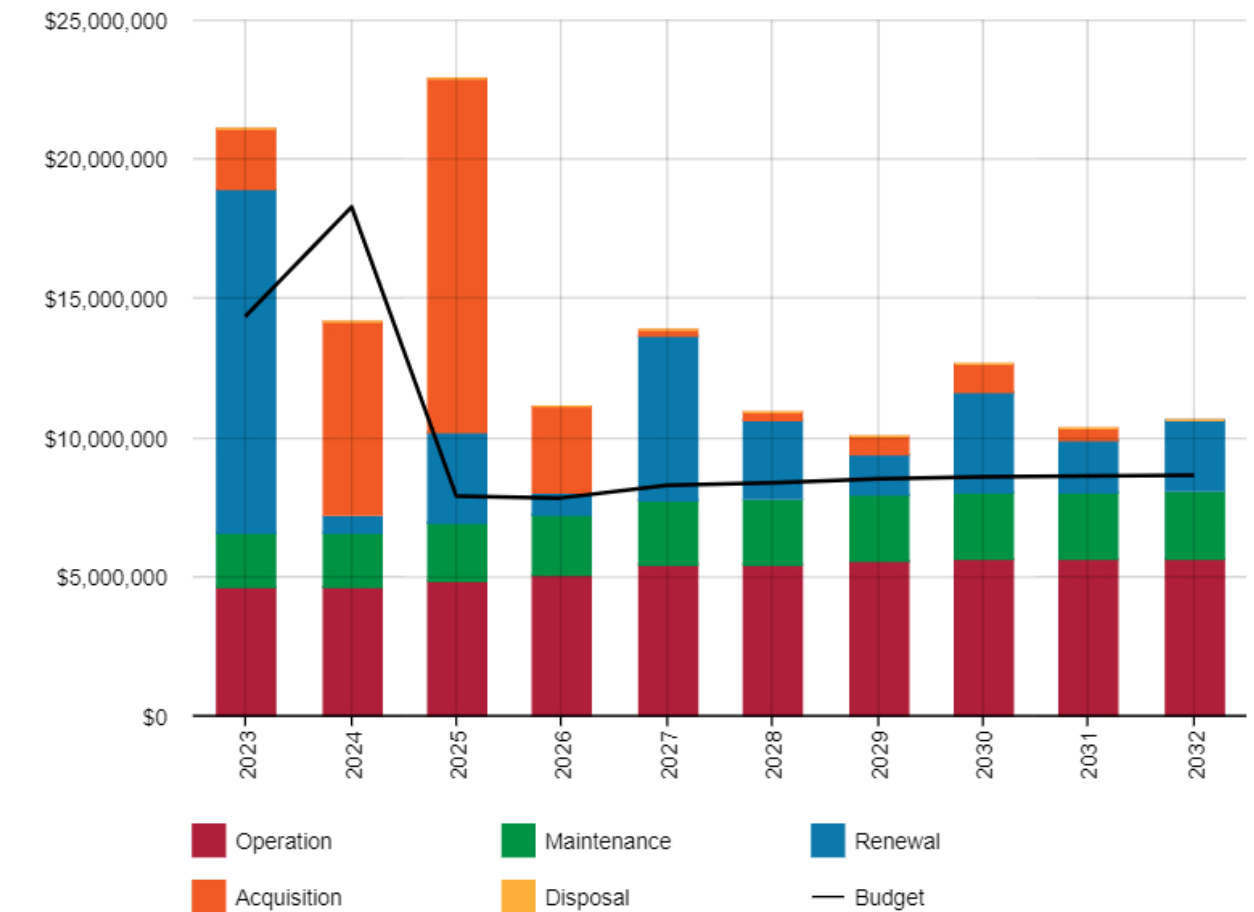
We currently do **not** allocate enough funding to sustain the current historic asset provision at expected service levels or to provide improved assets to meet changing community needs. The infrastructure reality is that only what is funded in the Long-Term Financial Plan can be provided. There is a clear gap in forward asset renewal requirements and the typical levels of available funding over the past several years. There will continue to be a reliance on external funding to deliver forward capital works programs.

Parks Aquatics & Recreation AMP Financial Summary - Option B- Asset SRV	
10 Year Total Cost	*\$137,681,065
10 Year Average Cost Forecast	\$13,768,107
10 Year Planned Budget	\$118,485,239
10 Year Average Planned Budget	\$11,848,524
10 Year Asset Management Financial Indicator	86%
10 Year Asset Renewal Funding Ratio	81%
10 Year Average Shortfall per Year	-\$1,919,582

Parks Aquatics & Recreation AMP Financial Summary - Option C-Rate Peg Only	
10 Year Total Cost	*\$133,617,756
10 Year Average Cost Forecast	\$13,361,776
10 Year Planned Budget	\$99,414,238
10 Year Average Planned Budget	\$9,941,423
10 Year Asset Management Financial Indicator	74%
10 Year Asset Renewal Funding Ratio	48%
10 Year Average Shortfall per Year	-\$3,420,351



Option B- 2-year approved SRV funding with grant contributions



Option C- Rate Peg funding with grant contributions

\*Differing outlay amounts relates to higher level acquisitions (upgrades) possible with funding increased through the SRV model, which can be leveraged to additional grant funding.

# Buildings Asset Management Plan



### Assets covered by this plan

Assets comprising a variety of property types of all ages, ranging from Council administration buildings, work depots, childcare centres and preschools, public halls, surf lifesaving clubs, bush fire sheds, recreational buildings, and museums.

This does not cover all of Councils Building Assets.

Assets not included in this plan include:

- Waste buildings
- Water and Sewer Services (W&SS) buildings
- Recreational buildings including sporting and swimming pool pavilions and public amenities
- Cemeteries
- Saleyard
- Airport



### Number and Condition

110 buildings and structures  
Average Condition Rating Score – 2.95

Community Halls (sites)	18
Childcare and Pre-schools	5
Civic Centre, Libraries and Museums	8
Regional Gallery	1
Administration and other buildings	78



### Gross Replacement Costs (GRC)

\$98.4m (Source: FY22 Audited Financials)



### What does it cost?

The forecast lifecycle costs necessary to provide buildings assets includes operation, maintenance, renewal, acquisition, and disposal.

10 year outlay required:  
\$15.3m or \$1.5 m on average per year.

Approved SRV (24% FY24, 19.6% FY25):  
\$12.8m funded by building reserves and rates or \$1.2m on average per year.

