



A CENTRE OF REGIONAL EXCELLENCE

## AGENDA

EXTRA ORDINARY MEETING OF COUNCIL

TO BE HELD AT

THE ADMINISTRATION CENTRE, LITHGOW

ON

15 MAY 2017

AT 7.00pm

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# AGENDA

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**ACKNOWLEDGEMENT OF COUNTRY**

**APOLOGIES**

**PRESENT**

**DECLARATION OF INTEREST**

**COMMEMORATIONS AND ANNOUNCEMENTS**

**PUBLIC FORUM** – Nil

**PRESENTATIONS** – Nil

**MAYORAL MINUTES**

**STAFF REPORTS**

Corporate and Community Reports

**DELEGATES REPORTS** – Nil

**NOTICES OF MOTION** – Nil

**QUESTIONS WITH NOTICE** – Nil

**NOTICE OF RECISSIONS** – Nil

**BUSINESS OF GREAT URGENCY**

as identified by Clause 241 of the Local Government (General) Regulations 2005

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**ITEM 1                    CORP – 15/05/17 – INTEGRATED PLANNING AND REPORTING  
FRAMEWORK**

**REPORT BY:        A SHELTON – ACTING GROUP MANAGER CORPORATE & COMMUNITY**

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**REFERENCE**

Min 13-165            Ordinary Meeting of Council 27 May 2013  
Min 16-127            Ordinary Meeting of Council 6 June 2016

**SUMMARY**

The Council's Integrated Planning and Reporting Framework have been prepared and is provided for the consideration of Council to place on public exhibition. The framework consists of the following suite of documents:

- Draft Community Strategic Plan 2030
- Resourcing Strategy:
  - Draft Long Term Financial Plan
  - Draft Strategic Asset Management Plan
  - Draft Workforce Plan
- Draft Combined Delivery Program 2017-2021 and Operational Plan 2017-2018
  - Draft Budget Fees and Charges 2017-2018

**COMMENTARY**

In October 2009, NSW Parliament passed the Local Government Amendment (Planning and Reporting) Bill 2009 requiring all NSW local Councils to develop an Integrated Planning and Reporting Framework consisting of a 10 year Community Strategic Plan, Resourcing Strategy (Long-Term Financial Plan, Workforce Plan and Asset Management Strategy) and 4 year Delivery Program and Annual Operations Plan.

From 2012, the Framework is required to be reviewed every four years and endorsed by the new Council prior to 30 June in the year following the election.

**Our Place...Our Future Draft Community Strategic Plan 2030**

In 2016, Council engaged Micromex Research to undertake:

- A Visioning Workshop with the Councillors to identify the key values, strengths and challenges of the Lithgow Council area , establish how these fit within the Community Strategic Plan (CSP) and propose projects and ideas to support and address these issues
- A random telephone survey of 400 residents across the Lithgow LGA (and provide a link to an online version of the survey for interested residents to complete) to measure community attitudes and perceptions towards current aspirations and priorities for the LGA in the future.

Key objectives of the research included:

- Identifying residents' quality of life in the LGA
- Identifying the level of support for the Community Strategic Plan
- Assessing and establishing the community's agreement with activities and lifestyle opportunities, and the performance of services and facilities
- Identifying support for prospective projects and initiatives

The results of this research (see attachments 1, 2 and 3) have been used to inform the review of the Integrated Planning and Reporting Framework and are tabled for the information of Council and the community.

### **Delivery Program 2017-2021 and Operational Plan 2017-2018**

Lithgow City Council plays an important role in the community by undertaking a wide range of activities and works on behalf of residents and visitors. To inform the community of these planned activities and works, the Council prepares a combined four year Delivery Program and annual Operational Plan. The Plan provides details of how Council will fund proposed activities and how Council will measure its performance.

Following a series of internal workshops with Councillors, the draft Operational Plan 2017/18 has been prepared and details Council's activities and Revenue Policy for 2017/18. It incorporates the strategies of the Community Strategic Plan 2030 for the four year period including those activities which are operational (recurrent or annual) activities or capital works and new initiatives to be undertaken.

