

17 June 2019

At 2.00 pm

Volume 2 - Item 2 - Integrated Planning and Reporting Program
and Budget 2019-20 - Adoption

Corporate, Finance, Properties and Tenders Committee

Agenda

- 1. Disclosures of Interest**
- 2. Integrated Planning and Reporting Program and Budget 2019-20 - Adoption**
- 3. Investments Held as at 30 April 2019**
- 4. Naming Proposal - Equality Green**
- 5. External Memberships 2019/20**
- 6. Land Classification - 31 Alfred Street, Sydney (Customs House)**
- 7. Proposed Land Classification - Future North Rosebery Park and Greenlink**
- 8. Proposed New Lease - International Grammar School, 4-8 Kelly Street, Ultimo**
- 9. Tender - Reject and Negotiate - Sydney Park Water Reuse Upgrade**
- 10. Tender - Civil and Sydney Street Infrastructure Works**
- 11. Exemption from Tender - Talent Management System - SuccessFactors**
- 12. Contract Extension - Customer Relationship Management Services for the National CitySwitch Green Office Program**

Economic Development and Business Sub-Committee

- 13. Grants and Sponsorship - Round One 2019/20 - Economic Grants**

Guidelines for Speakers at Council Committees



As part of our democratic process, the City invites members of the community to speak directly to Councillors during Committee meetings about items on the agenda.

To enable the Committee to hear a wide range of views and concerns within the limited time available, we encourage people interested in speaking at Committee to:

1. Register to speak by calling Council's Secretariat on 9265 9310 before 12.00 noon on the day of the meeting.
2. Check the recommendation in the Committee report before speaking, as it may address your concerns so that you just need to indicate your support for the recommendation.
3. Note that there is a three minute time limit for each speaker (with a warning bell at two minutes) and prepare your presentation to cover your major points within that time
4. Avoid repeating what previous speakers have said and focus on issues and information that the Committee may not already know.
5. If there is a large number of people interested in the same item as you, try to nominate three representatives to speak on your behalf and to indicate how many people they are representing.
6. Before speaking, turn on the microphone by pressing the button next to it and speak clearly so that everyone in the Council Chamber can hear.
7. Be prepared to quickly return to the microphone and respond briefly to any questions from Councillors, after all speakers on an item have made their presentations.

Committee meetings can continue until very late, particularly when there is a long agenda and a large number of speakers. This impacts on speakers who have to wait until very late, as well as Council staff and Councillors who are required to remain focused and alert until very late. At the start of each Committee meeting, the Committee Chair may reorder agenda items so that those items with speakers can be dealt with first.

Committee reports are on line at www.cityofsydney.nsw.gov.au, with printed copies available at Sydney Town Hall immediately prior to the meeting. Council staff are also available prior to the meeting to assist.

Item 2.

Integrated Planning and Reporting Program and Budget 2019-20 - Adoption

File No: X020943

Summary

Sustainable Sydney 2030 guides the development and planning for the City of Sydney, a global city that supports a business, tourist and residential population of more than 1.2 million per day. The City has incorporated its 2030 Vision into the Integrated Planning and Reporting framework for NSW local government, and developed a suite of documents to support the key directions, targets and major objectives within the Sustainable Sydney 2030 Community Strategic Plan.

Council reviewed and adopted a revised suite of Integrated Planning and Reporting documents in 2017. That suite of documents included the Sustainable Sydney 2030 Community Strategic Plan and the 2017-2021 Delivery Program. The draft Operational Plan 2019/20 provides an annual instalment of the 2017-2021 Delivery Program, and identifies the specific plans and activities to be undertaken during the forthcoming year to progress the community's desired outcomes.

The Integrated Planning and Reporting framework requires the City to demonstrate that its plans and objectives are appropriately resourced and can be achieved as it maintains its core functions, services and assets, and remains sustainable over the long term.

The suite of Integrated Planning and Reporting documents was endorsed by Council on 13 May 2019 to be placed on public exhibition for comment from 14 May to 11 June 2019, in accordance with the requirements of the Local Government Act 1993.

Six submissions on the suite of Integrated Planning and Reporting documents were received on five issues, and all assessed through internal review. The details of the issues raised in the submissions, together with responses and staff recommendations, are included in Attachment A.

The draft suite of Integrated Planning and Reporting documents, including the 2019/20 annual budget and financial schedules as placed on exhibition, have been amended to recognise that the City's 2018/19 contribution of \$38.6M to the light rail project has had to be deferred pending independent certification that the project remains on track and in accordance with the City's deed, and late notification of a \$0.4M (14.3 per cent) increase to our mandatory contribution to the State's emergency services.

This report recommends the adoption of the exhibited suite of the 2019 Integrated Planning and Reporting documents, including the 2019/20 budgets, incorporating the setting of the rates, subject to the changes in Attachment B, in accordance with the requirements of the Local Government Act 1993.

Recommendation

It is resolved that:

- (A) Council note the submissions received from the community on the exhibited suite of the 2019 Integrated Planning and Reporting documents as included in Attachment A to the subject report;
- (B) Council adopt the suite of the draft 2019 Integrated Planning and Reporting documents as endorsed by Council on 13 May 2019, subject to the amendments detailed in Attachment B to the subject report, incorporating:
 - (i) the Operational Plan 2019/20; and
 - (ii) the Resourcing Strategy 2019;
- (C) Council adopt the draft Operating and Capital Budget, and future years' forward estimates, reflected in the Operational Plan 2019/20 and Resourcing Strategy (2019), subject to the amendments detailed in Attachment B to the subject report.
- (D) Council note that the 2019/20 budgets include:
 - (i) Operating income of \$609.5M, operating expenditure before depreciation and light rail contribution of \$496.6M for an Operating Result of \$112.9M, and a Net Operating Result of \$36.5M after allowing for interest income of \$14.3M, capital grants and contributions of \$68.0M, depreciation expense of \$107.5M, capital project related costs of \$10.3M and light rail contributions to the State Government of \$40.9M;
 - (ii) Capital Works expenditure of \$235.0M, increased to reflect the revoked light rail contribution of \$38.6M, and a capital contingency of \$5.0M;
 - (iii) Plant and Assets and Technology Digital Services Projects of \$30.8M; and
 - (iv) Net Property Acquisitions of \$137.7M, amended to reflect the sale of Stockton House in 2019/20;
- (E) Council adopt the proposed Rating structure and policies, Domestic Waste Management Charges, Stormwater Charges and User Fees and Charges reflected in the Operational Plan 2019/20 as endorsed by Council on 13 May 2019; and
- (F) authority be delegated to the Chief Executive Officer to approve any minor editorial corrections prior to publication and authorise the relevant staff to implement any such corrections.

Attachments

- Attachment A.** Public Exhibition Submissions and Responses 2019
- Attachment B.** Integrated Planning and Reporting 2019/20 - Amended Financial Schedules

Background

1. In October 2009, the NSW Government enacted the Local Government (Planning and Reporting) Amendment Act 2009, which set a new framework to integrate the various statutory planning and reporting processes as required by the Local Government Act 1993 and the Environmental Planning and Assessment Act 1979. The Local Government Amendment (Governance and Planning) Act 2016 was assented on 30 August 2016 further strengthening the planning and reporting requirements for Local Government.
2. The Integrated Planning and Reporting framework requires development of a number of strategic planning and resourcing documents, aligned with the term of the elected council. The requirements include a long term Community Strategic Plan (at least 10 years), a Delivery Program for the term of the council (generally four years), and a detailed Operational Plan that will set out council's projects and activities for the coming 12 months. These documents are all underpinned by a Resourcing Strategy, including a long term financial plan, an asset management plan and a workforce plan, to demonstrate that councils have adequate resources to achieve the planned outcomes while ensuring the council's long term sustainability for its community and stakeholders.
3. The draft Operational Plan 2019/20 and draft Resourcing Strategy (2019) have been developed in alignment with the adopted Delivery Program 2017-2021 and Community Strategic Plan (Sustainable Sydney 2030). A large program of work is currently underway to renew the Community Strategic Plan (Sustainable Sydney 2030). A new Delivery Program is required to be adopted by Council by June 2021 following the September 2020 council elections.
4. Council endorsed the draft Operational Plan 2019/20 and draft Resourcing Strategy (2019) on 13 May 2019. The draft documents were placed on public exhibition for a period of 28 days on 14 May 2019. Public notices were placed in The Sydney Morning Herald and Inner West and Wentworth Courier newspapers on 14 May 2019.
5. Electronic copies of the documents were made available to the community at various Council locations, including the Town Hall Customer Service Centre and Neighbourhood Service Centres. The Plans were also made available through Council's Sydney Your Say website, which had 429 unique visits and 195 downloads of the documents.
6. Council received six submissions on five issues through the Sydney Your Say website or email covering several topics. Topics in the public submissions included: a compliment about the Juanita Nielsen Community Centre; footpath restorations after completion of work on utilities; a request to review Environmental Upgrade Charges; a submission regarding Smart Poles in Paddington; and, a general response to a number of issues including pedestrian safety and e-waste. These submissions have all been internally reviewed, with staff recommending that the exhibited content of the draft Plans remain unchanged, from that exhibited in response to the submissions received.
7. The five issues raised in the submissions, together with the responses and staff recommendations, are included in Attachment A.

8. Minor amendments to correct administrative errors and improve clarity have been made to the Operational Plan deliverables, fees and charges, and the annual budget and long term financial plan financial statements. One additional deliverable has been added to the Operational Plan to review the Greening Sydney plan to align with the Urban Forest Strategy and the renewed Community Strategic Plan currently under development.
9. The most significant amendment relates to the need to revoke the City's planned 2018/19 contribution to light rail of \$38.6M into 2019/20 pending certification that the project remains on track to achieve the outcomes agreed within the deed. The budget has also had to be revised to reflect an additional \$0.4M of expenditure due to the State government's late advice that council's mandatory contribution for Emergency Services has increased by 14.3per cent, or 10.9per cent to that already included in the draft budget.
10. A final adjustment has also been made within the future year's forward estimates to reflect the fact that payment of the St George affordable housing grant has now been deferred from 2018/19 to 2020/21, to align with State requirements. The revised financial schedules are detailed in Attachment B.
11. This report recommends the adoption of the exhibited suite of Integrated Planning and Reporting (2019) documents including the 2019/20 budgets, incorporating the setting of the rates, in accordance with the requirements of the Local Government Act 1993, subject to the changes set out in Attachment B.