Rate peg only (4.1% FY24) and 2.5% thereafter:  
\$10.9m funded by building reserves and rates or \$1.0m on average per year



### Future demands which may affect service delivery

- Population change
- Increasing costs
- An aging volunteer population, which has predominately managed and maintained community buildings
- Changing community needs, utilisation and expectations of building quality and amenity of the community
- A history of community managed and maintained buildings, as well as Crown owned facilities becoming the responsibility of Council through changing legislation and demand on volunteers
- Technical Specifications meeting Building Code of Australia (BCA) and other industry related standards



### Improvement Plan

- Undertake further detailed condition assessment of all facilities including the entire building envelope i.e hard landscape, carparks, access
- Review service levels
- Undertake further detailed condition
- Improve renewal cost estimates (scope and unit rates)
- Implement Asset Management and Maintenance systems and resourcing.
- Strategically examine if facilities can be incorporated within another as a multi-purpose facility



### Risk management

#### What can happen?

- Buildings not maintained or managed appropriately increasing the risk of injury or failure
- Increased risk of component failure due to extended life
- Premature failure of some assets
- Reduction of service levels in some areas
- Not meeting community expectations for services
- Non-compliance with regulatory requirements
- Major natural disaster/event that destroys an asset
- Loss of committees with asset maintenance responsibility falling back to Council
- Increased potential for injury to people while using Council owned and managed facilities, particularly those which are not maintained in a 'fit for purpose' condition

#### Risk treatment plan

- Provide support to volunteer committees of management in the maintenance of Council assets.
- Set up systems and processes to ensure adequate maintenance and renewal to remain fit for purpose.

#### Critical assets

- Council administration building and depot- Council unable to provide services efficiently



# Buildings Asset Management Plan



## Levels of service

We understand that our community value building assets that meet local needs, are safe, accessible and fit for purpose.

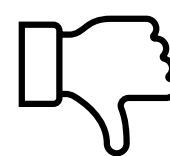
BUILDINGS Financial Summary - Option B- Asset SRV	
10 Year Total Cost	\$15,321,960
10 Year Average Cost Forecast	\$1,532,196
10 Year Planned Budget	\$12,838,657
10 Year Average Planned Budget	\$1,283,865
10 Year Asset Management Financial Indicator	83.79%
10 Year Average Shortfall per Year	-\$248,330

BUILDINGS AMP Financial Summary - Option C-Rate Peg Only	
10 Year Total Cost	\$15,321,960
10 Year Average Cost Forecast	\$1,532,196
10 Year Planned Budget	\$10,959,123
10 Year Average Planned Budget	\$1,095,912
10 Year Asset Management Financial Indicator	71.53%
10 Year Average Shortfall per Year	-\$436,283



## We are committed to

- The operation, maintenance, renewal and acquisition of buildings to meet service levels set by the Long Term Financial Plan and annual budgets
- Renewal in accordance with current design standards
- Pursuing grant funding to support delivery of the buildings assets capital renewals program



## What we cannot do

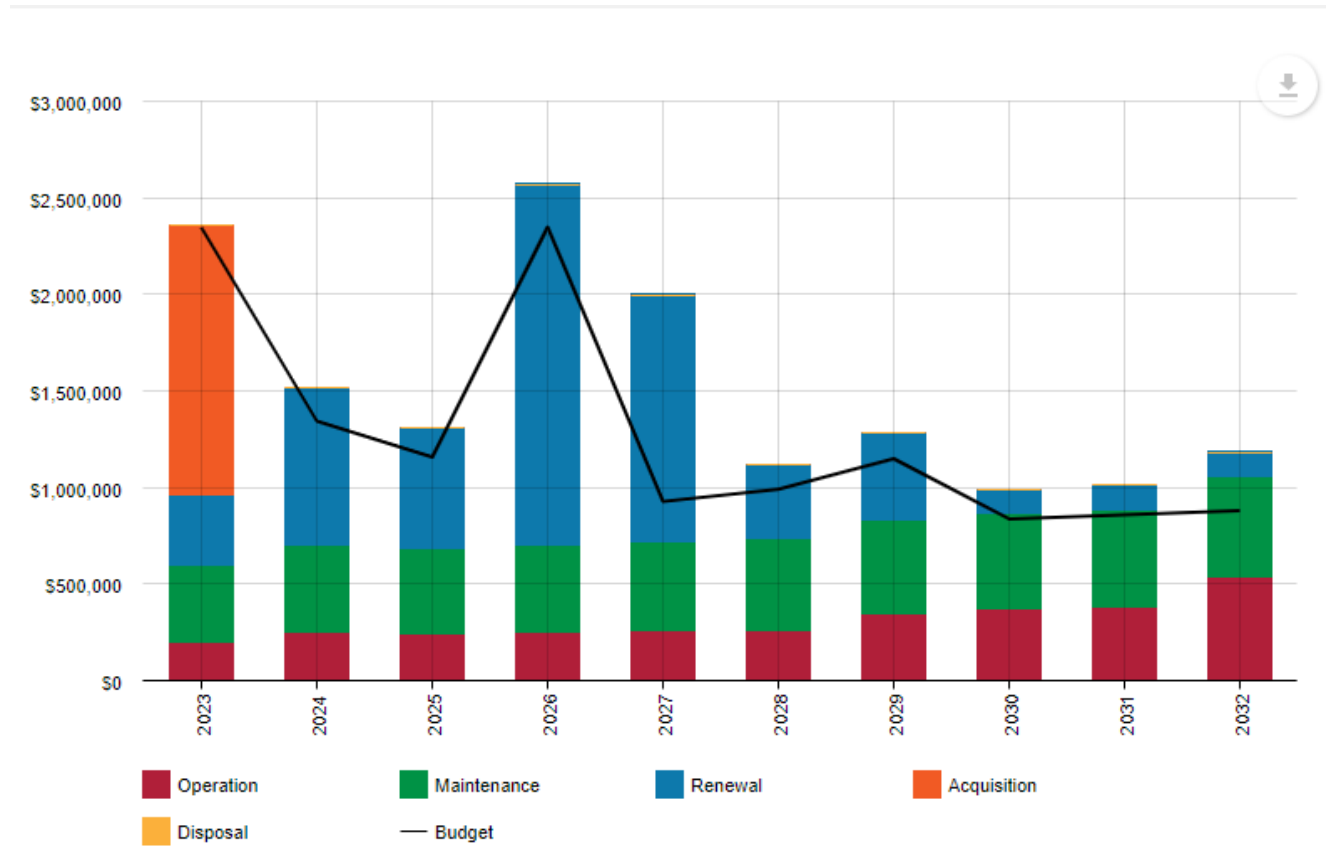
Under present funding levels we cannot:

