

# **Attachment C**

**Resourcing Strategy 2022**

# Draft 2022 Resourcing Strategy



# Contents

|  |      |
|--|------|
| Introduction                                 | 3    |
| How the documents relate                     | 4    |
| The resourcing strategy                      | 5    |
| Common Challenges in the Resourcing Strategy | 8    |
| Long Term Financial Plan                     | LTFP |
| Asset Management Plan                        | AMP  |
| People Strategy                              | PS   |
| Information and Technology Strategy          | ITS  |
| Community Engagement Strategy                | CES  |

**Cover image:** George Street Sydney - photo by Chris Southwood/City of Sydney

# Introduction

Sustainable Sydney 2030-2050 Continuing the Vision continues our vision for a more sustainable future. Ten revised targets enable change to be measured over time. Six guiding principles that consider the values expressed by the community will inform the City of Sydney in its decision-making.

Ten revised strategic directions provide a framework for action to be taken by the City of Sydney, other levels of government, civil society and by communities. Ten project ideas building on past projects have been developed. These ambitious ideas illustrate ways the vision for the city could be realised by 2050.

The Integrated Planning and Reporting Framework provides the mechanism for the implementation of Sustainable Sydney 2030-2050 Continuing the Vision through the Community Strategic Plan Delivering Sustainable Sydney 2030-2050 (also referred to in this document as the community strategic plan) and other key documents such as this resourcing strategy.

## **Our resourcing strategy**

To support the community's objectives expressed in the community strategic plan a long-term resourcing strategy is required as part of the Integrated Planning and Reporting Framework.

This resourcing strategy should be read in conjunction with the City's operational plan which we review annually.

In deciding the activities to be undertaken and the level of service to be provided the City needs to take into account its available resources – its workforce, its financial sustainability and assets.

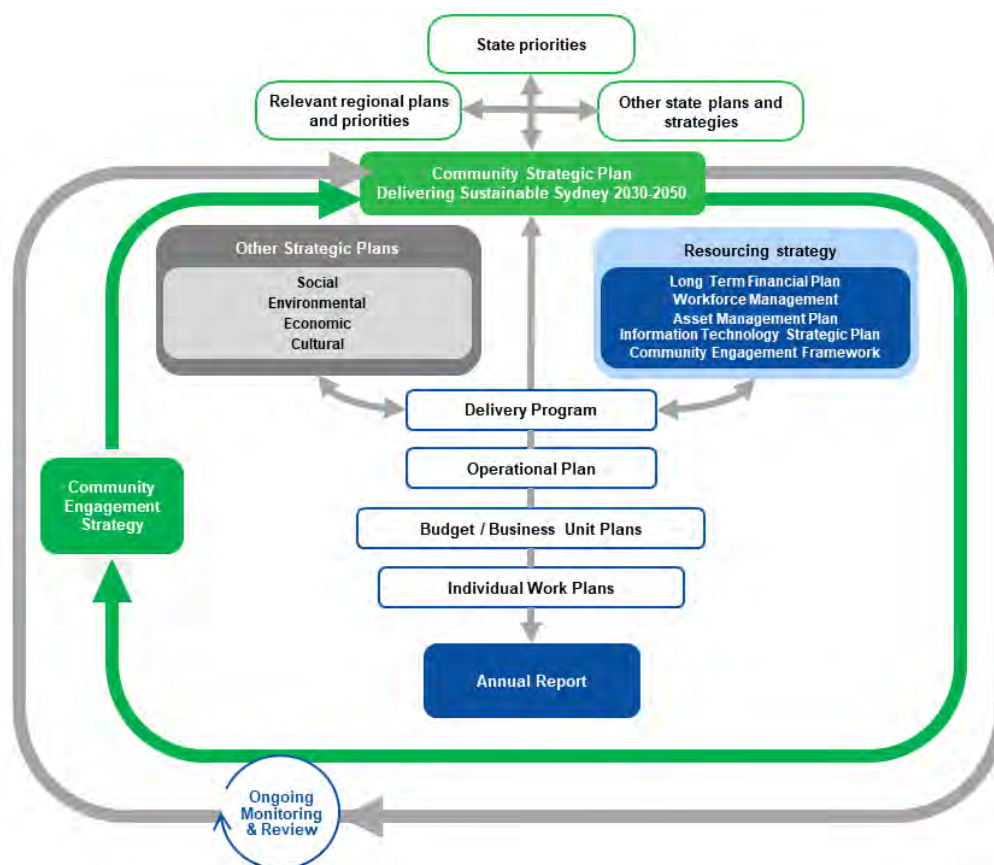
The actions and plans contained within the resourcing strategy ensure that the City has the necessary resources to carry out its planned activities, maintain its assets to sustain their useful life, and meet the community's priorities now and into the future.

The City also includes in the resourcing strategy details on its information technology resources and how we engage with the community to inform on our activities and seek feedback.

Overall, the operational plan and related resourcing strategies provide for the necessary resources and levels of service to implement the proposed projects and operate programs for the City.

This serves to both inform and test the aspirations in the strategic plan and how Council's share of the required actions might be achieved while maintaining the long-term sustainability of the organisation.

The diagram below illustrates our integrated planning and reporting framework suite of documents and how they are interrelated. It is adapted from the NSW Office of Local Government Guidelines, available from [olg.nsw.gov.au](http://olg.nsw.gov.au)



**Figure 1.** Integrated planning and reporting framework diagram, adapted from Office of Local Government

## How the documents relate

The suite of integrated planning documents represents the City of Sydney’s response to the statutory framework for planning and reporting.

The Community Strategic Plan Delivering Sustainable Sydney 2030 (the community strategic plan) is the highest level plan that the City will prepare.

Our community strategic plan was developed with, and on behalf of, the communities we serve. It identifies the community’s main priorities and aspirations and guides all our other strategies and plans which help us to achieve these.

It takes a long-term view, identifying issues and opportunities to be addressed in the city over the next three decades. We update this plan every four years, in line with government requirements, and to adapt to changing circumstances and community aspirations.

The delivery program acts as the link between the long term community strategic plan and the annual Operational Plan.

The City’s Delivery Program 2022-26 (the delivery program) identifies the actions we will take over the next four years that support the community strategic plan outcomes. The delivery program structure reflects the community strategic plan with activities aligned with the ten strategic directions.

The delivery program also identifies priority projects and programs with key performance indicators and targets that contribute to the outcomes under each strategic direction in the community strategic plan.

Our operational plan is an annual plan with more details of individual activities. It sets out the specific projects, programs and activities to be delivered in the year ahead and is aligned with our

delivery program. It also includes the City's revenue policy for rates and annual charges, the fees and charges schedule, and other relevant budgetary information.

The Integrated Planning and Reporting framework includes a reporting process to communicate how we are progressing to the Council and the community.

To support the community's objectives expressed in the community strategic plan a long-term resourcing strategy is required as part of the Integrated Planning and Reporting Framework.

The resourcing strategy ensures the City of Sydney has adequate resources to achieve the planned outcomes for which it is responsible, while maintaining the long-term sustainability of the organisation.

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## The resourcing strategy

Effective resource planning ensures Council will focus not only on the short-term issues and the range of service delivery indicated in the one-year Operational Plan, but also on the medium and long-term challenges as we respond to meeting our communities' vision for a more sustainable future as articulated in the community strategic plan. This refreshed resourcing strategy underpins the directions within the community strategic plan and builds on previous plans, ensuring that the shared vision for our city is realised.

It takes stock of what has already been achieved and responds to the feedback we've received from our community. It also takes account of changes in relevant federal and NSW government policies and commitments as well as the long term economic, social, cultural and environmental trends and challenges for Sydney.

The community strategic plan and this resourcing strategy recognises that the City does not act alone and that partners including state and federal agencies, non-government organisations, community groups and individuals have a role to play in delivering responses to achieve the community outcomes.

This strategy contains five key resource areas which in terms of community priorities, money, assets, technology and people respond to the long term strategic aspirations for:

- Financial planning
- Workforce planning
- Asset management planning
- Information and technology planning
- Community engagement

Our five resource areas underpin technical and policy guidance to guide the strategic implementation of our integrated planning. Moreover, resourcing strategy initiatives are reviewed annually to ensure they remain appropriate for the changing environment and to incorporate community feedback, and undergo a full comprehensive review following each Council election.

### Covid-19 Update

The City's revenue and financial position have been impacted by the Covid-19 pandemic. We're working to restore our financial position back in line with our long-term financial plan and to meet our commitments to provide services and support to the community and businesses in our local government area.

Despite the impacts of the pandemic, the City's strong financial management over the past years has provided a platform to respond to the current crisis.

During 2020 services and levels of service were adapted to deal with the impacts of the pandemic. Some planned deliverables and actions may continue be impacted or need to be reprioritised

based on the ongoing economic effects of the pandemic and associated public health orders and health initiatives such as vaccination.

The City will continue to adjust to this crisis to ensure the health and wellbeing of the community is our primary focus.

### **Long term financial plan (LTFFP)**

The first part of our resourcing strategy is the City's long term financial plan - our ten-year financial planning document with an emphasis on long-term financial sustainability. Financial sustainability is one of the key issues facing local government due to several contributing factors including growing demands for community services and facilities, constrained revenue growth and ageing infrastructure. The LTFFP provides information on what can be funded by the City, including continuing to provide services at levels necessary to meet the objectives of the community strategic plan. This is an important document, which aims to balance the community aspirations and goals against financial realities.

Contained in this plan are:

- Assumptions used to develop the plan;
- Projected income and expenditure, balance sheet and cash-flow statements; and
- Methods of monitoring financial performance.

Balancing expectations, uncertainty of future revenue and expenditure forecast are some of the most challenging aspects of the financial planning process. As such, the longer the planning horizon, the more general the plan will be in the later years. Every effort has been taken to present the most current estimates and project scopes to be included in this plan.

The long term financial plan includes a "base case" version reflecting the City's best estimate of revenue and expenditure as the economy recovers from the pandemic and includes the assumption that an additional special variation (ASV) is approved to allow a permanent rates increase. However, given the uncertainty over the final approval (to be announced on 22 June 2022) two alternate scenarios are included in the financial schedules.

Alternate scenario 1a shows the impact of a temporary one-off increase of 2.5% (1.1% added to the already approved 1.4%) for 2022/23 only thereby missing the compounding effect on the permanent increase (the base case). Alternate scenario 1b shows the impact of no additional increase of 1.1% and therefore rates only assumed to increase 1.4% for 2022/23. Scenario 2 has also been included in the additional schedules to model slower rates of recovery for commercial property, venue hire and advertising income over the 10 year plan while assuming the 'permanent' ASV is approved. All scenarios assume that the City returns to 'business as usual' in the latter years of the plan.

### **Asset management plan (AMP)**

The second part of the Resourcing Strategy deals with asset management planning, in particular the Council's Asset Management Policy, Strategy and specific asset category plans.

Our infrastructure assets enable us to provide services to the community. Management of these assets is a critical area of local government responsibilities, governed by legislated standards.

These assets need to be managed in the most appropriate manner on behalf of and to service the community. This plan ensures appropriate standards for maintenance and the renewal of key assets to service the community, as well as detailing asset status and resource requirements.

The City is responsible for approximately \$13 billion of infrastructure assets including land. The Community Asset Management Plan is the summary of the relevant strategies, plans and actions for the assets critical to our operation.

The City's asset management planning framework includes:

- Council's overall vision and goals and supporting asset management vision and goals

- Sustainable Asset Management Policy
- Infrastructure Asset Management and Service Delivery Strategies.

### **People strategy (PS)**

The people strategy identifies the City's current and future workforce needs. The strategy ensured the City of Sydney workforce has the capacity and capability to create the outcomes in the community strategic plan. It builds on previous work to drive a purposeful, productive and efficient organisation.

The strategy has three core objectives:

1. Energising our people and our workplaces by fostering a 'people first' culture
2. Adapting our ways of working for the future
3. Strengthening our employee value proposition and recruitment experience to attract and retain diverse, skilled people.

Key organisational statistics have been updated within this revised version to reflect current employee data and trends.

Attracting and retaining skilled and talented staff with the capability to deliver the City's objectives is critical to implementing our community strategy plan. The City aims to strengthen its strategic workforce management in order to address future workforce challenges, while also improving the work environment for current staff.

Effective workforce planning aims to provide Council with the people best able to inform its strategic direction, develop innovative approaches to complex issues, and deliver appropriate services effectively and efficiently. Workforce planning addresses the human resourcing requirements for Council's Delivery Program. For the purposes of the Integrated Planning and Reporting Framework, the People Strategy is the City's workforce plan.

### **Information and technology strategy (ITS)**

The Information and Technology Strategy sets the information and technology direction and priorities to meet our community strategic plan outcomes, community needs and government information and data policies. The plan guides information and technology related decision making, priorities and investment.

### **Community engagement strategy (CES) including the community participation plan (CPP)**

The Resourcing Strategy also includes a community engagement strategy to reflect the City's community engagement objectives and principles and a summary of recent engagement programs.

The strategy sets out a framework for how we consult with our diverse communities on important projects and collaborate, involve and empower communities to take part in shaping the future of our city. It includes a definition of community engagement and explains how we talk with – and listen to – our communities. It outlines the guiding principles, activities and channels we use when working with our communities and illustrates these in action on some recent projects.

The city is made up of diverse communities. We have over 1 million people – residents, workers, students, businesses and visitors who spend time in the local area, every day. We also have non-resident property owners. Those in our communities have different lifestyles, interests and needs.

The City works within an environment of others that have overlapping or complimentary responsibilities. We consult each other in our strategy and project development and implementation. Our many stakeholders include government departments and authorities, cultural institutions and groups, community organisations, and businesses both large and small.

We consistently use new communication techniques and channels to ensure all these voices are heard when planning and developing our projects. We also work to ensure these voices accurately and effectively represent our community's changing values and needs.



In these uncertain times, with communication disrupted by the coronavirus, we have changed our approach to community engagement (consultation) during the Covid-19 pandemic to manage physical distancing. While we may change the way we engage with you, we will continue to assess each consultation to ensure decisions about approaches to engagement align with the City's community engagement principles.

We apply a community participation plan in carrying out our land use planning functions. This plan meets the requirements of the Environmental Planning and Assessment Act, which specifies community planning panels and mandates community consultation in planning matters for all councils in the Greater Sydney region and other specified areas. It describes mandatory requirements that the City of Sydney must meet for public exhibition and notification processes for land use planning matters.

The City of Sydney's community participation plan is included in this document to make it easier for community members to understand. However, it can read as a stand-alone plan that responds to the requirements of the Act.

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## Common Challenges in the Resourcing Strategy

A number of major challenges are common across all parts of our Resource Strategy and are discussed briefly here rather than repeating these issues in each of the parts of the Resource Strategy.

The major challenges for the City include the:

- Response to the Covid-19 pandemic
- Planned growth in population and workers/visitors leading to an increase in demand for services and infrastructure;
- Redevelopment of major urban renewal areas; and
- Dynamic local and global economic conditions.

The City will be undergoing significant renewal in key urban sites such as Green Square, Waterloo, and Barangaroo. The City will be involved in these projects requiring a major allocation of resources to support, deliver or maintain key community infrastructure and services as the sites are constructed and new communities form.

The City will partner with the NSW government to help with the transformation of the area around central station and creation of the new Tech Central precinct. As this area develops the City will require resourcing to create liveable, open, connected and green spaces.

The City will also participate in the provision of more sustainable energy production within the City environs requiring technical expertise and financial resources.

Improving the access to and around the city is also a key challenge addressed in the Resourcing Strategy, mostly in terms of funding and asset management of major infrastructure works. The City's resources and that of the communities are significantly linked to the local and global economic conditions affecting property development, employment and investment in key infrastructure by other parties.

The Resourcing Strategy has been developed based on the current legislative and structural framework and does not incorporate any proposed legislative or structural amendments.

The Resourcing Strategy should be read in conjunction with the other documents in the integrated planning suite, particularly the Community Strategic Plan, Delivery Program and Operational Plan.



**DRAFT / CONFIDENTIAL**  
July 2022

# Long Term Financial Plan 2022/23 to 2031/32

We acknowledge the Gadigal of the Eora Nation  
as the Traditional Custodians of our local area.

**CITY OF SYDNEY** 

# Contents

|  |    |
|--|----|
| Introduction   | 3  |
| Current Financial State and Key Risks                | 5  |
| Financial Principles and Assumptions                 | 11 |
| Financial Forecasts – Continuing Operations          | 14 |
| Financial Forecasts – Capital and Assets             | 29 |
| Financial Performance Targets                        | 37 |
| Long Term Financial Schedules and Scenario Modelling | 42 |

## Table of figures

Figure 1: Balance sheet summary

Figure 2: Income Sources as a % of Income from Continuing Operations<sup>^</sup>

Figure 3: Expenditure Sources as a % of Expenditure from Continuing Operations

Figure 4: Ten year timeframe

# Introduction

## Background

A long term financial plan is a key Resourcing Strategy document required under the NSW Integrated Planning & Reporting framework.

The City of Sydney's Long Term Financial Plan recognises its current and future financial capacity to continue delivering high quality services, facilities and infrastructure to the community while undertaking the initiatives and projects that will contribute toward the goals set down in its Community Strategic Plan, Delivering Sustainable Sydney 2030-2050.

Local government operations are vital to the community, and it is important for stakeholders to have the opportunity to understand the financial implications arising from its Community Strategic Plan, Delivery Program and annual Operational Plan, and be assured

Image 1: *Pedestrians, light rail and flowers on George Street, February 2022*

that these plans are financially achievable and sustainable. The City of Sydney also elects to add an Information and Technology Strategic Plan, recognising it as a key enabler of business efficiency and effectiveness, and of community information and interaction.

This financial plan provides a ten year overview of the City's projected annual income and expenditure, capital works and asset delivery, acquisitions and disposals of property and the resultant projected cashflows.

The financial plan highlights the impact of the City delivering infrastructure and facilities associated with the Green Square Urban Renewal project along with numerous other major initiatives detailed in this plan, whilst continuing to undertake the maintenance and renewal works required to sustain existing infrastructure and facilities at a satisfactory standard, befitting a global city.





Image 2: *Bushfire smoke smothered the city, setting off fire alarms, suspending ferry services and triggering health warnings over choking air pollution*

The City of Sydney Council declared a climate emergency in June 2019, stating that climate change poses a serious risk to the people of Sydney. Addressing the challenges of climate change continues to be incorporated into strategic decision making at the City. A new Environmental Strategy 2021-2025 was published on 27 July 2021.

The Long Term Financial Plan demonstrates that the City has the financial capacity to progress these and other significant initiatives, and provides an ongoing prudent financial budgeting framework to facilitate future decision-making, ensuring that the City is well-placed to pursue strategic goals without risking the long term financial sustainability of its operations.

This latest iteration of the Long Term Financial Plan is predicated on the Minister's approval of IPART's recommended Additional Special Variation to rates income.

Two additional scenarios to the 'base' case have been added, modelling the impacts of:

1. The Minister - on the recommendation of IPART - not approving the Additional Special Variation to rates income in line with the City's expectations (scenarios 1a and 1b)
2. Delayed Covid-19 recovery impacting income from commercial property, advertising and venue and facility hire, as well as associated impacts on investment revenue (scenario 2)

The scenarios reflect unfavourable outcomes for the City of Sydney. Details on each case are included in the plan below and additional financial schedules are also included.

Projecting over the ten year timeframe of this Financial Plan necessitates the use of a variety of underlying assumptions. The Long Term Financial Plan will therefore be closely monitored, and regularly revised, to reflect changing circumstances.

# Current Financial State and Key Risks

The goals and objectives set out in the Community Strategic Plan form the basis for this plan. The City's recent strong financial position has been built upon a diverse income base, significant business rate income and its commitment to control and deliver services, facilities and infrastructure that are both effective and efficient.

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## Ongoing impacts of the pandemic

The Covid-19 pandemic has had devastating and prolonged impact on our communities. Sectors such as the arts, accommodation and food services, recreation services, education services, professional services and retail trade are more adversely impacted. The City, its businesses and residents continue to try and recover from the ongoing health, financial and

economic impact pandemic into 2022/23. Higher operating costs such as increased cleansing and maintenance programs, coupled with substantially reduced revenue have posed a significant risk to the City's budget bottom line. As the world continues to react and adapt to the pandemic, the City has experienced stark changes to visitor numbers. The long term impact of the pandemic remains uncertain.

The City's strong financial management over past years has provided the organisation some capacity to remain resilient to short term disruption, whilst enabling ongoing transformation of the urban environment to meet the needs of residents and workers alike. The City developed its Community Strategic Plan on the basis of extensive community consultation and engagement.

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Image 3: *Empty streets in Sydney's city centre during the Covid-19 pandemic*



The actions of turning Sustainable Sydney 2030-2050 Continuing the Vision into a reality are well advanced, with a review of the Community Strategic Plan underway, currently on public exhibition, that will incorporate objectives to a 2050 horizon.

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### IPART review of rates peg

The rates peg is the annual allowable increase to a Council's general income in a given financial year, which is dictated by the Independent Pricing and Regulatory Tribunal (IPART). IPART implemented changes to the calculation of the rates peg in 2022 by introducing a population growth factor that intends to allow councils' annual general income to increase in line with its growth in population.

Whilst this was widely welcomed as a positive reform across the sector, the other fundamental component of the rates peg is the Local Government Cost Index (LGCI) which was 0.7% for 2022/23 – the lowest on record since IPART took on responsibility for setting the annual rate peg.

The City of Sydney also received a population factor increase of 0.7 per cent, resulting in a total rate peg increase for 2022/23 of just 1.4 per cent. This level of increase does not reflect the City's recent experience of rising labour, materials, contracts and service costs. Inflation for the most recent twelve months, as measured by the ABS's Consumer Price Index (CPI) was 5.1% (Sydney CPI was 4.4%)

The Minister for Local Government subsequently recognised the inadequacy of both the level of the 2022/23 rate peg, and its underlying calculation methodology. The Minister announced on 7 March 2022 an additional special rates variation (ASV) mechanism for the 2022/23 financial year. It is designed to support councils that had budgeted for a larger rates income increase than that allowed by the published rate peg for 2022/23. Under this mechanism a maximum of 2.5% has been set. Councils that can demonstrate the need for a rates increases greater than the underlying 0.7% in order to meet the obligations they set for 2022/23 in their adopted 2021/22 Integrated Planning and Reporting (IPR) documentation may be granted a maximum 2.5% (including any population adjustment)

increase either for 2022/23 only or on a permanent basis depending on demonstrated need over the next 5 years.

In response, Council resolved in April 2022 to seek an ASV from IPART for 2022/23 which if successful will deliver an overall permanent 2.5% rates increase. This would align with the level included in the City's current adopted Long Term Financial Plan. The final determination on the ASV will be delivered by IPART by June 21, 2022.

The main financial schedules presented as part of the Long Term Financial Plan included in the Resourcing Strategy, assume that the City will be granted a permanent overall increase of 2.5%. Note that additional financial schedules are presented that include a additional scenario showing the impact of a one-off increase of 2.5% for 2022/23 only thereby missing the compounding effect on a permanent increase. Another additional scenario shows the impact if rates were only to increase 1.4% for 2022/23.

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### Financial Sustainability

The City supports the definition of financial sustainability set out in the TCorp report *Financial Sustainability of the New South Wales Local Government Sector* and reiterated in the Independent Pricing and Review Tribunal (IPART) methodology that:

**“A local government will be financially sustainable over the long term when it is able to generate sufficient funds to provide the levels of service and infrastructure agreed with its community”.**

## Long Term Financial Plan 2022/23 to 2031/32

The key principles driving the City's long term planning include:

1. The Community Strategic Plan, Delivering on Sustainable Sydney 2030-2050 will continue to guide City of Sydney action, with annual reviews of progress and priorities as part of our annual Integrated Planning and Reporting process.
2. Diverse and innovative public engagement processes will help us understand the needs and expectations of our residents, businesses, workers, students and visitors.
3. Effective internal governance arrangements will help deliver current and new projects and programs to meet the needs and outcomes agreed with our communities.
4. Agreed targets and outcomes incorporated into the City's annual planning and budgeting processes.
5. Long-term financial planning will manage operating costs to deliver operating surpluses to fund infrastructure and facilities.
6. A People Strategy to foster a "People First" culture, reset our ways of working, and evolve our value proposition to attract highly skilled, diverse and ethical staff.
7. Infrastructure and asset maintenance monitored on a targeted basis to maximise renewal levels without over-servicing.
8. Policies and procedures regularly reviewed to improve the City's approach and respond to emerging needs and community expectations.
9. Regional, national and international engagement and partnerships to increase the City's influence, scope and capacity.
10. Regular assessment of funding projections to determine appropriateness of debt to meet the need for future infrastructure.

The City continues to progress the formal transfer of certain land parcels controlled by the NSW Department of Planning, Industry, and Environment. Further parcels of land currently under the control of Property NSW are the subject of ongoing discussions regarding future transfer to the City.

From 1 July 2018, the *Crown Land Management Act (2016)* introduced changes to

the management of Crown land by councils. Specifically, councils are required to manage their dedicated or reserved land as if it were public land under the *Local Government Act 1993*.

Apart from land already dedicated to the City, the Long Term Financial Plan does not include provision for owning, controlling, maintaining or operating assets currently controlled by NSW or Federal Government entities. No future amalgamations or boundary changes have been anticipated or modelled in this plan.

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## Economic conditions

Key economic conditions are a significant external impact to the City's financial position, with key influences including:

- Consumer Price Index (CPI) for Sydney
- Escalating construction costs
- Property market performance,
- Local Government Cost Index (LGCI), a key determinant in "pegged" rates increases
- Ongoing economic impacts associated with the Covid-19 pandemic
- Declining revenue from Federal Financial Assistance Grants in real terms
- Urban Renewal and development trends (as driven by property market performance)
- Employment market trends
- The state of financial markets (including official interest rates)

### High inflationary pressures

Global events including conflict in Europe and the pandemic-driven supply chain disruptions are creating a high inflationary economic environment. This is evident in recent publications by the Australian Bureau of Statistics (ABS) on [Consumer Price Index in Sydney](#) and the costs of construction under the national [Producer Price Index](#).

Fluctuations in inflation rates over time impact upon both income and expenditure. To reflect current economic conditions appropriately, and to safeguard against the risk of detrimental fluctuations in the CPI in the medium to long term, the City applies an inflationary factor of 2%, escalating to 3% in the later years of the Long Term Financial Plan.





Image 4: *Sydney skyline in evening*

### Other economic assumptions in the plan

Inner-Sydney commercial property market uncertainty, following a period of unprecedented and sustained growth, has been exacerbated by the Covid-19 pandemic. Aside from influencing the performance of the City's substantial commercial property holdings, the state of the property market will also directly impact the City's ability to acquire and divest property holdings. Broadly, the demographic characteristics of the city are directly impacted by prevailing property market trends.

The rate of wages growth is a significant issue for the City in managing its underlying operating expenditure over a ten year timeframe, as employee costs currently represent approximately half of the City's total operating expenditure.

Interest rates remain at historical lows, with the official cash rate at 0.1 per cent (at the time of writing). While it is anticipated that the Reserve Bank of Australia will raise interest rates in the near future, the maturity profile of the City's investment portfolio may result in a lag before higher returns are realised and are expected remain lower than long term averages.

Although the City's portfolio of financial investments has historically outperformed industry benchmarks, the restrictive scope for investment (per Ministerial Order) and suppressed market conditions place this performance at risk; this plan reflects conservative investment return assumptions in the medium to long term. Further, the financial position of the City is affected through adjustments to provisions, in part determined by reference to long term bond rates, and fixed asset revaluations.

Other significant financial risks in asset management and service planning together with ongoing review of contracts and services include:

- increased levels of service expected by the community and other stakeholders
- new services expected to be delivered by local government and potential government cost-shifting
- additional asset maintenance costs (new parks, roads, cycleways, facilities etc);
- limited competitive supply for some specific service areas.

## Long Term Financial Plan 2022/23 to 2031/32

The City adopts conservative assumptions in financial projections, to mitigate the risk of economic fluctuations adversely affecting financial sustainability. The assumed escalation rates for both income and expenditure are regularly reviewed and updated as appropriate.

significant alternative income streams to supplement a substantial rating base. As detailed in this Plan, despite significant impacts in the short term, operating surpluses are anticipated to recover and continue to underpin the delivery of the City's capital program in the long term.

### Current Financial Position – City of Sydney

Since the amalgamation of the (former) South Sydney City Council, parts of Leichhardt City Council and the City of Sydney in 2004, the City's has delivered consistently strong operating performance results, which have enabled the City to accumulate significant cash reserves, and to internally fund its capital works program. The City's closing cash and investments balance at 2020/21 was \$655.3M, with \$382.1 of this total restricted for specific purposes.

The City of Sydney entered the 2021/22 financial year in a strong financial position due to more than a decade of stable progressive government, professional corporate administration, a policy commitment to prudent financial management, and strategically sound investments. The City has long sustained a strong liquidity position, along with diversity in

**Figure 1: Balance sheet summary**

|  |                 |
|--|-----------------|
| <b>Book Value of Assets</b>  | <b>\$12.73B</b> |
| <i>(including):</i>  |                 |
| Land   | \$7.06B         |
| Buildings  | \$1.59B         |
| Roads Infrastructure   | \$1.29B         |
| Stormwater Drainage  | \$0.30B         |
| Parks  | \$0.28B         |
| .....  |                 |
| <b>Cash &amp; Investments</b>  | <b>\$655.3M</b> |
| <b>Unrestricted Balance</b>  | <b>\$273.2M</b> |
| <i>(at 30 June 2021)</i>   |                 |
| .....  |                 |
| <b>Operating Result *</b>  |                 |
| 2020/21  | \$124.9M        |
| 2021/22 (Forecast)   | \$75.9M         |
| * Excludes Capital Income, Interest, Depreciation, and initial recognition of Heritage floor space |                 |



## Long Term Financial Plan 2022/23 to 2031/32

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Image 5: *Red poppy flowers in the Royal Botanic Gardens*

# Financial Principles and Assumptions

The City of Sydney remains committed to operating within a financially sustainable framework, to ensure that its community and other stakeholders can rely upon the ongoing provision of a full and diverse range of high-quality community services, facilities, and infrastructure.

The City plans to maintain its financial position and performance, to ensure resilience and maintain capacity to adapt and respond to emerging community needs in a measured and equitable manner.

Key principles employed in the financial planning and modelling process:

- Financially sustainable
- Maintain diversity of income sources
- Generate significant operating surpluses
- Maintain tight control over expenditure and staff numbers
- Deliver best value services, facilities and infrastructure
- Effective and efficient utilisation of funding sources to fund capital works and asset acquisitions
- Prudent financial investment
- Consider appropriate use of debt, internal borrowing and private financing arrangements

The Long Term Financial Plan continues the City's commitment to maintain tight control over its financial position and performance, an achievement that has been continually demonstrated through strong operating results. The funds generated from operations are used to commence new initiatives and programs, and to fund delivery of the City's extensive capital program, however, the suitability of utilising debt and/or private financing will be considered, for appropriate initiatives and projects.



Image 6: *Workers enjoy a coffee break in the city centre*

The Operational Plan and forward projections have been set to continue the City's high standards of service and to adequately allow for all known and anticipated changes over the coming ten year period. Unexpected cost pressures will always arise (as evidenced by the Covid-19 pandemic), along with increasing service demands. However, in responding to these challenges, the City will continue to underpin its quality services with a value for money approach through competitive procurement processes, internal controls and the completion of business improvement programs incorporating customer feedback to ensure effectiveness and efficiency.

For the "base case" of the long term financial model, income and expenditure projections are conservatively modelled on the upper end of the Reserve Bank targeted range of inflation. Elements of income and expenditure that are subject to wider fluctuation have been modelled accordingly (refer Assumptions below).

As noted above, the annual operational budget plans for significant operating surpluses, which, combined with the City's interest earnings and capital contributions, provide funding for



Image 7: *Geddes Ave cycleway*

ongoing capital works projects and programs that are designed and constructed to provide the City's world class facilities.

The City will continue to prudently manage its cash reserves and investments, to ensure that appropriate financial reserves are available to meet the City's liabilities and commitments as they fall due, and manage cash flow demands to ensure responsible financial management control. While externally restricted reserves will be maintained in accordance with legislative requirements, a number of internally restricted reserves are used to ensure that funds are set aside to directly support priority initiatives and projects in the Community Strategic Plan.

Both internal and external reserves are summarised in the *Financial Forecasts - Capital and Assets* section of this Plan.

The City closely monitors its financial performance and publishes several key financial indicators within its quarterly budget review statements to demonstrate its financial health and sustainability.

## Assumptions

The major assumptions for this plan, including the impact on the Asset Management Plan and People Strategy are reflected in the introduction to the Resourcing Strategy.

The City's 2022/23 financial year budgets (as detailed in the Operational Plan and included in the attached schedules) form the basis of the financial projections within the Long Term Financial Plan. While relevant adjustments have been made in the plan's short to medium term in respect of the impact of the Covid-19 pandemic, the underlying Income Statement and Balance Sheet are taken to substantially represent "business-as-usual". The underlying income and expenditure form the basis of the later years in the plan, having been escalated by appropriate indices, with appropriate adjustments.

Broadly, the Plan utilises forecast annual CPI growth as an indicative guide to annual income and expenditure movements. Appropriate adjustments are made where income or expenditure items are known to escalate on a different basis.

Where new initiatives/projects that will impact operating income and/or expenditure are

## Long Term Financial Plan 2022/23 to 2031/32

anticipated, additional adjustments are made to long term projections in the model.

Significant adjustments include:

- Fluctuating capital income as a result of development activity in the Green Square precinct and Central Sydney
- Capital Grants expected to be received – particularly for City cycleways
- Allowances for asset maintenance growth as a result of new infrastructure/facilities
- Ongoing expenditure impact of the high cost of administering the City's unique non-residential voting roll, and local government elections
- Adjustments to resourcing reflecting anticipated changes in service provision over time
- Adjustments in respect of ongoing impacts for a number of the City's revenue-generating facilities and services due to the Covid-19 pandemic

The Capital Program is forecast over the ten year timeframe of the Plan. In later years, where specific projects may not have yet been fully identified, provisional sums are included reflecting historical works patterns, and in line with renewal requirements identified as part of the Asset Management Strategy.

As capital projects are forecast to be completed, corresponding income and expenditure (including depreciation) impacts are factored into future financial results.

Other assumptions relating to specific income and expenditure types are included within this Long Term Financial Plan.

In preparing the Plan, the City undertakes a wide range of sensitivity testing, via a sophisticated financial modelling tool, in order to arrive at what it considers to be the most realistic and balanced scenario. The attached schedules reflect the City's forecast position.



Image 8: *Green Square markets in February 2022*

# Financial Forecasts – Continuing Operations

Note that the categories below refer to the Income Statement in the first financial schedule attached to this plan.

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## Income from continuing operations

This section includes a review of the major sources of income received by the City, including explanatory information along with a discussion of the risks and assumptions.

The City aims to maintain a diverse income base, with income sources outside Rates and Annual Charges vital to reduce the burden on ratepayers of funding all of the City's ongoing operations, minimising the impact of rate-pegging. In addition to the operating income below, details of capital income – also used to partially fund the City's capital works program – are detailed later in this section.

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## Rates and Annual Charges

Rates and Annual Charges are the City's primary source of annual income, contributing over half of total operating income, a proportion which has remained relatively constant since the Council boundary adjustment of 2004.

### Rates income

In accordance with NSW legislative requirements, the City calculates its individual rates by applying an ad valorem (rate in the dollar) multiplier to each property owner's unimproved land value.

The City maintains three rating categories:

1. a CBD business rate;
2. a general business rate; and

3. a general residential rate for the entire local government area

The City maintains minimum business and residential rates which are applied to property owners where rate in the dollar charge falls below a set amount. This is to ensure that all landowners make a reasonable contribution towards the services and facilities provided, which is particularly relevant given the number of strata property owners with relatively small proportionate land values within the City.

The City's annual rates income represents 44.1% of Income from Continuing Operations (as reflected in the attached schedules of this plan). CBD business rates represent approximately 23.7%, other business rates 9.2% and residential rates 11.2%, of total income from continuing operations. The City's property distribution is not conducive to achieving an equitable unimproved land value-based tax, with 78.0% of residents on minimum rates, reflecting Sydney's high density living. However, minimum rates do not produce a rate levy that reflects an individual owner's capacity to contribute to the cost of Local Government operations, nor their likely consumption of City services.

The State Government constrains the growth of annual rate income for all councils by setting a general maximum rates increase. This 'rate cap', also referred to as the 'rates peg' is recommended to the Local Government Minister by IPART, based upon the price movement of local government expenses in the market and assuming a productivity improvement (efficiency) factor in most years.

As mentioned earlier, IPART introduced a population growth factor that is unique to each Local Government Area in 2022 as part of the revision to the rate peg calculation methodology. The population growth factor is intended to allow each Council's general income to be maintained on a per capita basis as its residential population grows. This is a

## Long Term Financial Plan 2022/23 to 2031/32

significant and welcome reform to the rating system, as population growth is a major driver of infrastructure and service cost increases.

Note that the City's general rates base can also grow when new properties are developed within the area that require additional local government services, where the sum of the rates paid by strata owners exceed the original rate value or where crown lands (normally rate-exempt) are being leased for private purposes. These increases are offset against the maximum allowable increase attributed to the population growth factor. The completion of major urban redevelopments within Sydney has generated additional income during recent years, although significantly less than required to fund the increase in services demand by new residents, as the properties were previously rated as businesses.

The City is looking closely at its rating path and the best way to equitably align its rating structure to service this growth. The City will continue to explore options that will improve the fair and equitable distribution of the rates burden for all our ratepayers.

In December 2021, IPART set the general allowable increase for 2022/23 at 0.7%. IPART determined this rate peg with reference to the annual movement in the Local Government Cost Index. In addition, the City was granted an additional population growth factor of 0.7%, resulting in a total allowable increase of 1.4% for the City of Sydney.

The Local Government Cost Index of 0.7% is the lowest increase IPART have ever recommended. This poses a challenge to the financial sustainability of the City (indeed all Councils) confronting high inflation and increasing construction costs.

The Minister for Local Government has subsequently recognised the inadequacy of both the announced 2022/23 rate peg, and the underlying methodology. In response the Minister announced on 7 March 2022 a new special rates variation opportunity for the 2022/23 financial year, to support councils that had budgeted for a larger income increase than their allowed by the published rate peg, up to a maximum of 2.5 per cent where the council can demonstrate the need for a special variation to meet the obligations they set for 2022/23 in their 2021/22 Integrated Planning and Reporting (IPR) documentation.

In April 2022, Council resolved to apply to the Minister for Local Government, through her delegate the Independent Pricing and Regulatory Tribunal, to vary its general rate income by a permanent special variation for 2022/23 of 2.5 per cent, as allowed under section 508(2) of the *Local Government Act 1993*.

Beyond 2022/23, the City has estimated future average general rate increases of 2.5% p.a, allowing for IPART approved increases and development growth.

The City will continue to advocate for a more equitable and flexible rating system as part of a detailed submission to IPART. The Plan assumes a continuation of the current NSW rating system.

### Pensioner Rates Exemptions

The City continues to provide 100% rebate of rates and annual charges for eligible pensioners within its local government area. This scheme provides an additional rebate on top of a mandatory rebate for eligible pensioners and in total, the scheme currently costs approximately \$3.7M per year.

While this cost has remained reasonably constant, City officers continue to assess long term trends to ensure the sustainability of this policy and consider the long term benefits and impacts of this scheme.

### Domestic Waste Management Charges

The *Local Government Act 1993 (NSW)* requires Domestic Waste to be a full cost recovery service, and all costs associated with the administration, collection, recycling,



Image 9: Garbage collection truck from Cleanaway, contracted by City of Sydney



disposal, treatment, and community education are entitled to be recouped from residential ratepayers.

These charges amount to \$64.5M for the 2022/23 financial year, including the gradual accumulation of a reserve providing funding for future waste treatment options, as outlined in the Advanced Waste Treatment Master Plan: 2013-2030 and the Waste Strategy and Action Plan, adopted in 2017 financial year. This is an important initiative to supplement the City's existing efforts to promote and provide recycling and green waste services to assist in the reduction of the total amount of waste being directed to landfill.

In December 2021, IPART proposed to publish an annual domestic waste benchmark peg, which is non-binding on councils and is intended to give guidance to ratepayers and councils on how much the reasonable cost of providing domestic waste management services should change year-to-year. Further, IPART propose to request councils whose charges increased more than the benchmark waste peg to explain why, and also publish an annual report that highlights councils whose domestic waste management charges have increased by more than the benchmark peg, including those councils' explanations for the increases.

### Stormwater Charges

The legislation also provides the City with the ability to collect a further \$2.0M each year to improve its stormwater networks. The charges remain at \$25 per residential property, \$12.50 per residential strata unit, and a pro rata rate of \$25 for every 350m<sup>2</sup> or part thereof for business properties. The funds raised from this charge are quarantined to improve the quality and quantity management of the City's stormwater network, over and above the existing works that are currently undertaken. The City plans to expend significant sums towards these important infrastructure improvements in the coming ten years, and this contribution has assisted with the preliminary planning of network enhancements, and in the future will contribute to the delivery of works identified with the Stormwater Management Plan.

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## Alternative Heritage Floorspace Scheme

The Central Sydney Planning Committee (CSPC) resolved on 17 March 2016 to establish an Alternative Heritage Floor Space (HFS) scheme. The scheme allows developers within Central Sydney to lodge bank guarantees with the City, in order to delay the deadline for the purchase of required HFS.

If, at the maturity date of the planning agreement, the developer has not purchased the required HFS, the bank guarantee/s become payable. In the event that the City redeems a bank guarantee for cash, the funds will be held as restricted cash, pending the identification of an appropriate avenue for disbursement.

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## Fees and Charges

Fees and user charges are derived from patrons of the City's facilities and services and organisations seeking to use the public domain. Fees and charges income provides around 19.3% of the City's budgeted Income from Continuing Operations for 2022/23.

This category of income includes parking meter and parking station income, planning and building regulation fees, aquatic centre income, venue hire, advertising space income, filming fees and work zone fees. There is a mixture of commercial, regulatory and statutory fees in addition to user-based fees, which are subsidised to provide wider community outcomes.

Fees and charges are determined annually, published in the Revenue Policy within the Operational Plan, and incorporated within the annual operating budget. Assessment of the fees is based on:

- the cost of providing the service
- whether the goods or service are provided on a commercial basis
- the importance of the service to the community
- the capacity of the user to pay
- the impact of the activity on public amenity
- competitive market prices



Image 10: Streetscape featuring trees and parked cars in Pymont

- prices dictated by legislation; and
- factors specified within relevant local government regulations, as applicable.

The Long Term Financial Plan assumes that fees will rise, in general terms, in line with CPI projections over the course of the ten years. The level of fees and charges income will fluctuate moderately from year depending on patronage and demand for facilities and services.

The uncertainty surrounding the current health orders places challenges on projecting income from continuing operations such as community facilities and venue hire.

### Parking Income

Parking income is derived from the City's network of parking meters and two car parking stations located in Goulburn Street, in the Central Business District, and in Kings Cross. Total parking income makes up around 6.8% of the Income from Continuing Operations for the City. Parking income is predicted to rise close to CPI levels over the ten year period of the Long Term Financial Plan.

## Other Income

### Commercial property income

The City's commercial properties portfolio generates approximately 9.4% of its Income from Continuing Operations, and has been a key revenue source for many years.

The City's long term aim is to maintain and ideally increase the level of income derived



Image 11: Awning and upper storeys of QVB

from property over the next ten years, to support the anticipated additional demand for community services over the same period, and to ensure that the burden of the City's operational costs are not borne solely by the ratepayer.

The City has primarily invested within the CBD and the major 'gateways' leading into the city centre, including a significant investment property at 343 George Street. This category of income also includes revenue generated from the ninety-nine year lease of the City-owned Queen Victoria Building (QVB) to private operators, to which the City has a residual revenue share entitlement. The impact of Covid-19 with respect to QVB income has been significant which can be attributed to virtually no international visitors.

The City's accounting approach for tenancies under the City's Accommodation Grants Program (AGP) is to recognise gross income (and corresponding gross expenditure). The equivalent commercial rate of rent for these properties is shown as income, with the reduction provided under the AGP recognised as a non-cash (or "in-kind") grant expense.

The City has a property revenue strategy and plan, articulating the goals and actions for the commercial portfolio. A draft strategy incorporating the community property portfolio is currently under development. These documents assist in identifying the future needs of the City and the potential for acquisition and divestment of properties over the long term.

The yields generated by the commercial portfolio are subject to ongoing review in order to identify sub-optimal returns, which may be addressed through either refurbishment, development or disposal if appropriate.

## Long Term Financial Plan 2022/23 to 2031/32

The size and diversity of the portfolio presents an opportunity to grow this stream of income through careful management, divestment and potential re-investment in suitable properties, which assists in alleviating funding pressures on the City's ratepayers.

There is risk to some of the City's commercial property income in light of the pandemic. Last year, Council provided relief measures in line with the Federal Government's Code of Conduct for Commercial Tenancies. These measures included implementing payment plans for tenants under financial distress. Following the conclusion of the Federal Government's Code, the City continues to act in good faith and support tenants on agreed payment plans.

Beyond the short to medium-term impact of Covid-19, the Long Term Financial Plan assumes that rental income will generally grow in line with CPI increases over the longer term, subject to acquisitions or divestments of income generating property. Commercial property markets are subject to demand and supply dynamics that impact on vacancy levels and the rents that can be negotiated.

### Enforcement income

Enforcement income refers to the gross revenue generated from the City's ordinance and parking enforcement activities in maintaining a safe city. In 2001, the State Government transferred its powers to the City to enforce parking infringements within the CBD. Further parking enforcement responsibilities were transferred to the City as a result of the 2004 Council amalgamation (with the former South Sydney City Council) and boundary transfer (with the former Leichhardt Municipal Council).

The gross income from enforcements represents around 5.2% of the City's Income from Continuing Operations. However, after paying processing fees to Revenue NSW and deducting other operating costs, 50% of the net income is then remitted to the NSW Government (for CBD and former South Sydney zones), so the City actually only retains income equalling approximately 1.0% of Income from Continuing Operations.

The City utilises its enforcement resources to monitor parking and ordinance issues.

The Long Term Financial Plan incorporates an increase for annual CPI adjustments, reflecting

the annual increases previously approved by the State Government. Net enforcement income levels over the longer term may also be influenced by:

- Increase of salaries and wages, or other costs associated with the service
- Improved compliance levels
- Lower infringement collection rates in 2022/23, anticipated to improve in the medium term

### Operational Grants and Sponsorship

The City receives grant funding from other government bodies to supplement its other sources of income and provide additional funding for specific projects or programs where there may be shared outcomes.

The City is presently allocated in the order of \$7.1M annually from the Commonwealth Government in the form of the Financial Assistance Grants. These are general purpose grants paid to local councils under the provisions of the Commonwealth *Local Government (Financial Assistance) Act 1995*. These funds comprise an unconditional grant, and a smaller local roads component.

Other specific grants are allocated to individual projects or programs, either as part of a National or State scheme, or as a result of a specific grant funding application. The City also participates in projects between other councils and authorities that may also be funded directly by grants from other parties.

The Long Term Financial Plan allows for notional annual increases in line with CPI. Other grant programs have been reviewed and modelled based on their individual project timelines. It is assumed that in the future, new grants will be received but will be offset by commensurate expenditures, resulting in no net financial impact.

There is an ongoing risk that the funding methodology applied to the allocation of the Federal Assistance Grants could be altered and that the City receives a reduction in grant allocations. If this was the case, the City would need to assess its response to any proposed change.



Image 12: *Alfresco outdoor dining at Albion Place Hotel*

Sponsorship is sought and utilised by the City, as either cash or value-in-kind (free use of a private space) to obtain additional resources with which to support specific events, activities or programs. Sponsorships can also enhance the success and public exposure of these activities. Additional sponsorship is actively sought to allow the City to enhance, extend or reduce the cost of current activities or programs, or to develop new ones.

The market for sponsorship remains extremely tight and competitive, and the City as a public authority also maintains an appropriate Grants & Sponsorship policy, to ensure the highest levels of probity and transparency to protect the City's reputation.

### **Interest Income**

The City invests funds that are surplus to its current needs in accordance with the approved "Minister's Orders" and its own Investment Policy and Strategy, which is reviewed annually and approved by Council.

