Criterion 1 Need for the Variation Annexures

Attachment 1.b

- **Resourcing Strategy 2014 edition (including Long Term Financial Plan)**

maitland
city council

Resourcing Strategy
2013 - 2017 (Revised)

Incorporating
Asset Management
Financial Planning
Workforce Planning
Information and Communication Technology Planning

**Published
February 2014**

WHAT IS THE RESOURCING STRATEGY?

Council's Resourcing Strategy has been developed to clearly show our consideration of the staff, assets, money, technology, and time required to deliver our four year objectives and annual actions, as outlined in the Delivery Program 2013-17 (Revised).

The development of a Resourcing Strategy is a fundamental requirement of the Integrated Planning and Reporting legislation. This requires the Resourcing Strategy to contain:

• an asset management strategy, including a policy, a strategy for at least 10 years and plans for all asset classes under Council's control
• a long term financial plan, projecting Council's financial position for at least 10 years
• a phased workforce plan, outlining Council's strategies and actions for developing and maintaining a workforce to underpin the delivery of four year objectives outlined in the Delivery Program.

Council recognises the role Information Technology has in a contemporary Council. As such, an Information and Communication Technology Strategy has been included as a fourth pillar of our Resourcing Strategy. Council has welcomed the opportunity to further evolve its Resourcing Strategy through this revision process.

INTEGRATED PLANNING & REPORTING

The development and adoption of a long term community strategic plan is a requirement of the NSW Government's Integrated Planning and Reporting (IP&R) legislation.

The IP&R framework for Maitland consists of:

- 10 Year Community Strategic Plan 'Maitland +10'

- 4 Year Delivery Program 2013-2017 (Revised)

- Resourcing Strategy (incorporating asset, financial, workforce and information technology strategies and plans)

- Operational Plan

- Performance is reported every six months in a publication titled' On the Move', as well as comprehensively in an Annual Report in November each year.

maitland +10
Community Strategic Plan
The Community's vision, strategies and partners

Community engagement (ongoing)
Council's commitment to improve decision making through community participation

Delivery Program (4 years)
Council's work in helping to achieve vision

Resourcing Strategy
- Long term Financial Planning
- Workforce Management Planning
- Asset Management Planning
- Information Technology Strategy

Operational Plan (1 year)
Council's annual actions and budget, including fees and charges

Continuous monitoring and review

Annual Report
Review of Performance (each year)

End of Term Report
Review of performance (every four years)

Image: Integrated Planning and Reporting model.

CONTENTS

Asset Management Strategy

INTRODUCTION

Maitland City Council continues to face increasing demand for services in an environment of reduced funding, ageing infrastructure, increasing maintenance costs and an expanding new assets base as a result of sustained urban expansion.

There are a significant number of assets and services that have been transferred from other levels of government and the public sector without recognition of the on-going asset lifecycle costs.

It is essential that Council (as the responsible authority for the community's public assets) has a clearly defined direction, with appropriate standards and procedures, for the management of infrastructure assets.

The Asset Management Strategy is a key component of Council's Delivery Program and underlying Resourcing Strategy. It brings together the major components of Council's asset management processes and provides a clear direction for improved asset management within the organisation.

This strategy provides a basis on which Council can make decisions relating to the maintenance of existing assets and the planning and acquisition of new assets. The financial and long-term implications of Council decisions will be more clearly highlighted than they have been in the past. The strategy identifies where we are now, where we want to go and how we are going to get there.

WHAT IS ASSET MANAGEMENT?

Asset management is about community service delivery, risk and cost. It is the process by which Council manages its assets, principally infrastructure, to achieve a balance between the community's service level expectation and its ability to resource the necessary infrastructure that supports the delivery of these services.

The goal of asset management is to meet the level of service in the most cost effective way through the creation, acquisition, maintenance, operation, rehabilitation and disposal of assets to provide for present and future stakeholders.

In order to have a formal and consistent approach to asset management, it is essential to:
• Ensure that it be policy driven, results oriented and community focused
• Take a lifecycle approach
• Develop cost-effective management strategies for the long term
• Provide a defined level of service and monitor performance
• Understand and meet the demands of growth through demand management and infrastructure investment
• Manage risks associated with asset failures
• Ensure sustainable use of physical resources
• Work towards continuous improvement in asset management practices.

(International Infrastructure Management Manual (IIMM), 2002)

LEGISLATIVE AND STATUTORY REQUIREMENTS

The NSW *Local Government Act 1993* (the Act) Section 403 stipulates the following:

(1) A Council must have a long-term strategy (called its "resourcing strategy") for the provision of the resources required to implement the strategies established by the community strategic plan that the Council is responsible for;

(2) The resourcing strategy is to include long-term financial planning, workforce management planning, and asset management planning.

Councils are required to comply with the Integrated Planning and Reporting Guidelines. The guidelines state in part that:

• each Council must prepare an Asset Management Strategy and Asset Management Plan/s to support the Community Strategic Plan and Delivery Program

• the Asset Management Strategy must include a Council endorsed Asset Management Policy.

Section 8 of the Act sets the principles that are to guide a Council in the carrying out of its functions. This charter specifically addresses asset management by stating in part that a Council is:

• to have regard to the long term and cumulative effects of its decisions

• to bear in mind that it is the custodian and trustee of public assets and to effectively plan for, account for and manage the assets for which it is responsible

• to engage in long-term strategic planning on behalf of the local community.

The state of Councils infrastructure assets is formally summarised in compliance to the Australian Accounting Standard B116. This reporting mechanism provides an insight into what the Council is responsible for and what the current situation is in the way of infrastructure.

This accounting standard sets out the financial reporting method and requirements for Councils across the State and is used in Council's Annual Report. Simply, it shows the present day cost to replace the asset type (replacement cost or brand new cost) and the value of the assets based on its remaining life (written down value). It is calculated each year and takes into account the annual capital expenditure and the aging on each of the asset groups.

The utilisation of a condition based asset management system puts council in the fortunate position of having a system that utilises a regular maintenance inspection regime, enabling a reasonably accurate snapshot of the state of the Councils assets at any given time.

Council's Strategic Asset Management Framework is built on this knowledge.

STRATEGIC ASSET MANAGEMENT FRAMEWORK

Infrastructure asset management planning starts with the organisation's strategic plans, vision, mission, goals and objectives and translates these into an asset management policy and strategy framework, asset management plans and operational plans. The framework showing asset management's strategic role in delivering Council's objectives and community expectations is shown in Figure 1 (right).
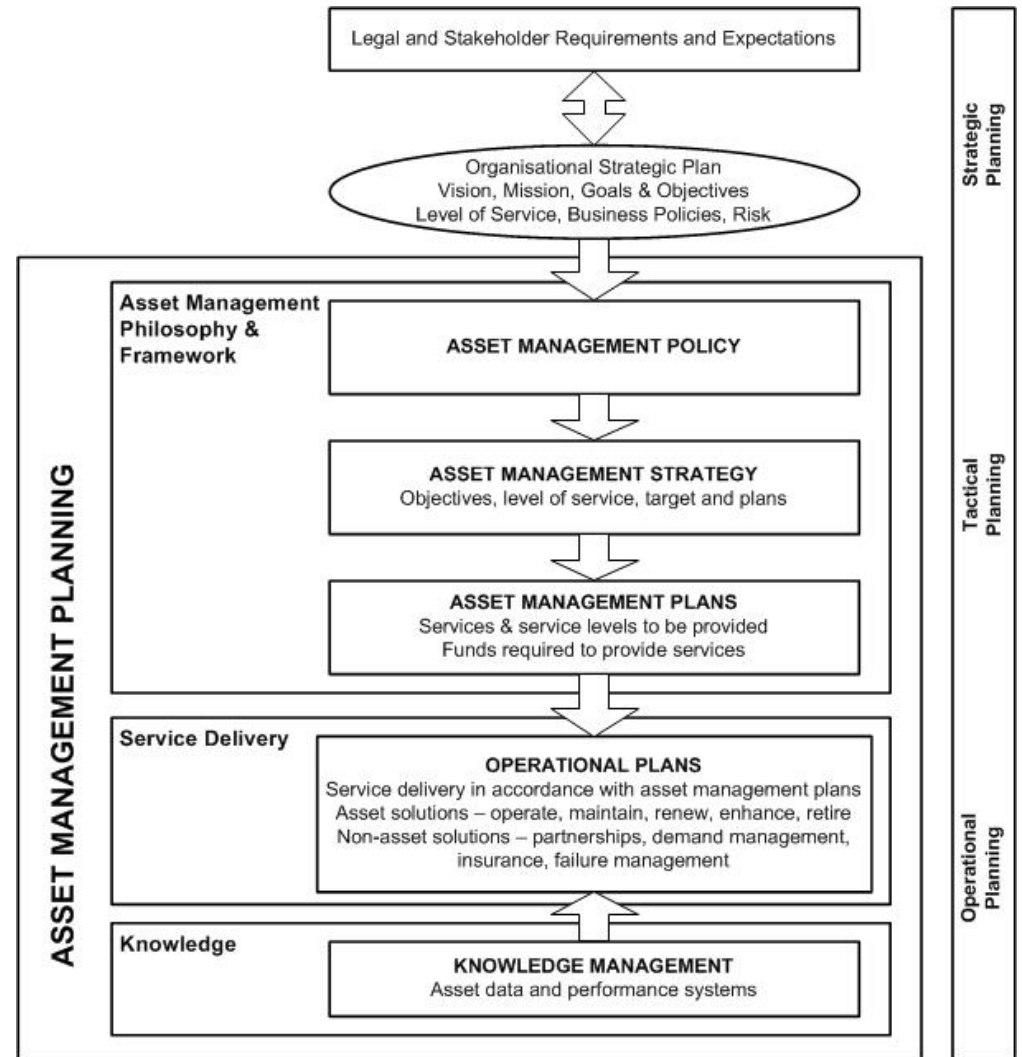

Image: Figure 1: Strategic Asset Management Framework

STRATEGIC OBJECTIVES

The community strategic plan 'Maitland +10' establishes 19 high level outcomes the community would like to see realised in the next decade. Each of these outcomes is accompanied by a number of high level strategies to which Council and a range of other partners can contribute to realising.

In developing its response to 'Maitland +10' and formulating our Delivery Program and Resourcing Strategy, including this Asset Management Strategy, Council has considered the community's aspirations. The links between our asset management-related objectives, and the community's goals, can be seen below.

COMMUNITY OUTCOME	COMMUNITY STRATEGY	4 YEAR OBJECTIVE
1. Our growing community retains our sense of place and pride in our City whilst welcoming diversity and change.	**1.1** We will welcome new people and develop programs to foster community appreciation and pride in the City's appearance, rich heritage and our future potential. **1.4** We will establish mechanisms to ensure all community members, including children and young people, the elderly, Aboriginal and Torres Strait Islanders and people from non-English speaking backgrounds, feel safe, valued and connected within our community.	**1.1.3** To maintain the appearance and presentation of the City, fostering a sense of community pride **1.4.1** To establish and maintain a city environment where people feel safe and connected
2. Our community and recreation services and facilities meet the needs of our growing and active communities.	**2.1** Our recreation, sporting and leisure facilities will evolve and change to keep pace with community needs	**2.1.2** To construct a year round, indoor pool at Maitland Aquatic Facility **2.1.7** To provide and maintain Council's community and recreation asset infrastructure based on sound asset management principles **2.1.8** To increase the maintenance, renovation and construction of key community buildings, public toilets and amenities across the City **2.1.9** To enhance Council's recreational cycleways, in particular off-road networks **2.1.10** To enhance key sporting facilities, parks, playgrounds and picnic facilities through new park furniture, exercise stations, improved access and parking **2.1.11** To manage and maintain Council's cemeteries **2.1.12** To maintain and evolve the city's high quality and distinctive facilities including Maitland Park, Walka Water Works and Maitland No.1 sportgrounds

COMMUNITY OUTCOME	COMMUNITY STRATEGY	4 YEAR OBJECTIVE
4. Our infrastructure is well-planned, integrated and timely, meeting community needs now and into the future.	**4.1** Planning for our roads and public transport infrastructure is integrated and timely, improving the way we move about the city.	**4.1.1** To improve the way we move around the city by integrating land use and transport planning **4.1.2** To increase public transport services through better coordination and planning **4.1.3** To improve the accessibility and amenity of bus shelters across the City
	4.3 New development and infrastructure provision is aligned and meets requirements.	**4.3.1** To complete the alignment of Council's infrastructure planning with its community, corporate, land use, asset and environmental strategies
5. All residents are able to move around our City in safety and with ease - on foot, bicycle, car, bus or train.	**5.1** Our roads and related infrastructure will be designed, built and maintained to ensure connected and efficient movement of people both now and into the future.	**5.1.1** To provide and maintain local roads and related infrastructure based on sound asset management principles **5.1.2** To improve the safety, quality and amenity of local roads through increased road reconstruction, resurfacing and line marking programs **5.1.4** To provide safe and effective transport infrastructure **5.1.5** To improve the efficiency of movement throughout the City
	5.2 We will plan and build footpaths and cycle ways across the city to link our activity centres and facilities.	**5.2.1** To plan and improve our footpath network **5.2.2** To accelerate the construction of footpaths in older suburbs **5.2.3** To plan and improve our cycle way network
6. Our unique built heritage is maintained and enhanced, coupled with sustainable new developments to meet the needs of our growing community.	**6.2** Adaptive and creative uses for heritage sites and buildings across the city will be explored and promoted.	**6.2.1** To conserve the Town Hall, in keeping with its iconic heritage status.
12. A unique sense of identity and place is found within our villages, suburbs, towns and City centre.	**12.1** We will maintain and develop a network of vibrant mixed-use centres, creating opportunities for business growth and new services for our community.	**12.1.1** To strengthen activity centres as vibrant areas for residents, workers and visitors.

COMMUNITY OUTCOME	COMMUNITY STRATEGY	4 YEAR OBJECTIVE
15. Central Maitland is the vibrant heart of our City, engendering a strong sense of pride within the community.	**15.2** We will see the CBD reclaim its place as the heart of the City, through changes to the built form and streetscapes, along with active partnerships	**15.2.1** To increase the perception of safety and usability of the public realm in Central Maitland
18. Maitland City Council is efficient and effective in its operations, actively listening to the community and anticipating and responding to community needs.	**18.1** Council's planning is integrated and long-term, based on community desires expressed in the ten year community strategic plan.	**18.1.1** To ensure Council's integrated planning and reporting meets expectations of the community, Council and the NSW State Government
19. A sustainable Council for a sustainable City.	**19.2** The management of Council's assets will be long term and focused on meeting the needs of the community now, and into the future.	**19.2.1** To maintain a contemporary asset policy, asset strategy and management plans for all Council assets
	19.3 Council's workforce, systems and processes will support high performance and optimal service delivery for our community.	**19.3.2** To ensure workplace systems and processes are efficient and effective

OUR ASSET MANAGEMENT POLICY

Council's Asset Management Policy was first adopted by Council in its Asset Management Strategy in 2006. The policy sets the broad framework and direction for undertaking asset management. It translates Councils broad strategic outcomes into a policy framework for the preparation of the asset management strategy and associated objectives, targets, and plans. The policy outlines why and how asset management will be undertaken and defines key principles that underpin asset management for the Council.

Council reviewed and adopted it's Asset Management Policy in 2011 to reflect and support Council's Community Strategic Plan and its outcomes and strategies.

Following the revision of the Community Strategic Plan the policy was again reviewed. Whilst the principles articulated have not changed, it was updated to comply with Council's current policy template and to update terminology in line with Council's current organisational structure and Community Strategic Plan, Maitland +10.

The following extract from Asset Management Policy 2014 clearly establishes Council's direction with respect to asset management.

SCOPE

This policy applies to all physical assets owned or controlled by Council, assets which are critical to Council's service delivery and assets which are incorporated in the Community Strategic Plan and Delivery Program.

ASSET MANAGEMENT POLICY OBJECTIVES

The objective of this policy is to articulate Council's commitment to the responsible management of Council assets. It sets the direction and framework for the management of Council's assets providing clear asset management objectives that will:

• Integrate asset management with Council's strategic planning

• Ensure there is an integrated and multi-disciplinary approach to asset management

• Enable the preparation of Council's asset management strategy and plans

• Confirm and reinforce that sound asset management is fundamental to Council's overall service delivery and resource planning

• Ensure that Councils services and infrastructure are provided in a sustainable manner with the appropriate levels of service to residents, visitors, and the environment

• Enable the development of long-term financial strategies to ensure the acquisition, maintenance, and disposal of assets is sustainable

• Ensure that the community's priorities and vision are an integral part of the asset management planning process

• Create an environment where all Council employees have an integral role in the overall management of Council's assets by creating and sustaining Asset Management awareness throughout the Council

• Maximise value for money spent through a 'whole of life cost' approach to asset management together with integrated performance measurement and improvement of asset management practices.

POLICY STATEMENT

The management of Council assets is a key function of Council. Assets are vital in the provision of a range of services for the community in areas like recreation and leisure, planning and development, roads and transport, waste management, culture and education, and environmental management. The successful delivery of these services relies on providing and managing a broad range of assets.

In order to realise this, Council is committed to the following principles:

• The Asset Management Strategy and planning will align with the vision and objectives of the Community Strategic Plan Maitland +10.

• Asset planning will recognise and reflect the infrastructure needs of our growing community.

• Strategic asset management underpins the delivery of the priorities, aspirations, and desired outcomes identified in the Community Strategic Plan Maitland +10.

• Active community engagement will be sought as a part of performance measurement of service delivery and establishment of new service levels.

• That a strategic and systematic approach to asset management that embraces industry standards and best practice will be applied throughout Council.

• Asset management planning will be integrated with other Council policies, strategies, and procedures.

• Asset Management Strategy and Asset Management Plans will be prepared to support the Community Strategic Plan and Delivery Program.

• Council supplied infrastructure will be designed, constructed, and maintained to ensure that the community's needs for these services are met in an economically sustainable fashion.

• Asset management practices will adhere to the underlying key principles of whole of life costing, performance measurement, and risk management. Life cycle costs will be considered in all decisions relating to new services and assets as well as upgrading existing services and assets.

• Assets will be optimally managed in accordance with the Asset Management Strategy and Plans to ensure they continue to function as built for the duration of their life and minimise Councils exposure to risk in regard to asset failure.

• All relevant legislative requirements together with environmental, social, economic, and governance standards will to be taken into account in asset management.

• Funding for all asset purchases, maintenance, rehabilitation, and replacement shall be guided by Councils Asset Management Plans and included in the Annual Operational Plan, 4 Year Delivery Program, and Long Term financial Plan.

• Assets will be accounted for in accordance with the requirements of the appropriate accounting standards and reporting requirements.

• Council's asset management capabilities will be improved through necessary advances in technology, systems and processes and training.

• Annual review mechanism to monitor improvements in Councils asset management capabilities.

• Assets must be assigned to an asset manager who will be responsible for managing the assets in accordance with this Policy; Council's adopted Asset Management Strategy, and related Asset Management Plans

A copy of the policy can be viewed on Council's website *maitland.nsw.gov.au.*

ASSET MANAGEMENT STRATEGY

Council's revised Asset Management Policy and Strategy was adopted in 2014 following the public exhibition of the Delivery Program 2013-17 (Revised). It provides a strategic approach that assists in meeting community needs, provide and sustain community assets and to deliver services. Maitland City Council has over $867 million invested in infrastructure assets as at 30 June 2013.

Population growth, rising customer expectations, competing demand for funding and an intensive external regulatory environment have continued to create a situation where it is essential that Council be in the position to make well-informed asset management decisions. These decisions involve setting and delivering service levels, costs and priorities which have far reaching social, environmental and financial implications for the City. Legislative requirements from both State and Federal Government require Council to demonstrate that all decisions are sustainable from an economic, environmental and social perspective.

There are a number of challenges facing Council regarding its asset management. One of these challenges is the requirement to balance investment in new assets from development and capital works with the need to maintain existing asset intensive services in a cost effective manner while retaining the required levels of service and quality acceptable to the community. An effective asset management system is essential to building a sustainable community and requires the combined application of engineering, environmental, financial and economic practices to the management of Council's physical asset base.

Council's Asset Management Strategy provides a comprehensive approach to the management of infrastructure and land assets by identifying the drivers facing Council for the following asset categories:

• Road pavement
• Road inventory assets
• Footpaths
• Drainage and stormwater assets
• Bridges and major culverts
• Buildings
• Aquatic Facilities
• Recreational and open space assets
• Waste Facilities
• Works Depots.

Ensuring the adequate management of long term infrastructure will allow Council to successfully achieve the strategic goals as articulated in Maitland +10, Maitland's community strategic plan, and line up with the desired outcome of 'A sustainable Council for a sustainable City'.

ASSET MANAGEMENT STRATEGY

The strategy covers four key areas:

• Current situation

• Where do we want to be?

• How will we get there?

• Monitoring and review

The strategy identifies the optimal pathway to deliver the strategic objectives of the community strategic plan 'Maitland +10' as well as its aims to improve Council's asset management capability. The strategy:

• is formulated within the framework of Asset Management Policy 2014 adopted by Council on 11 February 2014

• analyses the current external and internal context of the asset management framework and assesses its implications for Council's asset management

• endeavours to foresee the future asset management systems and resources necessary to deliver the asset planning related objectives of community strategic plan, over the planning horizon of 10 years

• identifies the actions required to close the gap, as the basis for the strategy formulation

• develops monitoring mechanisms for measurement and continuous performance improvement of the asset management strategy

• improves the overall asset management capabilities of the Council.

Council's approach to asset management has been to initially develop basic asset management plans and through a process of continuous review and improvement, upgrade the plans to meet the changing needs of the organisation and our community. In order to implement asset management effectively, it is appropriate to produce asset management plans and recognise the deficiencies these plans have over time. From here

the necessary activities to enhance the plans can be undertaken in either a top down or a bottom up approach, as below.

Adapted from IIMM, 2006, Fig 1.3.1, p1.9.

'Core' AMPs

Analysis at 'system' or 'network' level

'Intermediate' AMPs

Mixture of 'core' and 'advanced'

'Advanced' AMPs

Analysis at individual asset/ component level

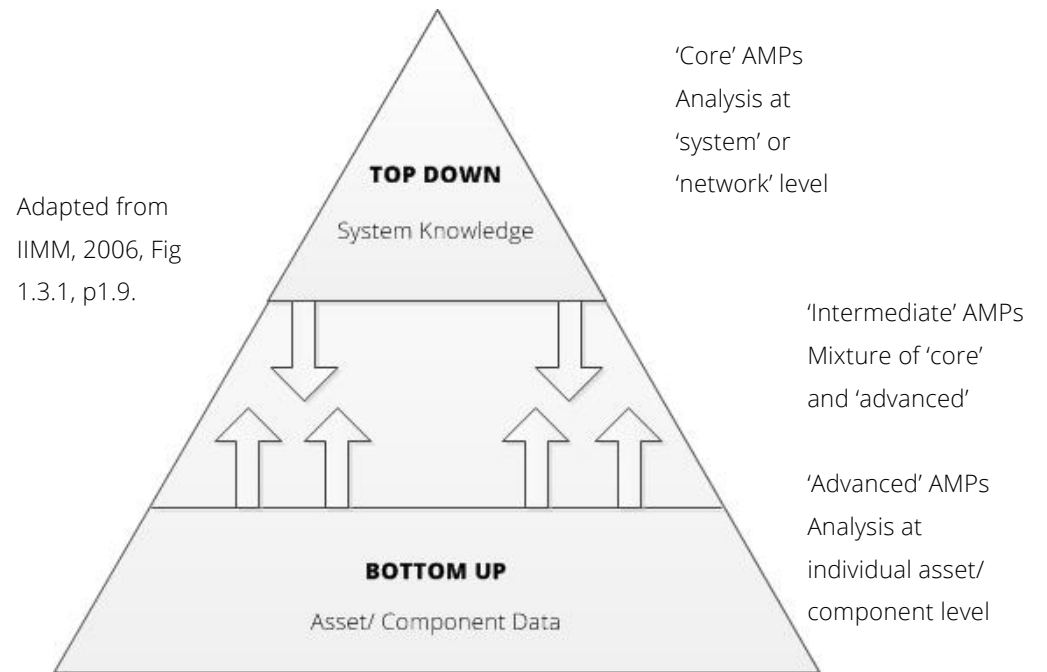*Fig. 2: Approaches to Asset Management*

Council has initially adopted a 'top down approach', as it is seen to be more resource efficient. Council overall has core asset management plans developed for each asset category, with some elements already at an advanced stage. Advanced asset management plans include "road pavement" which represents 52% of the total asset stock, in terms of replacement value.

OUR ASSET MANAGEMENT STRATEGY AND IP&R GUIDELINES

IP&R guidelines have stipulated the essential elements for the Asset Management Strategy. The following table outlines the strategy's compliance with these requirements.

ESSENTIAL ELEMENTS	COMPLIANCE BY COUNCIL'S ASSET MANAGEMENT STRATEGY
The Asset Management Strategy and Plan/s must be for a minimum timeframe of 10 years.	Asset management plans are prepared for a minimum of 10 years. The current plan is effective from 2012 - 2023.
The Asset Management Strategy must include an overarching council endorsed Asset Management Policy.	The strategy is formulated within the framework of Council's adopted Asset Management Policy.
The asset Management Strategy must identify assets that are critical to the council's operations and outline the risk management strategies for these assets.	The strategy encompasses all assets critical to Council operations. It treats most assets as critical. The strategy strives to improve the current risk management practices with continuous improvement. All Asset Management Plans have a Risk Management component.
The Asset Management Strategy must include specific actions required to improve the council's asset management capability and projected resource requirements and timeframes.	Asset Management Plans provide a program for continuous improvement in asset management capabilities relevant to each category. The plans aim at improving Council's capabilities in : • Stewardship • Resource allocation & planning • Knowledge & information management • Community engagement • Sustainable service delivery • Systems and processes.
The Asset Management Plan/s must encompass all the assets under a council's control.	• Responsibility for all assets is allocated to a respective manager. • Core asset management planning is undertaken for each category of asset.

ESSENTIAL ELEMENTS	COMPLIANCE BY COUNCIL'S ASSET MANAGEMENT STRATEGY
The Asset Management Plan/s must identify asset service standards.	The Asset Management Plans reflect the assets' condition, range and level of services that have been identified during the extensive community engagement and strategic planning processes undertaken by Council. Plans have been developed for roads, drainage, bridges, buildings, pools, and recreation.
The Asset Management Plan/s must contain long term projections of asset maintenance, rehabilitation and replacement costs.	The Asset Management Plans set out maintenance, renewal and replacement costs over a minimum of 10 years to 2023.
Councils must report on the condition of their assets in their annual financial statements in line with Local government Code of Accounting Practice and Financial Reporting.	Council reports annually on the condition of its assets as required by S428 of the *Local Government Act 1993*, Schedule 7.

ASSET MANAGEMENT PLANS

Council is in a position where the knowledge of its infrastructure assets is such that the long-term implications of asset management decisions can be understood with an acceptable degree of certainty. Council has completed its core asset management planning for each category. Advanced asset management for some asset categories is well under way, especially for the major asset categories e.g. road pavement.

Council uses the IPWEA NAMS PLUS format for its Asset Management Plans. The key elements of the NAMS PLUS format are:

• Levels of service

• Future demand

• Life cycle management

• Financial summary

• Asset management practices

• Monitoring

• Asset management improvement plan.

Asset Management Plans have been prepared for:

• Roads - pavement and inventory

• Drainage

• Bridges

• Buildings

• Aquatic facilities

• Recreation and open space.

Figure 3 shows the road map for preparing an asset management plan with NAMS PLUS.
Road Map for preparing an Asset Management Plan Source: IIMM Fig 1.5.1, p 1.11
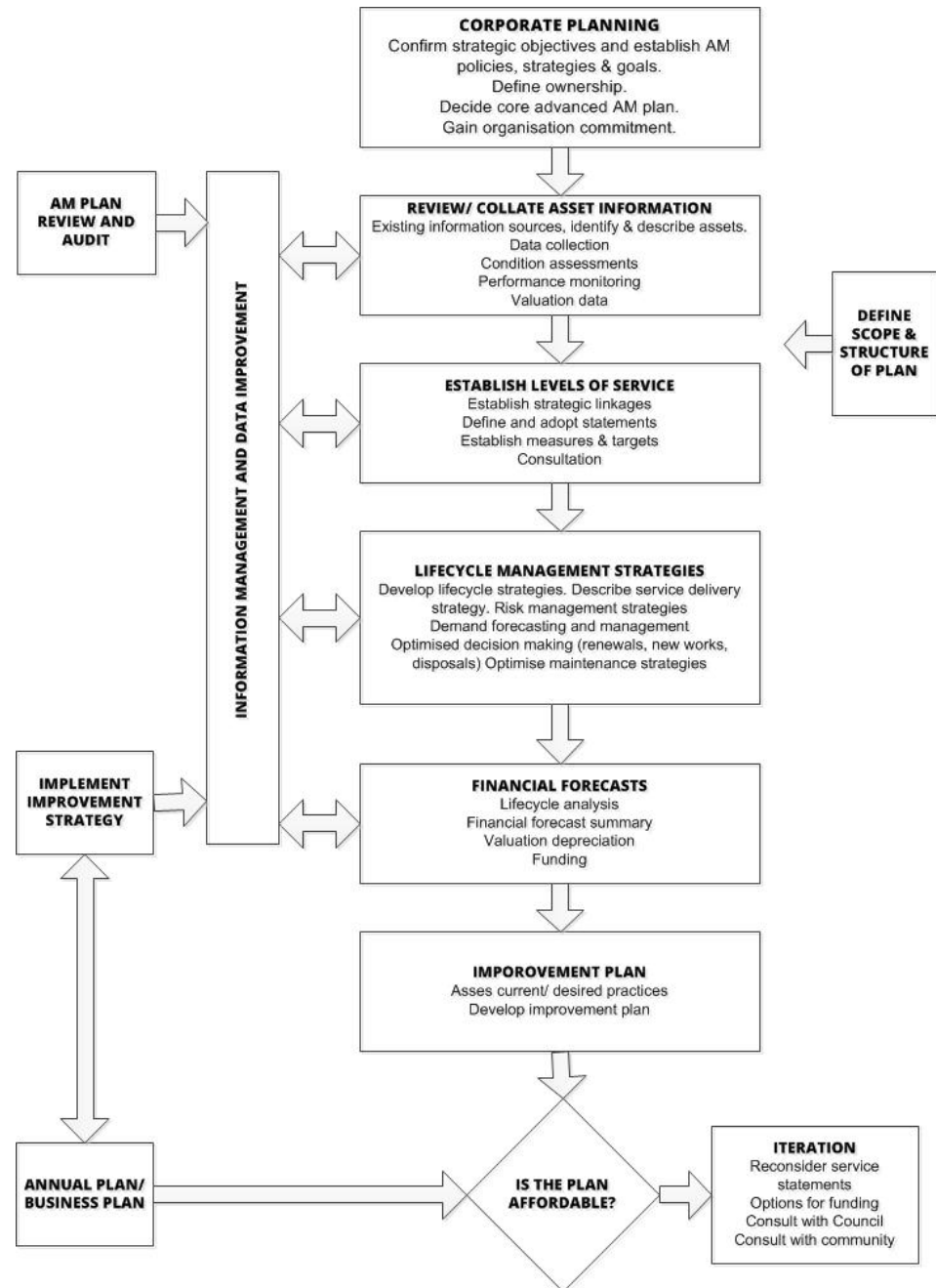
The following information is included in these plans:

• Description of the asset, both physically and financially
• Description of the objective/purpose of the asset
• Definition of service levels
• Description of future demand requirements
• Assessment of associated risks
• Assessment of the lifecycle costs and implications of the asset
• Recognition of the need for increased resources for asset management
• Outline of an improvement program
• Identification of performance measures of asset management
• Regular review and update mechanisms

The following asset information is available.

1. ASSET REGISTERS - All the assets, critical to Council operations, are identified and categorised, as listed below:

• Roads, including footpaths
• Drainage
• Bridges
• Buildings
• Aquatic facilities
• Recreation and open space.

A description of various attributes (construction material, age, location, dimensions, etc) of each asset is recorded in Council's asset databases.