Key Implications

Strategic Alignment - Sustainable Sydney 2030 Vision

12. Sustainable Sydney 2030 is a vision for the sustainable development of the City to 2030 and beyond. It includes 10 strategic directions to guide the future of the City, as well as 10 targets against which to measure progress. The 2019/20 Operational Plan identifies the activities and projects that will be undertaken to deliver against all 10 strategic directions. The Resourcing Strategy 2019 identifies the City's resourcing requirements to deliver our strategic objectives and our core services.

Organisational Impact

13. The proposed budget for 2019/20 provides for 1,996 full time equivalent (FTE) positions. The City also supports a significant number of additional jobs through the provision of contracts that underpin a range of externally provided projects and services.
14. These positions are required to ensure the ongoing operation of Council, and to advance the outcomes determined within Sustainable Sydney 2030. Council officers continue to revise functional operations to determine where opportunities arise to improve effectiveness and efficiency of service delivery, to ensure that the organisation as a whole remains financially sustainable.

Budget Implications

15. The proposed 2019/20 budget delivers an operating result, prior to interest income, depreciation, capital project related costs and capital contributions, of \$112.9M. This surplus is in line with the current approved Long Term Financial Plan, adjusted for the deferred light rail contribution of \$38.6M and the increased contribution of \$0.4M for the State's Emergency Services levy.
16. The proposed Capital Works program has been determined within the level of available funds to ensure that sufficient working capital is maintained for Council's long term financial sustainability.
17. The proposed operating and capital expenditure budgets are projected to reduce the City's cash reserves from the planned forecast of \$615.1M, at 1 July 2019, to \$401.4M by 30 June 2020 in line with the long term financial strategy. The utilisation of cash reflects funds being directed to the extensive capital works program.
18. Within the Resourcing Strategy (2019), the long term financial plan describes the City's major categories of income and expenditure, and the likely risks and opportunities that may influence the City's financial capacity to continue to deliver services. This plan outlines the financial strategies that will maintain sustainable operating surpluses to enable the delivery of the major capital works programs that provide enduring community benefits. It includes the various measures it will use to monitor the Council's financial performance.
19. The plan incorporates the City's cash reserves, including all of the external restrictions required by legislation to quarantine funds raised for specific purposes, including developer contributions, security deposits, domestic waste and stormwater charges. It also incorporates internal restrictions where Council has resolved to set specific funding aside for employee leave entitlements, asset replacement, and significant Sustainable Sydney 2030 commitments, including Affordable and Diverse Housing Fund, City Centre Transformation, Green Square, and Green Infrastructure (energy, stormwater and waste).
20. The plan continues to provide for future cash funding and utilisation of the restricted cash reserves, reflecting the proposed timing of these major projects and commitments of the City.
21. A full schedule of the user fees and charges proposed for the 2019/20 year is included within the Operational Plan 2019/20. The proposed fees have been set in accordance with Council's pricing policy which requires consideration of a number of factors, including the cost of service provision, whether the goods or services are provided on a commercial basis, and the capacity of the user to pay.

Relevant Legislation

22. The Local Government Amendment (Governance and Planning) Act 2016 was assented to on 30 August 2016. The aim of the Integrated Planning and Reporting framework is to improve integration of various statutory planning and reporting processes undertaken by councils as required by the Local Government Act 1993, the Office of Local Government's guidelines and the Environmental Planning and Assessment Act 1979.

23. Sections 402 to 406 of the Local Government Act 1993 outline the requirements that a council must undertake when preparing a community strategic plan, underlying delivery plan and strategies with respect to the council's activities.

Critical Dates / Time Frames

24. Section 405 of the Local Government Act 1993 requires that Council must adopt an Operational Plan, including a statement of the council's revenue policy for the year covered by the operational plan before the beginning of each year.
25. Council is required to place proposed new documents related to the Integrated Planning and Reporting legislation on public exhibition for 28 days. The Local Government Act 1993 requires that the draft budget, and revenue pricing policy for rates, annual charges and fees be incorporated within that exhibition and consultation process

Options

26. Council has the option to vary budget allocations, rates and fees and charges prior to, and after the 28 day exhibition period, prior to final approval before 30 June 2019.

Public Consultation

27. The current suite of Integrated Planning and Reporting documents reflects the vast amount of public consultation and engagement undertaken with the City's community and other interested stakeholders in developing the original Sustainable Sydney 2030 Vision.
28. The City continues to engage with the community when developing significant strategies, projects and policies. Feedback received through these engagement activities have been considered in developing the revised Operational Plan.
29. Council publicly exhibited the draft Resourcing Strategy and draft Operational Plan, including its revenue policy and budgets from 14 May 2019 to 11 June 2019.
30. During this period, the community were invited to make comments and submissions regarding the plans. The City utilised the Sydney Your Say community engagement platform to seek responses on all of the draft plans. All submissions received by Council have been considered and assessed against the draft planning documents. More details are provided in Attachment A.

BILL CARTER

Chief Financial Officer

Geoff Burton, Business Planning and Performance Manager

Bob Wallace, Manager Financial Planning and Reporting

Attachment A

<p>Public Exhibition Submissions and Responses 2019</p>
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ISSUE 1

SUBMISSION RELATING TO JUANITA NEILSEN CENTRE
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Issue

Facilities at Juanita Neilsen Centre.

Background

A submission was received during the exhibition period from the Starlight Children's Foundation regarding the facilities at the Juanita Neilsen Centre which are available for public use. The submitter complimented the spaciousness of the centre, its modern technology and how well the centre is maintained.

Response

The City's vision is to provide community facilities that enhance the quality of life of all by providing accessible, quality, safe, needs-based, and multi-functional spaces for people to come together for social, cultural, recreational, and civic activities.

The Juanita Neilsen Centre at the corner of Dowling and Nicholson Streets Woolloomooloo is a community centre which has been open to the public since 1984. In 2016 the centre was upgraded with a new lift and accessible facilities, a state-of-the-art community gymnasium including new change rooms, new multipurpose spaces and a new outdoor play area and space for children's programs.

Council appreciates the positive feedback on the Juanita Neilsen Centre facility.

Recommendation

That the submission is noted with no change to the documents as exhibited.

ISSUE 2

SUBMISSION RELATING TO FOOTHPATH RESTORATION

Issue

Footpath restoration after utilities and other contractors remove pavers to undertake works.

Background

A submission was received during the exhibition period from a member of the public regarding restoration of footpaths after works have been undertaken, including the light rail project, which require pavement to be reinstated. The submitter made several requests: that the City prioritise the restoration of footpaths; that requirements be introduced for contractors to reuse the pavers that have been removed; and, that specific guidelines be implemented regarding the type of paver used as a replacement after works have been completed.

Response

Utilities are permitted to perform emergency repairs and service maintenance on public roads without Council approval. The City is working closely with public utilities to implement a more coordinated approach to emergency repairs and service maintenance on public roads.

Utilities are required to make the road safe while they carry out the works and temporarily close the opening on completion of the work. The City then permanently restores the road in accordance with the City's Street Code and Sydney Streets Technical Specifications; public utility covers the cost.

To aid sustainability the City encourages the preservation of existing paving materials wherever possible.

In regards to the new Light Rail corridor, the City is working closely with TfNSW and the Light Rail Contractor to ensure that pavement damages including by utilities are rectified prior to the handover of road reserve back to the City.

Recommendation

That the submission is noted with no change to the documents as exhibited.

ISSUE 3

TWO SUBMISSIONS RELATING TO PROPOSED BUILDING UPGRADE FINANCE FEES

Issue

The proposed administrative fees for Building Upgrade Finance services.

Background

Sustainable Australia Fund (previously Sustainable Melbourne Fund) provided two submissions in response to the proposed 2019/20 City of Sydney administrative fees charged to building owners who use the Building Upgrade Finance service.

Building Upgrade Finance has proven popular in Victoria where over 50 agreements have been transacted across multiple local government areas. Sustainable Australia Fund notes great variability in the scale and type of projects supported in Victoria, and suggests the proposed fees may present a barrier for smaller size projects.

Response

In October 2018, Council agreed to set the City's administrative fee for Environmental Upgrade Agreements at \$0 for those agreements under a value of \$500,000 until the end of FY18/19. This was to test whether our administrative fees presented a barrier for smaller projects, and hoping this change would catalyse additional applications. Setting the fee at \$0 has not resulted in additional building owners applying to use this type of funding through City of Sydney for smaller projects. Parramatta Council also waived their administrative fees for the next 10 transactions and have not gained any projects since the announcement of their fee waiver.

The City will continue to monitor enquiries and potential demand for projects seeking building upgrade finance and review the fees and charges schedule again in early 2020 prior to making recommendations for 2020/21.

Recommendation

That the submission is noted with no change to the 2019/20 fees as exhibited.

ISSUE 4

SUBMISSION RELATING TO UPGRADE OF AUSGRID LIGHTS TO SMARTPOLES

Issue

Upgrade and conversion of existing Ausgrid street lights to council controlled Smartpoles along the western side of Oxford Street, Paddington in the upcoming 2019-20 budget.

Background

A submission was received during the exhibition period from the Paddington Business Partnership (PBP) regarding a proposal to include funding for the upgrade and conversion of existing Ausgrid street lights to council controlled Smartpoles along the western side of Oxford Street, Paddington, between South Dowling Street to Queen Street. The proposal by the PBP requested that the City allocate funding in the 2019-20 budget for the following:

- Conversion of forty two (42) existing Ausgrid poles to City owned Smartpoles
- Ownership of the Smartpoles be retained by the City to facilitate community access as well as cost savings and revenue return to the City.

Response

The City has allocated funding in the 2019-20 budget for Smartpole upgrades within the Local Government Area. The proposed project is significant in scope and value, however the upgrade of existing street lighting to Smartpoles along Oxford Street will be considered as part of future capital works planning, in consultation with stakeholders.