The City's Investment Policy and Strategy for the Management of Surplus Funds was last endorsed by Council in October 2021. It again reflects a prudent and conservative approach,

to achieve reasonable returns ensuring the safeguard of the City's funds for the purposes intended, whilst giving preference to Socially Responsible Investments. In a recent positive development, the City has been able to invest funds in a Green Tailored Deposit product brought to the market by Westpac, as well as Green Term Deposits offered by the Commonwealth Bank of Australia.

The City has steadily developed relevant internal cash reserves to be applied towards the major Community Strategic Plan projects over the next ten years, in addition to those external restrictions of funds required by legislation.

The size of the investment portfolio and interest rate returns determine the revenue generated from the Council's cash investment portfolio, and the investment income derived is therefore expected to decline, given the continuing ultra-low interest rate environment and the utilisation of cash reserves in the delivery of the major projects for which they have been set aside. These projections are reflected in the Cash and Investments Balances graph in the financial schedules included later in this Plan.

## Capital Income

### Developer Contributions

Development contributions provide significant funding towards the cost of essential public facilities, amenities and infrastructure provided by council, reflecting the increased demand generated by increases in resident and worker populations.

The City recently adopted a new contributions plan for Central Sydney in November 2021 under Section 7.12 of the *Environmental Planning and Assessment Act (1979)*. The Central Sydney Contributions Plan (2020) imposes a levy based on development cost, akin to the previous (Section 61) plan, with updated thresholds and contribution rates as follows:

- From \$0 - \$249,999 a contribution of 0% shall apply;
- From \$250,000 - \$499,999 a contribution of 1% shall apply;
- From \$500,000 - \$999,999 a contribution of 2% shall apply; and
- Over \$999,999 a contribution of 3% shall apply.

The Central Sydney Contributions Plan (2020) was granted ministerial approval and came into effect commencing 26 November 2021. In addition, the NSW Government has proposed a series of reforms to developer contributions which are yet to be finalised or implemented. Given the inherent uncertainty of these reforms, this iteration of the City's Long Term Financial Plan does not reflect an uplift in contributions or capital works associated with the Central Sydney Contributions Plan (2020).

Section 61 of the *City of Sydney Act (1988)* allows for contributions amounting to 1% of the total development cost, to be levied by Council on building projects over \$200,000.

The Central Sydney Development Contributions Plan 2013 was the City of Sydney's Section 61 plan until it was superseded by the section 7.12 Central Sydney Contributions Plan (2020) described above. The plan, adopted in July 2013, operated on a recoupment basis, with contributions income applied to previously completed works, and also incorporated future works items, a number of which were carried forward into the new Section 7.12 plan. Contributions levied under the Central Sydney Development Contributions Plan 2013 will continue to be collected, where developments approved prior to 26 November 2021 proceed to construction.

Image 13: *Blackwattle Bay*





The remainder of the City of Sydney local government area (eastern, western and southern precincts) is covered by the City's Section 7.11 Plan – the City of Sydney Development Contributions Plan 2015. This plan reflects population and development projections, and a list of essential infrastructure and facilities works to support that development. The plan incorporates the entire local government area (excluding Central Sydney).

State Government requirements restrict the maximum amount of Section 7.11 developer contributions that can be levied and the types of infrastructure and facilities that can be funded through the developer contributions system. In accordance with a Ministerial Direction effective from 16 September 2010, contributions levied on residential development are capped to \$20,000 per dwelling or lot created. This cap has not been subject to indexation since its inception, representing a decline in real terms. The cap, combined with the financial pressures associated with rate pegging, significantly constrain the City's ability to fund its capital program. As a result of the contributions cap, it is currently anticipated that a new Section 7.11 plan would not significantly alter existing contributions rates for most new dwellings.

Image 14: *City of Sydney Creative Studios at Bathurst Street*

Development contributions are heavily reliant on the property development cycles influenced by demand, availability of land stock, interest rates and access to funding. As a result, there are substantial risks of cash flow not aligning with planned expenditure to be funded by development contribution funding, leaving funding "gaps" that need to be supplemented by other sources until contributions are received.

The use of Voluntary Planning Agreements (VPAs) and, in the case of the Green Square, the Floorspace Bonus Scheme and Developer Rights Scheme (DRS) will also continue to deliver significant public benefits where the City is able to negotiate positive outcomes with developers. Agreements with developers to provide Works in Kind contributions will continue to be linked to the delivery of essential infrastructure, where this mechanism is effective. Alternatively, cash contributions will further assist in directly funding the City's capital works program. In the case of the DRS, the Long Term Financial Plan reflects an uplift to developer contributions over the next ten years, in line with substantial development in Green Square Town Centre, the contributions funding will partly offset the cost of meeting the associated increase in demand for new

## Long Term Financial Plan 2022/23 to 2031/32

infrastructure and facilities in the area. As detailed in the Green Square Town Centre Infrastructure Strategy, the DRS will assist in funding the provision of essential local infrastructure (including roads, drainage, open space and traffic/access infrastructure) and facilities (including childcare centres, libraries and recreational facilities) in Green Square, in conjunction with Section 7.11 and the City's general funds.

Careful planning and regular reviews of forecasts and contributions plans over the life of the Long Term Financial Plan will reduce the risk of committing to expending significant sums for projects without appropriate financial support from developer contributions.

### Capital Grants

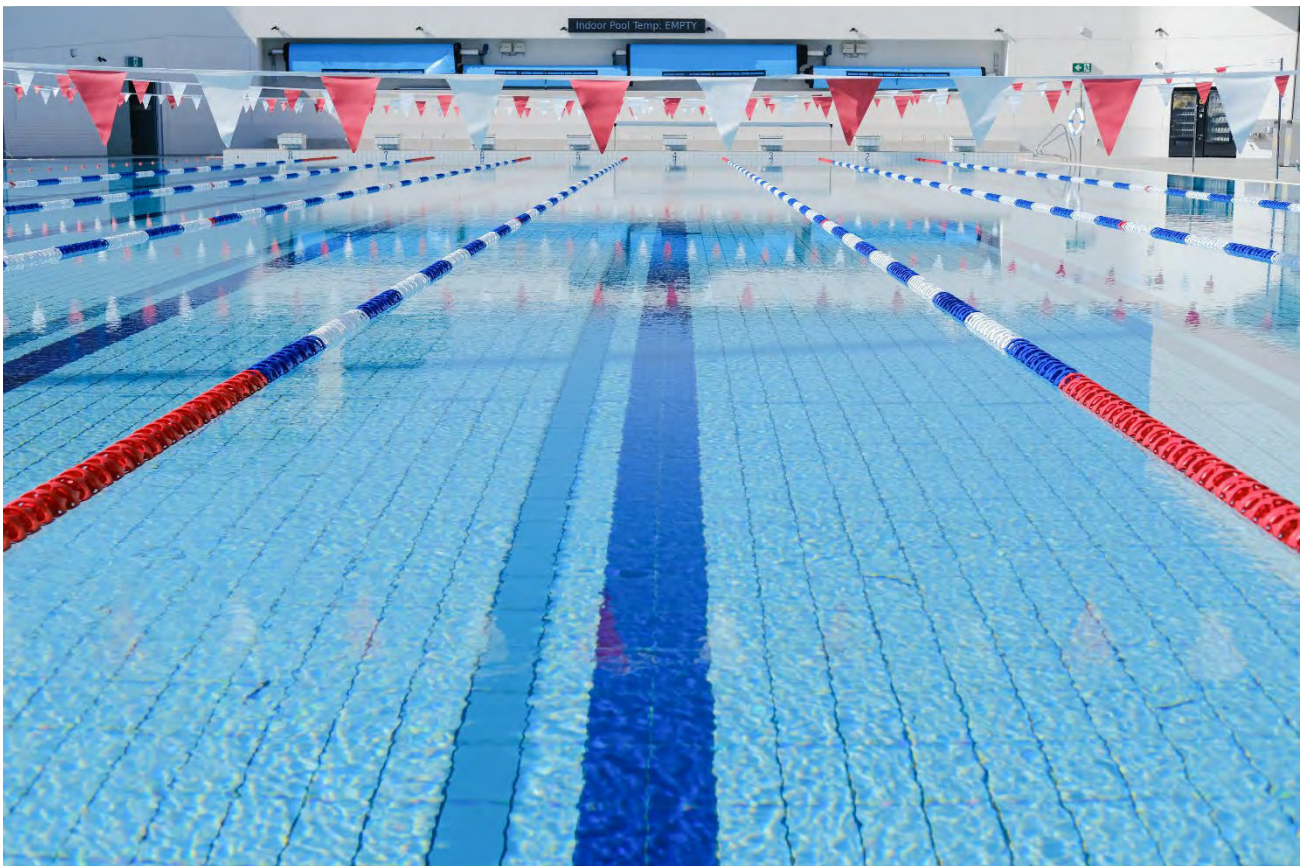
Capital grants are received by the City for specific projects to assist in the funding of community facilities or infrastructure. The grants provide supplementary funding that can assist in accelerating the commencement of a project, demonstrate a shared commitment from the other party or provide a greater benefit arising from the additional funding.

A number of proposed projects over the next ten years will require significant additional sources of funding for the projects to progress. Each of these projects is assessed, and where the funding sources are known, included in the Long Term Financial Plan.

The plan incorporates known committed grants, and a conservative allowance for capital grants income in future years, based on historical availability of grant funding assistance. As specific projects are identified as eligible for grants, the income and budgeted capital expenditure are matched within the plan.

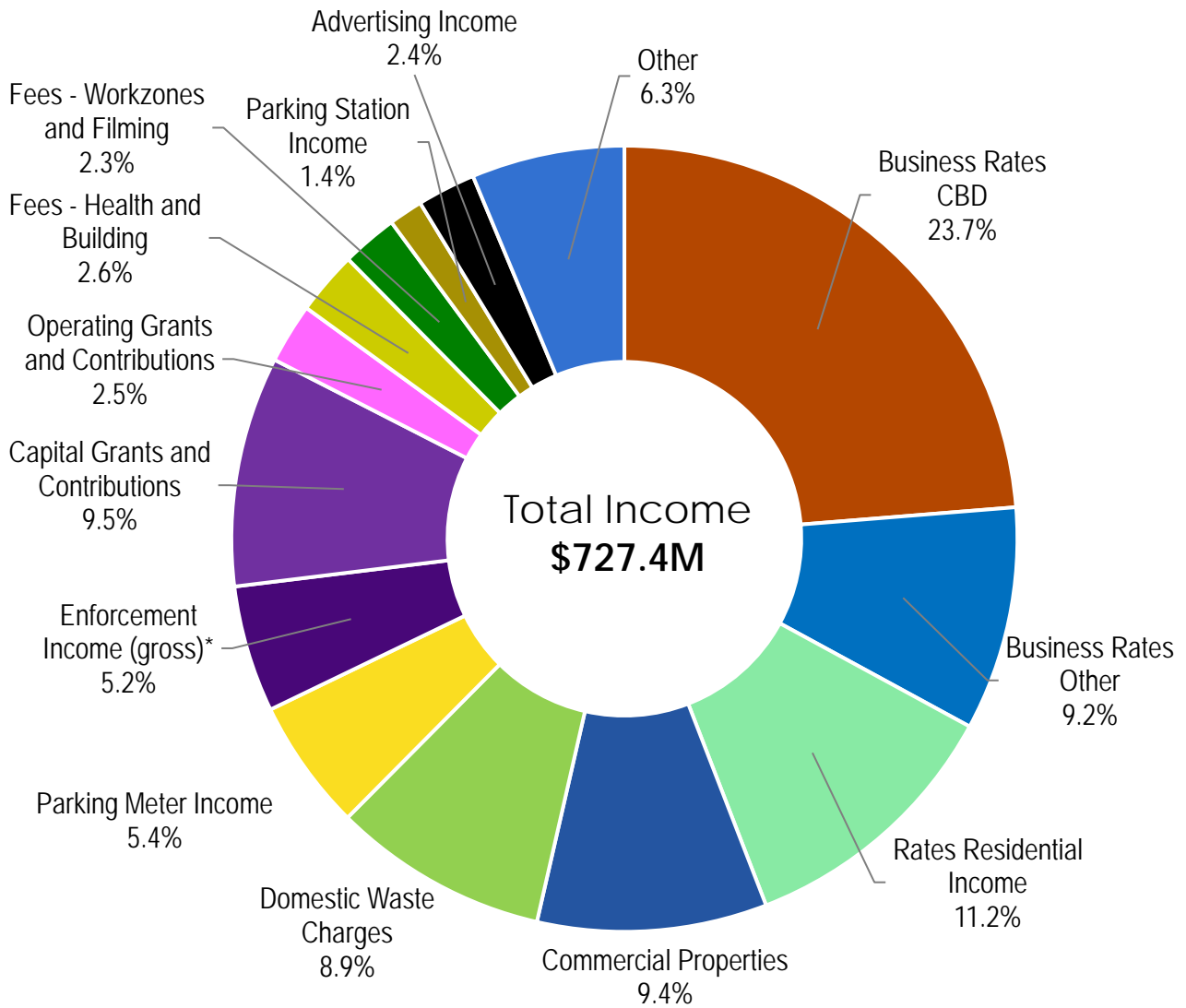
A significant allowance has been made for anticipated grants from NSW Government towards the construction of new cycleways, consistent with the NSW Government's City Access Strategy. This is further detailed in the *Financial Forecasts – Capital and Assets* section of this Plan.

Image 15: *Gunyama Park Aquatic and Recreation Centre*



**Total Income Summary**

**Figure 2: Income Sources as a % of Income from Continuing Operations<sup>^</sup>**



\* Note that once processing fees and profit share (returned to NSW State Government) and collection costs are deducted from gross enforcement income, the net value represents approximately 1% of income

<sup>^</sup> Income from Continuing Operations consists of Operating Income, plus significant amounts for Capital Grants & Contributions and Interest and Investment Income



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## Expenses from continuing operations

This section includes a review of the City's major expenditure commitments over the next ten years, together with background information and a discussion of any key risks and assumptions.

Operating expenditure is expected to increase in general terms over the next ten years and an average increase for annual CPI growth has been applied to all costs, unless specifically modified on the basis of other data or assumptions.

### Employee Costs

The City is a leading NSW local government employer, both directly through its full time equivalent workforce slightly under 2,000 budgeted full time equivalent positions and indirectly through the services it contracts to ensure an efficient, affordable and sustainable service delivery model for the community.

The City aims to build upon its reputation as an "employer of choice" in order to attract and retain quality staff that it will continue to develop, support and assist. The challenge in a competitive marketplace is to achieve these goals and enhance the City's service delivery capability while maintaining salary and wages that are sustainable over the longer term.

Direct employee costs represent 47.8% of the City's total operational expenditure (excluding depreciation), rising from approximately 45% in 2004/05, therefore warranting specific strategic planning, ongoing monitoring and tight management control to ensure financial sustainability.

The City's People Strategy has been prepared in line with the development of this financial plan and considers the current and future workforce challenges and the skill sets of employees required to meet our key objectives.

The People Strategy is intended to provide an understanding of the internal and external issues facing the organisation now and into the future in terms of the capability of our people, the quality of management and leadership and our people culture.

The delivery of the major projects within the Community Strategic Plan will rely on the efficiency of the City's people to plan,

implement and manage the many projects, facilities and services.

The People Strategy has identified actions to ensure that the City's employees are capable of delivering the City's plans and key objectives.

Strategies include enhancing recruitment and attraction, customising learning and development needs, building leadership and management capability and supporting effective performance development and management. These programs are incorporated within the current provisions contained in this Long Term Financial Plan.

Future salary and wages costs will be determined as part of periodic award negotiations between the City and relevant unions. The plan contains provisions for increases in line with recent award trends over the ten year period, together with adjustments to staff resourcing to coincide with a transition from capital construction and expansion, towards a program of service delivery and maintenance.

### Materials and Services

Material and contract expenditures are another significant proportion of total operating expenditure, with the amount expended fluctuating moderately from year to year, depending on the specific needs and priorities of the services and projects within this category.

The category includes costs for services contracted to external parties for waste collection, facilities management, road maintenance and parks maintenance.

The City has significant infrastructure and facility asset holdings that need to be maintained to a quality standard, whilst providing a broad and diverse range of quality services for its community. Expectations for increasing levels of service and new community facilities and assets will lead to future cost pressures.

Asset management and service planning, together with ongoing reviews of contracts and services, will aim to defray some of these increasing cost demands.



Image 16: *Gunyama Park Aquatic and Recreation Centre*

## Other Expenditure

“Other Expenditure” incorporates costs relating to ordinary goods and services which are recurrent in nature. It also includes the costs for producing large community events, payments to utilities, donations to other organisations, communication expenses and contributions to other levels of government that can significantly change over time.

The City commits significant funding to its ongoing community events (including New Year’s Eve, Lunar New Year, etc). While there are cost pressures associated with producing and staging these events, there are often discretionary elements and the City has been successful at managing these events within the overall budget framework for major events. Programming is reviewed annually to ensure adequate funding has been allocated for specific events. The increasing cost of public health and security measures for events has also been factored into the plan.

In response to the impact of the pandemic, the City (in conjunction with the NSW Government) has launched a series of street activation initiatives to stimulate the economic recovery of the CBD.

The City also manages a large and diverse annual Grants and Sponsorship program to ensure that financial support is available for the development and delivery of community projects and programs that align with the City’s strategic plan outcomes. These programs are tightly managed to ensure that the City supports a broad and diverse range of grant applications that satisfy set criteria, within the approved program.

As noted in the Commercial Property Income section above, the plan accounts for tenancies under the City’s Accommodation Grants Program (AGP) as gross income and gross (in-kind) grant expense, reflecting the value of rental abatement provided to tenants under the program.

An analysis of recent trends and project assumptions has identified several items that are likely to increase at higher than the CPI rate. The major items have all been examined and longer term assumptions determined for the following items.

### Local Government Elections

The Plan anticipates the NSW Electoral Commission charging around \$1.3M for the cost of running the local government elections every four years. The 2021 City of Sydney Local Government elections cost approximately \$1.3M, excluding City staff resources. The current Council term has been truncated to

## Long Term Financial Plan 2022/23 to 2031/32

three years. The plan therefore allows for elections in 2024, 2028, and 2032.

The *City of Sydney Amendment (Elections) Bill 2014* passed by the NSW Parliament requires the City to administer a roll of business voters within the LGA for the purposes of compulsory voting, for which no other LGA is obligated in NSW. The City established the Council Elections Unit in 2015/16 to address the onerous compliance requirements of the legislation.

### State Government Levies

The City recognises that State Government levies are a legitimate mechanism to distribute the burden of funding certain services and can be used as a financial disincentive to promote a reduction in certain activities, however the levies should be apportioned equitably and used for the nominated outcomes in a transparent manner.

The City contributes in excess of \$15.0M annually to the State Government in the form of direct levies. The increase in these changes, in some cases arbitrarily set by the State Government, has in recent years risen significantly higher than CPI for the same period.

The levies paid by the City to other agencies include:

- Waste and Environment Services Levy applied to all waste disposed to landfill (over \$7.7M annually)
- Fire & Emergency Services Levy assigned to each council in NSW based to partially fund metropolitan and rural fire services (\$4.9M annually)
- Parking Space Levy which applies to commercial car parking spaces within the CBD (\$1.8M annually)
- Contributions to the Sydney Region Development Fund managed by the Department of Planning, Industry and Environment (\$0.8M annually).

The Waste and Environment Services Levy has historically increased at a rate deliberately set greater than CPI as a price deterrent to additional waste. In 2022/23, the levy rate is anticipated to again rise, although in line with CPI only. The charges for waste and environment levy for domestic waste are fully recovered from ratepayers directly through the

Domestic Waste Management Charge, as required by legislation.

The City is also subject to the State's Parking Space Levy, which has again risen disproportionately over recent years, with little advance notice, has had a significant impact on the cost of public and private parking within the City. There are also concerns over what benefits to public transport have been achieved through the use of these specifically quarantined funds.

The City contributes to the Sydney Region Development Fund, to assist with funding a proportion of the loans required for the State to procure lands for open space, transport etc. The City believes that this funding mechanism should be made available to offset the costs of strategic lands acquired by the City in delivering essential infrastructure and open space in the Green Square urban renewal area.

### Parking Enforcement Agreement

The Enforcement Income section referenced the 2001 agreement that transferred responsibility to the City for parking enforcement in the CBD, and the requirement for the City to share equally the net revenue with the NSW Government (for the CBD and South Sydney precincts), after deducting all costs associated with this important regulatory and traffic management function.

The City expects to return around \$3.0M to the State Government in 2022/23, as per the agreement. This amount fluctuates with the volume of infringements, processing costs and collection rates, however this is linked to the respective enforcement income. In addition, the City will pay Revenue NSW in the order of \$5.4M for the processing of infringement notices.

### Asset and Infrastructure Maintenance

The City's Asset Management Strategy incorporates the over-arching framework, policies and strategies to manage the critical assets under the City's control, a key measure of long term sustainability.

The plan provides estimates of the planned maintenance levels for each of the major categories of infrastructure assets and the Long Term Financial Plan includes forward estimates for asset maintenance activities including new assets developed, together with provisions for

projects that refurbish, upgrade or create new community facilities and essential infrastructure.

The Long Term Financial Plan and Asset Management Plan together demonstrate the City's capacity to fund the required maintenance and renewal of its critical operational and community assets, in a condition appropriate to meet the needs of the community and the expectations of a global city over the next ten years.

### Depreciation

Depreciation of assets is a non-cash expense that systematically allocates the financial benefit of a fixed asset, and recognises degradation of its capacity to continue to provide functionality over time.

Depreciation provides an approximate indicator of the reduction of the asset's estimated useful life, on the proviso that it is maintained in a standard condition.

Depreciation is based upon each asset's value and an annual rate of depreciation calculated on the estimated useful life for each asset class.

Depreciation is not influenced by other factors such as CPI and will only change if asset values or useful lives vary, or assets are acquired or divested. NSW Office of Local Government requires that all assets are revalued to "fair value" within a five-year cycle.

Valuation and depreciation methodologies are regularly reviewed, as part of cyclical asset revaluations and in the interim, as improved asset data becomes available. Updated asset condition data is incorporated into depreciation calculations, with the aim of better aligning asset depreciation with consumption of economic benefit as closely as practical, using available information.

However, depreciation – a notional calculation of asset consumption over its useful life – is not a measure of the required renewal expenditure on an asset in any given year. It does not inherently reflect the actual physical degradation of the asset condition. Depreciation is therefore merely a guide towards the funds that should be allocated towards the renewal of assets either on an annual basis or in the provision of internal reserves to be used for major renewal projects.

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*Image 17: City Engineer at Green Square Plus, a local multi-utility providing recycled water, drinking water, wastewater and trade waste services across the precinct*



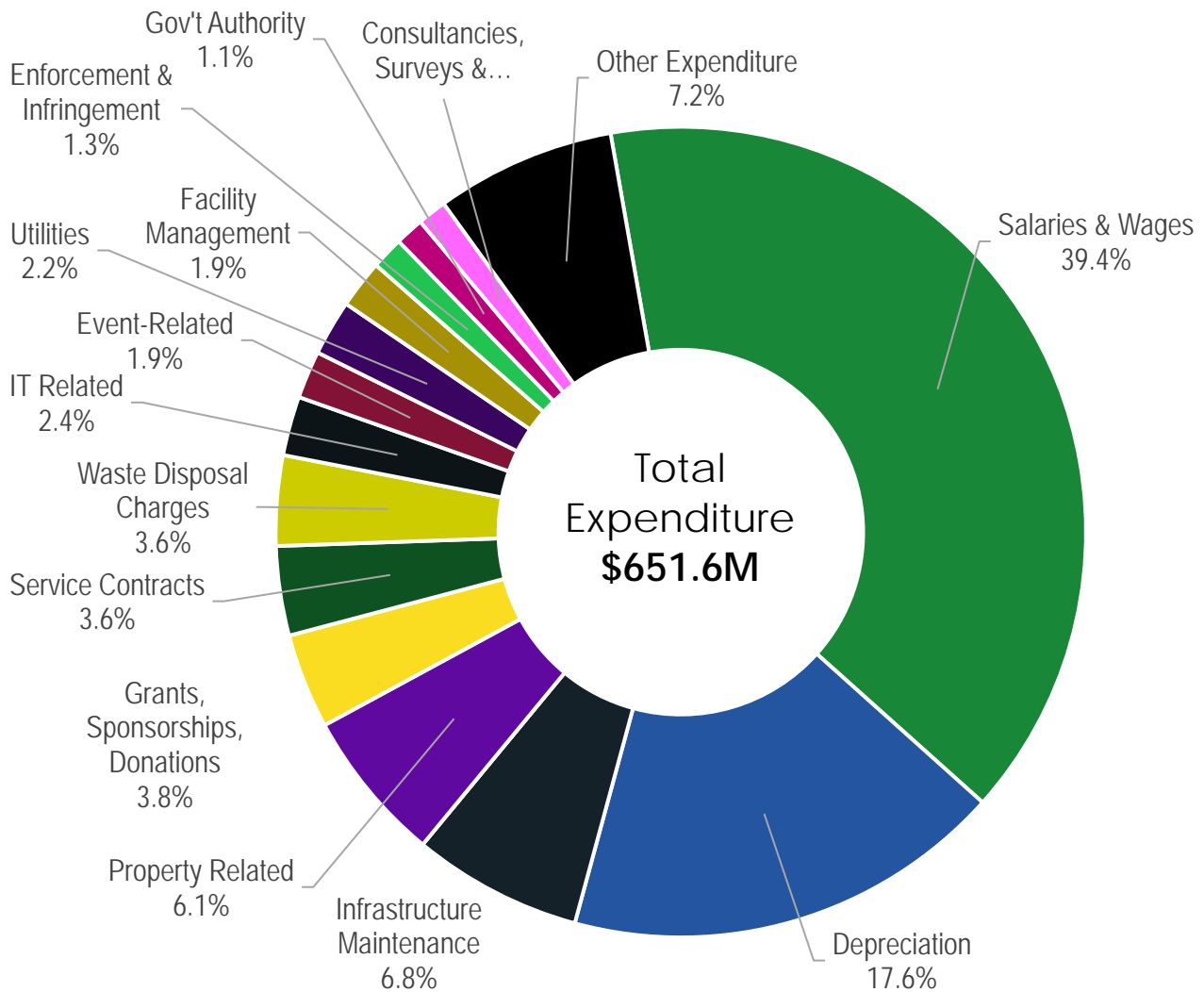
## Long Term Financial Plan 2022/23 to 2031/32

The City's investment in new community facilities and other assets, and periodic revaluation of existing assets will see the depreciable asset base rise over time.

This Plan assumes a continuation of present-day depreciation methodology, and accordingly increases in depreciation expense have been modelled in line with anticipated project completion dates.

### Total Expenditure Summary

**Figure 3: Expenditure Sources as a % of Expenditure from Continuing Operations**



\* Expenditure from Continuing Operations consists of Operating Expenditure, plus expense amounts for Depreciation and Capital Project related costs

# Financial Forecasts – Capital and Assets

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## Capital Works Expenditure

Consistent with previous long term financial plans, the City continues to plan for an extensive capital expenditure program, with approximately \$2.1 billion expenditure forecast for the construction of infrastructure and facilities over the next ten years.

This significant capital program requires careful planning and financial management, in order to ensure that delivery is achievable whilst maintaining operational service standards.

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## Asset and Infrastructure Renewal and Upgrade

The City will fund the renewal and upgrade of its infrastructure assets through the allocation of funds to its ongoing maintenance and capital works program. In cases where there is a requirement for major funding outside of this program, this will be achieved by the diversion of funds into an internally restricted reserve fund.

The program for asset renewal, enhancement and for the creation of new assets will be informed by the City's Asset Management Strategy. Over the long term, proposed capital expenditure for replacement, refurbishment and augmentation of key asset classes is expected to meet or exceed the required level, as identified in the Asset Management Strategy.

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## Capital Works Program

The City, through its capital works program, delivers vital improvements to the City's public domain, roads, footways, stormwater, parks



Image 18: *Green Square construction work*

and open spaces, properties, pools and other community facilities. New or replacement facilities are designed and constructed to meet growing community needs, while the existing portfolio of infrastructure and community facilities require upgrades and renewal in addition to their annual maintenance programs.

The capital works program funds the design, construction and refurbishment of City-controlled infrastructure, and is integrated with the asset management strategy plans, with a strong focus on quality service delivery and whole of life planning and management for each asset class.

Capital works funding is the largest program of expenditure in the City's budget over the next ten years and is therefore the subject of rigorous planning to ensure a sustainable level of funding for the timely delivery of key projects.

The ten year Capital Works schedule incorporated estimates of the scope, value and timing of the works and projects based upon the City's priorities, current level of knowledge and best estimates.

The ten year Long Term Financial Plan provides for the funding of the City's significant projects, in order to progress the goals and outcomes within the Community Strategic Plan.

In addition to the major initiatives, the ten year plan also allocates funds for capital programs that both enhance the City's asset base, and

also for all of the City's rolling programs of asset upgrade and renewal to ensure that its public domain infrastructure (including roads, footpaths, drains), traffic management, open space and parks, properties, pools and other community facilities are all maintained in accordance with the relevant asset management plans, and to a quality expected by the community and other stakeholders.

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## Asset Enhancement Projects

Asset enhancement project groupings incorporate capital works projects resulting in new, extended and/or augmented assets. Whilst these projects may, at times, provide an implicit renewal benefit for existing assets, the main driver for the works is an increased service provision to the community.



Image 19: *Cyclists on cycleways in the city*

### Bicycle Related Works

The City is planning to continue construction of its adopted bike network to provide safe connected cycling infrastructure to encourage

more people of all ages and abilities to ride safely, both in the city centre and surrounding areas.

Priority routes have been identified to align with changes emerging from the pandemic response. Construction is subject to the necessary approvals and community consultation to ensure optimum outcomes for the community.

Significant capital grants related to the delivery of new cycleways have been incorporated into the plan. These grants are anticipated to be received from the NSW Government based on their own priorities, and expenditure on a number of new cycleways projects is contingent upon the receipt of these grant funds. Should the grants not be received, expenditure on the proposed program will not be achievable, and will need to be revised accordingly. The City continues to work closely with the NSW Government to align project priorities.

### Open Space, Parks and Trees

Works to expand and enhance the City's Open Space provision are focused on increased quantity of open space, improved quality and community amenity. The program includes large provisional sums budgeted to deliver the new Open Space envisaged by the City's Development Contributions Plan, addressing increasing future demand created by the City's new population. Significant projects include:

- new parks in the Green Square Town Centre (and wider urban renewal area)
- City Centre Playground
- new synthetic sportsfield at the Crescent, Glebe.

### Properties – Community, Cultural and Recreational

The City manages a diverse portfolio of properties and has provided funds for their renewal, refurbishment or enhancement to continue the safe, efficient and sustainable operation of the buildings by commercial tenants, community patrons and staff.

Future provision has been made for the construction of new and upgraded community facilities, in order to meet increased demand as a result of a growing population. As project priorities and opportunities are identified, these provisional sums will be assigned to specific projects. Renewal of community and

recreational facilities is forecast to meet the requirements identified in the Asset Management Strategy, over the ten years of the Plan. Major projects include:

- future works Green Square Public School (in conjunction with NSW Government)
- the Business Innovation Space at Circular Quay
- a future recreation facility at Huntley Street Alexandria
- upgrade of the Pyrmont Community Centre.

### Properties – Investment and Operational

Capital works on the City's investment (income-generating) and operational (e.g. depots, administration buildings) properties are generally renewal-driven. A number of enhancement opportunities that improve amenity and/or environmental performance have been identified and the works are included in this iteration of the plan.

### Public Art

The City is continuing the delivery of the Green Square public art strategy, commissioning a range of new public artworks within the Green Square precinct.

The Eora Journey in the public domain identifies sites or histories of significance and reveals them so that in time our city's Indigenous story will be fully expressed. Yananurala, the harbour walk will share and celebrate new and old stories of Aboriginal and Torres Strait Islander people along the Sydney harbour foreshore.

These major programs are in addition to smaller, individual public art projects.

### Public Domain

The City is committed to delivering innovative urban design projects that improve the quality and scope of the public domain for residents, workers and visitors together, and ensuring the ongoing safety of users of the public domain.

The ten year capital works program incorporates both the construction of new and expanded assets, as well as upgrades that improve the public domain.



Image 20: *Bangala*, a public artwork by Jonathan Jones and Aboriginal Elder Aunty Julie Freeman

The public domain category of works includes:

- New streets in the Green Square Town Centre and wider Green Square Urban renewal area
- Upgrade works in the CBD
- Major improvement and upgrade works for 'Village Centre' streetscapes, including Crown Street, Redfern-Waterloo precinct, Kings Cross/Potts Point and Chinatown

The City intends to create more people friendly streets surrounding the light rail and further develop the pedestrian boulevard to Railway Square by restricting through traffic and widening the footpaths to install more trees and street furniture.

The George Street south pedestrianisation project is well advanced, having created 9,000m<sup>2</sup> of additional car-free space in the city centre from Bathurst Street to Rawson Place. The project is supported at all levels of government and will be completed with a \$7.1M contribution from the Commonwealth for part of the project on George Street between Bathurst and Goulburn streets and a \$1.0M contribution



from the NSW Government for the overall project.

### **Stormwater Drainage**

Major stormwater drainage augmentation projects, arising from Flood Plain Management Studies and in response to community needs in areas experiencing residential growth, are included within the City's capital works program. Major works include the commencement of a trunk drainage project in Joynton Avenue, Zetland. Provisional sums have been included in the later years of the program, to enable the mitigation of potential flooding risks.

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## Asset Renewal – Rolling Programs

Asset renewal capital programs comprise groups of works focused on restoring and maintaining the service capacity of the City's infrastructure assets and facilities. Whilst a degree of upgrade to older assets is inevitable in most renewal works, the projects are chiefly initiated to restore the service capacity of existing assets.

### **Open Space, Parks & Trees**

The City's parks, open spaces and trees (including City controlled Crown Reserves) are amongst the community's most highly valued assets. Our park and open space network encompasses approximately 212ha throughout the local government area, providing both active and passive places for the community's use and enjoyment.

Along with the continuation of the successful Small Parks and Playgrounds Program, the Street and In-Road Tree Planting Programs and works to enhance Public Domain Landscaping, renewal projects are continuing at Hyde Park, Andrew (Boy) Charlton Pool, Harry Noble Reserve and Woolloomooloo playground.

### **Infrastructure – Roads, Bridges & Footways**

Substantial capital programs are in place to continue the renewal of the City's infrastructure network, particularly: roads, bridges and footways (incorporating cycling and kerb and gutter infrastructure). The programs will ensure that these key asset groups meet or exceed the City's determined 'minimum service levels' and

continue to provide the expected amenity to the community. Also captured within these projections is the ongoing CBD Paver In-fill Program, which has successfully improved public domain amenity by replacing existing asphalt and concrete footpaths with granite paving.

### **Properties Assets**

The City manages a diverse portfolio of properties and the long term plan provides funds for their renewal, refurbishment or enhancement to continue the safe, efficient and sustainable operation of the buildings by commercial tenants, community patrons and staff.

Renewal works to the City's corporate and investment portfolio will focus on sustainability and building compliance, along with works to maintain the income generating capacity of commercial properties. Community properties renewal works will focus on meeting safety and environmental standards and maintaining asset service levels in line with community needs. Renewal and upgrade works to Sydney Town Hall and other heritage buildings will continue over the life of the Plan.

### **Public Art**

Programs for the conservation of the City's array of public art incorporate a significant capital renewal program. These targeted restoration works are often highly specialised, and often involve heritage and artist consultation.

### **Public Domain**

Whilst the Infrastructure – Roads, Bridges and Footways renewal programs are focused on major network asset renewals, public domain renewal programs comprise works on additional infrastructure and public space assets, ensuring that the assets are maintained to a satisfactory standard across the entire local government area.

The public domain category of works includes:

- Traffic and pedestrian improvement works
- Walls, fences, steps, street furniture, retaining structures, survey markers
- Lighting asset renewal and improvement
- Public squares



Image 21: *Foveaux St, Surry Hills, Adam Goodes mural*

### **Stormwater Drainage**

The City is undertaking a program of renewal and replacement of its existing stormwater network, in order to reduce the potential damaging effects of flooding. An extensive CCTV asset inspection project is ongoing, in order to identify priority rectification works on defective assets.

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## **Prioritisation of Projects**

The capital works program prioritises projects based on asset condition, risk, community need and other opportunities as they arise with other entities. Over shorter periods, some areas of the local government area may require more capital works than others to reflect short term needs and opportunities.

The need for new assets is constantly assessed and verified against current population and development projections, community feedback and alternative means of supplying services. A further consideration is the priority of refurbishing existing assets that provide community benefits or operational service that

require regular refurbishment to enable the overall safety and quality of the facility to be maintained.

The planned rapid growth within the southern section of the City's area will place additional emphasis on prioritising the provision of community facilities and essential infrastructure in line with the development of the significant sites.

### **Timing**

The ten year capital works schedule comprises a mixture of specifically identified and budgeted projects over the shorter term and contains provisional sums over the longer term for programs of work where individual project opportunities have not been determined as yet.

### **Capacity**

Apart from funding constraints, the City has capacity constraints which determine the capital works program delivery timeframe. The constraints in project delivery include extensive community consultation programs, state government approvals, design, stringent procurement processes and availability of labour resources to project manage and implement the projects.

The ten year capital works schedule proposes an annual budget that reflects the demand and capacity to deliver one or two high value projects over a shorter period of a few years and recognises the organisation's delivery capabilities. A small number of very large projects may be totally delivered by other parties and the City may elect to contribute to the project through financial means.

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### Future Capital Works Program

The City's Long Term Financial Plan, as these major initiatives are completed within the next ten years, demonstrates the City's intention to return to a long term average capital works program of around \$180M per annum.

This objective will enable funding for a number of major projects each year, and adequate funding for all of the City's annual asset upgrade and renewal programs, to ensure the renewal and maintenance of our infrastructure and facilities to the required standard for a global City and its surrounding villages.

The City will generate the requisite funds through tightly controlled and well managed operations, interest earnings and capital contributions. While the objective will continue to pose a challenging program to deliver year on year, it is considered appropriate, achievable and financially sustainable.

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### Plant and Assets (including Technology and Digital Services Projects)

In addition to the renewal and expansion of the City's asset base delivered through the capital works program, the City undertakes a replacement (and, where appropriate) upgrade/expansion program for its plant and equipment type assets. Asset types include motor vehicles, furniture, machinery and information technology hardware.



Image 22: *The City's first electric truck in the city centre*

Additionally, the City has a capital works program to deliver components under the Information and Technology Strategy, incorporating the purchase, development, upgrade and implementation of new and existing software and systems.

The forecasts shown represent asset acquisitions (net of disposals, which aim to recover the residual value of the asset, where a sale is possible). The annual allowance is in the order of \$24M and represents the long term target, with specific requirements determined within the Operational Plan each year.

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### Property Strategy – Acquisition and Divestments

The City controls a wide portfolio of operational, community, commercial and strategic property assets, which it needs to regularly review to confirm as appropriate in light of changing needs, operational and investment requirements.

For the purposes of this financial plan, provisional sums for future property acquisition and divestment have been included (including the utilisation of development contributions in acquiring new land for open space) to reflect how the prospective cash flows would impact the City's cash reserves and financial position.

Purchases of land related to the delivery of the overall Green Square Urban renewal project have been significant. Most of these purchases have been undertaken to facilitate stormwater and road infrastructure delivery, with a number of small acquisitions remaining. The intention remains to divest any residual lands that are not

required, once the essential assets have been constructed or delivered.

Over the life of this plan, the City will identify other specific development, community and investment opportunities for Council consideration within the framework of the City's property strategy. Each of these proposals would then lead to specific acquisition and divestment recommendations that would be brought to Council for their review and direction, subject to relevant community consultation where appropriate, before being formally approved or progressed.

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### Cash (Funding) Forecasts

Incorporating the above forecasts for operating results, capital income and expenditure and asset acquisitions and disposals, the City projects cash and investments balances across the ten year period of the Long Term Financial Plan.

The projected balances incorporate cash and investments held by the City. The maturity profile of the City's investment portfolio will be determined on a "needs basis", taking into consideration the short term cash requirements of the City, whilst retaining sufficient cash reserves to fund the Capital Works Program. Consideration is given to the effect on the Unrestricted Current Ratio, a key liquidity measure, and on maximising investment returns earned on surplus cash.

The ratio of current vs non-current cash and investments as at 2022/23 is generally assumed to be consistent throughout the plan, with adjustments made where required by timing of expenditure and projected cash restriction balances.

#### Cash Restrictions

A significant portion of the City's cash and investment reserves is restricted. These restricted balances are forecast in order to ensure that overall cash balances adequately cover the restricted amounts whilst retaining an appropriate level of working capital.

External restrictions represent cash holdings that have not yet been discharged in accordance with the conditions of their receipt.

Internal restrictions are made via Council resolution, generally in order to assign funds to specific projects/purposes or to provide

contingency funds for unanticipated circumstances (e.g. Employee Leave Entitlements).

#### External Restrictions:

**Development Contributions** – 100% of cash Developer Contributions levied under Section 7.11, Section 7.12 and Section 61, Bonus Floor Space scheme and Voluntary Planning Agreements (including the Developer Rights Scheme for Green Square Town Centre) received but not yet expended in accordance with the applicable deed or contributions plan.

**Contributions – Capital Works** – 100% of cash contributions provided to the City by third parties that are yet to be expended on the project/s for which they were provided.

**Unexpended Grants** - 100% of cash grants received not spent during the year are treated as restricted funds.

**Domestic Waste** – Any cash surplus from operations is held as a restricted asset to fund future capital expenditure or process improvements to the Domestic Waste collection business, including public education programs.

**Stormwater Management** – Funds received through the stormwater levy are set aside for various structural and non-structural programs used to reduce urban stormwater pollution. Unspent funds are held as restricted assets.

**Public Roads** – In accordance with section 43 (4) of the *Roads Act (NSW) 1993*, proceeds from the sale of (former) public roads are set aside for the acquisition of land for public roads, and/or carrying out works on public roads.

#### Internal Restrictions:

**Public Liability Insurance** – Monies have been restricted for 100% of the provision.

**Employee Leave Entitlements** – 10% of the employee leave entitlement provision is set aside to fund extraordinary movements of staff. Normal annual payments of leave entitlements are funded from operating income.

**Workers Compensation Insurance** – In accordance with actuarial advice, the City restricts funds for 100% of the provision, plus an additional "prudent margin".

**Performance Bond Deposits** – All security deposits are held as restricted funds.

**Commercial Properties** – Funds from the divestment of excess commercial properties are

## Long Term Financial Plan 2022/23 to 2031/32

set aside to reinvest and continue the revenue stream from (and maintain diversification of) Council's large commercial and investment property portfolio.

**Green Square** – Monies set aside in anticipation of Green Square infrastructure not funded by development contributions or grant funding.

**Green Infrastructure** – Monies set aside for implementing green infrastructure projects including co/trigeneration plants, water recycling and evacuated waste systems to deliver enhanced environmental benefits to the organisation and community.

**Renewable Energy** – Monies set aside to develop renewable energy for the organisation that can be derived from wind, solar or geothermal sources.

**Community Facilities** – Cash proceeds from the divestment of properties that no longer fulfil community needs are set aside for the future acquisition or development of property to improved community spaces or replacement facilities that meet future community needs.

**Operational Facilities** – Cash proceeds from the divestment of surplus operational properties are set aside for the future acquisition or development of properties to supplement or replace buildings within the current operational building assets portfolio that provide infrastructure for the operation of the City's services.

**Infrastructure Contingency** – Monies are restricted for the immediate funding of urgent and expensive rectification of historic buildings and ageing infrastructure (e.g. Sydney Town Hall, stormwater works).

**Supported Accommodation Affordable and Diverse Housing Fund** – Proceeds from the sale of selected properties (nominated by Council resolution) are set aside for the future acquisition of land to be utilised in the delivery of additional affordable housing within the City of Sydney LGA.

**Heritage Conservation Fund** – Monies received through the redemption of bank guarantees provided under the Alternative Heritage Floor Space scheme will be restricted, pending the identification of an appropriate option for their disbursement.

Cash balance forecasts per the Long Term Financial Plan are summarised in the financial schedules attached to this document.



Image 23: *Blackwattle Bay*

# Financial Performance Targets

The City has a history of rigorous financial planning, monitoring and reporting, which facilitates a transparent understanding of performance, risks and issues that has served the City well. An early awareness of risks and issues allows the Council and the Executive to amend its plans to mitigate these arising risks and ensure the long term financial sustainability of the City.

This diligence has continued under the Integrated Planning & Reporting (IPR) framework, incorporating input from the other key resourcing strategies of workforce planning, information and communications technology and asset management, and extended to include a longer term forecast horizon.

There are many indicators of financial sustainability. The City continues to develop and monitor a broad suite to ensure that it is aware of any significant concerns to its operational and capital plans. At a high level, the intention at this stage has been to focus on the following industry measures of financial operating sustainability.

## Key Performance Measures

Financial performance measures are reported annually as part of the City’s annual financial statements. The City targets above benchmark performance where possible, and the following results are prepared in accordance with Office of Local Government required methodologies. With the exception of the Infrastructure Backlog Ratio, which is a snapshot by year, each ratio reflects a three-year average up to the year shown, commencing with 2022/23. Additional detail on projected performance against these ratios is included with the schedules attached to this Plan.

The projections included below are shown in green where the mandated benchmark level is met/exceeded.

## Sustainability

### Operating Performance Ratio

*(Benchmark: greater than 0%)*

Widely acknowledged within the sector as a core measure of financial sustainability, this ratio essentially measures a Council’s Operating Result excluding Capital Grants & Contributions (which are typically tied to delivery of new capital works). Performance at or above benchmark indicates that the City has the ability to internally generate sufficient funding for its ongoing operations.

Projected Performance:

| 2022/23 | 2025/26 | 2028/29 | 2031/32 |
|---------|---------|---------|---------|
| (0.07)% | 2.10%   | 2.87%   | 2.78%   |

Three-year average performance up to 2022/23 significantly impacted by the pandemic. Forward estimates assume a return to a typical, business-as-usual operating environment over time.

### Own Source Revenue Ratio

*(Benchmark: greater than 60%)*

A measure of fiscal flexibility, Own Source Revenue refers to a Council’s ability to raise revenue through its own internal means, thereby reducing reliance on external sources of income and insulating against negative fluctuations in external funding.

Projected Performance:

| 2022/23 | 2025/26 | 2028/29 | 2031/32 |
|---------|---------|---------|---------|
| 84.47%  | 87.64%  | 90.29%  | 91.16%  |

The City will continue to perform at levels in excess of the benchmark. Increasing ratios

reflect the anticipated incremental growth of the City’s rating base, relative to other income sources. However, the City will continue to seek a diversified income base, to minimise the burden on ratepayers in funding services and asset delivery.

**Building and Infrastructure Asset Renewal Ratio\***

*(Benchmark: greater than 100%)*

This measure is intended to indicate the extent to which a Council is replenishing the deterioration of its building and infrastructure assets (i.e. renewal expenditure as a proportion of annual depreciation expense). The implication of the benchmark is that a Council’s annual depreciation expense is the indicative level of required annual renewal of its assets.

The mandated use of depreciation in calculating the required level of asset renewal is flawed, as depreciation (an accounting concept) patterns do not necessarily match the decline of asset service potential and should therefore not be used as a benchmark level for asset renewals.

Projected Performance:

| 2022/23 | 2025/26 | 2028/29 | 2031/32 |
|---------|---------|---------|---------|
| 88.16%  | 111.85% | 103.63% | 108.71% |

\* The City has utilised calculations of “Required Asset Renewal” from its Asset Management Plan (part of the IPR “suite” of documents) and the ratio projections above reflect this approach.

The City’s Capital Program is expected to generate capital renewal near or above benchmark levels for the entire ten years of the Long Term Financial Plan. The lower projected performance in earlier years of the Plan marks a temporary decline in asset renewal works, as organisational capacity is instead focused on the delivery of significant new assets, particularly during the peak delivery period for Green Square. This is expected to have minimal impact on the assets and their condition. The middle years of the plan project above-benchmark results as delivery capacity is shifted back towards renewal works, before levelling out approximately benchmark level in the later years of the plan.