2. CONDITION ASSESSMENTS - Preliminary condition assessments are performed for all assets under each category and an appropriate record is maintained in accordance with reporting standards under Schedule 7 of s428 of LGA.

The scale of condition assessment throughout the Asset Management Plans is based on a five category model:

Condition 5 – Excellent Condition
Condition 4 – Good Condition
Condition 3 – Average Condition
Condition 2 – Poor Condition
Condition 1 – Very Poor Condition

These conditions are based on asset lifecycle modelling, inspection and assessment; and age based deterioration.

The following tables show:
Table 1: Summary of available information in Asset Management Plans
Table 2: Ten year financial model for asset renewals (30 June 2013)
Table 3: Summary of condition rating
Table 4: Summary of asset condition represented in dollar value
Table 5: Asset categories and quantities
details are available in respective asset management plans.
Table 6: Summary of technical resources
Table 7: Summary of asset condition by category and acceptable standards.

3. VALUATION – Asset valuation fair value method, in accordance with Australian Accounting Standards (AASB 116) valuation guidelines.

TABLE 1: SUMMARY OF AVAILABLE INFORMATION IN ASSET MANAGEMENT PLANS:

ITEM IN ASSET MANAGEMENT PLAN	ASSET CATEGORY					
	ROADS	**DRAINAGE**	**BRIDGES**	**BUILDINGS**	**POOLS**	**RECREATION**
A preliminary condition assessment	✓	✓	✓	✓	✓	✓
Initial estimates of the cost to bring assets to a satisfactory standard	✓	✓	✓	✓	✓	✓
A program for further assessments and studies to refine cost estimates	✓	✓	✓	✓	✓	✓
Minimum levels of service from assets and a rationale for those service levels	✓	✓	✓	✓	✓	✓
Current Asset Valuation	✓	✓	✓	✓	✓	✓

CURRENT SITUATION

This section looks at the current situation of Council's infrastructure assets and management. Council's knowledge of its infrastructure assets is such that the long-term implications of asset management decisions can be understood with a relative degree of certainty. Currently Council has a combination of basic and sophisticated asset management systems in place that meet legislative and accounting requirements.

The section briefly addresses the key external factors facing Council that have implications for asset management. From an internal perspective, it provides an understanding of Council's current asset position.

EXTERNAL ANALYSIS

There are a number of external factors that shape the environment in which Council is operating. External analysis is performed across three dimensions:

1. Growth and changing demographics

2. Legislative landscape

3. Community expectations.

1. GROWTH AND CHANGING DEMOGRAPHICS

Maitland City Council is faced with an ever increasing demand for services as a result of sustained urban expansion. Maitland has continued to experience population growth rates of 2.5%, which is one of the highest of all NSW local government areas. The population of the city is expected to reach 89,600 in 2023 from current levels of 70,000.

The Australian Bureau of Statistics data show Maitland's consistant growth across diverse sectors. Increasing birth rates, an increase in the aging population as well as working-age population, have been observed over the past five years. The disposable income available per capita has increased, along with an increase in the number of new vehicles on the road.

Though the number of new dwellings appears to have steady growth, new land subdivisions are increasing in Maitland and surrounding suburbs. Growth in new businesses is steady with a reduction in the rate of businesses exiting. As predicted in the previous strategy, these trends are expected to continue in the future, resulting in increased demand for services from Council infrastructure such as roads, drainage and other civic assets.

2. LEGISLATIVE LANDSCAPE

Under the current legislative environment, there is increased emphasis that local governments recognise and equitably recover the costs of owning and operating infrastructure over the life of assets, for capital works as well as maintenance programs. Furthermore, there are a significant number of assets and services that have been transferred from other levels of government and the public sector to the local government sector. Further to this, there is potential change in the the *Local Government Act 1993* and the way development contributions are levied. Council continues to monitor the external factors that influence the management of assets.

3. COMMUNITY EXPECTATIONS

The increasing community expectations are clearly demonstrated in Maitland 10+, community strategic plan. These aspirations spell out increased expectation in levels of service resulting in augmenting the current condition of assets and creation of new assets across various asset categories. Further, failure to deliver these expectations negatively impacts upon the image of Council and may result in adverse financial implications in some instances.

Council has a reactive component of asset management, where asset information is received from the community. This community input assists the inspections undertaken by asset and operational staff.

INTERNAL ANALYSIS

This involves obtaining a clear picture of Council's asset position and the resources necessary to maintain current levels of service. It summarises the inventory of Council's current asset management practices, across four broad but interrelated elements:
• Asset information
• Resources required for asset management
• Levels of service analysis
• Procedures and processes.

This proactive asset management includes cyclic and periodical maintenance of asset items. This is discussed further in the Asset Management Plans for each asset class.

Council's management of assets, capital works programs, maintenance activities and operations are in line with the community strategic plan and the delivery program. There is room for improvement to ensure that the whole-of-life cycle analysis and levels of service are fully integrated. Whole-of-life costs are considered in the planning and design process. Given appropriate levels of funding, treatments are less likely to be undertaken as stop gap measures and therefore minimising whole-of-life costs.

The current approach to asset management is appropriate in an environment of reduced funding, ageing infrastructure, increasing maintenance costs and an expanding new assets base. With its commitment to improvement through a structured approach, Council has moved towards a wholly advanced asset management system by implementing the recommendations of this strategy.

Over the last 10 years Maitland has continued to experience solid population growth rates. The current growth rate of around 2% is one of the highest of all NSW local government areas. The City has passed the point where a substantial increase in infrastructure expenditure is required.

To address this concern the first step is to obtain a clear picture of Councils asset position. Councils approach to asset management has been to improve incrementally, the asset management systems and process to an optimum level appropriate to the needs of the organisation.

Council must continue to develop the basic systems currently in place to a more advanced level identifying strategies to minimise lifecycle costs. This more advanced approach employs more detailed asset and service level analysis, improved risk management and more accurate and longer term financial planning.

EXISTING ASSET SUMMARY

Council currently has $867m assets under its control. Baseline condition assessments for all Councils asset classes have been completed and data sets and management plans prepared. A summary of Councils current position with respect to asset management in the key asset areas is provided in the tables below. These summaries are supported by an extensive asset database.

Table 4 shows a summary of asset condition represented in Dollar value.

Table 5 shows a summary of the asset categories and quantities.

These tables tell us that:

1. Council has accumulated many assets
2. They represent significant community investment over a long time
3. Council has deferred liability in the order of $71 million
4. Over the long term this position is not sustainable if the current levels of service are to be

maintained or improved.

As stated earlier this is principally an accounting position and provides simplistic but clear picture of Councils asset position.

CITYWIDE DEVELOPER CONTRIBUTION PLAN (SEC 94)

The Sec 94 plans are designed to attract equitable contribution to the city's infrastructure caused by development. These Plans also places significant asset funding obligations on Council and has been a key consideration in the development of the asset management strategy. S94 funds and projects are a direct result of growth in the City. The consequence is an expanded network of infrastructure and accordingly is a fundamental consideration in Councils asset management planning.

FINANCIAL ANALYSIS

To confirm the state of the Councils financial position and to guide future planning Council has developed a Ten Year Financial Planning Model for asset renewals. This model specifically links the Asset Management Strategy and supporting asset management plans with the adopted S94 Plan.

The scenario modelled was essentially a position based on fully funding asset renewal and maintaining or slightly improving current levels of maintenance expenditure. The figures are index factor to cover the average construction cost increase and a factor for growth. This presents the realistic situation and therefore a true sense of the funding levels required to be sustainable.

TABLE 2: TEN YEAR FINANCIAL MODEL FOR ASSET RENEWALS (30 JUNE 2013)

ASSET CATEGORY	YEAR 1 2014/15 $	YEAR 2 2015/16 $	YEAR 3 2016/17 $	YEAR 4 2017/18 $	YEAR 5 2018/19 $	YEAR 6 2019/20 $	YEAR 7 2020/21 $	YEAR 8 2021/22 $	YEAR 9 2022/23 $	YEAR 10 2023/24 $	TOTAL $
Roads	9,878,000	8,151,400	8,612,800	9,074,200	9,535,600	9,997,000	10,458,400	10,919,800	11,381,200	11,842,600	99,851,000
Road Inventory		1,256,100	1,327,200	1,398,300	1,469,400	1,540,500	1,611,600	1,682,700	1,753,800	1,824,900	13,864,500
Council contribution to S.94 works		2,100,000	2,100,000	2,100,000	2,100,000	2,100,000	2,100,000	2,100,000	2,100,000	2,100,000	18,900,000
Infrastructure backlog*	0	0	0	0	0	0	0	0	0	0	0
Total Roads	9,878,000	11,507,500	12,040,000	12,572,500	13,105,000	13,637,500	14,170,000	14,702,500	15,235,000	15,767,500	132,615,500
Buildings & Aquatic Centres	2,247,000	848,522	609,427	693,294	940,631	926,501	1,194,336	1,394,440	1,453,360	1,512,280	11,819,789
Bridges	185,000	212,000	128,800	171,100	62,000	91,000	1,765,280	397,600	414,400	431,200	3,858,380
Drainage	960,000	545,900	576,800	607,700	638,600	669,500	700,400	731,300	762,200	793,100	6,985,500
Footpaths/ Cycleways	250,000	37,100	39,200	41,300	43,400	45,500	47,600	426,000	444,000	462,000	1,836,100
Recreation	1,033,000	840,647	605,991	935,814	911,065	381,849	485,153	953,857	994,160	1,034,464	8,176,000
TOTAL	**14,553,000**	**13,991,668**	**14,000,217**	**15,021,708**	**15,700,696**	**15,751,850**	**18,362,768**	**18,605,697**	**19,303,120**	**20,000,544**	**165,291,269**

* Expenditure will be allocated to individual assets listed as backlog, however the sum total of backlog will remain the same.

TABLE 3: SUMMARY OF CONDITION RATING

ASSET CLASS	INCLUDES ASSETS SUCH AS:	AVERAGE CONDITION (5 EXCELLENT TO 1 VERY POOR)
Roads	Sealed roads, unsealed roads, footpaths and cycle ways, kerb and gutter, roadside furniture, signage, lines	3.5 – Above average (roads) 3 – Average (inventory)
Drainage	Pipes, culverts, headwalls, pits, GPTs, detention basins, water quality ponds	3 - Average
Bridges	Timber, concrete, steel, culverts over 6m span	4 - Good
Buildings	Art gallery, libraries, grandstands, public toilets, halls, Council Works Depot, community buildings, district buildings, waste depot	3 - Average
Aquatic Facilities	Pools and associated buildings	3 - Average
Recreation	Parks, open spaces, recreational facilities, skate parks, sporting facilities, play equipment	4 - Good

TABLE 4: SUMMARY OF ASSET CONDITION REPRESENTED IN DOLLAR VALUE (30 JUNE 2013)

ASSET CATEGORY	CURRENT WRITTEN DOWN VALUE	CURRENT REPLACEMENT VALUE	ESTIMATED COST TO BRING TO SATISFACTORY CONDITION (BACKLOG)	ESTIMATED MAINTENANCE REQUIRED	ESTIMATED CAPITAL REQUIRED
Roads (Pavement)	$313,932,000	$410,782,000	$54,000,000	$3,570,000	$7,690,000
Road Inventory	$93,332,000	$140,530,000	$4,884,000	$1,470,000	$1,185,000
Buildings & Aquatics	$54,989,237	$116,624,264	$6,815,000	$779,983	$955,000
Bridges	$23,126,398	$29,815,018	$1,100,000	$119,000	$374,000
Drainage	$125,687,430	$144,640,119	$2,253,000	$864,500	$698,500
Footpaths/Cycleways	Included in Road Inventory	Included in Road Inventory	$1,320,000	$266,000	$230,000
Recreation	$18,000,000	$25,000,000	$1,191,000	$2,970,000	$1,451,500
TOTAL	**$629,067,065**	**$867,391,401**	**$71,563,000**	**$10,039,483**	**$12,584,000**

TABLE 5: ASSET CATEGORIES AND QUANTITIES 2013/14

ASSET CATEGORY	TYPE	QTY
Roads	Road Pavement	671 km
	Kerb & Gutter	780 km
	Footpath/Cycleway	211 km
	Signs	6000+
	Lines	170 km
	Bus Shelters	55
Drainage	Conduits & Culverts	335 km
	Pits & headwalls	13358
	Flood Gates	33
	Detention Basins	80
	Gross Pollutant Traps	69
Bridges	Concrete Steel & Timber	18
	Large Culverts	31
Buildings	District	5
	Works Depot	19
	Waste Depot	5
	Nursery	2
	Child Care Centres	4
	Libraries	4
	Community Halls	13
	Amenities Buildings	34
	Toilet Blocks	22
	Grandstands	9
	Kiosks	12
	Equipment Sheds	25
	Miscellaneous	12

ASSET CATEGORY	TYPE	QTY
Recreation	Playgrounds	71
	Baseball Facilities	1
	Hockey Facilities	1
	Tennis Courts	32
	Netball Courts	38
	Skate Parks	7
	BBQ	26
	Picnic Tables	112
	Park Benches	90
	Open Space	450 + Ha
	Garden Beds	140
	Floodlighting (Sports)	156
	Shade structures	34
	Sports Fencing	17 km
Pools	Pools	4

The preceding tables tell us that:

1. Council has many assets under different categories

2. They represent significant community investment over a long time

3. Council has deferred liability of approximately $71 million

4. Over the long term, this position is not sustainable if the current levels of service are to be maintained.

WHERE DO WE WANT TO BE?

Council's asset policy identifies a number of objectives that reflect where we want to be. A broad agenda for asset management and infrastructure planning over the next ten years must focus on how Council can manage the following infrastructure issues:

• Management of growth

• Funding pressures

• Shifting of State and Federal responsibilities to local government

• Increasing community expectations

• Changing community demographics in areas such as aging youth employment, etc.

These issues are essentially about change, finance and the new way that society is functioning. How is Council going to build, maintain and finance the current and next generation of local government infrastructure.

ASSET MANAGEMENT GOALS

1 ASSET MAINTENANCE & MANAGEMENT

• Clearly defining Council's asset management policy, strategy and plan.

• Increased public and stakeholder consultation.

• Focusing on developing programs and strategies for realistic, efficient and cost effective asset maintenance by ensuring that there is an integrated and multi-disciplinary approach.

• Developing long term financial strategies to ensure that maintenance of existing and new assets are sustainable.

• Continually assessing and reviewing the adequateness of existing funding levels for routine maintenance programs.

• Carefully considering the longer term funding and maintenance implications of new assets.

2 URBAN INFRASTRUCTURE CONSTRUCTION

• Implementing urban infrastructure design and construction standards to ensure the long term sustainability, resource efficiency, public safety and amenity of infrastructure provision.

• Evaluating how future demands and trends will affect Council's existing assets and where the need for new or improved assets will be.

• Continuing to manage and prioritise construction and maintenance of our local infrastructure in accordance with industry standards and accepted best practice.

3 SERVICE DELIVERY

• Improving our knowledge of the existing condition, rate of deterioration, desired service level and strategic direction of all of Council's assets to ensure accurate determination of expenditure and maintenance requirements

• Optimising Council's existing asset base by pursuing improved service levels from the same infrastructure, improved cost effectiveness and maximising the value of our expenditure

• Exploring options for flexibility in methods of service delivery:
  • re-assessment of the need for some assets
  • regional asset creation
  • balancing resourcing levels.

• Focusing on what is the most appropriate level of service and what Council should be delivering.

ENABLING ELEMENTS

The resources and capabilities required over the next ten years are summarised on the following pages:

• Asset Information

• Resources Required

• Levels of Service

• Procedure and Processes.

It is assumed that external factors of growth, legislative landscape and community expectations will remain.

ASSET INFORMATION

Council aims to enhance knowledge by ensuring:

• Reliable and accurate physical asset inventory

• Updated valuations including rate of deterioration

• Systematic monitoring of asset condition and performance

• Accurate determination of expenditure and maintenance requirements over the asset's life cycle to deliver desired service levels

• Accurate information and optimised decision-making for resource allocation on lifecycle basis

• Continued review of urban infrastructure design and construction standards to ensure the long term sustainability, resource efficiency, public safety and amenity of infrastructure provision.

ASSET MANAGEMENT RESOURCES

TECHNICAL RESOURCES

Council uses various technical and database resources to manage its assets. Road pavement (Council's road network) is managed with the aid of the Snowy Mountain Engineering Corporation's (SMEC) Pavement Management System (PMS). The system ensures that roads are consistently measured, assessed and prioritised to achieve cost effective programming of capital works. It has a sophisticated road deterioration model that assists in the development of proposed works programs and assesses the effectiveness of different strategies and funding levels. The status of asset management for road pavement is advanced under the IIMM.

Bridges, buildings and recreation assets - Council uses the CONFIRM asset management software to store asset information down to the component level. The asset information includes; register data, age, condition surveys, reports and treatment history. The status of asset management for these assets is considered core under the IIMM.

Drainage, footpath, signs, kerb and gutter - Council uses MapInfo software to spatially store asset information. The asset information includes; register data, age, condition surveys, reports and treatment history. The status of asset management for these assets is considered core under the IIMM. A summary of the asset management technical resources used by Council are as outlined in the following table.

TABLE 6: SUMMARY OF TECHNICAL RESOURCES

SYSTEM	DESCRIPTION	CURRENT USE
Pavement Management System (PMS) – SMEC	Identifies pavement condition and aids in road management planning	Used to its full potential as: Asset register, Modelling deterioration, Modelling works program
CONFIRM	Building asset register	Used as an asset register Data checks
CIVIL	Corporate information system	Used for financial tracking
Mapinfo	Drainage, footpath, kerb and gutter asset register	Asset register and condition rating

HUMAN RESOURCES

As identified through Councils Workforce Plan, Maitland City Council faces a number of challenges in planning a workforce for today and for the future. As asset management processes and equipment used changes in line with society and financial and technological influences, so does how we plan our workforce to reflect this. Working with the Resourcing Strategy Workforce Planning Group, the Asset Management team have identified these challenges and opportunities going forward.

In the development of the Workforce Plan, Information Technology Strategy, Long-term Financial Plan the following challenges and opportunities were identified:
• aging workforce
• skilling of employees to an emerging IT based asset management environment
• identifying appropriate and sufficient funding sources.

FINANCIAL RESOURCES

As apparent from the internal analysis, Council will need extra financial resources, in addition to s94 funding, to deliver its current levels of service.

Options to bridge this gap:

• Increase Council's revenue base

• Seek additional project funding through special grants or long term loans

• Phasing in funding over next 10 years for replacement of assets

• Focussing expenditure on essential and high priority works across all asset categories

• Asset rationalisation

• Increasing the effectiveness and utilisation of the existing asset base

• Deferring works with the recognition that this is not sustainable in the medium term

• Comprehensive review of service levels across all asset categories.

The Asset Management Strategy aligns with Council's corporate goals and integrated planning obligations. The actions proposed below are considered to be a practical mix of measures that will allow Council to achieve its asset objectives and address the funding gap. The avenues open to Council are limited, however the areas of revenue, rationalisation, efficiency and service levels are considered to be where the greatest opportunities lie. The issues of high population growth rates combined with existing asset maintenance and renewal expenditures have resulted in an immediate requirement for a sustained increase in funding for asset management.

Recommended actions:

1. Increase Councils revenue base across rates, intergenerational loans, operational efficiencies and grants to assist in funding infrastructure renewal.

2. Phasing in of funding over 10 years for replacement of assets.

3. Focussing expenditure on essential and high priority works across all asset categories.

4. Asset rationalisation where possible.

5. Increasing the effectiveness and utilisation of the existing asset base.

6. Deferring works with the recognition that this is not sustainable in the medium term.

7. Comprehensive review of service levels across all asset categories with an emphasis on what is realistic practical and achievable.

8. Regular review of this strategy.

LEVELS OF SERVICE ANALYSIS AND ASSET CONDITION

Council assesses service levels in two forms: community levels of service and technical levels of service.

Community levels of service relate to how the community perceives the service in terms such as safety, quality, quantity, reliability, responsiveness, cost/efficiency and legislative compliance. Council has to meet many legislative requirements under Federal and State legislation.

Council has for many years conducted an annual Customer Satisfaction survey. These surveys poll a sample of residents on their level of satisfaction with Council's services. Customer service requests also allow Council to determine the community's satisfaction with the level of service delivered for each asset category.

While community perception is of high importance, other objective asset health measures are needed to determine the actual level of service being delivered. These are operational or technical and environmental service levels. These measures are explained in more detail in each of the Asset Management Plans.

Performance measures have been developed to ensure that the minimum community and technical levels of service are met. Performance measures include information gathered during inspections by asset and operational staff, community feedback, condition rating and the amount of works completed.

Proposed improvements in identifying desired levels of service are as follows:

A. Identify service level options for each critical asset through enhanced stakeholder engagement, industry benchmarking and expert consultation, where necessary

B. Regular monitoring and public reporting of service levels

C. Technical performance measurement for agreed service levels and improvement mechanisms.

The following table shows where Council wants to be with respect to asset condition:
These asset conditions are a summary from the Asset Management Plans for these asset categories.

CONDITION 5 – Excellent Condition
CONDITION 4 – Good Condition
CONDITION 3 – Average Condition
CONDITION 2 – Poor Condition
CONDITION 1 – Very Poor Condition

TABLE 7: SUMMARY OF ASSET CONDITION BY CATEGORY AND ACCEPTABLE STANDARDS

ASSET DESCRIPTION		CURRENT STANDARD (% PROPORTION)		TARGET STANDARD (% PROPORTION)	
ASSET CATEGORY		CONDITION 1 – 2	CONDITION 3 – 5	CONDITION 1 – 2	CONDITION 3 – 5
1	Roads	17	83	15	85
2	Drainage	30	70	15	85
3	Bridges	25	75	15	85
4	Buildings	30	70	30	70
5	Aquatic Facilities	20	80	20	80
6	Recreation	20	80	15	85

PROCEDURES AND PROCESSES

COMMUNITY OUTCOME	A sustainable Council for a sustainable City
COMMUNITY STRATEGY	The management of Council's assets will be long term and focused on meeting the needs of the community now, and into the future
COUNCIL'S 4 YEAR OBJECTIVE	To maintain a contemporary asset policy, asset strategy and management plans for all Councils assets

KEY ACTIVITIES	YEAR	14/15	15/16	16/17	17/18	18/19	19/20	20/21
Review Asset Management Strategy				x				x
Review Council's Asset Management Policy				x				x
Identify assets that are critical to Council's operations and outline risk management strategies for these assets		x	x	x	x	x	x	x
Undertake condition assessment surveys of all asset categories and classes		x	x	x	x	x	x	x
Review asset registers for all assets under Council control		x	x	x	x	x	x	x
Develop specific actions required to improve Council's asset management capability and projected resources requirements and timeframes		x	x	x	x	x	x	x
Promote asset management through the organisation		x	x	x	x	x	x	x

KEY ACTIVITIES	YEAR	14/15	15/16	16/17	17/18	18/19	19/20	20/21
Communicate asset management roles and responsibilities through the organisation					x		x	
Report asset management improvements to demonstrate the benefits of implementing the Asset Management Strategy		x		x		x		x
Review asset management roles and responsibilities utilising an Asset Responsibility Matrix					x			
Ensure the asset management framework (policy, strategy & plans) is implemented		x	x	x	x	x	x	x
Incorporate life-cycle costing into all Asset Management Plans		x	x	x	x	x	x	x
Incorporate life-cycle costing into suitable Capital Works projects			x	x	x	x	x	x
Review and update existing levels of service			x		x		x	
Prepare long term cash flow predictions for asset maintenance, rehabilitation and replacement		x	x	x	x	x	x	x
Measure the financial and critical service requirements of the Asset Management Plan implementation			x		x		x	

KEY ACTIVITIES	YEAR	14/15	15/16	16/17	17/18	18/19	19/20	20/21
Better understand the implications of future demand for assets and incorporate into forward planning			x		x		x	
Review specific Asset Management Plans for all assets under Council's control		x	x	x	x	x	x	x
Centralise asset registers and ensure they are kept up-to-date regarding the condition, creation/acquisition, maintenance, renewal, refurbishment and disposal of assets		x	x	x	x	x	x	x
Provide input to the specification of a Corporate Asset Management System		x	x	x	x	x	x	x
Revalue assets at intervals in accordance with Australian Accounting Standards		x	x	x	x	x	x	x
Continue to document a prioritisation system for forward planning of capital and major maintenance works		x	x	x	x	x	x	x
Develop, implement and review risk management processes for advanced risk management		x			x		x	

PROCEDURES AND PROCESSES

Council has a combination of basic and sophisticated asset management procedures and processes in place to meet legislative and accounting requirements. These are outlined in the table below.

SYSTEM	APPLICATION
Resource allocation	Currently, a proportion of the decision-making for resource deployment is based on risk, reactive prioritisation and partly on lifecycle-based approach
Risk management	Risk management practices are in place for various asset categories, mentioned in detail under each asset management plan
Performance measurement	Relevant asset performance measures and monitoring mechanisms, mentioned in detail in each asset management plan
Data management	Using various technical resources, Council has developed a comprehensive data management system
Record keeping	To maintain transparency and accountability, A&I uses Council's corporate CIVIL system
Growth & demand management	Council currently adopts a basic approach to demand management. Growth forecasts for the next 10 years are obtained and drivers of demand are identified
Improvement systems	Asset Management Plans for each asset category provide a program for continuous improvement

RISK MANAGEMENT

Emphasis is given to risk management of critical assets. Council's current approach and risk management strategies for assets critical to Council's operations are summarised below.

TABLE 8: SUMMARY OF CURRENT APPROACH TO RISK MANAGEMENT

ASSET CLASS	ASSET	RISK	MANAGEMENT STRATEGIES
Public Roads	Road Pavement	Structural failure	Routine inspections and preventative maintenance program
Drainage	Pits and pipes	Blocked causing backup	Routinely maintain drainage system
Bridges	Bridges	Structural failure	Routine inspections and preventative maintenance program
Buildings	Key structures	Catastrophic structural failure	Routine inspections and preventative maintenance program
Recreation	Play equipment, park furniture	Personal injury	Routine inspections and preventative maintenance program
Aquatic Facilities	Pools	Personal injury	Routine inspections and preventative maintenance program

Council delivers asset management works in the following ways:

• Capital Works Program (CWP) - Four yearly rolling capital works programs are developed by A&I

• Annual maintenance programs - Monthly updated rolling annual maintenance programs are followed in coordination with operational staff

• Operating plans- Annual operating plans are prepared which form part of four year Delivery Program

• Regular review regime - Annual maintenance and capital works programs are reviewed regularly based on budget and changing priorities.

• Coordination processes - The interdepartmental coordination processes followed for implementation of current asset management practice are determined. This has been further enhanced by the restructuring of groups in Appearance and Infrastructure.

HOW WILL WE GET THERE?

Council has undertaken a gap analysis to compare the current asset management system with the projected future requirements. The actions proposed to lessen the gap are based on the following:

• Maintenance and renewal of the existing infrastructure without the acquisition of additional assets or major upgrades except via S94.

• Recognising that any one off major capital projects such as new facilities will have to be funded by other means such as loan borrowing or grants.

• Continued focus of asset management on the core infrastructure that underpins Council services.

• Provision of sustainable funding levels for replacement/renewal of the asset.

• Current service levels maintained with a gradual and sustainable improvement if a funded replacement programme is provided.

• Meeting all statutory, duty of care, and best practice requirements.

• Minimising whole of life costs.

The gap analysis table on the following pages identifies the elements, current practices, requirements for the future and actions to bridge the gap, for Asset Information, Resources, Levels of Service and Procedures and Processes.

GAP ANALYSIS

ASSET INFORMATION

ELEMENTS	CURRENT PRACTICES	FUTURE REQUIREMENTS	ACTIONS TO BRIDGE THE GAP
Asset attributes	Reasonable and reliable	Increase accuracy	Perform rigorous assessments along set criteria for each critical asset
Asset condition	Risk and performance based for critical assets 5 category model for all assets Sophisticated for some categories (eg. PMS for roads)	At component level for all Systematic monitoring	Formulate condition monitoring programs Maintain detail inventory for each critical asset and asset components, including maintenance programs Making sure that new assets and upgrades are recorded automatically in asset registers
Asset performance	Based on existing systems eg. inspections, feedback and works completed	Sophisticated performance management system at component level for critical assets	Implement asset preservation performance measures Operational performance measures
Valuation	Valuation in accordance with accounting standard	More accurate valuations by having a better understanding of asset consumption	Maintain a record of depreciation and effective useful remaining life
Life cycle costing	Reasonable estimates for current levels of service exist	Increase accuracy and lifecycle knowledge Review desired level of service	Develop robust cost models for each critical asset
Urban design & technical standards	Meet current Legislative requirements	Incorporated standards for long term sustainability, resource efficiency, public safety and amenity	Implement industry best practises and adhere to standards in each activity Review MoES (Manual of Engineering Standards)
Asset Management Plans	Core asset plans for assets completed Roads asset management plan is at an advanced stage	Advanced 'whole council' approach Move from core to advanced asset management	As a result of strategy implementation, complete advance Asset Management Plans and implement them

RESOURCES

ELEMENTS	CURRENT PRACTICES	FUTURE REQUIREMENTS	ACTIONS TO BRIDGE THE GAP
Financial	Deferred expenditures Reasonable estimates	Self sustained on whole life basis Robust forecast modelling	Increase expenditure Innovative asset management tactics like partnerships, contract strategies, leasing, etc. Alternate funding sources and strategies
Human	Adequate	Optimise	Impart training to staff where required to keep up-to-date with latest advances in asset management
Technical	Adequate	Latest AM software	Procure best practice asset management software systems based on 'cost benefit' and 'fit-to-purpose' criteria
Alignment	Aligned with short term objectives	Integrated with long term corporate objectives	Integrate resource planning with implementation of asset management plans and with corporate planning. Raising organisation's awareness on what is required to manage assets effectively.

LEVELS OF SERVICE

ELEMENTS	CURRENT PRACTICES	FUTURE REQUIREMENTS	ACTIONS TO BRIDGE THE GAP
Customer engagement	Customer surveys and customer requests	All stakeholder groups involved	Perform formal consultation with users of service and other stakeholders
Knowledge of service levels- customer needs, legislative and technical	Legislative service levels Limited by resources	Detail understanding of drivers Key service criteria identified for critical assets	Identify drivers for service and key service criteria for each critical asset Develop specifications against each criteria for effective measurement
Technical service delivery	Best practice, but not optimised	Option based Best practise, optimised	Exploring options for flexibility in methods of service delivery. eg: - re-assessment of the need for some assets - regional asset creation - balancing resourcing levels
Performance measurement	Based on existing systems	Systematic measurement across business and technical dimensions	Develop performance indicators for each critical asset across business and technical dimensions Continue to shift from reactive to proactive regime
Monitoring & reporting performance	Legislative, partial benchmarking	Benchmark critical assets	Monitor performance indicators regularly in a pre-defined schedule. The results are recorded in an easily extractable system. Benchmark with similar Councils
Alignment	Aligned with 'Maitland +10'	Fully aligned with community strategic plan	Link performance indicators to objectives of community strategic plan

PROCEDURES AND PROCESSES

ELEMENTS	CURRENT PRACTICES	FUTURE REQUIREMENTS	ACTIONS TO BRIDGE THE GAP
Resource allocation	Prioritisation based on criticality of asset & basic risk rating	Integrated and multi disciplinary prioritisation based on lifecycle approach	Prioritisation of investments, interventions and maintenance activities based on multiple weighted criteria of 'whole-life', 'cost-benefit', 'risk basis' and 'fit-to-purpose'. Review project evaluation methods for better financial and technical integration
Information management	Databases, spreadsheets, asset registers, basic risk management and maintenance records Advanced for some assets eg: roads	Capable of analysis and integrated across financial management, risk management, lifecycle costing, treatment options and cost-benefits. Integrated with corporate information system	Identify systems required to manage assets effectively, and manage works management information as well as historical information Procure such systems with integration and modelling capabilities
Risk management	Identification of critical assets Basic risk management (advanced for some categories)	Application to critical assets at individual asset level Compliant with ISO 31000 Integrated with natural disaster recovery plans Integrated with corporate risk management	Quantification of probability and consequences of occurrence of risk event Identifying linkages and interrelationships in different networks and assess impact Integrate with natural disaster recovery plans
Demand management	Core understanding	Identification and analysis of key drivers Application of Modelling techniques	Develop strategies to manage impact of demand for critical assets Develop supply and demand strategies such as control of operations, regulations, incentive to manage demand
Performance measurement	Technical performance measurement based on 'fit to purpose' approach, to maintain current levels of service	Sophisticated system based on key performance indicators for overall asset management system Utilisation of well defined performance indicators for critical assets	Advise service delivery standards to stakeholders on annual basis Develop business and technical performance indicators and monitor against industry benchmarks Issue regular informative variance reports to stakeholders; strive for 100% compliance

MONITORING THE PERFORMANCE OF OUR ASSET MANAGEMENT STRATEGY

The performance measure for the strategy is divided into two categories:

1. Operational measures: The initial performance criterion for the strategy is 'milestone based'. This will monitor the progress of the strategy execution based on milestones achieved within set timeframes.