Recommendation

That the submission is noted and no change to the documents as exhibited.

ISSUE 5

SUBMISSION RELATING TO PEDESTRIAN SAFETY, PLASTIC AND WATER BUBBLERS, “OLDER FOLK”, WASTE COLLECTION AND CAR SHARING

Issue

A range of issues have been raised via a submission from a member of the public during the exhibition period, related to the Integrated Planning Documents 2019. These are described in more detail below.

Background

- a) Pedestrians - a submission was received regarding the City's sentiments towards pedestrian safety. The submission specifically references conflicts between pedestrians and cyclists, the use of footpaths by cyclists and the walking behaviours of visitors.
- b) Plastic and water bubblers - a submission was received querying the number and location of water bubblers in the city, particularly at important community buildings. The submission also notes the recycling of plastic water bottles / rubbish.
- c) “Older Folk” – a submission was received regarding facilities and activities for “older folk”, including the importance of public gathering places.
- d) Waste Collection – a submission was received regarding the location of e-waste collection sites, and the potential to use CBD libraries.
- e) Transport – the submission included suggestions regarding illegal use of car share spots, lack of electric charging spots, introducing technology to monitor use of spots (and to fine), and provision of electric vehicle charging.

Response

a) Pedestrians

The City recognises the importance of a safe walking environment. The City has been continuously working to improve pedestrian safety, including advocating the NSW Government, throughout the city. Some of the City's achievements to improve pedestrian safety include prioritising walking and cycling in new developments like Green Square and Ashmore, upgrading and widening footpaths (such as recently at Foveaux Street), installing new footpath lighting and street furniture, successfully advocating for improved pedestrian amenity along George Street, advocating for reduced waiting times for pedestrians at signalised intersections throughout the city centre (with Transport for NSW recently agreeing to reduce the wait time from 110 to 90 seconds at many intersections), and advocating for reduced traffic speeds throughout the city and local centres (including 40 km/h zones).

The City holds regular on-site education sessions ("Share the Path") where we speak to both people walking and riding about their responsibilities and any concerns they may have. The City also engages with key stakeholders including bicycle food delivery service providers.

The City is proactively advocating for further pedestrian safety improvements, specifically to increase crossing times at intersections with high numbers of people walking, to implement pedestrian countdown timers at eligible intersections, to investigate more opportunities to allow people to cross diagonally at signalised intersections and to investigate technology able of registering people walking and automatically triggering traffic lights.

To improve visitor experience, the City has been improving wayfinding throughout the city and have an ongoing rollout of accessible wayfinding. Furthermore, the City has introduced walking maps for Harold Park and Chippendale and a Redfern short-cuts guide.

Item 4.1.4 in the Draft 2019/20 Operational Plan also identifies actions contributing to pedestrian safety.

b) Plastic and water bubblers

The City currently has over 220 bubblers across the local government area. New bubblers are typically installed when a park is upgraded, in response to community requests and when an existing bubbler reaches the end of its useful life. The City has added a bubbler with a water bottle refill point to its suite of park bubblers. These bubblers with a refill point will continue to be rolled out in future park upgrades where appropriate.

Regarding usage of plastic bottles, the City of Sydney has launched a new business pledge that will dramatically reduce single-use plastics. Industry leaders from the hospitality, events and property sectors came together to sign up to the Sydney Single-use Pledge. More than 30 organisations have so far taken the pledge, including Sydney Opera House, Fox Studios and Star Entertainment Group. The commitment means there will be fewer plastic bottles, straws, throwaway cups and food utensils at a growing number of Sydney hotels, entertainment venues, markets, festivals, major events and outdoor spaces.

d) “Older Folk”

The City’s 13 community and recreation centres offer a wide range of activities for residents, including older people. These include; community lunches, events (such as Senior’s Festival and Luna New Year Festival), twice weekly community bus trips through six centres, a podiatry service, bingo, table tennis, and a range of classes including gentle exercise, art and craft, language and digital skills. Our community bus service transports community members to and from our community centres, and on community bus trips, and we fund the Village to Village bus service, a free hop-on, hop-off service which enables resident to access local businesses, hospitals and more.

e) Waste Collection

The City has been providing quarterly e-waste events for a number of years. These events have been held at the City’s depots at Sydney Park, Ultimo and Alexandria. Patronage at these events has been increasing, with events held in February & June 2019 having in excess of 900 drop-offs at each event day.

The City also currently has deposit bins for batteries, light globes and mobile phones located within many of its Customer Service Centres and Libraries. The functionality and location of these bins is currently being reviewed.

In addition, from 1 July 2019 the City is introducing a booked kerbside e-waste collection that may suit residents who do not wish to travel to Alexandria. Residents will be able to book an e-waste collection via the City’s webpage or by contacting Customer Service.

Two (2) further e-waste events are scheduled for 2019; in September and November. A decision regarding scheduling further e-waste events in 2020 will be made on reviewing the demand at these events; given the new booked kerbside collection service.

f) Transport

The City's Car Sharing Policy supports the installation of dedicated on-street parking bays. In accordance with Roads and Maritime Services guidelines, car share parking bays are signposted with a 'No Parking car share vehicle excepted' restriction. The 'No Parking' restriction allows non-car share vehicles to stop to pick up or set down passengers, stop for up to 2 minutes and the driver must remain in or within 3m of the vehicle. In 2018, the City requested that the Roads and Maritime Service review the restriction and associated parking fine to deter illegal parking in car share bays.

The Central Sydney On-street Parking Policy establishes criteria and service objectives for allocating kerbside parking and loading in central Sydney. The hierarchy puts kerb side use for private vehicles as the lowest priority. Due to the high level of demand for on-street spaces in CBD, the City generally encourages operators to provide spaces off street. Similarly, electric vehicle charging generally takes place off street. Electric vehicle charging facilities are available at both of the City's parking stations at Goulburn Street and Kings Cross). Car share operators have previously trialled the use of electric car share vehicles in Sydney and Melbourne.

The City will continue to support electric vehicle charging and circuitry to be provided in new developments where parking is constructed on-site. It is expected that charging technology will advance quickly allowing vehicles to fast charge at service stations, off street parking facilities or even technological innovations such as using in-road charging systems.

Recommendation

That the submission is noted with no change to the documents as exhibited.

Attachment B

<p>Integrated Planning and Reporting 2019/20 Amended Financial Schedules</p>

City of Sydney

Income Statement

	\$'M	2019-20	2020-21	2021-22	2022-23	4 Year Total	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	10 Year Total
Income from Continuing Operations													
Rates & Annual Charges		355.8	364.9	374.3	383.9	1,479.0	393.8	403.9	414.2	424.8	435.7	446.9	3,998.4
Fees		119.8	121.4	124.4	127.4	493.0	130.5	134.0	137.6	141.3	145.2	149.1	1,330.6
Interest Income		14.3	10.7	8.8	11.6	45.5	13.3	12.8	11.6	10.2	8.7	7.6	109.6
Other Income		119.8	124.5	130.0	133.3	507.6	136.6	142.9	147.2	151.6	158.5	164.4	1,408.8
Grants and Contributions provided for Capital Purposes		68.0	59.4	55.2	39.4	222.0	38.7	42.0	41.7	39.7	40.0	40.0	464.0
Grants and Contributions provided for Operating Purposes		14.0	14.3	14.6	14.9	57.8	15.2	15.6	16.0	16.4	16.8	17.2	154.9
Total Income from Continuing Operations		691.7	695.3	707.3	710.5	2,804.8	728.0	751.2	768.2	784.0	804.9	825.2	7,466.3
Expenses from Continuing Operations													
Employee		252.9	256.4	261.4	269.2	1,039.8	277.9	286.0	295.6	304.4	314.9	326.1	2,844.6
Borrowing		0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Materials and Contracts		117.9	124.8	129.5	133.8	506.0	137.6	142.1	146.6	151.2	155.9	160.2	1,399.6
Depreciation Expense		107.5	112.0	115.5	116.8	451.8	118.0	121.3	121.8	123.4	123.9	127.4	1,187.7
Other Expenditure		136.0	140.0	139.3	142.8	558.1	143.6	149.2	152.0	156.3	160.9	167.1	1,487.2
Light Rail Contribution to NSW Government		40.9	0.2	0.0	0.0	41.1	0.0	0.0	0.0	0.0	0.0	0.0	41.1
Total Expenses from Continuing Operations		655.3	633.3	645.7	662.6	2,596.8	677.1	698.6	716.0	735.3	755.5	780.9	6,960.2
Net Operating Result for the Year		36.5	62.0	61.7	47.9	208.0	51.0	52.6	52.2	48.8	49.3	44.2	506.1
<i>Net Operating Result (excl Light Rail Contribution)</i>		<i>77.4</i>	<i>62.2</i>	<i>61.7</i>	<i>47.9</i>	<i>249.1</i>	<i>51.0</i>	<i>52.6</i>	<i>52.2</i>	<i>48.8</i>	<i>49.3</i>	<i>44.2</i>	<i>547.2</i>

Budgeted Income Statement

The City's budgeted Income Statement (and future year projections) is prepared with regard to International Financial Reporting Standards (AIFRS) and the NSW Office of Local Government's Code of Accounting Practice and Financial Reporting. The formatting of the statement above reflects this approach.

A major non-cash item that may impact the City's financial results is the incremental increase / decrease arising from the annual market revaluation of the City's investment properties. The recognition of this valuation change will have no impact upon the budgeted funds available for the Council and is therefore excluded from the annual budget and future years' financial estimates.

The accounting treatment of the City's \$220M contribution to the NSW Governments Light Rail project (budgeted within the City's capital works program) is reflected as a separate line item in the statement below. The City's operating result is shown below both inclusive and exclusive of this item.