An overview of some of the key features contained in the Council's combined Delivery Program 2017/18-2020/21 and Draft Operational Plan 2017/18 is provided below. The aim of the Plan is to provide a solid financial framework to ensure infrastructure and Council services can be provided to meet the requirements of residents and ratepayers as far as is practicably possible.

#### **General Rates**

In 2010, changes were made to the Local Government Act 1993 to delegate the task of setting the annual rate peg away from the Minister of Local Government and passed it on to the Independent Pricing and Regulatory Authority (IPART).

In December 2016, IPART announced that the 2017/18 Rate Peg Determination would be 1.5%. The rate pegging limit has been reflected in the Draft Operational Plan 2017/18.

Following a general revaluation of the Lithgow Local Government Area by the Valuer General of New South Wales, the valuations as at 1 July 2016 will be applied for the pending 2017/18 annual rate levy.

#### **Fees and Charges**

The Council has reviewed its fees and charges to ensure that they contribute to a balanced budget. Some fees and charges are set by legislation which may result in some increases not being in line with the general Council index. Council controlled fees and charges were generally increased by 3.5%.

There have been two alterations to the draft fees and charges since discussed at the relevant Councillor Information Session. There is a greater increase proposed for on-site sewerage inspections on page 86. Also an annual usage fees has been included for the Lithgow Musical Society (page 18). This properly formalises the arrangement with the Musical Society.

#### **Interest Income**

The interest income earned on Council's investments is impacted by the average level of funds invested and the interest rates available. Whilst it is extremely difficult to forecast future interest rates, the budget includes investment rates achieving a 2.6% return.

#### **Parking Rates**

The Special Parking Rate will be levied on 150 CBD business properties within the designated area of Lithgow. This rate is to fund the maintenance of parking facilities within the designated area. Council will apply the ad valorem rate for 2017/18, 0.9325 which will be applied to the valuations of applicable properties. This will generate income of \$250,162 (GST exclusive).

### Special Rate Variation – Infrastructure Levy

Council resolved in 2009 to apply to the Minister for Local Government for a special rate variation for infrastructure improvements in the local government area. The variation was approved for a 10 year period. Funds raised by this special rate are being used to improve many of the local roads and community buildings.

Council continues to apply for grants to both the State and Federal Governments and for corporate sponsorship in addition to the special rate to progress improvements as quickly as possible.

The works funded by the Special Rate Variation in the following table are included in the combined Delivery Program 2017/18 – 2020/21 and Draft Operational Plan 2017/18:

Proposed Infrastructure Levy: Special Rate Variation				
s508 (2) of the Local Government Act 1993				
Improve the condition of the following roads, streets & lanes.	2017/18 \$	2018/19 \$	Measurement	Reporting
<b>Roads</b>				
Cripps Avenue, Wallerawang	50,000		Road works completed.	Report 'on-the-ground' works undertaken in the Quarterly Progress Report and Annual Report.
Carlton Road, Portland	50,000			
Lyon Parade, & Hume Avenue, Wallerawang	81,318			
Cullenbenbong Road, Kanimbla	50,000			
Ellen Close, Portland	40,000			
Valley Drive, Lithgow	50,000			
Brays Lane, Wallerawang	65,000			
Bent Street, Lithgow		175,000		
Bathurst Street, Wallerawang		75,000		
Lett Street, Portland		36,365		
<b>Lithgow/Portland Lanes</b>				
Ivatt Street Lane, Lithgow	20,000			
Tank/Union Lane, Lithgow	20,000			
Williwa Lane (CBD), Portland	12,000			
Jamison/High Lane, Portland	\$15,000			
Langbein Lane, Portland	\$25,000			
Bate/Piper Lane, Portland	19,000			
Falnash/Ilford Lane, Portland	19,000	15,000		
Commonwealth/Portland Lane, Portland		35,000		
Williwa/Commonwealth Lane, Portland		40,000		