2. Impact measures: This will monitor the success of the strategy itself, based on achieving objectives of asset management and its related objectives from the community strategic plan. The measures are:

MEASURE	MEASUREMENT CRITERIA	UNIT	MEASURING TOOL
Whether relevant stakeholders are committed to asset management	Information dissemination Level of service satisfaction	Awareness level Satisfaction level	User satisfaction surveys
To ensure efficient use of resources	Financial efficiency measures	As applicable to each asset category	Applicable to each asset category
Reduction in risk	Reduction in asset failures Continuity of service delivery	Number of incidents Days service continued	Various operational reports

Performance monitoring of the strategy will be undertaken through Council's usual process of translating key performance measures into revised operational plans.

ASSET MANAGEMENT PERFORMANCE MONITORING AND REVIEW MECHANISMS

Performance monitoring of Council asset management is undertaken by Council is Asset Management Group. This group comprises of Managers representing Council departments of:

• Finance
• Infrastructure Planning and Development Engineering
• Community and Recreation Services
• Infrastructure Construction and Maintenance
• Infrastructure Projects and Building Services.

The Executive Leadership Team is ultimately responsible for the monitoring and review of asset management planning, comprising of:

• General Manager
• Executive Manager People and Performance
• Executive Manager Corporate Services
• Executive Manager Planning, Evironment and Lifestyle
• Executive Manager Appearance and Infrastructure
• Executive Manager Corporate Planning and Engagement
• Executive Manager Strategic Projects

REVIEW MECHANISMS FOR OUR ASSET MANAGEMENT STRATEGY

The strategy is a live document. It will be annually monitored for its progress and success. Necessary corrective measures will be taken and incorporated as necessary. Some amendments to activities will be necessary depending upon results of performance monitoring.

OUR LONG TERM FINANCIAL PLAN

INTRODUCTION

The development of a long term financial plan is vital for informing both Council and our community about the long term financial position of our organisation.

A long term financial plan is essentially a financial projection, quantifying the cost of providing Council's services for the next 10 years. It is more comprehensive than a budget and includes, in addition to the financial statements, a written commentary and scenario options. It projects the impact of Council's revenue against operational and capital expenditure forecasts. Our projections take into account assumptions for economic factors, changes to service delivery levels, potential future changes to our service mix and major capital (asset) expenses.

The aim of our long term financial plan is to not only ensure the financial sustainability of Council over the longer term, but also provide for the maintenance and construction of Council's assets into the future.

Our long term financial model provides:

• An indication of the future financial position of Council based on delivering service levels as outlined in our Delivery Program and Asset Management Strategy and Plans;

• A projection of the costs of long-term strategic decisions to inform debate;

• A tool to assist Council to determine the financial sustainability of both current and projected future service levels;

• A method to determine the risks of embarking on future strategic directions;

• A capability for Council and the community to test scenarios of different policies and service levels;

• A mechanism to test the sensitivity and robustness of key assumptions underpinning a range of strategic planning options

• A vital contribution to the development of Council's Asset Management Strategy and plans.

Council has had a long term financial planning model in place since 2005, with this model having strong links to our asset management strategy. It is through this modelling that Council has remained aware of its asset maintenance backlog, with some $71 million of works required to bring ageing assets (such as roads, footpaths, bridges, drainage and community buildings) up to contemporary community standards.

The evolution of the ten year community strategic plan 'Maitland +10' has further informed Council of community priorities for infrastructure construction/maintenance and service provision over the next decade. These priorities have been factored into Council's financial plan. All elements of our Resourcing Strategy have evolved to marry with community priorities and Council's objectives from our Delivery Program.

Our long term financial plan has informed the development of our application to increase rating by 7.25% each year for seven years, commencing in 2014/15.

OUR SOURCES OF REVENUE

RATING

Income from rates generally forms the largest single portion of a Councils total overall revenue. Rating income is generated from four rating categories, being farmland, residential, mining and business.

Maitland City Council's rates base consists of approximately 29,960 rateable properties, encompassing the residential, farming, business and mining sectors. Although rates income is the largest revenue stream for Council, it still comprises less than half of Council's total revenue in any year.

For 2014/15, Maitland City Council's total adjusted budgeted revenue is $84.0 million (excluding non cash developer road and drainage dedications), of which $42.4 million was generated from rating revenue.

Council's ordinary rating revenue as a proportion of total revenue (excluding non cash developer road and drainage dedications) over the past 5 years was as follows:

TABLE 1:

YEAR	%
2014 (projected)	42.2%
2013 (actual)	41.6%
2012 (actual)	41.3%
2011 (actual)	40.9%
2010 (actual)	44.2%

FEES AND CHARGES

Council's fees and charges relate to the recovery of service delivery costs by charging fees to users of Council services. These include Council's waste facility, a wide variety of community facilities, including parks, sportsgrounds, Walka Water Works, community halls, the Town Hall, Senior Citizens Centre and swimming pools.

This revenue stream also includes regulatory and statutory fees including development application fees and fees for Section 149 (zoning) certificates, Section 603 (rates) certificates and construction certificates, however these fees are set by legislation.

Section 610D of the Local Government Act, 1993, provides that when determining a fee for service, a Council must take into consideration the following factors:

• The cost to the Council of providing the service,
• The price suggested for that service by any relevant industry body or in any schedule of charges published, from time to time, by the Department of Local Government,
• The importance of the service to the community,
• Any factors specified in the Local Government (General) Regulations.

Further, in developing a conceptual framework for specific pricing policies, Council should consider a range of issues, including:

• That the setting of fees and charges is cognisant of Council's environmental, social and financial objectives

• That user based charges recognise the needs of the disadvantaged in our community and that where appropriate Council's fee structures recognise the capacity to pay of those service users who may have a limited capacity to pay.
• That Council's fees and charges are reviewed annually taking into account any increases in the underlying rate of inflation.
• That the optimum use of Council facilities and resources in the context of Council's Asset Management Strategy is considered in the setting of user pays based fees and charges.
• That community users of Council services are effectively consulted prior to the introduction of any new or varied service charges.

The pricing policy applied to a particular service is also guided by Council's motivation for being involved in the service.

Preliminary reviews have shown there is scope for increasing, over time, the cost recovery level for selected services provided by Council. Such services may include use of sporting fields, parks, community facilities and swimming pools. Council will look to undertake a more comprehensive analysis over upcoming years, which will consider a wide range of factors.

GRANTS AND SUBSIDIES

Council receives specific grants, both operating and capital, from the Federal and State Governments to support the funding of a range of Council services and major capital projects, including environmental projects, community service programs, road safety programs, public library operations and road construction works.

This revenue stream also includes the Commonwealth financial assistance and local roads grants paid through the NSW Grants Commission.

Other than the annual untied Commonwealth financial assistance grant (FAG) and local roads grants ($6.6m in 2014/15), the Library per capita grant ($169K in 2014/15), and some of the Roads & Maritime Services (RMS) road maintenance grants, Council's grant funding is generally uncertain. Council is, however, confident of realising more grants over the next ten years. A range of new programs have been developed at a State and Federal level for which council will be eligible to apply and well positioned to achieve.

BORROWINGS

Each year Council borrows funds for specific capital works projects, including road, drainage, access and bridge construction works. Our past annual loan drawdown was $1 million, with this increasing to $4.8m per annum from 2014/15.

It is recognised that long term borrowings can be a useful tool for funding the renewal or development of major new assets. It is important that the utilisation of debt as a funding tool is applied judiciously, and used to fund long lived infrastructure of benefit to multiple generations.

INVESTMENTS

Councils are limited by Section 625 of the *Local Government Act 1993*, to the types of investments that can be made. Investments must be in accordance with the *Local Government Act 1993* Investment Order, which is issued by the Minister for Local Government.

In accordance with Division of Local Government guidelines, Council has adopted an Investment Policy, with its current Policy being last revised on 25 September 2012.

The principle objective of Council's Investment Policy is for Council to adopt a prudent approach to investments with the primary focus being the preservation of capital.

Council's cash flow is monitored on a daily basis, however given that the principle objective of Council's Investment Policy is the preservation of capital, there is little scope available to Council to generate additional revenue from changes to its investment practices.

SECTION 94 DEVELOPER CONTRIBUTIONS

Section 94 of the Environmental Planning and Assessment Act, 1979, gives Council the power to levy contributions from developers for public infrastructure required as a consequence of their development.

Contributions may be in the form of cash payments, transfer or dedication of land to Council or the provision of a material public benefit (generally known as works in kind).

For Council to levy contributions, there must be a clear nexus between the proposed development and the need for the public infrastructure for which the levy is being required. Consequently, there are limitations on the types of works that Section 94 funds can be utilised for, and a strict legislative framework that guides the collection and management of such funds.

OTHER REVENUE

Council also receives income from various other sources. The levels of these revenue streams vary significantly on a year by year basis and include the following:

Asset Sales

Council has an extensive asset base, with the written down value of its land and buildings at 30 June 2013 totalling $204 million.

If an asset deemed surplus to requirements could be sold, not only would sales revenue be generated, there would be an ongoing reduction in maintenance costs currently being outlaid on maintaining the asset. Further, as properties move from Council to private ownership, Councils rate income would be enhanced to some extent.

A number of issues may arise in relation to the sale of Council assets, including:

- Resistance from user groups

- Negative response from the community in general

- Lengthy reclassification process if the assets are built on Community land

- Lengthy reclassification process if the assets were funded by S.94 developer contributions.

Council is looking to sell operational land in the west of the City, which will generate a financial return of $10-$15 million. This will be used for infrastructure works.

Council will continue to review its land holdings to maximise public benefit.

Entrepreneurial Activities

Council's entrepreneurial activities are currently limited to generating rental and lease income from property, merchandise sales and various tourism activities.

Any greater involvement in entrepreneurial activity as a means of generating additional revenue requires careful consideration in terms of:

• The levels of risk associated with any business venture

• Remaining "competitively neutral". i.e. ensuring there is no subsidisation of business costs from general revenue

• Effective and appropriate utilisation of Council resources; and

• The level of community support for such activities by Council.

CASH RESERVES

At any one time, Council holds money in 'reserves'. These reserves are for specific, identified purposes such as employee leave entitlements, waste depot rehabilitation and transfer stations, and computer replacement costs. The cash held within each reserve forms part of Council's investments.

OUR REVENUE STRATEGY

Council first adopted a Revenue Strategy in 2010. This strategy highlights the increasing financial challenges facing Council, identifies the revenue streams available to Council and recommends the following as a means of increasing our revenue base:

• Review all current fees and charges and levels of cost recovery;

• Identify and seek additional grant funding;

• Incorporate discussion of rating, and avenues for special rate variations, into Council's community strategic planning process;

• Review Council's Annual Borrowing Policy;

• Review Council's Investment Policy and cash flow processes;

• Review and monitor Council's Section 94 Plans and Policies;

• Identify opportunities to rationalise Council's asset base;

• Canvass community support to undertake entrepreneurial activities;

• Review Council's service levels and methods of service delivery.

OUR PRICING POLICY

Council adheres to the following principles when setting fees and charges.

TABLE 2:

MOTIVE	PRICING PRINCIPLE
Public Goods and the Exclusion Principle	Council services may be provided free of charge in those circumstances where it is impossible or impractical to exclude users who for various reasons do not have the ability to pay
Externalities	Fees may be discounted to a level below the cost of a service where the production or consumption of the service generates external benefits to the community (hence creating a community service obligation); provided the cost of the discount does not exceed the estimated benefit
Merit Goods	Fees may be discounted to a level below the cost of a service if full cost recovery would prevent or discourage its consumption and the service is regarded as having particular merit to the welfare and well-being of the community (hence creating a community service obligation); provided the cost of the discount does not exceed the estimated benefit
Natural Monopoly	Where Council has a monopoly over the production of a good or service, prices should be set at a level to fully recover costs unless there are explicit community service obligations or equity objectives

LONG TERM FINANCIAL PLANNING ASSUMPTIONS

Our long term financial plan and model is underpinned by the following assumptions:

• Maitland's population continuing to grow at 2,000 new residents each year (2.5% growth rate). This assumption is based on annual growth rates experienced over recent years, and knowledge of projected residential developments over the next ten years from both Council's, and the NSW Government's, strategic land use planning documents.

• Inflation (CPI) has been assumed at 3% per annum for the next 10 years. This is based on the Reserve Bank's monetary policy, which is set to achieve an inflation rate of between 2-3% on average. This rate has been borne out over the past 10 to 15 years.

• CPI has been applied to a number of Council's expense and income streams including general user fees and charges, regulatory services, grants and subsidies.

• Salary increases have been determined based on Award changes, already established for the first three years of the plan (3.25% for Years 1 and 2). For subsequent years, our model has projected a 3.5% increase.

• Competency increases for progression through Council's salary system have been estimated at 1.5% each year. This has been a consistent figure borne out in our annual budgets over recent years.

• Construction costs have been assumed to increase by 5%, plus an additional growth factor of 1%. This is based on Council's knowledge of actual construction costs as relevant to our business, in addition to published construction industry projections and price index.

• Street lighting costs are anticipated to continue to increase and have been modelled in the plan to increase at 5% per year. Council has experienced significant increases in network charges for street lighting over recent years and anticipates this will continue.

• NSW State Government Waste Levy increases on waste received at Council's waste depot have been factored into the model. The increases are determined by annual CPI plus an additional $10.00/tonne per year.

• Carbon tax payments applicable to Council's waste operations have been modelled in the plan

• Interest on investments has been set at 4.23% in Year 1, increasing progressively to reach 6.31% in Years 9 and 10. This has been modelled on advice from Council's investment advisors.

• Increasing Council's annual loan drawdown to $4.8 million/annum over the next ten years.

• Operating expenses, excluding street lighting, have also been modelled on CPI increases of 3% per annum over the next ten years. Operating expenses include items such as telephone expenses, advertising and cleaning services.

• Staffing increases at five full time equivalents each year, plus additional staff required for a new indoor heated pool.

• Increasing grants, with $13 million modelled over the next 10 years.

• An annual productivity saving of $500,000 commencing in 2015/16.

SCENARIOS

In developing our long term financial plan, Council has identified three scenarios to indicate our financial position in ten years.

OPTION 1 (CONSERVATIVE) – MAINTAINING CURRENT SERVICES AND SERVICE LEVELS, NO INCREASE IN REVENUE, RATE PEG ONLY APPLIED, $122 MILLION PROJECTED DEFICIT OVER TEN YEARS

This option is based on rate growth being limited to rate peg percentages as determined annually by IPART without variation and highlights the revenue deficiency that Council faces. The projected deficit at the end of Year 10 is $122 million. It should be noted that this does not indicate a cash deficit, but rather reflects the revenue that is required by Council over the ten year period to maintain current levels of service. This option does not address Council's infrastructure backlog, but merely maintains it at its current level. Clearly, this option is not a suitable position and would see a significant reduction in levels of service or discontinuation of services in order for Council to maintain a balanced budget.

OPTION 2 (PLANNED/PREFERRED) – MAINTAINING CURRENT SERVICES AND ENHANCING SERVICE LEVELS IN AREAS OF COMMUNITY PRIORITY, INCREASED USE OF DEBT, INCREASED GRANT REVENUE, INTRODUCTION OF PRODUCTIVITY FACTOR, INCREASING REVENUE BY $131 MILLION OVER TEN YEARS, PROJECTED SURPLUS OVER TEN YEARS

This option provides sufficient revenue for Council to maintain current services and enhance service levels in areas of community priority to an increasing population, resulting in a cash surplus at the end of Year 10 of $168,000. A primary source of this revenue increase would be rates, modeled at Council's preferred levels of 7.25% increase to total rates each year for seven years, retained permanently in the base. This would

be complemented by increasing borrowings to $4.8 million per annum (taking our debt service ratio to 7.5% in 2023/24), and realising an additional $13 million in grants over the next ten years. A productivity factor of $500,000 per annum has also been introduced. It should be noted that this option does not directly address Council's infrastructure backlog, but allows for a gradual reduction.

OPTION 3 (OPTIMISTIC) – ENHANCING ALL CURRENT SERVICES AND SERVICE LEVELS, BACKLOG WORKS ACCELERATED, INCREASED USE OF DEBT, INCREASED GRANT REVENUE, INTRODUCTION OF PRODUCTV-ITY FACTOR, INCREASING REVENUE BY $139 MILLION OVER TEN YEARS, PROJECTED SURPLUS OVER TEN YEARS

This option provides sufficient revenue for Council to continue to enhance the services and facilities expected by our growing community over time. A primary source of this revenue increase would be rates, modeled at an 8.35% increase to total rates each year for seven years, retained permanently in the base. This would be complemented by increasing borrowings to $4.8 million per annum (taking our debt service ratio to 7.4% in 2023/24), and realising an additional $13 million in grants over the next ten years. A productivity factor of $500,000 per annum has also been introduced. It also provides funding to begin addressing the City's infrastructure backlog and new infrastructure projects, such as Stage 2 Aquatics Facility. The projected surplus at end of Year 10 is $8.1 million, which would enable Council to deliver appropriate infrastructure or other projects, following consultation with the community.

Maitland City Council
Long Term Financial Plan
Income Statement
For the period 2014/15 to 2023/24
Option 1 - Rate Peg Only (Conservative)

	Year 1 Draft 2014/15 ($'000)	Year 2 Estimate 2015/16 ($'000)	Year 3 Estimate 2016/17 ($'000)	Year 4 Estimate 2017/18 ($'000)	Year 5 Estimate 2018/19 ($'000)	Year 6 Estimate 2019/20 ($'000)	Year 7 Estimate 2020/21 ($'000)	Year 8 Estimate 2021/22 ($'000)	Year 9 Estimate 2022/23 ($'000)	Year 10 Estimate 2023/24 ($'000)	Total 2014/15 to 2023/24 ($'000)
Income from continuing operations											
Revenue:											
Rates and annual charges	52,500	55,263	57,136	59,713	62,531	63,526	66,253	69,099	72,048	75,039	633,108
User charges and fees	6,415	6,917	7,345	7,796	8,272	8,773	9,313	9,877	10,469	11,102	86,279
Interest and investment revenue	2,760	3,270	3,027	2,743	2,871	2,551	2,608	2,660	2,708	2,711	27,909
Other revenues	2,100	2,163	2,228	2,294	2,362	2,431	2,502	2,577	2,654	2,734	24,045
Grants and contributions - operating	9,542	9,712	9,988	10,271	10,563	10,861	11,168	11,482	11,808	12,139	107,534
Grants and contributions - capital	8,696	10,276	10,307	10,339	10,372	10,406	10,440	10,476	10,513	10,551	102,376
Other Income:											
Net gain from the disposal of assets	0	3,000	5,000	7,000	0	0	0	0	0	0	15,000
Total income from continuing operations	82,013	90,601	95,031	100,156	96,971	98,548	102,284	106,171	110,200	114,276	996,251
Expenses from continuing operations											
Employee benefits and on-costs	27,578	29,872	31,867	33,974	36,197	38,542	41,017	43,426	45,956	48,614	377,043
Borrowing costs	1,587	1,548	1,511	1,447	1,336	934	880	847	796	685	11,571
Materials and contracts	13,656	14,470	15,131	15,711	16,297	16,890	17,494	18,107	18,729	19,358	165,843
Depreciation and amortisation	15,920	16,391	16,875	17,375	17,889	18,160	18,705	19,264	19,841	20,438	180,858
Other expenses	17,219	18,663	20,542	21,771	23,444	25,190	27,424	28,942	30,953	33,064	247,212
Net loss from the disposal of assets	0	0	0	0	0	0	0	0	0	0	0
Total expenses from continuing operations	75,960	80,944	85,926	90,278	95,163	99,716	105,520	110,586	116,275	122,159	982,527
Operating result from continuing operations	6,053	9,657	9,105	9,878	1,808	(1,168)	(3,236)	(4,415)	(6,075)	(7,883)	13,724
Less: Transfers to Reserves & Balance Sheet Items											
Transfers to internal reserves	(1,715)	(6,142)	(7,206)	(9,490)	(3,101)	(449)	(452)	(456)	(459)	(463)	(29,933)
Transfers to S.94 / S.94A reserves	(8,900)	(10,776)	(10,811)	(11,113)	(11,183)	(11,211)	(11,235)	(11,257)	(11,271)	(11,249)	(109,006)
Plant & equipment purchases	(1,461)	(2,658)	(3,494)	(1,981)	(1,645)	(1,695)	(3,142)	(4,079)	(2,303)	(1,907)	(24,365)
Other capital expenditure	(16,368)	(19,716)	(21,503)	(17,594)	(26,472)	(17,401)	(21,041)	(20,517)	(19,546)	(19,378)	(199,536)
Principal repayments - Loans	(2,511)	(2,402)	(2,636)	(2,573)	(2,439)	(2,454)	(2,240)	(2,249)	(2,230)	(2,311)	(24,045)
Principal repayments - Hire purchase	(623)	(617)	(596)	(664)	(701)	(741)	(756)	(760)	(773)	(817)	(7,048)
	(31,578)	(42,311)	(46,246)	(43,415)	(45,541)	(33,951)	(38,866)	(39,318)	(36,582)	(36,125)	(393,933)
Total funds required	(25,525)	(32,654)	(37,141)	(33,537)	(43,733)	(35,119)	(42,102)	(43,733)	(42,657)	(44,008)	(380,209)

	Year 1 Draft 2014/15 ($'000)	Year 2 Estimate 2015/16 ($'000)	Year 3 Estimate 2016/17 ($'000)	Year 4 Estimate 2017/18 ($'000)	Year 5 Estimate 2018/19 ($'000)	Year 6 Estimate 2019/20 ($'000)	Year 7 Estimate 2020/21 ($'000)	Year 8 Estimate 2021/22 ($'000)	Year 9 Estimate 2022/23 ($'000)	Year 10 Estimate 2023/24 ($'000)	Total 2014/15 to 2023/24 ($'000)
Funded by:											
Loan drawdowns - Status Quo	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	10,000
Loan drawdowns - Additional	0	0	0	0	0	0	0	0	0	0	0
Hire purchase drawdowns	0	1,153	1,944	384	0	0	1,396	2,281	451	0	7,609
Non cash funding - depreciation	15,920	16,391	16,875	17,375	17,889	18,160	18,705	19,264	19,841	20,438	180,858
Non cash funding - amortisation of tip asset	227	235	242	250	258	0	0	0	0	0	1,212
Transfers from internal reserves	1,781	7,449	6,200	8,200	9,405	250	250	250	250	250	34,285
Transfers from S.94 / S.94A reserves	4,198	2,191	2,194	2,197	2,138	2,141	2,175	2,178	2,381	2,385	24,178
	23,126	28,419	28,455	29,406	30,690	21,551	23,526	24,973	23,923	24,073	258,142
Cash surplus (deficit)	(2,399)	(4,235)	(8,686)	(4,131)	(13,043)	(13,568)	(18,576)	(18,760)	(18,734)	(19,935)	(122,067)
Add: Productivity savings	0	0	0	0	0	0	0	0	0	0	0
Adjusted cash surplus (deficit)	(2,399)	(4,235)	(8,686)	(4,131)	(13,043)	(13,568)	(18,576)	(18,760)	(18,734)	(19,935)	(122,067)
Notes											
1. Transfers to internally restricted assets:											
ELE reserve	0	(80)	(89)	(92)	(95)	(99)	(102)	(106)	(109)	(113)	(885)
Economic development reserve	0	(3,000)	(5,000)	(7,000)	0	0	0	0	0	0	(15,000)
Computer reserve	(200)	(300)	(300)	(300)	(300)	(300)	(300)	(300)	(300)	(300)	(2,900)
Environmental works reserve	0	0	0	0	0	0	0	0	0	0	0
Workers compensation reserve	0	0	0	0	0	0	0	0	0	0	0
Competencies reserve	0	0	0	0	0	0	0	0	0	0	0
Asset management reserve	0	0	0	0	0	0	0	0	0	0	0
CBD / Mall Construction Reserve	0	0	0	0	0	0	0	0	0	0	0
Compensatory habitat reserve	0	0	0	0	0	0	0	0	0	0	0
Waste depot construction reserve	(500)	(1,000)	(1,000)	(1,000)	(1,000)	(50)	(50)	(50)	(50)	(50)	(4,750)
Waste depot rehabilitation reserve	(520)	(1,043)	(817)	(1,098)	(1,706)	0	0	0	0	0	(5,184)
Transfer station construction reserve	(495)	(719)	0	0	0	0	0	0	0	0	(1,214)
Unrestricted cash reserve	0	0	0	0	0	0	0	0	0	0	0
Floodplain management construction reserve	0	0	0	0	0	0	0	0	0	0	0
Asset protection zone maintenance reserve	0	0	0	0	0	0	0	0	0	0	0
	(1,715)	(6,142)	(7,206)	(9,490)	(3,101)	(449)	(452)	(456)	(459)	(463)	(29,933)

	Year 1 Draft 2014/15 ($'000)	Year 2 Estimate 2015/16 ($'000)	Year 3 Estimate 2016/17 ($'000)	Year 4 Estimate 2017/18 ($'000)	Year 5 Estimate 2018/19 ($'000)	Year 6 Estimate 2019/20 ($'000)	Year 7 Estimate 2020/21 ($'000)	Year 8 Estimate 2021/22 ($'000)	Year 9 Estimate 2022/23 ($'000)	Year 10 Estimate 2023/24 ($'000)	Total 2014/15 to 2023/24 ($'000)
2. Transfers from internally restricted assets											
ELE reserve	0	0	0	0	0	0	0	0	0	0	0
Economic development reserve	0	3,000	5,000	7,000	0	0	0	0	0	0	15,000
Computer reserve	638	450	200	200	200	200	200	200	200	200	2,688
Environmental works reserve	0	0	0	0	0	0	0	0	0	0	0
Workers compensation reserve	250	0	0	0	0	0	0	0	0	0	250
Competencies reserve	0	0	0	0	0	0	0	0	0	0	0
Asset management reserve	300	0	0	0	0	0	0	0	0	0	300
CBD / Mall Construction Reserve	0	0	0	0	0	0	0	0	0	0	0
Compensatory habitat reserve	0	0	0	0	0	0	0	0	0	0	0
Waste depot construction reserve	500	1,000	1,000	1,000	1,000	50	50	50	50	50	4,750
Waste depot rehabilitation reserve	0	0	0	0	8,205	0	0	0	0	0	8,205
Transfer station construction reserve	0	2,999	0	0	0	0	0	0	0	0	2,999
Unrestricted cash reserve	0	0	0	0	0	0	0	0	0	0	0
Floodplain management construction reserve	48	0	0	0	0	0	0	0	0	0	48
Asset protection zone maintenance reserve	45	0	0	0	0	0	0	0	0	0	45
	1,781	7,449	6,200	8,200	9,405	250	250	250	250	250	34,285

Maitland City Council
Long Term Financial Plan
Balance Sheet
For the period 2014/15 to 2023/24
Option 1 - Rate Peg Only (Conservative)

	Year 1 Draft 2014/15 ($'000)	Year 2 Estimate 2015/16 ($'000)	Year 3 Estimate 2016/17 ($'000)	Year 4 Estimate 2017/18 ($'000)	Year 5 Estimate 2018/19 ($'000)	Year 6 Estimate 2019/20 ($'000)	Year 7 Estimate 2020/21 ($'000)	Year 8 Estimate 2021/22 ($'000)	Year 9 Estimate 2022/23 ($'000)	Year 10 Estimate 2023/24 ($'000)
ASSETS										
Current assets										
Cash & cash equivalents	2,200	2,200	2,200	2,200	2,200	2,200	2,200	2,200	2,200	2,200
Investments	33,699	29,166	23,431	23,314	19,409	19,420	19,428	19,449	19,358	19,254
Receivables	2,460	2,629	2,701	2,794	2,909	2,957	3,068	3,185	3,306	3,428
Inventories	454	468	482	496	511	526	542	558	575	592
Other	0	0	0	0	0	0	0	0	0	0
Investments using equity method	129	129	129	129	129	129	129	129	129	129
Total current assets	38,942	34,592	28,943	28,933	25,158	25,232	25,367	25,521	25,568	25,603
Non-current assets										
Investments	23,932	20,911	17,088	17,010	14,406	14,414	14,418	14,432	14,372	14,303
Receivables	0	0	0	0	0	0	0	0	0	0
Inventories	0	0	0	0	0	0	0	0	0	0
Infrastructure, property, plant and equipment	830,137	847,255	866,512	879,847	901,310	913,481	930,294	946,961	960,504	972,886
Total non-current assets	854,069	868,166	883,600	896,857	915,716	927,895	944,712	961,393	974,876	987,189
Total assets	893,011	902,758	912,543	925,790	940,874	953,127	970,079	986,914	1,000,444	1,012,792
LIABILITIES										
Current liabilities										
Payables	4,573	4,805	4,992	5,147	5,290	5,347	5,512	5,686	5,858	6,013
Projected cash shortfall	0	0	0	4,251	18,672	33,607	53,575	73,692	93,955	115,401
Borrowings	2,831	3,232	3,237	3,140	3,195	2,831	3,009	3,003	3,128	1,880
Provisions	9,999	10,474	10,998	11,548	12,125	12,731	13,368	14,036	14,738	15,475
Total current liabilities	17,403	18,511	19,227	24,086	39,282	54,516	75,464	96,417	117,679	138,769
Non-current liabilities										
Payables	0	0	0	0	0	0	0	0	0	0
Borrowings	16,221	14,954	14,661	12,905	10,710	8,879	8,101	8,379	6,702	5,822
Provisions	7,584	7,833	8,090	8,356	8,631	8,649	8,667	8,686	8,706	8,727
Total non-current liabilities	23,805	22,787	22,751	21,261	19,341	17,528	16,768	17,065	15,408	14,549
Total liabilities	41,208	41,298	41,978	45,347	58,623	72,044	92,232	113,482	133,087	153,318
Net assets	851,803	861,460	870,565	880,443	882,251	881,083	877,847	873,432	867,357	859,474
EQUITY										
Retained earnings	590,998	600,655	609,760	619,638	621,446	620,278	617,042	612,627	606,552	598,669
Revaluations reserves	260,805	260,805	260,805	260,805	260,805	260,805	260,805	260,805	260,805	260,805
Total equity	851,803	861,460	870,565	880,443	882,251	881,083	877,847	873,432	867,357	859,474

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Maitland City Council
Long Term Financial Plan
Cash flow statement
For the period 2014/15 to 2023/24
Option 1 - Rate Peg Only (Conservative)

	Year 1 Draft 2014/15 ($'000)	Year 2 Estimate 2015/16 ($'000)	Year 3 Estimate 2016/17 ($'000)	Year 4 Estimate 2017/18 ($'000)	Year 5 Estimate 2018/19 ($'000)	Year 6 Estimate 2019/20 ($'000)	Year 7 Estimate 2020/21 ($'000)	Year 8 Estimate 2021/22 ($'000)	Year 9 Estimate 2022/23 ($'000)	Year 10 Estimate 2023/24 ($'000)
Cash flows from operating activities										
Receipts:										
Rates and annual charges	52,413	55,180	57,080	59,636	62,446	63,496	66,171	69,014	71,960	74,949
User charges and fees	6,460	6,901	7,333	7,782	8,258	8,758	9,297	9,860	10,451	11,083
Investment revenue and interest	2,750	3,255	3,034	2,752	2,867	2,560	2,607	2,658	2,707	2,711
Grants and contributions	18,580	19,935	20,286	20,601	20,925	21,257	21,598	21,947	22,310	22,679
Other	2,565	2,636	2,751	2,844	2,939	3,038	3,139	3,246	3,356	3,473
Payments:										
Employee benefits and on-costs	27,578	29,872	31,867	33,974	36,197	38,542	41,017	43,426	45,956	48,614
Materials and contracts	14,199	14,226	14,933	15,537	16,121	16,712	17,313	17,923	18,542	19,170
Borrowing costs	1,214	1,325	1,280	1,216	1,111	1,055	896	857	811	718
Other	17,219	18,663	20,542	21,771	23,444	25,190	27,424	28,942	30,953	33,064
Productivity savings	0	0	0	0	0	0	0	0	0	0
Net cash provided by (or used in) operating activities	22,558	23,821	21,862	21,117	20,562	17,610	16,162	15,577	14,522	13,329
Cash flows from investing activities										
Receipts:										
Sale of investments	8,390	7,554	9,558	195	6,509	0	0	0	151	173
Sale of infrastructure, property, plant and equipment	0	3,000	5,000	7,000	0	0	0	0	0	0
Other	0	0	0	0	0	0	0	0	0	0
Payments:										
Purchase of investments	0	0	0	0	0	19	12	35	0	0
Purchase of infrastructure, property, plant and equipment	28,814	33,509	36,132	30,710	39,352	30,331	35,518	35,931	33,384	32,820
Purchase of real estate assets held for resale	0	0	0	0	0	0	0	0	0	0
Other	0	0	0	0	0	0	0	0	0	0
Net cash provided by (or used in) investing activities	(20,424)	(22,955)	(21,574)	(23,515)	(32,843)	(30,350)	(35,530)	(35,966)	(33,233)	(32,647)
Cash flow from financing activities										
Receipts:										
Borrowings and advances	1,000	2,153	2,944	1,384	1,000	1,000	2,396	3,281	1,451	1,000
Payments:										
Borrowings and advances	3,134	3,019	3,232	3,237	3,140	3,195	2,996	3,009	3,003	3,128
Net cash provided by (or used in) financing activities	(2,134)	(866)	(288)	(1,853)	(2,140)	(2,195)	(600)	272	(1,552)	(2,128)
Net increase/(decrease) in cash and cash equivalents	0	0	0	(4,251)	(14,421)	(14,935)	(19,968)	(20,117)	(20,263)	(21,446)
Cash and cash equivalents at beginning of reporting period	2,200	2,200	2,200	2,200	(2,051)	(16,472)	(31,407)	(51,375)	(71,492)	(91,755)
Cash and cash equivalents at end of reporting period	2,200	2,200	2,200	(2,051)	(16,472)	(31,407)	(51,375)	(71,492)	(91,755)	(113,201)

Maitland City Council
Long Term Financial Plan
Statement of performance measures
For the period 2014/15 to 2023/24
Option 1 - Rate Peg Only (Conservative)

		Year 1 Draft 2014/15 ($'000)	Year 2 Estimate 2015/16 ($'000)	Year 3 Estimate 2016/17 ($'000)	Year 4 Estimate 2017/18 ($'000)	Year 5 Estimate 2018/19 ($'000)	Year 6 Estimate 2019/20 ($'000)	Year 7 Estimate 2020/21 ($'000)	Year 8 Estimate 2021/22 ($'000)	Year 9 Estimate 2022/23 ($'000)	Year 10 Estimate 2023/24 ($'000)
1. Unrestricted current ratio											
Current assets less all external restrictions	$	31,538	24,830	15,989	16,233	10,057	10,316	10,642	10,978	11,322	11,671
Current liabilities less specific purpose liabilities	$	9,561	10,178	10,447	14,864	29,595	44,495	64,830	85,272	105,971	126,459
	Ratio	3.30	2.44	1.53	1.09	0.34	0.23	0.16	0.13	0.11	0.09

The unrestricted current ratio assesses the degree to which current obligations of Council are covered by unrestricted current assets. It assesses the level of liquidity and ability
to satisfy obligations as they fall due in the short term.
The Division of Local Government considers a ratio of less than 1.50 to be unsatisfactory, indicating that council may be unable to meet its short term commitments.