**Infrastructure and Service Management**

**Infrastructure Backlog Ratio**

*(Benchmark: less than 2%)*

Infrastructure Backlog, in the context of this ratio, refers to an estimated cost to restore the City’s assets to a “satisfactory standard”, typically through renewal works. With renewal cycles that typically take place over the longer term, it is not unusual that some backlog will occur. Maintaining this ratio at lower levels over the long term will indicate that the service capacity of assets is being effectively maintained.

Projected Performance:

| 2022/23 | 2025/26 | 2028/29 | 2031/32 |
|---------|---------|---------|---------|
| 1.38%   | 0.87%   | 0.67%   | 0.29%   |

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.

Condition assessment methodology evolves regularly, as does official guidance from the Office of Local Government and the sector generally, regarding the assessment of any identified infrastructure “backlog”.



Image 24: Wayfinding signage

## Long Term Financial Plan 2022/23 to 2031/32

### Asset Maintenance Ratio

(Benchmark: greater than 100%)

The extent to which a Council is adequately maintaining its building and infrastructure asset base is measured by expressing actual (planned) maintenance as a proportion of the “required” maintenance expenditure. A ratio result of greater than 100% will indicate the Council is exceeding its identified requirements in terms of maintenance, which in turn should impact positively upon infrastructure backlog and required renewal levels.

Projected Performance:

| 2022/23 | 2025/26 | 2028/29 | 2031/32 |
|---------|---------|---------|---------|
| 98.25%  | 98.84%  | 100.99% | 102.84% |

*Projections shown are within acceptable tolerance*

This Long Term Financial Plan, in conjunction with the Asset Management Plan, addresses identified asset maintenance requirements. Maintenance budgets over the life of the plan are forecast to meet benchmark levels as maintenance requirements increase with a growing asset base. Maintenance levels are also considered in conjunction with infrastructure backlog and required asset renewal expenditure levels over time.

### Debt Service Ratio

(Benchmark: greater than 0, less than 0.2)

The effective use of debt may assist in the management of “intergenerational equity” and help to ensure that excessive burden is not placed on a single generation of a Council’s ratepayers to fund the delivery of long term infrastructure and assets. Other strategies, not reflected in this performance measure, may also achieve an equivalent outcome, and a consistent program of capital delivery will also alleviate the need to excessively burden a particular set of ratepayers.

Projected Performance:

| 2022/23 | 2025/26 | 2028/29 | 2031/32 |
|---------|---------|---------|---------|
| 0.00%   | 0.00%   | 0.00%   | 0.00%   |

Whilst the benchmark for this ratio requires a council to utilise at least some debt, the City’s history of sound, prudent financial management has resulted in the accumulation of cash

reserves and underlying operating surpluses. This Long Term Financial Plan details the effective utilisation of these funds, facilitating the delivery of the ten year capital program without the utilisation of borrowings.

Should circumstances change over the life of the Plan, the City will consider the use of debt, where appropriate, in delivering key projects. This may also encompass the use of internal borrowings, where restricted funds are not required for their specific purpose in the short to medium term.

## Efficiency

### Real Operating Expenditure per Capita

(Benchmark: less than 2%)

Whilst the difficulty of adequately measuring public sector efficiency is widely acknowledged within the Local Government sector, this measure nevertheless attempts to reflect the extent to which a Council provides “value for money” through savings in underlying (inflation-adjusted) operating expenditure over time, relative to the population serviced.

Projected Performance:

| 2022/23         | 2025/26         | 2028/29         | 2031/32         |
|-----------------|-----------------|-----------------|-----------------|
| Declining Trend | Declining Trend | Declining Trend | Declining Trend |

The City’s continued strong financial controls are expected to result in better-than-benchmark performance over the ten years of the Plan. This reflects continued efficiency in providing new infrastructure, facilities and services to a growing residential population.

The City continues to argue for a measure that is reflective of the much larger population that utilise its services, infrastructure and facilities, including workers, students and visitors.

## Other Key Performance Indicators

### Operating Surplus

The City is targeting an Operational Surplus (excluding capital income, interest earnings and depreciation expense) of \$121.0M for 2022/23



which is achievable and aligns with current performance levels. Along with interest earnings and capital contributions, this will generate funding of around \$186.3M in 2022/23, to be utilised in funding the forecast capital expenditure and asset acquisition programs. Longer term trends will see annual Operational Surpluses of \$140.0M or more, with internally generated capital funding averaging around \$186.0M annually.

Performance against this target is monitored monthly by the Executive and reported on a quarterly basis to the Council and the public community.

**Cash Reserves**

The City ensures in its planning process that it holds sufficient cash reserves to satisfy all of its legislative requirements (or external restrictions) as well as the internal restrictions (employee liabilities etc) that it has elected to set aside to ensure prudent financial controls. This minimum total has typically been between \$180.0M - \$200.0M.

Figure 3 below illustrates the City’s cash balances as forecast over the next ten year period. Read in conjunction with the projected Unrestricted Current Ratio, it indicates potential future liquidity challenges as a result of the ongoing Covid-19 disruption. Sustainable liquidity levels are anticipated to return over the period of the Plan, allowing the City to meet its obligations and deliver its capital program whilst maintaining operational service levels.

Fluctuations of projected cash balances are largely a consequence of projected proceeds

from the divestment of surplus City-owned properties, and also significant capital works program expenditure.

**Supplementary Performance Indicators**

The Local Government Code of Accounting Practice and Financial Reporting (2020/21 financial year) prescribes a series of performance indicators to be compulsorily reported. The City uses these indicators (and respective benchmarks) as key parameters in the financial planning process. These mandated ratios incorporate those included within Fit for the Future, and some additional indicators as detailed below. The ratios (and brief descriptions of their purpose) are as follows:

**Unrestricted Current Ratio (Liquidity)**

*(Benchmark 1 – 1.5 or higher)*

The Unrestricted Current Ratio is specific to local government, measuring the adequacy of the City’s liquid working capital and its ability to satisfy its financial obligations as they fall due in the short term.

Restrictions placed on various funding sources (e.g. development contributions) complicate the traditional current ratio used to assess liquidity of businesses as cash allocated to specific projects is restricted and cannot be used to meet a Council’s other operating and borrowing



## Long Term Financial Plan 2022/23 to 2031/32

costs. The City's ratio was 3.95 for the 2020/21 financial year, reflecting cash reserves accumulated by the City in preparation for initiatives and major projects now underway.

Projected Performance:

| 2022/23  | 2025/26  | 2028/29  | 2031/32  |
|----------|----------|----------|----------|
| 1.80 : 1 | 1.82 : 1 | 1.68 : 1 | 1.51 : 1 |

The current (and projected) disruption associated with Covid-19 has negatively impacted the City's forecast cash position, which in turn has had a negative impact on the current ratio. However, budget adjustments made in response to Covid-19 and a return to long term average financial performance over time will ensure that the current ratio remains above benchmark for the ten years of the plan. Reductions in later years reflect the utilisation of cash balances in delivering major capital works initiatives.

### Capital Expenditure Ratio

*(Benchmark > 1.1)*

This indicates the extent to which a Council is forecasting to expand its asset base with capital expenditure spent on both new assets, and replacement and renewal of existing assets. The benchmark is greater than 1.1.

The City questions the value of this ratio as an indicator of financial performance, given the disconnect between depreciation (a retrospective measure) and capital expenditure based on identified future need. Variable annual capital expenditure may also distort the ratio.

Projected Performance:

| 2022/23  | 2025/26  | 2028/29  | 2031/32  |
|----------|----------|----------|----------|
| 1.99 : 1 | 1.83 : 1 | 1.65 : 1 | 1.60 : 1 |

### Cash Expense Cover Ratio

*(Benchmark > 3 months)*

This liquidity ratio indicates the number of months a Council can continue paying for its immediate expenses without additional cash inflow. The benchmark is greater than 3 months.

City staff actively monitor cash flow requirements and manage the maturity profile of investments to meet liquidity requirements. During the period of uncertainty associated with Covid-19, additional priority has been given to ensuring high liquidity levels are maintained within the investment portfolio.

### Debt Service Coverage Ratio

This ratio measures the availability of operating cash to service debt including interest, principal and lease payments. The benchmark is greater than 2. As the City has forecast to remain debt-free over the ten year period of the Resourcing Strategy, this ratio is not applicable.

### Interest Cover Ratio

This ratio indicates the extent to which a Council can service its interest bearing debt and take on additional borrowings. It measures the burden of current interest expense upon a Council's operating cash. The benchmark is greater than 4. As the City has forecast to remain debt-free over the ten year period of the Resourcing Strategy, this ratio will not be applicable.

### Rates and Charges Outstanding Percentage

This measure indicates a Council's success at recovering its annual rates and charges, with higher percentages of outstanding debts indicating a potential threat to Council's working capital and liquidity.

Whilst this ratio is not a mandatory financial performance measure, the Office of Local Government has previously advised a benchmark of a maximum 5% for metropolitan councils (8% for rural councils). The City maintains a low outstanding rates and charges ratio, usually well below the 5% benchmark for metropolitan councils. The City continues to monitor performance in collection of rates as a key measure of efficient financial management.

The deferment of quarterly instalment of rate payments has been relatively low, nevertheless, a return to long term averages (i.e. outperforming benchmark) is anticipated over the mid to long term.

# Long Term Financial Schedules and Scenario Modelling

The City has produced a number of financial reports to demonstrate its plans and commitments over the ten year horizon of the Long Term Financial Plan.

The following briefly describes these schedules and any assumptions have not been previously discussed throughout the body of the plan.

Additional alternative schedules have been presented for the Income Statement and Cash Flow Forecast, to reflect potential scenarios associated with recovery from the Covid-19 pandemic.

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## Income and Expenditure (Income Statement)

Income & Expenditure Statements have been provided at summary and detailed level to reflect the City's ten year operational plan, including the 2022/23 budget and future years' forward estimates.

The summary report provides a high level overview, accords with the discussion in this plan, and aligns to the required Annual Financial Reports format.

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## Scenario Modelling

The 'base case' assumes that the Additional Special Variation to rates income submitted in April 2022 is approved by the Minister for Local Government.

Beyond the base case modelled in the main financial schedules, supplementary Income Statement schedules have been included, modelling additional scenarios related to:

1. variations to Additional Special Variation to rates income not being approved in line with expectations (note scenario 1a and 1b)
2. prolonged impact from the Covid-19 pandemic. Whilst the base case largely reflects a recovery from the worst of the pandemic, this second additional scenario has modelled longer term structural impacts on key income sources:
  - commercial property leasing and licencing income
  - street furniture advertising income
  - venue and facility hire
  - associated impact on investment revenue

Additional income and expenditure reports then provide more detailed information for the base case:

- By main income and expenditure type
- By the City's organisational structure; and
- Distributed by the City's principal activities

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## Capital Works

The Capital Works budget within the Long Term Financial Plan identifies each major project, rolling program and future project provision over the course of the ten year planning horizon.

The proposed Capital Works program includes a total of \$1,862.3M comprising Asset Enhancement programs of \$884.2M, Asset Renewal programs of \$968.1M and a Capital Contingency sum of \$10.0M.

## Balance Sheet (Statement of Financial Position)

The Balance Sheet reflects the City’s financial assets, liabilities and equity over the ten years of the plan.

The ten year balance sheet reflects movements in cash and investments levels, the acquisition and divestment of assets and estimated movements in employee leave provisions, accounts payable and accounts receivable.

Achieving this cash forecast is critical to ensuring the sustainability of the Long Term Financial Plan, and as such it will be one of the key measures that is regularly monitored and reviewed over the life of the plan.

As with the Income Statement, additional Cash Flow schedules have been included, modelling the same additional scenarios related to potential further Covid-19 impacts.

## Cash Flow Forecast

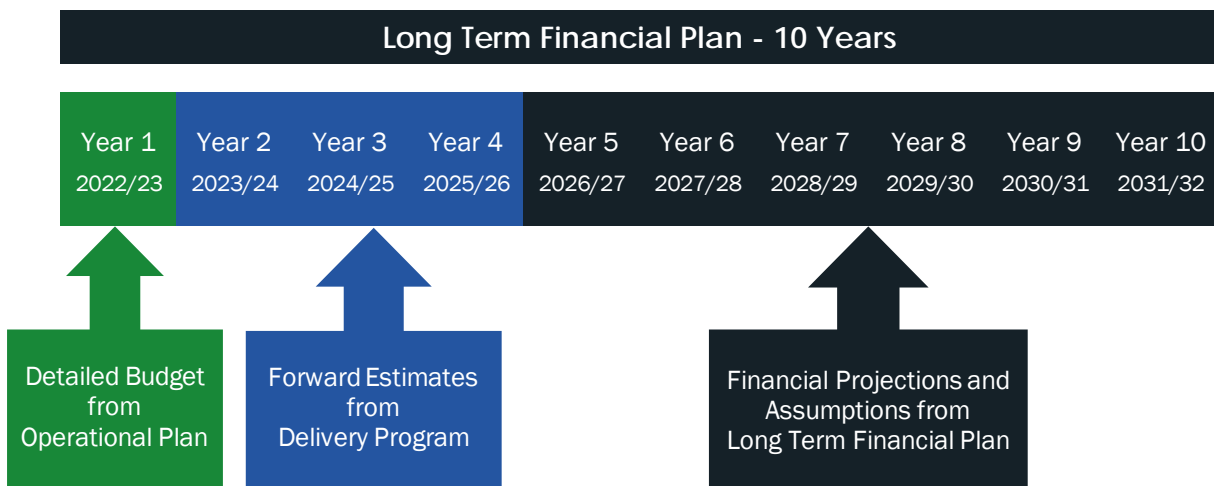
The Cash flow Forecast takes the Net Surplus result from the Income & Expenditure Statement, adjusts for non-cash transactional movements and allows for the Capital Expenditure program to forecast the movements in the City’s total Cash Reserves.

## Office of Local Government Performance Measures

Projections relating to key performance measures are included in graphical format to provide additional context and to indicate performance trends over the period of the Plan.

Consistent with the requirements of the Office of Local Government, the Long Term Financial Plan projects financial forecasts for the City for ten years, and is updated annually as part of the development of the Operational Plan.

Figure 4: Ten year timeframe



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Long Term Financial Plan 2022-23 to 2031/32

**City of Sydney**  
Income Statement

|  | \$'M | 2022/23      | 2023/24      | 2024/25      | 2025/26      | 4 Year<br>Total | 2026/27      | 2027/28      | 2028/29      | 2029/30      | 2030/31      | 2031/32      | 10 Year<br>Total |
|--|------|--------------|--------------|--------------|--------------|-----------------|--------------|--------------|--------------|--------------|--------------|--------------|------------------|
| <b>Income from Continuing Operations</b>                 |      |              |              |              |              |                 |              |              |              |              |              |              |                  |
| Rates & Annual Charges                                   |      | 387.5        | 397.3        | 407.3        | 422.6        | 1,614.7         | 433.4        | 444.5        | 456.0        | 467.8        | 480.0        | 492.6        | 4,389.1          |
| Fees   |      | 126.9        | 126.8        | 128.0        | 131.4        | 513.0           | 134.9        | 139.7        | 144.6        | 148.5        | 152.5        | 156.6        | 1,389.8          |
| Interest Income  |      | 7.5          | 6.4          | 6.5          | 8.7          | 29.1            | 9.0          | 8.2          | 9.5          | 9.6          | 8.2          | 8.0          | 81.5             |
| Other Income   |      | 118.8        | 131.3        | 138.7        | 143.2        | 531.9           | 137.4        | 146.9        | 156.7        | 162.9        | 157.8        | 162.7        | 1,456.3          |
| Grants and Contributions provided for Capital Purposes   |      | 68.9         | 93.7         | 84.8         | 60.0         | 307.3           | 56.8         | 60.8         | 66.5         | 60.4         | 56.7         | 57.7         | 666.2            |
| Grants and Contributions provided for Operating Purposes |      | 18.0         | 16.4         | 16.8         | 17.2         | 68.5            | 17.7         | 18.1         | 18.6         | 19.0         | 19.5         | 20.0         | 181.4            |
| <b>Total Income from Continuing Operations</b>           |      | <b>727.4</b> | <b>771.9</b> | <b>782.2</b> | <b>783.1</b> | <b>3,064.6</b>  | <b>789.1</b> | <b>818.2</b> | <b>851.8</b> | <b>868.3</b> | <b>874.6</b> | <b>897.7</b> | <b>8,164.3</b>   |
| <b>Expenses from Continuing Operations</b>               |      |              |              |              |              |                 |              |              |              |              |              |              |                  |
| Employee   |      | 256.2        | 263.8        | 270.9        | 277.8        | 1,068.8         | 286.3        | 292.4        | 300.7        | 309.3        | 318.5        | 328.9        | 2,904.9          |
| 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 Services                                   |      | 140.3        | 142.2        | 148.2        | 152.0        | 582.7           | 156.6        | 162.5        | 167.4        | 172.5        | 177.8        | 182.9        | 1,602.4          |
| Depreciation Expense                                     |      | 114.4        | 115.9        | 117.5        | 119.2        | 466.9           | 120.5        | 122.5        | 124.3        | 125.6        | 127.7        | 129.7        | 1,217.2          |
| Other Expenditure  |      | 139.4        | 145.1        | 151.1        | 150.8        | 586.4           | 153.4        | 158.2        | 165.0        | 171.4        | 173.7        | 179.3        | 1,587.4          |
| <b>Total Expenses from Continuing Operations</b>         |      | <b>650.3</b> | <b>667.1</b> | <b>687.7</b> | <b>699.8</b> | <b>2,704.9</b>  | <b>716.8</b> | <b>735.6</b> | <b>757.5</b> | <b>778.7</b> | <b>797.7</b> | <b>820.7</b> | <b>7,311.9</b>   |
| <b>Net Operating Result for the Year</b>                 |      | <b>77.1</b>  | <b>104.8</b> | <b>94.5</b>  | <b>83.3</b>  | <b>359.7</b>    | <b>72.3</b>  | <b>82.6</b>  | <b>94.3</b>  | <b>89.5</b>  | <b>76.9</b>  | <b>77.0</b>  | <b>852.4</b>     |

**Budgeted Income Statement**

The above Income Statement (and other financial schedules) reflect the City's "base case" Net Operating Result, incorporating ongoing financial impacts of Covid-19 (and subsequent recovery) on the City's operations as detailed in the Long Term Financial Plan. Scenarios reflecting extended impacts of Covid-19 on key income streams have also been modelled and are included after the "base case" scenario financial schedules.

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.

Major non-cash items that may impact the City's financial results include:

- the incremental increase / decrease arising from the annual market revaluation of the City's investment properties
- the initial recognition of transferable Heritage Floor Space (HFS) rights

These items will have no initial impact upon the budgeted funds available for the Council and are therefore excluded from the annual budget and future years' financial estimates. Expected realisation of these assets through anticipated sale/divestment is reflected in forward estimates as applicable.

**City of Sydney**  
Detailed Income and Expenditure

Long Term Financial Plan 2022-23 to 2031/32

|   | \$'M | 2022/23      | 2023/24      | 2024/25      | 2025/26      | 4 Year Total   | 2026/27      | 2027/28      | 2028/29      | 2029/30      | 2030/31      | 2031/32      | 10 Year Total  |
|---|------|--------------|--------------|--------------|--------------|----------------|--------------|--------------|--------------|--------------|--------------|--------------|----------------|
| <b>Operating Income</b>                   |      |              |              |              |              |                |              |              |              |              |              |              |                |
| Advertising Income                        |      | 17.5         | 18.0         | 18.5         | 19.1         | 73.0           | 19.6         | 20.2         | 20.8         | 21.4         | 22.1         | 22.7         | 199.8          |
| Annual Charges                            |      | 66.5         | 68.3         | 70.1         | 76.9         | 281.8          | 79.1         | 81.4         | 83.8         | 86.4         | 89.0         | 91.9         | 793.5          |
| Aquatic Facilities Income                 |      | 0.1          | 0.1          | 0.1          | 0.1          | 0.5            | 0.1          | 0.1          | 0.1          | 0.2          | 0.2          | 0.2          | 1.4            |
| Building & Development Application Income |      | 6.0          | 6.1          | 6.3          | 6.5          | 24.9           | 6.7          | 6.9          | 7.1          | 7.3          | 7.5          | 7.8          | 68.3           |
| Building Certificate                      |      | 1.4          | 1.5          | 1.5          | 1.5          | 5.9            | 1.6          | 1.6          | 1.7          | 1.7          | 1.8          | 1.8          | 16.1           |
| Child Care Fees                           |      | 1.6          | 1.7          | 1.7          | 1.8          | 6.8            | 1.8          | 1.9          | 1.9          | 2.0          | 2.1          | 2.1          | 18.6           |
| Commercial Properties                     |      | 68.7         | 77.7         | 83.1         | 86.0         | 315.5          | 78.5         | 86.4         | 94.4         | 98.9         | 91.8         | 94.9         | 860.4          |
| Community Properties                      |      | 11.5         | 12.9         | 13.2         | 13.6         | 51.2           | 14.0         | 14.4         | 14.8         | 15.2         | 15.6         | 16.0         | 141.0          |
| Enforcement Income                        |      | 37.9         | 39.1         | 40.2         | 41.4         | 158.6          | 42.7         | 44.0         | 45.3         | 46.6         | 48.0         | 49.5         | 434.7          |
| Footway Licences                          |      | 0.0          | 1.0          | 1.5          | 1.5          | 4.0            | 1.5          | 1.5          | 1.5          | 1.5          | 1.5          | 1.5          | 13.0           |
| Grants and Contributions                  |      | 10.9         | 9.1          | 9.3          | 9.5          | 38.7           | 9.7          | 9.9          | 10.1         | 10.3         | 10.5         | 10.8         | 100.0          |
| Grants - Financial Assistance Grants      |      | 7.1          | 7.3          | 7.5          | 7.8          | 29.7           | 8.0          | 8.2          | 8.5          | 8.7          | 9.0          | 9.3          | 81.5           |
| Health Related Income                     |      | 1.8          | 1.8          | 1.9          | 2.0          | 7.5            | 2.0          | 2.1          | 2.1          | 2.2          | 2.3          | 2.3          | 20.5           |
| Library Income                            |      | 0.1          | 0.1          | 0.1          | 0.1          | 0.4            | 0.1          | 0.1          | 0.1          | 0.1          | 0.1          | 0.1          | 1.0            |
| Other Building Fees                       |      | 11.6         | 11.6         | 11.8         | 12.1         | 47.0           | 12.5         | 12.8         | 13.2         | 13.6         | 14.0         | 14.5         | 127.7          |
| Other Fees                                |      | 3.4          | 3.9          | 4.0          | 4.1          | 15.4           | 4.2          | 4.3          | 4.5          | 4.6          | 4.7          | 4.8          | 42.6           |
| Other Income                              |      | 0.6          | 0.6          | 0.7          | 0.7          | 2.6            | 0.7          | 0.7          | 0.7          | 0.8          | 0.8          | 0.8          | 7.1            |
| Parking Meter Income                      |      | 39.3         | 40.1         | 40.9         | 41.7         | 162.0          | 42.5         | 43.4         | 44.3         | 45.1         | 46.0         | 47.0         | 430.3          |
| Parking Station Income                    |      | 10.2         | 9.5          | 8.7          | 9.0          | 37.3           | 9.2          | 10.7         | 12.2         | 12.5         | 12.9         | 13.3         | 108.2          |
| Private Work Income                       |      | 5.7          | 5.9          | 6.1          | 6.3          | 24.0           | 6.5          | 6.7          | 6.9          | 7.1          | 7.3          | 7.5          | 65.8           |
| Rates - Business CBD                      |      | 172.5        | 176.7        | 181.2        | 185.7        | 716.2          | 190.4        | 195.1        | 200.0        | 205.0        | 210.1        | 215.4        | 1,932.2        |
| Rates - Business Other                    |      | 67.0         | 68.8         | 70.5         | 72.3         | 278.5          | 74.1         | 75.9         | 77.8         | 79.8         | 81.7         | 83.8         | 751.6          |
| Rates - Residential                       |      | 81.5         | 83.5         | 85.6         | 87.7         | 338.2          | 89.9         | 92.1         | 94.4         | 96.7         | 99.1         | 101.5        | 911.9          |
| Sponsorship Income                        |      | 0.4          | 0.4          | 0.5          | 0.5          | 1.8            | 0.5          | 0.5          | 0.5          | 0.5          | 0.5          | 0.6          | 4.9            |
| Venue/Facility Income                     |      | 10.0         | 10.3         | 10.6         | 10.9         | 41.7           | 11.2         | 11.6         | 11.9         | 12.3         | 12.6         | 13.0         | 114.3          |
| Work Zone                                 |      | 16.3         | 14.3         | 13.8         | 14.2         | 58.4           | 14.6         | 15.0         | 15.5         | 15.9         | 16.4         | 16.9         | 152.9          |
| Value in Kind - Revenue                   |      | 1.5          | 1.6          | 1.6          | 1.6          | 6.3            | 1.7          | 1.7          | 1.8          | 1.9          | 1.9          | 2.0          | 17.3           |
| <b>Total Operating Income</b>             |      | <b>651.1</b> | <b>671.8</b> | <b>690.9</b> | <b>714.4</b> | <b>2,728.2</b> | <b>723.4</b> | <b>749.2</b> | <b>775.9</b> | <b>798.3</b> | <b>809.7</b> | <b>831.9</b> | <b>7,416.6</b> |
| <b>Operating Expenditure</b>              |      |              |              |              |              |                |              |              |              |              |              |              |                |
| Salaries and Wages                        |      | 202.1        | 208.8        | 214.3        | 219.6        | 844.7          | 225.6        | 231.8        | 238.2        | 244.9        | 252.2        | 259.7        | 2,297.1        |
| Other Employee Related Costs              |      | 1.5          | 1.5          | 1.6          | 1.6          | 6.2            | 1.7          | 1.7          | 1.8          | 1.8          | 1.9          | 1.9          | 17.0           |
| Employee Oncosts                          |      | 7.6          | 7.8          | 8.0          | 8.2          | 31.7           | 8.5          | 8.8          | 9.0          | 9.3          | 9.6          | 9.9          | 86.7           |
| Agency Contract Staff                     |      | 12.7         | 12.4         | 12.9         | 13.2         | 51.2           | 14.3         | 14.0         | 14.5         | 14.9         | 15.3         | 16.6         | 140.8          |
| Superannuation                            |      | 23.9         | 24.6         | 25.2         | 25.9         | 99.6           | 26.7         | 26.4         | 27.2         | 28.0         | 28.8         | 29.7         | 266.5          |
| Travelling                                |      | 0.2          | 0.2          | 0.2          | 0.2          | 0.7            | 0.2          | 0.2          | 0.2          | 0.2          | 0.2          | 0.2          | 1.9            |
| Workers Compensation Insurance            |      | 6.5          | 6.7          | 6.9          | 7.1          | 27.2           | 7.3          | 7.5          | 7.8          | 8.0          | 8.2          | 8.5          | 74.5           |
| Fringe Benefit Tax                        |      | 0.6          | 0.6          | 0.6          | 0.7          | 2.5            | 0.7          | 0.7          | 0.7          | 0.7          | 0.8          | 0.8          | 6.9            |
| Training Costs (excluding salaries)       |      | 1.2          | 1.2          | 1.2          | 1.3          | 4.9            | 1.3          | 1.4          | 1.4          | 1.4          | 1.5          | 1.5          | 13.5           |
| <b>Salary Expense</b>                     |      | <b>256.2</b> | <b>263.8</b> | <b>270.9</b> | <b>277.8</b> | <b>1,128.8</b> | <b>286.3</b> | <b>292.4</b> | <b>300.7</b> | <b>309.3</b> | <b>318.5</b> | <b>328.9</b> | <b>2,904.9</b> |

**City of Sydney**  
Detailed Income and Expenditure

Long Term Financial Plan 2022-23 to 2031/32

|   | \$'M | 2022/23      | 2023/24      | 2024/25      | 2025/26      | 4 Year Total   | 2026/27      | 2027/28      | 2028/29      | 2029/30      | 2030/31      | 2031/32      | 10 Year Total  |
|---|------|--------------|--------------|--------------|--------------|----------------|--------------|--------------|--------------|--------------|--------------|--------------|----------------|
| <b>Operating Expenditure (continued)</b>  |      |              |              |              |              |                |              |              |              |              |              |              |                |
| Bad & Doubtful Debts  |      | 0.5          | 0.5          | 0.5          | 0.5          | 2.0            | 0.5          | 0.5          | 0.5          | 0.5          | 0.5          | 0.5          | 5.0            |
| Consultancies   |      | 5.3          | 5.4          | 5.6          | 5.8          | 22.0           | 5.9          | 6.1          | 6.3          | 6.5          | 6.7          | 6.9          | 60.3           |
| Enforcement & Infringement Costs  |      | 8.4          | 8.7          | 8.9          | 9.2          | 35.2           | 9.5          | 9.8          | 10.0         | 10.3         | 10.7         | 11.0         | 96.5           |
| Event Related Expenditure   |      | 14.4         | 14.9         | 15.3         | 10.3         | 54.9           | 10.6         | 10.9         | 11.2         | 11.6         | 11.9         | 12.3         | 123.4          |
| Expenditure Recovered   |      | (4.0)        | (4.1)        | (4.3)        | (4.4)        | (16.8)         | (4.5)        | (4.7)        | (4.8)        | (4.9)        | (5.1)        | (5.2)        | (46.1)         |
| Facility Management   |      | 12.5         | 11.7         | 11.9         | 11.5         | 47.5           | 11.7         | 12.0         | 12.3         | 12.5         | 12.8         | 13.1         | 121.9          |
| General Advertising   |      | 1.1          | 1.1          | 1.2          | 1.2          | 4.6            | 1.2          | 1.3          | 1.3          | 1.3          | 1.4          | 1.4          | 12.5           |
| Governance  |      | 1.8          | 1.8          | 3.3          | 1.9          | 8.8            | 2.0          | 2.0          | 3.7          | 2.2          | 2.2          | 2.3          | 23.1           |
| Government Authority Charges  |      | 7.4          | 7.7          | 7.9          | 8.1          | 31.1           | 8.4          | 8.6          | 8.9          | 9.1          | 9.4          | 9.7          | 85.3           |
| Grants, Sponsorships and Donations  |      | 24.7         | 23.1         | 23.9         | 26.7         | 98.4           | 25.5         | 26.3         | 27.2         | 31.0         | 28.9         | 29.9         | 267.1          |
| Infrastructure Maintenance  |      | 44.1         | 45.4         | 47.8         | 49.2         | 186.4          | 50.7         | 52.7         | 54.3         | 55.9         | 57.8         | 59.6         | 517.3          |
| Insurance   |      | 5.9          | 6.2          | 6.4          | 6.7          | 25.2           | 6.9          | 7.2          | 7.5          | 7.8          | 8.1          | 8.4          | 71.2           |
| IT Related Expenditure  |      | 15.3         | 15.8         | 16.3         | 16.8         | 64.2           | 17.3         | 17.8         | 18.3         | 18.9         | 19.4         | 20.0         | 175.9          |
| Legal Fees  |      | 3.2          | 3.3          | 3.4          | 3.5          | 13.3           | 3.6          | 3.7          | 3.8          | 3.9          | 4.0          | 4.2          | 36.6           |
| Operational Contingencies   |      | 4.5          | 4.5          | 4.5          | 4.5          | 18.0           | 4.5          | 4.5          | 4.5          | 4.5          | 4.5          | 4.5          | 45.0           |
| Other Asset Maintenance   |      | 3.6          | 3.7          | 3.8          | 3.9          | 14.9           | 4.0          | 4.1          | 4.3          | 4.4          | 4.5          | 4.6          | 40.8           |
| Other Operating Expenditure   |      | 10.1         | 10.4         | 10.7         | 11.0         | 42.1           | 11.3         | 11.7         | 12.0         | 12.4         | 12.8         | 13.1         | 115.5          |
| Postage & Couriers  |      | 1.3          | 1.3          | 1.4          | 1.4          | 5.4            | 1.4          | 1.5          | 1.5          | 1.6          | 1.6          | 1.7          | 14.8           |
| Printing & Stationery   |      | 1.3          | 1.3          | 1.5          | 1.4          | 5.5            | 1.4          | 1.5          | 1.7          | 1.6          | 1.6          | 1.7          | 15.0           |
| Project Management & Other Project Costs  |      | 1.1          | 1.2          | 1.2          | 1.2          | 4.7            | 1.3          | 1.3          | 1.3          | 1.4          | 1.4          | 1.5          | 12.8           |
| Property Related Expenditure  |      | 39.7         | 40.9         | 42.6         | 43.9         | 167.0          | 45.2         | 46.8         | 48.2         | 49.7         | 51.3         | 52.8         | 461.0          |
| Service Contracts   |      | 23.2         | 23.0         | 24.1         | 25.1         | 95.3           | 26.1         | 27.5         | 28.6         | 29.7         | 30.5         | 31.4         | 269.1          |
| Stores & Materials  |      | 4.0          | 4.2          | 4.3          | 4.4          | 16.9           | 4.6          | 4.7          | 4.8          | 5.0          | 5.1          | 5.3          | 46.4           |
| Surveys & Studies   |      | 2.3          | 2.4          | 2.4          | 2.5          | 9.6            | 2.6          | 2.7          | 2.7          | 2.8          | 2.9          | 3.0          | 26.2           |
| Telephone Charges   |      | 2.6          | 2.7          | 2.8          | 2.8          | 10.9           | 2.9          | 3.0          | 3.1          | 3.2          | 3.3          | 3.4          | 29.8           |
| Utilities   |      | 12.3         | 12.7         | 13.1         | 13.5         | 51.6           | 13.9         | 14.3         | 14.7         | 15.2         | 15.6         | 16.1         | 141.5          |
| Vehicle Maintenance   |      | 2.5          | 2.5          | 2.6          | 2.7          | 10.3           | 2.8          | 2.8          | 2.9          | 3.0          | 3.1          | 3.2          | 28.1           |
| Waste Disposal Charges  |      | 23.4         | 24.3         | 25.3         | 26.3         | 99.3           | 27.4         | 28.5         | 29.6         | 30.8         | 32.0         | 33.3         | 280.8          |
| Value in Kind - Expenditure   |      | 1.5          | 1.6          | 1.6          | 1.6          | 6.3            | 1.7          | 1.7          | 1.8          | 1.9          | 1.9          | 2.0          | 17.3           |
| <b>Expenditure</b>  |      | <b>273.9</b> | <b>277.9</b> | <b>289.7</b> | <b>293.1</b> | <b>1,134.6</b> | <b>300.3</b> | <b>310.8</b> | <b>322.4</b> | <b>333.6</b> | <b>341.1</b> | <b>351.5</b> | <b>3,094.2</b> |
| <b>Total Operating Expenditure (Excl Depreciation)</b>  |      | <b>530.1</b> | <b>541.7</b> | <b>560.7</b> | <b>570.9</b> | <b>2,203.4</b> | <b>586.6</b> | <b>603.2</b> | <b>623.1</b> | <b>642.9</b> | <b>659.6</b> | <b>680.4</b> | <b>5,999.1</b> |
| <b>Operating Result (Before Depreciation, Interest, Capital-Related Costs and Capital Income)</b> |      | <b>121.0</b> | <b>130.1</b> | <b>130.2</b> | <b>143.5</b> | <b>524.8</b>   | <b>136.8</b> | <b>146.0</b> | <b>152.8</b> | <b>155.4</b> | <b>150.1</b> | <b>151.6</b> | <b>1,417.5</b> |



|  | \$'M | 2022/23 | 2023/24 | 2024/25 | 2025/26 | 4 Year Total | 2026/27 | 2027/28 | 2028/29 | 2029/30 | 2030/31 | 2031/32 | 10 Year Total |
|--|------|---------|---------|---------|---------|--------------|---------|---------|---------|---------|---------|---------|---------------|
| <b>Operating Result</b>                                |      | 121.0   | 130.1   | 130.2   | 143.5   | 524.8        | 136.8   | 146.0   | 152.8   | 155.4   | 150.1   | 151.6   | 1,417.5       |
| <b>Add Additional Income:</b>                          |      |         |         |         |         |              |         |         |         |         |         |         |               |
| Interest   |      | 7.5     | 6.4     | 6.5     | 8.7     | 29.1         | 9.0     | 8.2     | 9.5     | 9.6     | 8.2     | 8.0     | 81.5          |
| Grants and Contributions provided for Capital Purposes |      | 68.9    | 93.7    | 84.8    | 60.0    | 307.3        | 56.8    | 60.8    | 66.5    | 60.4    | 56.7    | 57.7    | 666.2         |
| <b>Less Additional Expenses:</b>                       |      |         |         |         |         |              |         |         |         |         |         |         |               |
| Capital Project Related Costs                          |      | 5.8     | 9.5     | 9.5     | 9.8     | 34.6         | 9.8     | 10.0    | 10.1    | 10.3    | 10.4    | 10.7    | 95.7          |
| Depreciation Expense                                   |      | 114.4   | 115.9   | 117.5   | 119.2   | 466.9        | 120.5   | 122.5   | 124.3   | 125.6   | 127.7   | 129.7   | 1,217.2       |
| <b>Net Operating Result - Surplus/(Deficit)</b>        |      | 77.1    | 104.8   | 94.5    | 83.3    | 359.7        | 72.3    | 82.6    | 94.3    | 89.5    | 76.9    | 77.0    | 852.4         |

Long Term Financial Plan 2022-23 to 2031/32

City of Sydney

Operating Budget

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

|  | 2022/23 |        |             | 2023/24                | 2024/25                | 2025/26                | 4 Year Total           | 2026/27                | 2027/28                | 2028/29                | 2029/30                | 2030/31                | 2031/32                | 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) |
| <b>City Life</b>                                 | 23.2    | 100.0  | (76.8)      | (76.5)                 | (78.8)                 | (77.6)                 | (309.8)                | (78.0)                 | (80.4)                 | (82.8)                 | (88.4)                 | (88.0)                 | (90.8)                 | (818.2)                |
| Creative City                                    | 1.4     | 35.7   | (34.2)      | (35.2)                 | (36.2)                 | (31.8)                 | (137.5)                | (32.8)                 | (33.8)                 | (34.8)                 | (35.8)                 | (36.9)                 | (38.0)                 | (349.4)                |
| Grants & Sponsorship                             | 0.1     | 26.3   | (26.2)      | (24.7)                 | (25.5)                 | (28.3)                 | (104.7)                | (27.2)                 | (28.1)                 | (29.0)                 | (32.9)                 | (30.9)                 | (31.8)                 | (284.5)                |
| Venue Management                                 | 11.3    | 7.1    | 4.2         | 4.7                    | 4.8                    | 4.9                    | 18.5                   | 5.1                    | 5.2                    | 5.4                    | 5.5                    | 5.7                    | 5.8                    | 51.2                   |
| Social City                                      | 8.1     | 21.2   | (13.1)      | (13.4)                 | (13.8)                 | (14.2)                 | (54.5)                 | (14.6)                 | (15.0)                 | (15.5)                 | (16.0)                 | (16.4)                 | (16.9)                 | (149.0)                |
| City Business & Safety                           | 2.0     | 5.3    | (3.3)       | (3.5)                  | (3.6)                  | (3.7)                  | (14.2)                 | (3.8)                  | (3.9)                  | (4.1)                  | (4.2)                  | (4.3)                  | (4.4)                  | (38.9)                 |
| City Life Management                             | 0.0     | 2.1    | (2.1)       | (2.2)                  | (2.2)                  | (2.3)                  | (8.7)                  | (2.3)                  | (2.4)                  | (2.4)                  | (2.4)                  | (2.5)                  | (2.6)                  | (23.3)                 |
| Sustainability Programs                          | 0.2     | 2.3    | (2.1)       | (2.2)                  | (2.2)                  | (2.3)                  | (8.8)                  | (2.4)                  | (2.4)                  | (2.5)                  | (2.6)                  | (2.7)                  | (2.8)                  | (24.2)                 |
| <b>City Services</b>                             | 136.4   | 203.2  | (66.8)      | (72.6)                 | (77.8)                 | (79.7)                 | (296.9)                | (82.5)                 | (85.0)                 | (86.8)                 | (89.9)                 | (93.5)                 | (97.0)                 | (831.6)                |
| Security & Emergency Management                  | 3.6     | 6.8    | (3.2)       | (3.3)                  | (3.4)                  | (3.5)                  | (13.4)                 | (3.6)                  | (3.7)                  | (3.8)                  | (3.9)                  | (4.0)                  | (4.2)                  | (36.5)                 |
| City Rangers                                     | 37.8    | 26.2   | 11.6        | 12.0                   | 12.4                   | 12.8                   | 48.8                   | 13.2                   | 13.6                   | 14.0                   | 14.4                   | 14.8                   | 15.3                   | 134.0                  |
| Parking & Fleet Services                         | 49.5    | 16.1   | 33.5        | 33.1                   | 32.6                   | 33.2                   | 132.3                  | 33.7                   | 35.5                   | 37.3                   | 38.0                   | 38.7                   | 39.3                   | 354.9                  |
| City Greening & Leisure                          | 1.6     | 43.2   | (41.6)      | (42.6)                 | (44.2)                 | (44.7)                 | (173.1)                | (45.9)                 | (47.7)                 | (49.0)                 | (50.4)                 | (51.9)                 | (53.3)                 | (471.3)                |
| City Services Management                         | 0.0     | 0.5    | (0.5)       | (0.5)                  | (0.3)                  | (0.1)                  | (1.4)                  | 0.1                    | 0.3                    | 0.5                    | 0.7                    | 0.7                    | 0.8                    | 1.8                    |
| City Services Strategy                           | 0.0     | 0.8    | (0.8)       | (0.9)                  | (0.9)                  | (0.9)                  | (3.5)                  | (0.9)                  | (1.0)                  | (1.0)                  | (1.0)                  | (1.1)                  | (1.1)                  | (9.6)                  |
| City Infrastructure & Traffic Operations (CITO)  | 42.9    | 40.3   | 2.6         | 0.2                    | (1.2)                  | (1.3)                  | 0.3                    | (1.4)                  | (1.7)                  | (1.8)                  | (1.9)                  | (2.2)                  | (2.3)                  | (10.9)                 |
| Cleansing & Waste                                | 1.0     | 69.3   | (68.3)      | (70.5)                 | (72.8)                 | (75.2)                 | (286.9)                | (77.7)                 | (80.3)                 | (83.0)                 | (85.8)                 | (88.6)                 | (91.6)                 | (793.9)                |
| <b>City Planning Development &amp; Transport</b> | 19.8    | 38.4   | (18.7)      | (19.4)                 | (20.1)                 | (20.6)                 | (78.8)                 | (21.3)                 | (21.9)                 | (22.6)                 | (23.2)                 | (23.9)                 | (24.7)                 | (216.4)                |
| Health & Building                                | 2.2     | 14.8   | (12.5)      | (12.8)                 | (13.2)                 | (13.6)                 | (52.1)                 | (14.0)                 | (14.4)                 | (14.8)                 | (15.3)                 | (15.7)                 | (16.2)                 | (142.4)                |
| Construction & Building Certification Services   | 10.8    | 2.9    | 7.8         | 7.8                    | 7.8                    | 8.1                    | 31.5                   | 8.3                    | 8.5                    | 8.8                    | 9.1                    | 9.3                    | 9.6                    | 85.2                   |
| Planning Assessments                             | 5.9     | 14.7   | (8.7)       | (8.9)                  | (9.2)                  | (9.4)                  | (36.2)                 | (9.7)                  | (10.0)                 | (10.3)                 | (10.6)                 | (10.9)                 | (11.2)                 | (98.9)                 |
| Strategic Planning & Urban Design                | 0.8     | 6.1    | (5.3)       | (5.4)                  | (5.6)                  | (5.7)                  | (22.0)                 | (5.9)                  | (6.1)                  | (6.3)                  | (6.5)                  | (6.6)                  | (6.8)                  | (60.2)                 |
| <b>Chief Operations Office</b>                   | 80.5    | 89.6   | (9.1)       | (0.4)                  | 2.7                    | 3.2                    | (3.6)                  | (6.8)                  | (1.8)                  | 3.4                    | 5.1                    | (5.0)                  | (4.9)                  | (13.6)                 |
| Chief Operations Office                          | 0.0     | 0.9    | (0.9)       | (0.9)                  | (0.9)                  | (0.9)                  | (3.5)                  | (0.9)                  | (0.9)                  | (0.9)                  | (1.0)                  | (1.0)                  | (1.0)                  | (9.2)                  |
| City Property                                    | 80.5    | 66.0   | 14.5        | 23.8                   | 27.5                   | 28.7                   | 94.5                   | 19.4                   | 25.2                   | 31.3                   | 33.8                   | 24.6                   | 25.5                   | 254.2                  |
| City Design                                      | 0.0     | 4.3    | (4.3)       | (4.4)                  | (4.5)                  | (4.7)                  | (17.9)                 | (4.8)                  | (4.9)                  | (5.1)                  | (5.2)                  | (5.4)                  | (5.6)                  | (48.9)                 |
| Infrastructure, Sustainability and Performance   | 0.0     | 1.8    | (1.8)       | (1.8)                  | (1.9)                  | (2.0)                  | (7.5)                  | (2.0)                  | (2.1)                  | (2.1)                  | (2.2)                  | (2.3)                  | (2.3)                  | (20.5)                 |
| Asset Strategy & Systems                         | 0.0     | 0.8    | (0.8)       | (0.8)                  | (0.9)                  | (0.9)                  | (3.4)                  | (0.9)                  | (1.0)                  | (1.0)                  | (1.0)                  | (1.0)                  | (1.1)                  | (9.4)                  |
| Green Infrastructure                             | 0.0     | 0.0    | (0.0)       | (0.0)                  | (0.0)                  | (0.0)                  | (0.0)                  | (0.0)                  | (0.0)                  | (0.0)                  | (0.0)                  | (0.0)                  | (0.0)                  | (0.1)                  |
| Green Square                                     | 0.0     | 0.7    | (0.7)       | (0.7)                  | (0.8)                  | (0.8)                  | (3.0)                  | (0.8)                  | (0.8)                  | (0.8)                  | (0.9)                  | (0.9)                  | (0.9)                  | (8.1)                  |
| City Transformation                              | 0.0     | 0.2    | (0.2)       | (0.2)                  | (0.2)                  | (0.2)                  | (0.8)                  | (0.2)                  | (0.2)                  | (0.2)                  | (0.2)                  | (0.2)                  | (0.2)                  | (2.2)                  |
| City Access                                      | 0.1     | 4.5    | (4.5)       | (4.6)                  | (4.7)                  | (4.9)                  | (18.6)                 | (5.0)                  | (5.1)                  | (5.3)                  | (5.5)                  | (5.6)                  | (5.8)                  | (51.0)                 |
| CPP - Development & Strategy                     | 0.0     | 4.2    | (4.2)       | (4.3)                  | (4.5)                  | (4.6)                  | (17.6)                 | (4.7)                  | (4.9)                  | (5.0)                  | (5.2)                  | (5.3)                  | (5.5)                  | (48.3)                 |
| CPP - Professional Services                      | 0.0     | 4.7    | (4.7)       | (4.9)                  | (5.0)                  | (5.1)                  | (19.7)                 | (5.3)                  | (5.4)                  | (5.6)                  | (5.8)                  | (5.9)                  | (6.1)                  | (53.9)                 |
| CPP - Infrastructure Delivery                    | 0.0     | 1.1    | (1.1)       | (1.1)                  | (1.1)                  | (1.2)                  | (4.5)                  | (1.2)                  | (1.2)                  | (1.3)                  | (1.3)                  | (1.4)                  | (1.4)                  | (12.4)                 |
| 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)                  | (0.4)                  | (3.9)                  |

Long Term Financial Plan 2022-23 to 2031/32

City of Sydney

Operating Budget

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

|  | 2022/23 |        |             | 2023/24                | 2024/25                | 2025/26                | 4 Year Total           | 2026/27                | 2027/28                | 2028/29                | 2029/30                | 2030/31                | 2031/32                | 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) |         |
| <b>Chief Executive Office</b>                    |         | 0.0    | 9.6         | (9.6)                  | (9.9)                  | (10.2)                 | (10.4)                 | (40.1)                 | (10.8)                 | (11.1)                 | (11.4)                 | (11.8)                 | (12.1)                 | (12.5)                 | (109.7) |
| Office of the Lord Mayor                         |         | 0.0    | 3.9         | (3.9)                  | (4.0)                  | (4.1)                  | (4.2)                  | (16.2)                 | (4.3)                  | (4.5)                  | (4.6)                  | (4.7)                  | (4.9)                  | (5.0)                  | (44.3)  |
| Secretariat                                      |         | 0.0    | 1.8         | (1.8)                  | (1.8)                  | (1.9)                  | (1.9)                  | (7.4)                  | (2.0)                  | (2.1)                  | (2.1)                  | (2.2)                  | (2.2)                  | (2.3)                  | (20.3)  |
| Councillor Support                               |         | 0.0    | 2.2         | (2.2)                  | (2.3)                  | (2.3)                  | (2.4)                  | (9.3)                  | (2.5)                  | (2.6)                  | (2.6)                  | (2.7)                  | (2.8)                  | (2.9)                  | (25.3)  |
| Chief Executive Office                           |         | 0.0    | 1.7         | (1.7)                  | (1.8)                  | (1.8)                  | (1.9)                  | (7.2)                  | (1.9)                  | (2.0)                  | (2.1)                  | (2.1)                  | (2.2)                  | (2.2)                  | (19.7)  |
| <b>Strategy, Engagement &amp; Communications</b> |         | 0.8    | 19.5        | (18.7)                 | (18.6)                 | (19.1)                 | (19.7)                 | (76.1)                 | (21.0)                 | (20.9)                 | (21.6)                 | (22.3)                 | (23.0)                 | (24.5)                 | (209.4) |
| Strategy, Engagement & Communications            |         | 0.1    | 13.6        | (13.5)                 | (13.2)                 | (13.6)                 | (14.0)                 | (54.3)                 | (15.1)                 | (14.8)                 | (15.3)                 | (15.7)                 | (16.2)                 | (17.5)                 | (149.1) |
| New Strategic Outcomes                           |         | 0.0    | 0.2         | (0.2)                  | (0.2)                  | (0.3)                  | (0.3)                  | (1.0)                  | (0.3)                  | (0.3)                  | (0.3)                  | (0.3)                  | (0.3)                  | (0.3)                  | (2.7)   |
| Resilience                                       |         | 0.7    | 1.2         | (0.5)                  | (0.5)                  | (0.6)                  | (0.6)                  | (2.3)                  | (0.7)                  | (0.7)                  | (0.7)                  | (0.8)                  | (0.8)                  | (0.9)                  | (6.8)   |
| City Engagement                                  |         | 0.0    | 2.0         | (2.0)                  | (2.1)                  | (2.1)                  | (2.2)                  | (8.4)                  | (2.3)                  | (2.3)                  | (2.4)                  | (2.5)                  | (2.5)                  | (2.6)                  | (23.1)  |
| Sustainability                                   |         | 0.0    | 1.5         | (1.5)                  | (1.6)                  | (1.6)                  | (1.7)                  | (6.4)                  | (1.7)                  | (1.8)                  | (1.8)                  | (1.9)                  | (1.9)                  | (2.0)                  | (17.5)  |
| Indigenous Leadership & Engagement               |         | 0.1    | 0.9         | (0.9)                  | (0.9)                  | (0.9)                  | (1.0)                  | (3.7)                  | (1.0)                  | (1.0)                  | (1.1)                  | (1.1)                  | (1.1)                  | (1.2)                  | (10.2)  |
| <b>People Performance &amp; Technology</b>       |         | 2.9    | 52.5        | (49.6)                 | (51.1)                 | (52.5)                 | (53.9)                 | (207.1)                | (55.5)                 | (57.1)                 | (58.8)                 | (60.6)                 | (62.4)                 | (64.3)                 | (565.7) |
| Customer Service                                 |         | 2.8    | 7.3         | (4.5)                  | (4.6)                  | (4.7)                  | (4.8)                  | (18.6)                 | (5.0)                  | (5.1)                  | (5.3)                  | (5.4)                  | (5.6)                  | (5.8)                  | (50.8)  |
| Internal Office Services                         |         | 0.0    | 0.3         | (0.3)                  | (0.3)                  | (0.3)                  | (0.3)                  | (1.2)                  | (0.3)                  | (0.3)                  | (0.3)                  | (0.4)                  | (0.4)                  | (0.4)                  | (3.3)   |
| Corporate Human Resources                        |         | 0.0    | 6.6         | (6.6)                  | (6.8)                  | (7.0)                  | (7.2)                  | (27.7)                 | (7.4)                  | (7.7)                  | (7.9)                  | (8.1)                  | (8.4)                  | (8.6)                  | (75.8)  |
| Work Health & Safety                             |         | 0.0    | 2.2         | (2.2)                  | (2.2)                  | (2.3)                  | (2.4)                  | (9.1)                  | (2.4)                  | (2.5)                  | (2.6)                  | (2.7)                  | (2.7)                  | (2.8)                  | (24.8)  |
| People Performance & Technology                  |         | 0.0    | 1.2         | (1.2)                  | (1.3)                  | (1.3)                  | (1.3)                  | (5.1)                  | (1.3)                  | (1.2)                  | (1.3)                  | (1.3)                  | (1.4)                  | (1.4)                  | (12.9)  |
| Business & Service Improvement                   |         | 0.0    | 1.1         | (1.1)                  | (1.2)                  | (1.2)                  | (1.2)                  | (4.7)                  | (1.3)                  | (1.3)                  | (1.3)                  | (1.4)                  | (1.4)                  | (1.5)                  | (12.9)  |
| Data & Information Management Services           |         | 0.0    | 8.2         | (8.2)                  | (8.5)                  | (8.7)                  | (8.9)                  | (34.3)                 | (9.2)                  | (9.5)                  | (9.8)                  | (10.1)                 | (10.4)                 | (10.7)                 | (93.9)  |
| Technology & Digital Services                    |         | 0.0    | 25.5        | (25.5)                 | (26.2)                 | (27.0)                 | (27.8)                 | (106.4)                | (28.6)                 | (29.4)                 | (30.3)                 | (31.2)                 | (32.2)                 | (33.1)                 | (291.3) |
| <b>Chief Financial Office</b>                    |         | 0.6    | 11.2        | (10.6)                 | (10.9)                 | (11.0)                 | (11.3)                 | (43.9)                 | (11.7)                 | (12.0)                 | (12.4)                 | (12.8)                 | (13.1)                 | (13.5)                 | (119.4) |
| <b>Legal &amp; Governance</b>                    |         | 1.9    | 14.9        | (13.0)                 | (13.4)                 | (15.5)                 | (14.3)                 | (56.1)                 | (14.7)                 | (15.3)                 | (17.6)                 | (16.3)                 | (16.9)                 | (17.4)                 | (154.3) |
| <b>Corporate Costs</b>                           |         | 385.1  | (8.8)       | 393.9                  | 402.9                  | 412.4                  | 427.9                  | 1,637.1                | 439.0                  | 451.5                  | 463.4                  | 475.5                  | 488.0                  | 501.1                  | 4,455.7 |
| <b>Council</b>                                   |         | 651.1  | 530.1       | 121.0                  | 130.1                  | 130.2                  | 143.5                  | 524.8                  | 136.8                  | 146.0                  | 152.8                  | 155.4                  | 150.1                  | 151.6                  | 1,417.5 |

## Long Term Financial Plan 2022-23 to 2031/32

### City of Sydney

#### Summary of Income and Expenditure by Principal Activity

The schedule below reflects the Strategic Directions from *Sustainable Sydney 2030-2050* as 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 all) 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. Other Principal Activities (such as Design excellence and sustainable development), will be delivered primarily via operational expenditure, rather than directly through capital works.