<b>Proposed Infrastructure Levy: Special Rate Variation</b>				
<b>s508 (2) of the Local Government Act 1993</b>				
Improve the condition of the following roads, streets & lanes.	2017/18 \$	2018/19 \$	Measurement	Reporting
<b>Roads</b>				
<b>Total Road Improvements</b>	<b>496,318</b>	<b>376,365</b>		
<b>Improvement works to the following buildings: .</b>				
Mick Moore Pavilion	30,000		Improvement works completed.	Report on works completed in the Quarterly Progress Report and Annual Report.
LINC Grease Trap	20,000			
Kremer Park Toilets	150,000			
Daintree Lane Toilets	100,000			
Lithgow Golf Club Sewer Upgrade		30,000		
General Asset Building Maintenance	7,217	45,000		
<b>Total Building Improvements</b>	<b>307,217</b>	<b>75,000</b>		
<b>TOTAL EXPENDITURE SPECIAL RATE</b>	<b>803,536</b>	<b>451,365</b>		

### Section 94A Levy Contributions

Council has undertaken a review of its Development Contributions Framework and has proceeded with the introduction of a Section 94A Levy Plan that will apply across the LGA.

Note: The table below identifies the Section 94A Levy Contribution portion only for each project.

<b>Proposed 4 Year Works Program – Section 94A Levy Contributions</b>				
	2017/18 \$	2018/19	2019/20	2020/21
<b>Roads</b>				
Rural Roads Rehabilitation	150,000	150,000	150,000	150,000
<b>Open Space and Recreation Facilities</b>				
Aquatic Centre Stage 4	100,000	100,000	100,000	100,000
<b>Civic, Community &amp; Cultural Facilities</b>				
CCTV Cameras in Main Street, Lithgow	16,000	16,000	16,000	16,000
Village Improvement Program	30,000	30,000	30,000	30,000
<b>Total Expenditure Section 94A</b>	<b>296,000</b>	<b>296,000</b>	<b>296,000</b>	<b>296,000</b>

**Waste Charges**

Due to further planning for development of the waste disposal facility at Blackman’s Flat, works at the Lithgow Solid Waste Facility and the closure and rehabilitation of rural landfills during 2017/18 it is recommended that the residential and business garbage charge be increased by 2.3% per property from \$422.10 to \$431.81.

<b>Waste Charges</b>		
Type of Service	Charge (\$) (GST ex)	Estimated Yield (\$) (GST ex)
Residential	431.81	3,627,622
Business	431.81	273,335
Non Rateable	431.81	53,112
Unoccupied Urban	160.10	83,092
Rural	103.22	244,220
<b>Total Estimated Yield</b>		<b>4,281,381</b>

**Stormwater Charges**

It is proposed that the following stormwater charges will be levied on all residential and business properties within identified urban areas (except those which are vacant land) and remain unchanged from the 2016/17 stormwater charges. The levy is used to partly fund the maintenance and improvements to urban drainage as well as the flood mitigation works at Farmers Creek, Lithgow.

<b>Stormwater Charges</b>		
Type	Charge (\$)	Estimated Yield (\$)
Residential	25.00	155,250
Strata Unit (Residential)	12.50	1,525
Business	25.00 per 350sq metres (\$1,500 Cap)	87,650
<b>Total Estimated Yield</b>		<b>244,425</b>

**Grant Funding and Corporate Sponsorship**

The Council is continuing to apply for funding from the State and Federal Government and other sources.

Carrying over from 2016/17 into 2017/18 will be the construction of the new Portland Sewerage Treatment Plant which is largely grant funded.

In 2017/18 we have allowed for the following capital grants and contributions in the budget:

- \$1.3m – CBD Revitalisation
- \$1.1m – Roads to Recovery
- \$1m – Blast Furnace Park Works (continuation of works)
- \$800k – Cullen Bullen Sewerage Upgrade (Initial Works)

**Best Practice Water and Sewer Pricing**

In 2010/11 Council was required as part of the funding conditions from the NSW State Government for the upgrade of the Lithgow Sewerage Treatment Plant to introduce major



changes to its Water and Sewer Pricing which would see best practice in line with industry standards.

The 2017/18 water pricing structure ensures the Lithgow local government area maintains water charges in compliance with the NSW Best Practice Guidelines a minimum of 75% of residential income from usage and 25% of revenue from access charges.