2. Debt service ratio											
Debt service cost	$	4,494	4,332	4,501	4,434	4,218	4,129	3,876	3,856	3,799	3,813
Revenue from continuing operations excluding capital items and specific purpose grants/contributions	$	70,912	77,964	82,308	87,345	84,069	85,555	89,199	92,991	96,921	100,899
	Ratio	0.06	0.06	0.05	0.05	0.05	0.05	0.04	0.04	0.04	0.04

The debt service ratio assesses the degree to which revenues from continuing operations are committed to the repayment of debt.
The Division of Local Government's accepted benchmark is that less than 0.10 (10%) is satisfactory, between 0.10 and 0.20 (10% to 20%) is fair and above 0.20 (20%) is of concern.

3. Rates coverage ratio											
Rates and annual charges	$	52,500	55,263	57,136	59,713	62,531	63,526	66,253	69,099	72,048	75,039
Revenue from continuing operations	$	82,013	90,601	95,031	100,156	96,971	98,548	102,284	106,171	110,200	114,276
	Ratio	0.64	0.61	0.60	0.60	0.64	0.64	0.65	0.65	0.65	0.66

The rate coverage ratio is a measure of the extent to which Council is dependant upon rates and annual charges as a proportion of its total revenue. This ratio is affected by
Council's ability to source grants and contributions and its revenue policy. It is also largely affected by the amount of developer dedications of roads, bridges, footpaths and drainage
assets, which are included in capital revenues.

Maitland City Council
Long Term Financial Plan
Statement of performance measures
For the period 2014/15 to 2023/24
Option 1 - Rate Peg Only (Conservative)

		Year 1 Draft 2014/15 ($'000)	Year 2 Estimate 2015/16 ($'000)	Year 3 Estimate 2016/17 ($'000)	Year 4 Estimate 2017/18 ($'000)	Year 5 Estimate 2018/19 ($'000)	Year 6 Estimate 2019/20 ($'000)	Year 7 Estimate 2020/21 ($'000)	Year 8 Estimate 2021/22 ($'000)	Year 9 Estimate 2022/23 ($'000)	Year 10 Estimate 2023/24 ($'000)
4. Rates and annual charges outstanding percentage											
Rates and annual charges outstanding	$	1,658	1,756	1,805	1,873	1,962	1,983	2,066	2,153	2,242	2,332
Rates and annual charges collectable	$	54,401	57,271	59,253	61,890	64,787	65,882	68,642	71,583	74,632	77,725
	Ratio	3.05%	3.07%	3.05%	3.03%	3.03%	3.01%	3.01%	3.01%	3.00%	3.00%

The rates and annual charges outstanding percentage assesses the impact of uncollected rates and annual charges on liquidity and is a measure of the effectiveness of council's debt recovery processes. The lower the percentage, the less income is tied up in receivables and the more revenue there is available for council purposes.
The Division of Local Government's accepted benchmark are less than 5.0% for urban and coastal councils and less than 10% for rural councils.

5. Asset renewals ratio

		Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Asset renewals (building and infrastructure)	$	13,520	13,452	18,694	14,386	15,090	15,672	19,177	18,152	17,108	16,866
Depreciation, amortisation and impairment (building & infrastructure)	$	10,590	10,908	11,235	11,573	11,920	12,277	12,646	13,025	13,415	13,818
	Ratio	1.28	1.23	1.66	1.24	1.27	1.28	1.52	1.39	1.28	1.22

The asset renewals ratio assesses a council's ability to renew it's building and infrastructure assets compared with the consumption (depreciation) of those assets.
The Division of Local Government considers a ratio of 1.00 or greater to be satisfactory, indicating that the assets are being renewed faster than they are being consumed (depreciated).

Maitland City Council
Long Term Financial Plan
Income Statement
For the period 2014/15 to 2023/24
Option 2 - 7.25% Rate Increase (Planned)

	Year 1 Draft 2014/15 ($'000)	Year 2 Estimate 2015/16 ($'000)	Year 3 Estimate 2016/17 ($'000)	Year 4 Estimate 2017/18 ($'000)	Year 5 Estimate 2018/19 ($'000)	Year 6 Estimate 2019/20 ($'000)	Year 7 Estimate 2020/21 ($'000)	Year 8 Estimate 2021/22 ($'000)	Year 9 Estimate 2022/23 ($'000)	Year 10 Estimate 2023/24 ($'000)	Total 2014/15 to 2023/24 ($'000)
Income from continuing operations											
Revenue:											
Rates and annual charges	54,489	59,042	62,911	67,705	72,982	76,702	82,441	85,889	89,461	93,099	744,721
User charges and fees	6,415	6,917	7,345	7,796	8,272	8,773	9,313	9,877	10,469	11,102	86,279
Interest and investment revenue	2,760	3,402	3,385	3,634	3,812	3,443	3,443	3,430	3,412	3,328	34,049
Other revenues	2,100	2,163	2,228	2,294	2,362	2,431	2,502	2,577	2,654	2,734	24,045
Grants and contributions - operating	9,542	9,712	9,988	10,271	10,563	10,861	11,168	11,482	11,808	12,139	107,534
Grants and contributions - capital	8,696	15,276	11,307	11,339	11,372	11,406	11,440	11,476	11,513	11,551	115,376
Other Income:											
Net gain from the disposal of assets	0	3,000	5,000	7,000	0	0	0	0	0	0	15,000
Total income from continuing operations	84,002	99,512	102,164	110,039	109,363	113,616	120,307	124,731	129,317	133,953	1,127,004
Expenses from continuing operations											
Employee benefits and on-costs	27,578	29,872	31,867	33,974	36,197	38,542	41,017	43,426	45,956	48,614	377,043
Borrowing costs	1,587	1,828	2,066	2,269	2,404	2,220	2,359	2,494	2,575	2,558	22,360
Materials and contracts	13,683	14,498	15,160	15,741	16,328	16,922	17,527	18,141	18,764	19,394	166,158
Depreciation and amortisation	15,920	16,391	16,875	17,375	17,889	18,160	18,705	19,264	19,841	20,438	180,858
Other expenses	17,219	18,663	20,542	21,771	23,444	25,190	27,424	28,942	30,953	33,064	247,212
Net loss from the disposal of assets	0	0	0	0	0	0	0	0	0	0	0
Total expenses from continuing operations	75,987	81,252	86,510	91,130	96,262	101,034	107,032	112,267	118,089	124,068	993,631
Operating result from continuing operations	8,015	18,260	15,654	18,909	13,101	12,582	13,275	12,464	11,228	9,885	133,373
Less: Transfers to Reserves & Balance Sheet Items											
Transfers to internal reserves	(2,065)	(6,142)	(7,206)	(9,490)	(3,101)	(449)	(452)	(456)	(459)	(463)	(30,283)
Transfers to S.94 / S.94A reserves	(8,900)	(10,776)	(10,811)	(11,113)	(11,183)	(11,211)	(11,235)	(11,257)	(11,271)	(11,249)	(109,006)
Plant & equipment purchases	(1,461)	(2,658)	(3,494)	(1,981)	(1,645)	(1,695)	(3,142)	(4,079)	(2,303)	(1,907)	(24,365)
Other capital expenditure	(19,368)	(27,916)	(22,903)	(25,794)	(27,672)	(20,201)	(21,241)	(20,517)	(19,546)	(19,378)	(224,536)
Principal repayments - Loans	(2,511)	(2,669)	(3,185)	(3,421)	(3,611)	(3,976)	(4,142)	(4,560)	(4,985)	(5,549)	(38,609)
Principal repayments - Hire purchase	(623)	(617)	(596)	(664)	(701)	(741)	(756)	(760)	(773)	(817)	(7,048)
	(34,928)	(50,778)	(48,195)	(52,463)	(47,913)	(38,273)	(40,968)	(41,629)	(39,337)	(39,363)	(433,847)
Total funds required	(26,913)	(32,518)	(32,541)	(33,554)	(34,812)	(25,691)	(27,693)	(29,165)	(28,109)	(29,478)	(300,474)

	Year 1 Draft 2014/15 ($'000)	Year 2 Estimate 2015/16 ($'000)	Year 3 Estimate 2016/17 ($'000)	Year 4 Estimate 2017/18 ($'000)	Year 5 Estimate 2018/19 ($'000)	Year 6 Estimate 2019/20 ($'000)	Year 7 Estimate 2020/21 ($'000)	Year 8 Estimate 2021/22 ($'000)	Year 9 Estimate 2022/23 ($'000)	Year 10 Estimate 2023/24 ($'000)	Total 2014/15 to 2023/24 ($'000)
Funded by:											
Loan drawdowns - Status Quo	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	10,000
Loan drawdowns - Additional	3,800	3,800	3,800	3,800	3,800	3,800	3,800	3,800	3,800	3,800	38,000
Hire purchase drawdowns	0	1,153	1,944	384	0	0	1,396	2,281	451	0	7,609
Non cash funding - depreciation	15,920	16,391	16,875	17,375	17,889	18,160	18,705	19,264	19,841	20,438	180,858
Non cash funding - amortisation of tip asset	227	235	242	250	258	0	0	0	0	0	1,212
Transfers from internal reserves	1,781	7,449	6,200	8,200	9,405	250	250	250	250	250	34,285
Transfers from S.94 / S.94A reserves	4,198	2,191	2,194	2,197	2,138	2,141	2,175	2,178	2,381	2,385	24,178
	26,926	32,219	32,255	33,206	34,490	25,351	27,326	28,773	27,723	27,873	296,142
Cash surplus (deficit)	13	(299)	(286)	(348)	(322)	(340)	(367)	(392)	(386)	(1,605)	(4,332)
Add: Productivity savings	0	500	500	500	500	500	500	500	500	500	4,500
Adjusted cash surplus (deficit)	13	201	214	152	178	160	133	108	114	(1,105)	168
Notes											
1. Transfers to internally restricted assets:											
ELE reserve	0	(80)	(89)	(92)	(95)	(99)	(102)	(106)	(109)	(113)	(885)
Economic development reserve	0	(3,000)	(5,000)	(7,000)	0	0	0	0	0	0	(15,000)
Computer reserve	(200)	(300)	(300)	(300)	(300)	(300)	(300)	(300)	(300)	(300)	(2,900)
Environmental works reserve	0	0	0	0	0	0	0	0	0	0	0
Workers compensation reserve	0	0	0	0	0	0	0	0	0	0	0
Competencies reserve	0	0	0	0	0	0	0	0	0	0	0
Asset management reserve	(350)	0	0	0	0	0	0	0	0	0	(350)
CBD / Mall Construction Reserve	0	0	0	0	0	0	0	0	0	0	0
Compensatory habitat reserve	0	0	0	0	0	0	0	0	0	0	0
Waste depot construction reserve	(500)	(1,000)	(1,000)	(1,000)	(1,000)	(50)	(50)	(50)	(50)	(50)	(4,750)
Waste depot rehabilitation reserve	(520)	(1,043)	(817)	(1,098)	(1,706)	0	0	0	0	0	(5,184)
Transfer station construction reserve	(495)	(719)	0	0	0	0	0	0	0	0	(1,214)
Unrestricted cash reserve	0	0	0	0	0	0	0	0	0	0	0
Floodplain management construction reserve	0	0	0	0	0	0	0	0	0	0	0
Asset protection zone maintenance reserve	0	0	0	0	0	0	0	0	0	0	0
	(2,065)	(6,142)	(7,206)	(9,490)	(3,101)	(449)	(452)	(456)	(459)	(463)	(30,283)

	Year 1 Draft 2014/15 ($'000)	Year 2 Estimate 2015/16 ($'000)	Year 3 Estimate 2016/17 ($'000)	Year 4 Estimate 2017/18 ($'000)	Year 5 Estimate 2018/19 ($'000)	Year 6 Estimate 2019/20 ($'000)	Year 7 Estimate 2020/21 ($'000)	Year 8 Estimate 2021/22 ($'000)	Year 9 Estimate 2022/23 ($'000)	Year 10 Estimate 2023/24 ($'000)	Total 2014/15 to 2023/24 ($'000)
2. Transfers from internally restricted assets											
ELE reserve	0	0	0	0	0	0	0	0	0	0	0
Economic development reserve	0	3,000	5,000	7,000	0	0	0	0	0	0	15,000
Computer reserve	638	450	200	200	200	200	200	200	200	200	2,688
Environmental works reserve	0	0	0	0	0	0	0	0	0	0	0
Workers compensation reserve	250	0	0	0	0	0	0	0	0	0	250
Competencies reserve	0	0	0	0	0	0	0	0	0	0	0
Asset management reserve	300	0	0	0	0	0	0	0	0	0	300
CBD / Mall Construction Reserve	0	0	0	0	0	0	0	0	0	0	0
Compensatory habitat reserve	0	0	0	0	0	0	0	0	0	0	0
Waste depot construction reserve	500	1,000	1,000	1,000	1,000	50	50	50	50	50	4,750
Waste depot rehabilitation reserve	0	0	0	0	8,205	0	0	0	0	0	8,205
Transfer station construction reserve	0	2,999	0	0	0	0	0	0	0	0	2,999
Unrestricted cash reserve	0	0	0	0	0	0	0	0	0	0	0
Floodplain management construction reserve	48	0	0	0	0	0	0	0	0	0	48
Asset protection zone maintenance reserve	45	0	0	0	0	0	0	0	0	0	45
	1,781	7,449	6,200	8,200	9,405	250	250	250	250	250	34,285

Maitland City Council
Long Term Financial Plan
Balance Sheet
For the period 2014/15 to 2023/24
Option 2 - 7.25% Rate Increase (Planned)

	Year 1 Draft 2014/15 ($'000)	Year 2 Estimate 2015/16 ($'000)	Year 3 Estimate 2016/17 ($'000)	Year 4 Estimate 2017/18 ($'000)	Year 5 Estimate 2018/19 ($'000)	Year 6 Estimate 2019/20 ($'000)	Year 7 Estimate 2020/21 ($'000)	Year 8 Estimate 2021/22 ($'000)	Year 9 Estimate 2022/23 ($'000)	Year 10 Estimate 2023/24 ($'000)
ASSETS										
Current assets										
Cash & cash equivalents	2,200	2,200	2,200	2,200	2,200	2,200	2,200	2,200	2,200	2,200
Investments	35,325	33,380	33,067	32,968	28,342	27,621	26,854	26,146	25,220	23,553
Receivables	2,520	2,896	2,915	3,091	3,280	3,408	3,608	3,742	3,880	4,019
Inventories	454	468	482	496	511	526	542	558	575	592
Other	0	0	0	0	0	0	0	0	0	0
Investments using equity method	129	129	129	129	129	129	129	129	129	129
Total current assets	40,628	39,073	38,793	38,884	34,462	33,884	33,333	32,775	32,004	30,493
Non-current assets										
Investments	25,016	23,720	23,512	23,445	20,361	19,881	19,370	18,897	18,280	17,169
Receivables	0	0	0	0	0	0	0	0	0	0
Inventories	0	0	0	0	0	0	0	0	0	0
Infrastructure, property, plant and equipment	833,137	858,455	879,112	900,647	923,310	938,281	955,294	971,961	985,504	997,886
Total non-current assets	858,153	882,175	902,624	924,092	943,671	958,162	974,664	990,858	1,003,784	1,015,055
Total assets	898,781	921,248	941,417	962,976	978,133	992,046	1,007,997	1,023,633	1,035,788	1,045,548
LIABILITIES										
Current liabilities										
Payables	4,581	4,897	5,168	5,403	5,619	5,743	5,966	6,190	6,402	6,585
Projected cash shortfall	0	0	0	0	0	0	0	0	0	0
Borrowings	3,098	3,781	4,085	4,312	4,717	4,733	5,320	5,758	6,366	5,643
Provisions	9,999	10,474	10,998	11,548	12,125	12,731	13,368	14,036	14,738	15,475
Total current liabilities	17,678	19,152	20,251	21,263	22,461	23,207	24,654	25,984	27,506	27,703
Non-current liabilities										
Payables	0	0	0	0	0	0	0	0	0	0
Borrowings	19,754	21,738	24,397	25,269	25,352	25,419	26,130	27,453	26,338	25,495
Provisions	7,584	7,833	8,090	8,356	8,631	8,649	8,667	8,686	8,706	8,727
Total non-current liabilities	27,338	29,571	32,487	33,625	33,983	34,068	34,797	36,139	35,044	34,222
Total liabilities	45,016	48,723	52,738	54,888	56,444	57,275	59,451	62,123	62,550	61,925
Net assets	853,765	872,525	888,679	908,088	921,689	934,771	948,546	961,510	973,238	983,623
EQUITY										
Retained earnings	592,960	611,720	627,874	647,283	660,884	673,966	687,741	700,705	712,433	722,818
Revaluations reserves	260,805	260,805	260,805	260,805	260,805	260,805	260,805	260,805	260,805	260,805
Total equity	853,765	872,525	888,679	908,088	921,689	934,771	948,546	961,510	973,238	983,623

Maitland City Council
Long Term Financial Plan
Cash flow statement
For the period 2014/15 to 2023/24
Option 2 - 7.25% Rate Increase (Planned)

	Year 1 Draft 2014/15 ($'000)	Year 2 Estimate 2015/16 ($'000)	Year 3 Estimate 2016/17 ($'000)	Year 4 Estimate 2017/18 ($'000)	Year 5 Estimate 2018/19 ($'000)	Year 6 Estimate 2019/20 ($'000)	Year 7 Estimate 2020/21 ($'000)	Year 8 Estimate 2021/22 ($'000)	Year 9 Estimate 2022/23 ($'000)	Year 10 Estimate 2023/24 ($'000)
Cash flows from operating activities										
Receipts:										
Rates and annual charges	54,342	58,906	62,795	67,561	72,824	76,590	82,269	85,785	89,354	92,990
User charges and fees	6,460	6,901	7,333	7,782	8,258	8,758	9,297	9,860	10,451	11,083
Investment revenue and interest	2,750	3,383	3,385	3,627	3,807	3,454	3,443	3,430	3,413	3,330
Grants and contributions	18,580	24,785	21,406	21,601	21,925	22,257	22,598	22,947	23,310	23,679
Other	2,565	2,636	2,751	2,844	2,939	3,038	3,139	3,246	3,356	3,473
Payments:										
Employee benefits and on-costs	27,578	29,872	31,867	33,974	36,197	38,542	41,017	43,426	45,956	48,614
Materials and contracts	14,218	14,254	14,961	15,567	16,152	16,743	17,346	17,957	18,577	19,205
Borrowing costs	1,214	1,521	1,752	1,958	2,106	2,275	2,317	2,454	2,550	2,564
Other	17,219	18,663	20,542	21,771	23,444	25,190	27,424	28,942	30,953	33,064
Productivity savings	0	(500)	(500)	(500)	(500)	(500)	(500)	(500)	(500)	(500)
Net cash provided by (or used in) operating activities	24,468	32,801	29,048	30,645	32,354	31,847	33,142	32,989	32,348	31,608
Cash flows from investing activities										
Receipts:										
Sale of investments	5,680	3,241	521	166	7,710	1,201	1,278	1,181	1,543	2,778
Sale of infrastructure, property, plant and equipment	0	3,000	5,000	7,000	0	0	0	0	0	0
Other	0	0	0	0	0	0	0	0	0	0
Payments:										
Purchase of investments	0	0	0	0	0	0	0	0	0	0
Purchase of infrastructure, property, plant and equipment	31,814	41,709	37,532	38,910	40,552	33,131	35,718	35,931	33,384	32,820
Purchase of real estate assets held for resale	0	0	0	0	0	0	0	0	0	0
Other	0	0	0	0	0	0	0	0	0	0
Net cash provided by (or used in) investing activities	(26,134)	(35,468)	(32,011)	(31,744)	(32,842)	(31,930)	(34,440)	(34,750)	(31,841)	(30,042)
Cash flow from financing activities										
Receipts:										
Borrowings and advances	4,800	5,953	6,744	5,184	4,800	4,800	6,196	7,081	5,251	4,800
Payments:										
Borrowings and advances	3,134	3,286	3,781	4,085	4,312	4,717	4,898	5,320	5,758	6,366
Net cash provided by (or used in) financing activities	1,666	2,667	2,963	1,099	488	83	1,298	1,761	(507)	(1,566)
Net increase/(decrease) in cash and cash equivalents	0	0	0	0	0	0	0	0	0	0
Cash and cash equivalents at beginning of reporting period	2,200	2,200	2,200	2,200	2,200	2,200	2,200	2,200	2,200	2,200
Cash and cash equivalents at end of reporting period	2,200	2,200	2,200	2,200	2,200	2,200	2,200	2,200	2,200	2,200

Maitland City Council
Long Term Financial Plan
Statement of performance measures
For the period 2014/15 to 2023/24
Option 2 - 7.25% Rate Increase (Planned)

		Year 1 Draft 2014/15 ($'000)	Year 2 Estimate 2015/16 ($'000)	Year 3 Estimate 2016/17 ($'000)	Year 4 Estimate 2017/18 ($'000)	Year 5 Estimate 2018/19 ($'000)	Year 6 Estimate 2019/20 ($'000)	Year 7 Estimate 2020/21 ($'000)	Year 8 Estimate 2021/22 ($'000)	Year 9 Estimate 2022/23 ($'000)	Year 10 Estimate 2023/24 ($'000)
1. Unrestricted current ratio											
Current assets less all external restrictions	$	34,308	32,120	32,263	32,619	25,316	24,435	23,560	22,697	21,666	19,427
Current liabilities less specific purpose liabilities	$	9,836	10,819	11,471	12,041	12,774	13,186	14,020	14,839	15,798	15,393
	Ratio	3.49	2.97	2.81	2.71	1.98	1.85	1.68	1.53	1.37	1.26

The unrestricted current ratio assesses the degree to which current obligations of Council are covered by unrestricted current assets. It assesses the level of liquidity and ability to satisfy obligations as they fall due in the short term.
The Division of Local Government considers a ratio of less than 1.50 to be unsatisfactory, indicating that council may be unable to meet its short term commitments.

2. Debt service ratio											
Debt service cost	$	4,494	4,879	5,605	6,104	6,458	6,937	7,257	7,814	8,333	8,924
Revenue from continuing operations excluding capital items and specific purpose grants/contributions	$	72,901	81,875	88,441	96,228	95,461	99,623	106,222	110,551	115,038	119,576
	Ratio	0.06	0.06	0.06	0.06	0.07	0.07	0.07	0.07	0.07	0.07

The debt service ratio assesses the degree to which revenues from continuing operations are committed to the repayment of debt.
The Division of Local Government's accepted benchmark is that less than 0.10 (10%) is satisfactory, between 0.10 and 0.20 (10% to 20%) is fair and above 0.20 (20%) is of concern.

3. Rates coverage ratio											
Rates and annual charges	$	54,489	59,042	62,911	67,705	72,982	76,702	82,441	85,889	89,461	93,099
Revenue from continuing operations	$	84,002	99,512	102,164	110,039	109,363	113,616	120,307	124,731	129,317	133,953
	Ratio	0.65	0.59	0.62	0.62	0.67	0.68	0.69	0.69	0.69	0.70

The rate coverage ratio is a measure of the extent to which Council is dependant upon rates and annual charges as a proportion of its total revenue. This ratio is affected by Council's ability to source grants and contributions and its revenue policy. It is also largely affected by the amount of developer dedications of roads, bridges, footpaths and drainage assets, which are included in capital revenues.

Maitland City Council
Long Term Financial Plan
Statement of performance measures
For the period 2014/15 to 2023/24
Option 2 - 7.25% Rate Increase (Planned)

		Year 1 Draft 2014/15 ($'000)	Year 2 Estimate 2015/16 ($'000)	Year 3 Estimate 2016/17 ($'000)	Year 4 Estimate 2017/18 ($'000)	Year 5 Estimate 2018/19 ($'000)	Year 6 Estimate 2019/20 ($'000)	Year 7 Estimate 2020/21 ($'000)	Year 8 Estimate 2021/22 ($'000)	Year 9 Estimate 2022/23 ($'000)	Year 10 Estimate 2023/24 ($'000)
4. Rates and annual charges outstanding percentage											
Rates and annual charges outstanding	$	1,718	1,873	1,989	2,140	2,303	2,404	2,576	2,680	2,786	2,893
Rates and annual charges collectable	$	56,390	61,110	65,145	70,066	75,505	79,399	85,251	88,883	92,572	96,329
	Ratio	3.05%	3.06%	3.05%	3.05%	3.05%	3.03%	3.02%	3.02%	3.01%	3.00%

The rates and annual charges outstanding percentage assesses the impact of uncollected rates and annual charges on liquidity and is a measure of the effectiveness of council's debt recovery processes. The lower the percentage, the less income is tied up in receivables and the more revenue there is available for council purposes.
The Division of Local Government's accepted benchmark are less than 5.0% for urban and coastal councils and less than 10% for rural councils.

5. Asset renewals ratio

		Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Asset renewals (building and infrastructure)	$	16,520	21,652	20,094	22,586	16,290	18,472	19,377	18,152	17,108	16,866
Depreciation, amortisation and impairment (building & infrastructure)	$	10,590	10,908	11,235	11,573	11,920	12,277	12,646	13,025	13,415	13,818
	Ratio	1.56	1.98	1.79	1.95	1.37	1.50	1.53	1.39	1.28	1.22

The asset renewals ratio assesses a council's ability to renew it's building and infrastructure assets compared with the consumption (depreciation) of those assets.
The Division of Local Government considers a ratio of 1.00 or greater to be satisfactory, indicating that the assets are being renewed faster than they are being consumed (depreciated).