The summary of income and expenditure by Principal Activity below includes both the proposed operational budgets and the capital works program (for 2022/23) to better reflect the allocation of Council funds towards these major directions.

|  | 2022/23                       |              |                           |              | 2023/24      | 2024/25     | 2025/26     | 2026/27     | 2027/28     | 2028/29     | 2029/30     | 2030/31     | 2031/32     |
|--|-------------------------------|--------------|---------------------------|--------------|--------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
|  | Income                        | Expenditure  | Net Surplus/<br>(Deficit) | Capital      |              |             |             |             |             |             |             |             |             |
|  | Net Surplus/(Deficit) by Year |              |                           |              |              |             |             |             |             |             |             |             |             |
| Responsible governance and stewardship           | 490.0                         | 284.6        | 205.4                     | 36.5         | 243.6        | 246.4       | 248.3       | 242.7       | 256.8       | 276.2       | 278.6       | 276.0       | 284.9       |
| A leading environmental performer                | 1.0                           | 88.6         | (87.6)                    | 21.0         | (91.1)       | (94.0)      | (96.9)      | (100.1)     | (103.6)     | (106.9)     | (110.4)     | (113.9)     | (117.6)     |
| Public places for all                            | 43.9                          | 74.7         | (30.8)                    | 84.8         | (32.8)       | (35.5)      | (35.8)      | (36.9)      | (38.5)      | (39.6)      | (40.8)      | (42.2)      | (43.5)      |
| Design excellence and sustainable development    | 82.9                          | 46.4         | 36.5                      | 0.0          | 28.6         | 23.8        | 12.1        | 11.5        | 12.6        | 10.2        | 12.5        | 6.5         | 5.5         |
| A city for walking, cycling and public transport | 51.3                          | 15.5         | 35.9                      | 45.7         | 35.6         | 35.2        | 35.9        | 36.5        | 38.4        | 40.3        | 41.0        | 41.8        | 42.6        |
| An equitable and inclusive city                  | 7.2                           | 38.7         | (31.4)                    | 0.7          | (35.7)       | (36.7)      | (37.8)      | (38.9)      | (40.0)      | (41.2)      | (42.4)      | (43.6)      | (44.9)      |
| Resilient and diverse communities                | 48.1                          | 52.6         | (4.5)                     | 12.5         | 0.8          | 0.8         | 0.9         | 0.9         | 0.9         | 0.9         | 0.9         | 0.8         | 0.8         |
| A thriving cultural and creative life            | 0.7                           | 11.8         | (11.2)                    | 3.5          | (11.3)       | (11.6)      | (11.9)      | (12.3)      | (12.7)      | (13.0)      | (13.4)      | (13.8)      | (14.3)      |
| A transformed and innovative economy             | 2.3                           | 32.0         | (29.6)                    | 7.5          | (30.2)       | (31.1)      | (26.5)      | (28.0)      | (28.1)      | (29.0)      | (29.8)      | (30.7)      | (32.5)      |
| Housing for all                                  | 0.0                           | 5.4          | (5.4)                     | 0.0          | (2.6)        | (2.8)       | (4.9)       | (3.1)       | (3.3)       | (3.5)       | (6.7)       | (3.9)       | (4.1)       |
| <b>Total Council</b>                             | <b>727.4</b>                  | <b>650.3</b> | <b>77.1</b>               | <b>212.1</b> | <b>104.8</b> | <b>94.5</b> | <b>83.3</b> | <b>72.3</b> | <b>82.6</b> | <b>94.3</b> | <b>89.5</b> | <b>76.9</b> | <b>77.0</b> |

## Long Term Financial Plan 2022-23 to 2031/32

### 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 | 2022/23      | 2023/24      | 2024/25      | 2025/26      | 4 Years Total | 2026/27      | 2027/28      | 2028/29      | 2029/30      | 2030/31      | 2031/32      | 10 Year Total  | Total Project Budget |
|---|-------------------|--------------|--------------|--------------|--------------|---------------|--------------|--------------|--------------|--------------|--------------|--------------|----------------|----------------------|
| <b>Asset Enhancement</b>                          |                   |              |              |              |              |               |              |              |              |              |              |              |                |                      |
| Bicycle Related Works                             | 32.5              | 21.8         | 27.2         | 20.1         | 0.3          | 69.4          | 2.3          | 6.3          | 2.1          | 6.5          |              |              | 86.6           | 119.0                |
| Green Infrastructure                              | 31.9              | 2.1          | 0.5          | 1.6          | 1.8          | 6.0           | 0.9          | 0.3          |              |              |              |              | 7.2            | 39.1                 |
| Open Space & Parks                                | 96.9              | 18.4         | 26.1         | 18.8         | 17.3         | 80.6          | 20.4         | 27.2         | 24.1         | 18.3         | 24.1         | 26.3         | 221.0          | 317.9                |
| Properties - Community, Cultural and Recreational | 128.8             | 19.6         | 16.3         | 17.8         | 4.5          | 58.3          | 18.5         | 14.3         | 17.0         | 13.4         | 12.0         | 11.0         | 144.5          | 273.2                |
| Properties - Investment and Operational           | 6.7               | 1.1          |              |              | 0.4          | 1.5           | 2.5          | 6.0          | 19.0         | 17.0         | 11.5         | 8.0          | 65.5           | 72.2                 |
| Public Art  | 7.4               | 2.8          | 2.9          | 2.2          | 1.6          | 9.4           | 1.8          | 0.8          | 1.5          | 1.5          | 1.5          | 1.0          | 17.5           | 25.0                 |
| Public Domain                                     | 188.3             | 36.6         | 32.8         | 26.5         | 30.6         | 126.5         | 15.9         | 32.7         | 22.1         | 19.8         | 28.9         | 31.1         | 277.0          | 465.3                |
| Stormwater Drainage                               | 79.9              | 9.3          | 14.6         | 4.2          | 4.2          | 32.3          | 5.0          | 5.7          | 5.7          | 5.6          | 5.6          | 5.1          | 64.9           | 144.8                |
| <b>Asset Enhancement Projects Total</b>           | <b>572.3</b>      | <b>111.7</b> | <b>120.4</b> | <b>91.4</b>  | <b>60.6</b>  | <b>384.1</b>  | <b>67.2</b>  | <b>93.3</b>  | <b>91.5</b>  | <b>82.1</b>  | <b>83.6</b>  | <b>82.5</b>  | <b>884.2</b>   | <b>1,456.5</b>       |
| <b>Asset Renewal (Rolling Programs)</b>           |                   |              |              |              |              |               |              |              |              |              |              |              |                |                      |
| Infrastructure - Roads Bridges Footways           |                   | 11.8         | 16.3         | 15.0         | 17.8         | 60.9          | 19.2         | 20.1         | 20.9         | 21.6         | 22.9         | 22.9         | 188.5          | 188.5                |
| Open Space & Parks                                |                   | 21.3         | 26.3         | 28.2         | 23.1         | 99.0          | 20.3         | 24.6         | 27.6         | 27.2         | 29.1         | 28.7         | 256.5          | 256.5                |
| Properties Assets                                 |                   | 29.2         | 38.4         | 36.8         | 34.7         | 139.0         | 39.1         | 32.0         | 28.3         | 27.7         | 27.7         | 27.4         | 321.2          | 321.2                |
| Public Art  |                   | 1.2          | 1.4          | 1.4          | 0.7          | 4.8           | 0.9          | 1.0          | 0.8          | 0.7          | 0.8          | 0.9          | 9.9            | 9.9                  |
| Public Domain                                     |                   | 24.0         | 15.7         | 12.6         | 11.8         | 64.1          | 11.6         | 12.5         | 13.5         | 12.9         | 16.0         | 18.2         | 148.8          | 148.8                |
| Stormwater Drainage                               |                   | 3.0          | 6.0          | 6.0          | 6.0          | 21.0          | 4.0          | 3.7          | 3.7          | 3.7          | 3.7          | 3.7          | 43.2           | 43.2                 |
| <b>Asset Renewal Programs Total</b>               |                   | <b>90.5</b>  | <b>104.1</b> | <b>100.0</b> | <b>94.1</b>  | <b>388.7</b>  | <b>95.1</b>  | <b>93.8</b>  | <b>94.7</b>  | <b>93.8</b>  | <b>100.1</b> | <b>101.8</b> | <b>968.1</b>   | <b>968.1</b>         |
| <b>TOTAL CAPITAL WORKS</b>                        | <b>572.3</b>      | <b>202.1</b> | <b>224.5</b> | <b>191.4</b> | <b>154.7</b> | <b>772.8</b>  | <b>162.3</b> | <b>187.1</b> | <b>186.2</b> | <b>175.9</b> | <b>183.7</b> | <b>184.3</b> | <b>1,852.3</b> | <b>2,424.6</b>       |
| <b>Contingency</b>                                |                   |              |              |              |              |               |              |              |              |              |              |              |                |                      |
| Capital Works Contingency                         |                   | 10.0         |              |              |              | 10.0          |              |              |              |              |              |              | 10.0           | 10.0                 |
| <b>Total Contingency</b>                          |                   | <b>10.0</b>  | <b>0.0</b>   | <b>0.0</b>   | <b>0.0</b>   | <b>10.0</b>   | <b>0.0</b>   | <b>0.0</b>   | <b>0.0</b>   | <b>0.0</b>   | <b>0.0</b>   | <b>0.0</b>   | <b>10.0</b>    | <b>10.0</b>          |

## Long Term Financial Plan 2022-23 to 2031/32

### City of Sydney

#### Capital Works Individual Projects > \$5M

| \$M  |   | Prior Years Total | 2022/23 | 2023/24 | 2024/25 | 2025/26 | 4 Years Total | 2026/27 | 2027/28 | 2028/29 | 2029/30 | 2030/31 | 2031/32 | 10 Year Total | Total Project Budget |
|--|---|-------------------|---------|---------|---------|---------|---------------|---------|---------|---------|---------|---------|---------|---------------|----------------------|
| Project Name   | Project Group                             |                   |         |         |         |         |               |         |         |         |         |         |         |               |                      |
| Belmore Park   | Open Space & Parks - Asset Renewal        |                   | 0.0     |         | 0.2     | 0.6     | 0.8           | 2.0     | 4.0     | 4.0     | 2.2     |         |         | 13.0          | 13.0                 |
| Open Space Renewal - Hyde Park Lighting                      | Open Space & Parks - Asset Renewal        | 0.8               | 0.5     | 8.2     | 5.0     | 1.2     | 15.0          |         |         |         |         |         |         | 15.0          | 15.7                 |
| Customs House – Façade Upgrade stage 2                       | Properties Assets - Asset Renewal         | 0.1               | 0.2     | 1.3     | 3.9     | 3.4     | 8.9           |         |         |         |         |         |         | 8.9           | 9.0                  |
| Town Hall House, Façade Remediation                          | Properties Assets - Asset Renewal         | 0.4               | 0.5     | 3.8     | 4.4     | 3.0     | 11.7          |         |         |         |         |         |         | 11.7          | 12.1                 |
| 343 George St - Facade Remediation & Facade Lighting         | Properties Assets - Asset Renewal         | 0.4               | 3.0     | 2.8     |         | 2.5     | 8.3           | 5.9     | 1.6     |         |         |         |         | 15.8          | 16.1                 |
| Sydney Town Hall External Works Stage 3                      | Properties Assets - Asset Renewal         | 9.6               | 2.2     | 2.1     | 2.1     |         | 6.4           |         |         |         |         |         |         | 6.4           | 16.0                 |
| Sydney Park Brick Kilns - Renewal Works                      | Properties Assets - Asset Renewal         | 0.5               | 0.8     | 3.8     | 6.1     | 4.9     | 15.5          |         |         |         |         |         |         | 15.5          | 16.0                 |
| Goulburn St Parking Station - Whole of structure remediation | Properties Assets - Asset Renewal         |                   | 1.0     | 4.8     | 4.8     | 4.8     | 15.3          | 4.8     | 1.2     | 1.2     | 1.2     | 1.2     | 1.2     | 26.0          | 26.0                 |
| Bay Street East - Depot Redevelopment                        | Properties Assets - Asset Renewal         |                   | 0.5     | 2.0     | 3.0     | 10.0    | 15.5          | 20.0    | 7.0     |         |         |         |         | 42.5          | 42.5                 |
| City Centre Public Spaces - Shakespeare Place                | Public Domain - Asset Renewal             |                   | 0.0     |         |         |         | 0.0           |         |         |         |         | 3.0     | 3.0     | 6.0           | 6.0                  |
| Oxford St wedt and Liverpool St Cycleway                     | Bicycle Related Works - Asset Enhancement | 0.5               | 1.0     | 7.5     | 2.6     |         | 11.1          |         |         |         |         |         |         | 11.1          | 11.6                 |
| Ersleville Alexandria Precinct Cycleway Links                | Bicycle Related Works - Asset Enhancement | 3.0               | 3.2     | 2.8     |         |         | 6.0           |         |         |         |         |         |         | 6.0           | 9.0                  |
| Castlereagh Street Cycleway - North                          | Bicycle Related Works - Asset Enhancement | 0.7               | 4.7     | 10.3    | 6.4     |         | 21.4          |         |         |         |         |         |         | 21.4          | 22.1                 |
| College Street Cycleway                                      | Bicycle Related Works - Asset Enhancement | 1.1               | 4.3     |         |         |         | 4.3           |         |         |         |         |         |         | 4.3           | 5.4                  |
| Surry Hills to Central Cycleway                              | Bicycle Related Works - Asset Enhancement |                   | 0.2     | 0.4     |         |         | 0.5           |         |         |         | 5.2     |         |         | 5.7           | 5.7                  |
| King St Cycleway - Stage 2                                   | Bicycle Related Works - Asset Enhancement | 2.0               | 0.5     | 0.4     | 2.0     | 0.2     | 3.0           | 0.4     | 1.5     |         |         |         |         | 4.9           | 6.9                  |
| Forest Lodge to City South Bike Network Link                 | Bicycle Related Works - Asset Enhancement | 0.2               | 2.0     | 1.8     | 3.2     |         | 7.0           |         |         |         |         |         |         | 7.0           | 7.2                  |
| Wellington Street Bike Network Link                          | Bicycle Related Works - Asset Enhancement |                   | 0.2     | 0.4     | 4.5     |         | 5.0           |         |         |         |         |         |         | 5.0           | 5.0                  |
| Drying Green Park  | Open Space & Parks - Asset Enhancement    | 15.1              | 0.2     |         |         |         | 0.2           |         |         |         |         |         |         | 0.2           | 15.3                 |
| Wimbo Park Surry Hills                                       | Open Space & Parks - Asset Enhancement    | 0.6               | 1.3     | 3.6     |         |         | 4.9           |         |         |         |         |         |         | 4.9           | 5.6                  |
| City Centre Playground Works                                 | Open Space & Parks - Asset Enhancement    | 0.3               | 0.2     | 0.9     | 4.8     | 0.8     | 6.6           |         |         |         |         |         |         | 6.6           | 7.0                  |
| New Linear Park - Euston Road To Bourke Road                 | Open Space & Parks - Asset Enhancement    |                   | 0.0     |         |         | 2.0     | 2.0           | 2.0     | 3.0     | 3.0     |         |         |         | 10.0          | 10.0                 |

## Long Term Financial Plan 2022-23 to 2031/32

### City of Sydney

#### Capital Works Individual Projects > \$5M

| Project Name   | Project Group   | \$M | Prior Years Total | 2022/23 | 2023/24 | 2024/25 | 2025/26 | 4 Years Total | 2026/27 | 2027/28 | 2028/29 | 2029/30 | 2030/31 | 2031/32 | 10 Year Total | Total Project Budget |
|--|---|-----|-------------------|---------|---------|---------|---------|---------------|---------|---------|---------|---------|---------|---------|---------------|----------------------|
|  |   |     |                   |         |         |         |         |               |         |         |         |         |         |         |               |                      |
| Synthetic Sports Field Installations - Perry Park            | Open Space & Parks - Asset Enhancement                                |     | 0.9               | 2.2     | 5.1     | 0.5     |         | 7.8           |         |         |         |         |         |         | 7.8           | 8.6                  |
| Alexandria School and Park Synthetic Sportsfield - Joint Use | Open Space & Parks - Asset Enhancement                                |     | 3.9               | 3.0     | 1.0     |         |         | 4.0           |         |         |         |         |         |         | 4.0           | 7.8                  |
| Mandible Street Sports Precinct                              | Open Space & Parks - Asset Enhancement                                |     |                   | 0.0     | 0.3     | 0.3     | 0.5     | 1.0           | 5.0     | 14.0    | 10.0    |         |         |         | 30.0          | 30.0                 |
| Sydney Park - Fmr Nursery Re-use                             | Open Space & Parks - Asset Enhancement                                |     |                   | 0.2     | 0.8     | 2.0     | 2.2     | 5.2           | 1.3     |         |         |         |         |         | 6.4           | 6.4                  |
| Gunyama Park Stage 2 & George Julius Avenue North            | Open Space & Parks - Asset Enhancement                                |     | 0.1               | 0.4     | 8.0     | 8.4     | 1.7     | 18.4          |         |         |         |         |         |         | 18.4          | 18.4                 |
| Moore Park - Golf Course Conversion to Open Space            | Open Space & Parks - Asset Enhancement                                |     |                   | 0.0     |         |         |         | 0.0           |         |         | 0.3     | 0.7     | 4.5     | 4.5     | 10.0          | 10.0                 |
| City North Observatory Hill Park Masterplan Upgrade          | Open Space & Parks - Asset Enhancement                                |     |                   |         |         |         |         | 0.0           | 0.3     | 1.2     | 0.5     |         |         |         | 2.0           | 2.0                  |
| SSHS - Stage 2 (Cultural/Community/Health Facilities)        | Properties - Community, Cultural and Recreational - Asset Enhancement |     | 4.8               | 8.7     | 7.1     | 4.0     |         | 19.8          |         |         |         |         |         |         | 19.8          | 24.6                 |
| New Childcare - Fig & Wattle Street Ultimo                   | Properties - Community, Cultural and Recreational - Asset Enhancement |     |                   | 0.0     |         |         |         | 0.0           | 8.0     |         |         |         |         |         | 8.0           | 8.0                  |
| Sports Facilities - Fig and Wattle Depot Site                | Properties - Community, Cultural and Recreational - Asset Enhancement |     |                   | 0.0     |         |         |         | 0.0           | 7.0     |         |         |         |         |         | 7.0           | 7.0                  |
| Huntley Street Recreation Centre - Development               | Properties - Community, Cultural and Recreational - Asset Enhancement |     | 1.1               | 0.4     | 6.0     | 10.8    | 1.5     | 18.6          |         |         |         |         |         |         | 18.6          | 19.8                 |
| George Street - Lend Lease Circular Quay VPA                 | Properties - Community, Cultural and Recreational - Asset Enhancement |     | 1.0               | 7.5     |         |         |         | 7.5           |         |         |         |         |         |         | 7.5           | 8.5                  |
| Pymont Community Centre Upgrade                              | Properties - Community, Cultural and Recreational - Asset Enhancement |     | 1.0               | 1.8     | 2.9     |         |         | 4.7           |         |         |         |         |         |         | 4.7           | 5.7                  |
| Ultimo Community Centre - Upgrade (Convert Library & OOSH)   | Properties - Community, Cultural and Recreational - Asset Enhancement |     |                   | 0.0     |         |         | 0.2     | 0.2           | 0.6     | 3.0     | 5.0     | 3.2     |         |         | 12.0          | 12.0                 |
| Bay St West - Former Depot Site Redevelopment                | Properties - Investment and Operational - Asset Enhancement           |     |                   | 0.0     |         |         |         | 0.0           | 0.5     | 3.0     | 15.0    | 15.0    | 6.5     |         | 40.0          | 40.0                 |
| City Centre - Barrack St masterplan                          | Public Domain - Asset Enhancement                                     |     |                   | 0.2     | 0.5     | 0.9     | 4.1     | 5.7           |         |         |         |         |         |         | 5.7           | 5.7                  |
| Hinchcliffe St (North), Woolpack St & Barker St (South)      | Public Domain - Asset Enhancement                                     |     |                   | 0.0     |         |         | 0.0     | 0.0           |         | 6.5     |         |         |         |         | 6.5           | 6.5                  |
| Zetland Ave (West) - Paul St to Portman St                   | Public Domain - Asset Enhancement                                     |     | 7.4               | 1.4     |         |         |         | 1.4           |         |         |         |         |         |         | 1.4           | 8.8                  |
| Green Square to Ashmore Connection                           | Public Domain - Asset Enhancement                                     |     | 8.4               | 7.7     | 6.8     | 2.0     |         | 16.5          |         |         |         |         |         |         | 16.5          | 24.9                 |
| Kings Cross Public Domain - Macleay Street                   | Public Domain - Asset Enhancement                                     |     | 11.5              | 0.4     |         |         |         | 0.4           |         |         |         |         |         |         | 0.4           | 11.9                 |
| Crown Street Public Domain                                   | Public Domain - Asset Enhancement                                     |     | 0.8               | 3.5     | 6.3     | 6.6     | 7.0     | 23.4          | 3.7     |         |         |         |         |         | 27.1          | 27.9                 |
| Regent Street Redfern  | Public Domain - Asset Enhancement                                     |     |                   | 0.0     |         | 0.3     | 0.7     | 1.0           | 5.0     | 7.0     | 5.0     |         |         |         | 18.0          | 18.0                 |

Capital Works Individual Projects > \$5M

|  |   | Prior Years<br>Total | 2022/23 | 2023/24 | 2024/25 | 2025/26 | 4 Years<br>Total | 2026/27 | 2027/28 | 2028/29 | 2029/30 | 2030/31 | 2031/32 | 10 Year<br>Total | Total Project<br>Budget |
|--|---|----------------------|---------|---------|---------|---------|------------------|---------|---------|---------|---------|---------|---------|------------------|-------------------------|
| Project Name   | Project Group                           |                      |         |         |         |         |                  |         |         |         |         |         |         |                  |                         |
| George Street South Pedestrianisation                        | Public Domain - Asset Enhancement       | 29.9                 | 13.6    |         |         |         | 13.6             |         |         |         |         |         |         | 13.6             | 43.5                    |
| Danks Street South - Public Domain Works                     | Public Domain - Asset Enhancement       |                      | 0.0     |         |         |         | 0.0              |         |         |         | 5.0     |         |         | 5.0              | 5.0                     |
| Green Square Northern Precinct Public Domain Works           | Public Domain - Asset Enhancement       |                      | 0.0     |         |         |         | 0.0              |         | 5.0     |         |         |         |         | 5.0              | 5.0                     |
| Loftus St, Reiby Pl & Customs House Ln Upgrade               | Public Domain - Asset Enhancement       | 0.3                  | 2.8     | 5.0     |         |         | 7.8              |         |         |         |         |         |         | 7.8              | 8.0                     |
| George Street North Pedestrianisation (Hunter to Alfred Sts) | Public Domain - Asset Enhancement       |                      | 1.0     | 7.5     | 6.5     |         | 15.0             | 1.0     | 7.5     | 6.5     |         |         |         | 30.0             | 30.0                    |
| Ersleville Road Public Domain upgrade                        | Public Domain - Asset Enhancement       |                      | 0.0     |         |         |         | 0.0              |         | 0.2     | 5.0     | 6.0     | 0.8     |         | 12.0             | 12.0                    |
| Joynton Avenue Stormwater Drainage Upgrade                   | Stormwater Drainage - Asset Enhancement | 0.8                  | 8.2     | 13.3    |         |         | 21.5             |         |         |         |         |         |         | 21.5             | 22.3                    |



Long Term Financial Plan 2022-23 to 2031/32

City of Sydney

Balance Sheet

|  | \$'M | 2022/23         | 2023/24         | 2024/25         | 2025/26         | 2026/27         | 2027/28         | 2028/29         | 2029/30         | 2030/31         | 2031/32         |
|--|------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| <b>ASSETS</b>  |      |                 |                 |                 |                 |                 |                 |                 |                 |                 |                 |
| <b>Current Assets</b>  |      |                 |                 |                 |                 |                 |                 |                 |                 |                 |                 |
| Cash and Investments   |      | 482.6           | 350.6           | 383.0           | 476.1           | 419.1           | 392.0           | 362.0           | 274.4           | 269.7           | 261.4           |
| Receivables  |      | 99.7            | 101.8           | 103.5           | 105.1           | 104.8           | 106.7           | 110.4           | 112.5           | 112.3           | 114.2           |
| Prepayments  |      | 7.1             | 7.1             | 7.1             | 7.1             | 7.1             | 7.1             | 7.1             | 7.1             | 7.1             | 7.1             |
| Inventory  |      | 1.0             | 1.0             | 1.0             | 1.0             | 1.0             | 1.0             | 1.0             | 1.0             | 1.0             | 1.0             |
| <b>Current Assets Total</b>                                  |      | <b>590.4</b>    | <b>460.5</b>    | <b>494.6</b>    | <b>589.3</b>    | <b>532.0</b>    | <b>506.7</b>    | <b>480.5</b>    | <b>395.0</b>    | <b>390.2</b>    | <b>383.6</b>    |
| <b>Non-Current Assets</b>                                    |      |                 |                 |                 |                 |                 |                 |                 |                 |                 |                 |
| Capital Works, Infrastructure, Investment Properties and P&A |      | 12,307.4        | 12,541.4        | 12,610.9        | 12,586.8        | 12,712.6        | 12,815.9        | 12,928.2        | 13,096.7        | 13,175.7        | 13,253.1        |
| <b>Non Current Assets</b>                                    |      | <b>12,307.4</b> | <b>12,541.4</b> | <b>12,610.9</b> | <b>12,586.8</b> | <b>12,712.6</b> | <b>12,815.9</b> | <b>12,928.2</b> | <b>13,096.7</b> | <b>13,175.7</b> | <b>13,253.1</b> |
| <b>Total Assets</b>  |      | <b>12,897.9</b> | <b>13,001.9</b> | <b>13,105.5</b> | <b>13,176.1</b> | <b>13,244.6</b> | <b>13,322.6</b> | <b>13,408.7</b> | <b>13,491.7</b> | <b>13,565.8</b> | <b>13,636.7</b> |
| <b>LIABILITIES</b>   |      |                 |                 |                 |                 |                 |                 |                 |                 |                 |                 |
| <b>Current Liabilities</b>                                   |      |                 |                 |                 |                 |                 |                 |                 |                 |                 |                 |
| Payables   |      | 275.0           | 270.6           | 277.2           | 262.0           | 254.3           | 247.5           | 238.4           | 228.8           | 220.5           | 210.7           |
| Provisions   |      | 77.4            | 81.1            | 83.6            | 86.1            | 90.1            | 92.3            | 93.1            | 96.1            | 101.7           | 105.4           |
| <b>Current Liabilities Total</b>                             |      | <b>352.5</b>    | <b>351.7</b>    | <b>360.8</b>    | <b>348.1</b>    | <b>344.4</b>    | <b>339.8</b>    | <b>331.6</b>    | <b>325.0</b>    | <b>322.2</b>    | <b>316.1</b>    |
| <b>Non-Current Liabilities</b>                               |      |                 |                 |                 |                 |                 |                 |                 |                 |                 |                 |
| Provisions   |      | 23.7            | 23.7            | 23.7            | 23.7            | 23.7            | 23.7            | 23.7            | 23.7            | 23.7            | 23.7            |
| <b>Non-Current Liabilities Total</b>                         |      | <b>23.7</b>     | <b>23.7</b>     | <b>23.7</b>     | <b>23.7</b>     | <b>23.7</b>     | <b>23.7</b>     | <b>23.7</b>     | <b>23.7</b>     | <b>23.7</b>     | <b>23.7</b>     |
| <b>Total Liabilities</b>                                     |      | <b>376.2</b>    | <b>375.4</b>    | <b>384.5</b>    | <b>371.8</b>    | <b>368.0</b>    | <b>363.5</b>    | <b>355.2</b>    | <b>348.7</b>    | <b>345.9</b>    | <b>339.8</b>    |
| <b>Net Assets</b>  |      | <b>12,521.7</b> | <b>12,626.5</b> | <b>12,721.0</b> | <b>12,804.3</b> | <b>12,876.6</b> | <b>12,959.1</b> | <b>13,053.5</b> | <b>13,143.0</b> | <b>13,219.9</b> | <b>13,297.0</b> |
| <b>EQUITY</b>  |      |                 |                 |                 |                 |                 |                 |                 |                 |                 |                 |
| <b>Equity</b>  |      | <b>12,521.7</b> | <b>12,626.5</b> | <b>12,721.0</b> | <b>12,804.3</b> | <b>12,876.6</b> | <b>12,959.1</b> | <b>13,053.5</b> | <b>13,143.0</b> | <b>13,219.9</b> | <b>13,297.0</b> |

**City of Sydney**  
Cash Flow Forecast

Long Term Financial Plan 2022-23 to 2031/32

| \$M  | 2022/23        | 2023/24        | 2024/25        | 2025/26       | 2026/27        | 2027/28        | 2028/29        | 2029/30        | 2030/31        | 2031/32        |
|--|----------------|----------------|----------------|---------------|----------------|----------------|----------------|----------------|----------------|----------------|
| <b>Revenue:</b>                                |                |                |                |               |                |                |                |                |                |                |
| Rates and Annual Charges                       | 387.5          | 397.3          | 407.3          | 422.6         | 433.4          | 444.5          | 456.0          | 467.8          | 480.0          | 492.6          |
| Other Operating Income                         | 262.1          | 272.9          | 281.9          | 290.2         | 288.3          | 303.0          | 318.0          | 328.6          | 327.8          | 337.3          |
| <b>Operating Income</b>                        | <b>649.6</b>   | <b>670.2</b>   | <b>689.3</b>   | <b>712.7</b>  | <b>721.7</b>   | <b>747.5</b>   | <b>774.1</b>   | <b>796.5</b>   | <b>807.8</b>   | <b>830.0</b>   |
| <b>Expenses:</b>                               |                |                |                |               |                |                |                |                |                |                |
| Salary & Wages Expenditure                     | 256.2          | 263.8          | 270.9          | 277.8         | 286.3          | 292.4          | 300.7          | 309.3          | 318.5          | 328.9          |
| Other Operating Expenditure                    | 272.4          | 276.3          | 288.2          | 291.4         | 298.6          | 309.0          | 320.6          | 331.8          | 339.2          | 349.5          |
| <b>Operating Expenditure</b>                   | <b>528.6</b>   | <b>540.1</b>   | <b>559.1</b>   | <b>569.3</b>  | <b>584.9</b>   | <b>601.5</b>   | <b>621.3</b>   | <b>641.0</b>   | <b>657.7</b>   | <b>678.4</b>   |
| <b>Operating Surplus</b>                       | <b>121.0</b>   | <b>130.1</b>   | <b>130.2</b>   | <b>143.5</b>  | <b>136.8</b>   | <b>146.0</b>   | <b>152.8</b>   | <b>155.4</b>   | <b>150.1</b>   | <b>151.6</b>   |
| <b>Other Non Operating:</b>                    |                |                |                |               |                |                |                |                |                |                |
| Interest income                                | 7.5            | 6.4            | 6.5            | 8.7           | 9.0            | 8.2            | 9.5            | 9.6            | 8.2            | 8.0            |
| Capital Related Project Expenses*              | (5.8)          | (9.5)          | (9.5)          | (9.8)         | (9.8)          | (10.0)         | (10.1)         | (10.3)         | (10.4)         | (10.7)         |
| Depreciation                                   | (114.4)        | (115.9)        | (117.5)        | (119.2)       | (120.5)        | (122.5)        | (124.3)        | (125.6)        | (127.7)        | (129.7)        |
| Capital Grants and Contributions               | 68.9           | 93.7           | 84.8           | 60.0          | 56.8           | 60.8           | 66.5           | 60.4           | 56.7           | 57.7           |
| <b>Net Surplus/(Deficit)</b>                   | <b>77.1</b>    | <b>104.8</b>   | <b>94.5</b>    | <b>83.3</b>   | <b>72.3</b>    | <b>82.6</b>    | <b>94.3</b>    | <b>89.5</b>    | <b>76.9</b>    | <b>77.0</b>    |
| <b>Add Back:</b>                               |                |                |                |               |                |                |                |                |                |                |
| Depreciation                                   | 114.4          | 115.9          | 117.5          | 119.2         | 120.5          | 122.5          | 124.3          | 125.6          | 127.7          | 129.7          |
| Non-Cash Asset Adjustments                     | 0.0            | 0.0            | 0.0            | 0.0           | 0.0            | 0.0            | 0.0            | 0.0            | 0.0            | 0.0            |
| <b>Cash Surplus before Capital Expenditure</b> | <b>191.5</b>   | <b>220.7</b>   | <b>212.0</b>   | <b>202.4</b>  | <b>192.8</b>   | <b>205.0</b>   | <b>218.6</b>   | <b>215.2</b>   | <b>204.6</b>   | <b>206.7</b>   |
| <b>Capital Expenditure</b>                     |                |                |                |               |                |                |                |                |                |                |
| Capital Works                                  | (212.1)        | (224.5)        | (191.4)        | (154.7)       | (162.3)        | (187.1)        | (186.2)        | (175.9)        | (183.7)        | (184.3)        |
| Plant and Asset Acquisitions/ICT Projects      | (19.9)         | (24.4)         | (24.2)         | (24.4)        | (24.1)         | (23.6)         | (23.4)         | (23.2)         | (23.0)         | (22.8)         |
| Property (Acquisitions)/Divestments            | (147.8)        | (101.0)        | 28.7           | 84.0          | (60.0)         | (15.0)         | (27.0)         | (95.0)         | 0.0            | 0.0            |
| <b>Total Capital Expenditure</b>               | <b>(379.9)</b> | <b>(349.9)</b> | <b>(186.9)</b> | <b>(95.1)</b> | <b>(246.4)</b> | <b>(225.7)</b> | <b>(236.6)</b> | <b>(294.1)</b> | <b>(206.7)</b> | <b>(207.1)</b> |
| <b>Net Receivables/Payables Movement</b>       | <b>13.8</b>    | <b>(2.8)</b>   | <b>7.4</b>     | <b>(14.3)</b> | <b>(3.4)</b>   | <b>(6.5)</b>   | <b>(12.0)</b>  | <b>(8.6)</b>   | <b>(2.6)</b>   | <b>(7.9)</b>   |
| <b>Cash Surplus/(Deficit)</b>                  | <b>(174.5)</b> | <b>(132.0)</b> | <b>32.4</b>    | <b>93.1</b>   | <b>(57.0)</b>  | <b>(27.2)</b>  | <b>(30.0)</b>  | <b>(87.6)</b>  | <b>(4.7)</b>   | <b>(8.3)</b>   |
| <b>Total Cash at Beginning of Period</b>       | <b>657.1</b>   | <b>482.6</b>   | <b>350.6</b>   | <b>383.0</b>  | <b>476.1</b>   | <b>419.1</b>   | <b>392.0</b>   | <b>362.0</b>   | <b>274.4</b>   | <b>269.7</b>   |
| Cash Surplus/(Deficit)                         | (174.5)        | (132.0)        | 32.4           | 93.1          | (57.0)         | (27.2)         | (30.0)         | (87.6)         | (4.7)          | (8.3)          |
| <b>Total Cash at End of Period</b>             | <b>482.6</b>   | <b>350.6</b>   | <b>383.0</b>   | <b>476.1</b>  | <b>419.1</b>   | <b>392.0</b>   | <b>362.0</b>   | <b>274.4</b>   | <b>269.7</b>   | <b>261.4</b>   |

\* This item of expenditure is included within Materials and Contracts expense on the Income Statement

**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 *Asset Recognition and Capitalisation Policy*.

**Summary of Expenditure - 2022/23**

|  | 2022/23      |              |             |
|--|--------------|--------------|-------------|
|  | Acquisitions | Sales        | Net Budget  |
| Books & Library Resources                          | 0.8          | 0.0          | <b>0.8</b>  |
| Information Technology (Equipment)                 | 2.3          | 0.0          | <b>2.3</b>  |
| Technology and Digital Services - Capital Projects | 7.0          | 0.0          | <b>7.0</b>  |
| Vehicles and Plant                                 | 6.8          | (0.5)        | <b>6.3</b>  |
| Equipment, Furniture & Fittings and Miscellaneous  | 3.6          | 0.0          | <b>3.6</b>  |
| <b>Total</b>                                       | <b>20.4</b>  | <b>(0.5)</b> | <b>19.9</b> |

**Statement of Business or Commercial Activities**

The City of Sydney expects to continue with Parking Stations as a Category 1 business activity. In a typical operating environment, 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.

OFFICE OF LOCAL GOVERNMENT PERFORMANCE MEASURES - PROJECTIONS

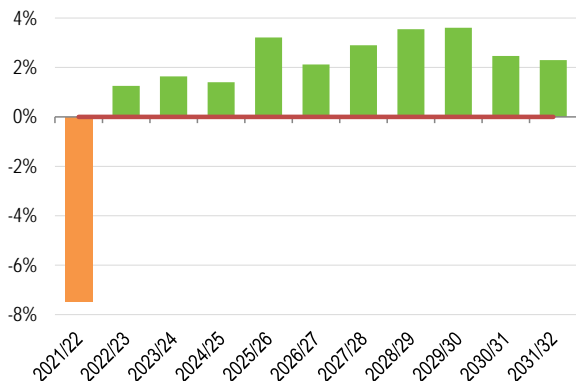
The City's performance in respect of the mandated Office of Local Government Performance measures is detailed below. The charts demonstrate performance trends on the basis of forward projections contained in the Long Term Financial Plan, and estimates related to future asset maintenance and renewal requirements (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 annual performance for each ratio shown - while longer term projections generally reflect above-benchmark performance against all measures, one-off impacts can result in minor fluctuations from year to year.

Sustainability

Operating Performance Ratio



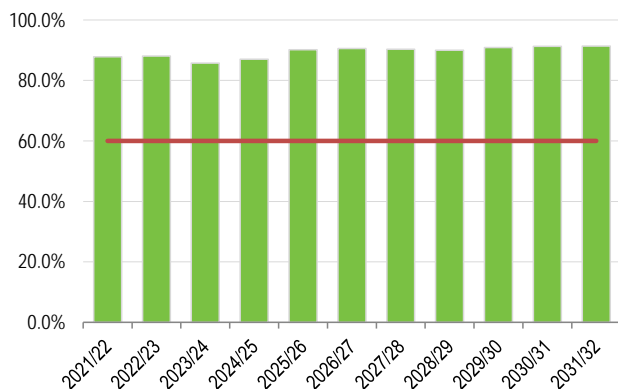
$$\frac{\text{Operating Revenue (excl Capital Grants \& Contributions)}}{\text{less Operating Expenses}}$$

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

The City's Operating Performance for 2021/22 has been significantly impacted by the continuation of the Covid-19 pandemic, particularly the Delta and Omicron variants that resulted in extended lockdowns and economic disruption. These impacts are beginning to ease in the latter part of the 2021/22 financial year.

Forward estimates anticipate a financial recovery reflecting a return to long term averages over time. The base case of the model relies upon the recovery of key income sources in 2022/23, and scenarios have been provided within this Long Term Financial Plan modelling financial impacts of an extended or delayed period of recovery.

Own Source Revenue



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

$$\text{(inclusive of Capital Grants and Contributions)}$$

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 assumed 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 in any given year by higher-than-expected capital income receipts.

Building and Infrastructure Asset Renewal Ratio



$$\frac{\text{Actual Asset Renewals}}{\text{Required Renewal* of Building and Infrastructure Assets}}$$

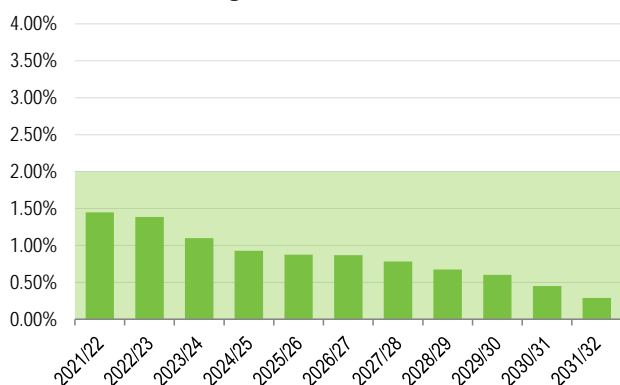
$$\text{Required Renewal* of Building and Infrastructure Assets}$$

Rather than utilise depreciation expense as an arbitrary proxy, the required renewal of building and infrastructure assets is instead sourced from the Asset Management Plan within the City's Integrated Planning and Reporting documents. Depreciation rates are also re-assessed regularly to reflect appropriate useful lives for assets, but the straight line methodology inevitably presents a limitation.

Ratio performance is forecast to exceed benchmark over the life of the plan. Performance in excess of the ratio benchmark is driven by large-scale capital works projects that provide a renewal benefit to major assets while achieving long term strategic goals. These major items are in addition to underlying capital renewal programs that meet cyclical renewal requirements.