**Sewerage Charges**

Over recent years Council has spent approximately \$30 million in the upgrade of the Lithgow and Wallerawang Sewerage Treatment Plants. Work has commenced on the upgrade of the Portland Sewerage Treatment Plant which Council has allocated \$15 million to the project.

In 2017/18 the following residential or business sewage access charges will be levied on all rateable and non-rateable properties which are connected to or within 75 metres of Council's reticulated sewerage system.

Council has reviewed the sewerage access and usage charges and has decided to increase residential and business access and business usage charges by 1.5% from the 2016/17. (Charges rounded to nearest dollar)

The following sewerage usage charges will be levied to all properties using Council's reticulated sewerage system:

<b>Sewerage Charges</b>		
<b>Sewerage Access Charge</b>		
Type	Charge (\$)	Estimated Yield (\$)
Residential	913.00	6,609,126.38
Less write-off pension rebate		(166,687.50)
Business (main size):		
200mm	1,185.00	711.15
100mm	1,185.00	24,262.01
50mm	1,042.00	63,883.40
20mm	787.00	279,215.84
<b>Total Estimated Yield</b>		<b>6,810,511.29</b>
<b>Sewerage Business Usage Charges</b>		
Type	Charge (\$)	
Business (most commonly 95% of water usage)	1.70	

**Water Charges**

The residential or business water availability charge will be levied on all rateable and non-rateable properties which are connected to or within 225 metres of Council's reticulated water supply system. Water usage charges will be levied to all properties using Council's reticulated water supply system. (Charges rounded to nearest dollar).

Water Charges		
Water Availability Charges		
Type	Charge (\$)	Estimated Yield (\$)
Residential	185.00	1,433,309
Less write-off pension rebate		(162,114)
Business (main size):		
200mm	1177.00	1,177.00
100mm	1177.00	31,768.00
50mm	1035.00	81,786.00
20mm	782.00	323,692.00
<b>Total Estimated Yield</b>		<b>1,709,618.00</b>
Water Usage Charges		
Kilolitres Used	Charge (\$)	
0 – 250 Residential & Business	3.16 / kl	
250+ Residential & Business	4.74 / kl	

**Interest charges on outstanding property balances**

Interest to be charged on rate and charges arrears is yet to be determined by the Division of Local Government 2017/18.

**Capital projects and discretionary expenditure**

To highlight major capital projects and discretionary expenditure in the combined Delivery Program and Draft Operations Plan they may be summarised as:

Operating & Capital Projects Expenditure: Summary of Major Projects			
	Expenditure	Income	2017/18
<b>General Fund</b>			
<b>Operations</b>			
Bridge Inspections	100,000		100,000
Sealed Roads	200,000		200,000
Footpath Construction	156,783		156,783
Unsealed Roads	560,000		150,000
Drainage Construction	50,000		50,000
Farmers Creek Stage 3 Footpath	70,000		70,000
Roads to Recovery	1,117,608	1,117,608	0
CBD Revitalisation	2,703,495	1,304,550	1,389,945
<b>Infrastructure Levy Program (2009/10 DLG Application 5% Special Rate Variation)</b>			
Infrastructure Levy Program (5% Special Rate: Income in Operating)			
Cripps Avenue, Wallerawang	50,000		50,000
Carlton Road, Portland	50,000		50,000
Lyon Parade and Hume Avenue, Wallerawang	81,318		81,318
Cullenbenbong Road, Kanimbla	50,000		50,000