City of Sydney
Detailed Income and Expenditure

	\$'M	2019-20	2020-21	2021-22	2022-23	4 Year Total	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	10 Year Total
Operating Income													
Advertising Income		9.2	12.5	12.8	13.1	47.5	13.4	13.7	14.0	14.3	14.6	15.0	132.4
Annual Charges		56.3	58.0	59.7	61.4	235.5	63.2	65.1	67.0	68.9	70.9	73.0	643.6
Aquatic Facilities Income		1.1	0.5	0.5	0.5	2.5	0.5	0.5	0.5	0.6	0.6	0.6	5.8
Building & Development Application Income		6.1	6.2	6.4	6.6	25.3	6.7	6.9	7.1	7.3	7.6	7.8	68.8
Building Certificate		1.0	1.0	1.1	1.1	4.2	1.1	1.1	1.2	1.2	1.3	1.3	11.4
Child Care Fees		1.7	1.7	1.8	1.8	7.0	1.9	1.9	2.0	2.0	2.1	2.2	19.0
Commercial Properties		77.7	81.5	86.0	88.1	333.2	90.3	95.2	98.1	101.0	106.4	110.7	934.8
Enforcement Income		40.9	41.8	42.8	43.9	169.4	45.0	46.3	47.7	49.1	50.6	52.1	460.2
Grants and Contributions		14.0	14.3	14.6	14.9	57.8	15.2	15.6	16.0	16.4	16.8	17.2	154.9
Health Related Income		1.7	1.7	1.8	1.8	6.9	1.8	1.9	2.0	2.0	2.1	2.1	18.9
Library Income		0.2	0.2	0.2	0.2	0.8	0.2	0.2	0.2	0.2	0.2	0.2	2.1
Other Building Fees		9.2	9.4	9.6	9.9	38.1	10.1	10.4	10.7	11.0	11.4	11.7	103.5
Other Fees		5.8	5.9	6.1	6.2	24.1	6.4	6.6	6.8	7.0	7.2	7.4	65.5
Other Income		0.6	0.6	0.6	0.7	2.5	0.7	0.7	0.7	0.7	0.8	0.8	6.9
Parking Meter Income		39.4	39.8	40.6	41.4	161.2	42.2	43.1	44.0	44.8	45.7	46.6	427.7
Parking Station Income		10.2	10.5	10.8	11.1	42.7	11.5	11.8	12.2	12.5	12.9	13.3	116.9
Private Work Income		6.5	6.6	6.8	7.0	26.9	7.1	7.4	7.6	7.8	8.0	8.3	73.0
Rates - Business CBD		161.5	165.9	170.0	174.3	671.8	178.6	183.1	187.7	192.4	197.2	202.1	1,813.0
Rates - Business Other		66.0	67.4	69.1	70.8	273.2	72.5	74.4	76.2	78.1	80.1	82.1	736.6
Rates - Residential		71.9	73.7	75.5	77.4	298.5	79.4	81.3	83.3	85.4	87.5	89.7	805.2
Sponsorship Income		0.6	0.6	0.6	0.7	2.5	0.7	0.7	0.7	0.7	0.8	0.8	6.8
Venue/Facility Income		10.9	11.1	11.4	11.7	45.1	12.0	12.3	12.7	13.1	13.5	13.9	122.5
Work Zone		14.9	12.2	12.6	13.0	52.7	13.4	14.0	14.5	15.1	15.6	16.2	141.6
Value in Kind - Revenue		1.9	2.0	2.0	2.1	7.9	2.1	2.2	2.2	2.3	2.4	2.4	21.6
Total Operating Income		609.5	625.1	643.3	659.5	2,537.4	676.1	696.4	715.0	734.1	756.1	777.6	6,892.7
Operating Expenditure													
Salaries and Wages		205.5	207.6	211.1	217.3	841.4	224.4	231.8	239.5	247.6	256.2	265.5	2,306.4
Other Employee Related Costs		2.1	2.2	2.2	2.3	8.8	2.3	2.4	2.5	2.5	2.6	2.7	23.8
Employee Oncosts		6.7	7.0	7.3	7.6	28.6	7.9	8.2	8.5	8.8	9.2	9.5	80.7
Agency Contract Staff		9.2	9.4	9.7	9.9	38.3	10.2	10.5	10.8	11.1	11.5	11.8	104.1
Superannuation		22.2	22.9	23.7	24.5	93.3	25.3	25.1	26.0	25.7	26.6	27.5	249.6
Travelling		0.3	0.3	0.3	0.3	1.3	0.4	0.4	0.4	0.4	0.4	0.4	3.6
Workers Compensation Insurance		4.2	4.2	4.3	4.5	17.2	4.6	4.7	4.8	5.0	5.1	5.3	46.7
Fringe Benefit Tax		0.7	0.7	0.7	0.8	2.9	0.8	0.8	0.8	0.8	0.9	0.9	7.9
Training Costs (excluding salaries)		1.9	2.0	2.0	2.1	8.0	2.1	2.2	2.3	2.3	2.4	2.5	21.8
Salary Expense		252.9	256.4	261.4	269.2	1,039.8	277.9	286.0	295.6	304.4	314.9	326.1	2,844.6

City of Sydney

Detailed Income and Expenditure

	\$'M	2019-20	2020-21	2021-22	2022-23	4 Year Total	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	10 Year Total
Operating Expenditure (continued)													
Bad & Doubtful Debts		0.4	0.4	0.4	0.4	1.5	0.4	0.4	0.4	0.4	0.4	0.4	3.8
Consultancies		5.5	5.6	5.8	5.9	22.8	6.1	6.2	6.4	6.6	6.8	7.0	62.0
Enforcement & Infringement Costs		9.8	10.0	10.3	10.5	40.7	10.8	11.1	11.5	11.8	12.2	12.5	110.6
Event Related Expenditure		15.3	15.6	16.0	16.4	63.2	16.8	17.3	17.8	18.3	18.9	19.4	171.7
Expenditure Recovered		(8.3)	(5.3)	(5.4)	(5.6)	(24.6)	(5.7)	(5.9)	(6.1)	(6.2)	(6.4)	(6.6)	(61.6)
Facility Management		6.5	6.6	6.8	6.9	26.7	7.1	7.3	7.5	7.8	8.0	8.2	72.7
General Advertising		1.8	1.8	1.9	1.9	7.5	2.0	2.0	2.1	2.2	2.2	2.3	20.3
Governance		2.1	3.7	2.2	2.2	10.2	2.3	4.0	2.4	2.5	2.6	4.3	28.3
Government Authority Charges		7.3	7.4	7.6	7.8	30.1	8.0	8.2	8.5	8.7	9.0	9.3	81.7
Grants, Sponsorships and Donations		16.9	20.3	17.7	18.2	73.1	18.7	19.3	19.8	20.4	21.1	21.7	194.1
Infrastructure Maintenance		42.4	44.1	45.8	47.3	179.5	48.5	49.9	51.4	52.8	54.4	56.0	492.5
Insurance		3.2	3.3	3.3	3.4	13.2	3.6	3.7	3.8	3.9	4.0	4.1	36.2
IT Related Expenditure		13.1	13.4	13.7	14.1	54.3	14.4	14.8	15.3	15.8	16.2	16.7	147.6
Legal Fees		4.2	4.3	4.4	4.5	17.5	4.6	4.8	4.9	5.1	5.2	5.4	47.6
Operational Contingencies		5.5	3.5	3.5	3.5	16.0	3.5	3.5	3.5	3.5	3.5	3.5	37.0
Other Asset Maintenance		2.6	2.3	2.3	2.4	9.6	2.5	2.5	2.6	2.7	2.8	2.8	25.5
Other Operating Expenditure		12.8	12.0	12.3	12.6	49.8	10.2	10.5	10.8	11.2	11.5	11.8	115.8
Postage & Couriers		1.6	1.6	1.7	1.7	6.5	1.7	1.8	1.8	1.9	2.0	2.0	17.8
Printing & Stationery		2.2	2.3	2.3	2.4	9.2	2.4	2.5	2.6	2.7	2.7	2.8	24.9
Project Management & Other Project Costs		1.3	1.3	1.4	1.4	5.4	1.4	1.5	1.5	1.6	1.6	1.7	14.7
Property Related Expenditure		29.6	31.3	32.3	33.2	126.3	34.0	35.0	36.1	37.2	38.3	39.4	346.4
Service Contracts		18.1	19.1	20.4	21.7	79.4	22.8	23.9	25.1	26.3	27.3	28.0	232.6
Stores & Materials		5.3	5.4	5.6	5.7	22.0	5.9	6.0	6.2	6.4	6.6	6.8	59.9
Surveys & Studies		2.4	2.4	2.5	2.5	9.8	2.6	2.7	2.8	2.8	2.9	3.0	26.7
Telephone Charges		2.8	2.8	2.9	3.0	11.5	3.1	3.2	3.3	3.3	3.4	3.6	31.4
Utilities		12.6	13.0	13.3	13.7	52.6	14.1	14.5	15.0	15.4	15.9	16.4	144.0
Vehicle Maintenance		2.8	2.9	2.9	3.0	11.6	3.1	3.2	3.3	3.4	3.5	3.6	31.5
Waste Disposal Charges		22.1	22.7	23.4	24.1	92.3	24.8	25.6	26.4	27.1	28.0	28.8	253.0
Value in Kind - Expenditure		1.9	2.0	2.0	2.1	7.9	2.1	2.2	2.2	2.3	2.4	2.4	21.6
Expenditure		243.6	255.8	259.3	267.1	1,025.8	271.7	281.8	288.9	297.7	306.8	317.3	2,789.9
Total Operating Expenditure (Excl Depreciation)		496.6	512.2	520.6	536.2	2,065.6	549.6	567.8	584.5	602.1	621.6	643.4	5,634.5
Operating Result (Before Depreciation, Interest, Capital-Related Costs and Capital Income)		112.9	112.9	122.7	123.2	471.8	126.5	128.6	130.5	132.0	134.5	134.2	1,258.1