Maitland City Council
Long Term Financial Plan
Income Statement
For the period 2014/15 to 2023/24
Option 3 - 8.35% Rate Increase (Optimistic)

	Year 1 Draft 2014/15 ($'000)	Year 2 Estimate 2015/16 ($'000)	Year 3 Estimate 2016/17 ($'000)	Year 4 Estimate 2017/18 ($'000)	Year 5 Estimate 2018/19 ($'000)	Year 6 Estimate 2019/20 ($'000)	Year 7 Estimate 2020/21 ($'000)	Year 8 Estimate 2021/22 ($'000)	Year 9 Estimate 2022/23 ($'000)	Year 10 Estimate 2023/24 ($'000)	Total 2014/15 to 2023/24 ($'000)
Income from continuing operations											
Revenue:											
Rates and annual charges	54,933	59,517	63,419	68,251	73,568	77,331	83,114	86,583	90,177	93,838	750,731
User charges and fees	6,415	6,917	7,345	7,796	8,272	8,773	9,313	9,877	10,469	11,102	86,279
Interest and investment revenue	2,760	3,423	3,432	3,715	3,934	3,610	3,661	3,707	3,753	3,735	35,730
Other revenues	2,100	2,163	2,228	2,294	2,362	2,431	2,502	2,577	2,654	2,734	24,045
Grants and contributions - operating	9,542	9,712	9,988	10,271	10,563	10,861	11,168	11,482	11,808	12,139	107,534
Grants and contributions - capital	8,696	15,276	11,307	11,339	11,372	11,406	11,440	11,476	11,513	11,551	115,376
Other Income:											
Net gain from the disposal of assets	0	3,000	5,000	7,000	0	0	0	0	0	0	15,000
Total income from continuing operations	84,446	100,008	102,719	110,666	110,071	114,412	121,198	125,702	130,374	135,099	1,134,695
Expenses from continuing operations											
Employee benefits and on-costs	27,578	29,872	31,867	33,974	36,197	38,542	41,017	43,426	45,956	48,614	377,043
Borrowing costs	1,587	1,828	2,066	2,269	2,404	2,220	2,359	2,494	2,575	2,558	22,360
Materials and contracts	13,689	14,504	15,166	15,747	16,334	16,929	17,535	18,150	18,773	19,403	166,230
Depreciation and amortisation	15,920	16,391	16,875	17,375	17,889	18,160	18,705	19,264	19,841	20,438	180,858
Other expenses	17,219	18,663	20,542	21,771	23,444	25,190	27,424	28,942	30,953	33,064	247,212
Net loss from the disposal of assets	0	0	0	0	0	0	0	0	0	0	0
Total expenses from continuing operations	75,993	81,258	86,516	91,136	96,268	101,041	107,040	112,276	118,098	124,077	993,703
Operating result from continuing operations	8,453	18,750	16,203	19,530	13,803	13,371	14,158	13,426	12,276	11,022	140,992
Less: Transfers to Reserves & Balance Sheet Items											
Transfers to internal reserves	(1,715)	(6,142)	(7,206)	(9,490)	(3,101)	(449)	(452)	(456)	(459)	(463)	(29,933)
Transfers to S.94 / S.94A reserves	(8,900)	(10,776)	(10,811)	(11,113)	(11,183)	(11,211)	(11,235)	(11,257)	(11,271)	(11,249)	(109,006)
Plant & equipment purchases	(1,461)	(2,658)	(3,494)	(1,981)	(1,645)	(1,695)	(3,142)	(4,079)	(2,303)	(1,907)	(24,365)
Other capital expenditure	(19,368)	(27,916)	(22,903)	(25,794)	(27,672)	(20,201)	(21,241)	(20,517)	(19,546)	(19,378)	(224,536)
Principal repayments - Loans	(2,511)	(2,669)	(3,185)	(3,421)	(3,611)	(3,976)	(4,142)	(4,560)	(4,985)	(5,549)	(38,609)
Principal repayments - Hire purchase	(623)	(617)	(596)	(664)	(701)	(741)	(756)	(760)	(773)	(817)	(7,048)
	(34,578)	(50,778)	(48,195)	(52,463)	(47,913)	(38,273)	(40,968)	(41,629)	(39,337)	(39,363)	(433,497)
Total funds required	(26,125)	(32,028)	(31,992)	(32,933)	(34,110)	(24,902)	(26,810)	(28,203)	(27,061)	(28,341)	(292,505)

	Year 1 Draft 2014/15 ($'000)	Year 2 Estimate 2015/16 ($'000)	Year 3 Estimate 2016/17 ($'000)	Year 4 Estimate 2017/18 ($'000)	Year 5 Estimate 2018/19 ($'000)	Year 6 Estimate 2019/20 ($'000)	Year 7 Estimate 2020/21 ($'000)	Year 8 Estimate 2021/22 ($'000)	Year 9 Estimate 2022/23 ($'000)	Year 10 Estimate 2023/24 ($'000)	Total 2014/15 to 2023/24 ($'000)
Funded by:											
Loan drawdowns - Status Quo	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	10,000
Loan drawdowns - Additional	3,800	3,800	3,800	3,800	3,800	3,800	3,800	3,800	3,800	3,800	38,000
Hire purchase drawdowns	0	1,153	1,944	384	0	0	1,396	2,281	451	0	7,609
Non cash funding - depreciation	15,920	16,391	16,875	17,375	17,889	18,160	18,705	19,264	19,841	20,438	180,858
Non cash funding - amortisation of tip asset	227	235	242	250	258	0	0	0	0	0	1,212
Transfers from internal reserves	1,781	7,449	6,200	8,200	9,405	250	250	250	250	250	34,285
Transfers from S.94 / S.94A reserves	4,198	2,191	2,194	2,197	2,138	2,141	2,175	2,178	2,381	2,385	24,178
	26,926	32,219	32,255	33,206	34,490	25,351	27,326	28,773	27,723	27,873	296,142
Cash surplus (deficit)	801	191	263	273	380	449	516	570	662	(468)	3,637
Add: Productivity savings	0	500	500	500	500	500	500	500	500	500	4,500
Adjusted cash surplus (deficit)	801	691	763	773	880	949	1,016	1,070	1,162	32	8,137

Notes
1. Transfers to internally restricted assets:

ELE reserve	0	(80)	(89)	(92)	(95)	(99)	(102)	(106)	(109)	(113)	(885)
Economic development reserve	0	(3,000)	(5,000)	(7,000)	0	0	0	0	0	0	(15,000)
Computer reserve	(200)	(300)	(300)	(300)	(300)	(300)	(300)	(300)	(300)	(300)	(2,900)
Environmental works reserve	0	0	0	0	0	0	0	0	0	0	0
Workers compensation reserve	0	0	0	0	0	0	0	0	0	0	0
Competencies reserve	0	0	0	0	0	0	0	0	0	0	0
Asset management reserve	0	0	0	0	0	0	0	0	0	0	0
CBD / Mall Construction Reserve	0	0	0	0	0	0	0	0	0	0	0
Compensatory habitat reserve	0	0	0	0	0	0	0	0	0	0	0
Waste depot construction reserve	(500)	(1,000)	(1,000)	(1,000)	(1,000)	(50)	(50)	(50)	(50)	(50)	(4,750)
Waste depot rehabilitation reserve	(520)	(1,043)	(817)	(1,098)	(1,706)	0	0	0	0	0	(5,184)
Transfer station construction reserve	(495)	(719)	0	0	0	0	0	0	0	0	(1,214)
Unrestricted cash reserve	0	0	0	0	0	0	0	0	0	0	0
Floodplain management construction reserve	0	0	0	0	0	0	0	0	0	0	0
Asset protection zone maintenance reserve	0	0	0	0	0	0	0	0	0	0	0
	(1,715)	(6,142)	(7,206)	(9,490)	(3,101)	(449)	(452)	(456)	(459)	(463)	(29,933)

	Year 1 Draft 2014/15 ($'000)	Year 2 Estimate 2015/16 ($'000)	Year 3 Estimate 2016/17 ($'000)	Year 4 Estimate 2017/18 ($'000)	Year 5 Estimate 2018/19 ($'000)	Year 6 Estimate 2019/20 ($'000)	Year 7 Estimate 2020/21 ($'000)	Year 8 Estimate 2021/22 ($'000)	Year 9 Estimate 2022/23 ($'000)	Year 10 Estimate 2023/24 ($'000)	Total 2014/15 to 2023/24 ($'000)
2. Transfers from internally restricted assets											
ELE reserve	0	0	0	0	0	0	0	0	0	0	0
Economic development reserve	0	3,000	5,000	7,000	0	0	0	0	0	0	15,000
Computer reserve	638	450	200	200	200	200	200	200	200	200	2,688
Environmental works reserve	0	0	0	0	0	0	0	0	0	0	0
Workers compensation reserve	250	0	0	0	0	0	0	0	0	0	250
Competencies reserve	0	0	0	0	0	0	0	0	0	0	0
Asset management reserve	300	0	0	0	0	0	0	0	0	0	300
CBD / Mall Construction Reserve	0	0	0	0	0	0	0	0	0	0	0
Compensatory habitat reserve	0	0	0	0	0	0	0	0	0	0	0
Waste depot construction reserve	500	1,000	1,000	1,000	1,000	50	50	50	50	50	4,750
Waste depot rehabilitation reserve	0	0	0	0	8,205	0	0	0	0	0	8,205
Transfer station construction reserve	0	2,999	0	0	0	0	0	0	0	0	2,999
Unrestricted cash reserve	0	0	0	0	0	0	0	0	0	0	0
Floodplain management construction reserve	48	0	0	0	0	0	0	0	0	0	48
Asset protection zone maintenance reserve	45	0	0	0	0	0	0	0	0	0	45
	1,781	7,449	6,200	8,200	9,405	250	250	250	250	250	34,285

Maitland City Council
Long Term Financial Plan
Balance Sheet
For the period 2014/15 to 2023/24
Option 3 - 8.35% Rate Increase (Optimistic)

	Year 1 Draft 2014/15 ($'000)	Year 2 Estimate 2015/16 ($'000)	Year 3 Estimate 2016/17 ($'000)	Year 4 Estimate 2017/18 ($'000)	Year 5 Estimate 2018/19 ($'000)	Year 6 Estimate 2019/20 ($'000)	Year 7 Estimate 2020/21 ($'000)	Year 8 Estimate 2021/22 ($'000)	Year 9 Estimate 2022/23 ($'000)	Year 10 Estimate 2023/24 ($'000)
ASSETS										
Current assets										
Cash & cash equivalents	2,200	2,200	2,200	2,200	2,200	2,200	2,200	2,200	2,200	2,200
Investments	35,581	33,928	33,945	34,216	30,010	29,761	29,523	29,391	29,092	28,106
Receivables	2,533	2,912	2,932	3,110	3,302	3,432	3,635	3,770	3,912	4,053
Inventories	454	468	482	496	511	526	542	558	575	592
Other	0	0	0	0	0	0	0	0	0	0
Investments using equity method	129	129	129	129	129	129	129	129	129	129
Total current assets	40,897	39,637	39,688	40,151	36,152	36,048	36,029	36,048	35,908	35,080
Non-current assets										
Investments	25,187	24,086	24,096	24,278	21,473	21,308	21,149	21,061	20,861	20,204
Receivables	0	0	0	0	0	0	0	0	0	0
Inventories	0	0	0	0	0	0	0	0	0	0
Infrastructure, property, plant and equipment	833,137	858,455	879,112	900,647	923,310	938,281	955,294	971,961	985,504	997,886
Total non-current assets	858,324	882,541	903,208	924,925	944,783	959,589	976,443	993,022	1,006,365	1,018,090
Total assets	899,221	922,178	942,896	965,076	980,935	995,637	1,012,472	1,029,070	1,042,273	1,053,170
LIABILITIES										
Current liabilities										
Payables	4,583	4,899	5,170	5,405	5,621	5,745	5,969	6,193	6,405	6,588
Projected cash shortfall	0	0	0	0	0	0	0	0	0	0
Borrowings	3,098	3,781	4,085	4,312	4,717	4,733	5,320	5,758	6,366	5,643
Provisions	9,999	10,474	10,998	11,548	12,125	12,731	13,368	14,036	14,738	15,475
Total current liabilities	17,680	19,154	20,253	21,265	22,463	23,209	24,657	25,987	27,509	27,706
Non-current liabilities										
Payables	0	0	0	0	0	0	0	0	0	0
Borrowings	19,754	21,738	24,397	25,269	25,352	25,419	26,130	27,453	26,338	25,495
Provisions	7,584	7,833	8,090	8,356	8,631	8,649	8,667	8,686	8,706	8,727
Total non-current liabilities	27,338	29,571	32,487	33,625	33,983	34,068	34,797	36,139	35,044	34,222
Total liabilities	45,018	48,725	52,740	54,890	56,446	57,277	59,454	62,126	62,553	61,928
Net assets	854,203	873,453	890,156	910,186	924,489	938,360	953,018	966,944	979,720	991,242
EQUITY										
Retained earnings	593,398	612,648	629,351	649,381	663,684	677,555	692,213	706,139	718,915	730,437
Revaluations reserves	260,805	260,805	260,805	260,805	260,805	260,805	260,805	260,805	260,805	260,805
Total equity	854,203	873,453	890,156	910,186	924,489	938,360	953,018	966,944	979,720	991,242

Maitland City Council
Long Term Financial Plan
Cash flow statement
For the period 2014/15 to 2023/24
Option 3 - 8.35% Rate Increase (Optimistic)

	Year 1 Draft 2014/15 ($'000)	Year 2 Estimate 2015/16 ($'000)	Year 3 Estimate 2016/17 ($'000)	Year 4 Estimate 2017/18 ($'000)	Year 5 Estimate 2018/19 ($'000)	Year 6 Estimate 2019/20 ($'000)	Year 7 Estimate 2020/21 ($'000)	Year 8 Estimate 2021/22 ($'000)	Year 9 Estimate 2022/23 ($'000)	Year 10 Estimate 2023/24 ($'000)
Cash flows from operating activities										
Receipts:										
Rates and annual charges	54,773	59,379	63,302	68,106	73,409	77,218	82,941	86,479	90,069	93,728
User charges and fees	6,460	6,901	7,333	7,782	8,258	8,758	9,297	9,860	10,451	11,083
Investment revenue and interest	2,750	3,403	3,432	3,707	3,927	3,620	3,659	3,706	3,751	3,736
Grants and contributions	18,580	24,785	21,406	21,601	21,925	22,257	22,598	22,947	23,310	23,679
Other	2,565	2,636	2,751	2,844	2,939	3,038	3,139	3,246	3,356	3,473
Payments:										
Employee benefits and on-costs	27,578	29,872	31,867	33,974	36,197	38,542	41,017	43,426	45,956	48,614
Materials and contracts	14,222	14,260	14,967	15,573	16,158	16,750	17,353	17,966	18,586	19,214
Borrowing costs	1,214	1,521	1,752	1,958	2,106	2,275	2,317	2,454	2,550	2,564
Other	17,219	18,663	20,542	21,771	23,444	25,190	27,424	28,942	30,953	33,064
Productivity savings	0	(500)	(500)	(500)	(500)	(500)	(500)	(500)	(500)	(500)
Net cash provided by (or used in) operating activities	24,895	33,288	29,596	31,264	33,053	32,634	34,023	33,950	33,392	32,743
Cash flows from investing activities										
Receipts:										
Sale of investments	5,253	2,754	0	0	7,011	414	397	220	499	1,643
Sale of infrastructure, property, plant and equipment	0	3,000	5,000	7,000	0	0	0	0	0	0
Other	0	0	0	0	0	0	0	0	0	0
Payments:										
Purchase of investments	0	0	27	453	0	0	0	0	0	0
Purchase of infrastructure, property, plant and equipment	31,814	41,709	37,532	38,910	40,552	33,131	35,718	35,931	33,384	32,820
Purchase of real estate assets held for resale	0	0	0	0	0	0	0	0	0	0
Other	0	0	0	0	0	0	0	0	0	0
Net cash provided by (or used in) investing activities	(26,561)	(35,955)	(32,559)	(32,363)	(33,541)	(32,717)	(35,321)	(35,711)	(32,885)	(31,177)
Cash flow from financing activities										
Receipts:										
Borrowings and advances	4,800	5,953	6,744	5,184	4,800	4,800	6,196	7,081	5,251	4,800
Payments:										
Borrowings and advances	3,134	3,286	3,781	4,085	4,312	4,717	4,898	5,320	5,758	6,366
Net cash provided by (or used in) financing activities	1,666	2,667	2,963	1,099	488	83	1,298	1,761	(507)	(1,566)
Net increase/(decrease) in cash and cash equivalents	0	0	0	0	0	0	0	0	0	0
Cash and cash equivalents at beginning of reporting period	2,200	2,200	2,200	2,200	2,200	2,200	2,200	2,200	2,200	2,200
Cash and cash equivalents at end of reporting period	2,200	2,200	2,200	2,200	2,200	2,200	2,200	2,200	2,200	2,200

Maitland City Council
Long Term Financial Plan
Statement of performance measures
For the period 2014/15 to 2023/24
Option 3 - 8.35% Rate Increase (Optimistic)

		Year 1 Draft 2014/15 ($'000)	Year 2 Estimate 2015/16 ($'000)	Year 3 Estimate 2016/17 ($'000)	Year 4 Estimate 2017/18 ($'000)	Year 5 Estimate 2018/19 ($'000)	Year 6 Estimate 2019/20 ($'000)	Year 7 Estimate 2020/21 ($'000)	Year 8 Estimate 2021/22 ($'000)	Year 9 Estimate 2022/23 ($'000)	Year 10 Estimate 2023/24 ($'000)
1. Unrestricted current ratio											
Current assets less all external restrictions	$	34,748	33,050	33,742	34,719	28,118	28,026	28,035	28,134	28,151	27,049
Current liabilities less specific purpose liabilities	$	9,838	10,821	11,473	12,043	12,776	13,188	14,023	14,842	15,801	15,396
	Ratio	3.53	3.05	2.94	2.88	2.20	2.13	2.00	1.90	1.78	1.76

The unrestricted current ratio assesses the degree to which current obligations of Council are covered by unrestricted current assets. It assesses the level of liquidity and ability to satisfy obligations as they fall due in the short term.
The Division of Local Government considers a ratio of less than 1.50 to be unsatisfactory, indicating that council may be unable to meet its short term commitments.

2. Debt service ratio											
Debt service cost	$	4,494	4,879	5,605	6,104	6,458	6,937	7,257	7,814	8,333	8,924
Revenue from continuing operations excluding capital items and specific purpose grants/contributions	$	73,345	82,371	88,996	96,855	96,169	100,419	107,113	111,522	116,095	120,722
	Ratio	0.06	0.06	0.06	0.06	0.07	0.07	0.07	0.07	0.07	0.07

The debt service ratio assesses the degree to which revenues from continuing operations are committed to the repayment of debt.
The Division of Local Government's accepted benchmark is that less than 0.10 (10%) is satisfactory, between 0.10 and 0.20 (10% to 20%) is fair and above 0.20 (20%) is of concern.

3. Rates coverage ratio											
Rates and annual charges	$	54,933	59,517	63,419	68,251	73,568	77,331	83,114	86,583	90,177	93,838
Revenue from continuing operations	$	84,446	100,008	102,719	110,666	110,071	114,412	121,198	125,702	130,374	135,099
	Ratio	0.65	0.60	0.62	0.62	0.67	0.68	0.69	0.69	0.69	0.69

The rate coverage ratio is a measure of the extent to which Council is dependant upon rates and annual charges as a proportion of its total revenue. This ratio is affected by Council's ability to source grants and contributions and its revenue policy. It is also largely affected by the amount of developer dedications of roads, bridges, footpaths and drainage assets, which are included in capital revenues.

Maitland City Council
Long Term Financial Plan
Statement of performance measures
For the period 2014/15 to 2023/24
Option 3 - 8.35% Rate Increase (Optimistic)

		Year 1 Draft 2014/15 ($'000)	Year 2 Estimate 2015/16 ($'000)	Year 3 Estimate 2016/17 ($'000)	Year 4 Estimate 2017/18 ($'000)	Year 5 Estimate 2018/19 ($'000)	Year 6 Estimate 2019/20 ($'000)	Year 7 Estimate 2020/21 ($'000)	Year 8 Estimate 2021/22 ($'000)	Year 9 Estimate 2022/23 ($'000)	Year 10 Estimate 2023/24 ($'000)
4. Rates and annual charges outstanding percentage											
Rates and annual charges outstanding	$	1,731	1,889	2,006	2,159	2,325	2,428	2,603	2,708	2,818	2,927
Rates and annual charges collectable	$	56,834	61,598	65,669	70,629	76,110	80,050	85,948	89,604	93,316	97,100
	Ratio	3.05%	3.07%	3.05%	3.06%	3.05%	3.03%	3.03%	3.02%	3.02%	3.01%

The rates and annual charges outstanding percentage assesses the impact of uncollected rates and annual charges on liquidity and is a measure of the effectiveness of council's debt recovery processes. The lower the percentage, the less income is tied up in receivables and the more revenue there is available for council purposes.
The Division of Local Government's accepted benchmark are less than 5.0% for urban and coastal councils and less than 10% for rural councils.

		Year 1 Draft 2014/15	Year 2 2015/16	Year 3 2016/17	Year 4 2017/18	Year 5 2018/19	Year 6 2019/20	Year 7 2020/21	Year 8 2021/22	Year 9 2022/23	Year 10 2023/24
5. Asset renewals ratio											
Asset renewals (building and infrastructure)	$	16,520	21,652	20,094	22,586	16,290	18,472	19,377	18,152	17,108	16,866
Depreciation, amortisation and impairment (building & infrastructure)	$	10,590	10,908	11,235	11,573	11,920	12,277	12,646	13,025	13,415	13,818
	Ratio	1.56	1.98	1.79	1.95	1.37	1.50	1.53	1.39	1.28	1.22

The asset renewals ratio assesses a council's ability to renew it's building and infrastructure assets compared with the consumption (depreciation) of those assets.
The Division of Local Government considers a ratio of 1.00 or greater to be satisfactory, indicating that the assets are being renewed faster than they are being consumed (depreciated).

SENSITIVITY ANALYSIS AND RISK ASSESSMENT

Council's long term financial plan has been in place since 2005, with strong links to our Asset Management Strategy since this time. In 2011, further integration came with the introduction of our Workforce Plan, and most recently in 2014 with the introduction of the Information and Communications Technology Strategy.

Starting from a strong base and now in use for close to ten years, Council is confident of the stability of the plan and its incorporated financial model.

Regardless, our plan includes the ability to assess the impacts of any changes in assumptions to our long term financial projections. This allows us to model, for example, the implications of changes in residential growth should forecast numbers be higher or lower than expected as a consequence of changes in the property market. This ability is available for all forms of income and expenditure, allowing frequent monitoring and assessment on at least an annual basis.

The following risk factors have been considered in the development of the long term financial plan, each with its own implications for the plan should they occur. These risk factors include:

• Rate increases being lower than anticipated

• Substantial fluctuation in population projections

• Inflation being higher than anticipated

• Construction costs being higher than anticipated

• A transfer in responsibilities from other levels of government

• Significant fluctuation in the rate of return on investments

• Waste management/rehabilitation costs being higher than anticipated

• Changes to the number of pensioners eligible for rebates

• Grant income being lower than anticipated

• Being unable to achieve productivity gains

• Sale of operational lands returning less revenue than anticipated

• Implementation of a new corporate information management system being at a higher cost than anticipated

• Staffing related costs increasing more an anticipated.

There are also external factors beyond the scope of Council which could impact on the model. These include:

• Changes to the local government rating regime

• Changes to the planning regime and developer contributions framework

• Changes to the superannuation guarantee legislation

• Fluctuation in government and statutory charges to Council

• Forced amalgamation of Councils

• Significant boundary changes

• Natural disaster.

Additionally, the following has been considered:

MAJOR CAPITAL EXPENDITURE – Council's asset management policy states that new capital works will be funded through developer contributions (Sections 94), grants or borrowings.

INCREASED BORROWINGS – In our preferred scenario, Council's loan drawdown has been modelled at $4.8 million per annum. This is an increase from historical levels, with funding targeted at asset renewal. This will take Council's debt service ratio to 7.5%, comfortably within the Division of Local Governments 5-10% threshold. Borrowings would be maintained at current levels under a 'rate peg' only scenario.

PRODUCTIVITY – In our preferred scenario, Council has modelled an annual productivity factor target of $500,000 commencing in 2015/16. This has not been modelled in the rate peg only scenario, as the peg by its nature forces productivity.

INCREASED GRANT INCOME – In our preferred scenario, Council has modelled increased grant income of $13 million over ten years. This is based on Council's recent record in achieving grants, as well as knowledge of new programs at a State and Federal level under which Council will be eligible to apply for and well-positioned to achieve.

PERFORMANCE MONITORING

Council will continue to report its financial performance each quarter. Additionally, an annual review is undertaken of the Long Term Financial Plan to review assumptions and assess the robustness of the model. Council will monitor financial performance of the outcomes of the plan under Note 13 – Statement of Performance Measures as contained in the Local Government Accounting Code of Practice and Financial Reporting Guidelines. Key performance measures used in this assessment include:

UNRESTRICTED CURRENT RATIO

This ratio assesses the degree to which current obligations of Council are covered by unrestricted current assets. It assess the liquidity and ability to satisfy obligations as they fall due in the short term. The NSW Department of Premiers and Cabinet's Division of Local Government (DLG) considers a ratio of less than 1.50 to be unsatisfactory, indicating that Council may be unable to meet its short term commitments.

DEBT SERVICE RATIO

This ratio assesses the degree to which revenue from continuing operations are committed to the repayment of debt. The DLG's accepted benchmark is that less than 0.10 (10%) is satisfactory, between 0.10 and 0.20 (10-20%) is fair, and above 0.20 (20%) is of concern.

RATES COVERAGE RATIO

This ratio is a measure of the extent to which Council is dependent upon rates and annual charges as a proportion of its total revenue. This ratio is affected by Council's ability to source grants and contributions, and its revenue policy. It is also largely affected by the amount of developer dedications of roads, bridges, footpath and drainage assets, which are included in capital revenues.

RATES AND ANNUAL CHARGES OUTSTANDING PERCENTAGE

This assesses the impact of uncollected rates and annual charges on liquidity and is a measure of the effectiveness of Council's debt recovery processes. The lower the percentage, the less income is tied up in receivables, leaving more revenue available for Council purposes. The DLG's accepted benchmark is less than 5.0% for urban and coastal Councils, and less than 10.0% for rural Councils.

ASSET RENEWALS RATIO

This ratio assesses a Council's ability to renew its building and infrastructure assets compared with the consumption (depreciation) of those assets. The DLG considers a ratio of 1.00 or greater to be satisfactory, indicating that assets are being renewed faster than they are being consumed (depreciated).

Performance measures will be expanded to incorporate the additional requirements of TCorp.

OUR WORKFORCE PLAN

OUR WORKFORCE PLAN

Like most employers across Australia, Maitland City Council is facing increasing challenges in planning a workforce for today, as well as the workforce that will need to deliver services to our community tomorrow. Our organisation recognises its people are vital for the continued provision of relevant, quality services to our local community.

Workforce planning is essential for a successful workforce. Workforce planning is a continuous process of shaping the workforce to ensure that it is capable of delivering organisational objectives now and into the future. It is the effective integration and alignment of human resource strategies to continuously deliver the right people in the right place at the right time.

The goal for our workforce plan is to equip our organisation with a skilled, adaptive and innovative workforce – a workforce aligned to our organisational priority of achieving financial sustainability whilst also delivering the community priorities and outcomes contained in our four year Delivery Program.

Our workforce plan is the people component of Council's Resourcing Strategy. The development of this plan is driven by our Community Strategic Plan 'Maitland +10', and our Delivery Program 2013-17 (Revised). Complemented by workforce audits, research, employee consultation, prior planning, and our long term asset, information technology and financial strategies, the workforce plan has revealed to us the people we will need; where they will be needed to assist in delivering business and community outcomes; how much this will cost; and when they will be required.

Our workforce plan has been developed for an extended period of seven years to align with the directions of our Delivery Program, our goal of achieving financial sustainability at the end of seven years and to provide assurances to our community what we intend to achieve during this period.

HOW OUR PLAN LINKS TO THE DELIVERY PROGRAM AND MAITLAND +10

Our Workforce Plan focuses on six areas over the next seven years. These six areas assist in ensuring we have the right people within our organisation at the right time, maximising the organisation's ability to assist in achieving the Delivery Program objectives and community outcomes expressed in 'Maitland +10':

 Our plans six focus areas include:

• **ATTRACTION AND ENGAGEMENT OF STAFF** – our focus in this area will ensure our significant investment in people delivers lasting benefits to our organisation and the community. This area will assist us in meeting the community's desire to see us nurture a skilled and innovative workforce that delivers optimal service as documented in our Delivery Program and Community Strategic Plan outcomes.

• **TALENT DEVELOPMENT** – tying in with our desire to retain staff, a focus on talent development will build on people as our most valuable asset. This will place us in good stead to continue to meet community priorities for 2023 and beyond.

• **WORK, HEALTH AND SAFETY AND STAFF WELLBEING** – with safety management being a fundamental requirement for our organisation particularly given we have an ageing workforce, a focus on work, health and safety and staff wellbeing is linked not only to being a good corporate citizen but to the community's desire to see 'a sustainable Council for a sustainable City'.

• **ORGANISATIONAL DEVELOPMENT** – our focus in this area will ensure our people are equipped as leaders, ready to engage with the community and respond to change, further nurturing a skilled and innovative workforce and meet Delivery Program outcomes and community outcomes expressed in 'Maitland +10'.

• **EMPLOYEE RELATIONS** – our focus on this area will allow us to further align Delivery Program outcomes to the performance of individuals, departments and groups within the organisation through a relationship built on the mutual trust and respect of all employment partners and stakeholders.

• **PROCESSES AND TECHNOLOGY** – our attention to this area will ensure our 'in-house' workplace systems and processes are efficient and effective enabling the organisation and its people to work on Delivery Program objectives.

Further commentary on these focus areas follows in our action plan.

OUR WORKFORCE CHALLENGES

Workforce challenges for our organisation include:

1. Strengthening the organisation's capability to achieve community and corporate outcomes now and into the future

The opportunity to make workforce planning an integral part of our organisation's strategic planning processes establishes a direct link between business outcomes and the people required to achieve them.

2. Encouraging a more in depth understanding of the organisation's workforce profile, based on an analysis of workforce data

Workforce planning will assist us to identify the demographics and capabilities of the existing workforce, as well as what is required into the future.

3. Facilitating strategic responses to change

The implementation of our Workforce Plan and the supporting HR strategies will effectively capture and share/transfer individual and organisational knowledge; identify knowledge gaps; and improve our organisation's capacity to capture critical corporate knowledge through recording, assessing and sharing best practice methods. We will continue to evolve our succession management process to enable proactive planning of critical roles.

4. Identifying and managing people with the knowledge critical for effective and efficient business operations

The implementation of our Workforce Plan and the supporting HR strategies will effectively capture and share/transfer individual and organisational knowledge; identify knowledge gaps; and improve our organisation's capacity to capture critical corporate knowledge through recording, assessing and sharing best practice methods. We will continue to evolve our succession management process to enable proactive planning of critical roles.

5. Providing a mechanism for directly linking expenditure on people to desired community and organisational outcomes

People-related expenditure is often the most significant proportion of organisational expenses. As a result, the costs associated with staff turnover, replacement and re-training are considerable. Workforce planning can help make resourcing decisions to ensure that the investment is targeted in the appropriate way to achieve a value-added workforce. The 'right' workforce mix can help an organisation to deliver quality business outcomes in the most cost-effective way.

CHANGES TO THE NSW LOCAL GOVERNMENT SECTOR

The review of the NSW Local Government Act and report from the NSW Independent Local Government Review Panel: Revitalising Local Government outlines a number of further challenges for our organisations workforce. The key challenges include community engagement, technology and the role and civic leadership of Councillors.

The NSW Local Government Act review recommends that the Integrated Planning & Reporting Framework (IP&R) be elevated to form the central framework of the new Act and the primary strategic tool that enables Councils to fulfil their civic leadership and deliver infrastructure, services and regulation based on community priorities.

With this in place it will be essential for our organisation to understand its accountabilities to the community and the importance of our organisations representatives to secure a sound understanding of community views as a component of the decision making process. Whole of organisation understanding, skill development and implementation in this area will be required.

Technology is another challenge for our organisation to emerge from the Local Government Act review and the Revitalising Local Government report. Both reports outline the increasing spread of new information and communication technologies with the potential to transform our organisations concepts of space and methods of service delivery. Both reports also support the implementation of optimal, flexible and innovative uses of technology by councils to promote efficiency and enhance accessibility and engagement. It is the provision of new technology and the across organisation capability development in its use that will be our challenge.

The final challenge aligned with workforce planning is the role and civic leadership of the Councillor. Today's Councillors require enhanced skills to deal with the complex challenges they face. The Local Government Act review recommends that the responsibilities of both the Councillor and Mayor should align with requirements of the strengthened IP&R Framework; much more strategic than some potential Councillors standing for election may understand. The Independent Local Government review Panel has concluded that both an initial induction program and ongoing professional development should become mandatory.

OUR WORKFORCE PLANNING FRAMEWORK

This is the third Workforce Plan prepared by Council and is an evolution of our earlier plans to provide further integration and alignment with our goal for a financially sustainable city. The illustration (right) demonstrates the key steps taken to evolve our Workforce Plan. A review was undertaken to analyse the organisation's workforce through data gathering interviews with managers of each business group, organisation demographic data, feedback from key employment partners and stakeholders, recruitment, on-boarding and exit information, industrial and employment relations history and assessment of the 2011-2015 and original 2013-17 Workforce Plan outcomes.

From this exercise, a forecast of supply and demand was assessed, allowing potential gaps to be identified for both our current and future workforce (for example, skill gaps and capturing of knowledge management). The assessment included evaluating the 2013-17 Workforce Plan against its stated aims and objectives and assessing the impact of previous organisation design changes, potential impact of the seven year rating proposal, proposed introduction of new technologies, systems and processes and capability audit.

The next stage, scenario building, was undertaken by People and Performance staff and business department managers to ascertain key priorities, in the context of the Delivery Program outcomes and operational requirements.

The framework shows continuous improvement and evaluation cycle to ensure we are monitoring our progress on a regular basis.