<b>Operating &amp; Capital Projects Expenditure: Summary of Major Projects</b>			
	<b>Expenditure</b>	<b>Income</b>	<b>2017/18</b>
Ellen Close, Portland	40,000		40,000
Valley Drive, Lithgow	50,000		50,000
Brays Lane, Wallerawang	65,000		65,000
Lithgow/Portland Lanes	90,000		90,000
Mick Moore Pavilion	30,000		30,000
LINC Grease Trap	20,000		20,000
Kremer Park Toilets	150,000		150,000
Daintree Lane Toilets	100,000		100,000
General Building Maintenance	7,217		7,217
<b>Sec 94/94A Plan</b>			
Rural Roads Rehabilitation	150,000		150,000
Aquatic Centre Stage 4	100,000		100,000
CCTV	16,000		16,000
Village Improvement Program	30,000		30,000
<b>Recreation</b>			
Shaded Seating – Queen Elizabeth Park	12,000		12,000
Lake Wallace Power Upgrade	30,000		30,000
Lake Lyell Septic Upgrade	50,000		50,000
Play Equipment	65,000		65,000
Shade Structures	18,000		18,000
Portland Pool Financial Assistance	35,000		35,000
Kremer Park Retainer Wall	20,000		20,000
Aquatic Centre Fence	30,000		30,000
Wallerawang Skatepark Renewal	100,000		100,000
Portland Skatepark Renewal	100,000		100,000
Floodlight Replacement – Various Ovals	33,000		33,000
Blast Furnace Park Cultural Heritage Precinct Development	1,400,000	1,000,000	400,000
<b>Plant</b>			
Light/Heavy Vehicles	900,000		900,000
<b>Buildings</b>			
Rydal Toilets	90,000		90,000
Centrelink Building Lighting	50,000		50,000
Depot Improvements	50,000		50,000
Lithgow Pound Improvements - Roof	20,000		20,000
Building Program	50,000		50,000
Eskbank House Improvement	30,000		30,000
<b>Waste Management</b>			
Lithgow Resource Recovery	750,000		750,000
Wallerawang Tip Improvements	450,000		450,000
Waste Infrastructure Feasibility Study	30,000		30,000
Waste Trenches	30,000		30,000
<b>Planning</b>			
Bushfire Mapping	50,000		50,000

<b>Operating &amp; Capital Projects Expenditure: Summary of Major Projects</b>			
	<b>Expenditure</b>	<b>Income</b>	<b>2017/18</b>
Hassans Walls Reserve – Mine Subsidence	55,000		55,000
Floodplain Risk Management Plan	70,000		70,000
Bicycle Plan Review	10,000		10,000
<b>Environment</b>			
Lithgow SWF Water Management Implementation	200,000		200,000
Farmers Creek Precinct Masterplan Stage 2	50,000		50,000
Reserve Maintenance & Community Engagement	10,000		10,000
<b>Corporate</b>			
Customer Service Improvement	10,000		10,000
Leadership Program	25,000		25,000
Workforce Planning	10,000		10,000
Lithgow LGA Business & Industry Future Strategy	50,000		50,000
<b>Economic Development</b>			
Economic Promotions	10,000		10,000
Main Street Façades Program	20,000		20,000
Regional Marketing	40,000		40,000
<b>Information Technology</b>			
IT Reserve as Programmed	155,000		155,000
<b>Library</b>			
Library Programs	6,000		6,000
Library Furniture and Fittings	6,000		6,000
Library Technology Purchases	7,300		7,300
Your Tutor	8,500	8,500	0
<b>Community &amp; Culture</b>			
Youth Council Projects	8,500	1,500	7,000
Non-Recurrent Financial Assistance	87,000		87,000
Recurrent Financial Assistance	69,945		69,945
Seniors Week	6,000	1,500	4,500
Eskbank 175 <sup>th</sup> Anniversary Events	5,000		5,000
Australia Day	11,000		11,000
<b>Tourism</b>			
Lithglo	35,000		35,000
Halloween	90,000		90,000
Events Attraction Package	15,000		15,000
Implementation of the Destination Management Plan	50,000		50,000

### Proposed Borrowings

There one borrowing planned for new projects in 2017/18. This will be for water reservoirs upgrade works. Council may draw down loans for the Portland Sewerage Treatment Plant approved by Council for the 2015/16 budget; the amount required has decreased from

\$5,000,000 to \$3,000,000. The borrowings will be sought from lending institutions approved by the Division of the Local Government.