City of Sydney

Detailed Income and Expenditure

	\$'M	2019-20	2020-21	2021-22	2022-23	4 Year Total	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	10 Year Total
Operating Surplus/(Deficit)		112.9	112.9	122.7	123.2	471.8	126.5	128.6	130.5	132.0	134.5	134.2	1,258.1
Add Additional Income:													
Interest		14.3	10.7	8.8	11.6	45.5	13.3	12.8	11.6	10.2	8.7	7.6	109.6
Grants and Contributions provided for Capital Purposes		68.0	59.4	55.2	39.4	222.0	38.7	42.0	41.7	39.7	40.0	40.0	464.0
Less Additional Expenses:													
Capital Project Related Costs		10.3	9.0	9.5	9.5	38.3	9.5	9.5	9.8	9.8	10.0	10.1	96.9
Depreciation Expense		107.5	112.0	115.5	116.8	451.8	118.0	121.3	121.8	123.4	123.9	127.4	1,187.7
Light Rail Contribution to NSW Government		40.9	0.2	0.0	0.0	41.1	0.0	0.0	0.0	0.0	0.0	0.0	41.1
Net Operating Surplus/(Deficit)		36.5	62.0	61.7	47.9	208.0	51.0	52.6	52.2	48.8	49.3	44.2	506.1

City of Sydney
Operating Budget

Organisation Summary - Operating Result (Before Depreciation, Interest, Capital-Related Costs and Capital Income)

	2019/20			2020/21	2021/22	2022/23	4 Year Total	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	10 Year Total
\$M	Income	Expenditure	Op Surplus / (Deficit)	Op Surplus / (Deficit)	Op Surplus / (Deficit)	Op Surplus / (Deficit)	Op Surplus / (Deficit)	Op Surplus / (Deficit)	Op Surplus / (Deficit)	Op Surplus / (Deficit)	Op Surplus / (Deficit)	Op Surplus / (Deficit)	Op Surplus / (Deficit)	Op Surplus / (Deficit)
City Life	13.8	81.1	(67.3)	(72.1)	(69.1)	(71.2)	(279.7)	(73.4)	(75.9)	(78.4)	(81.0)	(83.6)	(86.5)	(758.4)
Creative City	5.4	33.5	(28.1)	(29.4)	(30.3)	(31.2)	(119.1)	(32.2)	(33.2)	(34.3)	(35.4)	(36.6)	(37.8)	(328.6)
Grants and Sponsorship	0.1	17.9	(17.9)	(21.3)	(18.8)	(19.3)	(77.3)	(19.8)	(20.4)	(21.1)	(21.7)	(22.4)	(23.0)	(205.7)
Social Programs and Services	7.8	20.1	(12.3)	(12.1)	(10.5)	(10.9)	(45.8)	(11.3)	(11.7)	(12.2)	(12.6)	(13.1)	(13.7)	(120.4)
City Business & Safety	0.1	3.9	(3.8)	(3.9)	(4.0)	(4.1)	(15.7)	(4.2)	(4.4)	(4.5)	(4.7)	(4.8)	(5.0)	(43.3)
City Life Management	0.0	2.1	(2.1)	(2.2)	(2.2)	(2.3)	(8.8)	(2.4)	(2.5)	(2.5)	(2.6)	(2.7)	(2.8)	(24.3)
Sustainability Programs	0.5	3.5	(3.1)	(3.2)	(3.3)	(3.4)	(12.9)	(3.5)	(3.6)	(3.8)	(3.9)	(4.1)	(4.2)	(36.0)
City Services	142.2	198.0	(55.9)	(60.1)	(62.9)	(65.8)	(244.6)	(65.8)	(68.6)	(71.6)	(74.5)	(77.7)	(81.2)	(684.0)
Venue Management	9.8	5.7	4.1	4.1	4.2	4.3	16.7	4.3	4.5	4.6	4.7	4.8	4.9	44.4
Security & Emergency Management	3.0	6.2	(3.2)	(3.3)	(3.4)	(3.5)	(13.4)	(3.6)	(3.7)	(3.9)	(4.0)	(4.1)	(4.3)	(37.0)
City Rangers	40.4	27.3	13.1	13.2	13.4	13.6	53.3	13.8	14.1	14.4	14.8	15.1	15.5	141.1
Parking and Fleet Services	49.6	16.8	32.8	33.1	33.8	34.4	134.2	35.1	35.7	36.3	36.9	37.6	38.2	353.9
City Greening and Leisure	1.8	34.0	(32.2)	(34.3)	(35.6)	(36.6)	(138.8)	(37.7)	(38.9)	(40.1)	(41.4)	(42.7)	(44.0)	(383.4)
City Services Management	0.0	0.7	(0.7)	(0.5)	(0.3)	(0.1)	(1.6)	(0.0)	0.1	0.2	0.3	0.4	0.3	(0.4)
City Infrastructure and Traffic Operations (CITO)	34.7	40.2	(5.5)	(6.3)	(7.1)	(7.8)	(26.6)	(5.5)	(5.9)	(6.3)	(6.6)	(7.1)	(7.5)	(65.6)
Cleansing & Waste	2.8	66.3	(63.5)	(65.2)	(67.1)	(69.1)	(265.0)	(71.2)	(73.5)	(75.8)	(78.2)	(80.7)	(83.2)	(727.6)
City Services Strategy	0.0	0.8	(0.8)	(0.8)	(0.9)	(0.9)	(3.4)	(0.9)	(0.9)	(1.0)	(1.0)	(1.0)	(1.1)	(9.3)
City Projects and Property	78.0	62.4	15.5	15.8	18.1	18.3	67.7	18.5	21.2	21.7	22.3	25.2	27.0	203.7
City Property	78.0	53.2	24.8	25.2	27.8	28.3	106.1	28.9	32.0	32.9	33.9	37.2	39.5	310.5
CPP - Infrastructure Delivery	0.0	0.8	(0.8)	(0.7)	(0.7)	(0.7)	(3.0)	(0.8)	(0.8)	(0.9)	(0.9)	(0.9)	(1.0)	(8.2)
CPP - Development and Strategy	0.0	3.3	(3.3)	(3.4)	(3.5)	(3.6)	(13.7)	(3.7)	(3.8)	(3.9)	(4.0)	(4.2)	(4.3)	(37.5)
CPP - Professional Services	0.0	5.1	(5.1)	(5.3)	(5.5)	(5.7)	(21.7)	(6.0)	(6.2)	(6.4)	(6.6)	(6.9)	(7.1)	(61.0)
City Planning Development and Transport	18.1	44.4	(26.4)	(27.2)	(28.2)	(29.3)	(111.0)	(30.4)	(31.5)	(32.7)	(33.9)	(35.1)	(36.4)	(311.1)
Health & Building	2.5	15.2	(12.7)	(13.1)	(13.5)	(14.0)	(53.3)	(14.5)	(15.0)	(15.6)	(16.1)	(16.7)	(17.3)	(148.5)
Planning Assessments	6.0	14.7	(8.7)	(8.9)	(9.2)	(9.5)	(36.2)	(9.9)	(10.3)	(10.7)	(11.1)	(11.5)	(11.9)	(101.5)
Strategic Planning and Urban Design	0.6	7.2	(6.6)	(6.8)	(7.0)	(7.3)	(27.7)	(7.5)	(7.8)	(8.0)	(8.3)	(8.6)	(8.9)	(76.8)
City Access	0.2	4.7	(4.5)	(4.6)	(4.7)	(4.9)	(18.6)	(5.0)	(5.2)	(5.3)	(5.5)	(5.7)	(5.9)	(51.2)
Construction & Building Certification Services	8.7	2.6	6.1	6.1	6.3	6.4	24.9	6.5	6.7	6.9	7.1	7.3	7.5	66.9

City of Sydney
Operating Budget

Organisation Summary - Operating Result (Before Depreciation, Interest, Capital-Related Costs and Capital Income)