PLAN
SCENARIO BUILDING

FORECAST
DEMAND & SUPPLY ASSUMPTIONS
GAPS IDENTIFIED

ANALYSE
ORGANISATIONAL INTERNAL AND EXTERNAL FACTORS

Continuous Improvement & Evaluation
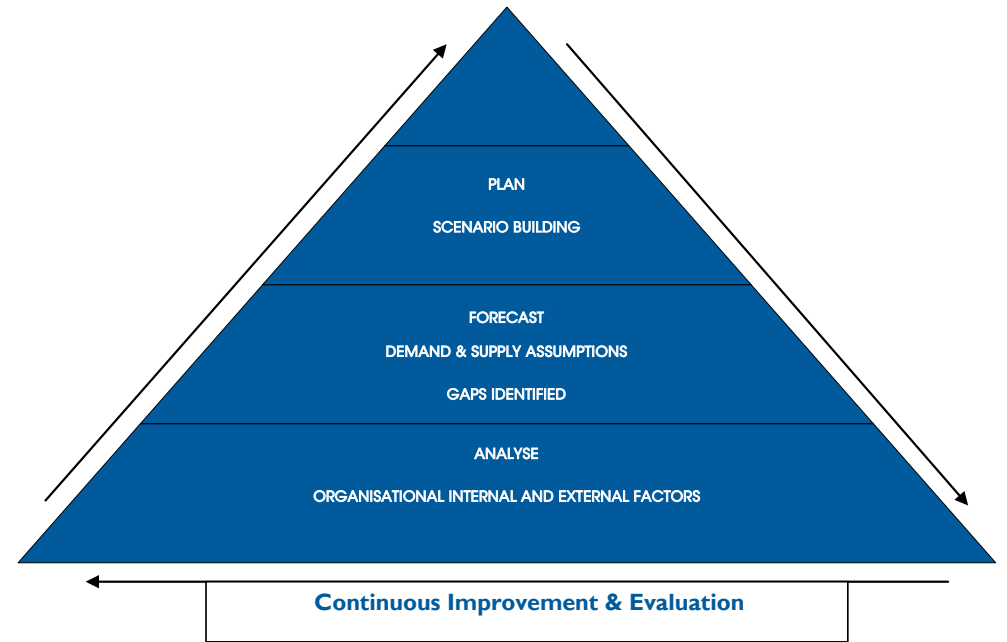
2013-2017 WORKFORCE PLANNING REVIEW

The current workforce plan has provided a sound basis for determining our focus over the next seven years as evidenced by an improved capacity to have the right people in the right roles. This is a direct result of:

• Clear linkages between Delivery Program objectives, organisation structure and role descriptions

• Strong labour market presence and reputation supported by planned approaches to attraction and engagement

• Constructive, transparent and stable employment relationship

• Improved alignment between work, performance and development

• Enhanced communication, consultation and engagement mechanisms

• Greater focus on work, health, safety and well-being

• Recognition of the importance of investing in learning, training and talent development

The review also highlighted opportunities to address people planning, management and development gaps and mitigate the associated risks. To this end the 2014-2021 Workforce Plan will include strategies and actions to:

• Provide staff with a clear understanding of what is required to work effectively and contribute to the organisation's success and sustainability

• Ensure new staff are well-support in undertaking their work

• Introduce an employment brand that articulates the relationship between Council's goals and direction and the value of becoming a contributing member of the organisation

• Develop and support current and emerging leaders

• Enhance work and career opportunities

• Maximise the contribution of the ageing workforce

• Embed a work, health, safety and well-being ethos into the organisation's culture, systems and practices

• Balance the delivery of services and community outcomes with employees' need for flexible leave and work arrangements

• Introduce a contemporary information management system that informs decision-making, resource allocation, people management and workforce planning and forecasting.

Previous workforce planning efforts, linked to key Delivery Program priorities, focused on improving capacity and capability within the Appearance and Infrastructure, and Planning, Environment and Lifestyle groups to better target:

• Infrastructure backlog

• City appearance

• Responsible and sustainable development.

A complete structural review has taken place in Appearance and Infrastructure, resulting in improved asset management planning, improved linkages between infrastructure planning, design, construction and maintenance processes and enhancements in communication between the business group and the rest of the organisation. Structural reviews in Planning, Environment and Lifestyle have also been undertaken that have minimised the gap between management and officers creating succession opportunities, more efficient decision making processes and identifying resourcing, knowledge and technology gaps that now have a plan for improvement.

MAITLAND LOCAL GOVERNMENT AREA WORK PROFILE

Workforce planning is largely impacted by the community of the local government area.

Maitland's population was 69, 646 people (2011 Census Data – National Regional Profile: Maitland LGA) and is expected to grow to 89,600 by 2023. Of the current population, 37.6% are aged 45 years or over. This figure will impact on future service community requirements for the Maitland area as the population increases and also the future available local labour market as this segment of the population nears retirement age. This figure has increased from 33.4 in 2004.

The male to female population is stable, with 51% of the population being female and 49% being male. This rate has not changed since 2004. However 54.1% of wage and salary earners are males whilst 45.9% are females.

Of the above population, the five highest professions are Managers and Professionals (26.4%); Labourer and related workers (20.8%); Technical and Tradespersons (18.1%); Clerical and Administrative Workers (14.1%) and Sales Workers (10%).

The unemployment rate in Maitland is 5.0%, this is below the national unemployment rate of 5.8% (November 2013).

MAITLAND CITY COUNCIL WORK PROFILE

To effectively plan our workforce into the future it is important to understand the profile of our current workforce.

As a service provider, a significant component of our budget is employee costs at 33.2% in 2013/14. Although this may seem high, we have a low employee to population ratio, meaning that there are more residents per employee in our organisation particularaly when compared to other local government areas in the Division of Local Government Group 5 being regional councils with a population over 70,000 and an urban centre.
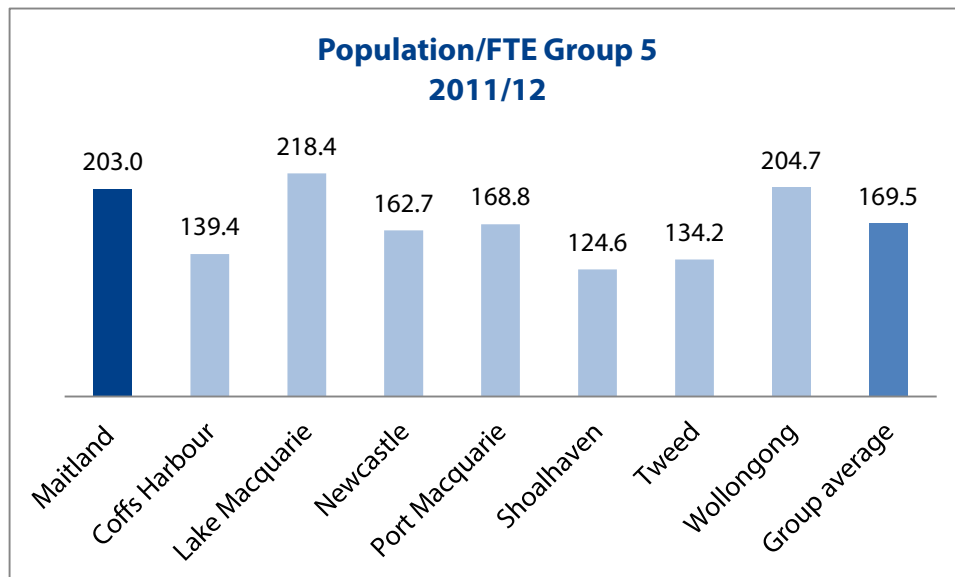
Our organisation's average staff age is 44 years. From the table below, 63% of all permanent and part-time staff at Council are 40 years of age or above, with over one third of Council staff being 50 years of age or above.

AGE PROFILE

AGE	<20	20-29	30-39	40-49	50-59	60+	TOTAL	AVERAGE AGE
	0	51	79	99	93	30	352	44

GENDER PROFILE

	2009	2010	2012	2013
MALES	190	204	217	216
FEMALES	103	120	127	136

Staff turnover has reduced in recent years. Our organisation's average length of service is 9.5 years.

EMPLOYEE TURNOVER

2007/2008	2008/2009	2009/2010	2011/2012	2012/2013
9.41%	5.16%	9.00%	8.71%	6.80%

Population/FTE Group 5 2011/12

Council	Value
Maitland	203.0
Coffs Harbour	139.4
Lake Macquarie	218.4
Newcastle	162.7
Port Macquarie	168.8
Shoalhaven	124.6
Tweed	134.2
Wollongong	204.7
Group average	169.5

NATIONAL WORKFORCE TRENDS

Workforce trends are important to consider when planning a workforce for the future. As we know, the Australian population is ageing and consequently our workforce will begin to change in composition over time. This will impact on our organisation, as with other employers. Topical workforce trends observed from a national perspective include:

• Increased competition private/public sector and technology innovation;

• Labour market trends — maintenance of a core and peripheral workforce; potential increase in buying in skills through contractors for fixed periods, regular casual employment and the potential of a job market boom;

• Changing community demographics, particularly the ageing population, which will impact on the type of services in demand into the future;

• The ongoing increase in the participation of both women and men returning to the workforce with changing lifestyles/family structures, which have contributed to the demand for more flexible working arrangements;

• Changing workforce behaviour, attitudes and expectations such as, increased mobility and reduced long term commitment to one employer (e.g. 'Generations X and Y');

• Buying in the skills/experience and individual contracts/agreements or development of skills within the organisation; and

• Increasing expectations of improved service delivery by the community.

This change in composition of the labour market, in an already competitive environment, will have a significant impact on our organisation and our ability to provide quality services to the community.

Data from the Australian Bureau of Statistics indicates the median age of Australia's population has increased 5.1 years from 31.8 years to 37 years from 30 June 1989 to 30 June 2011. Along with this, the public sector workforce age demographic is, on average, older than compared with the NSW workforce demographic. In 2013, 50.5% of the NSW public sector was 45 years and older, whereas the NSW workforce had 39.3% in this category. This means that more than half of the public sector workforce will be considering retirement or phased retirement in the next 10 to 15 years.

Demand for part time or flexible working arrangements has also increased. This increase in demand can place strains on an organisation's provision of services if not managed correctly. ABS Census Data indicates that female participation in local government has increased from 29% in 1996 to 46% in 2010. Therefore, male participation has decreased from 71% to 54% for the same period. These figures are significant as predominately more females undertake or request part time employment. That said, a trend is emerging for people wanting flexible work arrangements in relation to caring for their ageing family members now and into the future.

Another factor that has impacted on the skills shortage is increased labour market competition from global organisations. Overseas organisations are experiencing the same skills shortages as in Australia and living and working overseas now has become significantly easier and more common. Along with this "brain drain" overseas, less people are entering into training for critical skills shortage areas such as Engineering and Design and therefore into the future, skills shortages will inevitably continue.

FORECAST OF FUTURE ORGANISATIONAL TRENDS

Our organisational audit has shown the data predicting future trends as being:

• Dominance of technology in service delivery, work practices and customer interactions

• Increased complexity in the legislative and regulatory environment

• Strong emphasis on maintaining the longevity of infrastructure

• Changed and changing workforce composition and expectations will require different approaches to leading, managing and working

• An aging workforce, particularly in the executive and managerial roles and the outdoor workforce that will see significant natural attrition before the end of the seven years

• Loss of vital corporate knowledge and experience as the workforce ages and exits

• A more highly skilled workforce

• Greater competition across industries for the acquisition and retention of key talent

• Potential for alternate models of operation and service delivery, resource sharing and partnerships with other organisations

• Strong emphasis on long-term financial health

• Balancing the inter and intra-generational aspirations, needs and expectations of the community with sustainable service provision.
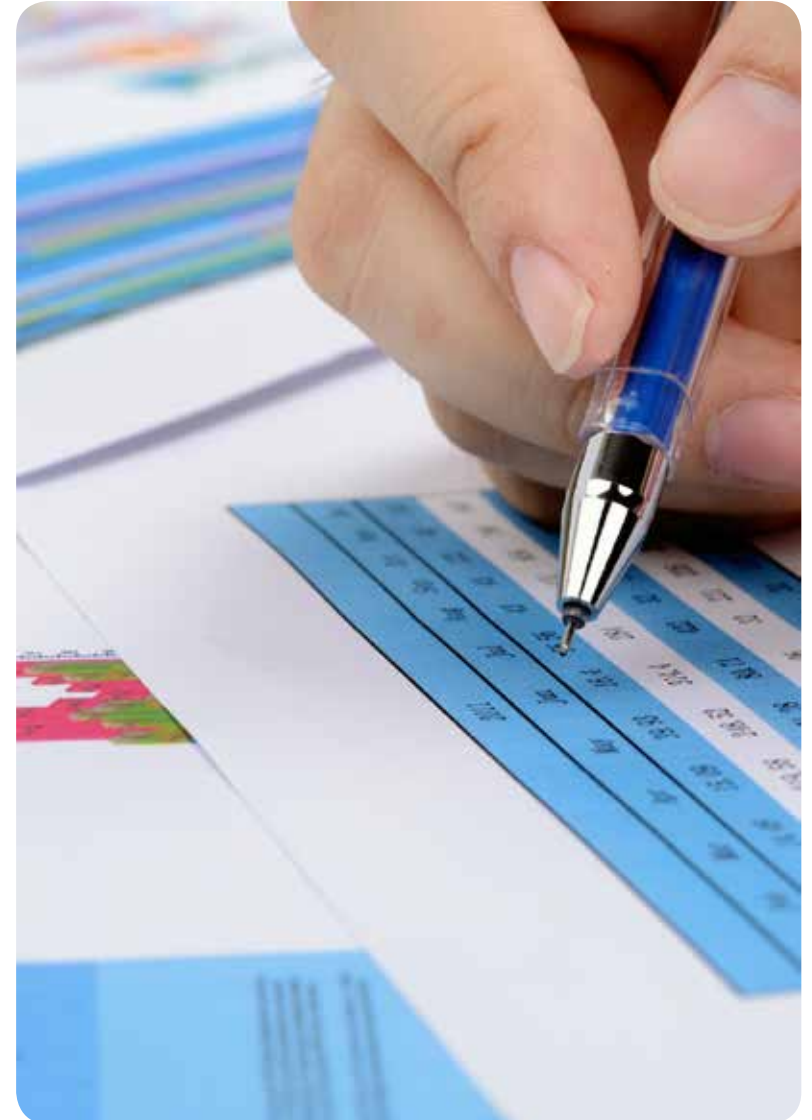
KEY AREAS FOR IMPROVEMENT

Our data analysis highlighted the following areas for us as an organisation to consider. These have been addressed with activities in the key focus areas later in this document:

· Creating an environment that attracts and retains a diverse, high calibre workforce

· Investing in the current and future workforce through leader development, including emerging leaders, capability management, new talent development and where appropriate, talent acquisition

· Establishing a culture that unites the organisation under a common purpose

· Capturing, transferring, sharing and managing corporate knowledge, experience and learning

· Implementing a range of work, health, safety and well-being programs focused on awareness, education and prevention

· Capitalising on opportunities for genuine employee engagement, communication, consultation and contribution

· Recognising the value and contribution of our older workforce by capitalising on their knowledge and experience through mentoring, coaching and subject expert roles, and through planned approaches to knowledge transfer to ensure the capture and retention of intellectual property

· Introducing a reward and recognition framework that is of value to the workforce and supports the strategic and operational needs of the organisation

· Introducing business technology that connects the organisation with its community and its staff, improves processes and services, and informs decision-making, planning, resource allocation, reporting and evaluation

· Ensuring our people-centred policies, processes and practices are contemporary, pragmatic, integrated, equitable, widely understood, serve a purpose and add value.

Further to these improvements, community feedback during the consultation process of Funding our Future in 2013/14 and the development of the seven year rating proposal demonstrated that there is some natural skepticism within the community as to the efforts Council was making to save money, prevent unnecessary expenditure and share the 'pain' of the proposed rates increase. As such, we have made a number of workforce commitments that will underpin the efficient delivery of services. These include:

· Expenditure on staffing costs will be closely monitored, seeking to constrain expenditure at 35% of total budget and on par with on par with sector standards for LGA's experiencing a similar growth trajectory.

· Limiting workforce growth to five new full-time positions per year. This allocation excludes project-based staff, and additional positions required for the new indoor heated pool.

· Capitalising on the natural attrition of our aging workforce and any opportunities it will present to streamline services and processes

· Increasing our focus on development, support and performance management of employees

· Centralising of recruitment, training, learning and development budgets

· Reviewing of job design and role charters for all vacant positions, and executive level review and approval prior to recruitment action.

CRITICAL ROLES AND SKILLS

Critical knowledge, skills and capabilities were identified through staff workshops, organisation, group and department structure reviews, staff evaluation data and an organisation capability audit. Common organisation competencies included:
• Working collaboratively
• Thinking, planning and acting strategically
• Contemporary leadership
• Project management
• Change management
• Service quality and customer focus
• Influencing and negotiating
• Relationship building management
• Systems thinking approach to work, decision making and process development
• People management
• Technological knowledge.

Our data analysis identified a number of gaps in skills identified for the future. The Workforce Plan will focus on developing critical knowledge, skills and capabilities in the following areas:
• Strategic thinking
• Leadership capability
• Management practice
• Service quality and customer focus
• Systems thinking
• Technological competence.

There is also a need to ensure the organisation has a complementary capacity and capability within its internal functions, so as to support the continued provision of quality services and outcomes. Data analysis identified likely areas of focus will include positions relating to:
• Engineering and design
• Urban planning
• Development planning and assessment
• Mid and lower-level line leadership in construction, maintenance and recreation services
• Specialised plant operations
• Knowledge management
• Business process management
• Information technology
• Finance.

STAFF ENGAGEMENT

In June 2013 our organisation undertook an employee opinion survey of all staff. The survey was completed by 72% of employees.

The survey was split into five key sections to achieve an overall understanding about employee opinions in every area of their working lives. The sections were:

• About me (the employee)
• About my immediate work area
• About Maitland City Council
• Satisfaction
• Employee engagement.

The top five performance areas included:

• Providing a safe work environment
• My immediate supervisor showing interest in health and safety of the employees in my area
• Health and safety being a top priority when I am performing my job responsibilities
• Producing or delivering quality products and services in my work area
• Achieving my work area's goals and objectives.

The survey questions asked employees to rate the importance of individual items and Council's performance regarding the same item. This process allowed us to compare the importance of items to their performance score. If a gap existed between the importance rating and performance score, this would be an area of focus for our organisation to improve.

The top five key areas of improvement were:

• Providing incentives and rewards
• Valuing employees at Maitland City Council
• Keeping skilled employees
• Cooperating across work areas
• Knowledge and information is shared between departments.

These have been considered in the key action areas later in this document.

OUR PHASED WORKFORCE PLAN - FOCUS AREAS

Given our workforce audit findings, consideration of the trends predicted for the future and our requirements from the Delivery Program, our focus areas for our phased Workforce Plan are:

ATTRACTION AND ENGAGEMENT

Having the right people, with the right skills at the right time is critical. To address our current and future challenges we will focus our efforts in the areas of employment branding, targeted recruitment, workplace diversity and on-boarding and orientation.

TALENT DEVELOPMENT

Investing in the learning, training and development of our people will ensure the workforce now and over time is ready, willing and capable of delivering quality services. Our approach is fourfold: leader development, including emerging leaders; acquisition of new talent through apprentices, trainees, cadets and interns; capability management focused on the acquisition and application of new knowledge and competencies identified as organisationally critical, and succession management to minimise the loss of corporate knowledge.

WORK, HEALTH AND SAFETY AND WELLBEING

Safety compliance is an essential core legislative activity; well-being a critical element of strong, vibrant and resilient workplaces. Our goal is to foster a strong, proactive leader-advocated staff-driven health, safety and well-being ethos that is embedded into our culture, work systems and practices. We will achieve this through proactive risk identification and mitigation, injury prevention management initiatives, education, consultation and communication and a heightened focus on programs that enable our ageing workforce to continue contributing and adding value for as long they wish to do so.

ORGANISATIONAL DEVELOPMENT

In order for our organisation to meet our community's expectations and deliver optimal service, the need to continually review and develop our organisational infrastructure is critical to our success. We will achieve this through the holistic alignment and integration of core business processes, people-centred activities, technology and work practices that are underpinned by a systems approach to capacity building and performance improvement.

EMPLOYEE RELATIONS

This is an essential core legislative activity for the organisation, but more than that it is the cornerstone of our success. We will continue to nurture and strengthen our relationship with our people, key employment partners and stakeholders. We will achieve this by implementing robust performance development, support and improvement and proactively partnering with of our staff to reach their full potential, followed by the development and implementation of leave and flexible work arrangement guidelines and the introduction of a holistic approach to remuneration and other benefits, to support business requirements across the organisation.

PROCESSES AND TECHNOLOGY

This is a core service delivery activity for the organisation. The key action driven by the organisation's IT Strategy will be to research, develop and implement a robust, flexible, leading edge Human Resources Information System (HRIS). Through an integrated electronic information system we will be able to deliver meaningful and useful information that informs decision-making, resource allocation, people management and workforce planning and forecasting and provides line leadership with a contemporary management tool.

KEY FOCUS AREA 1 - ATTRACTION AND ENGAGEMENT

COMMUNITY OUTCOME	A sustainable Council for a sustainable City
COMMUNITY STRATEGY	Council's workforce, systems and processes will support high performance and optimal service delivery for our community
COUNCIL'S 4 YEAR OBJECTIVE	To nurture a skilled, innovative and engaged workforce that delivers optimal service

KEY ACTIVITIES	ORGANISATIONAL OUTCOMES	PERFORMANCE INDICATOR	YEAR						
			14/15	15/16	16/17	17/18	18/19	19/20	20/21
Deploy employment brand.	The employment brand is widely known and accepted in the labour market as genuinely representing the organisation. The brand articulates the relationship between Council's goals and direction and the value of becoming a contributing member of the organisation.	There is a direct link between employees' roles and the: • Delivery Program • Actual work undertaken • Individual's development plan.	x						
Deliver a comprehensive on-boarding program for all new employees.	New staff understand what is important, how they can best contribute to the work and priorities of the organisation, and how the organisation will support them in doing so.	100% of probation discussions have been completed at three months. 100% of six-month competency assessments have been completed.	x						
Support on-boarding of new employees.	New staff understand what is important, how they can best contribute to the work and priorities of the organisation, and how the organisation will support them in doing so.	At 6 weeks of employment, 80% of new staff understand the requirements of their role. 85% of new staff have attended formal induction within 8 weeks of commencement. At 3 months of employment, 90% of new staff are conversant with core work systems and practices.	x	x	x	x	x	x	x

KEY ACTIVITIES	ORGANISATIONAL OUTCOMES	PERFORMANCE INDICATOR	YEAR						
			14/15	15/16	16/17	17/18	18/19	19/20	20/21
Review effectiveness of attraction and engagement process.	The attraction and engagement process delivers the right people, with the right knowledge, capabilities, attitudes and behaviours in the right jobs at the right time to ensure the organisation is best placed to facilitate the achievement of the Delivery Program's objectives.	On average, for every vacancy, there are at least 20 applications that meet the position criteria in first round advertising. 90% of roles offered to the preferred candidate are accepted. Re-advertised roles constitute less than 8% of annual vacancies.			x				
Review effectiveness of employee on-boarding program.	New staff understand what is important, how they can best contribute to the work and priorities of the organisation, and how the organisation will support them in doing so.	90% of new staff are with the organisation at least 1 year after commencement and consider the on-boarding program to have contributed to their decision to remain. The baseline workforce engagement index for new staff is better than 'satisfactory'.				x			
Review Council's Recruitment Agency Expression of Interest.	Review current EOI and make recommendation to advertise for new EOI.		x			x			
Implement Council's adopted recruitment plan for 14-21.	Review seven year recruitment plan and recruit in line with annual priorities.		x	x	x	x	x	x	x

KEY FOCUS AREA 2 - TALENT DEVELOPMENT

COMMUNITY OUTCOME	A sustainable Council for a sustainable City
COMMUNITY STRATEGY	Council's workforce, systems and processes will support high performance and optimal service delivery for our community
COUNCIL'S 4 YEAR OBJECTIVE	To nurture a skilled, innovative and engaged workforce that delivers optimal service

KEY ACTIVITIES	ORGANISATIONAL OUTCOMES	PERFORMANCE INDICATOR	YEAR						
			14/15	15/16	16/17	17/18	18/19	19/20	20/21
Develop and deploy a whole-of-organisation talent development program that ensures Council's workforce is flexible, capable and available to deliver community-focused services and outcomes.	The organisation's human capital processes of learning and development, leader development, talent acquisition and capability management focused on the development and support of the organisation's line leaders.	Implementation of a leader development program (LDP) that enhances and builds on current leader capability. 100% of line leaders have commenced the LDP. Individual LDP objectives and progress is monitored and reported on through PES.	x	x	x	x	x	x	x
Develop and deploy whole-of-organisation workforce planning & management framework.	Line leadership has a clear framework, supported by in-house expertise, resources and tools to ensure workforce planning and management decisions are well-informed, integrated and linked to the organisation's key strategic and operational priorities.	The framework and associated tools and resources are developed and deployed. 50% of the skills audit for the Appearance & Infrastructure and Planning, Environment & Lifestyle groups has been completed. 100% of the skills audit for the People & Performance, Corporate Planning & Engagement and Corporate Services groups has been completed. All critical positions and persons are identified.	x	x	x	x	x	x	x

KEY ACTIVITIES	ORGANISATIONAL OUTCOMES	PERFORMANCE INDICATOR	YEAR						
			14/15	15/16	16/17	17/18	18/19	19/20	20/21
Deploy employment brand through participation in secondary and tertiary career expos, industry conferences and regional partnerships.	The employment brand is widely known and accepted in the labour market as genuinely representing the organisation. The brand articulates the relationship between Council's goals and direction and the value of becoming a contributing member of the organisation.	On average, for every vacancy, there are at least 8 applications that meet the position criteria in first round advertising. Private sector candidate interest is increases by 10%. The application rate for trainee, graduate and cadet roles increases by 10%. A cooperative regional approach to employment branding is established in the Lower Hunter.			x				

| Develop and deploy a whole-of-organisation talent development program that ensures Council's workforce is flexible, capable and available to deliver community-focused services and outcomes. | The organisation's human capital processes of learning and development, leader development, talent acquisition and capability management continue to be focused on line leaders, who are the principal motivating force for accomplishing its strategic and operational objectives.

An emerging leaders program is established targeting the professional development and support of employees identified as having the capability, potential, readiness and fit for future leadership roles.

A capability development program is established; its focus the acquisition of contemporary knowledge, behaviours and competences identified as organisationally critical.

The organisation's workforce demographic is diversified and strengthened through the introduction of trainees, apprentices, graduates, cadets or interns. | 100% of line leadership have successfully completed the Leader Development Program (LDP).

80% of general staff enquiries are resolved by line leadership.

All talent development programs are informed by the organisation's skills audit, group structure reviews, competency assessments and amended Role Charters.

Participant satisfaction rating is 70% or better.

Knowledge gained from learning, training and development is applied consistently in the workplace.

Proposed framework for the development of new talent presented to ELT for adoption. | x | x | x | x | x | x | x |

KEY ACTIVITIES	ORGANISATIONAL OUTCOMES	PERFORMANCE INDICATOR	YEAR						
			14/15	15/16	16/17	17/18	18/19	19/20	20/21
Deploy workforce planning & management framework.	Line leadership has a clear framework, supported by in-house expertise, resources and tools to ensure workforce planning and management decisions are well-informed, integrated and linked to the organisation's key strategic and operational priorities.	100% of of the skills audit for the Appearance & Infrastructure and Planning, Environment & Lifestyle groups' is completed. Skills audit findings and critical position data informs talent development programs. Succession management plans are established for critical positions and critical persons for each group within the structure.	x	x					
Deploy Phase 1 of talent development program.	The organisation complements current workforce knowledge and experience with the targeted development and support of the 'next generation' workforce through implementation of the: • Emerging Leaders Program (ELP) • Capability Development Program (CPD) • New Talent Program (NTP).	Emerging leaders, identified through workforce planning activities, commence ELP. The CPD is developed from the critical knowledge, skills and competences identified through workforce planning activities. Phase 1 of the NTP is implemented.		x	x				

KEY ACTIVITIES	ORGANISATIONAL OUTCOMES	PERFORMANCE INDICATOR	YEAR						
			14/15	15/16	16/17	17/18	18/19	19/20	20/21
Deploy Phase 2 of talent development program.	The organisation complements current workforce knowledge and experience with the targeted development and support of the 'next generation' workforce through the implementation of the: • Emerging Leaders Program (ELP) • Capability Development Program (CPD) • New Talent Program (NTP).	Emerging leaders, identified through workforce planning activities, successfully complete ELP. Learning, training and development programs are implemented and on-the-job application of knowledge and skills is assessed through regular supervision and support meetings and annual appraisals. Phase 2 of the NTP is implemented. Risks associated with roles identified as critical, hard to fill or requiring specific knowledge/skills in short supply are rated as 'manageable' in the short to mid-term.				x	x		
Deliver annual Council Corporate Training Program.			x	x	x	x	x	x	x

KEY FOCUS AREA 3 - WORK HEALTH SAFETY AND WELLBEING

COMMUNITY OUTCOME	A sustainable Council for a sustainable City
COMMUNITY STRATEGY	Council's workforce, systems and processes will support high performance and optimal service delivery for our community
COUNCIL'S 4 YEAR OBJECTIVE	To nurture a skilled, innovative and engaged workforce that delivers optimal service

KEY ACTIVITIES	ORGANISATIONAL OUTCOMES	PERFORMANCE INDICATOR	YEAR						
			14/15	15/16	16/17	17/18	18/19	19/20	20/21
Implement a range of work health safety and well-being programs that focus on prevention, education and awareness.	A strong, proactive, leader-advocated, staff-driven safety ethos is embedded into the organisation's culture, work systems and practices with a specific focus on how we will ensure our older workers remain productive and contributing members of our organisation.	The specific needs of our ageing workforce are identified and incorporated into the relevant WHS and workforce planning strategies. Voluntary well-being program participation rates increase by 10%. Manual handling risk assessments have been completed on 100% of identified high risk tasks.	x						

KEY ACTIVITIES	ORGANISATIONAL OUTCOMES	PERFORMANCE INDICATOR	YEAR						
			14/15	15/16	16/17	17/18	18/19	19/20	20/21
Identify and prioritise work health & safety initiatives and actions in accordance with legislative and regulatory requirements.	A strong, proactive, leader-advocated ethos is embedded into the organisation's culture, work systems and practices, with a focus on line leaders' demonstrated knowledge and understanding of their specific legislative accountabilities.	Newly appointed line leaders have undergone training within 12 months of commencement. All A&I line leaders have undergone refresher training by 30 June 2015. Line leaders in other departments identified as critical in terms of WHS will have undergone refresher training by 30 June 2016. 100% of current contractors and volunteers have been inducted. 100% of new staff are inducted.	x	x					
Implement a range of work health safety and well-being programs that focus on prevention, education and awareness.	A strong, proactive, leader-advocated, staff-driven safety ethos is embedded into the organisation's culture, work systems and practices with all workplace incidents and injuries reported in a timely manner and injury management procedures, where required, are implemented immediately.	The appropriate Officers are notified of an incident/injury not more than 2 hours after it occurs. Line leaders understand and actively participate in the injury management process. Staff are aware of their responsibilities with respect to the injury management process. Voluntary well-being program participation rates increase by 10%. Manual handling injuries/incidents are reduced by 10%.		x					

KEY ACTIVITIES	ORGANISATIONAL OUTCOMES	PERFORMANCE INDICATOR	YEAR						
			14/15	15/16	16/17	17/18	18/19	19/20	20/21
Identify and prioritise work health & safety initiatives and actions in accordance with legislative and regulatory requirements.	A strong, proactive, leader-advocated, safety ethos is embedded into the organisation's culture, work systems and practices including: • Noise assessments • Ergonomic assessments on plant.	Noise assessments have been completed on 50% of identified high risk tasks. 100% of existing plant has been assessed for ergonomic fitness.		x					
Implement a range of work health safety and well-being programs that focus on prevention, education and awareness.	A strong, proactive, leader-advocated, staff-driven safety ethos is embedded into the organisation's culture, work systems and practices with a specific focus on how we will ensure our older workers remain productive and contributing members of our organisation.	Manual handling incidents/injuries are reduced by 10%.			x				
Identify and prioritise work health & safety initiatives and actions in accordance with legislative and regulatory requirements.	A strong, proactive, leader-advocated, safety ethos is embedded into the organisation's culture, work systems and practices including: • Noise assessments line leaders' demonstrated knowledge and understanding of their specific legislative accountabilities.	Noise assessments have been completed on remaining 50% of identified high risk tasks. Line leaders undergo refresher training biennially.			x				