### Infrastructure and Service Management

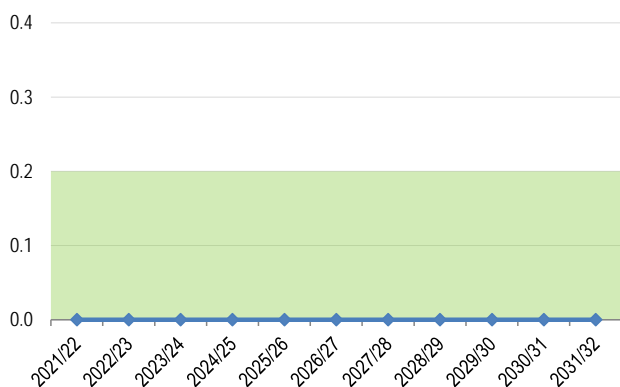
#### Infrastructure Backlog Ratio



#### Asset Maintenance Ratio

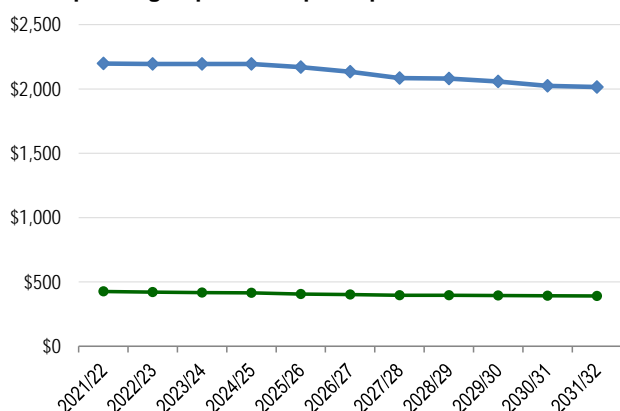


#### Debt Service Ratio



### 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 works.

#### Actual Asset Maintenance

#### Required Asset Maintenance

In line with the City's Asset Management Plan, asset maintenance is forecast to remain at (or near to) benchmark over the life of the plan (i.e 98% or higher).

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. Resourcing of asset maintenance and operating expenditure is considered in conjunction with capital renewal, as part of a holistic approach to asset management. 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 gradual decline in 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 (in a business-as-usual environment)

Long Term Financial Plan 2022-23 to 2031/32

**City of Sydney**

**Income Statement - Alternative Scenario 1a (Impact of approval of ASV on a temporary basis only on Net Operating Result)**

|  | \$'M | 2022/23      | 2023/24      | 2024/25      | 2025/26      | 4 Year Total   | 2026/27      | 2027/28      | 2028/29      | 2029/30      | 2030/31      | 2031/32      | 10 Year Total  |
|--|------|--------------|--------------|--------------|--------------|----------------|--------------|--------------|--------------|--------------|--------------|--------------|----------------|
| <b>Income from Continuing Operations</b>                 |      |              |              |              |              |                |              |              |              |              |              |              |                |
| Rates & Annual Charges                                   |      | 387.5        | 393.7        | 403.7        | 418.8        | 1,603.8        | 429.6        | 440.6        | 452.0        | 463.7        | 475.7        | 488.3        | 4,353.6        |
| Fees   |      | 126.9        | 126.8        | 128.0        | 131.4        | 513.0          | 134.9        | 139.7        | 144.6        | 148.5        | 152.5        | 156.6        | 1,389.8        |
| Interest Income  |      | 7.5          | 6.3          | 6.4          | 8.5          | 28.8           | 8.8          | 7.9          | 9.0          | 8.8          | 7.2          | 6.9          | 77.2           |
| Other Income   |      | 118.8        | 131.3        | 138.7        | 143.2        | 531.9          | 137.4        | 142.2        | 156.7        | 162.9        | 157.8        | 162.7        | 1,451.6        |
| Grants and Contributions provided for Capital Purposes   |      | 68.9         | 93.7         | 84.8         | 60.0         | 307.3          | 56.8         | 60.8         | 66.5         | 60.4         | 56.7         | 57.7         | 666.2          |
| Grants and Contributions provided for Operating Purposes |      | 18.0         | 16.4         | 16.8         | 17.2         | 68.5           | 17.7         | 18.1         | 18.6         | 19.0         | 19.5         | 20.0         | 181.4          |
| <b>Total Income from Continuing Operations</b>           |      | <b>727.4</b> | <b>768.3</b> | <b>778.4</b> | <b>779.1</b> | <b>3,053.3</b> | <b>785.0</b> | <b>809.2</b> | <b>847.3</b> | <b>863.4</b> | <b>869.4</b> | <b>892.2</b> | <b>8,119.8</b> |
| <b>Expenses from Continuing Operations</b>               |      |              |              |              |              |                |              |              |              |              |              |              |                |
| Employee   |      | 256.2        | 263.8        | 270.9        | 277.8        | 1,068.8        | 286.3        | 292.4        | 300.7        | 309.3        | 318.5        | 328.9        | 2,904.9        |
| 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 Services                                   |      | 140.3        | 142.2        | 148.2        | 152.0        | 582.7          | 156.6        | 157.7        | 167.4        | 172.5        | 177.8        | 182.9        | 1,597.7        |
| Depreciation Expense                                     |      | 114.4        | 115.9        | 117.5        | 119.2        | 466.9          | 120.5        | 122.5        | 124.3        | 125.6        | 127.7        | 129.7        | 1,217.2        |
| Other Expenditure  |      | 139.4        | 145.1        | 151.1        | 150.8        | 586.4          | 153.4        | 158.2        | 165.0        | 171.4        | 173.7        | 179.3        | 1,587.4        |
| <b>Total Expenses from Continuing Operations</b>         |      | <b>650.3</b> | <b>667.1</b> | <b>687.7</b> | <b>699.8</b> | <b>2,704.9</b> | <b>716.8</b> | <b>730.9</b> | <b>757.5</b> | <b>778.7</b> | <b>797.7</b> | <b>820.7</b> | <b>7,307.2</b> |
| <b>Net Operating Result for the Year</b>                 |      | <b>77.1</b>  | <b>101.2</b> | <b>90.8</b>  | <b>79.3</b>  | <b>348.4</b>   | <b>68.2</b>  | <b>78.3</b>  | <b>89.8</b>  | <b>84.6</b>  | <b>71.7</b>  | <b>71.6</b>  | <b>812.7</b>   |

**Impacts on Net Operating Result of Additional Special Rates Variation (ASV) approval on a temporary basis only**

The base case of this Long Term Financial Plan anticipates that a number of key income streams will continue a recovery during 2022/23, before returning to an expected long term average from 2023/24. It also assumes that the City's additional special rates variation (ASV) application is approved in June 2022. In other words, the City is granted a permanent 2.5% increase to ordinary rates. Scenarios have been modelled to demonstrate potential additional impacts changes to the City's ordinary rate base if the ASV is not successful in full or in part. In addition a third scenario has been modelled showing no ASV plus the impact of a prolonged COVID pandemic effect on key revenue streams.

This income statement reflects Scenario 1 that models the impact of the non approval of the permanent ASV application but instead an increase of 2.5% for 2022/23 only (ie removed in future years). The adjustments under this scenario affect rates income by \$35.4M with annual rates income reduced by \$3M to \$4M over each of the final 9 years of the plan, as well as associated impacts to Interest and Investment income (\$4.3M total reduction)..

Cash Flow Forecast - Alternative Scenario 1a - Impact of approval of ASV on a temporary basis only on Cashflow

|  | \$M | 2022/23        | 2023/24        | 2024/25        | 2025/26       | 2026/27        | 2027/28        | 2028/29        | 2029/30        | 2030/31        | 2031/32        |
|--|-----|----------------|----------------|----------------|---------------|----------------|----------------|----------------|----------------|----------------|----------------|
| <b>Revenue:</b>                                |     |                |                |                |               |                |                |                |                |                |                |
| Rates and Annual Charges                       |     | 387.5          | 393.7          | 403.7          | 418.8         | 429.6          | 440.6          | 452.0          | 463.7          | 475.7          | 488.3          |
| Other Operating Income                         |     | 262.1          | 272.9          | 281.9          | 290.2         | 288.3          | 298.2          | 318.0          | 328.6          | 327.8          | 337.3          |
| <b>Operating Income</b>                        |     | <b>649.6</b>   | <b>666.7</b>   | <b>685.6</b>   | <b>709.0</b>  | <b>717.8</b>   | <b>738.8</b>   | <b>770.0</b>   | <b>792.3</b>   | <b>803.6</b>   | <b>825.6</b>   |
| <b>Expenses:</b>                               |     |                |                |                |               |                |                |                |                |                |                |
| Salary & Wages Expenditure                     |     | 256.2          | 263.8          | 270.9          | 277.8         | 286.3          | 292.4          | 300.7          | 309.3          | 318.5          | 328.9          |
| Other Operating Expenditure                    |     | 272.4          | 276.3          | 288.2          | 291.4         | 298.6          | 304.3          | 320.6          | 331.8          | 339.2          | 349.5          |
| <b>Operating Expenditure</b>                   |     | <b>528.6</b>   | <b>540.1</b>   | <b>559.1</b>   | <b>569.3</b>  | <b>584.9</b>   | <b>596.7</b>   | <b>621.3</b>   | <b>641.0</b>   | <b>657.7</b>   | <b>678.4</b>   |
| <b>Operating Surplus</b>                       |     | <b>121.0</b>   | <b>126.6</b>   | <b>126.5</b>   | <b>139.7</b>  | <b>133.0</b>   | <b>142.1</b>   | <b>148.7</b>   | <b>151.3</b>   | <b>145.9</b>   | <b>147.2</b>   |
| <b>Other Non Operating:</b>                    |     |                |                |                |               |                |                |                |                |                |                |
| Interest income                                |     | 7.5            | 6.3            | 6.4            | 8.5           | 8.8            | 7.9            | 9.0            | 8.8            | 7.2            | 6.9            |
| Capital Related Project Expenses*              |     | (5.8)          | (9.5)          | (9.5)          | (9.8)         | (9.8)          | (10.0)         | (10.1)         | (10.3)         | (10.4)         | (10.7)         |
| Depreciation                                   |     | (114.4)        | (115.9)        | (117.5)        | (119.2)       | (120.5)        | (122.5)        | (124.3)        | (125.6)        | (127.7)        | (129.7)        |
| Capital Grants and Contributions               |     | 68.9           | 93.7           | 84.8           | 60.0          | 56.8           | 60.8           | 66.5           | 60.4           | 56.7           | 57.7           |
| <b>Net Surplus/(Deficit)</b>                   |     | <b>77.1</b>    | <b>101.2</b>   | <b>90.8</b>    | <b>79.3</b>   | <b>68.2</b>    | <b>78.3</b>    | <b>89.8</b>    | <b>84.6</b>    | <b>71.7</b>    | <b>71.6</b>    |
| <b>Add Back:</b>                               |     |                |                |                |               |                |                |                |                |                |                |
| Depreciation                                   |     | 114.4          | 115.9          | 117.5          | 119.2         | 120.5          | 122.5          | 124.3          | 125.6          | 127.7          | 129.7          |
| <b>Cash Surplus before Capital Expenditure</b> |     | <b>191.5</b>   | <b>217.1</b>   | <b>208.2</b>   | <b>198.5</b>  | <b>188.7</b>   | <b>200.8</b>   | <b>214.1</b>   | <b>210.3</b>   | <b>199.4</b>   | <b>201.2</b>   |
| <b>Capital Expenditure</b>                     |     |                |                |                |               |                |                |                |                |                |                |
| Capital Works                                  |     | (212.1)        | (224.5)        | (191.4)        | (154.7)       | (162.3)        | (187.1)        | (186.2)        | (175.9)        | (183.7)        | (184.3)        |
| Plant and Asset Acquisitions/ICT Projects      |     | (19.9)         | (24.4)         | (24.2)         | (24.4)        | (24.1)         | (23.6)         | (23.4)         | (23.2)         | (23.0)         | (22.8)         |
| Property (Acquisitions)/Divestments            |     | (147.8)        | (101.0)        | 28.7           | 84.0          | (60.0)         | (15.0)         | (27.0)         | (95.0)         | 0.0            | 0.0            |
| <b>Total Capital Expenditure</b>               |     | <b>(379.9)</b> | <b>(349.9)</b> | <b>(186.9)</b> | <b>(95.1)</b> | <b>(246.4)</b> | <b>(225.7)</b> | <b>(236.6)</b> | <b>(294.1)</b> | <b>(206.7)</b> | <b>(207.1)</b> |
| <b>Net Receivables/Payables Movement</b>       |     | <b>13.8</b>    | <b>(2.8)</b>   | <b>7.4</b>     | <b>(14.3)</b> | <b>(3.4)</b>   | <b>(6.5)</b>   | <b>(12.0)</b>  | <b>(8.6)</b>   | <b>(2.6)</b>   | <b>(7.9)</b>   |
| <b>Cash Surplus/(Deficit)</b>                  |     | <b>(174.5)</b> | <b>(135.6)</b> | <b>28.7</b>    | <b>89.1</b>   | <b>(61.1)</b>  | <b>(31.4)</b>  | <b>(34.6)</b>  | <b>(92.5)</b>  | <b>(9.9)</b>   | <b>(13.8)</b>  |
| <b>Total Cash at Beginning of Period</b>       |     | <b>657.0</b>   | <b>482.6</b>   | <b>347.0</b>   | <b>375.7</b>  | <b>464.8</b>   | <b>403.8</b>   | <b>372.3</b>   | <b>337.8</b>   | <b>245.3</b>   | <b>235.4</b>   |
| Cash Surplus/(Deficit)                         |     | (174.5)        | (135.6)        | 28.7           | 89.1          | (61.1)         | (31.4)         | (34.6)         | (92.5)         | (9.9)          | (13.8)         |
| <b>Total Cash at End of Period</b>             |     | <b>482.5</b>   | <b>347.0</b>   | <b>375.7</b>   | <b>464.8</b>  | <b>403.8</b>   | <b>372.3</b>   | <b>337.8</b>   | <b>245.3</b>   | <b>235.4</b>   | <b>221.6</b>   |

\* This item of expenditure is included within Materials and Contracts expense on the Income Statement

Long Term Financial Plan 2022-23 to 2031/32

**City of Sydney**

**Income Statement - Alternative Scenario 1b (Impact of non-approval of an Additional Special Rates Variation (ASV) on Net Operating Result)**

|  | \$'M | 2022/23      | 2023/24      | 2024/25      | 2025/26      | 4 Year Total   | 2026/27      | 2027/28      | 2028/29      | 2029/30      | 2030/31      | 2031/32      | 10 Year Total  |
|--|------|--------------|--------------|--------------|--------------|----------------|--------------|--------------|--------------|--------------|--------------|--------------|----------------|
| <b>Income from Continuing Operations</b>                 |      |              |              |              |              |                |              |              |              |              |              |              |                |
| Rates & Annual Charges                                   |      | 384.0        | 393.7        | 403.7        | 418.8        | 1,600.3        | 429.6        | 440.6        | 452.0        | 463.7        | 475.7        | 488.3        | 4,350.1        |
| Fees   |      | 126.9        | 126.8        | 128.0        | 131.4        | 513.0          | 134.9        | 139.7        | 144.6        | 148.5        | 152.5        | 156.6        | 1,389.8        |
| Interest Income  |      | 7.5          | 6.3          | 6.4          | 8.4          | 28.6           | 8.7          | 7.8          | 8.9          | 8.7          | 7.1          | 6.8          | 76.4           |
| Other Income   |      | 118.8        | 131.3        | 138.7        | 143.2        | 531.9          | 137.4        | 142.2        | 156.7        | 162.9        | 157.8        | 162.7        | 1,451.6        |
| Grants and Contributions provided for Capital Purposes   |      | 68.9         | 93.7         | 84.8         | 60.0         | 307.3          | 56.8         | 60.8         | 66.5         | 60.4         | 56.7         | 57.7         | 666.2          |
| Grants and Contributions provided for Operating Purposes |      | 18.0         | 16.4         | 16.8         | 17.2         | 68.5           | 17.7         | 18.1         | 18.6         | 19.0         | 19.5         | 20.0         | 181.4          |
| <b>Total Income from Continuing Operations</b>           |      | <b>723.9</b> | <b>768.2</b> | <b>778.4</b> | <b>779.1</b> | <b>3,049.6</b> | <b>785.0</b> | <b>809.1</b> | <b>847.2</b> | <b>863.3</b> | <b>869.3</b> | <b>892.1</b> | <b>8,115.5</b> |
| <b>Expenses from Continuing Operations</b>               |      |              |              |              |              |                |              |              |              |              |              |              |                |
| Employee   |      | 256.2        | 263.8        | 270.9        | 277.8        | 1,068.8        | 286.3        | 292.4        | 300.7        | 309.3        | 318.5        | 328.9        | 2,904.9        |
| 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 Services                                   |      | 140.3        | 142.2        | 148.2        | 152.0        | 582.7          | 156.6        | 157.7        | 167.4        | 172.5        | 177.8        | 182.9        | 1,597.7        |
| Depreciation Expense                                     |      | 114.4        | 115.9        | 117.5        | 119.2        | 466.9          | 120.5        | 122.5        | 124.3        | 125.6        | 127.7        | 129.7        | 1,217.2        |
| Other Expenditure  |      | 139.4        | 145.1        | 151.1        | 150.8        | 586.4          | 153.4        | 158.2        | 165.0        | 171.4        | 173.7        | 179.3        | 1,587.4        |
| <b>Total Expenses from Continuing Operations</b>         |      | <b>650.3</b> | <b>667.1</b> | <b>687.7</b> | <b>699.8</b> | <b>2,704.9</b> | <b>716.8</b> | <b>730.9</b> | <b>757.5</b> | <b>778.7</b> | <b>797.7</b> | <b>820.7</b> | <b>7,307.2</b> |
| <b>Net Operating Result for the Year</b>                 |      | <b>73.6</b>  | <b>101.2</b> | <b>90.7</b>  | <b>79.3</b>  | <b>344.8</b>   | <b>68.1</b>  | <b>78.2</b>  | <b>89.7</b>  | <b>84.5</b>  | <b>71.6</b>  | <b>71.5</b>  | <b>808.4</b>   |

**Impact on Net Operating Result of an Additional Special Rates Variation (ASV) non-approval**

The base case of this Long Term Financial Plan anticipates that a number of key income streams will continue a recovery during 2022/23, before returning to an expected long term average from 2023/24. It also assumes that the City's additional special rates variation (ASV) application is approved in June 2022. In other words, the City is granted a permanent 2.5% increase to ordinary rates. Scenarios have been modelled to demonstrate potential additional impacts changes to the City's ordinary rate base if the ASV is not successful in full or in part. In addition a third scenario has been modelled showing no ASV increase plus the impact of a prolonged COVID pandemic effect on key revenue streams.

This income statement reflects Scenario 2 that models the impact of the non approval of the ASV application. The adjustments under this scenario affect rates income by \$38.9M with annual rates income reduced by \$3M to \$4M over each of the years of the plan, as well as associated impacts to Interest and Investment income (\$5.1M total reduction).



Cash Flow Forecast - Alternative Scenario 1b (Impact of non-approval of an Additional Special Rates Variation (ASV) on Cashflow)

|  | \$M | 2022/23        | 2023/24        | 2024/25        | 2025/26       | 2026/27        | 2027/28        | 2028/29        | 2029/30        | 2030/31        | 2031/32        |
|--|-----|----------------|----------------|----------------|---------------|----------------|----------------|----------------|----------------|----------------|----------------|
| <b>Revenue:</b>                                |     |                |                |                |               |                |                |                |                |                |                |
| Rates and Annual Charges                       |     | 384.0          | 393.7          | 403.7          | 418.8         | 429.6          | 440.6          | 452.0          | 463.7          | 475.7          | 488.3          |
| Other Operating Income                         |     | 262.1          | 272.9          | 281.9          | 290.2         | 288.3          | 298.2          | 318.0          | 328.6          | 327.8          | 337.3          |
| <b>Operating Income</b>                        |     | <b>646.1</b>   | <b>666.7</b>   | <b>685.6</b>   | <b>709.0</b>  | <b>717.8</b>   | <b>738.8</b>   | <b>770.0</b>   | <b>792.3</b>   | <b>803.6</b>   | <b>825.6</b>   |
| <b>Expenses:</b>                               |     |                |                |                |               |                |                |                |                |                |                |
| Salary & Wages Expenditure                     |     | 256.2          | 263.8          | 270.9          | 277.8         | 286.3          | 292.4          | 300.7          | 309.3          | 318.5          | 328.9          |
| Other Operating Expenditure                    |     | 272.4          | 276.3          | 288.2          | 291.4         | 298.6          | 304.3          | 320.6          | 331.8          | 339.2          | 349.5          |
| <b>Operating Expenditure</b>                   |     | <b>528.6</b>   | <b>540.1</b>   | <b>559.1</b>   | <b>569.3</b>  | <b>584.9</b>   | <b>596.7</b>   | <b>621.3</b>   | <b>641.0</b>   | <b>657.7</b>   | <b>678.4</b>   |
| <b>Operating Surplus</b>                       |     | <b>117.5</b>   | <b>126.6</b>   | <b>126.5</b>   | <b>139.7</b>  | <b>133.0</b>   | <b>142.1</b>   | <b>148.7</b>   | <b>151.3</b>   | <b>145.9</b>   | <b>147.2</b>   |
| <b>Other Non Operating:</b>                    |     |                |                |                |               |                |                |                |                |                |                |
| Interest income                                |     | 7.5            | 6.3            | 6.4            | 8.4           | 8.7            | 7.8            | 8.9            | 8.7            | 7.1            | 6.8            |
| Capital Related Project Expenses*              |     | (5.8)          | (9.5)          | (9.5)          | (9.8)         | (9.8)          | (10.0)         | (10.1)         | (10.3)         | (10.4)         | (10.7)         |
| Depreciation                                   |     | (114.4)        | (115.9)        | (117.5)        | (119.2)       | (120.5)        | (122.5)        | (124.3)        | (125.6)        | (127.7)        | (129.7)        |
| Capital Grants and Contributions               |     | 68.9           | 93.7           | 84.8           | 60.0          | 56.8           | 60.8           | 66.5           | 60.4           | 56.7           | 57.7           |
| <b>Net Surplus/(Deficit)</b>                   |     | <b>73.6</b>    | <b>101.2</b>   | <b>90.7</b>    | <b>79.3</b>   | <b>68.1</b>    | <b>78.2</b>    | <b>89.7</b>    | <b>84.5</b>    | <b>71.6</b>    | <b>71.5</b>    |
| <b>Add Back:</b>                               |     |                |                |                |               |                |                |                |                |                |                |
| Depreciation                                   |     | 114.4          | 115.9          | 117.5          | 119.2         | 120.5          | 122.5          | 124.3          | 125.6          | 127.7          | 129.7          |
| <b>Cash Surplus before Capital Expenditure</b> |     | <b>188.0</b>   | <b>217.1</b>   | <b>208.2</b>   | <b>198.4</b>  | <b>188.6</b>   | <b>200.7</b>   | <b>214.0</b>   | <b>210.1</b>   | <b>199.3</b>   | <b>201.1</b>   |
| <b>Capital Expenditure</b>                     |     |                |                |                |               |                |                |                |                |                |                |
| Capital Works                                  |     | (212.1)        | (224.5)        | (191.4)        | (154.7)       | (162.3)        | (187.1)        | (186.2)        | (175.9)        | (183.7)        | (184.3)        |
| Plant and Asset Acquisitions/ICT Projects      |     | (19.9)         | (24.4)         | (24.2)         | (24.4)        | (24.1)         | (23.6)         | (23.4)         | (23.2)         | (23.0)         | (22.8)         |
| Property (Acquisitions)/Divestments            |     | (147.8)        | (101.0)        | 28.7           | 84.0          | (60.0)         | (15.0)         | (27.0)         | (95.0)         | 0.0            | 0.0            |
| <b>Total Capital Expenditure</b>               |     | <b>(379.9)</b> | <b>(349.9)</b> | <b>(186.9)</b> | <b>(95.1)</b> | <b>(246.4)</b> | <b>(225.7)</b> | <b>(236.6)</b> | <b>(294.1)</b> | <b>(206.7)</b> | <b>(207.1)</b> |
| <b>Net Receivables/Payables Movement</b>       |     | <b>13.8</b>    | <b>(2.8)</b>   | <b>7.4</b>     | <b>(14.3)</b> | <b>(3.4)</b>   | <b>(6.5)</b>   | <b>(12.0)</b>  | <b>(8.6)</b>   | <b>(2.6)</b>   | <b>(7.9)</b>   |
| <b>Cash Surplus/(Deficit)</b>                  |     | <b>(178.0)</b> | <b>(135.7)</b> | <b>28.6</b>    | <b>89.1</b>   | <b>(61.1)</b>  | <b>(31.5)</b>  | <b>(34.6)</b>  | <b>(92.6)</b>  | <b>(10.0)</b>  | <b>(13.9)</b>  |
| <b>Total Cash at Beginning of Period</b>       |     | <b>657.0</b>   | <b>479.1</b>   | <b>343.5</b>   | <b>372.1</b>  | <b>461.1</b>   | <b>400.0</b>   | <b>368.5</b>   | <b>333.8</b>   | <b>241.2</b>   | <b>231.2</b>   |
| Cash Surplus/(Deficit)                         |     | (178.0)        | (135.7)        | 28.6           | 89.1          | (61.1)         | (31.5)         | (34.6)         | (92.6)         | (10.0)         | (13.9)         |
| <b>Total Cash at End of Period</b>             |     | <b>479.0</b>   | <b>343.5</b>   | <b>372.1</b>   | <b>461.1</b>  | <b>400.0</b>   | <b>368.5</b>   | <b>333.8</b>   | <b>241.2</b>   | <b>231.2</b>   | <b>217.3</b>   |

\* This item of expenditure is included within Materials and Contracts expense on the Income Statement

Long Term Financial Plan 2022-23 to 2031/32

**City of Sydney**

Income Statement - Alternative Scenario 2 (prolonged impact of Covid-19 disruption on key revenue streams)

|  | \$'M | 2022-23      | 2023-24      | 2024-25      | 2025-26      | 4 Year Total   | 2026-27      | 2027-28      | 2028-29      | 2029-30      | 2030-31      | 2031-32      | 10 Year Total  |
|--|------|--------------|--------------|--------------|--------------|----------------|--------------|--------------|--------------|--------------|--------------|--------------|----------------|
| <b>Income from Continuing Operations</b>                   |      |              |              |              |              |                |              |              |              |              |              |              |                |
| Rates & Annual Charges                                     |      | 387.5        | 397.3        | 407.3        | 422.6        | 1,614.7        | 433.4        | 444.5        | 456.0        | 467.8        | 480.0        | 492.6        | 4,389.1        |
| Fees   |      | 120.0        | 119.7        | 120.7        | 123.8        | 484.2          | 127.0        | 131.5        | 136.1        | 139.7        | 143.4        | 147.2        | 1,309.1        |
| Interest Income  |      | 7.4          | 6.1          | 6.0          | 7.8          | 27.4           | 7.9          | 6.7          | 7.3          | 6.4          | 4.4          | 3.6          | 63.6           |
| Other Income   |      | 113.3        | 125.6        | 132.9        | 137.1        | 508.9          | 131.2        | 135.8        | 150.1        | 156.2        | 150.8        | 155.5        | 1,388.5        |
| Grants and Contributions provided for Capital Purposes     |      | 68.9         | 93.7         | 84.8         | 60.0         | 307.3          | 56.8         | 60.8         | 66.5         | 60.4         | 56.7         | 57.7         | 666.2          |
| Grants and Contributions provided for Operating Purposes   |      | 18.0         | 16.4         | 16.8         | 17.2         | 68.5           | 17.7         | 18.1         | 18.6         | 19.0         | 19.5         | 20.0         | 181.4          |
| <b>Total Income from Continuing Operations</b>             |      | <b>715.1</b> | <b>758.9</b> | <b>768.5</b> | <b>768.6</b> | <b>3,011.0</b> | <b>773.9</b> | <b>797.4</b> | <b>834.5</b> | <b>849.5</b> | <b>854.8</b> | <b>876.7</b> | <b>7,997.9</b> |
| <b>Expenses from Continuing Operations</b>                 |      |              |              |              |              |                |              |              |              |              |              |              |                |
| Employee   |      | 256.2        | 263.8        | 270.9        | 277.8        | 1,068.8        | 286.3        | 292.4        | 300.7        | 309.3        | 318.5        | 328.9        | 2,904.9        |
| 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 Services                                     |      | 140.3        | 142.2        | 148.2        | 152.0        | 582.7          | 156.6        | 157.7        | 167.4        | 172.5        | 177.8        | 182.9        | 1,597.7        |
| Depreciation Expense                                       |      | 114.4        | 115.9        | 117.5        | 119.2        | 466.9          | 120.5        | 122.5        | 124.3        | 125.6        | 127.7        | 129.7        | 1,217.2        |
| Other Expenditure  |      | 139.4        | 145.1        | 151.1        | 150.8        | 586.4          | 153.4        | 158.2        | 165.0        | 171.4        | 173.7        | 179.3        | 1,587.4        |
| <b>Total Expenses from Continuing Operations</b>           |      | <b>650.3</b> | <b>667.1</b> | <b>687.7</b> | <b>699.8</b> | <b>2,704.9</b> | <b>716.8</b> | <b>730.9</b> | <b>757.5</b> | <b>778.7</b> | <b>797.7</b> | <b>820.7</b> | <b>7,307.2</b> |
| <b>Net Operating Result for the Year</b>                   |      | <b>64.7</b>  | <b>91.8</b>  | <b>80.8</b>  | <b>68.8</b>  | <b>306.2</b>   | <b>57.1</b>  | <b>66.6</b>  | <b>77.1</b>  | <b>70.8</b>  | <b>57.1</b>  | <b>56.0</b>  | <b>690.8</b>   |
| <b>Net Operating Result (excl Light Rail Contribution)</b> |      | <b>64.7</b>  | <b>91.8</b>  | <b>80.8</b>  | <b>68.8</b>  | <b>306.2</b>   | <b>57.1</b>  | <b>66.6</b>  | <b>77.1</b>  | <b>70.8</b>  | <b>57.1</b>  | <b>56.0</b>  | <b>690.8</b>   |

**Impacts on base case Net Operating Result of prolonged negative effect on key revenue streams from the pandemic**

The base case of this Long Term Financial Plan anticipates that a number of key income streams will continue a recovery during 2022/23, before returning to an expected long term average from 2023/24. It also assumes that the City's additional special rates variation (ASV) application is approved in June 2022. In other words, the City is granted a permanent 2.5% increase to ordinary rates. A third scenario has been modelled and presented here modelling the impact of a prolonged COVID pandemic effect on key revenue streams.

The adjustments under this scenario include;

- Advertising income reduced by \$37.8M
- Venue Hire income reduced by \$42.8M
- Commercial Property income reduced by \$63.1M
- Associated impacts on Interest and Investment income, reduced by \$12.8M

Cash Flow Forecast - Alternative Scenario 2 (prolonged impact of Covid-19 disruption on key revenue streams)

|   | \$M | 2022/23        | 2023/24        | 2024/25        | 2025/26       | 2026/27        | 2027/28        | 2028/29        | 2029/30        | 2030/31        | 2031/32        |
|---|-----|----------------|----------------|----------------|---------------|----------------|----------------|----------------|----------------|----------------|----------------|
| <b>Revenue:</b>                                   |     |                |                |                |               |                |                |                |                |                |                |
| Rates and Annual Charges                          |     | 387.5          | 397.3          | 407.3          | 422.6         | 433.4          | 444.5          | 456.0          | 467.8          | 480.0          | 492.6          |
| Other Operating Income                            |     | 249.8          | 260.2          | 268.8          | 276.5         | 274.2          | 283.7          | 303.0          | 313.1          | 311.8          | 320.7          |
| <b>Operating Income</b>                           |     | <b>637.3</b>   | <b>657.5</b>   | <b>676.1</b>   | <b>699.1</b>  | <b>707.6</b>   | <b>728.2</b>   | <b>759.0</b>   | <b>780.9</b>   | <b>791.8</b>   | <b>813.4</b>   |
| <b>Expenses:</b>                                  |     |                |                |                |               |                |                |                |                |                |                |
| Salary & Wages Expenditure                        |     | 256.2          | 263.8          | 270.9          | 277.8         | 286.3          | 292.4          | 300.7          | 309.3          | 318.5          | 328.9          |
| Other Operating Expenditure                       |     | 272.4          | 276.3          | 288.2          | 291.4         | 298.6          | 304.3          | 320.6          | 331.8          | 339.2          | 349.5          |
| <b>Operating Expenditure</b>                      |     | <b>528.6</b>   | <b>540.1</b>   | <b>559.1</b>   | <b>569.3</b>  | <b>584.9</b>   | <b>596.7</b>   | <b>621.3</b>   | <b>641.0</b>   | <b>657.7</b>   | <b>678.4</b>   |
| <b>Operating Surplus</b>                          |     | <b>108.7</b>   | <b>117.4</b>   | <b>117.0</b>   | <b>129.9</b>  | <b>122.7</b>   | <b>131.5</b>   | <b>137.7</b>   | <b>139.9</b>   | <b>134.0</b>   | <b>135.0</b>   |
| <b>Other Non Operating:</b>                       |     |                |                |                |               |                |                |                |                |                |                |
| Interest income                                   |     | 7.4            | 6.1            | 6.0            | 7.8           | 7.9            | 6.7            | 7.3            | 6.4            | 4.4            | 3.6            |
| Light Rail Contribution to NSW Government         |     | 0.0            | 0.0            | 0.0            | 0.0           | 0.0            | 0.0            | 0.0            | 0.0            | 0.0            | 0.0            |
| Capital Related Project Expenses                  |     | (5.8)          | (9.5)          | (9.5)          | (9.8)         | (9.8)          | (10.0)         | (10.1)         | (10.3)         | (10.4)         | (10.7)         |
| Depreciation                                      |     | (114.4)        | (115.9)        | (117.5)        | (119.2)       | (120.5)        | (122.5)        | (124.3)        | (125.6)        | (127.7)        | (129.7)        |
| Capital Grants and Contributions                  |     | 68.9           | 93.7           | 84.8           | 60.0          | 56.8           | 60.8           | 66.5           | 60.4           | 56.7           | 57.7           |
| <b>Net Surplus</b>                                |     | <b>64.7</b>    | <b>91.8</b>    | <b>80.8</b>    | <b>68.8</b>   | <b>57.1</b>    | <b>66.6</b>    | <b>77.1</b>    | <b>70.8</b>    | <b>57.1</b>    | <b>56.0</b>    |
| <b>Add Back :</b>                                 |     |                |                |                |               |                |                |                |                |                |                |
| Depreciation                                      |     | 114.4          | 115.9          | 117.5          | 119.2         | 120.5          | 122.5          | 124.3          | 125.6          | 127.7          | 129.7          |
| <b>Cash Surplus before Capital Expenditure</b>    |     | <b>179.2</b>   | <b>207.7</b>   | <b>198.3</b>   | <b>187.9</b>  | <b>177.6</b>   | <b>189.0</b>   | <b>201.4</b>   | <b>196.4</b>   | <b>184.8</b>   | <b>185.7</b>   |
| <b>Capital Expenditure</b>                        |     |                |                |                |               |                |                |                |                |                |                |
| Capital Works - excluding Light Rail Contribution |     | (212.1)        | (224.5)        | (191.4)        | (154.7)       | (162.3)        | (187.1)        | (186.2)        | (175.9)        | (183.7)        | (184.3)        |
| Plant and Asset Acquisitions/ICT Projects         |     | (19.9)         | (24.4)         | (24.2)         | (24.4)        | (24.1)         | (23.6)         | (23.4)         | (23.2)         | (23.0)         | (22.8)         |
| Property (Acquisitions)/Divestments               |     | (147.8)        | (101.0)        | 28.7           | 84.0          | (60.0)         | (15.0)         | (27.0)         | (95.0)         | 0.0            | 0.0            |
| <b>Total Capital Expenditure</b>                  |     | <b>(379.9)</b> | <b>(349.9)</b> | <b>(186.9)</b> | <b>(95.1)</b> | <b>(246.4)</b> | <b>(225.7)</b> | <b>(236.6)</b> | <b>(294.1)</b> | <b>(206.7)</b> | <b>(207.1)</b> |
| <b>Net Receivables/Payables Movement</b>          |     | <b>16.2</b>    | <b>(2.8)</b>   | <b>7.5</b>     | <b>(14.2)</b> | <b>(3.3)</b>   | <b>(6.4)</b>   | <b>(11.9)</b>  | <b>(8.5)</b>   | <b>(2.5)</b>   | <b>(7.8)</b>   |
| <b>Cash Surplus / (Deficit)</b>                   |     | <b>(184.5)</b> | <b>(144.9)</b> | <b>18.8</b>    | <b>78.7</b>   | <b>(72.1)</b>  | <b>(43.1)</b>  | <b>(47.2)</b>  | <b>(106.2)</b> | <b>(24.4)</b>  | <b>(29.2)</b>  |
| <b>Total Cash at Beginning of Period</b>          |     | <b>657.1</b>   | <b>472.6</b>   | <b>327.7</b>   | <b>346.5</b>  | <b>425.1</b>   | <b>353.0</b>   | <b>309.9</b>   | <b>262.8</b>   | <b>156.6</b>   | <b>132.1</b>   |
| Cash Surplus/ (Deficit)                           |     | (184.5)        | (144.9)        | 18.8           | 78.7          | (72.1)         | (43.1)         | (47.2)         | (106.2)        | (24.4)         | (29.2)         |
| <b>Total Cash at End of Period</b>                |     | <b>472.6</b>   | <b>327.7</b>   | <b>346.5</b>   | <b>425.1</b>  | <b>353.0</b>   | <b>309.9</b>   | <b>262.8</b>   | <b>156.6</b>   | <b>132.1</b>   | <b>102.9</b>   |

\* This item of expenditure is included within Materials and Contracts expense on the Income Statement

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# Community Asset Management Plan 2022



# Contents

|                                      |    |
|--------------------------------------|----|
| Asset Management Planning            | 3  |
| Asset Management Policy              | 6  |
| Asset Management Strategy            | 7  |
| Asset Management Plans               | 19 |
| Community Asset Management Plan      | 21 |
| Critical Assets                      | 28 |
| Road Network Assets                  | 29 |
| Stormwater Drainage Network Assets   | 44 |
| Parks, Open Space and Tree Assets    | 54 |
| Property Assets                      | 70 |
| Conclusion                           | 83 |
| Appendix A -Asset Management Policy. | 86 |

# Asset Management Planning

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## Background

Sustainable Sydney 2030–2050 Continuing the Vision is the City’s overarching community strategic plan. Robust asset management is an objective of Sustainable Sydney 2030–2050 Continuing the Vision, contained within Direction 1: Responsible governance and stewardship.

The City of Sydney is responsible for approximately \$13 billion in physical assets (Approximately \$6 billion in land and \$7 billion in built assets) to support its delivery of services to the community. The City has developed a framework for embedding asset management objectives and principles. These principles are aimed solely at managing the City’s community assets to give the best possible long-term services to the City’s residents, ratepayers and visitors.

The infrastructure that the City provides serves over 1.3 million people per day. The City commits significant funds to asset management and currently annually spends in excess of \$80M in operational and maintenance, plus \$120M in renewal and upgrade of the critical infrastructure assets.

The City also has a program to deliver new facilities, assets and buildings in the next 4 years to support our growing resident and visitor population

The recent completion of the Green Square urban renewal project included many significant community infrastructure projects. The key projects include the Green Square Town Centre, Gunyama Park Aquatic and Recreation Centre, Green Square Library and Plaza, Green Square Trunk Drainage and many new parks.

The completion of the Central Business District and South East Light Rail in December 2019 resulted in the transfer and construction of new

associated public domain assets that will need to be maintained into the future.

With a growing infrastructure asset portfolio, the City will need to carefully manage service levels within funding restraints that will need to cater for an expected population increase to efficiently manage all our assets.

This Asset Management Plan demonstrates how the City is meeting its current and future demands on our assets.

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## What is Asset Management?

A Council asset is defined as “a resource controlled by a council as a result of past events and from which future economic benefits are expected to flow to the council” <sup>1</sup>.

The term “asset management” as defined in the City’s Asset Management Strategy is:

“The combination of management, financial, economic, and engineering and other practices applied to physical assets with the objective of providing the required level of service in the most cost-effective manner.”

Asset management is a “whole of life” approach that includes planning, acquisition, operation, maintenance and disposal of assets.



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## Asset Management Framework

The City is enhancing our asset management governance in line with the recommendations from a recent ISO55000/55001<sup>2</sup> maturity review. It is intended that the current framework outlined in this plan will be optimised to provide greater clarity and efficiencies.

The Asset Management Gateway Panel oversees the City's asset management framework. The objectives of the Panel are to:

- Ensure that all asset management activities are consistent with the objectives of the Community Strategic Plan and incorporate lifecycle asset management principles
- Ensure compliance with the requirements of the Integrated Planning and Reporting Legislation and Guidelines and other infrastructure asset reporting
- Oversee the development of the City's Asset Management key strategy themes and projects
- Set direction and outcomes for the Asset System Working Group and the Corporate Asset Management System (CAMS)
- Ensure all asset management policies, strategies and plans (new and reviewed) are submitted Executive
- Ensure the integrity of the asset management process within Council and arbitrate and resolve any dispute or issue arising. The Panel is the decision making and oversight authority of all condition-based renewal capital works projects

The Asset System Working Group is responsible for the delivery of system improvements, training, mapping, integration to other systems, system maintenance and deliver process improvements.

To support this framework, the City has prepared and adopted several Asset Management documents, including:

- Asset Management Policy
- Asset Management Strategy
- Risk Management Plans for the critical assets
- Detailed Asset Management Plans for discrete asset classes

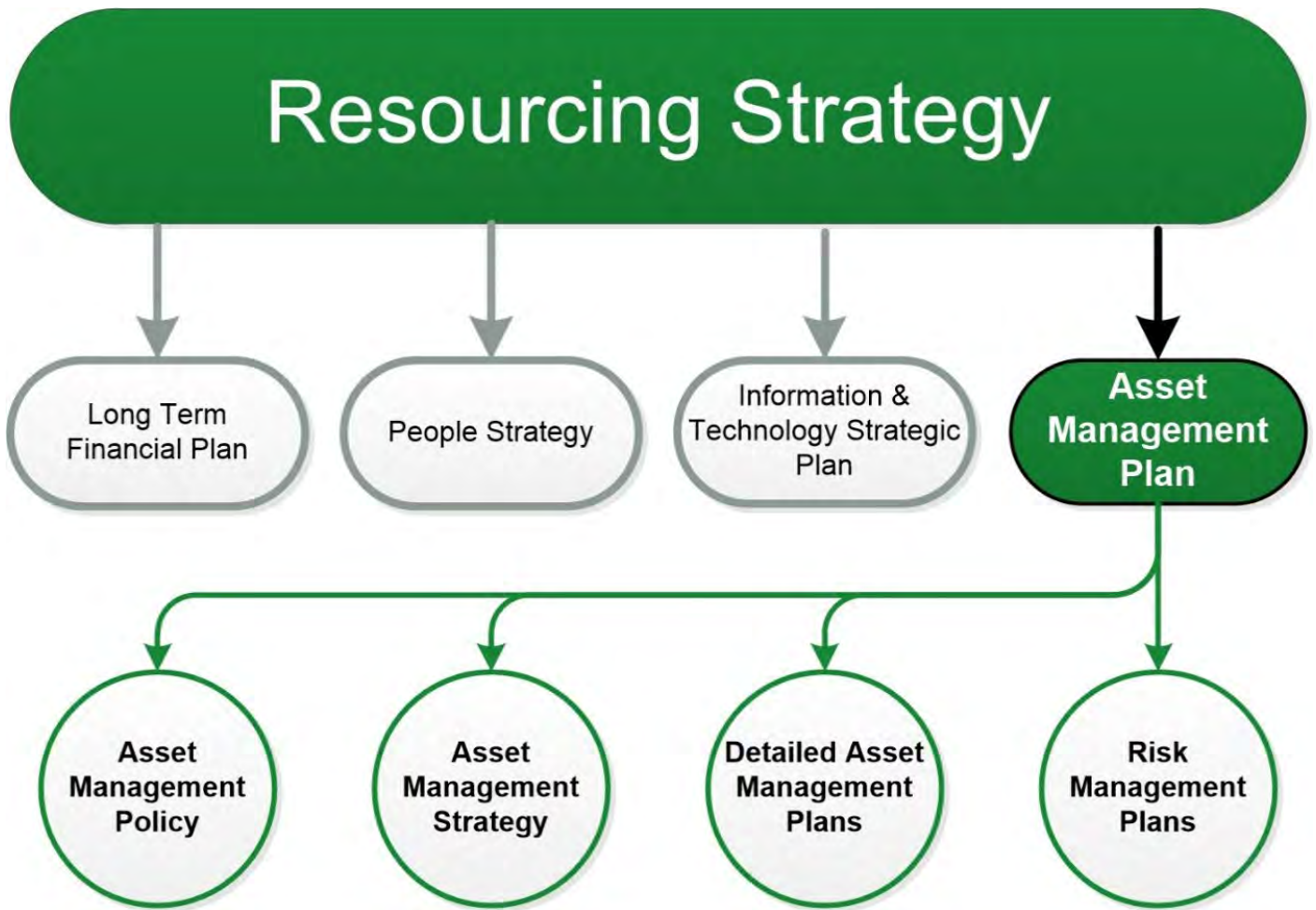
These documents are reviewed and updated periodically.

The condition analysis, financial valuation and projections and maintenance and operation costs in the current plans are prepared using the best available data and will be improved as updated information becomes available. The ongoing expansion and improvement of the City's Corporate Asset Management System will aid the development of data to support decision making.

Consistent with the requirements of the Office of Local Government performance measures, the information and modelling contained within this plan (and more broadly within the City's Integrated Planning and Reporting documents) demonstrate that the City is managing its infrastructure assets effectively and efficiently. Over the ten year window of this Plan, identified asset renewal and maintenance requirements are planned to be met, and the City's ten year capital works program is set to address identified infrastructure renewal whilst providing new and upgraded infrastructure and facilities to meet growing community demand in the future.

<sup>1</sup> "Planning a Sustainable Future" Planning and Reporting Manual for local government in NSW: Department of Local Government NSW

<sup>2</sup> ISO 55000/55001 is the international asset management and asset management system standards, the main objective of which is to help organisations manage the lifecycle of assets more effectively. The standard supports optimization of assets and reduces the overall cost of ownership while helping to meet the necessary performance and risk/safety requirements.



# Asset Management Policy

## Policy

The City's Asset Management Policy enables the delivery of our asset management actions that are consistent with our strategic goals set out in the Community Strategic Plan and other strategic documents. The complete policy is an appendix of this document.

The policy objectives are:

- Provide infrastructure and services to sustain the City of Sydney communities
- Implement a life-cycle approach to the management of infrastructure and public assets
- Ensure that service delivery needs are the primary driver for infrastructure asset management practices
- Provide a sustainable funding model that provides assets aligned with the City's long term plans and community needs
- Develop and implement best value environmentally sustainable asset management practices
- Create a resilient city by modelling and planning to make it adaptable to acute shocks and chronic stresses
- Create a resilient city by modelling and planning to make it adaptable to acute shocks and chronic stresses
- Provide reliable asset and infrastructure data through supported digital platforms
- Implement an integrated decision support system
- Ensure compliance with legislative requirements
- Allocate asset management responsibilities

The full Asset Management Policy is attached to document as Appendix A.



Image: interior of Green Square Library

# Asset Management Strategy

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## Background

This asset management strategy provides a summary of how the resources available in the City's Resourcing Strategy will deliver the key objectives in Sustainable Sydney 2050 Continuing the Vision and the Delivery Program.

The Asset Management Strategy is a dynamic document that helps to guide the asset management activities and decision making of the organisation into the future. The initiatives are reviewed on a regular basis to ensure their relevance in a changing environment, and to also incorporate community feedback.