	2019/20			2020/21	2021/22	2022/23	4 Year Total	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	10 Year Total
\$M	Income	Expenditure	Op Surplus / (Deficit)	Op Surplus / (Deficit)	Op Surplus / (Deficit)	Op Surplus / (Deficit)	Op Surplus / (Deficit)	Op Surplus / (Deficit)	Op Surplus / (Deficit)	Op Surplus / (Deficit)	Op Surplus / (Deficit)	Op Surplus / (Deficit)	Op Surplus / (Deficit)	Op Surplus / (Deficit)
Chief Executive Office	0.1	19.4	(19.4)	(19.8)	(20.4)	(21.0)	(80.7)	(21.6)	(22.4)	(23.1)	(23.9)	(24.7)	(25.6)	(222.1)
Office of the Lord Mayor	0.0	3.7	(3.7)	(3.9)	(4.0)	(4.1)	(15.7)	(4.3)	(4.4)	(4.5)	(4.7)	(4.9)	(5.0)	(43.5)
Chief Executive Office	0.0	1.5	(1.5)	(1.6)	(1.6)	(1.7)	(6.4)	(1.7)	(1.8)	(1.9)	(1.9)	(2.0)	(2.0)	(17.8)
Engagement	0.0	5.7	(5.7)	(5.8)	(6.0)	(6.2)	(23.7)	(6.4)	(6.6)	(6.8)	(7.1)	(7.3)	(7.6)	(65.5)
Secretariat	0.0	1.1	(1.1)	(1.0)	(1.0)	(1.1)	(4.2)	(1.1)	(1.2)	(1.2)	(1.2)	(1.3)	(1.3)	(11.5)
Councillor Support	0.0	2.2	(2.2)	(2.2)	(2.3)	(2.4)	(9.0)	(2.4)	(2.5)	(2.6)	(2.7)	(2.7)	(2.8)	(24.8)
Marketing	0.1	5.3	(5.2)	(5.3)	(5.5)	(5.6)	(21.6)	(5.7)	(5.9)	(6.1)	(6.3)	(6.5)	(6.8)	(59.0)
Chief Operations Office	0.4	18.7	(18.2)	(17.9)	(18.0)	(18.6)	(72.7)	(19.3)	(20.0)	(20.7)	(21.4)	(22.2)	(23.0)	(199.3)
Chief Operations Office	0.4	2.2	(1.9)	(2.0)	(2.0)	(2.1)	(8.0)	(2.2)	(2.3)	(2.3)	(2.4)	(2.5)	(2.6)	(22.3)
Sustainability	0.0	2.1	(2.1)	(2.0)	(2.1)	(2.2)	(8.5)	(2.3)	(2.3)	(2.4)	(2.5)	(2.6)	(2.7)	(23.2)
Strategy and Urban Analytics	0.0	3.9	(3.9)	(3.8)	(3.9)	(4.0)	(15.6)	(4.2)	(4.3)	(4.5)	(4.6)	(4.8)	(5.0)	(42.9)
City Design	0.0	3.1	(3.1)	(3.0)	(3.1)	(3.2)	(12.4)	(3.3)	(3.4)	(3.6)	(3.7)	(3.8)	(3.9)	(34.1)
Green Square	0.0	0.8	(0.8)	(0.6)	(0.7)	(0.7)	(2.8)	(0.7)	(0.7)	(0.8)	(0.8)	(0.8)	(0.9)	(7.5)
City Transformation	0.0	0.7	(0.7)	(0.5)	(0.5)	(0.6)	(2.3)	(0.6)	(0.6)	(0.7)	(0.7)	(0.7)	(0.7)	(6.3)
Green Infrastructure	0.0	0.9	(0.9)	(0.9)	(0.5)	(0.5)	(2.8)	(0.6)	(0.6)	(0.6)	(0.7)	(0.7)	(0.8)	(6.8)
Project Management Office	0.0	0.3	(0.3)	(0.4)	(0.4)	(0.4)	(1.4)	(0.4)	(0.4)	(0.4)	(0.4)	(0.4)	(0.5)	(4.0)
Strategic Community Engagement	0.0	1.6	(1.6)	(1.6)	(1.6)	(1.7)	(6.5)	(1.8)	(1.8)	(1.9)	(1.9)	(2.0)	(2.1)	(18.0)
Indigenous Leadership and Engagement	0.1	1.1	(1.0)	(1.0)	(1.1)	(1.1)	(4.2)	(1.1)	(1.2)	(1.2)	(1.3)	(1.3)	(1.3)	(11.7)
City Conversations	0.0	2.0	(2.0)	(2.0)	(2.1)	(2.1)	(8.1)	(2.2)	(2.3)	(2.3)	(2.4)	(2.5)	(2.6)	(22.4)
People Performance and Technology	2.4	43.0	(40.6)	(41.5)	(42.7)	(43.9)	(168.7)	(45.2)	(46.7)	(48.2)	(49.8)	(51.5)	(53.2)	(463.3)
Customer Service	2.3	6.6	(4.3)	(4.3)	(4.4)	(4.5)	(17.5)	(4.6)	(4.7)	(4.8)	(5.0)	(5.2)	(5.4)	(47.3)
Workforce Services	0.0	10.8	(10.8)	(11.1)	(11.5)	(11.8)	(45.2)	(12.2)	(12.6)	(13.0)	(13.4)	(13.9)	(14.3)	(124.6)
Technology and Digital Services	0.0	16.7	(16.7)	(17.2)	(17.6)	(18.2)	(69.7)	(18.7)	(19.3)	(19.9)	(20.6)	(21.2)	(21.9)	(191.3)
Data and Information Management Services	0.0	7.4	(7.4)	(7.5)	(7.7)	(8.0)	(30.6)	(8.2)	(8.5)	(8.8)	(9.1)	(9.4)	(9.7)	(84.5)
Business and Service Improvement	0.0	1.1	(1.1)	(1.1)	(1.1)	(1.2)	(4.4)	(1.2)	(1.2)	(1.3)	(1.3)	(1.4)	(1.4)	(12.2)
Internal Office Services	0.0	0.3	(0.3)	(0.3)	(0.3)	(0.3)	(1.2)	(0.3)	(0.3)	(0.4)	(0.4)	(0.4)	(0.4)	(3.4)
Chief Financial Office	0.4	9.6	(9.2)	(9.3)	(9.6)	(9.6)	(37.7)	(10.0)	(10.3)	(10.7)	(11.1)	(11.5)	(11.9)	(103.2)
Legal and Governance	1.1	13.9	(12.8)	(14.7)	(13.5)	(13.9)	(55.0)	(14.4)	(16.4)	(15.3)	(15.8)	(16.3)	(18.5)	(151.7)
Corporate Costs	353.1	6.0	347.1	359.7	368.9	378.4	1,454.1	388.1	399.2	409.4	421.2	432.1	443.4	3,947.4
Council	609.5	496.6	112.9	112.9	122.7	123.2	471.8	126.5	128.6	130.5	132.0	134.5	134.2	1,258.1

City of Sydney

Summary of Income and Expenditure by Principal Activity

Council has adopted the Strategic Directions from the Sustainable Sydney 2030 vision as its Principal Activities for this Delivery Program. A number of Principal Activities are largely of an advocacy and facilitation role for the City (such as Housing for a Diverse Population) and not one of direct service provision. As a result, the proposed budget does not reflect substantial operational costs (particularly salaries expenditure) incurred indirectly in delivering this Principal Activity. The Principal Activity for *A City for Walking and Cycling*, for example, will be largely achieved via capital works for infrastructure and reflects minimal operational expenditure.

The summary of income and expenditure by Principal Activity below includes both the proposed operational budgets and the capital works program (for 2019/20) to better reflect the allocation of Council funds towards these major directions.

	2019/20				2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29
	Income	Expenditure	Net Surplus/ (Deficit)	Capital	Net Surplus/(Deficit) by Year								
A globally competitive and innovative city	41.2	56.4	(15.2)	0.0	(12.6)	(13.1)	(13.7)	(14.3)	(14.9)	(15.4)	(16.1)	(16.7)	(17.4)
A leading environmental performer	3.1	78.6	(75.5)	21.8	(77.2)	(79.1)	(81.5)	(84.0)	(86.7)	(89.5)	(92.4)	(95.3)	(98.4)
Integrated transport for a connected city	86.6	54.7	32.0	32.9	31.6	31.8	32.1	35.2	35.7	36.2	36.8	37.3	37.6
A city for walking and cycling	0.0	1.7	(1.7)	22.4	(1.8)	(1.8)	(1.9)	(1.9)	(2.0)	(2.0)	(2.1)	(2.2)	(2.2)
A lively and engaging city centre	0.0	0.9	(0.9)	1.3	(0.9)	(0.9)	(0.9)	(1.0)	(1.0)	(1.0)	(1.1)	(1.1)	(1.1)
Resilient and inclusive local communities	17.4	137.8	(120.4)	100.5	(73.0)	(68.0)	(84.3)	(89.1)	(91.9)	(95.1)	(98.2)	(101.2)	(104.7)
A cultural and creative city	3.2	8.5	(5.2)	6.6	(5.3)	(5.4)	(5.6)	(5.8)	(6.1)	(6.3)	(6.5)	(6.7)	(7.0)
Housing for a diverse community	0.0	2.4	(2.4)	0.0	(4.0)	(4.0)	(4.1)	(2.7)	(2.8)	(2.8)	(2.9)	(3.0)	(3.1)
Sustainable development, renewal and design	83.9	43.2	40.7	0.0	14.1	10.1	9.0	7.9	6.9	6.7	5.6	4.4	3.1
Implementation through effective governance and partnerships	456.3	271.2	185.1	12.4	191.1	192.1	198.8	206.5	215.2	221.5	225.7	234.0	237.4
Total Council	691.7	655.3	36.5	198.0	62.0	61.7	47.9	51.0	52.6	52.2	48.8	49.3	44.2

City of Sydney

Capital Works Expenditure Summary

The City's Capital Works Program is built around a number of significant projects that will expand and/or significantly upgrade the provision of infrastructure and facilities for the community, and Capital Programs that underpin key asset groups such as public domain, roads, footways, pools, open space and community facilities. The proposed program will enable the commencement and completion of many identified priorities and progress a number of Sustainable Sydney 2030 projects. The program prepared is in line with the agreed long term financial parameters and represents the City's capacity to deliver the program each year and expenditure provisions for significant projects which may be delivered by third parties.

\$'M	Prior Years Total	2019/20	2020/21	2021/22	2022/23	4 Years Total	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	10 Year Total	Total Project Budget
Significant Projects (>\$20M)														
Barangaroo Integration and Harbour Village North	5.6	0.1	0.7	0.5	2.0	3.3	5.2	6.3	5.0	1.0			20.8	26.4
Childcare Centres	18.5	0.5		8.0		8.5			4.5	6.0	2.3		21.3	39.9
Chinatown Public Domain	8.0	1.2	1.2	5.8	1.0	9.3	0.8	2.0	1.9	0.9			14.9	22.8
Erskineville Trunk Drainage	0.7	1.5	1.8			3.3							3.3	4.0
Green Infrastructure	34.8	9.1	5.2	2.8	3.2	20.3	3.2	2.1	2.1	2.3			30.1	64.9
Green Square Aquatic Centre and Gunyama Park	52.9	45.8	0.1			45.9		4.4					50.3	103.3
Green Square Community Facilities and Open Space	41.5	7.0	32.9	15.0	5.0	59.9							59.9	101.4
Green Square Library and Plaza	57.5	0.6				0.6							0.6	58.2
Green Square Streets and Drainage	137.9	31.2	55.0	25.4	4.0	115.6	6.1						121.7	259.6
Johnstons Canal Master Plan & Harold Park Works	18.7	3.9	3.9			7.8							7.8	26.5
Light Rail – CBD to South East	178.9	40.9	0.2			41.1							41.1	220.0
Major Depots	35.1	0.5				0.5							0.5	35.6
Significant Projects Total	590.0	142.5	101.1	57.5	15.2	316.2	15.3	14.9	13.6	10.2	2.3	0.0	372.5	962.5