Proposed Loan Borrowings				
	2017/18	2018/19	2019/20	2020/21
	\$	\$		
Water Reservoirs Upgrade	2,500,000			
Portland Sewerage Treatment Plant	3,000,000			
West Bowenfels Sewer Area		6,200,000		

## Resourcing Strategy

A requirement of the changes to the Local Government Act in 2009 is for Council's to develop a Resourcing Strategy consisting of a Long Term Financial Plan (10 years), Strategic Asset Management Strategy (10 years) and Workforce Plan (minimum 4 years) to implement the strategies established by the Community Strategic Plan that Council is responsible for. Council's Resourcing Strategy comprises three separate documents all of which are tabled for Council consideration and adoption for exhibition seeking community input and comment.

### Long Term Financial Plan

The 2017/18 – 2026/27 Long Term Financial Plan presents the strategic aims, financial objective, financial indicators and strategies Council will use to continue its progress to meet financial sustainability challenges from 2017/18 to 2026/27.

The plan will be reviewed and regularly updated to meet the requirements of integrated planning and reporting reforms on a regular basis and will address Councils' ability to meet future demands, community needs and economic growth.

The financial modelling supporting the Long Term Financial Plan is used to forecast Councils' financial future for the next 10 years. The Plan provides for decision making and problem solving to enable decisions to be made on how to best achieve the Councils' corporate objectives while addressing its long term financial challenges. The Long Term Financial Plan is not intended as a document to indicate what services or proposals should be allocated funds, but rather addresses areas that impact on Council's ability to fund its services and capital works whilst living within its means.

In order to continue to be financially sustainable, Council must meet its funding requirements relative to the provision of required services including maintenance, renewal and replacement of assets without imposing excessive debt on current or future generations and also without unplanned rate revenue increases.

The Long Term Financial Plan provides an opportunity to identify financial issues at an early stage and gauge the effect of these issues in the longer term predicting Council's performance and position to improve not only infrastructure levels but also standards without the need for unplanned increases in rates or reductions to services.

In order to achieve financial sustainability by 2026/27 the Long Term Financial Plan aims to

- Deliver the required services in response to community priorities identified in Our Place...Our Future Community Strategic Plan 2030.
- Generate funding needed to address community service priorities and maintain assets in a serviceable condition by 2016/27.

The 2017/18 – 2026/27 financial objectives for achieving financial sustainability are to:

- Improve on the operating result from continuing operations
- Maintain a reasonable unrestricted working capital to 2026/27
- Improve the Operating Performance Ratio
- Maintain and improve Own Source Revenue Ratio
- Address the Building and Infrastructure Asset Renewal Ratio
- Improve the Building and Infrastructure Backlog Ratio
- Maintain the 'Debt Service Ratio' at a sustainable level
- Improve the Real Operating Expenditure per capita measure.

The Long Term Financial Plan indicates that in order for Council to remain sustainable with no significant reduction in services, it will be necessary to seek a Special Rate Variation (SRV) following cessation of the current SRV in 2019. This is indicated as scenario 3 in the Long Term Financial Plan document.

### **Workforce Plan**

The Lithgow City Council Workforce Strategy 2017-2021 addresses the human resources requirements of Council's Delivery Program 2017-2021. Its purpose is to ensure that strategies are put in place to shape the workforce and provide the capabilities to deliver the vision and objectives of Our Place...Our Future Community Strategic Plan 2030. Workforce strategies will both enhance the effectiveness of the workforce overall and attract, recruit, develop, retain and re-engage valued and skilled employees.

The Workforce Strategy compliments and enhances the effectiveness of our existing strategies, policies and practices in the 'core' areas of:

- Human Resource Management
- Industrial Relations
- Workplace Health and Safety
- Training and Development
- Workers Compensation Management.

The Workforce Strategy describes where Lithgow City Council is today in terms of its workforce, where the Council wants to be and the action that must be taken to achieve the organisation's workforce planning and human resources management objectives. It provides a framework for aligning decisions about human resources (such as recruitment, development, internal deployment etc.) with outcomes, actions and strategies in Our Place...Our Future Community Strategic Plan 2030. It takes into account current information, the economic factors and the 2017-2018? Actions and Performance Measures and Targets identified in Council's 2017-2021 Delivery Program and 2017-2018 Operational Plan.