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## Current Situation

### Strategy

The City has made significant advances and continues to seek and implement initiatives to increase council's productivity in the asset management context. Some recent outcomes include the:

- Introduction of job activity and costing capability through mobile applications
  - Integration with 3<sup>rd</sup> party service contractors to ensure accurate and timely data is available for us to make informed decisions
  - Streamlining of infrastructure asset valuation processes through interfacing of systems
  - Coordination of infrastructure data collection projects aimed at improving the quality of the underlying base asset data for roads, stormwater drainage, trees, parks and open spaces, and buildings and their components.
  - Redesign of the detailed asset management plan template and migration of all asset management plans to this template.
  - Creation of advanced asset condition and prioritisation methods to develop renewal works programs.
- Review and adoption of an overarching asset management policy
  - Review and enhancement of the asset management framework and governance structure
  - Creation and continuous review of all detailed infrastructure asset management plans
  - Introduction of a mobile device capability for managing infrastructure inspection, maintenance and job completion. There are 350 active mobile device users across the civil infrastructure maintenance, parks and open spaces and tree management business units and contractors

## Asset Inventories

This is the current infrastructure asset inventory and replacement value for council's assets, excluding land.

| Asset Category | Asset Type                             | Quantity | Value (\$M)       |
|----------------|--|----------|-------------------|
| Roads          | Road Surface                           | 330 km   | 237.4             |
|                | Road Base                              | 330 km   | 537.8             |
|                | Cycleway                               | 18 km    | Included in roads |
|                | Footway                                | 582 km   | 575.1             |
|                | Kerb and Gutter                        | 639 km   | 328.4             |
|                | Traffic Facilities                     | 2,204    | 24.3              |
|                | <b>Total</b>                           |          |                   |
| Structures     | Bridges                                | 42       | 106.4             |
|                | Cliffs                                 | 64       | -                 |
|                | Stairs/Steps/Ramps (Road Reserve Only) | 107      | 1                 |
|                | Retaining walls                        | 641      | 1.1               |
|                | Sea Walls                              | 2.7 km   | Included in Parks |
|                | Jetties/Pontoons                       | 4        | Included in Parks |
|                | Fences                                 | 289      | Included in Parks |
| <b>Total</b>   |  |          | <b>108.5</b>      |
| Stormwater     | Drainage pipes                         | 180 km   | 283               |
|                | Drainage pits                          | 12,390   | 111.8             |
|                | Open Channels                          | 100 m    | 0.1               |
|                | Culverts                               | 7.4 km   | 31.8              |
|                | Gross Pollutant Traps (GPTs)           | 42       | 1.7               |
|                | Rain Gardens                           | 249      | 2.8               |
| <b>Total</b>   |  |          | <b>431.2</b>      |

Community Asset Management Plan 2022

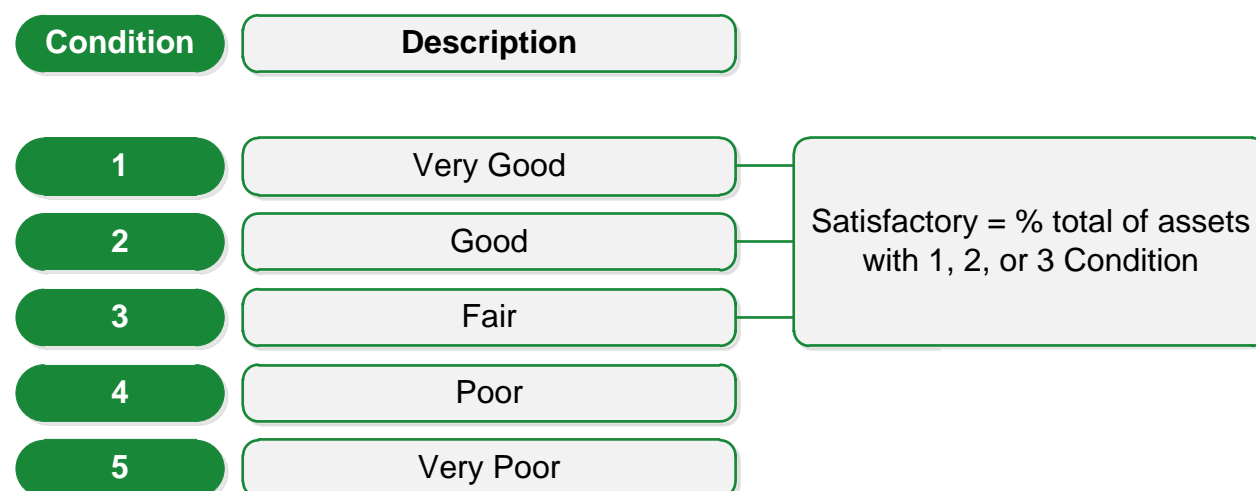
| Asset Category   | Asset Type                  | Quantity                    | Value (\$M)                |
|------------------|-----------------------------|-----------------------------|----------------------------|
| Parks            | Iconic                      | 22                          | 303.7                      |
|                  | Neighbourhood               | 40                          | 155.3                      |
|                  | Pocket                      | 285                         | 114.1                      |
|                  | Streetscapes                | 1048                        | 28.5                       |
|                  | Sportsfields                | 15                          | 31.3                       |
|                  | Traffic Treatments          | 563                         | 7.8                        |
|                  | Playgrounds                 | 152                         | Included in Parks          |
|                  | Building Surrounds          | 10                          | 10.1                       |
|                  | <b>Total</b>                |                             | <b>661.6</b>               |
| Trees            | Parks Trees                 | 13,794                      | 34.5                       |
|                  | Street Trees                | 35,128                      | 86.3                       |
|                  | Property Trees              | 661                         | Included in Property value |
|                  | <b>Total</b>                |                             | <b>120.8</b>               |
| Street Furniture | Smartpoles                  | 2,794                       | 103.3                      |
|                  | Poles and Lighting          | 4,430 poles<br>8,451 lights | 36.4                       |
|                  | Bins                        | 1,430                       | } 16.6                     |
|                  | Cycling Parking             | 1,563                       |                            |
|                  | Information Stands          | 292                         |                            |
|                  | Kiosks                      | 1                           |                            |
|                  | Seats                       | 4,278                       |                            |
|                  | Shelters                    | 610                         |                            |
|                  | Tactile                     | 2190                        |                            |
|                  | Wayfinding / Legible Sydney | 4,007                       | 8.8                        |
|                  | Permanent Survey Marks      | 3,020                       | 3.4                        |
|                  | Parking Meters              | 1,449                       | 8.5                        |
|                  | Security                    | N/A                         | 3.3                        |
|                  | <b>Total</b>                |                             | <b>180.3</b>               |

| Asset Category      | Asset Type  | Quantity                             | Value (\$M) |
|---------------------|---|--------------------------------------|-------------|
| Buildings           | Specialised / Non-Specialised and Investment                            | 254                                  | 2,028       |
| Signs               | Parking and Regulatory signs<br>Sign Poles                              | 64,000 (approx.)<br>36,750 (approx.) | 16.4        |
| Fleet               | Vehicles and major plant  | 440                                  | 50.8        |
| Plant and Equipment | Other Plant and Equipment   | N/A                                  | 115         |
| Library             | Books, publications, electronic resources and other library collections | N/A                                  | 8.8         |
| Art                 | Public art and sculptures   | 237                                  | 58.9        |
|                     | Town Hall Collection  | 1,750 (approx.)                      | 9.6         |
|                     |   | <b>Total</b>                         | <b>68.5</b> |
| Office Fit out      | Furniture, desks, technology  | N/A                                  | 57.5        |

## Asset Condition

### Condition Definition

In line with International Infrastructure Management Manual, the Institute of Public Works Engineering Australia (IPWEA) condition rating standards, this is the condition ranking the City has adopted. The scale and how the rankings apply varies between each asset category.



## Current Asset Condition Assessments

| Asset Category | Asset Component                   | Average Condition | Latest Year of Assessment | Next proposed Assessment | % of Assets rated as Satisfactory |
|----------------|-----------------------------------|-------------------|---------------------------|--------------------------|-----------------------------------|
| Roads          | Road Pavements                    | 2.5               | 2016                      | Underway                 | 87                                |
|                | Footpaths                         | 2.5               | 2019                      | 2021                     | 96                                |
|                | Kerb and gutter                   | 2.6               | 2019                      | 2021                     | 91                                |
|                | Traffic Facilities                | 2.0               | 2018                      | Underway                 | 95                                |
|                | Steps and Ramps                   | 2.7               | 2020                      | 2025                     | 87                                |
| Structures     | Bridges                           | 2.2               | 2020                      | 2025                     | 98                                |
|                | Cliff & Retaining Walls           | 2.2               | 2020                      | 2025                     | 97                                |
|                | Sea walls                         | 2.5               | 2020                      | 2025                     | 100                               |
|                | Jetties/Pontoons                  | 2.5               | 2020                      | 2025                     | 100                               |
|                | Fences                            | N/A               | 2015                      | 2023                     | N/A                               |
| Stormwater     | Drainage – Pits – Collected area  | 2.0               | 2021                      | Underway                 | 99                                |
|                | Drainage – Pipes – Collected area | 2.2               | 2021                      | Underway                 | 96                                |
|                | Gross Pollutant Traps             | 2.0               | 2020                      | 2024                     | 90                                |
|                | Raingardens                       | 1.6               | 2019                      | 2023                     | 82                                |
| Parks          | Iconic                            | 2.8               | 2021                      | 2022                     | 99                                |
|                | Neighbourhood                     | 2.6               | 2021                      | 2022                     | 96                                |
|                | Pocket Parks                      | 2.7               | 2021                      | 2022                     | 98                                |
|                | Streetscapes                      | 2.9               | 2021                      | 2022                     | 99                                |
|                | Traffic Treatment                 | 3.1               | 2021                      | 2022                     | 99                                |
| Trees          | Parks Trees                       | 1.9               | 2021                      | 2022                     | 99                                |
|                | Street trees                      | 1.5               | 2021                      | 2022                     | 99                                |
|                | Property Trees                    | 1.6               | 2021                      | 2022                     | 99                                |
| Buildings      |                                   | 2.1               | 2021                      | 2022                     | 97                                |



Community Asset Management Plan 2022

| Asset Category      | Asset Component         | Average Condition | Latest Year of Assessment | Next proposed Assessment | % of Assets rated as Satisfactory |
|---------------------|-------------------------|-------------------|---------------------------|--------------------------|-----------------------------------|
| Street Furniture    | Smartpoles, Light poles | 2.1               | 2009                      | Underway                 | 99                                |
|                     | Mounted lights          | 3.0               | 2009                      | Underway                 | 99                                |
|                     | Street Furniture:       |                   |                           |                          |                                   |
|                     | Bins & Ashtrays         | 2.7               | 2016                      | Underway                 | 90                                |
|                     | Cycle Parking           | 2.5               | 2016                      | Underway                 | 92                                |
|                     | Information Stand       | 2.6               | 2016                      | Underway                 | 93                                |
|                     | Kiosks (CoS owned)      | 1.9               | 2016                      | Underway                 | 99                                |
|                     | Seats                   | 2.6               | 2016                      | Underway                 | 86                                |
|                     | Shelters                | 2.1               | 2016                      | Underway                 | 99                                |
|                     | Permanent Survey Marks  | 2.0               | 2020                      | Underway                 | 99                                |
| Plant and Equipment | Fleet                   | 2.3               | 2021                      | 2022                     | 99                                |

Note 1 – Continuous review of all council's asset and related desktop condition assessments are ongoing.

Note 2 – The areas where data is either being collected or not applicable are shown as Not Applicable (N/A)

Generally, condition assessments are conducted as holistic on an asset class. The identification of defects and ad hoc condition assessment on individual assets are being performed on a continual basis.

Non-destructive testing and a condition assessment is underway for all electrical poles.

We are in a transition to a new service provider for street furniture. A new inventory and condition audit will take place and the outcomes will be displayed in next year's Community Asset Management Plan

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## Asset Management Capability and Maturity - Assessment

In 2019, the City conducted a maturity analysis compared to the Australian Standards:

- AS ISO55000 – Asset Management – Overview, principles and terminology and
- AS ISO55001 – Asset Management – Management Systems – Requirements

The review identified several areas where further improvement in asset management practices in the City. A project plan to achieve the desired level of maturity is being implemented.

Key projects that have been recently completed are:

- Develop terms of reference for a strategic asset group (Asset Management Gateway Panel)
- Develop an asset decision process including budget build for renewals

Key projects that are recommended and underway include:

- Review, develop and reassign roles and responsibilities related to infrastructure assets
- Develop asset health dashboard for executive level management decisions.
- Develop operational dashboards for service delivery standards.

The Asset Management Gateway Panel provides greater oversight in capital works project decision making. Together with a revision of the asset management policy, future asset management plans will have projects within each of the critical asset areas outlining the path to maturity.

We are continuing to focus our efforts in the key areas of:

1. Asset Management Governance
2. Asset Management Skills and Processes
3. Asset information and systems
4. Levels of service
5. Financial sustainability
6. Environmental sustainability asset management practices
7. Resilience in our infrastructure assets

An outline of the strategy focus areas are contained in the following table with the detailed information, including specific elements of the key objectives.

Emphasis on environmental, social and cultural measures and metrics will be identified and incorporated into this report and in the future.

In the short term we are focussing on the areas of resilience, climate change and inclusion of social and culturally important assets within detailed asset management plans.

### Accompanying strategies, standards and plans

This Community Asset Management Plan has been informed and works together with the following City strategies, standards and plans:

- Community Strategic Plan
- Design codes and technical specifications
- Climate Change Adaptation Plan
- Digital Strategy
- Information and Technology Strategic Plan
- Data Governance Framework
- Environmental Strategy
- Resilient Sydney
- Smart City Framework
- Greening Sydney
- City for All

## Asset Strategy Focus Areas

| Focus Area   | Key Outcomes   | Priority Projects   |
|--|--|---|
| <p><b>Asset Management Governance</b></p> <p>Consistent and appropriate data and corporate governance processes are in place for all asset activities and classes</p>  | <ul style="list-style-type: none"> <li>– Improved data governance</li> <li>– Structured infrastructure risk management plans</li> <li>– Current and relevant policy and strategy</li> <li>– Compliance with Integrated Planning and Reporting requirements</li> <li>– Digital service delivery designed around the user</li> </ul> | <ul style="list-style-type: none"> <li>– Cyclic review of the Asset Management Gateway Panel.</li> <li>– Review and update business, data governance and management processes</li> <li>– Adopt risk management plans for the Critical asset classes, including climate change adaptation, at a network level</li> <li>– Policy reviewed on four year cycle</li> <li>– Endorse Asset Management Plans</li> <li>– Identify areas of improvement for better return on investment</li> <li>– Review and reassign roles and responsibilities related to infrastructure assets</li> </ul> |
| <p><b>Asset Management Skills and Processes</b></p> <p>The City's staff will have sufficient data and system knowledge, rigorous processes, clear communication and a culture committed to asset and service improvement</p> | <ul style="list-style-type: none"> <li>– Proactive asset management culture</li> <li>– Standard asset creation and handover processes</li> <li>– Developed asset management skills</li> <li>– Effective communication and On-line tools</li> </ul>   | <ul style="list-style-type: none"> <li>– Develop on-line references and tools for asset managers</li> <li>– Develop standard templates and processes for asset demolition and creation</li> <li>– Communications strategy for asset management practices</li> <li>– Provide or facilitate training for asset managers</li> </ul>  |
| <p><b>Asset Information and Systems</b></p> <p>The City will support service delivery through the provision of up to date asset information and integrated systems providing digital and mobile platforms</p>                | <ul style="list-style-type: none"> <li>– Integrated platforms</li> <li>– Fully resourced system support</li> <li>– Mobile first solutions</li> <li>– Quality data and information</li> <li>– Adopted long term strategy for system</li> <li>– Best practice data modelling and reporting</li> </ul>                                | <ul style="list-style-type: none"> <li>– Development of executive asset health dashboard</li> <li>– Review and update of the stormwater drainage inventory and condition data incorporating CCTV analysis of pit and pipe capacity and structure</li> <li>– Building and condition audit for relevant buildings</li> <li>– Continue rollout of ConfirmConnect and WorkZone mobile platform</li> <li>– Develop and enable advanced modelling within the corporate system</li> </ul>  |

## Community Asset Management Plan 2022

| Focus Area  | Key Outcomes  | Priority Projects   |
|---|---|---|
| <p><b>Levels of Service</b></p> <p>The City will measure the performance of all asset classes against agreed levels of service including intervention levels, inspection frequency and condition thresholds</p> | <ul style="list-style-type: none"> <li>– Agreed service levels for all asset classes</li> <li>– Costs associated with service delivery captured and understood</li> <li>– Validated asset lifecycle models</li> <li>– Service levels of new and acquired infrastructure identified at inception</li> <li>– Environmental considerations included in all service level outcomes</li> </ul> | <ul style="list-style-type: none"> <li>– Development of service levels specific to individual asset classes including intervention levels, priority determination and inspection frequency</li> <li>– Develop cost collection model and implement through mobile technology</li> <li>– Develop processes to directly link the corporate asset management system to water, energy and waste consumption</li> <li>– Consult with the community to identify any over or under servicing of assets</li> </ul> |
| <p><b>Environmentally Sustainable Asset Management Practices</b></p> <p>Embed best practice environmental management practices into all aspects of infrastructure service delivery</p>                          | <ul style="list-style-type: none"> <li>– Climate change considerations as part of normal business</li> <li>– Cleaner stormwater solutions</li> <li>– Embedded sustainable design guidelines</li> <li>– Environmental impact considered in plant and equipment acquisition</li> <li>– Asset reporting includes environmental outcomes</li> </ul>   | <ul style="list-style-type: none"> <li>– Embed environmental guidelines in all renewal and upgrade activity</li> <li>– Develop processes to directly link all corporate asset management systems to water, energy and waste consumption</li> <li>– Develop processes to minimise the environmental impact of new or replacement plant and equipment</li> </ul>  |
| <p><b>Financial Sustainability</b></p> <p>The cost of infrastructure service delivery will be fully understood and incorporated into lifecycle modelling linked to the long term financial plan</p>             | <ul style="list-style-type: none"> <li>– Full understanding of costs to deliver services to support budget preparation</li> <li>– Benchmarked asset operation and maintenance activities and costs</li> <li>– Validated lifecycle models</li> </ul>   | <ul style="list-style-type: none"> <li>– Develop and implement strategy, processes and procedures to capture costs associated with infrastructure maintenance activities</li> <li>– Migrate asset financial and valuation data to the Corporate Asset Management System</li> </ul>  |

Community Asset Management Plan 2022

| Focus Area  | Key Outcomes  | Priority Projects  |
|---|---|--|
| <p><b>Resilience in our infrastructure assets</b></p> <p>Planning for the City's infrastructure assets to be resilient against future shocks and stresses</p> | <ul style="list-style-type: none"> <li>- Integrated asset operational and financial data</li> <li>- Purpose specific tools for asset reporting</li> <li>- Clear definition of resilience</li> <li>- Asset management plans address resilience issues</li> <li>- Resilience considered at the time of renewal</li> </ul> | <ul style="list-style-type: none"> <li>- Define resilience and its context for each asset group</li> <li>- Rate current infrastructure against adopted definition of resilience.</li> <li>- Develop plans to accommodate resilience into future renewal and operational planning if required.</li> </ul> |

## Link to Community Strategic Plan Directions

Infrastructure assets play both a direct and an indirect role in the delivery of a number of the key Community Strategic Plan directions. Listed below are the directions where critical assets are affected.

The context of assets within the Community Strategic Plan generally expresses the community's intent. Which may include infrastructure beyond what the City owns and controls. Although this infrastructure may create the need for the City to deliver support infrastructure and assets, these are denoted with \*.

Some directions have a Planning focus that don't directly include the scope of delivering infrastructure assets instead shape the assets that will be renewed/upgraded. These are denoted with \*\*.

| Direction |  |
|-----------|--|
| 1.2       | The City of Sydney has the capacity, capability, information, data and systems to serve the community into the future                    |
| 1.3       | The City of Sydney is financially sustainable over the long-term   |
| 2.1       | The city reaches net zero emissions by 2035 with embodied carbon significantly reduced   |
| 2.2       | Greening has increased to create a cool, calm, and resilient city  |
| 2.3       | Water is managed to support a resilient, sustainable, and liveable city  |
| 3.1       | Aboriginal peoples' history and cultures of this place are evident in the public realm   |
| 3.2       | Welcoming, inclusive and connected streets and public spaces are created and maintained  |
| 3.3       | Creativity and culture is embedded in the fabric of the city   |
| 3.4       | Physical and visual connections to the harbour are strengthened  |
| 3.5       | Equitable access to open green spaces, playgrounds, pools, recreational and sporting facilities supports social connection and wellbeing |
| 4.1 **    | The city's liveability will be enhanced through well planned and designed development  |
| 4.3 **    | Communities will be supported by the provision of infrastructure and assets that are aligned with growth                                 |
| 4.4 **    | Good design leads to buildings and public spaces that are high performing, well designed, inviting and inclusive                         |
| 5.1       | Street space is reallocated for people, places and planting  |
| 5.2 *     | Most people use the high-capacity, rapid and frequent public transport network that connects the city and the metropolitan area          |
| 5.3       | More people walk more, because walking is the most attractive and convenient choice for short trips in the local area                    |

| Direction |   |
|-----------|---|
| 5.4       | More people ride more, because it is an attractive, convenient and safe option for everyday transport   |
| 5.5       | Freight, servicing and parking will be managed to support the efficient functioning of the city while improving the amenity of city spaces            |
| 6.2       | Everyone feels welcome and included in the city   |
| 6.6       | There is equitable access to education and learning opportunities   |
| 7.2       | Everyone has equitable and affordable access to community and cultural facilities, supporting social connection and wellbeing                         |
| 7.3       | Infrastructure, services and communities are prepared for and can withstand the impacts of acute shocks and chronic stresses and emergency situations |
| 7.4       | The city economy is diversified to strengthen its resilience  |
| 7.5       | People feel safe in the city  |
| 8.5       | There is an increased supply of accessible creative space   |
| 9.5**     | Unique local neighbourhoods and the global city centre support thriving economic activity   |
| 10.2 *    | The supply of well maintained, safe, secure and sustainable social housing is increased to support diverse communities                                |

These directions will be considered when we renew existing or create new community assets. The Community Asset Management Plan outlines, where possible, the additional projected Operating, Maintenance, Renewal costs for assets that are significantly upgraded or delivered within the next 10 years in line with the Community Strategic Plan directions. These costs have also been included in Long Term Financial Plan.

# Asset Management Plans

The City of Sydney is implementing asset management in a structured and consistent manner guided by the International Infrastructure Management Manual (IIMM) and the Institution of Public Works Engineers Australia (IPWEA), utilising the basis of the NAMS.PLUS3 template. The assessment against the ISO55000 standards will enhance the implementation.

The Corporate Asset Management System provides a repository where the City can aggregate and assess improved data and the facility to produce better maintenance and operational histories.

To meet the Integrated Planning and Reporting guidelines the City is implementing Asset Management Plans in the following way:

## **Community Asset Management Plan**

The Community Asset Management Plan (this document) provides an overview of the asset management principles and fundamentals we are implementing across asset classes. It contains the current policy and the dynamic strategy themes and projects. It also outlines the long term (minimum 10 year) plans for groups of assets that are critical to the City's operation.

The critical assets included in the plan are:

- Road Network Assets
- Stormwater Drainage Asset
- Parks and Trees
- Property Asset

The plan has the standard Asset Management Plan elements the City is applying to infrastructure assets while at the same time not

focusing on technical issues more suited to detailed planning.

## **Detailed Asset Management Plans**

These are plans for discrete asset categories that include detailed inventory information, condition assessments, service levels, funding requirements and future demand. The Detailed Asset Management Plans are not included in the Resourcing Strategy due to their technical complexity, volume and evolving content based on improved data collection and governance.

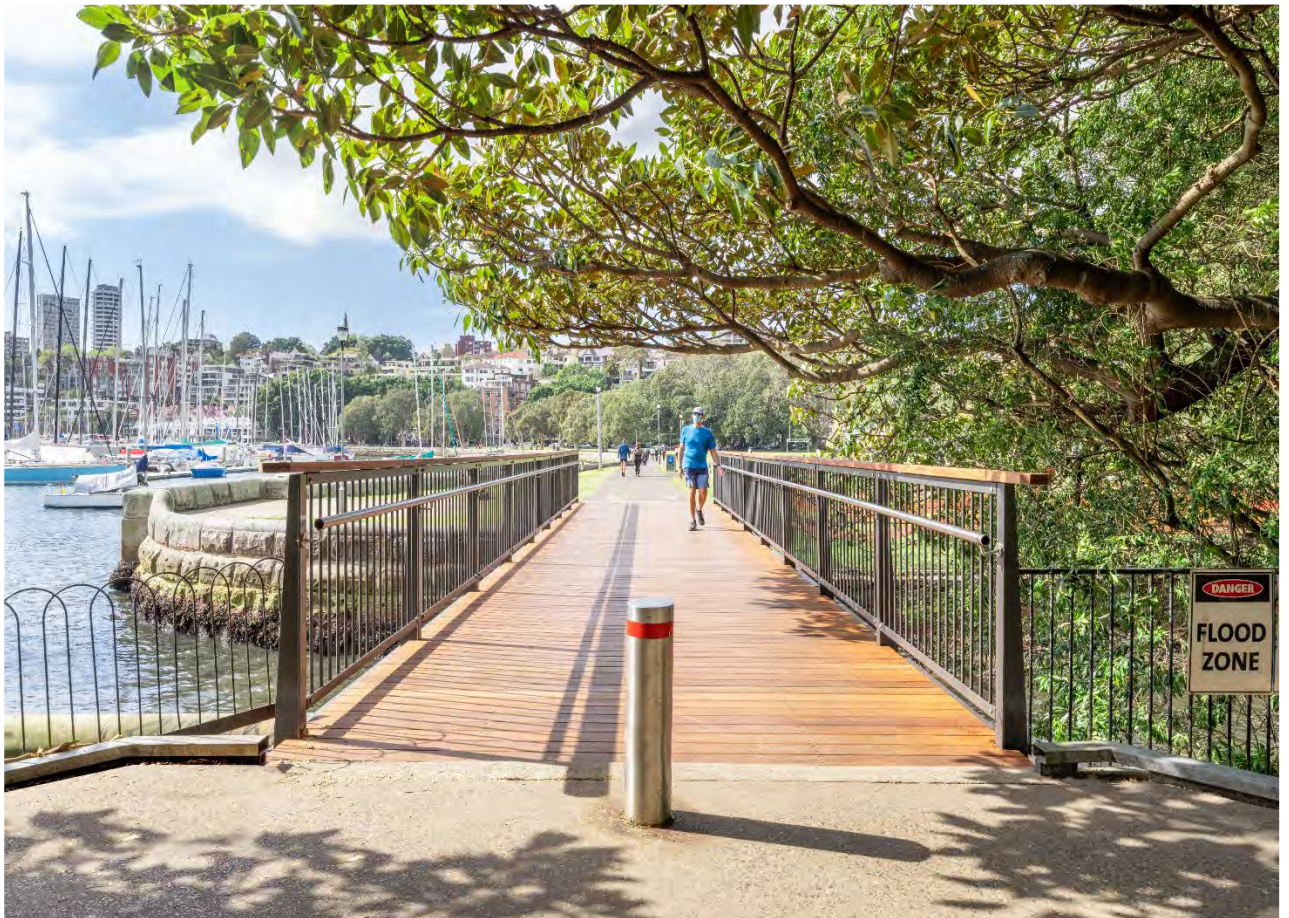
The Detailed Asset Management Plans are being reviewed and updated to a new consistent plan template over the next 12 months. In addition, the review will include the following key actions:

- Asset Register Data – ensuring the City has acquired the right asset inventory data to make tactical and strategic decisions.
- Service level review for all assets to determine optimum inspection, response, renewal and upgrades. This includes environmental, social and cultural service outcomes.
- Further refinement of the identification of critical assets especially in the context of resilience, climate change and Indigenous Cultural & Intellectual Protocols.
- Further refinement of risk-based priorities for renewal planning.
- Enhanced life cycle modelling to provide more efficient and effective renewal funding scenarios



## Community Asset Management Plan 2022

- Refinement of unit rates that are City of Sydney specific for construction and maintenance
- Planning to make our critical assets in each asset group resilient to the relevant shocks and stresses the asset may experience.
- Use technology and smart city initiatives to make better tactical and strategic decisions.



*Image: Rushcutters Bay Park Bridge, City of Sydney*

# Community Asset Management Plan

This section briefly describes the elements included in each of the critical asset categories of this Community Asset Management Plan.

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## Levels of Service

The City has defined service levels in two ways:

1. Community Levels of Service relate to how the community receives the service in terms of safety, quality, quantity, reliability, capacity, environmental impact, responsiveness, cost/efficiency and legislative compliance; and
2. Operational or technical measures of performance developed to ensure that the minimum community levels of service are met. These technical measures relate to service criteria and are shown in the detailed Asset Management Plans.

Desired levels of service are obtained from various sources including Customer Satisfaction surveys, residents' feedback to Councillors' and staff, service requests and correspondence, and consultation with stakeholders. The City has identified the review and update of service levels for specific asset classes as a key element of the ongoing asset management strategy.

The City will refine and adjust the levels of service to ensure continued community satisfaction as reflected through these sources. Any changes will be included in revisions of the plans. The change of levels of service on our roads has been assessed and now is in a resourcing analysis stage. The parks assets review produced recommended changes how

our parks should be maintained. These changes have been rolled out.

This plan now reflects elements of the Report on Infrastructure Assets (i.e. Special Schedule 7) from the City's financial statements. This replaces previous estimates of minimum condition levels to provide uniformity across reporting platforms.

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## Demand Management

Generally, the major factors affecting asset management provision and maintenance are population and demographic changes, environmental factors, economic conditions and community expectations. Population and visitor growth in particular will see an increased demand for available open space, pedestrian space, community facilities and also a need for new and emerging assets to meet user expectations.

The Community Strategic Plan is a vision for the City to meet the future demands required for the city to be a green and global city. The Plan impacts the amount and repurposes assets to meet the needs.

The handover of a number of assets from other government authorities is also anticipated in the short term which will impact on service provision.

Demand for new services will be met through a combination of managing existing assets, upgrading of existing assets and providing new assets as required. As the City has a finite stock of existing assets, a focused qualitative approach has been undertaken when upgrading existing assets. This ensures we provide purpose built assets in the right areas.

New and emerging smart city sensors incorporated with Internet of Things (IoT) technologies will provide opportunities to deliver assets that will have higher utilisation, reduced downtime and lower lifecycle costs.

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## Asset Condition Assessment

The City has adopted a consistent approach to the assessment of the condition of infrastructure assets.

The task of rating all assets to the level of detail required to effectively manage them is significant and the City is continually updating and incorporating improved condition data.

Condition assessments are important because they:

1. Identify assets or areas where maintenance or renewal is needed;
2. Give information, through regular assessment, on the trend in deterioration of assets;
3. Enable estimates of costs to restore to a reasonable level; and
4. Help the City to plan future maintenance.

The adopted model is consistent with the International Infrastructure Management Manual, the Institute of Public Works Engineering Australia (IPWEA) NAMS.PLUS3 Asset Management Guidelines and the NSW Local Government Integrated Planning and Reporting Framework.

The general method to assess asset condition uses a five-point scale and is applied across all infrastructure assets.

The condition indexes are shown in the asset condition section for each of the critical asset chapters.

Each infrastructure asset category has specific levels and descriptions (contained in the Detailed Asset Management Plans) associated with the condition indexes, the assessments shown in the asset specific sections reflect these specifics.

The City has commissioned a number of critical asset data collection projects to keep our condition data up to date and extending

coverage for newly acquired assets. These include:

- Road Network assets – road pavement and traffic facility conditions are being collected this year.
- Stormwater drainage network (being pit, pipe and channel information) including size, capacity, dimensions, condition, update is approximately 70% complete and will continue for the next 2 years. This includes CCTV analysis for all City owned Gross Pollutant Traps (GPTs) pipes, pits and raingardens. A Model for Urban Stormwater Improvement Conceptualisation (MUSIC) is currently underway that will assist in planning and scheduling maintenance work in the short term and the siting and installation of future GPTs in the long-term. A review of water quality and marine ecology data in the City's waterways is also planned to assist in prioritising both the maintenance work and new GPT installations. This is an ongoing project with a high labour component and was been impacted by COVID 19.
- Ongoing and cyclic parks inventory collection that include details of park and park elements, condition and valuation. Condition assessments of whole park assets have been completed. The validation of footway verges in conjunction with the roads footway and kerb audit continues. We are continuing to develop improved methods for condition data for parks including utilising weighted averages and relative useful lives of components.
- Collection of detailed building data is ongoing. The collection of condition data for property structures and fabric is continuing. An independent review of the 60 high value or high use buildings or primarily relating to risk and priority works is complete. This is the basis for the renewal component of the capital works program for properties.
- Comprehensive non-destructive testing and condition assessment of all council's smart poles is underway. It will take approximately three years to complete.

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## Asset Valuations

A summary of the current replacement cost, written down value and Average Annual Asset Consumption amount for the Asset Category.

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## Risk Plan

The City of Sydney has developed a Risk Management Policy, Risk Assessment Methodology and Enterprise Risk Management System based on the identification of credible risks, measure of likelihood that it will occur and measures of consequence of the occurrence. The action required to manage those risks are assessed using a Risk Rating Matrix and the Risk Categorisation.

Critical risks, being those assessed as 'Very High' – requiring immediate corrective action and 'High' – requiring prioritised corrective action identified in the Infrastructure Risk Management Plan - are summarised.

A project to review and update the high-level risks associated with the critical asset classes has been undertaken. The project has identified what element of the infrastructure, at a network level, is at risk and what can happen, possible causes, existing controls in place and risk treatment options and plans.

The table following shows a snapshot of the types of risk identified together with their causes and controls and rating.

The associated Risk Management Plan for Critical Assets has been reviewed and adopted. A review of the plan is due in the coming year. The Asset Maturity project identified the City should enhance how risk is considered during the renewal priority process. Future revisions of the Risk Management Plan and the detailed asset management plans will include information on the risk treatment options, plans and timetable for completion.

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## Resilience

The City has recently undertaken a resilience risk assessment for the Local Government Area and is currently developing a resilience plan for the organisation. We are ascertaining the required actions to make our infrastructure

assets resilient to future shocks and stress. The shocks and stresses identified that could impact the City's infrastructure include:

- Primary infrastructure failure
- Epidemic/pandemic
- Extreme heat and heatwaves
- Extreme weather - storms and flooding
- Water insecurity
- Cyber attack
- Terrorist attack
- Civil unrest
- Mass medical emergency
- Population growth and densification
- Food, fuel or water crisis, incl. global supply chains
- Landslip/subsidence/liquefaction
- Aging population/increasing vulnerable populations

Some projects to increase our resilience already underway include:

- Increasing the Tree Canopy and Green Cover
- Trialling new materials with less embodied carbon
- Reducing building energy and water consumption
- Water recycling and harvesting

High level risks for critical assets - snapshot revised 2022

| Asset Risk and What Can Happen   | Possible cause  | Existing controls  | Risk Rating |
|--|---|--|-------------|
| Road Transport Network not meeting community needs                       | Public transport failure  | – Transport planning   | Very High   |
|  | Footpath capacity inadequate - insufficient corridor space            | – Alignment with TfNSW transport and safety policies and plans |             |
|  | Safe cycleway network not completed                                   | – Emergency traffic response                                   |             |
|  | Competing priorities with road use                                    | – Public domain plans  |             |
|  | Inadequate freight delivery drop-off opportunities                    | – Cycling strategy   |             |
|  | Parking impacts on public transport corridors                         | – Parking Policy   |             |
|  | Climatic and environmental factors e.g. increasing number of hot days | – Design code and technical specifications                     |             |
| Stormwater System Capacity – flooding of property                        | Historically under capacity systems due to previous design standards  | – Floodplain Management Policy                                 | Medium      |
|  | Rainfall intensity variations from climate change                     | – Floodplain Risk Management Plans                             |             |
|  | Sea level rise from climate change                                    | – Design code and technical specifications                     |             |
|  | Population growth and densification                                   |  |             |
| Parks and Open Space not meeting community needs                         | Population growth   | – Urban renewal planning                                       | High        |
|  | Increasing expectations   | – Land dedications from new developments                       |             |
|  | Sports field demand   | – Planning controls  |             |
|  | Siting of utility infrastructure                                      | – Consultation   |             |
|  | Demand management, competing land uses                                | – Design code and technical specifications                     |             |
|  | Climatic and environmental factors                                    |  |             |
| City Buildings and Property not meeting safety or community requirements | Fire safety, water treatment, entrapment (lifts), hazmat & vandalism  | – Inspections  | High        |
|  | Structural integrity  | – Contract management  |             |
|  | Flooding  | – Condition reports prepared                                   |             |
|  | Climatic and environmental factors e.g. increasing number of hot days | – Community feedback   |             |
|  | Population growth   | – Planned maintenance programs                                 |             |
|  |   |  |             |

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## Maintenance, Renewal and Upgrade Costs

To assess the lifecycle costs of managing assets, it is necessary to understand the plans for and expenditure incurred to maintain those assets. A summary of the expenditure trends is shown for each category of asset and the definitions of lifecycle costs appear below.

### Operational Costs

Recurrent expenditure which is continuously required to operate and manage assets e.g. management staff and associated on-costs.

### Maintenance Costs

These costs are defined as repairs to assets to ensure they reach their full or expected life and include reactive, planned and preventative maintenance work activities.

Reactive maintenance is unplanned repair work carried out in response to service requests and management or supervisory directions.

Planned or preventative maintenance is repair work that is identified through various means including inspection, assessing the condition against failure/breakdown experience, prioritising, scheduling, actioning the work and reporting what was done to develop a maintenance history and improve maintenance and service delivery performance.

### Renewal or Replacement Costs

Renewal or Replacement expenditure is major work that does not increase the asset's design capacity but restores, rehabilitates, replaces or renews an existing asset to its original service potential or condition. Work over and above restoring an asset to original service potential comprises upgrade/expansion or new works expenditure.

### Expansion (New) Assets and Upgrade Costs

New or expansion works are those works that create a new asset that did not previously exist. Upgrade works improve an existing asset beyond its existing capacity. They may result from growth, social or environmental needs and community requirements or requests. Assets may also be acquired at no cost to the City from land development.

New assets will commit the City to fund ongoing operations and maintenance costs for the period that the service provided from the assets is required. The City will increase annual maintenance budgets to ensure sufficient maintenance funds over the life cycle of all newly created assets.

There is a risk that the significant transfer of assets will impact on the provision of future works.

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## Estimate of Cost to bring asset to satisfactory condition

Elements from the City's financial statements relating to Special Schedule - Report on Infrastructure Assets of the Code of Accounting Practice and financial reporting are included in this document.

The Special Schedule - Report on Infrastructure Assets includes estimates of the cost to bring our critical assets to a satisfactory standard or an agreed level of service. This replaces previous estimates of minimum condition levels to provide uniformity across reporting platforms.

The Special Schedule - Report on Infrastructure Assets contains two primary estimates for assessing the City's financial obligation relating to renewal of infrastructure assets. These are:

### Estimated cost to bring to a satisfactory standard

The amount of money that is required to be spent on an asset that is currently not at the condition determined to be satisfactory by Council and the community. Unless otherwise agreed with the community the level for satisfactory is set at Condition 3 – 'Fair'

### Cost to bring to the accepted level of service set by Council

Estimate of the cost to renew or rehabilitate existing assets that have reached the condition based intervention level adopted by Council. For the City, in general terms this means any asset that has reached a Condition 4 – Poor or Condition 5 – Very Poor.

### Required Maintenance

Estimate of the costs identified to perform routine activities that should be undertaken to sustain the asset in a functional state, ensuring assets reach their predicted useful life, excluding renewal. This includes operational and maintenance costs.

### Actual Maintenance

Actual expenditure incurred to perform those routine activities.

## Financial Summary, Projections and Projections

The summary contains the financial requirements resulting from all the information presented in the previous sections of the Asset Management Plan. These projections will be refined as updated information becomes available. There are two key indicators for financial sustainability that have been considered in the analysis of the services provided by the asset category. They are:

- Long-term life cycle costs based on historical trends and for the full useful life of the asset.
- Medium term lifecycle costs over the 10 year financial planning period contained in the Long Term Financial Plan.

Estimates of each are shown for the critical asset classes.

## Life Cycle Costs

Whole of Life costs are the costs that contribute to the overall cost of providing the asset from design, acquisition, construction, maintenance and demolition or disposal phases.

## Asset Consumption Costs

Asset Consumption Costs are the average annual costs that are required to sustain the service levels over the life of the asset after the asset has been commissioned.

These include the ongoing operational and maintenance costs and average annual asset consumption (sometimes referred to as depreciation expense).

This provides an estimate of the theoretical spend required to keep the asset in a satisfactory functioning state over the full useful life period.

Asset Consumption Costs are calculated using the general methodology:

$$\text{Average Annual Asset Consumption} = \frac{\text{Replacement Value of the Asset}}{\text{Expected Life of the Asset (how long will it last)}}$$

Into

$$\text{Required Operational Costs} + \text{Required Maintenance Costs} + \text{Average Annual Asset Consumption}$$


---

**Asset Consumption Costs**

The Table below provides an example of how the Asset Consumption Cost is calculated

| Asset Type     | Replacement Value | Useful Life | Average Annual Asset Consumption | Required Operating Cost | Required Maintenance Cost | Asset Consumption Cost |
|----------------|-------------------|-------------|----------------------------------|-------------------------|---------------------------|------------------------|
| Stormwater Pit | \$10,000          | 100yrs      | \$100/yr                         | \$500/yr                | \$100/yr                  | <b>\$700/yr</b>        |
| Park           | \$5,000,000       | 25yrs       | \$200,000                        | \$5,000                 | \$15,000                  | <b>\$220,000/yr</b>    |

## Estimated Operational, Maintenance, Renewal and Replacement Costs

The amount that the City is currently spending or budgeting to renew or replace an asset, including the planned ongoing operational and maintenance expenses and planned capital renewal or replacement expenditure. The calculation is as follows:

$$\begin{aligned} & \text{Budgeted Operational Costs +} \\ & \text{Budgeted Maintenance Costs +} \\ & \text{Budgeted Renewal or Replacement Program} \end{aligned}$$

---

**Estimated Operational, Maintenance, Renewal and Replacement Costs**

Any difference between Asset Consumption Costs and Estimated Renewal or Replacement Costs provide a guide as to whether funding for the asset renewal matches the theoretical estimate of the consumption or decay of the asset.

Updated data and modelling will be included in future revisions of the Community and the detailed Asset Management Plans are continually being revised to include updated data and modelling

Information contained in the models address any gap identified in the Special Schedule-Report on Infrastructure Assets estimates of the cost to bring our critical assets to a satisfactory standard.

## Sustainability Index

The ratio of the Estimated Operational, Maintenance, Renewal and Replacement Costs over the Asset Consumption Costs to give an indicator of sustainability in the asset's service provision. Planned or replacement expenditure will vary depending on the timing of the renewal project and is often incorporated into projects upgrading the asset.

$$\text{Sustainability Index} = \frac{\text{Estimated Operational, Maintenance, Renewal and Replacement Costs}}{\text{Asset Consumption Costs}}$$

A Sustainability Index in excess of 0.9 (90%) over a ten year period is generally considered sustainable using industry benchmarks.

The Building and Infrastructure Asset Renewal Ratio benchmark is set by the Office of Local Government to be in excess of 1.0 (100%).



# Critical Assets

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## Scope

Integrated Planning and Reporting defines assets which are essential for councils operations as critical assets. These are those for which financial, business or service level consequences of failure are sufficiently severe to justify proactive inspection and rehabilitation.

Assets groups which the city define as critical and included in the Community Asset Management Plan are:

- Road Network – including carriageways, footpaths, kerb and gutter, cycleways, bridges (pedestrian and vehicular);
- Stormwater Drainage – including pits, pipes, culverts, open channels, stormwater quality improvement devices;
- Parks and Trees – including parks improvements, turf, garden beds, parks and street trees, water recycling and reuse systems, water features, habitat corridors and trees within Council properties;
- Property – including corporate, community, investment/strategic, public domain buildings and the Sydney Town Hall.

It is acknowledged that some asset categories not included in the Community Asset Management Plan may be considered critical by interested parties.

The critical asset groups identified account for approximately 90 per cent of all asset value (excluding land).

Summary information for the critical asset classes are contained in this report. The data is based on the information contained in Community Asset Management Plan Section. The City has utilised the Asset Management Framework, the NAMS.PLUS3 methodology and the best available data to prepare this summary information.

The City publishes a ten year capital works program summary as part of its Long Term Financial Plan incorporating asset renewal programs as linked to the detailed asset management plans. The prioritisation of works within that program will be reviewed is updated as the analysis of condition data is completed.

The detailed asset management plans will continue to be refined, particularly as updated information becomes available through the completion of data collection projects.

# Road Network Assets

## Background

The City provides a road network in partnership with the Roads and Maritime Services and neighbouring councils to enable safe and efficient pedestrian and vehicular movements.

A significant proportion of the City's road network assets have been in existence for many years. These assets have originated from a combination of council construction and development activity by private or other public authorities within the area.

The road network assets assessed in this Plan include:

- Road Pavements (including cycleways)
- Footpaths
- Kerb and Gutters
- Bridges for both pedestrians and road users

In this plan cycleways are included in the road pavement or carriageway. Future revisions will separate cycleways from roads as the data becomes available and the broader cycleway network is completed.

For the purposes of the Community Asset Management Plan, bridge information, valuation and modelling have been included as it forms a critical part of the road and footpath network. However, individual Detailed Asset Management Plans for structures, which includes bridges, cliffs and retaining walls are being prepared because of the different maintenance and renewal requirements for bridges by comparison to roads and footpaths.

A survey of inventory and condition of the road surface associated traffic facilities is underway. An inventory of footpath and kerb and gutter network was last completed in 2019.

A bridges and major structures inventory and condition survey was completed in 2021. An audit and condition survey of parks structures

e.g. retaining walls, and pedestrian underpasses was completed in 2021.

The City receives grant funding from both the Federal and State Governments to assist in the management, maintenance and operation of the City's road infrastructure, which is a fundamental part of the NSW transport network.

It is anticipated that ownership of a number of roads will be transferred to the City from State Government entities within the next ten years. Negotiations relating to the terms of any such transfers are ongoing, but it is expected that whilst already constructed and operational, ongoing maintenance requirements of these assets will add to the City's commitments.

The Green Square Urban Renewal is expected to create additional infrastructure in the order of 150,000 square metres of road and footway and 16km of kerb and gutter. Further handover from other urban redevelopment sites and other government authorities are expected in the next 12-24 months. This will add demands on the provision of infrastructure services

City considers cycling as an important means of transport and has provided the following infrastructure:

- Physically separated permanent cycle paths – approximately 19.5 km.
- Pop-up cycle paths (constructed in 2020 as a Covid-19 response measure) – approximately 7.2 km.
- On-road cycle lanes (delineated by pavement markings) – approximately 37.28km

2.7km of cycleways are currently being delivered and will continue to provide an active safe mode of transport.

## Road Assets - Inventory

| Asset Category   | Quantity      | Replacement Value (\$M) |
|--|---------------|-------------------------|
| Road Surface   | 330 km        |                         |
| Road Base  | 2,899,159 sqm | 775.2                   |
| Separated Cycleway   | 19.5 km       |                         |
| Footpaths  | 1,805,053 sqm | 575.1                   |
| Kerb and Gutter  | 639,021 m     | 328.4                   |
| Traffic Facilities –, Thresholds, Medians, Traffic Islands, Speed Humps, Roundabouts | 2,204 items   | 24.3                    |
|  | <b>TOTAL</b>  | <b>1,703</b>            |

## Road Assets - Inventory - Structures

| Asset Category                       | Quantity     | Replacement Value (\$M) |
|--------------------------------------|--------------|-------------------------|
| Steel/Concrete/Composite Bridges     | 40           | 104.0                   |
| Timber Bridges                       | 4            | 2.4                     |
| Cliffs                               | 140          |                         |
| Steps/Stairs/Ramps (on Road Reserve) | 106          | 1                       |
| Retaining Walls                      | 642          | 1.1                     |
| Sea Walls                            | 2.7km        | Included in Parks Value |
| Jetties/Pontoons                     | 4            | Included in Parks Value |
| Fences                               | 289          | Included in Parks Value |
|                                      | <b>TOTAL</b> | <b>108.5</b>            |

Jetties/Pontoons and Fences replacement values are accounted for within Parks and Open Space valuations.