City of Sydney
Capital Works Expenditure Summary - continued

\$'M	Prior Years Total	2019/20	2020/21	2021/22	2022/23	4 Years Total	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	10 Year Total	Total Project Budget
Capital Programs														
Asset Enhancement														
Bicycle Related Works	26.4	9.6	17.1	18.6	7.5	52.8	6.9	5.6	10.4	8.8	7.2	7.6	99.2	125.6
Community, Cultural and Recreation Property Related Projects	40.8	2.8	6.9	9.9	12.5	32.1	0.9	11.0	11.5	13.0	13.5	13.0	95.0	135.8
Corporate and Investment Property Related Projects	14.6	0.9	1.1	0.5		2.5							2.5	17.0
Open Space & Parks	39.1	12.6	31.0	10.8	9.2	63.7	12.4	18.3	13.8	14.2	10.8	10.0	143.1	182.1
Public Art LGA	9.7	3.6	3.7	0.6	0.2	8.0	0.2						8.2	17.9
Public Domain	1.6	5.5	8.4	10.1	10.7	34.7	9.3	8.9	4.8	6.3	16.7	19.1	99.8	101.4
Stormwater Drainage	3.5	1.0	7.9	20.1	4.5	33.5	9.0		2.0	2.0	2.0	2.0	50.5	53.9
Rolling Programs (Asset Renewal)														
Community, Cultural and Recreation Property Related Projects		7.8	11.2	5.4	8.5	32.9	11.0	11.8	11.8	13.1	11.8	12.8	105.2	105.2
Corporate and Investment Property Related Projects		7.8	21.3	24.5	19.1	72.8	16.1	16.1	14.7	14.8	14.5	14.5	163.5	163.5
Infrastructure - Roads Bridges Footways		14.8	11.0	10.5	12.3	48.6	14.9	15.9	16.3	17.6	18.2	18.2	149.7	149.7
Open Space & Parks		11.4	20.9	17.6	19.5	69.3	21.6	19.5	19.6	19.6	19.6	19.6	188.7	188.7
Public Art LGA		1.1	1.1	0.9	0.8	4.0	0.9	0.8	0.9	0.8	0.8	0.9	9.2	9.2
Public Domain		12.2	18.7	20.4	17.1	68.4	18.3	10.3	11.5	9.4	9.3	9.3	136.5	136.5
Stormwater Drainage		1.5	2.7	2.0	3.5	9.6	3.5	4.5	4.5	5.0	5.0	5.0	37.1	37.1
Programs Total	135.6	92.5	163.0	151.8	125.3	532.7	124.8	122.7	121.8	124.6	129.4	131.9	1,288.0	1,423.6
TOTAL CAPITAL WORKS	725.6	235.0	264.1	209.3	140.6	848.9	140.1	137.5	135.4	134.8	131.7	131.9	1,660.5	2,386.1
Contingency														
Capital Contingency		5.0				5.0							5.0	5.0
Total Contingency		5.0	0.0	0.0	0.0	5.0	0.0	0.0	0.0	0.0	0.0	0.0	5.0	5.0

City of Sydney

Balance Sheet

	\$'M	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29
ASSETS											
Current Assets											
Cash and Investments		401.4	297.1	273.6	427.8	376.4	342.6	306.4	266.1	218.1	199.6
Receivables		104.5	105.1	106.0	106.6	107.2	108.2	109.0	109.8	110.9	111.9
Prepayments		4.2	4.2	4.2	4.2	4.2	4.2	4.2	4.2	4.2	4.2
Inventory		0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5
Current Assets Total		510.6	407.0	384.3	539.1	488.3	455.5	420.1	380.6	333.8	316.2
Non-Current Assets											
Capital Works, Infrastructure, Investment Properties and P&A		11,786.1	11,966.5	12,044.3	11,930.0	12,036.2	12,126.4	12,219.0	12,312.4	12,414.2	12,482.7
Non Current Assets		11,786.1	11,966.5	12,044.3	11,930.0	12,036.2	12,126.4	12,219.0	12,312.4	12,414.2	12,482.7
Total Assets		12,296.7	12,373.5	12,428.6	12,469.1	12,524.5	12,581.9	12,639.1	12,693.1	12,748.0	12,798.9
LIABILITIES											
Current Liabilities											
Payables		122.2	137.1	130.5	123.1	127.5	132.4	137.4	142.6	148.2	154.8
Provisions		72.9	72.9	72.9	72.9	72.9	72.9	72.9	72.9	72.9	72.9
Current Liabilities Total		195.2	210.0	203.4	196.1	200.5	205.4	210.3	215.5	221.1	227.8
Non-Current Liabilities											
Provisions		18.1	18.1	18.1	18.1	18.1	18.1	18.1	18.1	18.1	18.1
Non-Current Liabilities Total		18.1	18.1	18.1	18.1	18.1	18.1	18.1	18.1	18.1	18.1
Total Liabilities		213.3	228.1	221.6	214.2	218.6	223.5	228.4	233.6	239.2	245.9
Net Assets		12,083.4	12,145.4	12,207.0	12,254.9	12,305.9	12,358.5	12,410.6	12,459.4	12,508.8	12,553.0
EQUITY											
Equity		12,083.4	12,145.4	12,207.0	12,254.9	12,305.9	12,358.5	12,410.6	12,459.4	12,508.8	12,553.0

City of Sydney

Cash Flow Forecast

	\$M	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29
Revenue:											
Rates and Annual Charges		355.8	364.9	374.3	383.9	393.8	403.9	414.2	424.8	435.7	446.9
Other Operating Income		251.7	258.2	267.0	273.5	280.2	290.3	298.5	307.0	318.0	328.2
Operating Income		607.5	623.2	641.3	657.4	674.0	694.2	712.8	731.8	753.8	775.1
Expenses:											
Salary & Wages Expenditure		252.9	256.4	261.4	269.2	277.9	286.0	295.6	304.4	314.9	326.1
Other Operating Expenditure		241.7	253.8	257.3	265.0	269.6	279.6	286.6	295.4	304.4	314.8
Operating Expenditure		494.6	510.2	518.6	534.2	547.5	565.6	582.2	599.8	619.3	640.9
Operating Surplus		112.9	112.9	122.7	123.2	126.5	128.6	130.5	132.0	134.5	134.2
Other Non Operating:											
Interest income		14.3	10.7	8.8	11.6	13.3	12.8	11.6	10.2	8.7	7.6
Light Rail Contribution to NSW Government		(40.9)	(0.2)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Capital Related Project Expenses		(10.3)	(9.0)	(9.5)	(9.5)	(9.5)	(9.5)	(9.8)	(9.8)	(10.0)	(10.1)
Depreciation		(107.5)	(112.0)	(115.5)	(116.8)	(118.0)	(121.3)	(121.8)	(123.4)	(123.9)	(127.4)
Capital Grants and Contributions		68.0	59.4	55.2	39.4	38.7	42.0	41.7	39.7	40.0	40.0
Net Surplus		36.5	62.0	61.7	47.9	51.0	52.6	52.2	48.8	49.3	44.2
Add Back :											
Depreciation		107.5	112.0	115.5	116.8	118.0	121.3	121.8	123.4	123.9	127.4
Non-Cash Asset Adjustments		(7.2)	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0
Cash Surplus before Capital Expenditure		136.7	175.9	179.2	166.7	171.0	175.9	176.0	174.1	175.3	173.7
Capital Expenditure											
Capital Works - excluding Light Rail Contribution		(199.1)	(263.9)	(209.3)	(140.6)	(140.1)	(137.5)	(135.4)	(134.8)	(131.7)	(131.9)
Plant and Asset Acquisitions/ICT Projects		(30.8)	(30.0)	(26.0)	(26.0)	(26.0)	(26.0)	(26.0)	(26.0)	(26.0)	(26.0)
Property (Acquisitions)/Divestments		(137.7)	(0.5)	40.0	162.0	(60.0)	(50.0)	(55.0)	(58.0)	(70.0)	(40.0)
Total Capital Expenditure		(367.6)	(294.4)	(195.3)	(4.6)	(226.1)	(213.5)	(216.4)	(218.8)	(227.7)	(197.9)
Net Receivables/Payables Movement		17.1	14.2	(7.4)	(8.0)	3.7	3.9	4.2	4.4	4.5	5.7
Cash Surplus / (Deficit)		(213.7)	(104.3)	(23.5)	154.2	(51.4)	(33.8)	(36.2)	(40.3)	(47.9)	(18.6)
Total Cash at Beginning of Period		615.1	401.4	297.1	273.6	427.8	376.4	342.6	306.4	266.1	218.1
Cash Surplus/ (Deficit)		(213.7)	(104.3)	(23.5)	154.2	(51.4)	(33.8)	(36.2)	(40.3)	(47.9)	(18.6)
Total Cash at End of Period		401.4	297.1	273.6	427.8	376.4	342.6	306.4	266.1	218.1	199.6

City of Sydney

Asset Replacement and Sales (including Information Services - Capital Projects)

Council holds assets to ensure its financial viability, for commercial and strategic reasons, and to meet the needs of its operations.

Depreciating assets, such as plant, equipment and vehicles, held for Council's operations are changed or replaced in line with Council's current needs and the operational life of the asset. The City replaces its light fleet every two years or 40,000km excluding utility vehicles which are replaced every three years or 60,000km. The City also adopts a replacement program to renew its Personal Computer assets on an average three-yearly cycle.

The City has a program of upgrades and enhancements to information systems. These can include installation and configuration of 3rd party software and development of new in-house solutions.

Where these system developments are deemed to have an enduring benefit to the City, the costs of the project are capitalised as assets within the Fixed Asset Register, and amortised over an appropriate useful life. Capitalisation of costs is consistent with the City's *IPPE Asset Recognition and Capitalisation Policy*.

Summary of Expenditure - 2019-20

	2019-20		
	Acquisitions	Sales	Net Budget
Books & Library Resources	1.5	0.0	1.5
Information Technology (Equipment)	1.8	0.0	1.8
Technology and Digital Services - Capital Projects	16.8	0.0	16.8
Vehicles and Plant	6.3	(1.2)	5.1
Equipment, Furniture & Fittings and Miscellaneous	5.6	0.0	5.6
Total	32.0	(1.2)	30.8

Statement of Business or Commercial Activities

The City of Sydney expects to continue with Parking Stations as a Category 1 business activity. These commercial activities provide an additional source of funding that enables the Council to continue to provide enhanced services and infrastructure delivery without placing additional burden on the City's ratepayers.