The strategy reviews Council's human resources capacity and capability as an organisation, both in the way it relates to and delivers services to the community and in its position to become an employer of choice in an increasingly competitive employment market with an ageing workforce. The focus of the Workforce Strategy is to fundamentally review the Council's current approach to Human Resource (HR) Management and to set the strategic Human Resource agenda for Council's sustainable future over the next four years. The key driving influences in developing the Workforce Strategy are to:

- Ensure the Council has in place the necessary human resources to achieve the community's ideas and aspirations for the future, while at the same time;
- Contribute to addressing the financial imperatives facing council.

The financial pressures facing the Council over 2017-2021 are that its costs (in particular employment costs) are continuing to rise faster than income, there are increasing community expectations in terms of service levels and there will be additional capital expenditure and resources needed over the next ten years to improve the condition of the Council's ageing assets. Therefore the strategic focus of the Workforce Strategy needs to respond to the Community Strategic Plan 2030, Delivery Program and Long Term Financial Plan, particularly in relation to employment costs and required skills.

The Plan sets out the issues, evidence and strategies required to deliver a sustainable Lithgow Council workforce, capable of maintaining high quality services for our community over the next four years. The aim of the Plan is to set targets and develop strategies to facilitate recruitment in areas of known shortages and at the same time put in place strategies to retain existing staff. It also aims to influence how our workforce is educated, trained and developed into the future, aligning Our Place...Our Future Community Strategic Plan 2030 with the right people to ensure that the job gets done.

Four key actions have been developed, which will drive the Council's strategic workforce planning over the next four years as follows:

1. Support & promote contemporary operating systems, processes & practices
2. Implement Work Health & Safety (WHS) strategies including safety risk management, and injury prevention within an aging workforce
3. Provide a motivated and adaptive workforce
4. Workforce sustainability

Within Our Place...Our Future Community Strategic Plan 2030, the Workforce Planning objectives have been included as actions in the key theme of Responsible Governance and Civic Leadership. However, a number of the objectives also play a role in meeting the desired outcomes of actions identified within the themes of Caring for Our Community and Strengthening Our Economy.

### **Strategic Asset Management Plan**

The Strategic Asset Management Plan sets the framework for how Council intends on setting directions to determine how assets should be operated, maintained, acquired and disposed of over the next ten (10) years. Council has a responsibility to provide an extensive range of services to the community, and these services rely on the provision of assets. These assets in turn need to be operated effectively and maintained in a satisfactory condition, all of which requires resources.

The decisions that Council must make in relation to future asset management are amongst the most important made by Council. A number of factors that are crucial in assessing and determining how assets are managed have been considered in the development of the Strategic Asset Management Plan, including

- Funding opportunities and limitations;
- Community pressure for improved levels of services at no increased cost;
- Changes in legislation and regulations requiring assets to be upgraded for compliance, identification and depreciation purposes; and
- Relationships to other Council Plans including Our Place...Our Future Community Strategic Plan 2030, Delivery Program 2017-2021, Operational Plan 2017-2018 and integrated planning and reporting requirements.

The Strategic Asset Management Plan sets out a strategic approach to the creation, acquisition, maintenance, operations, rehabilitation and disposal, of assets to provide maximum value for money. It provides for a streamlined corporate focus toward asset management which will improve the benefits and costs to Council whilst embracing the overall needs of Council and its community including financial, social, legislative and environmental considerations.

The objectives of the Strategic Asset Management Plan are to:

- Ensure that the Council's infrastructure services are provided in an economically optimal way, with the appropriate level of service to residents, visitors and the environment determined by reference to Council's financial sustainability;
- Improve the condition of our assets over a ten-year (10) period by implementing optimised maintenance and renewal programs based on the remaining useful life, condition and allocated funding;
- Manage assets in a worn and poor condition with appropriate risk management strategies;
- Improve our existing data by ensuring that all assets are assessed (or reassessed) and appropriate useful lives and conditions assigned to each component;
- Plan any future projects that aim to create or upgrade assets with a full understanding of the whole of life costing for the asset;
- Develop Asset Management Plans into advanced plans that provide detailed service levels, funding and future maintenance and capital works for each asset group;
- Review the Strategic Asset Management Plan and Asset Management Plans to ensure alignment with Council's Integrated Planning & Reporting documents;
- Safeguard Council's assets including physical assets and employees by implementing appropriate asset management strategies and appropriate financial resources for those assets;
- Adopt the long-term financial plan as the basis for all service and budget funding decisions;
- Meet legislative requirements for all Council's operations;
- Ensure resources and operational capabilities are identified and responsibility for asset management is allocated; and
- Provide high-level oversight of financial and asset management responsibilities through the Asset Management Working Group, reporting to Council's Executive Management Team (EMT) on the development, revision and implementation of the Strategic Asset Management Plan and Asset Management Plans.

The Strategic Asset Management Plan enables Council to show:

- how Council's asset portfolio will meet the service delivery needs of the community into the future;
- how Council's asset management policies are achieved, and
- the integration of Council's asset management with its long-term strategic plan.

## **Community Engagement**

The Integrated Planning and Reporting Framework is provided for Council's consideration to place on public exhibition for a minimum period of 28 days. Closing date for public submissions will be Monday 12 June 2012. This will allow the document suite to be put to the Council on 29 June for adoption.



Should the Council endorse the Integrated Planning and Reporting Framework, community briefing sessions will be held on the following days and times:

- **Thursday 18 May** 6 - 7.30pm – Wallerawang Community & Sports Club
- **Tuesday 23 May** 6 - 7.30pm – Rydal Union Church
- **Wednesday 24 May** 6 – 7.30pm – Lithgow City Council Chambers
- **Thursday 25 May** 6 – 7.30pm – Capertee Memorial Hall
- **Tuesday 30 May** Old Hartley School Hall
- **Thursday 1 June** 6 – 7.30pm – Crystal Theatre, Portland

#### **POLICY IMPLICATIONS**

Nil arising from this report.

#### **FINANCIAL IMPLICATIONS**

The financial implications of the combined Draft Delivery Program 2017/18 – 2020/21 and Draft Operational Plan 2017/18 are detailed in the budgets provided.

#### **LEGAL IMPLICATIONS**

The Local Government Act 1993, Local Government Amendment (Planning and Reporting) Bill 2009 and Local Government (General) Regulation 2005 outlines requirements for the preparation, exhibition and adoption of the Integrated Planning and Reporting Framework. The Draft Delivery Program and Operational Plan must be exhibited for a minimum period of 28 days

#### **ATTACHMENTS**

1. Community Strategic Plan –Councillor and Executive Workshop Executive Summary
2. Community Strategic Plan Research – Telephone Survey Report
3. Community Strategic Plan Research – Online Survey Report
4. Draft Community Strategic Plan 2025
5. The combined Draft Delivery Program 2012/13 – 2015/16 and Draft Operations Plan 2012/13.
6. Draft Fees and Charges 2012/13.
7. Draft Strategic Asset Management Plan
8. Draft Long Term Financial Plan
9. Draft Workforce Strategy

#### **RECOMMENDATION**

##### **THAT**

1. The Integrated Planning and Reporting Framework suite of documents be placed on public exhibition for a minimum of 28 days. This will include the following documents:
  - a. The Draft Community Strategic Plan 2030
  - b. The combined Draft Delivery Program 2017/18 – 2020/21 and Draft Operational Plan 2017/18 and the Draft Fees and Charges 2017/18
  - c. The Draft Strategic Asset Management Plan
  - d. The Draft Long Term Financial Plan
  - e. The Draft Workforce Plan
2. The research reports received from Micromex Research be endorsed and placed on Council's website as part of the community engagement process.
3. The closing date for submissions be Monday 12 June 2017.

## **BUSINESS OF GREAT URGENCY**

*In accordance with Clause 241 of the Local Government (General) Regulations 2005 business may be transacted at a meeting of Council even though due notice of the business has not been given to the Councillors. However, this can happen only of:*

- a) *A motion is passed to have the business transacted at the meeting; and*
- b) *The business proposed to be brought forward is ruled by the Chairperson to be of great urgency.*