- Increase our levels of service
- Maintain our renewals
- Proceed with projects that do not align to Council’s strategic direction
- Renew buildings assets that are not multi-faceted in their design to cater for a range of uses
- Renew, maintain, acquire, or update buildings that are the remit of other levels of government to provide
- Upgrades or renewal of building assets that duplicate existing facilities at the detriment of areas without facilities
- Acquire, construct, or upgrade any buildings that are not 100% funded

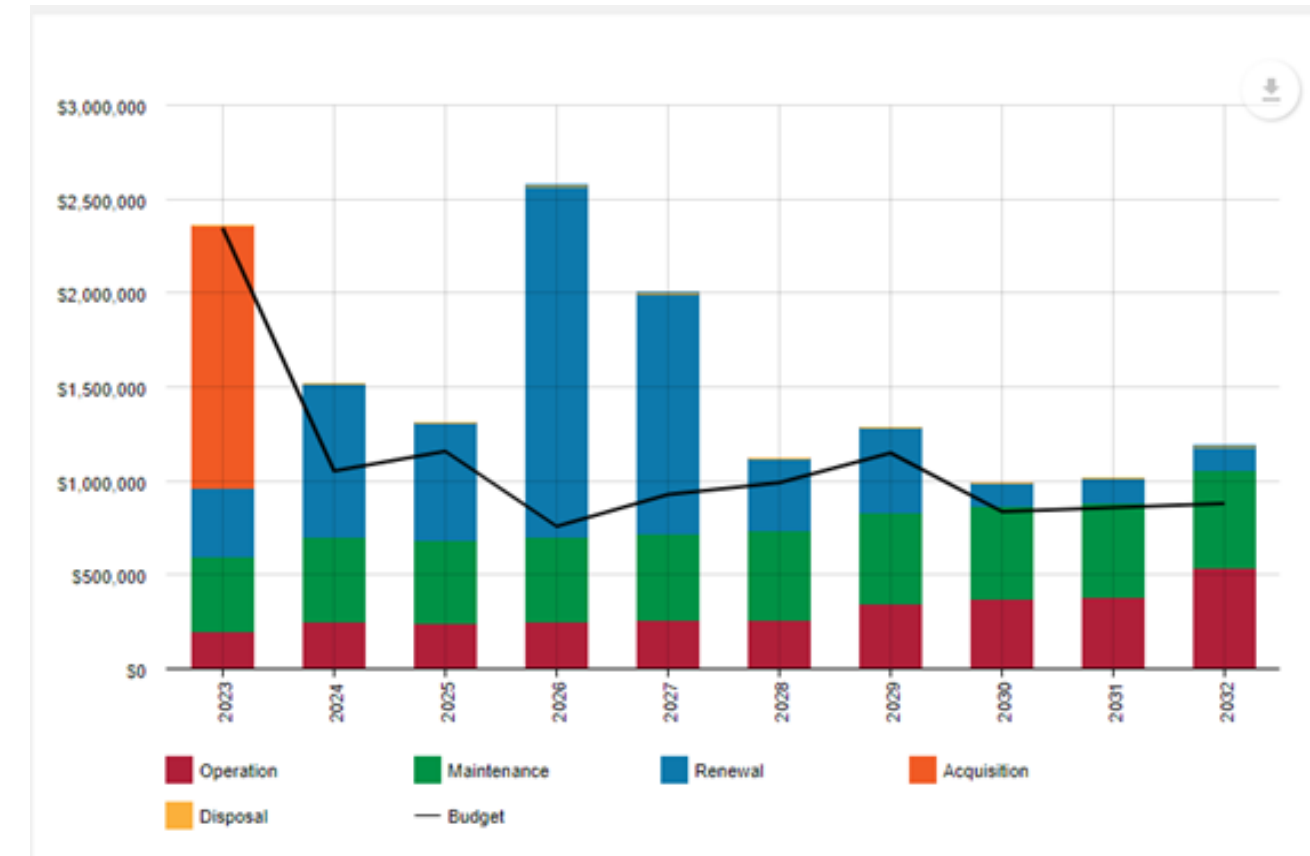


## Financial Summary

We currently do **not** allocate enough budget to sustain these services at the proposed standard or to provide any new services being sought. Current budget allocations, even with the approved SRV, are insufficient to continue to provide existing services at current levels for the planning period. Consequences of an underfunded budget include reliance on grant funding, buildings not meeting the needs of users, buildings are progressively deteriorating over time leading to the potential closures of some buildings and the increasing gap between service needs and inventory not being sustainable resulting in buildings needing to either be consolidated or repurposed with fewer fit for purpose buildings.



Option B- 2-year approved SRV funding with grant contributions



Option C- Rate Peg funding with grant contributions

# Roads Asset Management Plan



## Assets covered by this plan

Assets that provide a transport network including roads, kerbs and gutter along with minor culverts, carparks, roundabouts, traffic islands, bus shelters and guardrails.



TYPE	QTY MEASURE	AVERAGE CONDITION RATING SCORE
Roads – Sealed	796.6km	1.42
Roads - Unsealed	688.9km	1.55
Carparks	88	2.60
Kerb and Gutter	290.5km	2.59
Guardrail	36.6km	2.58
Minor Culverts	58.4km	2.91



## Gross replacement cost (\$m)

**\$533.56m Total** (Source: FY22 Audited Financials- noting that various road elements are reported at a consolidated level)

Category	Gross Replacement Cost (GRC)
Bulk earthworks	\$193,302
Kerb and Gutter	\$45,894
Other road assets incl carparks and access roads	\$24,106
Sealed roads pavement	\$211,316
Sealed roads surface	\$52,828
Unsealed roads	\$6,118
<b>Grand Total</b>	<b>\$533,564</b>



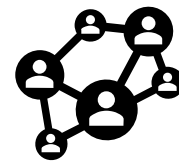
## What does it cost?

The forecast lifecycle costs necessary to provide roads and related assets including operation, maintenance, renewal, acquisition, and disposal.

10-year total required:  
\$180.1m or \$18m on average per year

Approved SRV (24% FY24, 19.6% FY25):  
\$134.7m funded by grants and rates or \$13.4m on average per year.  
This is 74.79 % of the cost to sustain the current level of service at the lowest lifecycle cost.

Rate peg only (4.1% FY24) and 2.5% thereafter:  
\$117.5m funded by grants and rates or \$11.7m on average per year.  
This is 65.22 % of the cost to sustain the current level of service at the lowest lifecycle cost.