KEY ACTIVITIES	ORGANISATIONAL OUTCOMES	PERFORMANCE INDICATOR	YEAR						
			14/15	15/16	16/17	17/18	18/19	19/20	20/21
Review the health safety and well-being programs that focused on prevention, education and awareness.	The organisation's prevention, education and awareness programs have positively influenced the actions, behaviours and decisions of the workforce.	There has been a 30% reduction in preventable incidents/injuries as a result of improved induction and risk assessments. Voluntary well-being program participation rates met the stated targets and staff continue to apply healthy lifestyle principles. Improved work practices and job redesign allows our oolder workers to remain productive, reducing the incidence of preventable injury.				x			
Review work health & safety initiatives and actions in accordance with legislative and regulatory requirements.	The organisation's health and safety initiatives and actions are implemented and managed in accordance with legislative and regulatory requirements.	Less than 5 WorkCover improvement notices have been issued annually. Less than 2 WorkCover fines have been issued. All reportable incidents were reported to WorkCover within the specified timeframe.				x			

KEY FOCUS AREA 4 - ORGANISATIONAL DEVELOPMENT

COMMUNITY OUTCOME	A sustainable Council for a sustainable City
COMMUNITY STRATEGY	Council's workforce, systems and processes will support high performance and optimal service delivery for our community
COUNCIL'S 4 YEAR OBJECTIVE	To nurture a skilled, innovative and engaged workforce that delivers optimal service

KEY ACTIVITIES	ORGANISATIONAL OUTCOMES	PERFORMANCE INDICATOR	YEAR						
			14/15	15/16	16/17	17/18	18/19	19/20	20/21
Determine a suitable organisation development methodology & framework that supports and strengthens the organisation's capability.	The organisation's design holistically aligns core business processes, technology, systems and work activities to fit strategic and operational goals, drive performance improvement and flexibly accommodate future change: its people-centred activities are integrated, informed and underpinned by a systems approach to capacity building.	Stage 2 of the Appearance & Infrastructure group's OD program is completed in accordance with the project plan. Stage 1 of the Planning, Environment & Lifestyle group's OD program is completed in accordance with the project plan. The Corporate Services group's OD programs is completed in accordance with the project plan. Workforce planning, management and forecasting, and OD initiatives are informed by the outcomes of the groups' programs.		x					

KEY ACTIVITIES	ORGANISATIONAL OUTCOMES	PERFORMANCE INDICATOR	YEAR						
			14/15	15/16	16/17	17/18	18/19	19/20	20/21
Implement Phase 1 of OD framework.	The workforce genuinely values and contributes to the organisation's strategic objectives, operational priorities, Corporate Ideals and culture.	Staff genuinely see the value and outcomes of an OD approach & actively contribute feedback, as evidenced by an engagement survey response rate of 60% or greater. Engagement survey findings inform the organisation's leadership, talent development, performance improvement, total reward offering initiatives. Development of an internal communications framework. Improved consultation and involvement through greater utilisation of employee committees, focus groups and cross-organisation project teams.			x				
Implement Phase 2 of OD framework.	Elements of the OD framework can be evaluated separately or holistically and linkages between elements are readily identifiable, providing a means of determining their impact and value.	Monitoring and evaluation of OD initiatives, programs and activities is provided through the integrated planning & reporting cycle, project plan milestones and progress reports prepared for the Executive Leadership Team.				x			

KEY ACTIVITIES	ORGANISATIONAL OUTCOMES	PERFORMANCE INDICATOR	YEAR						
			14/15	15/16	16/17	17/18	18/19	19/20	20/21
Review and evaluate OD programs and activities.	Staff understand what is needed to do their work effectively, and they collectively own and contribute to the organisation's success and sustainability over time through a planned, iterative process of continuous learning, knowledge acquisition and sharing, and performance improvement.	Council's baseline workforce engagement index is better than 'satisfactory'. The framework is widely understood, accepted as part of how we work and it is utilised in decision-making and continuous improvement actions. The framework has contributed to the achievement of Delivery Program and workforce planning objectives as reported.					x		
Conduct an employee opinion 'pulse' survey.			x				x		
Undertake organisation wide employee opinion survey.					x				x

KEY FOCUS AREA 5 - EMPLOYEE RELATIONS

COMMUNITY OUTCOME	A sustainable Council for a sustainable City								
COMMUNITY STRATEGY	Council's workforce, systems and processes will support high performance and optimal service delivery for our community								
COUNCIL'S 4 YEAR OBJECTIVE	To nurture a skilled, innovative and engaged workforce that delivers optimal service								

KEY ACTIVITIES	ORGANISATIONAL OUTCOMES	PERFORMANCE INDICATOR	YEAR						
			14/15	15/16	16/17	17/18	18/19	19/20	20/21
Provide professional, contemporary human resource management services that meet legislative, good practice and organisation requirements.	A review of the current suite of HRM services, policies, protocols and practices is conducted, with gaps identified, to ensure the organisation's people-management activities are integrated, informed, pragmatic and widely understood.	Proposed hierarchy of actions informs key activities of the workforce plan.	x	x	x	x	x	x	x
Undertake a review of Council's salary system and develop plans for implementation of recommendations.	The salary system is reviewed within the context of the organisation's total reward offering (TRO) and the proposed remuneration framework will be underpinned by the principles of equity, transparency, defensibility and pragmatism, and widely understood by all stakeholders.	Proposed whole-of-organisation total reward offering (TRO) framework presented to ELT for adoption.	x						
Develop and implement a trial framework for line leaders (to coordinator level) that proactively supports performance development and improvement.	Line leadership capability is enhanced and capability gaps identified, with development plans implemented to support knowledge and skill acquisition and application.	All participating line leaders have a tailored development program in place by the first quarter of 2014/15.	x						

KEY ACTIVITIES	ORGANISATIONAL OUTCOMES	PERFORMANCE INDICATOR	YEAR						
			14/15	15/16	16/17	17/18	18/19	19/20	20/21
Develop and implement a trial framework for line leaders (to team leader level) that proactively supports performance development and improvement.	Line leadership capability is enhanced and capability gaps identified, with development plans implemented to support knowledge and skill acquisition and application.	All participating line leaders have a tailored development program in place by the first quarter of 2015/2016.		x					
Research options for inclusion in an integrated framework for the management of leave and work arrangements.	The strategic and operational requirements of the organisation and the needs and expectations of a contemporary workforce are identified with an integrated framework for managing whole-of-organisation leave and work arrangements developed.	Proposed framework for the management of leave and work arrangements presented to ELT for adoption.	x						
Develop and implement a framework for managing and supporting the employment relationship.	The employment relationship is transparent, constructive, built on mutual trust and respect, with all partners and stakeholders genuinely committed to positively contributing to the organisation's long-term sustainability.	The baseline workforce engagement index is 'satisfactory. 85% of staff understand the organisation's employment relations ethos and work successfully within it. 80% of general staff enquiries are resolved by line leaders. There is a 50% reduction in the number of grievances relating to HRM policy, process or practice.		x					

KEY ACTIVITIES	ORGANISATIONAL OUTCOMES	PERFORMANCE INDICATOR	YEAR						
			14/15	15/16	16/17	17/18	18/19	19/20	20/21
Commence implementation of TRO framework	Line leadership positions have been identified within the structure, accountabilities and duties accurately described and positions formally reviewed against the remuneration system framework. Roles that are critical, hard to fill or require specific knowledge/skills in short supply are identified. The organisation's supporting roles (all other roles within the structure) have been reviewed, with accountabilities and duties accurately described.	100% of identified line leadership roles have been accurately described and formally reviewed. Roles identified as anomalous, critical, hard to fill or requiring specific knowledge/skills in short supply are prioritised and formally reviewed against the remuneration system framework. 100% of supporting roles have been accurately described and new Role Charters issued. The organisation's TRO framework is consistently and equitably applied in the attraction, engagement and retention of staff.		x					
Implement line leadership performance development, support and improvement framework (PES).	Line leadership capability is enhanced and capability gaps identified, with development plans implemented to support knowledge and skill acquisition and application.	The performance rating for the organisational leadership and individual line leaders is 'met expectation'.		x					
Commence implementation of adopted framework for the management of leave and work arrangements.	The organisation genuinely works towards achieving, where reasonably practicable, a balance between the delivery of services and outcomes for the community and its employees' need for flexible leave and work arrangements.	The adopted framework is consistently applied and widely understood.		x					

KEY ACTIVITIES	ORGANISATIONAL OUTCOMES	PERFORMANCE INDICATOR	YEAR						
			14/15	15/16	16/17	17/18	18/19	19/20	20/21
Implement TRO framework.	The organisation's supporting roles (all other roles within the structure) have been reviewed, with the accountabilities and duties accurately described.	Supporting roles identified as anomalous, critical, hard to fill or requiring specific knowledge/skills in short supply are prioritised and formally reviewed against the remuneration system framework. Remaining supporting roles are prioritised and formally reviewed against the remuneration system framework.			x				
Implement staff performance development, support and improvement framework.	Management and staff acknowledge their joint accountability for performance development, support and improvement.	Staff understand their role and the expected standard of performance. Staff workloads are reasonable and resources and support is readily available to ensure work is completed. Staff have the required knowledge, skills and capabilities to undertake the core accountabilities of their role. 85% of line leaders proactively manage performance issues in their departments. 100% of staff identified as not meeting the expected standard of performance are supported with a development and improvement plan.			x				

KEY ACTIVITIES	ORGANISATIONAL OUTCOMES	PERFORMANCE INDICATOR	YEAR						
			14/15	15/16	16/17	17/18	18/19	19/20	20/21
Implement leave management and work arrangements framework.	The organisation genuinely works towards achieving, where reasonably practicable, a balance between the delivery of services and outcomes for the community and its employees' need for flexible leave and work arrangements.	Sick leave is reduced by 7%. Carer's leave is reduced by 7%. Leave liability is reduced by 15%. Leave clearance is increased by 10%. Staff are satisfied that leave management and work arrangement options contribute to a balanced life.		x					
Deploy workforce planning & management framework.	The workforce's capability is enhanced by capitalising on the knowledge and experience of its older or long-serving employees, with planned approaches to knowledge transfer ensuring intellectual property is captured and retained.	Individuals intending to retire, or wishing to phase to retirement within 2-5 years, are identified. The corporate knowledge of intending retirees is transferred to complementary or related roles through job or task redesign, or system/process enhancements. Intending retirees identified as 'critical persons' are transitioned into coaching/ mentoring roles.			x				

KEY ACTIVITIES	ORGANISATIONAL OUTCOMES	PERFORMANCE INDICATOR	YEAR						
			14/15	15/16	16/17	17/18	18/19	19/20	20/21
Provide professional, contemporary human resource management (HRM) services that meet legislative, good practice and organisation requirements.	Human resource management practices are widely understood and embedded into the operations, systems, procedures and processes of the organisation. Line leadership is empowered and accountable for directly managing the day-to-day employment relationship. Staff have access to and understand the people-management practices of the organisation.	There is a 50% reduction in the number of grievances relating to HR policy, process and practice. 80% of general staff enquiries are resolved by line leadership. 85% of staff are aware of and understand the HRM practices of the organisation.	x	x	x	x	x	x	x
Finalise implementation of TRO, including remuneration system framework.	The organisation's TRO framework is underpinned by the principles of equity, transparency, defensibility and pragmatism, and is widely understood by all stakeholders. Further, the TRO is affordable, of value to employees' and contributes to the organisation's ability to attract and retain an innovative, engaged, high calibre workforce.	Supporting roles are prioritised and formally reviewed against the remuneration system framework. Turnover remains within the industry standard. Baseline workforce engagement index is better than 'satisfactory'.				x	x		

KEY ACTIVITIES	ORGANISATIONAL OUTCOMES	PERFORMANCE INDICATOR	YEAR						
			14/15	15/16	16/17	17/18	18/19	19/20	20/21
Review effectiveness of line leadership performance development, support and improvement framework.	Line leaders act with honesty and integrity and have a genuine desire to deliver outcomes for our community. They are the principal motivating force for the organisation in accomplishing its strategic and operational objectives.	The organisation's leadership capability index is consistently maintained as 'competent' both at a corporate and individual level. Line leaders actively model and champion the Corporate Ideals. Line leaders champion a safe and healthy workplace and fair, respectful and equitable work practices. 100% of the core Role Charter accountabilities are undertaken consistently and to the expected standard.				x			
Review effectiveness of staff performance development, support and improvement framework.	Management and staff work proactively and collaboratively to ensure individual performance consistently meets the expected standard and that where necessary, timely preventative measures are implemented to ensure the employee continues to be a productive, contributing member of the organisation.	85% of staff identified as not meeting the expected standard of performance successfully complete a development and improvement plan. Less than 1% of performance development, support and improvement activities result in a grievance due to poor process management.				x			

KEY ACTIVITIES	ORGANISATIONAL OUTCOMES	PERFORMANCE INDICATOR	YEAR						
			14/15	15/16	16/17	17/18	18/19	19/20	20/21
Review leave management and work arrangements framework.	The organisation genuinely works toward achieving, where reasonably practicable, a balance between the delivery of services and outcomes for the community and employees' need for flexible leave and work arrangements.	Staff are satisfied that leave management and work arrangement options contribute to a balanced life. Sick leave is reduced by 8%. Carers' leave is reduced by 8%. Leave liability is reduced by 15%. Leave clearance is increased by 10%. 50% of eligible staff participate in the purchased leave program.				x			

KEY ACTIVITIES	ORGANISATIONAL OUTCOMES	PERFORMANCE INDICATOR	YEAR						
			14/15	15/16	16/17	17/18	18/19	19/20	20/21
Review workforce planning and management activities.	The organisation has the right people, with the right knowledge and capabilities, attitudes and behaviours in the right jobs at the right time. The workforce is engaged and well-placed to inform strategic direction, develop innovative solutions to complex issues, maintain strong partnerships with key stakeholders and deliver services efficiently and effectively. In achieving these outcomes core business processes, people-centred programs, technology, systems and work activities are integrated into a holistic system that aligns the organisation's strategic and operational goals, drives performance improvement and flexibly accommodates future change.	Organisational outcomes of the Workforce Plan are achieved. Achievement of Delivery Program targets have been supported by the Workforce Plan. Changing organisational priorities are accommodated within the scope of the Workforce Plan.					x		
Review and finalise all departmental and section structures	Department and sections have greater efficiencies in planning, processes, communication and decision making along with improved succession planning opportunities.	All department and section structures have been reviewed and are finalised	x						

Undertake all outstanding competency assessments and conduct annual assessments	Improved job satisfaction and level of engagement for employees. The organisation is assured and confident that each employee is competent to undertake all aspects of their role.	100% of competency assessments are up to date from year 2015/16.	x	x	x	x	x	x	x
Conduct audit of current non-monetary offerings	The organisation is able to promote the non-monetary offerings of positions as part of the overall recruitment package for existing, new and potential employees	Audit completed and offerings included as part of the employee attraction and retention program	x						
Investigate new or alternative offerings	A more comprehensive and attractive remuneration package exists for promotion to existing, new and potential employees	New or alternative offerings identified and included as part of the employee attraction and retention program	x	x					
Implement structured reward and recognition program	Employees will be more satisfied, engaged and motivated and feel valued members of the larger organisation	Program underway and reviewed annually		x	x	x	x	x	x
Implement 360 degree feedback to manager level (PES)	Regular genuine and constructive feedback to Managers will provide a highly motivated leadership team.	100% of 360 feedback reviews completed annually			x	x	x	x

KEY FOCUS AREA 6 - PROCESSES AND TECHNOLOGY

COMMUNITY OUTCOME	A sustainable Council for a sustainable City		
COMMUNITY STRATEGY	Council's workforce, systems and processes will support high performance and optimal service delivery for our community		
COUNCIL'S 4 YEAR OBJECTIVE	To nurture a skilled, innovative and engaged workforce that delivers optimal service		

KEY ACTIVITIES	ORGANISATIONAL OUTCOMES	PERFORMANCE INDICATOR	YEAR						
			14/15	15/16	16/17	17/18	18/19	19/20	20/21
Investigate options for the introduction of a contemporary Human Resource Information System.	The organisation's information requirements with regard to decision-making, resource allocation, people management and workforce planning and forecasting are identified and well-understood.	Proposed human resource information system (HRIS) presented to ELT for adoption.	x						
Develop a new payroll system, as part of Council's corporate system Horizon, that meets legislative, Award and organisation requirements.	The organisation's payroll system meets legislative, Award and organisation requirements and is flexible enough to account for changes over time in a cost-effective and timely manner.	Payroll system is fully operational for first full pay in the 2014/2015 financial year.	x						
Implement human resource information system (HRIS) – Talent Development module.	The organisation's HRIS provides meaningful and useful information that informs decision-making, resource allocation, people management and workforce planning and forecasting.	The system provides an integrated 'whole of employment lifecycle' approach to planning for and managing the workforce.		x					

KEY ACTIVITIES	ORGANISATIONAL OUTCOMES	PERFORMANCE INDICATOR	YEAR						
			14/15	15/16	16/17	17/18	18/19	19/20	20/21
Implement human resource information system (HRIS) – Attraction & Engagement module.	The organisation's HRIS provides meaningful and useful information that informs decision-making, resource allocation, people management and workforce planning and forecasting.	The system provides an integrated 'whole of employment lifecycle' approach to planning for and managing the workforce.			x				
Investigate, determine and introduce key human resource management information and metrics required to plan for and manage the organisation's workforce.	The organisation is able to quantify the value, cost and impact of employee programs and HRM processes and initiatives over time, as well as track workforce trends and changes.	HR metrics are meaningful, timely and accurate informing decision-making, resource allocation, people management and workforce planning and forecasting.	x	x					
Monitor and evaluate payroll system.	The organisation's payroll system meets legislative, Award and organisation requirements and is flexible enough to account for changes over time in a cost-effective and timely manner.	System updates and amendments have been cost-effective, timely and implemented with minimal disruption. The payroll system continues to meet the needs of the organisation and remains compliant with the Award and legislation.	x						
Monitor effectiveness of HRIS.	The organisation's HRIS provides meaningful and useful information that informs decision-making, resource allocation, people management and workforce planning.	The system is capable of interrogating data and producing meaningful reports that inform budgeting, HRM programs and workforce forecasting and planning activities. Line leaders have access to information for the day-to-day management and support of staff.				x	x	x	x

KEY ACTIVITIES	ORGANISATIONAL OUTCOMES	PERFORMANCE INDICATOR	YEAR						
			14/15	15/16	16/17	17/18	18/19	19/20	20/21
Review efficiency and effectiveness of payroll system.	The organisation's payroll system meets legislative, Award and organisation requirements and is flexible enough to account for changes over time in a cost-effective and timely manner.	80% of paper-based activities are automated. Line leaders have access to information for the day-to-day management and support of staff. Payroll processing times are reduced by 40%. The system is flexible enough to account for changes over time and these are both cost effective and timely.			x	x	x	x	x
Local Government (State) Award revised.	New 3 year award introduced. Communication to all staff outlining any relevant changes. Training for all line leaders in changes.		x			x			
Introduction of new technology across operations staff.	Introduction of new technology to improve efficiencies eg electronic timesheets, devices to read, address and report on customer service requests.				x	x			

DEPARTMENT PROFILES

COUNCIL DEPARTMENT	RELEVANT DIRECTION FROM THE DELIVERY PROGRAM 2014-17 (REVISED)	WORKFORCE CHANGES REQUIRED OVER THE NEXT SEVEN YEARS	
ADMINISTRATION AND INFORMATION TECHNOLOGY This department ensures that technology infrastructure and systems are in place to assist staff in the performance of their duties and customers with their interaction with Council. Focus areas include: • Information technology (IT) infrastructure and application development, maintenance and support • Geographic information systems • Risk management • Insurance Premiums and claims management • Management of Council properties • Cleaning and caretaker services for Administration building, Town Hall, Senior Citizens Hall, Maitland Regional Art Gallery and Councillor facilities.	11.1.1; 19.1.1; 19.2.3, 19.3.2	This department will deliver service changes over the next seven years, with the introduction of new technology. Technology will become more mobile, particularly for outdoor staff. This will require an increased and more intimate level of support from this department to the greater organisation to ensure continued use of new systems. Development in Maitland has a significant impact on the number of property matters in which Council is engaged. These property matters include negotiations with utility providers and developers for easements, licences, leases, impacts of rezonings and coordination of Council departmental stakeholders. **ORGANISATIONAL DEVELOPMENT AND TALENT DEVELOPMENT** • Up-skill Coordinators in frontline management as part of the Council's Leader Development Program. • Completion of Information Technology Infrastructure Library Certification across the IT section. • Training across the department and particularly Information technology team members in newly installed or upgraded technology. • Up-skilling selected staff in the management and development of SharePoint environment. • Implementing training in technology across the organisation to enhance efficiencies and promote innovation.	**SERVICE** ↑ **STAFF** ↑ **CONTRACTORS** ‖

COUNCIL DEPARTMENT	RELEVANT DIRECTION FROM THE DELIVERY PROGRAM 2014-17 (REVISED)	WORKFORCE CHANGES REQUIRED OVER THE NEXT SEVEN YEARS	
ASSETS AND PROJECTS SERVICES This department provides organisational-wide asset management, infrastructure delivery and related support services. Focus areas include: • Civil and building infrastructure projects and contracts • Building construction and maintenance • Administration of service contracts • Architect services • Works depot and mechanical services • Asset management and planning • Capital works programming.	1.4.1; 2.1.4; 2.1.7; 2.1.8; 2.1.11; 2.2.1; 4.1.1; 5.1.1; 5.1.4; 5.1.6; 5.1.7; 5.2.1; 5.2.3; 8.3.1; 8.3.2; 10.3.1; 11.2.1; 14.3.1; 15.1.1; 19.3.4;	Our four year Delivery Program 2013-17 (revised) shows that this service area will increase over the next seven years in areas such as asset planning and maintenance and the delivery on new assets and infrastructure projects. The department will experience an increasing number and more complex projects, especially associated with ageing of existing infrastructure and heritage infrastructure. The quantity and type of asset information required by the Council is increasingly resulting in a need for more resources such as corporate systems and people with specialist knowledge of local government asset management. The department is currently not well positioned to cover positions when employees are on leave or seconded to another department and this will remain a focus for improvement. **ORGANISATIONAL DEVELOPMENT AND TALENT DEVELOPMENT** • Up-skill Coordinators and Team Leaders in frontline management as part of the Council's Leader Development Program. • Up-skill employee who relieve in higher roles in frontline management. • Continued development of project management skills specific to heritage projects for project managers/engineers. • Further skills in asset management. • Possible up-skill of mechanics in fleet and plant diagnostics. • Development of customer service skills as core to our business for a range of roles. • Up-skill in the use of technology as new opportunities arise. • Further design exposure for asset staff. • Additional skills required in the roads audit area. • Develop capability of specialist resources to have a greater strategic focus on Council's asset base.	**SERVICE** ↑ **STAFF** ↑ **CONTRACTORS** ‖

COUNCIL DEPARTMENT	RELEVANT DIRECTION FROM THE DELIVERY PROGRAM 2014-17 (REVISED)	WORKFORCE CHANGES REQUIRED OVER THE NEXT SEVEN YEARS	
COMMUNITY & RECREATION SERVICES This department is committed to the timely provision of a wide range of community and recreation services and facilities to satisfy the diverse and changing needs of our community. The area strives to achieve social equity, affordable and accessible services and facilities, a healthy living environment, greater involvement by our community in social and cultural activities and accessible and safe active and passive open spaces and aquatic services. Focus areas include: • Maitland Regional Art Gallery • Maitland City Library Service • Social planning • Community services • Open Space and recreation planning and operations • Aquatic planning and operations • Community Building planning and operations.	1.1.2; 1.1.4; 1.3.1; 1.4.1; 1.4.2; 1.4.3; 2.1.1; 2.1.2; 2.1.3; 2.1.4; 2.1.5; 2.1.6; 2.1.7; 2.1.10; 2.1.12; 2.2.1; 2.2.2; 2.3.2; 2.3.3; 2.4.1; 2.5.1; 6.2.1; 6.2.2; 12.2.1;	In line with community priorities, some services in this department will be enhanced over the next seven years. With enhancements to works program for community buildings, recreational cycleways, sporting facilities, playgrounds, youth spaces and an additional indoor heated 25m pool to be constructed at Maitland Aquatic Centre, recreation planning will have an increased demand for the development of strategic documents such as master plans to guide future development. As front facing services, the demand on the department will also be significantly influenced by a growing population and the need to plan and cater for its increase. However, community priorities desire to see other services within the department such as community planning, library services and the gallery remain as programmed for the entirety of this plan. It is also important for this department to consider the impacts of its aging workforce, with over 50% of staff nearing retirement at the end of seven years. **ORGANISATIONAL DEVELOPMENT AND TALENT DEVELOPMENT** • Up-skill Coordinators in frontline management as part of the Council's Leader Development Program. • Develop business skills, marketing skills, customer service and leadership skills in Aquatics staff. • Up-skill across the department in maintaining good relationships especially with peak bodies. • Further develop across the department (especially libraries) in the understanding and use of new technology. • Develop project management skills across the department. • Focus on developing selected staff for succession planning purposes.	**SERVICE** ⬆ **STAFF** ⬆ **CONTRACTORS** ⏸

COUNCIL DEPARTMENT	RELEVANT DIRECTION FROM THE DELIVERY PROGRAM 2014-17 (REVISED)	WORKFORCE CHANGES REQUIRED OVER THE NEXT SEVEN YEARS	
DEVELOPMENT & ENVIRONMENT This department ensures public health, safety and sustainability for the growing city of Maitland. Focus areas include: • Development planning and approvals • Building approvals and certification • Environment management and sustainability • Waste collection and management • Heritage • Compliance.	1.1.2; 1.1.3; 1.2.3; 1.2.4; 2.1.3; 2.3.2; 4.2.2; 6.1.1; 6.1.2; 6.1.3; 8.1.1; 8.2.1; 8.2.2; 8.3.1; 8.3.2; 9.1.1; 9.3.1; 10.1.1; 10.2.1; 10.3.1; 10.3.2; 13.1.1; 19.3.3;	The Delivery Program 2013-17 (revised) shows this department retaining the same service level as in recent years. An important focus for the department will be the compliance area to ensure that all legislative requirements are being met to the best of the organisations ability. Changes to our management of Waste Services will also be required as our solution to our landfill reaching capacity is determined. A further concern for the department is the high percentage of aging workforce, with over half expected to by retired or considering retirement in seven years' time. **ORGANISATIONAL DEVELOPMENT AND TALENT DEVELOPMENT** • Up-skill Coordinators in frontline management as part of the Council's Leader Development Program. • Up-skill selected staff councils recruitment processes and procedures to encourage advancement as vacancies arise. • Develop skills in selected staff in technological and field aids as they come online. • Focus on developing selected staff for succession planning purposes.	**SERVICE** ⏸ **STAFF** ⬆ **CONTRACTORS** ⏸

COUNCIL DEPARTMENT	RELEVANT DIRECTION FROM THE DELIVERY PROGRAM 2014-17 (REVISED)	WORKFORCE CHANGES REQUIRED OVER THE NEXT SEVEN YEARS	
ENGAGEMENT & CUSTOMER RELATIONS This department provides the critical link between residents and Council, building and enabling relationships to be established. The department works to provide high quality face-to-face, telephone and electronic customer service to residents through creating positive opportunities for residents to make contact with Council and handling any enquiries they may have. The team also fosters meaningful, informed and genuine community participation in active decision making of Council through delivery of engagement activities, as well as supporting the organisation in the development of engagement strategies and plans. Focus areas include: • Community engagement • Corporate communications • Customer service centre.	17.1.1; 17.1.2; 17.2.1; 17.3.1; 18.1.1	The services provided by this department today will continue to be undertaken, but with the introduction of an increased online/social media presence. Although a growing community will bring increased contact and engagement with Council, the additional online service delivery methods mechanisms are expected to create efficiencies and additional capacity for team members to manage the increase. It is also possible that the Customer Service Model for the organisation will change as the organisation and community grows. **ORGANISATIONAL DEVELOPMENT AND TALENT DEVELOPMENT** • Up-skill Coordinator in frontline management as part of the Council's Leader Development Program. • Further develop conflict resolution skills across the department. • Ensure all of the engagement team are skilled in IAP2 certificate Program for Public Participation. • Up-skill selected staff in social media. • Up-skill the department, particularly the customer service team, in new technology that comes online. • Engagement staff to further skills in change management. • Engagement staff to develop skills and knowledge in online engagement tools and techniques. • Foster creativity and experimentation across the department.	**SERVICE** ⏸ **STAFF** ⏸ **CONTRACTORS** ⏸

COUNCIL DEPARTMENT	RELEVANT DIRECTION FROM THE DELIVERY PROGRAM 2014-17 (REVISED)	WORKFORCE CHANGES REQUIRED OVER THE NEXT SEVEN YEARS	
FINANCE This department monitors and controls Council's activities which have financial implications to make sure they are within organisational budgets and plans. The service also provides advice across the organisation to ensure long term financial sustainability. Focus areas include: • Finance strategy, planning and administration • Rates • Revenue and expenditure • Purchasing and stores administration • Passenger fleet management.	19.1.1;	With population growth and some enhanced services across the organisation, this supporting corporate service will see increases in the number of rating assessment, garbage services, property transfers etc. to be processed as well as the number of general financial transactions. With the introduction of new technology, systems and procedures efficiencies may be gained to enable the increase to be managed at the current capacity. **ORGANISATIONAL DEVELOPMENT AND TALENT DEVELOPMENT** • Up-skill Coordinators in frontline management as part of the Council's Leader Development Program. • Further develop selected staff in areas of criticality for IP.	**SERVICE** ⏸ **STAFF** ⬆ **CONTRACTORS** ⏸

COUNCIL DEPARTMENT	RELEVANT DIRECTION FROM THE DELIVERY PROGRAM 2014-17 (REVISED)	WORKFORCE CHANGES REQUIRED OVER THE NEXT SEVEN YEARS	
INFORMATION & BUSINESS SYSTEMS This department ensures good corporate governance across the organisation and maintains effective and appropriate information systems. The area also identifies and communicates eligible and appropriate grant funding opportunities. Focus areas include: • Information systems and record management • Governance • Councillor services and Council business papers • Grants and grant management • Cemetery services administration.	2.1.11; 16.3.1; 18.2.1	Although the service level for the department is expected to remain as programmed in line with community priorities, the forecast population growth will have a significant impact on increases to incoming correspondence via mail, email and phone. There will also be increased management of burial plots in our cemetery services due to our aging population. Records management for social media communications will need to be a focus area in coming years to prevent the organisation from becoming vulnerable as the use of social media and online services increases with technology advancements. **ORGANISATIONAL DEVELOPMENT AND TALENT DEVELOPMENT** • Selected staff to undertake the Certificate 3, 4 and Diploma in Business Record Keeping. • Up-skill across the department in technology and computers as new systems and software come on board. • Development of project management skills across the department. • Facilitate up-skilling in collaboration and communication across the department.	**SERVICE** ⏸ **STAFF** ⬆ **CONTRACTORS** ⏸