## Community Asset Management Plan 2022

### Asset Inventory – Street Furniture

| Asset Category                  | Quantity                  | Replacement Value (\$M) |
|---------------------------------|---------------------------|-------------------------|
| Smartpoles                      | 2,661                     | 103.3                   |
| Lighting                        | 8,440 Lights, 4,200 Poles | 36.4                    |
| Bins                            | 818                       | } 16.6                  |
| Cycling Parking                 | 1,539                     |                         |
| Information Stands              | 296                       |                         |
| Kiosks                          | 1                         |                         |
| Seats                           | 890                       |                         |
| Shelters                        | 617                       |                         |
| Tactile                         | 2190                      |                         |
| Permanent Survey Marks          | 3,306                     | 3.3                     |
| Wayfinding/Legible Sydney Signs | 3,950                     | 8.8                     |
| <b>TOTAL</b>                    |                           | <b>168.4</b>            |

Note: Parking meters are not included in this asset plan as they are treated as equipment rather than civil infrastructure



Image: Rainbow crossing, corner Bourke St and Campbell St Darlinghurst

## Road Assets - Levels of Service

### Current

Community Levels of services used by business units to gauge community satisfaction.

| Key Performance Category | Service Objective   | Performance Measure Process      | Target   | Current Performance  |
|--------------------------|---|----------------------------------|--|--|
| Quality                  | Road surface, footpaths, kerb and guttering provides smooth surface/ride appropriate to location, function and road type and speed limits | Customer/ community satisfaction | 75% satisfaction level in community survey (Roads and Footpaths)   | Achieved – greater than 75% satisfied in last Community Survey (Roads and Footpaths)   |
| Safety                   | Assets are free from hazards and significant deficiencies   | Issues/defects identified        | Number of road pavement issues/ defects reduced from previous year | Road defects: <ul style="list-style-type: none"> <li>• 1451 in 2016/17</li> <li>• 916 in 2017/18</li> <li>• 1145 in 2018/19</li> <li>• 1176 in 2019/20</li> <li>• 1100 in 2020/21</li> </ul> Footpath defects: <ul style="list-style-type: none"> <li>• 4501 in 2016/17</li> <li>• 3698 in 2017/18</li> <li>• 3309 in 2018/19</li> <li>• 2769 in 2019/20</li> <li>• 2701 in 2020/21</li> </ul> Kerb and Gutter defects: <ul style="list-style-type: none"> <li>• 679 in 2016/17</li> <li>• 380 in 2017/18</li> <li>• 442 in 2018/19</li> <li>• 231 in 2019/20</li> <li>• 270 in 2020/21</li> </ul> |

During the Covid-19 pandemic and major lockdown periods, there was a significant reduction in the number of pedestrians and pedestrian movement across the City's public domain areas. As a result, there was a decline of reported condition defects for the footway and kerb categories.

Technical Levels of service and intervention level refers to the condition rating and the time when the assets should be ideally be renewed.

| Asset Category  | Key Performance Category | Intervention Level | Action          |
|-----------------|--------------------------|--------------------|-----------------|
| Road            | Condition                | 4                  | Renewal         |
| Footway         | Condition                | 4                  | Renewal/Upgrade |
| Kerb and Gutter | Condition                | 4                  | Renewal         |
| Bridges         | Condition                | 4                  | Renewal         |

**Future**

A comprehensive review of all service levels, including inspection frequency, intervention levels and response times, for all civil and stormwater assets is continuing. The review will drive changes to maintenance and renewal activities to provide a level of service that is reflective of community expectations and resource availability.

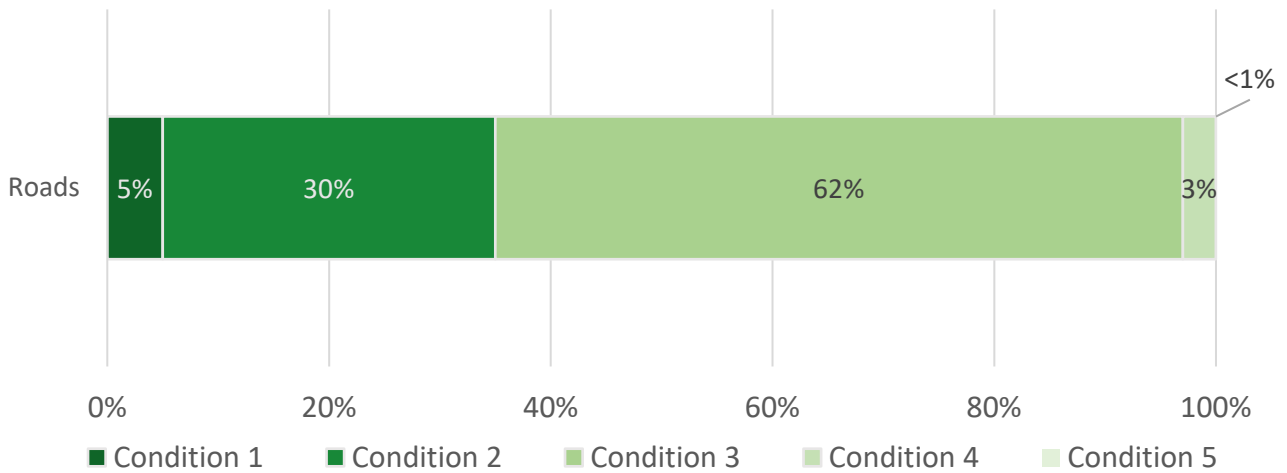


Images: Eglinton Road, Glebe Footway Renewal Works 2021

## Road Assets - Lifecycle Management

### Current Condition - Roads

The chart below shows the distribution of road surface assets. Photographs of road surfaces provide a guide to what Condition 1 – Very Good and 5 – Very Poor look like.

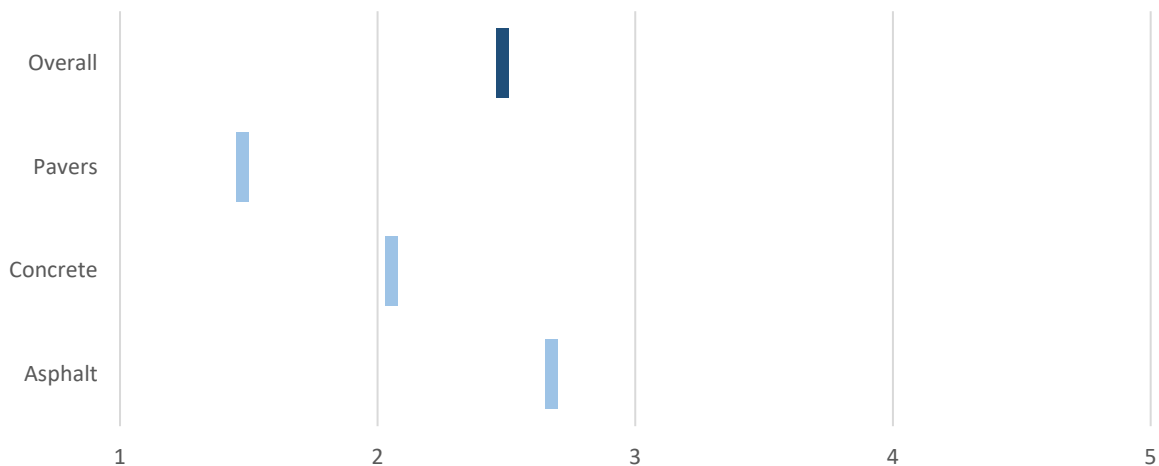


**Condition 1 – Very Good**



**Condition 5 – Very Poor**

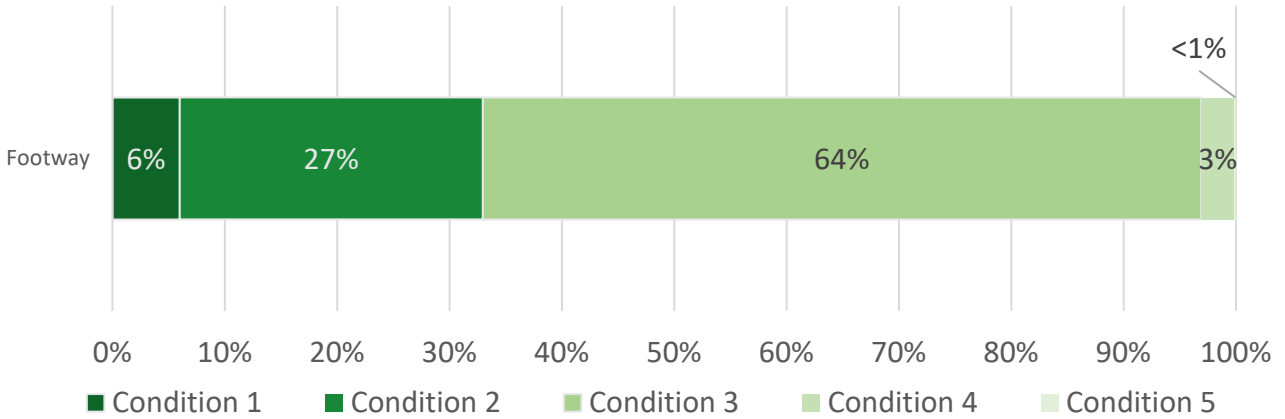
This chart shows the average condition of each of the road surface materials.



Road Inventory and condition updates were completed for the road carriageway network in 2017/18. Desktop condition ratings have been conducted yearly after 2017/18. The overall condition of the road surface is a 2.46 and less than 4% of the road network falls within categories 4 or 5. Any road surface asset rated a condition 4 or 5 has been or is under investigation and, subject to final assessment, will be included in the works program in the next 3 years.

### Current Condition - Footway

The chart below shows the distribution of footway assets. Photographs of footway surfaces provide a guide to what Condition 1 – Very Good and 5 – Very Poor look like.



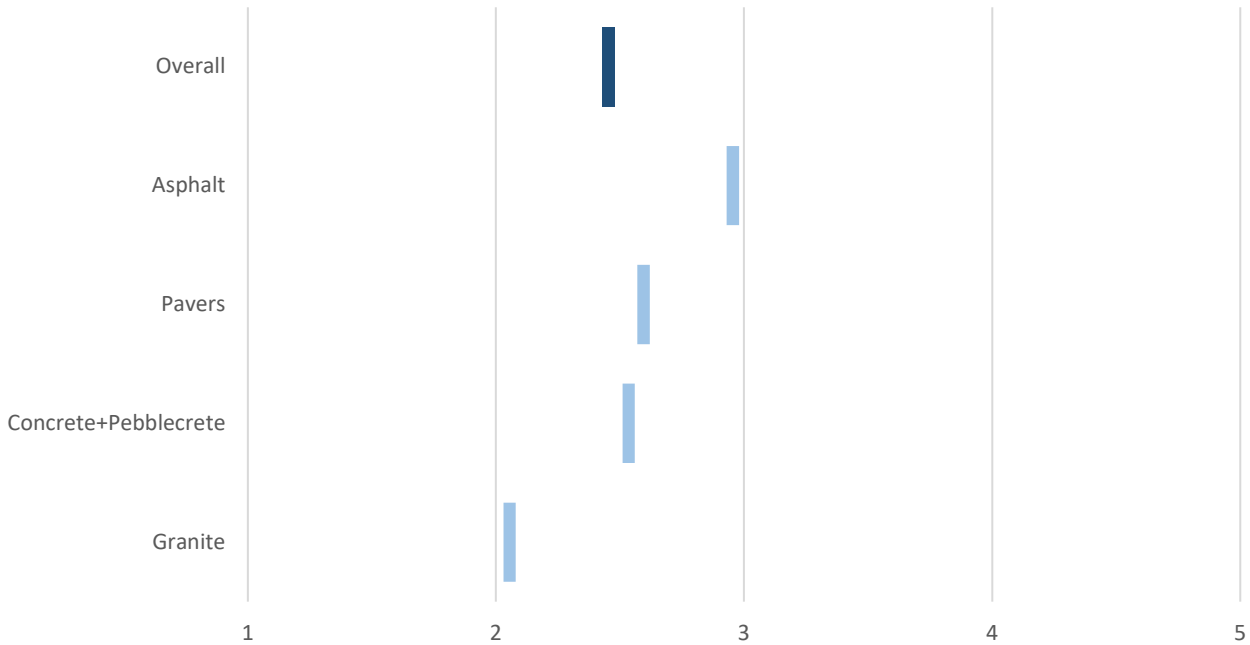
Condition 1



Condition 5



This chart shows the average condition of each of the footway materials

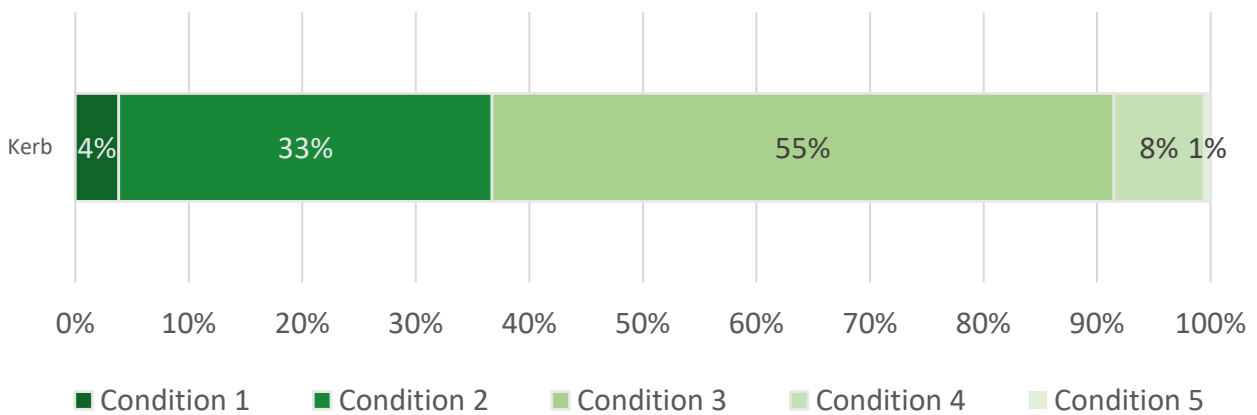


A footpath and kerb and gutter assets verification and condition collection was completed in 2019. Desktop condition ratings have been conducted after 2019. This demonstrates the overall condition of the footway network is footway is a 2.43 and less than five per cent of the road network falls within condition categories 4 or 5. Any footway asset rated a condition 4 or 5 has been or is under investigation and, subject to final assessment, will be included in the works program in the next one to three years.

Desktop condition ratings have been conducted after 2019.

**Current Conditions – Kerb and Gutter**

The chart below shows the distribution of condition assessments for kerb and gutter assets. Photographs of kerb and gutter provide a guide to what Condition 1 – Very Good and 5 – Very Poor look like.



## Community Asset Management Plan 2022

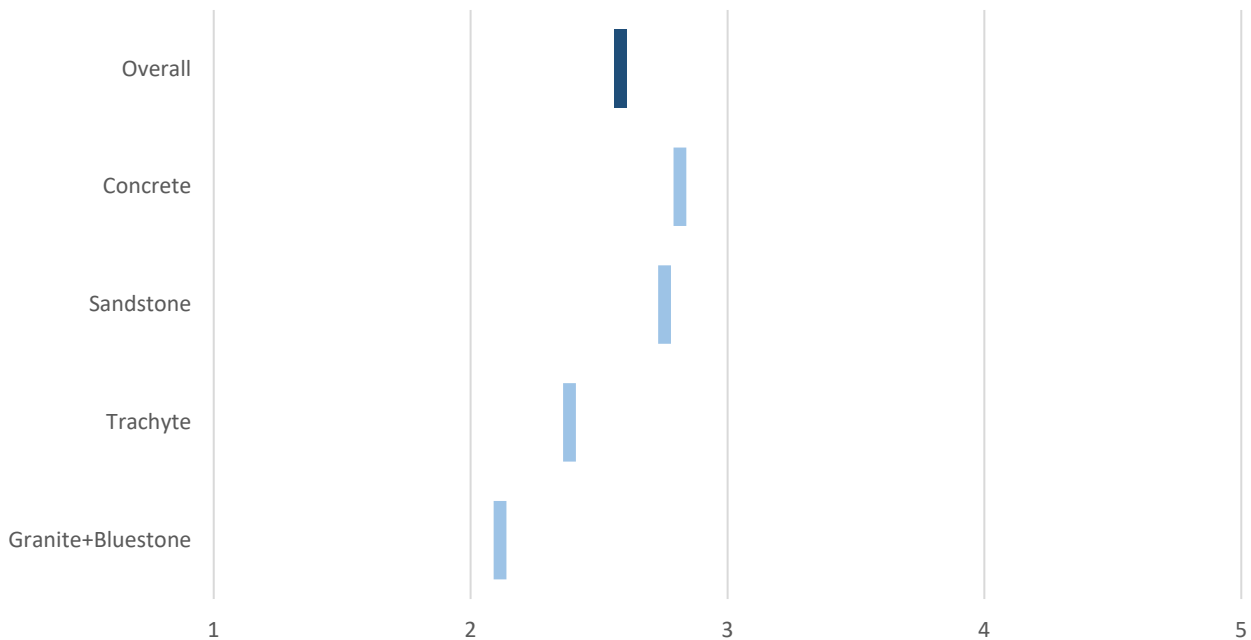


Condition 1



Condition 5

This chart shows the average condition of each of the footway materials by area



Similar material types have been consolidated into groups. A kerb and gutter asset verification and condition collection exercise was completed in 2019. Desktop condition ratings have been conducted after 2019. The graphs demonstrates the overall condition of the kerb and gutter network has an overall condition of 2.56 and less than approximately 9% of the network falls within categories 4 or 5. Any kerb and gutter asset rated a condition 4 or 5 has been or is under investigation and subject to final assessment, will be included in the works program in the next one to three years.

The reuse and slower degradation of natural kerb stones lengthens the useful life. Therefore conditions are generally consistent on a yearly basis.

### Asset Valuations

Listed below are written down value (depreciated value) and calculated Average Annual Asset Consumption used in the lifecycle and sustainability calculations.

| Asset Type      | Current Replacement Cost | Written Down Value | Average Annual Asset Consumption |
|-----------------|--------------------------|--------------------|----------------------------------|
| Road Surface    | 237,446                  | 154,877            | 6,990                            |
| Road Base       | 537,895                  | 476,545            | 614                              |
| Footway         | 575,169                  | 372,922            | 8,078                            |
| Kerb and Gutter | 328,422                  | 203,676            | 2,810                            |
| Bridges         | 106,442                  | 57,423             | 106                              |
| <b>Total</b>    | <b>1,787,661</b>         | <b>1,265,443</b>   | <b>19,556</b>                    |

Figures are \$k

### Lifecycle Costs

The table below shows the trend in the last 5 years in infrastructure expenditure for the road network. Operational and maintenance expenditure is obtained from the Business Unit operational budgets and the renewal, upgrade and new expenditure from the capital work program reports. The 5-year average is the basis for the long term lifecycle costs.

| Year                  | Operating/Maintenance | Renewal       | Upgrade       | Expansion     |
|-----------------------|-----------------------|---------------|---------------|---------------|
| 2016/17               | 9,829                 | 13,620        | 14,307        | 20,689        |
| 2017/18               | 10,149                | 12,132        | 10,413        | 9,247         |
| 2018/19               | 10,160                | 12,760        | 10,394        | 10,182        |
| 2019/20               | 10,063                | 19,919        | 19,544        | 26,880        |
| 2020/21               | 10,096                | 21,039        | 34,146        | 18,338        |
| <b>5 Year Average</b> | <b>10,059</b>         | <b>15,894</b> | <b>17,761</b> | <b>17,067</b> |

Figures are \$k

Increased expenditure in upgrade and expansion in the last two to four years is due to the ongoing roll out of the City's cycleway network and the development of Zetland Avenue. The lower renewal amount for 2015-2019 reflects the increased focus on the George Street light rail project.

### Maintenance, Renewal and Upgrade costs

This table shows the Report on Infrastructure Assets as at 30 June 2021 in accordance with the Code of Accounting Practice and financial reporting. It shows the estimates to bring the road assets to a satisfactory standard as described in 'Estimate of Cost to bring asset to satisfactory condition' section of this report.

| Asset Class | Asset Category                | Estimated Cost to bring assets to satisfactory standard** | Estimated Cost to bring to the agreed service set by Council ## | 2020/21 Required Maintenance | 2020/21 Actual Maintenance |
|-------------|-------------------------------|---|---|------------------------------|----------------------------|
| Roads       | Sealed Roads – surface course | 508   | 1,189   | 3,088                        | 3,366                      |
|             | Sealed Roads – base structure | 4,519   | 5,649   | 174                          | 165                        |
|             | Bridges                       | 0   | 0   | 145                          | 138                        |
|             | Footpaths                     | 2,036   | 4,725   | 5,010                        | 5,256                      |
|             | Kerb and Gutter               | 3,145   | 6,336   | 1,234                        | 1,171                      |

Figures are \$k/yr

\*\* As per Office of Local Government Requirements, reflects the estimated cost to restore all Council assets to condition '3' or better. These cost assessments remain highly subjective as in previous years

## - reflects the estimated cost to restore all assets assessed to be at a condition beneath Council's minimum service levels. These standards (i.e. target conditions) reflect the strategy of maximising the consumption of the assets' service potential before renewal works are undertaken.

The City's general definition of agreed level of service is that any asset that has reached a Condition 4 – Poor or Condition 5 – Very Poor should be renewed as a matter of priority.



Image: Council staff renewing a footway

## Road Assets - Financial Summary, Projections and Sustainability

### Long Term – Lifecycle costs based on current expenditure

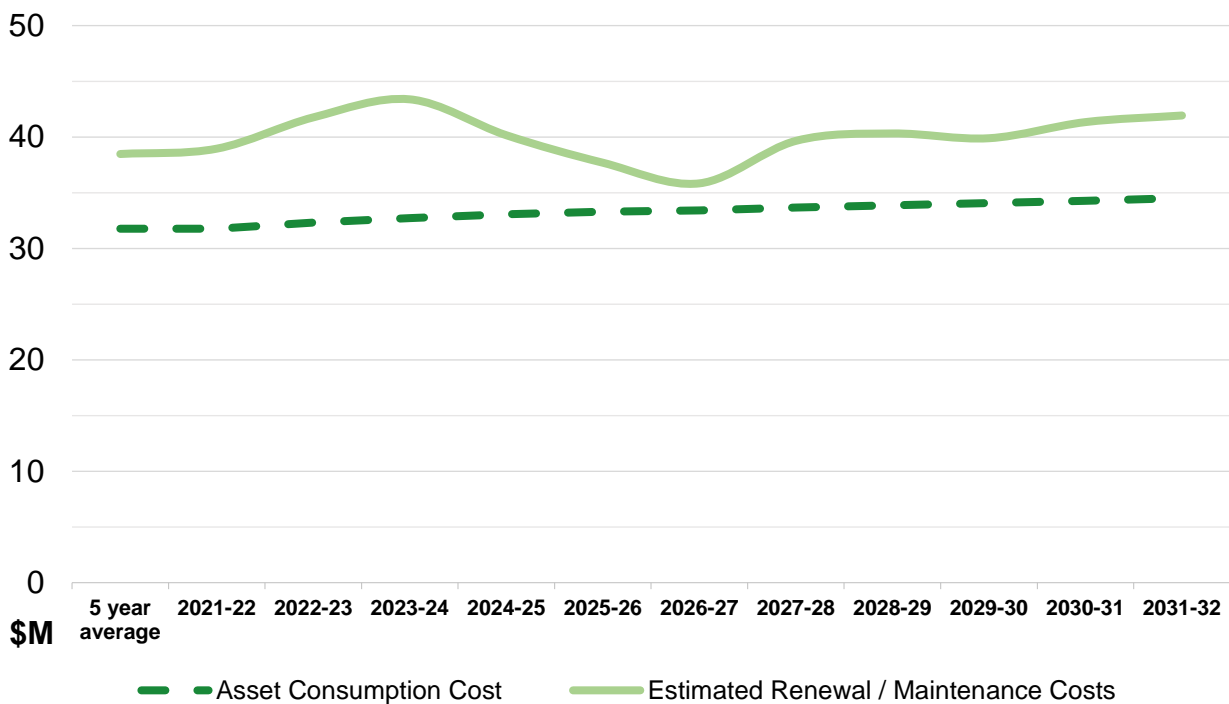
The table below shows the current sustainability index as projected using the average of the last 5 years estimated costs. This is the basis of the long term cost that the City will need to fund for the life of the assets.

| Asset Consumption Cost     | Operational, Maintenance, Renewal and Replacement Costs | Difference |
|----------------------------|---|------------|
| 31,769                     | 31,999  | -230       |
| What we should be spending | What we are spending                                    |            |

Figures are \$k/yr

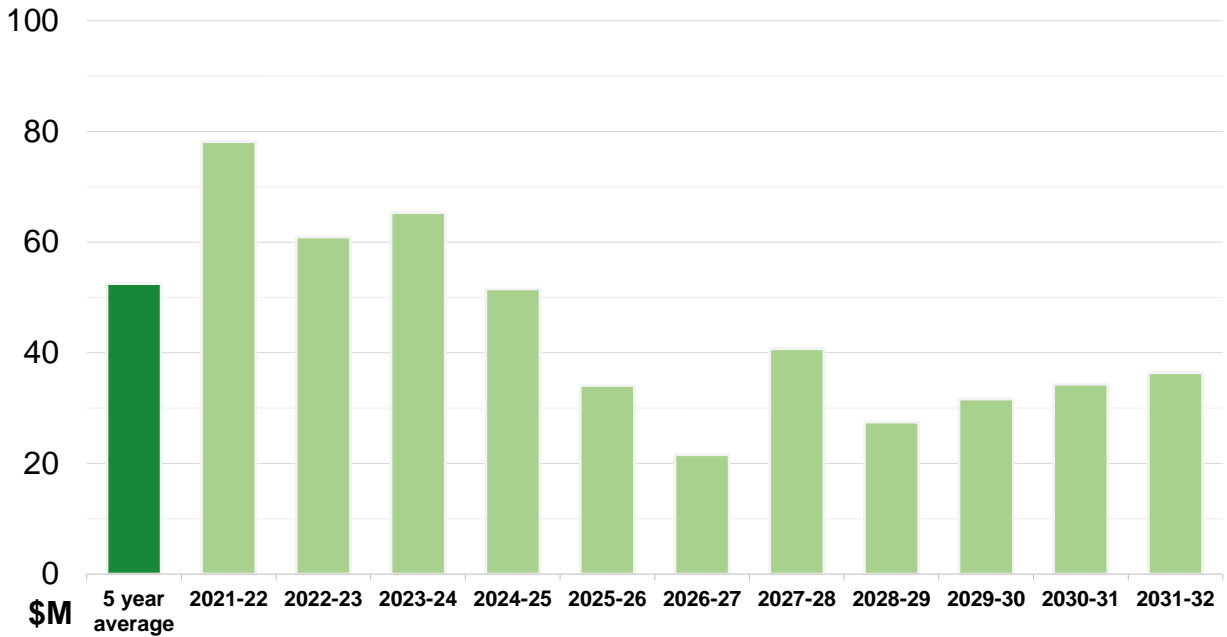
### Medium Term – 10 year financial planning period

This chart shows the relationship between the Asset Consumption Costs and the funded Long Term Financial Plan for estimated Operational, Maintenance and Renewal and Replacement costs.



The delivery of new assets is the primary reason for the change in the asset consumption cost line.

The chart below shows the proposed Upgrade and Expansion Expenditure as shown in the current Long Term Financial Plan



The increase spending for the next 2 years term is due to City South Pedestrianisation and upgrade works within COVID 19 stimulus projects approved in June 2020

This table shows the estimate of the Average Asset Consumption Costs, the Estimated Operational, Maintenance, Renewal and Replacement Cost, and the Sustainability Index 10 Year projection.

| Asset Consumption Costs       | Estimated Operational, Maintenance, Renewal and Replacement Costs | Difference   | Sustainability Index  |
|-------------------------------|---|--------------|---|
| 10 year projection calculated | 10 year projection budgeted                                       |              | 10 Year period  |
| <b>33,363</b>                 | <b>40,084</b>   | <b>6,721</b> | <b>1.20</b>   |
| What we should be spending    | What we are going to spend  |              | Ratio of what we going to spend to what we should be spending |

Figures are \$k/yr

## Road Assets - Environmental Summary, Projections and Sustainability

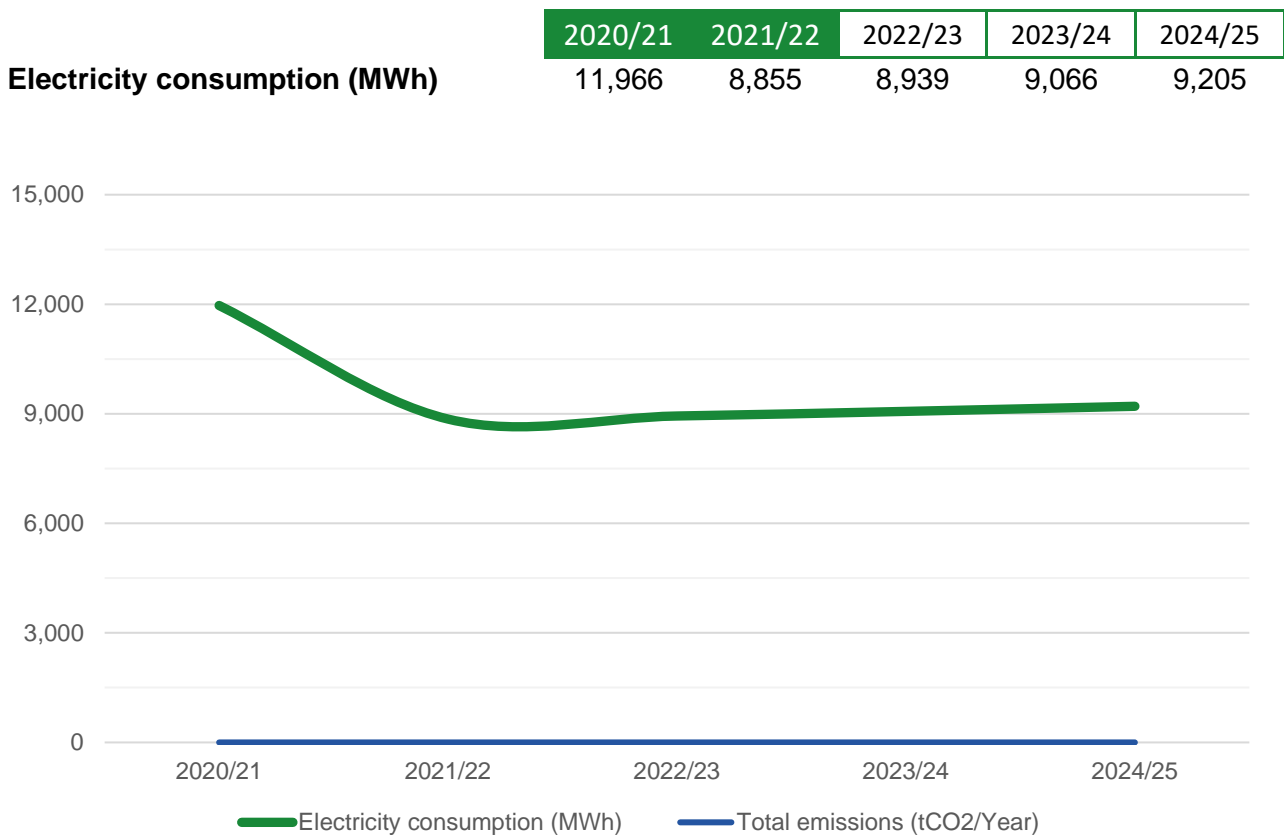
The City’s road network assets generate operational carbon emissions via the provision of street lighting and pedestrian lighting. As of 2021/2022 all operational electricity is 100% renewable, either through onsite Solar PV or through the direct purchase of renewable electricity from a wind and two solar farms. There is no gas use associated with the operation of the road network. Emissions associated with fleet and contractor fuel use for road asset management activities are included in the City’s total carbon reporting, however we are not able to reliably attribute these emissions to road maintenance activities.

Therefore, there are zero operational emissions associated with this asset class. This is expected to be maintained over the period covered by our Environment Strategy 2021-2025.

The Asset Emissions Forecast captures the impact of planned projects on our future emissions. It also tracks the effect of energy efficiency projects which will continue to be delivered as a core tactic for our ambition to be a net-zero organisation.

The forecast predicts that electricity consumption associated with street lighting will decrease in the next three years due to an LED streetlight replacement program being delivered in partnership with Ausgrid. The planned installation of additional pedestrian lights from 2022/23 onwards will marginally increase electricity use. This increase will not impact our overall operational emissions as the City’s electricity supply is 100% renewable.

Table 1 and Figure 1 show the change in electricity use for the reporting years of the Environment Strategy.



## Concluding Remarks

The estimates contained in the Charts and Table indicates that the City has budgeted to renew road assets at a sustainable rate over the next ten years and is addressing the maintenance and renewal requirements and the Special Schedule - Report on Infrastructure Assets cost to satisfactory requirements consistent with the Office of Local Government performance measures.

The increase in renewal work for the 2021/22 period is due to the George Street Pedestrianisation project and delivery of separate cycleways. These works represent a large dollar value within the renewal and upgrade works budgets. This large amount has increased the average budget over the ten year period and has temporarily increased the planned average spend over the next ten years.



*Image: Geddes Ave Cycleway, Zetland. City of Sydney 2021*



# Stormwater Drainage Network Assets

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## Background

The City of Sydney operates an extensive stormwater drainage network that is connected to Sydney Water and other statutory authority infrastructure. The network has been in place in some areas for more than 100 years.

When a large part of the City Centre was originally developed, the stormwater drainage network was built by Sydney Water and the City of Sydney. Typically, in suburban areas, Sydney Water would operate the large canals or trunk lines into which local stormwater would flow. However, within the City area, both large and small stormwater infrastructure is spread between the organisations.

Some 80% of the stormwater network is owned by the City with about 15% owned by Sydney Water and the remainder by other authorities.

This is a unique situation that leads to issues surrounding ownership and responsibility for assets.

A program is in place to update the stormwater drainage inventory and condition data including full CCTV analysis of the capacity and condition of the City owned pipes and pits. This program is heading towards completion.

A preliminary analysis of completed areas included in this document. To date condition assessment of approximately 70% of the network has been completed.

The analysis of the completed areas suggest that average structural condition of the network is likely to be between 2.1 and 2.5.

Valuation information was updated in 2017 to reflect the more accurate information available through the data collection. The City's drainage asset base will be updated in future revisions of the plan as condition information and other information, particularly relating to ownership of pipes and pits, becomes available.

Further analysis of the CCTV data and follow up field investigation is required, particularly in the condition assessment, of the completed area pipe assets and the ownership profile.

The City has prepared a five year renewal program developed in accordance with relevant standards including all pipes in the collected area in condition 4 or 5 in the priority renewal works schedule. The plan will be reviewed following full analysis of the stormwater drainage inventory and condition data. Usually renewal works are undertaken where assets have suffered damage, often by tree root infiltration, collapsed stormwater pipes or at identified flooding locations to provide increased hydraulic capacity.

Provisions for the renewal program and considerable capacity upgrade projects have been incorporated into the Long Term Financial Plan.

Floodplain risk management studies will largely determine the renewal and replacement priorities based on risk. The 10 year drainage renewal program will be subject to amendment based on ongoing risk assessments.

Stormwater assets have an extremely long useful life and provide challenges to examine their condition on a regular basis. The City is committed to upgrading the condition and capacity of the stormwater network as demonstrated by the flood plain risk management studies completed and current stormwater planned works.

The creation, acquisition and upgrade plans will be driven by the new floodplain risk management studies and implementation plan.

A draft implementation plan has been prepared for all floodplain management items listed in the City's eight floodplain risk management studies and plans. This plan has formed the basis of our 5 year, 10 year and long term development plans for expenditure and the programming of construction of flood mitigation works including planning options such as the re-evaluation of Council's Interim Floodplain Management Policy.

Significant new and upgraded stormwater assets will be delivered in the next ten years. Trunk drainage works in Green Square costing \$140M was recently completed.

Currently we are developing a stormwater quality study (MUSIC) which predicts the performance of stormwater quality management systems. The output allows the City to create plans for stormwater hydrology and pollution impacts. The City will increase annual maintenance budgets to ensure sufficient maintenance funds over the life cycle of all existing underperforming assets and make provision for new pollution devices where applicable.



*Image: Sydney Park Wetlands, Sydney Park, St Peters*

## Stormwater Assets - Inventory

This table shows the range, extent and asset replacement cost for the drainage assets detailed in the Community Asset Plan, together with some associated infrastructure for reference purposes.

| Asset Category                                | Quantity | Replacement Value (\$M) |
|---|----------|-------------------------|
| Stormwater Pipes                              | 180km    | 283                     |
| Stormwater Pits                               | 12,390   | 111.8                   |
| Open Channels                                 | 100m     | 0.1                     |
| Box culverts                                  | 7.4 km   | 31.8                    |
| <u>Stormwater Quality Improvement Devices</u> |          |                         |
| Gross Pollutant Traps                         | 42       | 1.7                     |
| Raingardens                                   | 249      | 2.8                     |
| <b>Total</b>                                  |          | <b>431.2</b>            |

## Stormwater Assets - Levels of Service

The table below shows some important community levels of service used by Business Units to gauge community satisfaction. A comprehensive review of all service levels, including inspection frequency, intervention levels and response times, for all civil and stormwater assets is continuing. The review will drive changes to maintenance and renewal activities to provide a level of service that is reflective of community expectations and resource availability.

### Current

Community Levels of services used by business units to gauge community satisfaction.

| Key Performance Category | Service Objective   | Performance Measure Process                           | Target   | Current Performance  |
|--------------------------|---|---|--|--|
| Quality                  | To service the needs of the community and Council to an appropriate standard (i.e. minimise local flooding and ponding) | Yearly total of customer service requests and letters | Maintain parity or reduce number of customer requests from previous year | Requests per year:<br>1055 - 2016/17<br>654 – 2017/18<br>826 – 2018/19<br>707 – 2019/20<br>623 – 2020/21 |
| Function                 | Stormwater system to be of suitable condition and capacity to   | Response time to requests for clearances of           | Respond to requests for clearance of blockage causing                    | Achieved 2020/21 (335 enquiries)   |

Community Asset Management Plan 2022

| Key Performance Category | Service Objective   | Performance Measure Process   | Target   | Current Performance   |
|--------------------------|---|---|--|---|
|                          | convey required flow  | blockages causing flooding  | flooding within 48hrs  |   |
| Safety                   | Absence of significant health safety hazards                        | Response time to Work Health and Safety issues or reports and public safety complaints received through customer service requests | Dangerous hazards or public safety matters are responded to and made safe within 48hrs | Achieved 2020/21 (201 enquiries)  |
| Environmental            | Improve stormwater quality that is discharged into receiving waters | Number of trapped gully pits cleanings  | 950 units cleaned per annum  | 1,590 - 2016/17<br>1,052 - 2017/18<br>1,044 – 2018/19<br>800 – 2019/20<br>912 – 2020/21 |

Stormwater assets are designed for average weather conditions. Stormwater assets are not designed for prolonged weather events such as extended high rainfall (flooding) and prolonged drought (trapped pits needing top up and not cleaned). The statistics over time may reflect where such conditions have been experienced.



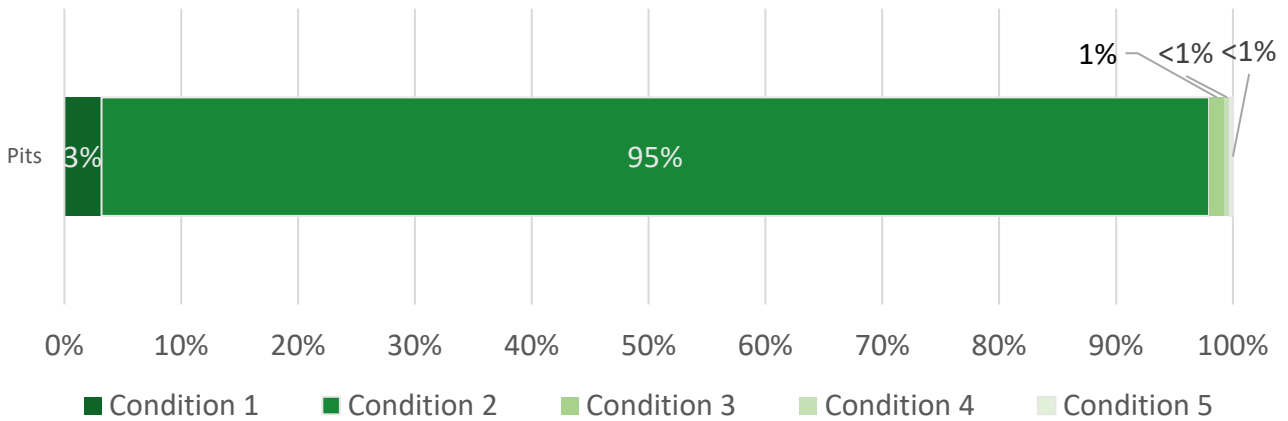
Image: Sydney Park water reuse scheme, Sydney Park, St Peters

## Stormwater Assets - Lifecycle Management

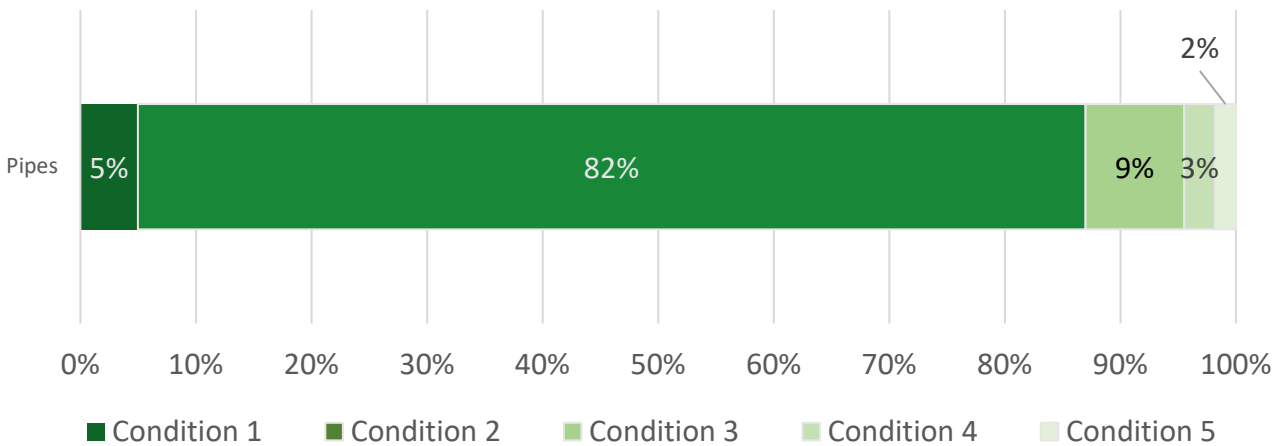
### Asset Condition

The condition charts below show the overall condition of pits and pipes in the completed collection area. The completed collection area represents about 70% of the network but needs to be fully analysed prior to a final average condition can be issued. The initial observation is that the pit conditions are generally very good with some issues with the pipe network. Variability in the condition assessment from year to year will occur as the assessment sample size increases. The City has included all pipes in the sample area in condition 4 or 5 in the priority renewal works schedule.

The chart below shows the distribution of condition of the stormwater pit assets.

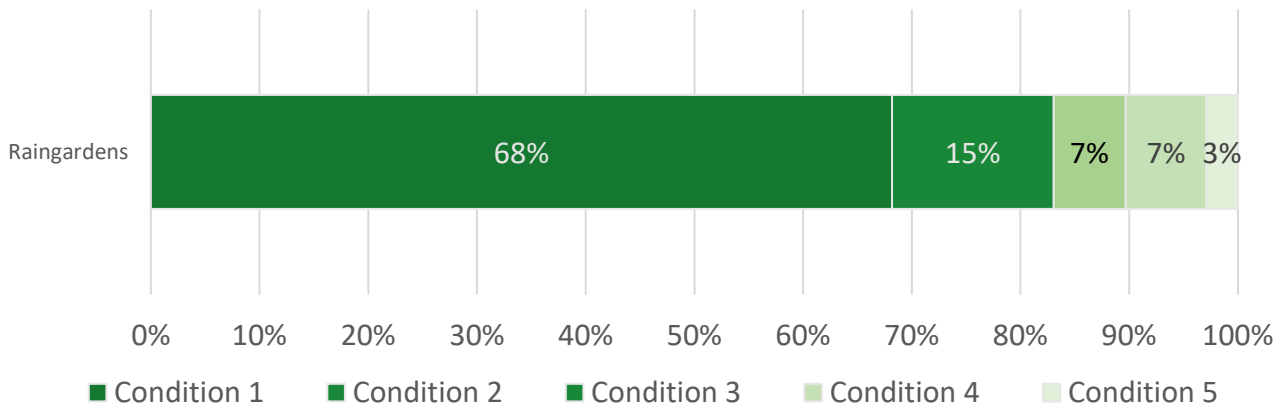


This chart shows the distribution of conditions of the stormwater pipes assets

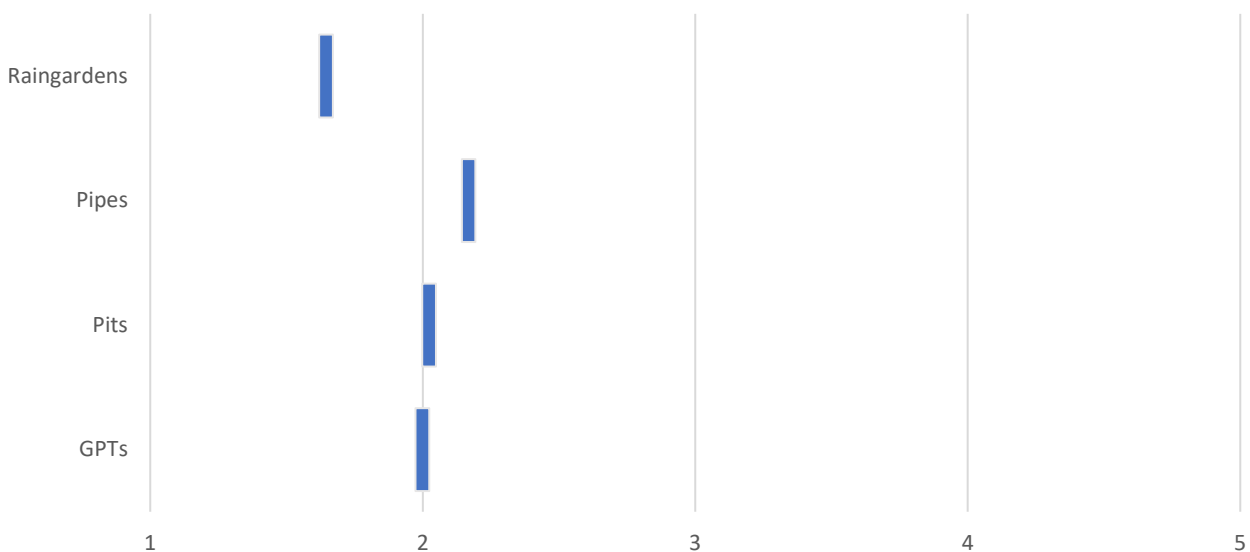


This chart shows the distribution of conditions of the raingardens assets

## Community Asset Management Plan 2022



This chart shows the average condition of each of the stormwater categories. There is no overall condition as the four drainage asset types listed are distinct asset types and can't be summarised across the stormwater drainage asset group



### Asset Valuations

Listed below are written down value (depreciated value) and calculated Average Annual Asset Consumption used in the lifecycle and sustainability calculations.

| Asset Type                 | Current Replacement Cost | Written Down Value | Average Annual Asset Consumption |
|----------------------------|--------------------------|--------------------|----------------------------------|
| Pipes / Channel / Culverts | 314,860                  | 220,850            | 2,935                            |
| Pits                       | 111,849                  | 76,867             | 1,064                            |
| GPTs / Raingardens         | 4,569                    | 2,275              | 300                              |
| <b>Total</b>               | <b>431,278</b>           | <b>299,992</b>     | <b>4,299</b>                     |

All figures are \$k

### Lifecycle Cost

The table below shows the trend in the last five years in infrastructure expenditure for the stormwater drainage network. Operational and maintenance expenditure is obtained from the Business Unit operational budgets and the renewal, upgrade and new expenditure from the capital work program reports. The five year average is the basis for the long term lifecycle costs.

| Year                  | Operating/<br>Maintenance | Renewal      | Upgrade      | Expansion    |
|-----------------------|---------------------------|--------------|--------------|--------------|
| 2016/17               | 2,574                     | 3,371        | 9,307        | 13,492       |
| 2017/18               | 3,203                     | 2,839        | 7,206        | 8,383        |
| 2018/19               | 3,400                     | 1,206        | 1,202        | 938          |
| 2019/20               | 2,489                     | 1,430        | 441          | 321          |
| 2020/21               | 1,938                     | 3,302        | 1,146        | 331          |
| <b>5 Year Average</b> | <b>2,721</b>              | <b>2,430</b> | <b>3,860</b> | <b>4,693</b> |

Figures are \$k

The upgrade and expansion expenditure was higher from 2016 to 2018 due to the Green Square Trunk Drain and Water reuse and the Sydney Park Water reuse projects.