## Future demands which may affect service delivery

- Population change
- Diversification of industry
- Climate change
- Changes in community expectations
- Changes in technology e.g. higher productivity vehicles
- Changes in legislation e.g. NHVR gazettes, notices, exemptions



## Improvement Plan

- Document methodologies used to carry out consistent asset condition surveys and defect identification assessments
- Conduct community engagement with our strategic partners about the condition and performance of our assets to establish updated service levels
- Integrating ESRI GIS, REFLECT (Maintenance management system), and Council's management systems with Assetic.



## Risk management

### What can happen?

- Increase in pavement failures and road roughness due to wearing of sealed surfaces
- Major natural disaster or event that destroys asset
- Pavement is unserviceable leading to increased risk of vehicle accidents or restricting property access

### Risk treatment plan

- Review cyclic maintenance program (Bitumen reseals, patching, heavy patching) to approach a 10–15-year cycle
- Regular defect assessment / monitoring /renewal and maintenance

### Critical assets

- State roads, regional roads, local collector roads



# Roads Asset Management Plan - Lifecycle Models

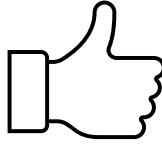


### Levels of service

We understand that our community value a quality transport network that meets the needs of residents in our towns, villages and rural areas and supports our community to work, learn and socialise.

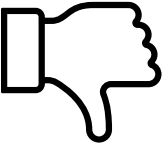
ROADS AMP Financial Summary - Option B- Asset SRV	
10 Year Total Cost	\$180,179,824
10 Year Average Cost Forecast	\$18,017,982
10 Year Planned Budget	\$134,750,064
10 Year Average Planned Budget	\$13,475,007
10 Year Asset Management Financial Indicator	74.79%
10 Year Average Shortfall per Year	-\$4,542,975

ROADS AMP Financial Summary - Option C-Rate Peg Only	
10 Year Total Cost	\$180,179,824
10 Year Average Cost Forecast	\$18,017,982
10 Year Planned Budget	\$117,521,136
10 Year Average Planned Budget	\$11,752,114
10 Year Asset Management Financial Indicator	65.22%
10 Year Average Shortfall per Year	-\$6,265,868



### We are committed to

- The operation, maintenance, renewal and acquisition of roads and related assets to meet service levels set by the Long Term Financial Plan and annual budgets
- Renewal in accordance with current design standards
- Pursuing grant funding to support delivery of roads assets capital renewals program



### What we cannot do

Under present funding levels we cannot provide:

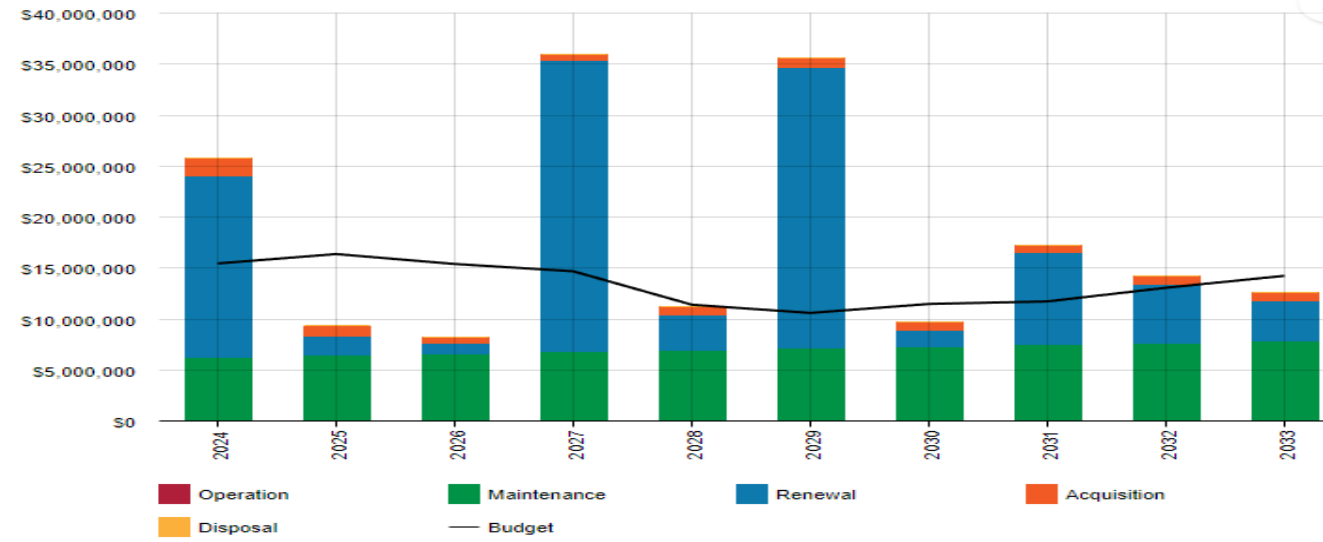
- Scheduled reseals
- Adequate pavement reconstruction and resheeting
- Sealing of unsealed roads and carparks
- Adequate installation of new kerb & gutter



### Financial Summary:

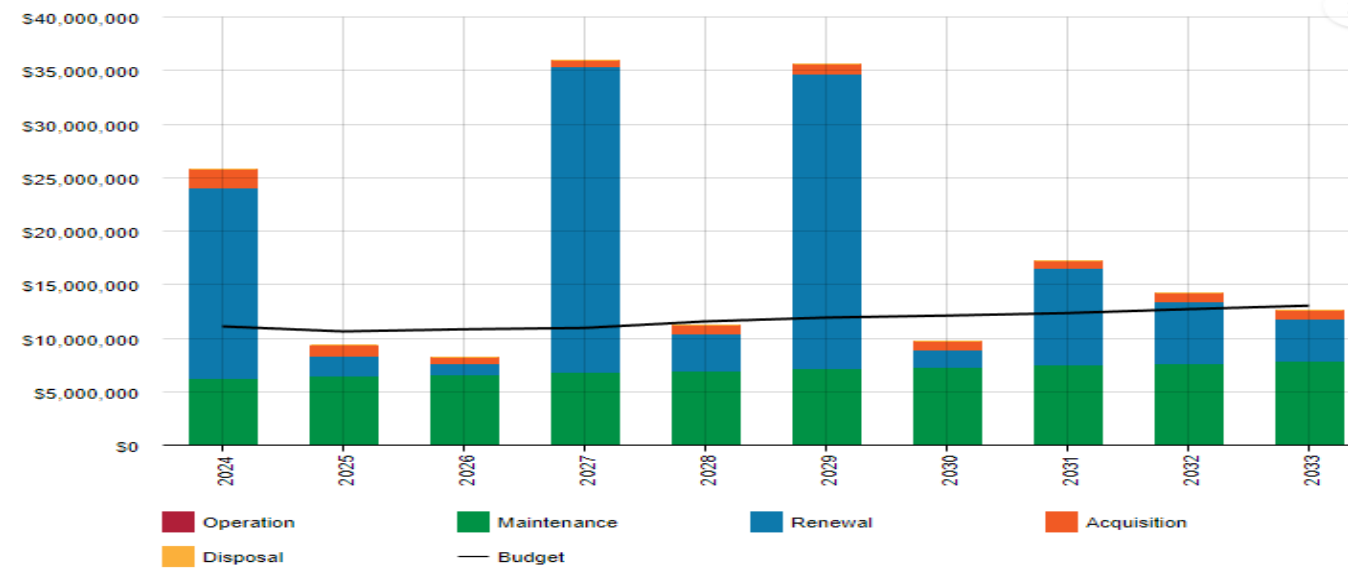
We currently do **not** allocate enough budget to sustain these services at the proposed standard.