Revenue Policy - Charges for Works Carried out on Private Land

Council does not generally carry out works on private land, however if Council were required to undertake such works (e.g. the construction of a private road), then the works would be charged at the appropriate commercial rate.

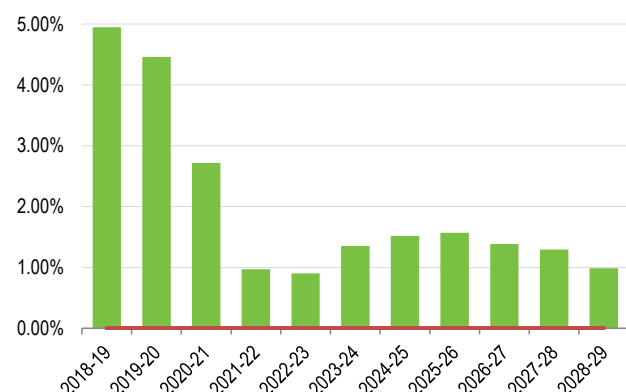
The City's performance in respect of the mandated Office of Local Government Performance measures is detailed below. The charts demonstrate performance trends on the basis of forward projections contained in the Long Term Financial Plan, and estimates related to future asset maintenance and renewal requirements (per the Asset Management Plan) and infrastructure backlog.

The formulas used in the calculations, as provided by the NSW Office of Local Government, are also included.

The graphs plot the 3-year average performance for each year shown (with the exception of the Infrastructure Backlog Ratio and the Real Operating Expenditure per Capita, shown as 'snapshot' performance). E.g. 2019/20 will show average performance for the 3 years to 2019/20 (2017/18, 2018/19, 2019/20).

Sustainability

Operating Performance Ratio



$$\frac{\text{Operating Revenue (excl Capital Grants \& Contributions)}}{\text{less Operating Expenses}}$$

$$\text{Operating Revenue (excl Capital Grants \& Contributions)}$$

Operating Performance is projected to exceed benchmark over the life of the Long Term Financial Plan. However, the projected reduction in performance is indicative of the increasing cost pressures faced by the City in delivering services to a rapidly growing population.

Estimates relating to increased operating expenditure required to service urban renewal areas (including Green Square and Barangaroo) are reflected in forward projections, and contribute to a decline in operating performance. In later years, the softening of rates growth and the continued increase of depreciation expense (related to new capital works) contribute to put pressure on the Operating Result.

Own Source Revenue



$$\text{Total continuing operating revenue less all grants and contributions}$$

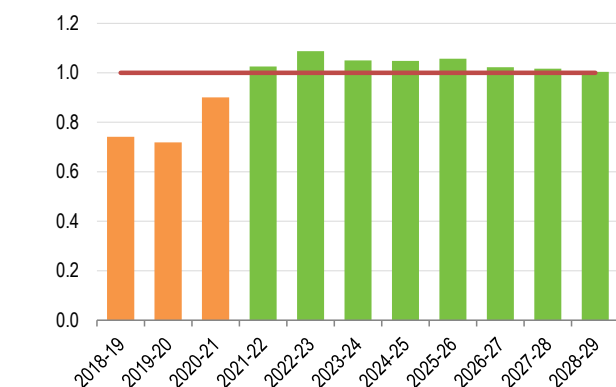
$$\frac{\text{Total Operating Revenue}}{\text{(inclusive of Capital Grants and Contributions)}}$$

The City's Own Source Operating Revenue is already well above the required benchmark level and is forecast to continue to grow as a proportion of total operating revenue.

As detailed in the Long Term Financial Plan document, minor incremental growth in the City's rates base and the expected continuation of the "cap" on developer contributions per new dwelling will result in capital income representing a declining proportion of the City's income base, reflected in the gradual increase in the Own Source Revenue ratio.

The ratio may be impacted by higher-than-expected capital income receipts

Building and Infrastructure Asset Renewal Ratio



$$\text{Actual Asset Renewals}$$

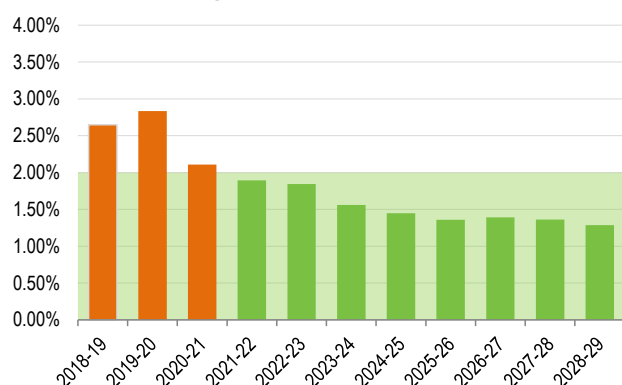
$$\text{Required Renewal* of Building and Infrastructure Assets}$$

Rather than utilise depreciation expense as an arbitrary proxy for required levels of asset renewal, the required renewal of building and infrastructure assets is instead sourced from the Asset Management Plan in the City's Integrated Planning and Reporting documents.

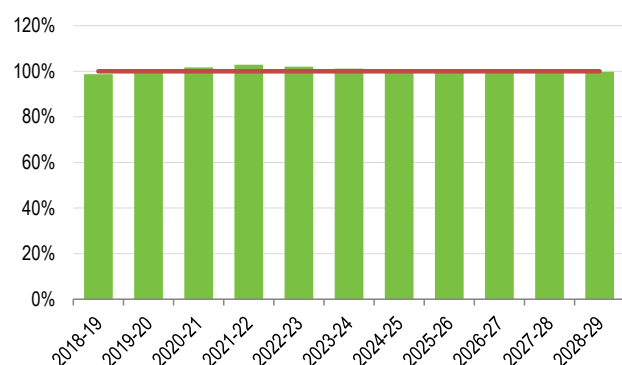
The performance of this ratio returns to a result on or above benchmark, with earlier years' performance temporarily impacted as the City's financial and delivery capacity is focused on the provision of required infrastructure in the broader Green Square urban renewal area, as well as integration with Barangaroo and significant cycling infrastructure works.

Infrastructure and Service Management

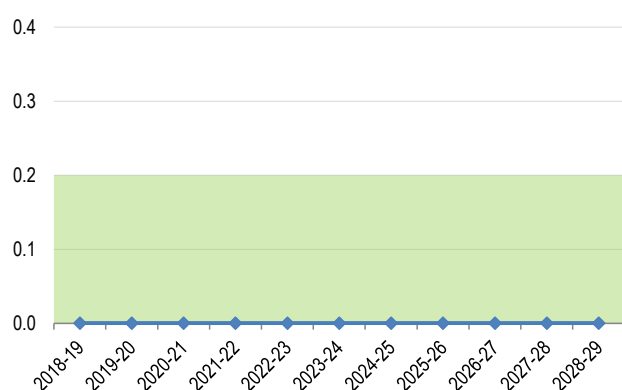
Infrastructure Backlog Ratio



Asset Maintenance Ratio

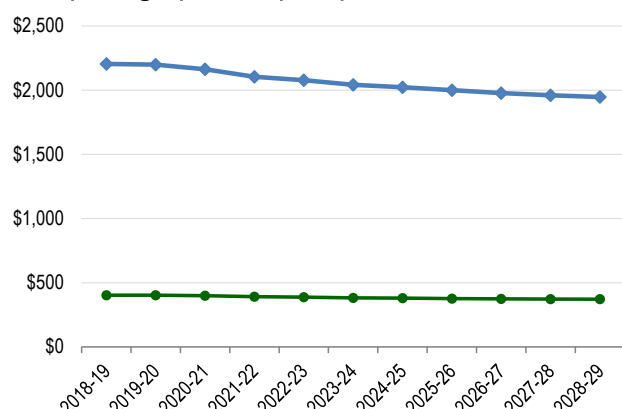


Debt Service Ratio



Efficiency

Real Operating Expenditure per capita



Estimated Costs to Bring Assets to a Satisfactory Standard

Written Down Value of Infrastructure

(incl roads and drainage assets), **Building, Other Structures** and **Depreciable Land Improvements Assets**

The City holds the view that the vast majority of its buildings and infrastructure are currently maintained at or above a "satisfactory standard". The identified infrastructure backlog is subject to ongoing review, to ensure that backlog levels reported are reflective of those assets deemed to be at less than "satisfactory standard".

The City's projected Infrastructure Backlog ratio is subject to future assessments of asset condition, and therefore difficult to predict. However, the ratio result is expected to improve as targeted renewal works (per the City's asset management plans) are completed. Condition assessments of assets are also completed periodically, in order to better prioritise capital works.

Actual Asset Maintenance

Required Asset Maintenance

In line with the City's Asset Management Plan, asset maintenance is forecast to meet or exceed benchmark over the life of the plan.

Extended periods of asset maintenance exceeding the required levels would represent over servicing. Whilst gross expenditure on asset maintenance will continue to grow over time, so to will the "required" level of annual maintenance, as the City's asset base continues to grow.

Over the longer term, increases to asset maintenance expenditure will continue to be 'matched' to growth in the City's asset base.

Principal Repayments (from Statement of Cash Flows) *plus* Borrowing Interest Costs (from the income statement)

Operating Results before Interest and Depreciation (EBITDA)

Historically strong financial management has alleviated the need for the City to borrow funds, and the Long Term Financial Plan projects that this trend will continue over the next 10 years.

In addition to cash and investment reserves accumulated over a period of 15 years, the City has access to considerable capital income (in the form of developer contributions and interest on cash and investments) that will facilitate the delivery of new capital projects without the use of borrowings.

Should funding circumstances change, the City will review the appropriateness of debt financing accordingly.

Real Operating Expenditure

Residential Population of Local Government Area

A declining trend over time is in line with OLG requirements, and reflects the City's commitment to targeting efficiencies in service delivery.

Whilst gross Operating Expenditure is forecast to increase over time, the residential population of the LGA is projected to grow more rapidly, representing a declining level of Real Operating Expenditure per capita. Service levels are reviewed as part of the Integrated Planning and Reporting process, and will reflect ratepayer priorities within tight budgetary controls.

Note that the green line reflects the inclusion of **all users** of the City, currently over 1.2M per day