COUNCIL DEPARTMENT	RELEVANT DIRECTION FROM THE DELIVERY PROGRAM 2014-17 (REVISED)	WORKFORCE CHANGES REQUIRED OVER THE NEXT SEVEN YEARS	
INFRASTRUCTURE CONSTRUCTION & MAINTENANCE This area provides the operational services required to ensure a city that is provided with quality assets that are well maintained, meeting the community's needs and expectations. Focus areas include: • Civil infrastructure construction and maintenance • Community infrastructure construction and maintenance • Recreation facilities construction and maintenance • City appearance • Emergency management, RFS and SES liaison • Appearance and Infrastructure administration and support.	1.1.3; 2.1.2; 2.1.9; 2.1.10; 2.1.12; 5.1.1; 5.1.2; 5.2.1; 5.2.2; 8.1.1; 15.1.3; 19.3.2;	In line with our four year Delivery Program 2013-17 (revised), this service area will experience significant growth with new development areas coming online. There is also desire from the community to see an enhanced level of service in maintenance and construction works for roads, bus shelters, community buildings, public toilets, footpaths, sporting facilities, parks and playgrounds over the next seven years. With maintenance crews currently stretched to meet the requirements of the growing city, additional staff will be required to meet this growing demand. A key area of concern for this department is also their ageing workforce with over half the department workforce expected to reach retirement age throughout the next seven years. **ORGANISATIONAL DEVELOPMENT AND TALENT DEVELOPMENT** • Up-skill Coordinators in frontline management as part of the Council's Leader Development Program. • Up-skill selected staff council's recruitment processes and procedures to encourage advancement as vacancies arise. • Continued attendance by selected staff to industry seminars. • Focus on developing selected staff for succession planning purposes.	**SERVICE** ⬆ **STAFF** ⬆ **CONTRACTORS** ⬆

COUNCIL DEPARTMENT	RELEVANT DIRECTION FROM THE DELIVERY PROGRAM 2014-17 (REVISED)	WORKFORCE CHANGES REQUIRED OVER THE NEXT SEVEN YEARS	
INFRASTRUCTURE DESIGN This department provides organisational wide investigation and design services Focus areas include: • Infrastructure design • Engineering survey • Contract specification • Cost Planning, budget estimates and unit rates • Delivery of a cost-effective Capital Works Program.	5.1.1;	With the community's desire to see enhanced services across a range of infrastructure and community infrastructure areas, an increase in service for this department will be required. With the size of upcoming projects over the next seven years it's expected that more design will be required than is currently provided by the team. It will be important for our organisation to have a strong focus on infrastructure planning to ensure that sufficient advance planning is done to allow for design process and the consultation. **ORGANISATIONAL DEVELOPMENT AND TALENT DEVELOPMENT** • Up-skill Coordinators in frontline management as part of the Council's Leader Development Program. • Transfer of skills in current workforce from the older, more experienced team members to the younger team members. • Create greater exposure to other parts of the infrastructure process with rotation throughout the Appearance and Infrastructure group. • Consideration of relocation to the Depot to gain practical experience in project management.	**SERVICE** ⬆ **STAFF** ⬆ **CONTRACTORS** ⬆

COUNCIL DEPARTMENT	RELEVANT DIRECTION FROM THE DELIVERY PROGRAM 2014-17 (REVISED)	WORKFORCE CHANGES REQUIRED OVER THE NEXT SEVEN YEARS	
INFRASTRUCTURE PLANNING & DEVELOPMENT ENGINEERING This department provides organisation-wide infrastructure planning and development engineering services. Focus areas include: • Development and subdivision engineering • Traffic planning and management • Road safety • Strategic infrastructure planning • Street lighting • Traffic infrastructure.	1.4.1; 4.1.1; 4.1.2; 4.1.3; 4.3.1; 5.1.2; 5.1.3; 5.1.4; 5.1.5; 5.1.6; 5.3.1; 5.3.2; 5.3.3; 5.3.4; 6.1.2; 6.1.4; 11.1.1; 11.3.1; 11.3.2; 12.3.1; 13.4.1; 15.1.1; 19.2.1;	This department is driven by the development industry. The significant growth rate of Maitland's population will see an increase in service provided for this department. This department has experienced a change of service in recent years with an increase in the level of information now required to respond to enquiries such as more detailed investigations, information and correspondence. This put additional pressure on the existing team members. **ORGANISATIONAL DEVELOPMENT AND TALENT DEVELOPMENT** • Up-skill Coordinators in frontline management as part of the Council's Leader Development Program. • Rotate staff through other work areas within Appearance and Infrastructure. • Training across the department in traffic management and development assessment. • Up-skilling across the department in project management and time management. • Selected staff to undertake specialised training courses produced by the Institute of Public Works Engineering Australasia.	**SERVICE** ↑ **STAFF** ↑ **CONTRACTORS** ↑

COUNCIL DEPARTMENT	RELEVANT DIRECTION FROM THE DELIVERY PROGRAM 2014-17 (REVISED)	WORKFORCE CHANGES REQUIRED OVER THE NEXT SEVEN YEARS	
MARKETING & COMMUNICATION This department holds a strong focus on activities that support economic development and activation of the city including the city's flagship event program. The department has a breadth of influence across the organisation through the provision of brand, marketing, communication and design services. They also hold responsibility for the management and operation of the Maitland Gaol, Maitland Visitor Information Centre and City Centre with a strong focus on the city's leisure and tourism. Focus areas include: • Marketing and communications • Brand development and management • Economic development • Tourism operations • City events.	1.1.1; 1.1.2; 1.2.2; 3.1.1; 3.2.1; 3.2.2; 3.2.3; 3.2.4; 3.3.1; 6.1.5; 12.1.1; 13.3.1; 14.1.1; 14.3.1; 14.3.2; 14.4.1; 14.4.1; 15.1.1; 15.2.1; 15.3.3; 17.3.1; 18.3.3;	Service levels to the community for this department are to remain as programmed with the inclusion of a continued focus on rolling out Brand Maitland and growing our social media and online presence. With a number of enhanced services and new key projects across the organisation internal service levels will need to increase to meet the broader needs of other departments. As outlined in the Delivery Program 2013-17 (revised) a focus on economic and tourism development including the reinvigoration of our current events program will be required over the next seven years to align with our growing city and assist in supporting our organisation's key projects being developed such as the Levee. **ORGANISATIONAL DEVELOPMENT AND TALENT DEVELOPMENT** • Up-skill Coordinators in frontline management as part of the Council's Leader Development Program. • Ensure participation of staff in rolling updates for tickets and licencing for plant. • Training across the department in new corporate and department systems. • Up-skill staff in new technology opportunities. • Ongoing opportunities to develop professional networks. • Develop work health and safety expertise within the department. • Develop sales, negotiation and relationship building skills across the department. • Up-skill selected staff in shooting, editing and production of video. • Further knowledge for selected staff in copyright. • Up-skill selected staff in Liquor licensing.	**SERVICE** ❙❙ **STAFF** ↑ **CONTRACTORS** ❙❙

COUNCIL DEPARTMENT	RELEVANT DIRECTION FROM THE DELIVERY PROGRAM 2014-17 (REVISED)	WORKFORCE CHANGES REQUIRED OVER THE NEXT SEVEN YEARS	
ORGANISATIONAL INTEGRATION & PERFORMANCE This area facilitates the development of a range of strategies and plans, striving for best practice in delivering against the Integrated Planning and Reporting legislation. The area also manages a range of continuous improvement initiatives across Council and manages the corporate reporting and project management software. Focus areas include: • Business performance and continuous improvement • Corporate and performance reporting • Corporate integration planning and service delivery • Corporate project coordination.	18.1.1; 18.3.1; 19.3.2	The services provided by this department will continue to be undertaken with a clearer focus facilitated across the organisation on service/business planning and continuous improvement to ensure the most efficient and contemporary approaches are being utilised. This will be key to our organisations sustainability. The department is positioned to respond to changes in the local government environment whether through legislative change or other drivers. Pending changes to the NSW Local Government Act, the outcomes from the Local Government Independent Review Panel and the recommendations from Destination 2036 may impact on the team to assist with the implementation of any recommend proposal that arise. **ORGANISATIONAL DEVELOPMENT AND TALENT DEVELOPMENT** • Up-skill Coordinators in frontline management as part of the Council's Leader Development Program. • Training across the department as new internal technology is introduce. • Up-skill across the department in change management. • Further develop skills in building strategic relationships across the department.	**SERVICE** ⏸ **STAFF** ⏸ **CONTRACTORS** ⏸

COUNCIL DEPARTMENT	RELEVANT DIRECTION FROM THE DELIVERY PROGRAM 2014-17 (REVISED)	WORKFORCE CHANGES REQUIRED OVER THE NEXT SEVEN YEARS	
STRATEGIC PROJECTS This area leads and develops the delivery of major projects from concept to completion. Focus areas include: • Coordination and leadership of multi-disciplinary teams • Procurement of specialist project consultants • Management of specialist project consultants • Major project tendering • Management of project delivery contractors • Project handover.	7.1.1; 15.2.1; 15.2.3;	In line with our four year Delivery Program 2013-17 (revised) this department will deliver projects as programmed over the coming years. These include the Levee, Athel D'Ombrain Drive and a new or renovated administration building. **ORGANISATIONAL DEVELOPMENT AND TALENT DEVELOPMENT** • Up-skilling all temporary staff in General Conditions of Contract (21). • Further development for selected staff in areas of project and contract management.	**SERVICE** ⬆ **STAFF** ⬆ **CONTRACTORS** ⬆

COUNCIL DEPARTMENT	RELEVANT DIRECTION FROM THE DELIVERY PROGRAM 2014-17 (REVISED)	WORKFORCE CHANGES REQUIRED OVER THE NEXT SEVEN YEARS	
URBAN GROWTH This area works to help realise the City's vision for a growing sustainable city, while meeting the future requirements for continuing urban development. Focus areas include: • Strategic land use planning • Floodplain management • Developer contributions.	1.1.2; 1.2.1; 1.2.4; 1.3.2; 1.5.1; 4.2.1; 4.3.2; 6.2.2; 7.1.1; 7.1.2; 7.2.1; 7.3.1; 9.2.1; 12.1.1; 13.2.1; 13.2.2; 13.4.1; 13.4.2; 15.1.1; 15.1.2; 15.2.1; 15.2.2; 15.2.4; 15.3.1; 15.3.2; 19.2.2;	Although services for this department are to be delivered as programmed, the changes in demand result from the current and future development growth of the city. Challenges anticipated include more complexities in the delivery of Section 94 Contributions due to a number of Plans, developer agreements and Works-In Kind agreements. Strategic planning responsibilities for local government are also likely to increase with more delegations and greater participation in regional planning (i.e. Regional Growth Plans). Implementation of the Floodplain Risk Management Plan is also anticipated to increase strategic planning responsibilities. The department will need to remain flexible in the nature of responsibilities and tasks as these may change depending on legislative and policy changes, particularly at a State Government level. **ORGANISATIONAL DEVELOPMENT AND TALENT DEVELOPMENT** • Up-skill Coordinators in frontline management as part of the Council's Leader Development Program. • Training across the department as new internal technology is introduced. • Further development across the department in project management. • Increase skill across the department in negotiation and community liaison. • Ups-skilling of selected staff in urban growth, floodplain management, urban design and developer contributions. • Understanding across the department in the new State planning legislation when implemented.	**SERVICE** ⏸ **STAFF** ⬆ **CONTRACTORS** ⬆

COUNCIL DEPARTMENT	RELEVANT DIRECTION FROM THE DELIVERY PROGRAM 2014-17 (REVISED)	WORKFORCE CHANGES REQUIRED OVER THE NEXT SEVEN YEARS	
WORKFORCE DEVELOPMENT This area partners with line leaders in all aspects of human resource management and provides advice and support to all levels of the organisation. Focus areas include: • Organisational development • Workforce strategy and planning • Attraction and engagement of staff • Industrial and employee relations • Training and development • Talent development • Staff engagement and communications • Payroll and salary administration services.	19.3.1	With our growing population and a number of enhanced services and new key projects the department's work load will increase to meet the broader employee recruitment, retention and development needs of other departments. The introduction of new internal technology for payroll will see a more efficient way of processing payroll across the organisation. **ORGANISATIONAL DEVELOPMENT AND TALENT DEVELOPMENT** • Up-skill Coordinators in frontline management as part of the Council's Leader Development Program. • Development across the department in sound decision making and judgement skills. • Up-skilling across the department in managing relationships. • Opportunities for mentoring and coaching across the department.	**SERVICE** ⏸ **STAFF** ⬆ **CONTRACTORS** ⏸

COUNCIL DEPARTMENT	RELEVANT DIRECTION FROM THE DELIVERY PROGRAM 2014-17 (REVISED)	WORKFORCE CHANGES REQUIRED OVER THE NEXT SEVEN YEARS	
WORK HEALTH & SAFETY This area assists council in providing a work environment that is safe to workers and associated stakeholders through the proactive prevention of incidents and in the management of work related injuries. This service also ensures that employee's wellbeing is maintained and enhanced as part of their working with Council. Focus areas include: • Work, Health and Safety • Workers compensation • Injury management • Wellbeing.	19.3.1	A growing population, an aging workforce, enhancements to selected services and new key projects to be delivered across the organisation will all contribute to the requirement for an increased internal work, health and safety's service to cater for the needs of other departments. **ORGANISATIONAL DEVELOPMENT AND TALENT DEVELOPMENT** • Up-skill Coordinators in frontline management as part of the Council's Leader Development Program. • Up-skill in new technology and systems introduced. • Training across the department in the management of non-work related illnesses such as mental health. • Improved knowledge and understanding across the department of injury prevention • Further development in negotiation and crisis management. • Up-skill in working across a cross section of staff. • Opportunities for mentoring and coaching across the department.	**SERVICE** ⏸ **STAFF** ⬆ **CONTRACTORS** ⏸

INFORMATION AND COMMUNICATION TECHNOLOGY STRATEGY

INTRODUCTION

Information and Communication Technology (ICT) is integral to the operations of Maitland City Council and the services we provide to the community. ICT refers to technology that will store, retrieve, manipulate, transmit or receive information electronically or in a digital form. It includes hardware, communications devices or applications, including computer hardware, software, network infrastructure, video conferencing, telephone and mobile phones.

Technology has become central to the lives of our community members as they source information, make decisions and do business. Aligning Council's methods of interaction and provision of services with the technology used by our community will enhance user experience and foster increased engagement.

Our ICT Strategy is the information and technology component of the Resourcing Strategy. Council recognises the holistic nature of its Resourcing Strategy and that the vital links of all four pillars; the integration of Council's workforce, financial and asset management planning is required to meet the strategic goals of the ICT Strategy. Council has included the ICT Strategy as a key resource pillar in the Resourcing Strategy as it underpins most of the functions of a contemporary Council. Use of information, knowledge management, workforce planning and support, planning and reporting, financial management, asset management, community engagement and service delivery all require a solid ICT foundation.

Our ICT Strategy explains the current trends in ICT, aligns with current Federal and NSW State strategies and outlines key ICT challenges for our organisation moving forward. The strategy also details actions that will enable Council to leverage technology to promote operational efficiencies, enable compliance with Council's statutory requirements and enhance interaction with our customers.

LINKAGE TO MAITLAND +10 AND DELIVERY PROGRAM

Our ICT Strategy will assist our organisation in achieving the Delivery Program objectives and community outcomes expressed in Maitland +10. This plan will support our organisation in becoming a sustainable Council by ensuring that our workforce, systems and processes support high performance and optimal service delivery for our community. Through effective and appropriate systems, developed as part of this plan, we will work to progress our organisation as collaborative and connected community leaders.

LINKAGE TO GOVERNMENT STRATEGIES

The development of the Maitland City Council ICT Strategy has been based on the principles of both the federal and state government strategies. The federal government's Australian Public Service information and Communication Technology Strategy 2012 identifies three priority areas of delivering better services through more productive ICT; improving the efficiency of government operations through the strategic use of ICT and effective policy delivery; and engaging more openly for better decision making and solutions that meet local needs.

The NSW Government ICT Strategy 2012 focuses on using ICT to provide better service delivery and achieve better value for its ICT investment. To achieve this, the document puts forward five key areas including

• Providing services anytime anywhere
• Community and Industry collaboration
• Citizen-focused services
• Better information sharing
• Financial and performance management

Whilst our organisations ICT Strategy aligns to the objectives for both these government strategies, the actions submitted to realise our objectives are set at a more local level, addressing local issues and needs.

CURRENT SITUATION

Over the past ten years, we have seen some of the most significant changes in technology since the introduction of the Internet. Some of these major changes include;

• Mobility - the introduction of Apple's iPhone (2007) and iPad (2010) brought a revolution in the way we work, play and interact with others.
• Apps – empowering the mobile user through the provision of extraordinary functionality.
• Virtualisation - virtual technology has allowed businesses to reduce the number of physical servers, providing significant cost savings.
• Social Media – a powerful medium for engaging with individuals and groups (LinkedIn 2003, MySpace 2003, Facebook 2004).
• Bandwidth – increases to the amount of data and speed of data to be downloaded has expanded business opportunities.
• Cloud Computing – the provision of software as a service (SaaS), platform as a service (PaaS) and infrastructure as a service (IaaS) have provided flexible alternatives to traditional service models, reducing costs and increasing accessibility.

With so many changes in technology, it is sometimes difficult to determine the path to take. Maitland City Council has adopted a number of these innovative technologies to provide better services and to achieve better value of for its ICT investment.

Council introduced tablets to reduce costs associated with the printing and distribution of Council's agenda and minutes, and provide councillors and senior staff with access to emails and other business documents. Tablets and other smart devices are gradually being introduced to other parts of the organisation to enable staff to access and complete work.

Councillors and staff use an app called The Hub to access Council business papers and minutes, while Maitland Goal had an app developed to enhance their audio tours. Approximately 90% of Council's servers have been virtualised providing healthy savings in capital and operational costs within the IT environment.

Council has a number of Facebook accounts including the Visitor Information Centre, Maitland Your Say, Maitland Gaol, Maitland Regional Art Gallery and Council itself. The Visitor Information Centre also uses Twitter and YouTube while Maitland Library has a Twitter account to connect with its members.

In 2013 Council completed an internally managed comprehensive Customer Service Delivery Review benchmarking our public facing online services with other leading government agencies and attended workshops and conference relating to the future of technology that high speed broad band can deliver. We have witnessed the impact of Councils use of social media on the community, allowing more connection with Maitland citizens in Council decision making and responsiveness.

ICT CHALLENGES AND DRIVERS

There are both external and internal forces driving organisational and societal change as a result of new and advancing technology and Council has developed this ICT strategy as an enabling tool to achieve the outcomes desired and required in the ICT Strategy seven goal action areas.

• Service Delivery

• Open Government

• Business Systems

• Information Management

• ICT Governance

• Infrastructure and Managed services

• ICT skills and Innovation

Whilst numerous actions have been articulated to deliver the ICT key objectives, the key drivers of the ICT Strategy can be highlighted under a key few.

CHANGE IN COMMUNITY EXPECTATIONS AND ICT ADVANCEMENTS

Community expectations of service delivery have been driven by the rapid rate and growth of technology. Access to mobile technology use through tablets and smartphones over standalone PCs, as well as on-demand and social media technologies have enabled customer access to services anywhere, any time. As such it is vital for Council to keep pace with emerging and best practice trends and service provision.

The introduction of the National Broadband Network (NBN) will aim to provide communication network infrastructure that would deliver high speed broadband and telephony services to the home and businesses allowing for higher download and upload speeds than current. This will greatly improve delivery of web based services, accessing information, downloading large files (movies and streaming television shows), video calls and online tutorial sessions. Impacts of the NBN on Council are related to the way services and information can be provided to residents. With residents having access to the NBN, Council could provide; higher access speeds as a result of:

• Video files – including Mayor and General Manager messages, reports, "how to" videos, videos of events, welcome to the city, broadcast sessions.

• Video calls – to customer service, uploading videos of recorded files and high quality images (road irregularities, vandalism, illegal activities).

• Work from home opportunities – staff performing work activities from home.

Work on the NBN has begun in part of the city and will gradually progress to other areas of Maitland.

LEGISLATIVE CHANGES AND OPEN GOVERNMENT

The recent review of the NSW *Local Government Act 1993* and the NSW Local Government Review have both highlighted the importance and use of technology as a key platform to improve or springboard engagement and collaboration with the community.
The NSW Local Government Act review identified the importance of the Act to provide flexibility to Councils enabling the use of the most appropriate technology necessary to support the efficient, effective and economic delivery of services to the community. It was identified as important that Councils remain innovative and choose the form of technology they utilise to ensure they remain accessible to all members of their community.

Other changes in legislation include:

• The Division of Local Government developing a Performance Management Framework, to ensure accountability and improved reporting functionality of all Councils across NSW.

• The *Local Government Act 1993* Integrated Planning and Reporting requirements requiring an improved collaborative strategic planning focus across all Council departments.

• The introduction of the *Government Information and Public Access (GIPA) Act 2009* requiring all government agencies to maintain and advance a transparent system of Government that is open, accountable, fair and effective. The importance of sound information practices is an essential requirement of this.

A holistic and encompassing ICT Strategy is seen as an enabling tool and resource to ensure Council complies with current and developing legislative and statutory requirements and assists Council to be sustainable for the next generation of workers.

DRIVING EFFICIENCIES AND EFFECTIVENESS OF COUNCIL SYSTEMS

Councils are increasingly asked to do more with less, and to do so more efficiently. Maintaining old and antiquated corporate systems actually costs more and is less productive.

The use of advanced technology and communication functionality, can provide the enabling tools to develop new ways of doing business, providing the opportunity to re-think the traditional operating models, including a more mobile workforce, resulting in efficiencies, convenience, cost savings and improved outcomes. However, whilst ICT is a key enabler, it is business requirements, processes and skilled and competent staff that will drive its use to enable Council to achieve the returns on the financial investment in ICT.

Council's broad service review and continuous improvement program will drive the development and selection of technological solution that will support these and increase efficacy across Council over the next 7 years.

STRATEGIC GOALS

Our strategic goals for the information and communication technology strategy include:

STRATEGIC GOAL 1: SERVICE MAITLAND

To provide an effective, interactive and responsive customer experience.

This strategic goal seeks to deliver personalised customer experience, providing improved opportunities to connect through different means with Council. Services anywhere, anytime for everyone via any device.

STRATEGIC GOAL 2: OPEN GOVERNMENT

To provide systems that engages the community and enhances transparency and accountability.

This strategic goal aspires to enhance Council transparency in information sharing and participation in Council's decision making processes.

STRATEGIC GOAL 3: BUSINESS SYSTEMS

To provide systems and applications that help us to deliver services and drive organisational efficiencies.

This strategic goal aims to create a converged network of technology supported by mobility that provides an excellent platform for staff to communicate and collaborate successfully.

STRATEGIC GOAL 4: INFORMATION MANAGEMENT

To provide an integrated information management platform to promote access to information for staff and the community, enhance the decision making process, reporting and statutory compliance.

This strategic goal will assist in enhancing business intelligence to ensure better decision making whilst maintaining records management compliance.

STRATEGIC GOAL 5: IT GOVERNANCE

To provide effective management of Council's information and communication technology environment.

This strategic goal will ensure the correct policies and procedures are in place to ensure the best value on investment for our ICT environment.

STRATEGIC GOAL 6: INFRASTRUCTURE AND MANAGED SERVICES

To provide and maintain a reliable and flexible infrastructure platform that will deliver services to a diverse workforce.

This strategic goal ensures a stable and secure operating environment for all of Council's ICT infrastructure, systems and in-house and third party web based solutions.

STRATEGIC GOAL 7: SKILLS AND INNOVATION

To provide training to ensure all staff have the skills to use technology to enhance efficiencies, deliver services and promote innovation.

This strategic goal aims to build the technological capabilities of staff to gain efficiencies, improve customer service and become a more responsive workforce.

STRATEGIC GOAL ACTION AREAS

STRATEGIC GOAL 1.

To provide an effective, interactive and responsive customer experience.

This strategic goal seeks to deliver personalised customer experience, providing improved opportunities to connect through different means with Council. Services anywhere, anytime for everyone via any device.

COMMUNITY OUTCOME	A sustainable Council for a sustainable City	
COMMUNITY STRATEGY	Council's workforce, systems and processes will support high performance and optimal service delivery for our community	
COUNCIL'S 4 YEAR OBJECTIVE	To ensure workplace systems and processes are efficient and effective	

KEY TARGETS	DESCRIPTION	ACTIONS
Development of a new Council web platform.	Councils new web platform will provide: • access to all devices • the ability to personalise the user experience • access to on line services • collaboration opportunities • web and page access statistics • meet government access standards.	• Identify services to be included for online delivery. • Development of a specification for a new Maitland City Council web site including government access standards. • Provide online development application tracking. • Implement new Maitland City Council web site. • Provide online customer service requests submission and tracking. • Investigate provision of remote access terminals.

STRATEGIC GOAL 2.

To provide systems that engages the community and enhances transparency and accountability.

This strategic goal seeks to enhance Council transparency in information sharing and participation in Council's decision making processes.

COMMUNITY OUTCOME	A sustainable Council for a sustainable City
COMMUNITY STRATEGY	Council's workforce, systems and processes will support high performance and optimal service delivery for our community
COUNCIL'S 4 YEAR OBJECTIVE	To ensure workplace systems and processes are efficient and effective

KEY TARGETS	DESCRIPTION	ACTIONS
Ensure open access to Council Information.	The Government Information and Public Access Act (2009) GIPA, requires all government agencies to ensure transparency and access to public information.	• Regularly identify information through GIPA requests and determine for online delivery.
Enable the community's use of Council data and information, according to their needs.	Provision of Council data sets to the community To use to create something new, that they need or want. E.g. 'mashups'.	• Identify data sets used within Council to assign responsible officers. • Identify and provide appropriate data sets to the community. • Release data sets to the community for use.
Greater use of social media tools.	Social Media (Facebook, Linked In, Instagram, etc.) are being utilised more by Council and the community to communicate and collaborate. Council needs to develop a corporate wide approach to social media going forward to meet community expectations.	• Development and adoption of a Social Media Strategy. • Development of supporting procedures. • Training for staff.
Enhance online community engagement.	Utilise technology to increase access and opportunities for the community to participate in Council business.	• Provide ability for collaboration and feedback within the new Council website.

STRATEGIC GOAL 3.

To provide systems and applications that help us deliver services and drive organisational efficiencies

This strategic goal aims to create a converged network of technology supported by mobility that provides an excellent platform for staff to communicate and collaborate successfully.

COMMUNITY OUTCOME	A sustainable Council for a sustainable City
COMMUNITY STRATEGY	Council's workforce, systems and processes will support high performance and optimal service delivery for our community
COUNCIL'S 4 YEAR OBJECTIVE	To ensure workplace systems and processes are efficient and effective

KEY TARGETS	DESCRIPTION	ACTIONS
Development of a corporate system that provides for and enables increased efficiencies.	Provision of one integrated corporate system known as Horizon which will reduce the need for specialised software and costs of software maintenance but also create efficiencies for users.	• Implementation of Horizon. • Promote continued development of Horizon to enhance administrative efficiencies. • Assist in aligning business process efficiency improvements with technology.
Create an enhanced user experience through integration of applications.	Substantial organisational benefits can be realised through developing integrated systems that remove the knowledge barriers that exist between siloed corporate solutions enabling shared information to decision making.	• Review of all applications to determine relevance and value to the organisation. • Identify applications to be rationalised into the corporate system.
More mobile workforce.	Ensuring that our systems and processes are supported by mobility to increase the use of mobile devices for work duties particularly for employees rotating between work locations and outdoor staff.	• Implementation of mobile device management (MDM) framework. • Identify work practices that can be enhanced by mobility. • Develop a mobile device protocol.
Improved collaboration.	Create further opportunities through technology to promote collaboration between staff, departments and across the organisation.	• Determine and implement an effective collaboration tool(s).
Ensure system and solution design and development are fit for purpose.	Collaborate across departments to ensure the most appropriate technology is used for their business.	• Explore the advantages of new technology and make recommendations where a business case can be supported. • Investigate the replacement of IPFX with MS Lync and appropriate call centre software. • Implement new telephony system and call centre solution (based on Lync investigations).

STRATEGIC GOAL 4.

To provide an integrated information management platform to promote access to information for staff and the community, enhance the decision making process, reporting and statutory compliance.

This strategic goal will assist in enhancing business intelligence to ensure better decision making whilst maintaining records management compliance.

COMMUNITY OUTCOME	A sustainable Council for a sustainable City
COMMUNITY STRATEGY	Council's workforce, systems and processes will support high performance and optimal service delivery for our community
COUNCIL'S 4 YEAR OBJECTIVE	To ensure workplace systems and processes are efficient and effective

KEY TARGETS	DESCRIPTION	ACTIONS
Development of an integrated information management system.	A new system that enables staff to seamlessly and easily maintain records and find information with enhanced version control. The systems data is held within supported corporate applications and accessible for staff and the community over multiple platforms.	• Recommend an information management platform and associated protocols for adoption (Akuna). • Develop and implement the new information management platform. • Implement outcomes of the Information Management Strategy.
Better decision making through business intelligence.	Council is improving the capture and management of corporate information and knowledge to enable improved and timely decision making.	• Investigate business intelligence requirements of the organisation. • Implement a business intelligence solution.

STRATEGIC GOAL 5.

To provide effective management of Council's information and communication technology environment.

This strategic goal will ensure the correct policies and procedures are in place to ensure the best value on investment for our ICT environment.

COMMUNITY OUTCOME	A sustainable Council for a sustainable City
COMMUNITY STRATEGY	Council's workforce, systems and processes will support high performance and optimal service delivery for our community
COUNCIL'S 4 YEAR OBJECTIVE	To ensure workplace systems and processes are efficient and effective

KEY TARGETS	DESCRIPTION	ACTIONS
Value of investment in ICT.	Initiatives to be implemented to ensure buy in and uptake of new and revised ICT by staff and community.	• Adoption of a Change Management and Incident Management Protocols. • Perform benchmarking exercises on an annual basis.
Robust, reliable and secure ICT environment.	The appropriate mechanisms are in place to ensure our ICT remains efficient, appropriate and protected for our organisation.	• Development of a revised ICT resource structure. • Develop an agreed ICT Service Catalogue. • Schedule annual intrusion detection testing.
An effective IT support structure.	Expectations for organisational ICT support are clear and meet the needs of the organisation.	• Develop a service level agreement.

STRATEGIC GOAL 6.

To provide and maintain a reliable and flexible infrastructure platform that will deliver services to a diverse workforce

This strategic goal ensures a stable and secure operating environment for Council's entire ICT infrastructure, systems and in-house and third party web based solutions.

COMMUNITY OUTCOME	A sustainable Council for a sustainable City
COMMUNITY STRATEGY	Council's workforce, systems and processes will support high performance and optimal service delivery for our community
COUNCIL'S 4 YEAR OBJECTIVE	To ensure workplace systems and processes are efficient and effective

KEY TARGETS	DESCRIPTION	ACTIONS
Consistency in the operation of equipment.	The target ensures Councils operating environment is maintain to ensure accessibility and reliability for Council's business.	• Develop a Wide Area Network (WAN) that provides for network redundancy.
Robust and secure ICT infrastructure.	Once of Council's highest priorities is to ensure Council has a stable and secure operating environment and network.	• Continue to virtualise ICT equipment where possible. • Re-configure Council's network infrastructure to ensure redundancy.
Continue normal business or quickly reinstate ICT services after severe event.	The correct processes and procedures are in place to ensure that business can continue in the event of a disaster or severe event.	• Develop a disaster recovery (DR) plan and provide annual testing. • Develop a business continuity plan and test annually. • Investigate wireless access points for Council facilities.
A balance of local and hosted services.	Changes in technology to now include cloud based computing may enable further opportunities for Council to store data.	• Investigate cloud based services.

STRATEGIC GOAL 7.

To provide training to ensure all staff have the skills to use technology to enhance efficiencies, deliver services and promote innovation.

This strategic goals seeks to build the technological capabilities of staff to gain efficiencies, improve customer service and become a more responsive workforce.

COMMUNITY OUTCOME	A sustainable Council for a sustainable City
COMMUNITY STRATEGY	Council's workforce, systems and processes will support high performance and optimal service delivery for our community
COUNCIL'S 4 YEAR OBJECTIVE	To ensure workplace systems and processes are efficient and effective

KEY TARGETS	DESCRIPTION	ACTIONS
Staff with the right skills to use the technology.	All staff within the organisation have the knowledge of and ability to use the appropriate technology and any new technology that comes online.	• Determine appropriate training to enhance knowledge and use of technology across the organisation. • Ensure ICT staff remain abreast of new technology. • Provide regular updates across the organisation on changes to the current ICT environment and new technology available.