Lifecycle Summary



Option B- 2-year approved SRV funding with grant contributions

Lifecycle Summary



Option C- Rate Peg funding with grant contributions

# Stormwater Asset Management Plan



### Assets covered by this plan

Assets that provide urban stormwater management including stormwater pipes, stormwater pits, stormwater headwalls (inlets and outlets) and basins, channels and ponds.



### Number and Condition

123.3km  
Average Condition Rating Score – 2.89



### Current replacement cost (\$m)

\$82.9m (Source: FY22 Audited Financials)



### Levels of service

We understand that our community value stormwater infrastructure to effectively manage stormwater in urban localities, and protect assets, property, services and the environment from negative impacts of stormwater.



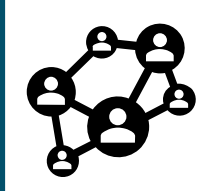
### What does it cost?

The forecast lifecycle costs necessary to provide stormwater assets includes operation, maintenance, renewal, acquisition, and disposal.

10 year outlay required:  
\$14.2m or \$1.4m on average per year

Approved SRV (24% FY24, 19.6% FY25):  
\$4.5m funded by grants and rates or \$450k on average per year.

Rate peg only (4.1% FY24) and 2.5% thereafter:  
\$3.3m funded by grants and rates or \$300k on average per year



### Future demands which may affect service delivery

- Increase in network size by dedication from development
- Decrease in lot sizes leading to more roof water management
- Change in existing and future network capacity requirements due to climate change
- Improvement in technologies for repairing and renewing stormwater infrastructure



### Improvement Plan

- Align stormwater operation, maintenance, renewal and upgrade engineering information with accounting and finance systems data
- Formalise Works as Executed procedures across all of Council to improve quality of information held on newly acquired or renewed assets
- Integrate visual inspection and CRM data into condition data
- Review design standards to support water sensitive urban design



### Risk management

#### What can happen?

- Scour, sink holes, physical failure (collapse), blockage, inundation.
- Surcharge of stormwater and localised flooding
- Unwanted vegetation and sedimentation.
- Collapse of adjacent and/or overhead structures and landform.

#### Risk treatment plan

- Programmed CCTV inspection and visual inspections to identify pipes/culverts near end of life.
- Renewal of assets when required.
- Further develop the pipe/ culvert cleansing program.
- Improve coordination with the other asset class programs (especially roads).

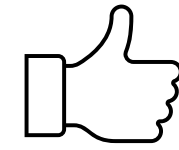
#### Critical assets

- Urban pit and pipe networks.

# Stormwater Asset Management Plan - Lifecycle Models

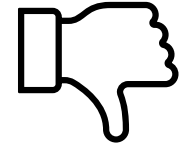
Stormwater AMP Option B- Asset SRV	
10 Year Total Cost	\$14,425,346
10 Year Average Forecast	\$1,442,535
10 Year Planned Budget	\$4,598,677
10 Year Average Planned Budget	\$459,867
10 Year Asset Management Financial Indicator	31.9%
10 Year Average Shortfall	\$982,666.88

Stormwater AMP Option C-Rate Peg	
10 Year Total Cost	\$14,425,346
10 Year Average Forecast	\$1,442,535
10 Year Planned Budget	\$3,390,412
10 Year Average Planned Budget	\$339,041
10 Year Asset Management Financial Indicator	23.5%
10 Year Average Shortfall	\$1,103,493.37



### We are committed to

- The operation, maintenance, renewal and acquisition of stormwater assets to meet service levels set by the Long Term Financial Plan and annual budgets
- Renewal in accordance with current design standards
- Pursuing grant funding to support delivery of stormwater assets capital renewals program



### What we cannot do

Under present funding levels we cannot :

- Maintain a 5% per year CCTV inspection rate of the urban network
- Fulfill all requirements for asset renewals/upgrades when they are due



### Financial Summary:

We currently do **not** allocate enough budget to sustain these services at the proposed standard. This shortfall will likely affect the overall quality of future asset planning including maintenance programs and capital works programs.



# Path Asset Management Plan



## Assets covered by this plan

Assets comprising footpaths, paved paths, boardwalks, footbridges, path specific signage including wayfinding signage, path specific lighting, bicycle paths and shared paths (both pedestrian and cyclists) and end of trip facilities.

This plan does not include private paths i.e., paths not owned/managed by Council, formed or informal paths and tracks developed and delivered by our Parks, Aquatics & Recreation team, these assets are included in the Parks, Aquatic and Recreation AMP.

Pedestrian bridges and boardwalks (excluding the new Lakes Street Structure) that form part of the path network have been included in the Structures Asset management Plan.



## Gross Replacement Costs (GRC)

\$30.3m (Source: FY22 Audited Financials)



## Number and Condition

102.76km  
(Transport assets)  
Average Condition Rating Score – 2.80

Footpath	72.95km
Bitumen	1.79m
Concrete	64km
Concrete Steps	413m
Diamond Grid	252m
Paving	6.51km
On-road Cycleway	1.18km
Bitumen	1.18km
Shared path	28.60km
Bitumen	10.13km
Concrete	17.45km
Fibre Reinforced Polymer	561m
Paving	437m



## What does it cost?

The forecast lifecycle costs necessary to provide path assets includes operation, maintenance, renewal, acquisition, and disposal.

10 year outlay required:  
\$11,490,078 or \$1,149,008 on average per year.

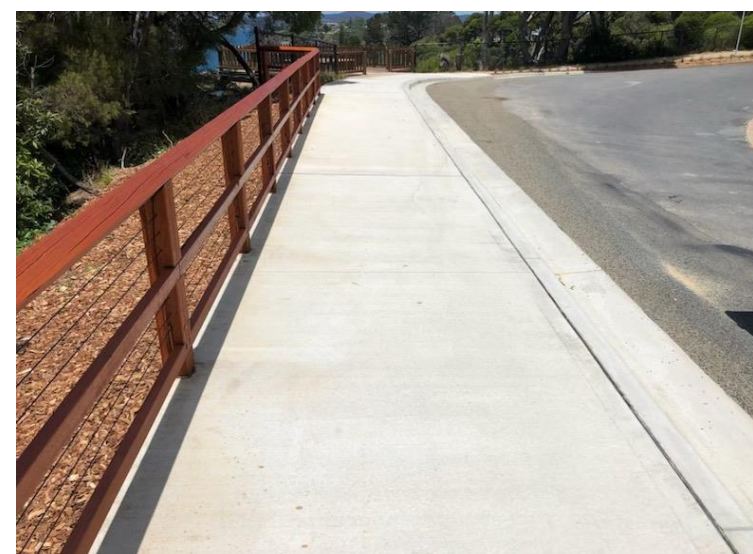
Estimated available funding for the 10-year period is \$2,557,614 or \$255,761 on average per year

The anticipated Planned Budget for path network leaves a shortfall of -\$893,246 on average per year as no budget has been allowed for renewal or upgrade of paths in the Long Term Financial Plan.



## Future demands which may affect service delivery

- Population and demographics change
- Climate change
- Increase in network size by dedication from development
- Changes in community expectations
- Increasing costs
- The reduction in the number of children walking or cycling to school etc.
- Potential for increasing the support for bicycling as an alternative transport to driving
- Changing needs paths needed for a wide range of users
- Changes in technology and legislation
- Reduced State and Federal funding opportunities.



## Improvement Plan

- Review and update useful lives used in the asset register
- Demand monitoring using Local Government Cycling Participation survey and purchase of mobile counter hardware.
- Review and update current replacement costs used in the asset register
- Implement Asset Management and Maintenance systems and resourcing.



## Risk management

### What can happen?

- Paths become unserviceable due to reaching the end of their useful life and/or as a result of third party works.
- Increased potential for injury to people while using Council owned and managed facilities, particularly those which are not maintained in a 'fit for purpose' condition
- Change in environmental conditions

Our present budget levels are insufficient to continue to manage risks.

The main risk consequences are:

- Litigation - accidents and injuries resulting in insurance claims.

### Risk treatment plan

- Undertake regular survey and condition audits at least once every four years.
- Set up systems and processes to ensure adequate maintenance and renewal to remain fit for purpose.

### Critical assets

- All paths – potential trip hazards
- Narrow footpaths/walkways/footbridges resulting in non-compliance with access and inclusion standards

# Path Asset Management Plan

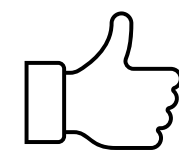


## Levels of service

We understand that our community value a path network that is accessible, well-connected and safe where community members can gain pedestrian access (including the use of mobility devices), bicycle access or enjoy exercise through walking and/or cycling.

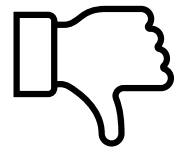
The allocation in the planned budget, including the approved SRV, is insufficient to continue providing existing services at current levels for the planning period. Consequences of an underfunded budget include:

- Reduced inspections
- Reduced routine maintenance and cleaning
- Extending assets beyond estimated useful life
- Path closures
- Reliance on grant funding
- Paths don't meet the needs of users
- Disconnected communities



## We are committed to

- The operation, maintenance, renewal and acquisition of path assets to meet service levels set by the Long Term Financial Plan and annual budgets
- Renewal in accordance with current design standards
- Pursuing grant funding to support delivery of path assets capital renewals program



## What we cannot do

Under present funding levels we cannot :

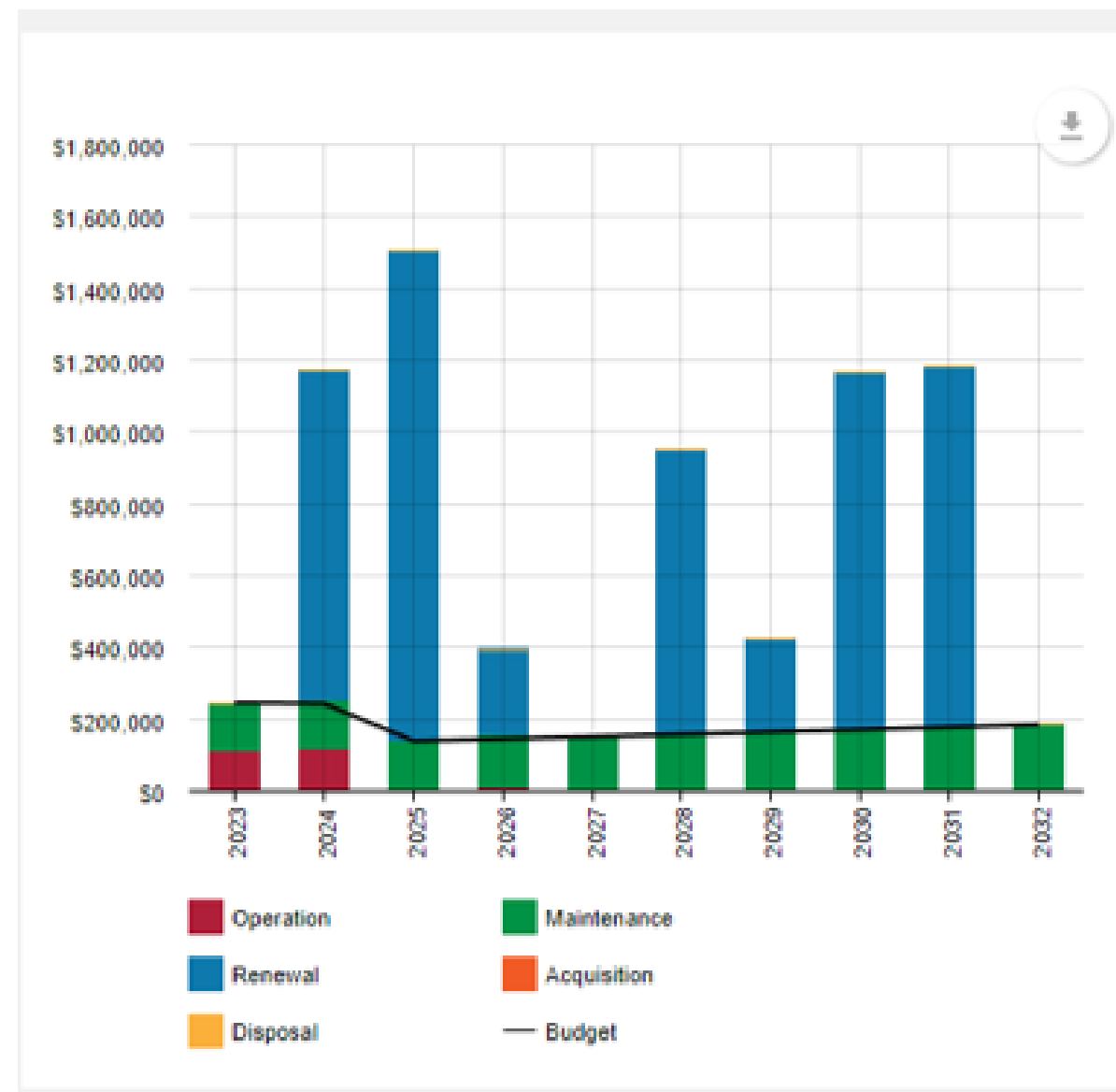
- Increase the existing network
- Renew existing condition 3+ assets
- Fund a missing links program, to connect communities
- Provide footpaths in front of residential properties that were not provided as part of the development of the property
- New footpath/walkway/cycleway/shared path requests from the Community not listed in the endorsed path programme



## Financial Summary:

We currently do not allocate enough budget to sustain these services at the proposed standard. Current available funding is not sufficient to sustain desired levels of service. Council's long term financial plan (LTFP) has not allowed for any budget renewals, this will require more frequent inspections and maintenance. This will also impact greatly on the average condition of paths. The infrastructure reality is that only what is funded in the long-term financial plan can be provided.

PATH AMP Option B- Asset SRV & Option C-Rate Peg	
10 Year Total Cost	\$11,490,078
10 Year Average Forecast	\$1,149,008
10 Year Planned Budget	\$2,557,614
10 Year Average Planned Budget	\$255,761
10 Year Asset Management Financial Indicator	22.26%
10 Year Average Shortfall	-\$893,246



The above graph represents both Option B- 2-year approved SRV funding and Option C- Rate Peg funding with grant contributions. This is due to there being no renewals budgets allowed for in the LTFP



# Waste Services Asset Management Plan



## Assets covered by this plan

Assets that provide waste management services and solutions for the Bega Valley Shire including:

- The Central Waste Facility (CWF) landfill and associated infrastructure;
- An organics processing facility, located at Merimbula;
- Transfer stations, located at Merimbula, Eden, Bermagui, Bemboka, Candelo and Wallagoot;
- Resource recovery and recycling facilities at the above referenced transfer stations;
- Legacy landfills at the above referenced sites, including many at other known locations throughout the shire; and
- A waste collection service, including bins and bin bank infrastructure to enable collection of comingled recycling, food and garden organics, and general waste.



## Number and Condition

1 Central Waste Facility  
6 Waste Transfer Stations  
Average Condition – 2.60



## Current replacement cost (\$m)

\$19.84m (Source: Waste revaluation report 30 June 2022)



## Levels of service

We understand that our community value investment in innovative waste management technologies and processes, a focus on public litter, greater recycling and harnessing the benefits of local waste transformation.



## What does it cost?

The forecast lifecycle costs necessary to provide waste assets including operation, maintenance, renewal, acquisition, and disposal. Waste Services are funded through the Waste Reserve, collected via waste charges. Any budgetary shortfall for capital acquisition is planned to be serviced by loans against the Waste Reserve.

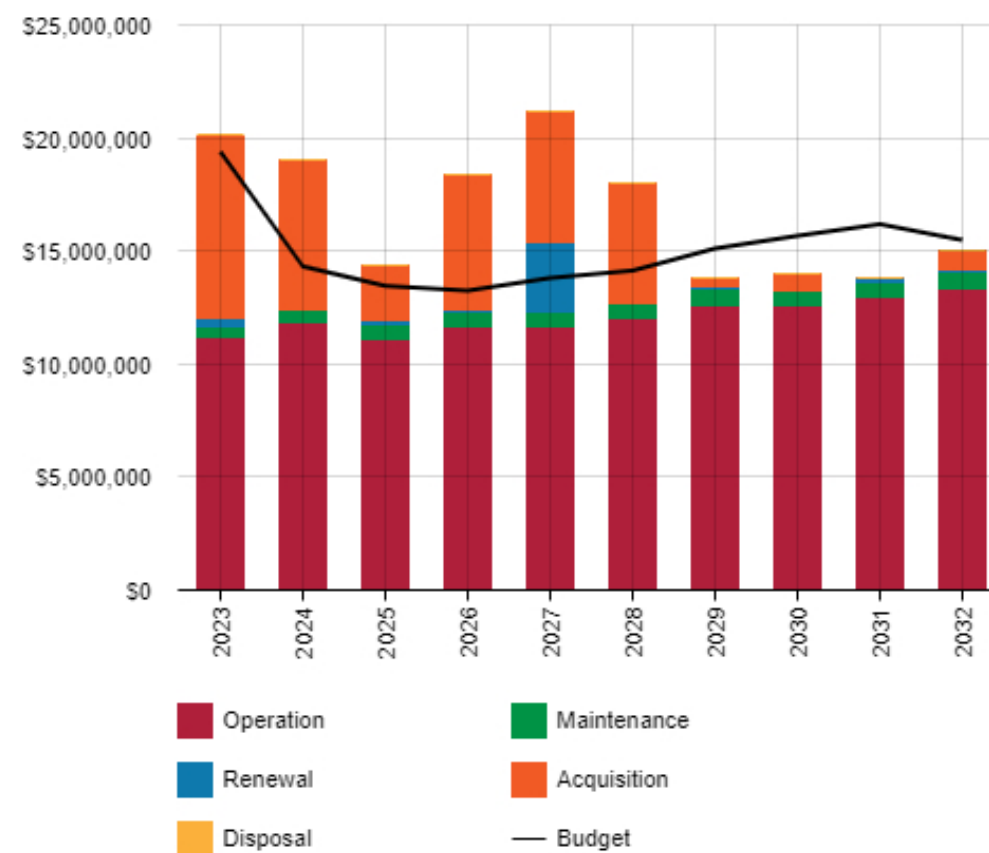
10 year outlay required:  
\$167.6m or \$16.7m on average per year.

From 2024 available income for the next 10 years is forecast to be \$146.7m. The shortfall is to be funded by loans and the Waste Reserve.



## Future demands which may affect service delivery

- Federal, state and locally-adopted waste reduction targets.
- Increase costs for operation, regulation and maintenance of waste facilities and associated infrastructure.
- The volume of landfill airspace available at the CWF landfill.
- Increased community expectations.



## Improvement Plan

- Continued update and review of long-term financial plan and 30-year model
- Develop remediation plans for all sites
- Research and development of alternative waste technologies and practices
- Implement Asset Management systems and resourcing



## Risk management

### What can happen?

- Environmental incident resulting in facility closure
- Collection Service interrupted due to natural disaster, contract or industrial action
- Landfill capacity exhausted prematurely
- Closure of facility due to regulatory non-compliance

### Risk treatment plan

- Correct staffing level and capability to improve supervision and accountability in landfill operations reducing risk of regulatory breaches.
- Increase level of waste diversion from landfill

### Critical assets

- Central Waste Facility





# Digital Strategy 2022-25



Bega Valley Shire Council acknowledges the Traditional Custodians of the lands and waters of the shire, the people of the Yuin Nation, and show our respect to elders past, present and emerging.

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# Digital Resources and Investment

Council, like many other modern organisations, relies on effective digital resource management to support the operational activities required to deliver services.

Council has substantial investment in traditional information technology infrastructure including corporate information systems, website services, data management and storage and technology assets. This infrastructure provided a reliable foundation to commence digital transformation, mobilising our workforce during the 2018 bushfires, the 2019-20 Black Summer bushfires and COVID-19. This was evidenced by enabling service continuity and supporting staff safety during major external events in our operating environment.

Mobilising our workforce is one of many opportunities available through digital transformation. Continued investment in digital transformation will enable Council to keep pace with the modern world and technology advancements.

This Digital Strategy outlines how Council will continue our journey of digital transformation delivering on three key outcomes:



**A more efficient Council** – increased flexibility and mobility of our staff



**Improved service to Council customers** – increased ease of use and access to our services



**Smarter community engagement** – increased digital investment to better connect with our community

## Our Technology Vision

**To empower and enable Council service delivery through secure, efficient, easy to use digital services.**

For BVSC staff this means increased flexibility and mobility in working environments and greater visibility of Council’s data, enabling operational efficiencies.

For our community this means greater accessibility of digital services and Council held information increasing service availability, integrity and usability.



# Our Technology Commitments

Investing in digital transformation allows for simplified business operations, engagement and service access. We will provide a more holistic experience for all stakeholders. Council is committed to improving service delivery through the following technology commitments.

- 1 Undertake continuous improvement and innovation** – Exploring and adapting to new technologies for Council services in our community
- 2 Enable committed governance** – Keeping our information safe and our systems standardised
- 3 Empower digital government** – Improving the ways we interact and engage stakeholders, partners and our community
- 4 Embed business and data analytics** – Creating meaningful, easily accessible and useful data



# Our Digital Motivators and Drivers

In developing this strategy and planning for the future, Council has considered what is driving transformation, change and innovation both internally to Council and in the government sectors across Australia. This strategy outlines the drivers and plans to ensure Council strives for continued improvement and alignment with relevant and beneficial global trends.

## Bega Valley Shire Council

Like many businesses in the Bega Valley, the years since 2018 have required Council to provide a more flexible and mobile working environment. The bushfires, floods and COVID-19 have required workplace capability to be readily available outside of the traditional office environment. This requirement provided individuals and organisations with many benefits and is now an expectation of modern workplaces.

To ensure Council's information technology infrastructure continues to be agile, scalable and reliable, continued investment and digital transformation is required.

## Global Trends

As technology continues to heavily feature in our personal lives with more and more services moving away from solely being a traditional physical offering, the expectation for government services to follow suit is increasing. These global trends in service delivery identify 3 key areas of focus that build on a foundation to assist Council to ensure our Information Technology (IT) infrastructure continues to securely support our business.

## Engineered Trust

Digital business requires a resilient and efficient IT foundation at its core. Without a well-designed base, there is no way to scale cost-efficiently. IT is responsible for engineering the trust necessary in our connected world. Engineering trust into our systems will simplify interacting with our services, making data readily available and sharable across Council services.

## Supported Change

With the trusted foundation in place, the next focus is technologies that enable the organisation to scale its digitisation efforts. IT cannot match the pace of change alone; fusion teams- made up of IT and our business experts - will collaborate and drive innovation to rapidly digitise the business. IT's job is to provide the tools to allow fusion teams to shape the changes. Working with various Council business areas and our community will allow business-led technology investment.

## Accelerated Growth

When the foundation and building blocks are established, it's time to focus on technology trends that maximise the value of what the organisation creates. By building trust and empowering business and community led change, Council will aim to ensure investment in technology interconnects and enhances our services for a more holistic user experience.



# Our Digital Transformation

## Guiding Principles

The following principles will be at the forefront of our digital service improvement initiatives, keeping us focused and accountable.

We will be...

**Financially responsible** *by sourcing and assessing digital resources to deliver a strong return on investment and business sustainability.*

**Customer centric**, *focused on systems, service availability, capacity and quality.*

**Sustainable, resilient and compliant** *through committed governance.*

**Improvement focused**, *inspiring and leading a continuous improvement and innovative culture.*

We will use...

**Business intelligence** *to access and display data that facilitates open, transparent, and accountable decision making.*

## Delivery

Council's Information Technology Function will establish a Digital Transformation Program to oversee and govern the delivery of this strategy.

Detailed deliverables and a roadmap to achieve our technology commitments will be part of establishing the Digital Transformation Program. Detailed action plans will be specified for each delivery year, contributing to the achievement of this strategy.

Outlined below is the approach we will take to achieve our commitments and desired outcomes. This staggered approach allows us to build upon the improvements delivered in the previous year, managing the required changes and aiming to reduce large, upfront project costs.



## Measuring our Success

Success criteria will be defined as part of the Digital Transformation Program. At a high-level, Council will conduct a maturity assessment prior to commencing our digital transformation journey and another at the close. The assessment will be focused on measuring our success in delivering the desired outcomes.



**A more efficient Council** – increased flexibility and mobility of our staff

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**Improved service to Council customers** – increased ease of use and access to our services

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**Smarter community engagement** – increased digital investment to better connect with our community

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## Stay Connected



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