### Maintenance, Renewal and Upgrade costs

This table shows the Report on Infrastructure Assets as at 30 June 2021 in accordance with the Code of Accounting Practice and financial reporting. It shows the estimates to bring the road assets to a satisfactory standard as described in the 'Estimate of Cost to bring asset to satisfactory condition' section of this report.

| Asset Class         | Asset Category      | Estimated Cost to bring assets to satisfactory standard** | Estimated Cost to bring to the agreed service set by Council ## | 2020/21 Required Maintenance | 2020/21 Actual Maintenance |
|---------------------|---------------------|---|---|------------------------------|----------------------------|
| Stormwater Drainage | Stormwater Drainage | 9,650   | 9,650   | 2,854                        | 1,938                      |

\*\* As per Office of Local Government Requirements, reflects the estimated cost to restore all Council assets to condition '3' or better. These cost assessments remain highly subjective as in previous years

## - reflects the estimated cost to restore all assets assessed to be at a condition beneath Council's minimum service levels. These standards (i.e. target conditions) reflect the strategy of maximising the consumption of the assets' service potential before renewal works are undertaken.

The City's general definition of agreed level of service is that any asset that has reached a Condition 4 – Poor or Condition 5 – Very Poor should be renewed as a matter of priority.

## Stormwater Assets - Financial Summary, Projections and Sustainability

### Long Term – Lifecycle costs based on current expenditure

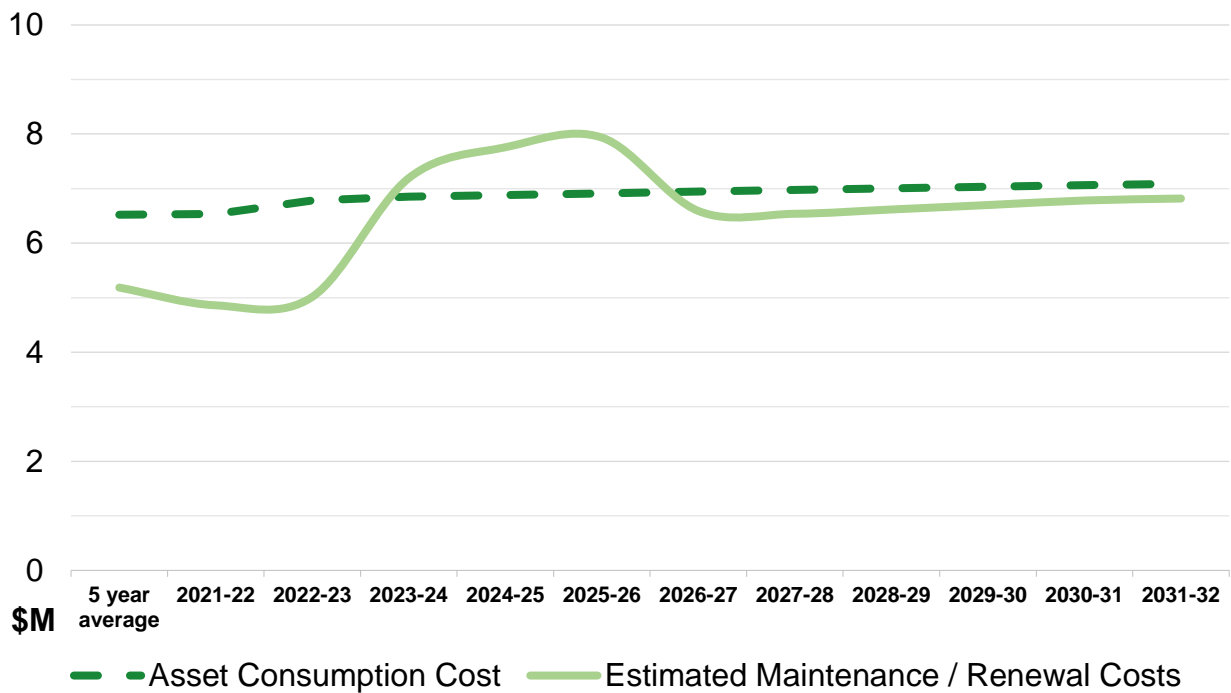
The table below shows the current sustainability index as projected using the average of the last 5 years estimated costs. This is the basis of the long term cost that the City will need to fund for the life of the assets.

| Asset Consumption Cost     | Operational, Maintenance, Renewal and Replacement Costs | Difference |
|----------------------------|---|------------|
| 6,534                      | 5,240   | -1,294     |
| What we should be spending | What we are spending                                    |            |

Figures are \$k/yr

### Medium Term – 10 year financial planning period

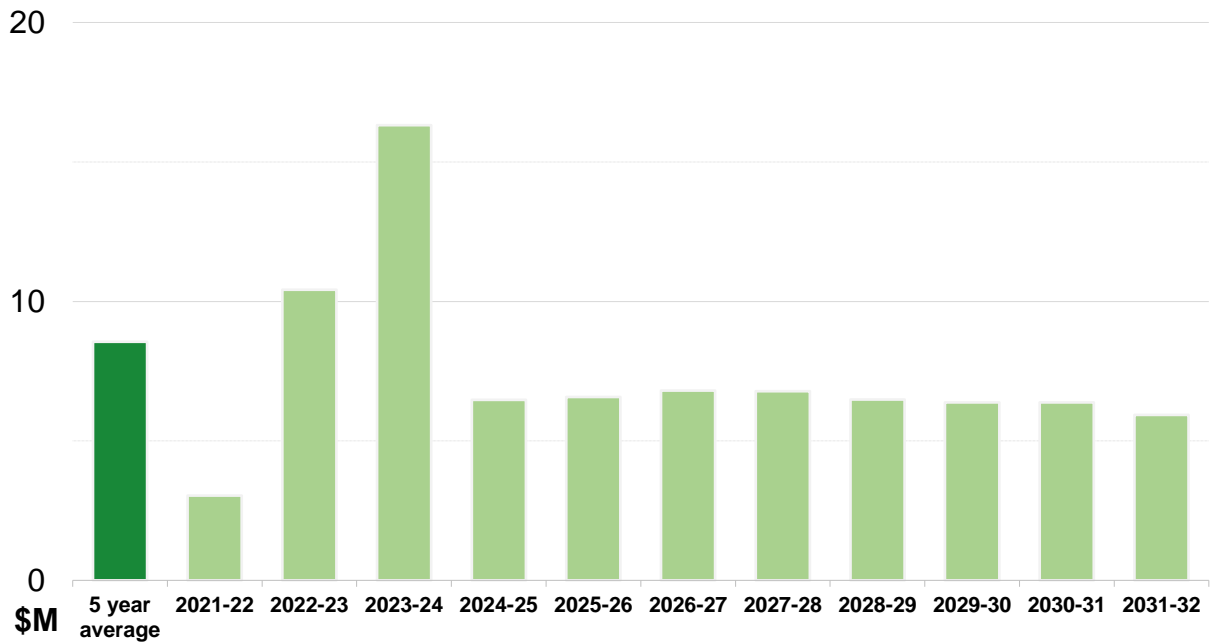
This chart shows the relationship between the Asset Consumption Costs and the funded Long Term Financial Plan for estimated Operational, Maintenance and Renewal and Replacement costs.





## Community Asset Management Plan 2022

The chart below shows the proposed Upgrade and Expansion Expenditure as shown in the current Long Term Financial Plan.



This table shows the estimate of the Average Asset Consumption Costs, the Estimated Operational, Maintenance, Renewal and Replacement Cost, and the Sustainability Index 10 Year projection.

| Asset Consumption Costs       | Estimated Operational, Maintenance, Renewal and Replacement Costs | Difference | Sustainability Index  |
|-------------------------------|---|------------|---|
| 10 year projection calculated | 10 year projection budgeted                                       |            | 10 Year period  |
| <b>6,915</b>                  | <b>6,618</b>  | <b>297</b> | <b>0.96</b>   |
| What we should be spending    | What we are going to spend  |            | Ratio of what we going to spend to what we should be spending |

Figures are \$k/yr

## Concluding Remarks

The charts indicate that the City has committed significant funding to the renewal and expansion of the Drainage infrastructure in the next 10 years with substantial amounts being allocated to upgrading the network in accordance with the floodplain risk plans and Model for Urban Stormwater Improvement Conceptualisation (MUSIC) modelling. The modelling will be updated in future revisions and the detailed asset management plan for stormwater drainage.

Another contributing factor is the discovery of poor and very poor pipes via CCTV inspections, this will result in new renewal works in the near term.

The asset consumption chart, which includes maintenance and renewal estimates reflects the large impact from relatively small amounts of funding for renewal. Drainage assets have a particularly long life with a relatively low average asset consumption cost and so a small change to renewal in any one year (say \$1,000,000) has a marked effect on the chart appearance.

The City recognises renewal and expansion of stormwater drainage infrastructure is an important priority. Additional funds are being allocated to resolve flooding and water quality problems.

The estimates indicate that the City has budgeted to renew the drainage assets at a sustainable rate and is addressing the renewal requirements and the Special Schedule - Report on Infrastructure Assets requirements consistent with the Office of Local Government performance measures.



Image: Mary O'Brien Reserve, Zetland

# Parks, Open Space and Tree Assets

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## Background

The City's parks, open spaces and trees are one of the community's most loved assets with hundreds of thousands of residents and visitors using our parks daily. The size of the park and open space network is approximately 200 hectares throughout the local government area, providing both active and passive places for the use and enjoyment of communities.

The City is also responsible for the care, control and management of many Crown Reserves, including Hyde Park, Victoria Park, Prince Alfred Park and Bicentennial Park.

The City's tree population consists of over 46,000 trees, located throughout the streets, parks and open spaces and City properties.

The Community Asset Management Plan includes parks and open spaces, together with trees (park and street) in the modelling. However, separate Detailed Asset Management Plans are being prepared for parks and open spaces and trees (park and street) because of their different maintenance and renewal requirements.

### **Parks and Open Spaces – Considerations**

In excess of 3.4 Ha of park and open spaces have been added to the City in the previous 5 years through the development process. The recent additions include Harold Park, Walaba Park, Chippendale Green, Mary O'Brien Reserve, the Western Block, Gunyama Park and some small parks around Green Square. While these parks and open spaces are already constructed, the ongoing maintenance will add to the City's ongoing commitments.

Negotiations also continue for the handover to the City of a number of significant parks and open spaces from the State Government which are anticipated in the next few years. The ongoing maintenance requirements of these assets will add to the City's commitments.

Projected growth in the Park network area (from 206 hectares in 2018/19 to 215 hectares in 2021) will impact on resourcing and ongoing maintenance and renewal activities.

Many of the key urban renewal areas, in particular the Green Square Urban Renewal Project will create large additional parks and open spaces, adding to additional renewal and maintenance costs. Gunyama Park and nearby Aquatic and Recreation Centre is an example. Major refurbishments of Hyde Park, Belmore Park and Perry Park are planned in the medium to long term and are included in the Long Term Financial Plan. Recent developments on a number of new and renewed assets in Green Square were completed in the past 12-24 months.

There is a continual increase in the number of street trees, streetscapes and traffic treatments being developed as part of the Greening Sydney program, cycleway, and various other road and footway renewal programs. Additional assets and technologies are being developed to manage storm water harvesting. Resourcing to support, manage, and maintain these assets will be required in future years.

The development of synthetic sports fields within the City will present a new asset type that will require new approaches to maintenance of those assets and associated facilities.

Playground equipment, soffall, shade sails and associated infrastructure require replacement and minor upgrade works to ensure that identified playgrounds remain safe and fit for use, minimising risk to the City and providing increased amenity for children and their carers. The program for replacement of playgrounds is determined following a report from an external playground assessor itemising the remaining useful life for each playground.

Major community events in parks and open spaces place considerable stress on the parks that can result in expensive repair programs. Assessment of these events and their impact on service levels is ongoing.

During the pandemic the increase use of parks impacted services levels in particular in the waste collection and inspection areas. With the recent increased rain frequency and quantities this has created challenges with mowing and turf maintenance.

Parks that have been identified with a condition rating of 4 or 5 are included in the preparation of the annual works program. Some are specifically included in the Long Term Financial Plan and some addressed through allocation of provisional renewal funding.

### **Trees – Considerations**

The extensive urban renewal projects across the local government area, including Green Square, the Ashmore Precinct and Harold Park, include new streetscapes and street tree assets. Best practice design and construction is being applied, with the trees now in highly engineered environments. Resourcing to support, manage and maintain these assets will be required in future years.

Major upgrade tree related projects planned in the next 5 to 10 years include:

- Greening Sydney Strategy– with targets to increase canopy cover
- Urban Forest Strategy
- Street Tree Master Plan implementation (e.g. in road tree planting);
- Cycleway and public domain project installation/upgrades;
- Hyde Park, Central Avenue tree replacement program.

Unlike engineered assets, the tree asset network does not have an upgrade component, only maintenance, renewal or expansion, with the timeframe for tree replacements difficult to predict with certainty. The life span of trees varies according to the species, location and local environmental factors. As such there is no formal renewal plan, but a provisional amount for the replacement of 700 trees annually based on current practices and trends, together with new tree allocation in the Long Term Financial Plan.

The ongoing improvement to the tree asset condition and maintenance data should permit the development of more structured renewal plan. This would assist with the City's urban forest co-ordination, to enable enhanced asset turnover.

The City is enabling the improved management through implementation of tree management condition assessment and maintenance activities using a mobile application and using that data to create advanced models and reporting dashboards.



*Image: City of Sydney staff plant shrubs in Sydney Park, Sydney Park, St Peters*

## Parks and Trees Assets – Asset Inventory

The table below shows the range, extent and asset replacement cost for the parks and open space and tree assets detailed in the Community Asset Plan, together with some associated infrastructure for reference purposes.

| Asset Category                    | Description   | Quantity      | Area (Ha)    | Replacement Value (\$M)               |
|-----------------------------------|---|---------------|--------------|---------------------------------------|
| Iconic                            | Parks that are of cultural and historical significance, or of a significant size or prominent location. These parks have a high visitation from the community and visitors e.g. Hyde Park.                                    | 22            | 110.9        | 276.7                                 |
| Neighbourhood                     | Larger parks within villages and suburbs that have high visitation and have increased levels of amenity and infrastructure. These include facilities such as sports fields with playgrounds and toilets e.g. Alexandria Park. | 40            | 28.8         | 130.9                                 |
| Pocket Park                       | Local parks or street closures, generally small in size that provides informal recreational areas serving surrounding residents. Some limited facilities may be provided e.g. Millard Reserve.                                | 288           | 32.9         | 107.5                                 |
| Streetscapes & Traffic Treatments | Landscaped areas within the road reserve In particular on footpaths, nature strips, roundabouts and traffic blisters  | 1553          | 2.4          | 39.7                                  |
| Sportsfields                      | Areas of landscaped turf purposed for club and professional sport games and training.   | 15            | 14.1         | 26.8                                  |
| <b>Total</b>                      |   | <b>1,918</b>  | <b>210.8</b> | <b>581.6</b>                          |
| <b>TREES</b>                      |   |               |              |                                       |
| Park                              | Contained within parks and open spaces  | 13,440        |              | 34.5                                  |
| Street                            | Contained in the road reserve and footpaths   | 33,440        |              | 85.2                                  |
| Property                          | Contained within Council properties like Childcare, Community Centres   | 649           |              | Value contained in the Property Value |
| <b>Total</b>                      |   | <b>47,529</b> |              | <b>119.7</b>                          |

This asset management plan for parks, open space and trees does not include public art, electrical/lighting and particular structures located within parks and open space.

An initiative to collect open space related data continues to operate with a focus on the streetscapes and traffic treatments added to the portfolio, improving the City's data quality and understanding of the extent of open space.

Community Gardens are being progressively implemented and will be included in future revisions of this plan.

## Park and Tree Assets - Levels of Service

The table below shows some important community levels of service used by Business Units to gauge community satisfaction. A comprehensive review of all service levels, including inspection frequency, intervention levels and response times, for all park assets is underway. The review will drive changes to maintenance and renewal activities to provide a level of service that is reflective of community expectations and resource availability.

### Current - Parks

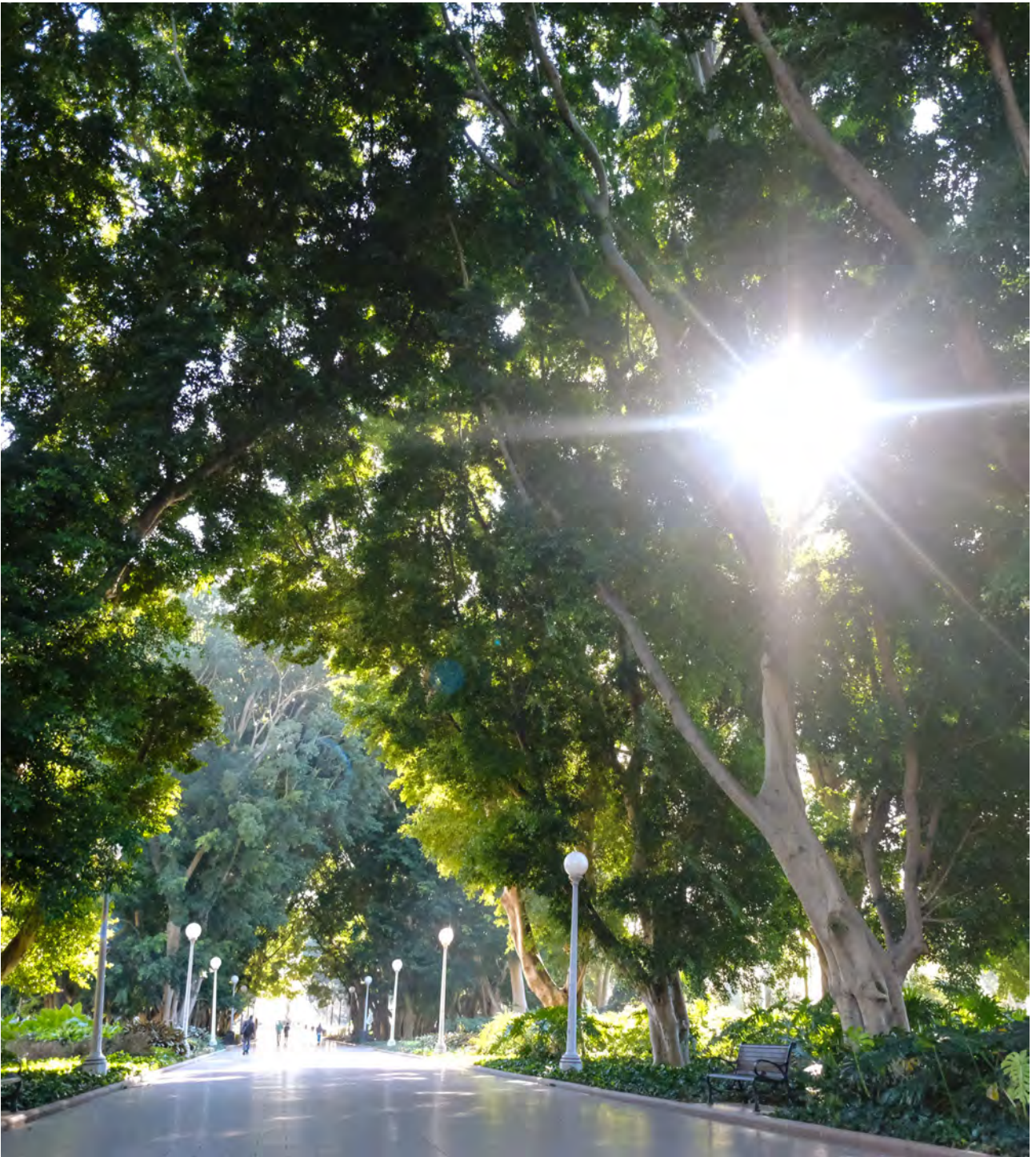
Target and current levels of service for parks and trees are provided below.

| Key Performance Category | Service Objective   | Performance Measure Process                                 | Target  | Current Performance |
|--------------------------|---|---|---|---------------------|
| Quality                  | Provide quality parks and open spaces for the use of the community  | Customer satisfaction surveys and customer requests         | An overall satisfaction rating >8 in the surveys                                  | Achieved            |
| Function                 | To provide a diverse range of parks and open spaces within the City which ensure that user requirements are met | Customer satisfaction surveys                               | An overall satisfaction rating >8   | Achieved            |
| Safety                   | To provide a safe and hazard free environment   | Reported accidents and incidents and claims                 | Dangerous hazards or public safety matters responded to & made safe within 24 hrs | Achieved            |
| Responsiveness           | Speed of responsiveness to public enquiry's and request   | Timeframes outlined in completing customer service requests | >95% of customer requests completed within timeframes                             | Achieved            |
| Environment              | Ensure the City achieves the  | Monitoring and reporting of                                 | Achieve reducing operational  | Completed           |

| Key Performance Category | Service Objective  | Performance Measure Process                                    | Target   | Current Performance |
|--------------------------|--|--|--|---------------------|
|                          | target of reducing emissions by 2021   | targets through the SMART platform                             | emissions by 44 per cent by 2021 from the 2006 baseline                              |                     |
|                          | Ensure the City achieves the resource recovery of waste from City managed parks, street and public places by end June 2021 | Monitoring and reporting of targets through the SMART platform | 50 per cent resource recovery of waste from City managed properties by end June 2021 | Achieved            |

**Current – Tree Management**

| Key Performance Category | Service Objective  | Performance Measure Process  | Target  | Current Performance      |
|--------------------------|--|--|---|--------------------------|
| Function                 | To improve the environmental, social and financial benefits that trees provide to the community Providing trees of suitable species and condition that achieves benefits | Urban Forest Strategy Street Tree Master Plan and Park Tree Management Plans guide species selection and planting criteria | Increase in canopy cover, health and overall longevity of tree population   | Achieved                 |
| Safety                   | To provide a safe and hazard free environment  | Reported accidents and incidents and claims  | Dangerous hazards or public safety matters are responded to and made safe within 2 hrs  | Achieved                 |
| Responsiveness           | To provide proactive, responsive service that promotes tree health and longevity and minimises ongoing maintenance requirements  | Timeframes outlined in completing customer service requests  | >95% of customer requests completed on time.<br><br>Respond to customer request within 48 hours, complete works required within 14 days | Achieved<br><br>Achieved |



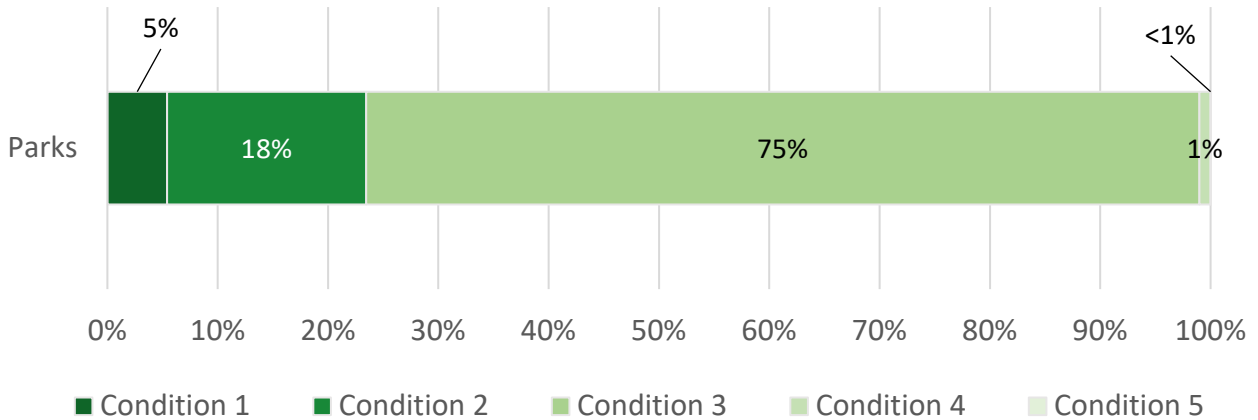
*Image: Hyde Park, Sydney Chris Southwood/City of Sydney 2021*



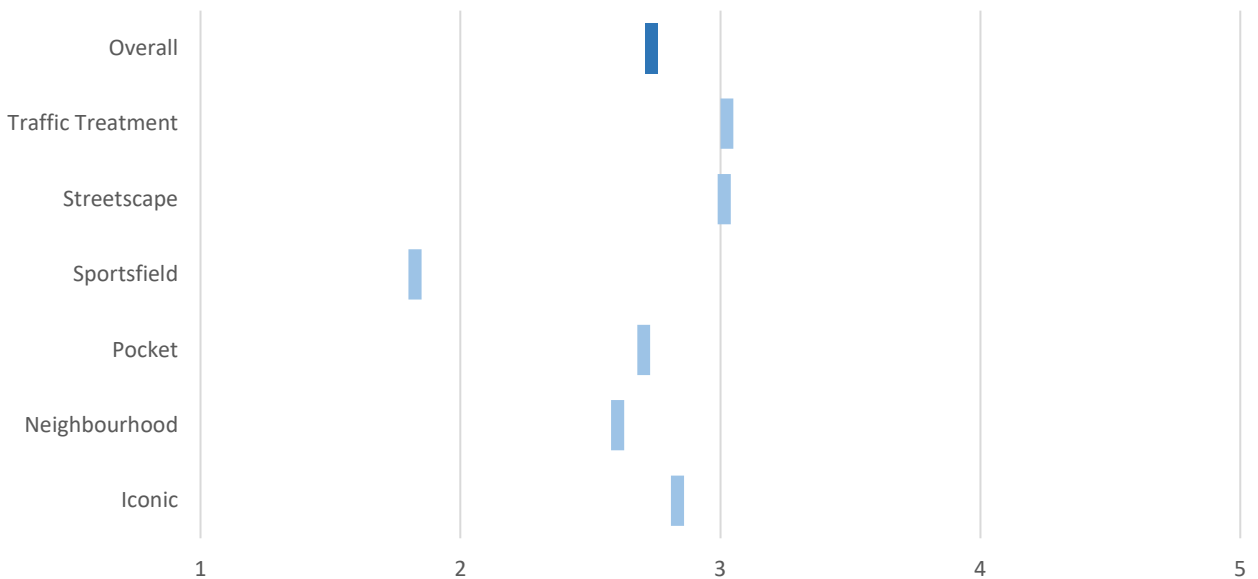
## Park and Tree Assets - Lifecycle Management

### Asset Condition - Parks

The chart below shows the overall condition of parks and open space assets. The charts are calculated on the aggregate replacement value of the parks within each condition index band. The difficulty in assessing parks for conditions due to the change in weather patterns can show variability in condition over the short term.

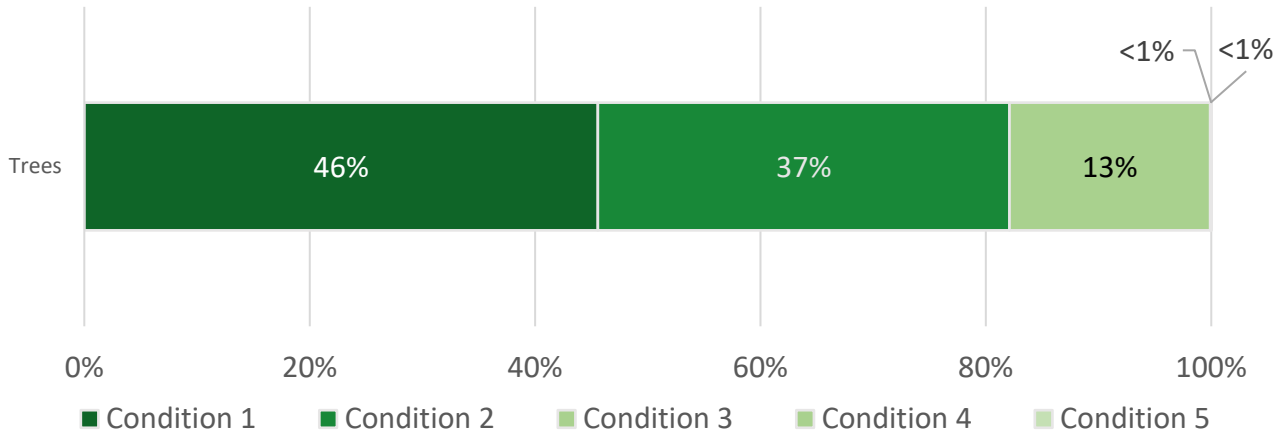


The chart below displays the average condition of each of the parks types based on area (sqm).

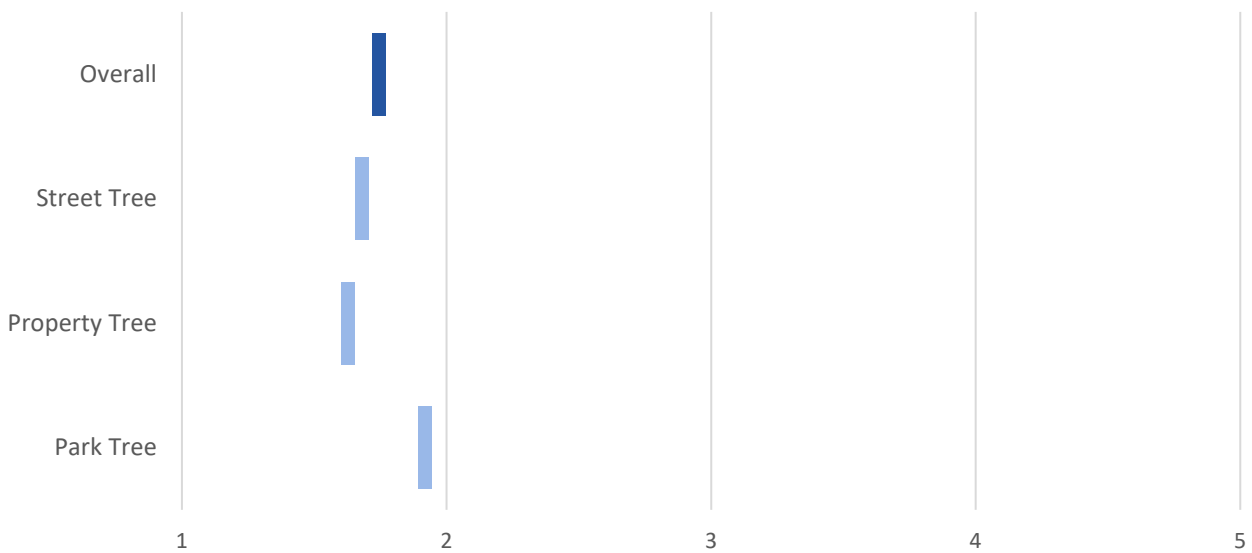


**Asset Condition - Trees**

The chart below shows the condition of all trees in the City of Sydney. All street trees, park trees and trees within City properties are now in one dataset in the corporate asset management system and their conditions are being assessed in the same way. As these are living assets these conditions are more of an indication of health.







The chart below shows the average condition of the trees per tree type.



## Community Asset Management Plan 2022

Below are photographs that demonstrate the condition of Parks and Tree assets

| Condition                | Parks   | Trees  |
|--------------------------|---|--|
| Condition 1<br>Very Good |   |   |
| Condition 4<br>Poor      |  |  |

### Asset Valuations

Listed below are written down value (depreciated value) and calculated Average Annual Asset Consumption used in the lifecycle and sustainability calculations.

| Asset Type            | Current Replacement Cost | Written Down Value | Average Annual Asset Consumption * |
|-----------------------|--------------------------|--------------------|------------------------------------|
| Parks and Open Spaces | 661,553                  | 268,978            | 21,332                             |
| Park Trees            | 34,514                   | 34,514             | 950                                |
| Street Trees          | 86,346                   | 86,346             | 1,550                              |
| <b>Total</b>          | <b>782,413</b>           | <b>355,359</b>     | <b>23,782</b>                      |

All figures are \$k

\* For the purposes of financial reporting, trees are not depreciated but in order to determine the lifecycle requirements notional consumption based on a typical life of trees are used.

### Lifecycle Costs

The table below shows the trend for the last 5 years of infrastructure expenditure for the parks and open spaces and tree network. Operational and maintenance expenditure is obtained from the internal unit operational budgets and the renewal, upgrade and new expenditure from the capital work program.

#### Parks and Open Space

| Year                  | Operating/<br>Maintenance | Renewal      | Upgrade      | Expansion     |
|-----------------------|---------------------------|--------------|--------------|---------------|
| 2016/17               | 15,429                    | 8,775        | 2,013        | 27,398        |
| 2017/18               | 15,189                    | 12,043       | 2,250        | 16,260        |
| 2018/19               | 16,565                    | 5,597        | 1,156        | 7,411         |
| 2019/20               | 16,321                    | 10,967       | 1,951        | 13,904        |
| 2020/21               | 19,326                    | 12,068       | 2,773        | 18,390        |
| <b>5 year Average</b> | <b>16,566</b>             | <b>9,890</b> | <b>2,029</b> | <b>16,673</b> |

Figures are \$k



Image: City Farm, Sydney Park, St Peters

Tree Management

| Year                  | Operating/<br>Maintenance | Renewal      | Upgrade/Expansion |
|-----------------------|---------------------------|--------------|-------------------|
| 2016/17               | 7,701                     | 1,721        | 804               |
| 2017/18               | 8,092                     | 1,819        | 1,298             |
| 2018/19               | 8,301                     | 2,084        | 1,547             |
| 2019/20               | 8,757                     | 1,416        | 1,212             |
| 2020/21               | 8,987                     | 617          | 800               |
| <b>5 year Average</b> | <b>8,368</b>              | <b>1,531</b> | <b>1,132</b>      |

Figures are \$k

The costing of some tree maintenance activities is combined with general park maintenance activities which reduces the accuracy of these figures to some extent. Capital Upgrade and Capital Expansion for Trees is combined – both refer to new trees in this category.

**Maintenance, Renewal and Upgrade costs**

This table shows the Report on Infrastructure Assets as at 30 June 2021 in accordance with the Code of Accounting Practice and financial reporting. It shows the estimates to bring the open space assets to a satisfactory standard as described in the 'Estimate of Cost to bring asset to satisfactory condition' section of this report.

| Asset Class                      | Asset Category | Estimated Cost to bring assets to satisfactory standard** | Estimated Cost to bring to the agreed service set by Council ## | 2020/21 Required Maintenance | 2020/21 Actual Maintenance |
|----------------------------------|----------------|---|---|------------------------------|----------------------------|
| Open space & Recreational assets | Open Space     | 11,044  | 11,071  | 17,029                       | 19,326                     |

\*\* As per Office of Local Government Requirements, reflects the estimated cost to restore all Council assets to condition '3' or better. These cost assessments remain highly subjective as in previous years

## - reflects the estimated cost to restore all assets assessed to be at a condition beneath Council's minimum service levels. These standards (i.e. target conditions) reflect the strategy of maximising the consumption of the assets' service potential before renewal works are undertaken.

The City's general definition of agreed level of service is that any asset that has reached a Condition 4 – Poor or Condition 5 – Very Poor should be renewed as a matter of priority.

## Park and Tree Assets - Financial Summary, Projections and Sustainability

### Long Term – Lifecycle costs based on current expenditure

The table below shows the current sustainability index as projected using the average of the last 5 years estimated costs. This is the basis of the long term cost that the City will need to fund for the life of the assets.

| Asset Type | Asset Consumption Cost | Operational, Maintenance, Renewal and Replacement Costs | Difference |
|------------|------------------------|---|------------|
| Parks      | 38,652                 | 31,394  | -7,258     |
| Trees      | 10,748                 | 10,518  | -230       |

What we should be spending      What we are spending

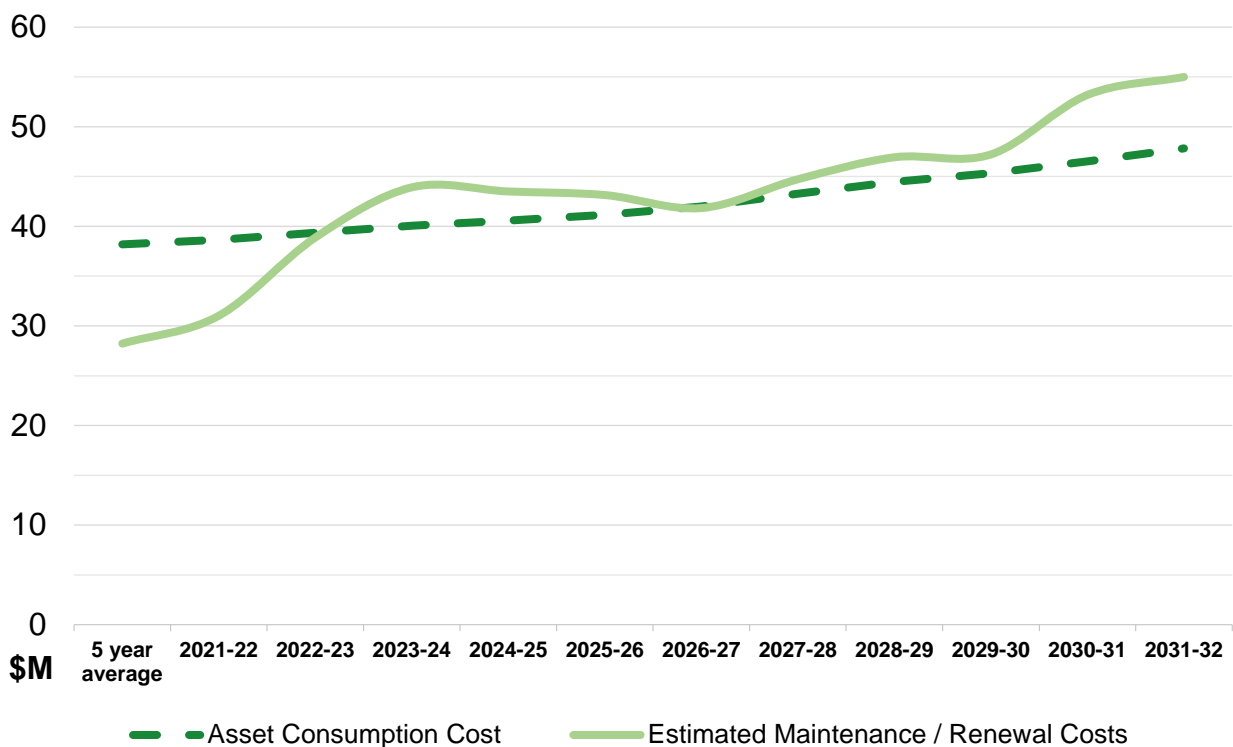
Figures are \$/yr

The estimate reflects a reduced average renewal and upgrade budget, primarily in Parks and Open Spaces in the last 3-5 years following a period of extensive refurbishment in the early to mid-2000's. The Long Term Financial Plan includes significant budget allocation to the renewal and upgrade/expansion of Parks and Open Spaces which will address difference over the medium term.

### Medium Term – 10 year financial planning period

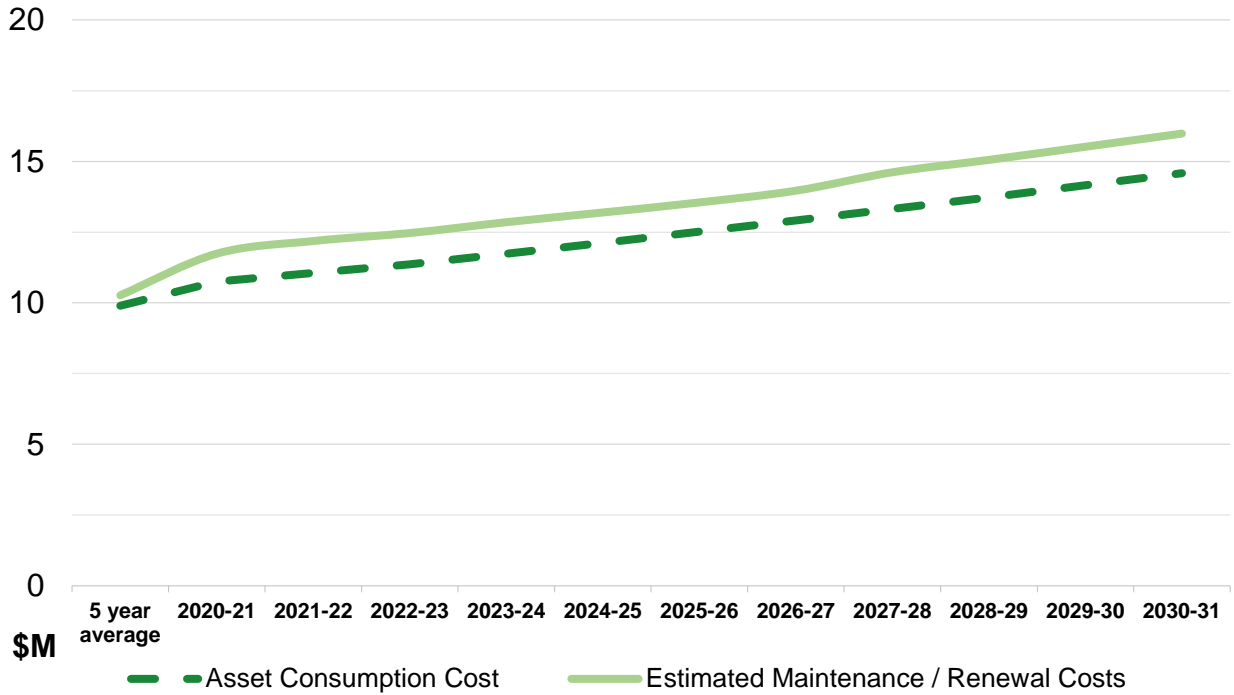
These charts show the relationship between the Asset Consumption Costs and the funded Long Term Financial Plan for estimated Operational, Maintenance and Renewal and Replacement costs

#### Parks



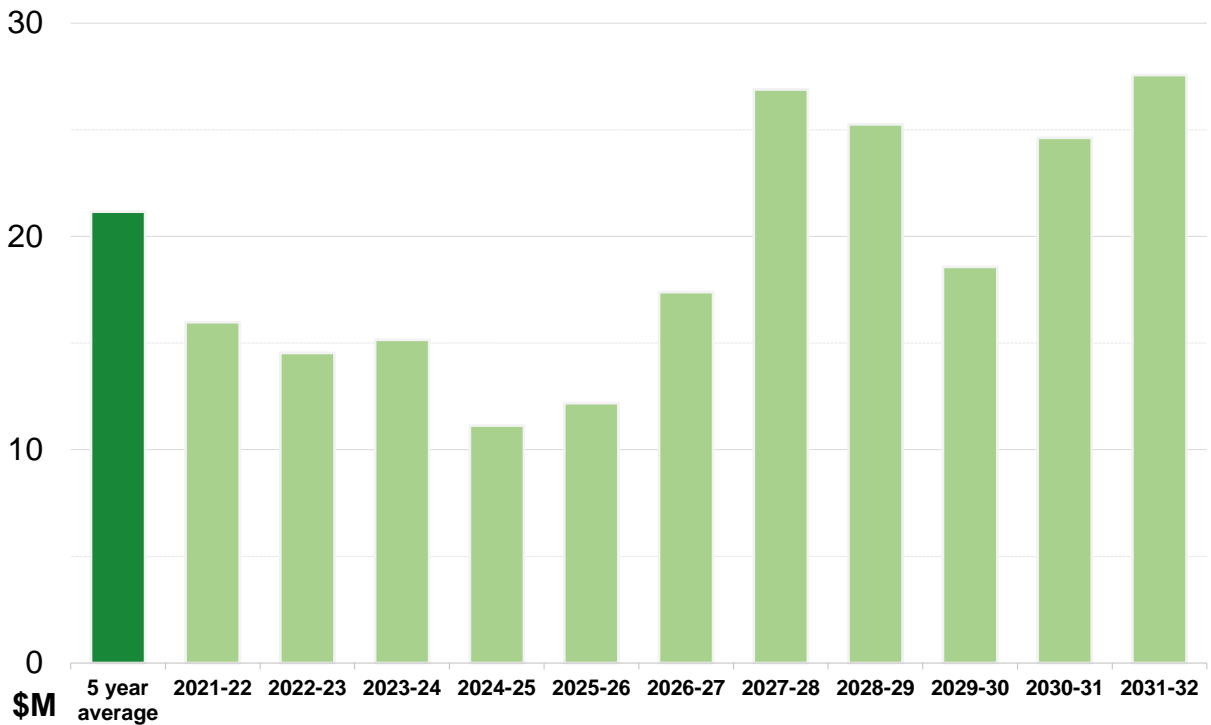
## Community Asset Management Plan 2022

### Trees

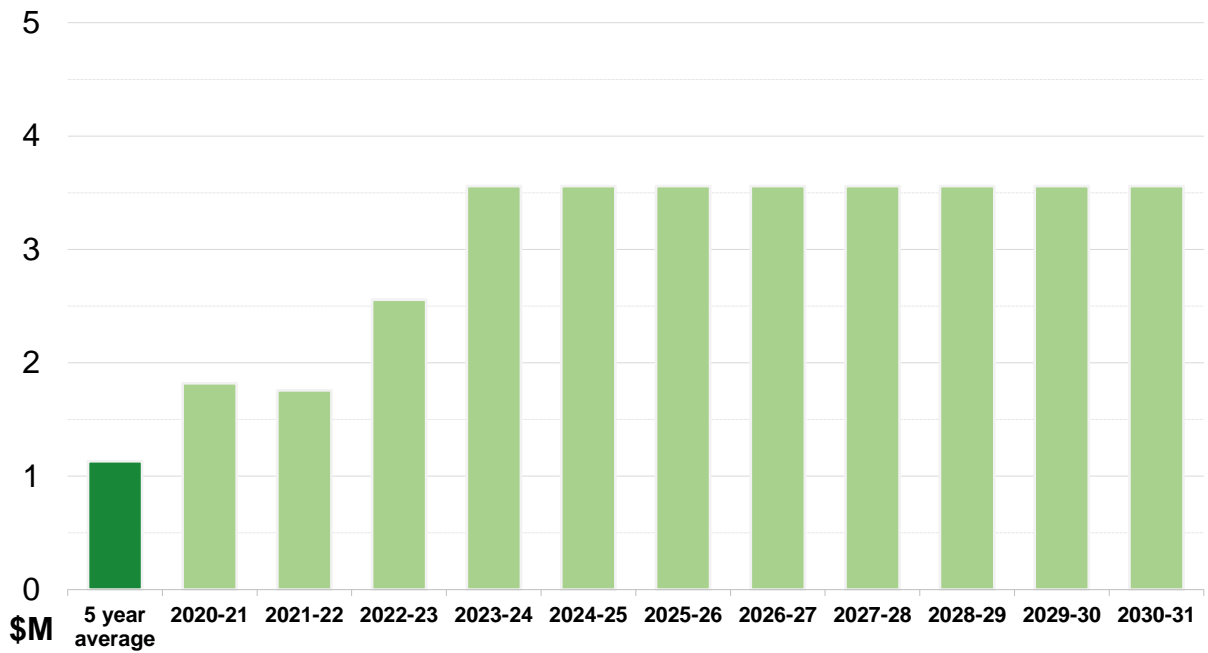


The chart below shows the proposed Upgrade and Expansion Expenditure as shown in the current Long Term Financial Plan.

### Parks Upgrade and Expansion



**Trees Expansion**



This table shows the estimate of the Average Asset Consumption Costs, the Estimated Operational, Maintenance, Renewal and Replacement Cost, and the Sustainability Index 10 Year projection.

|              | <b>Asset Consumption Costs</b> | <b>Estimated Operational, Maintenance, Renewal and Replacement Costs</b> | <b>Difference</b> | <b>Sustainability Index</b>                                   |
|--------------|--------------------------------|--|-------------------|---|
|              | 10 year projection calculated  | 10 year projection budgeted  |                   | 10 Year period  |
| <b>Parks</b> | <b>42,658</b>                  | <b>44,488</b>  | <b>1,830</b>      | <b>1.04</b>   |
| <b>Trees</b> | <b>12,567</b>                  | <b>13,738</b>  | <b>1,171</b>      | <b>1.09</b>   |
|              | What we should be spending     | What we are going to spend   |                   | Ratio of what we going to spend to what we should be spending |

Figures are \$k/yr



## Park and Tree Assets - Environmental Summary, Projections and Sustainability

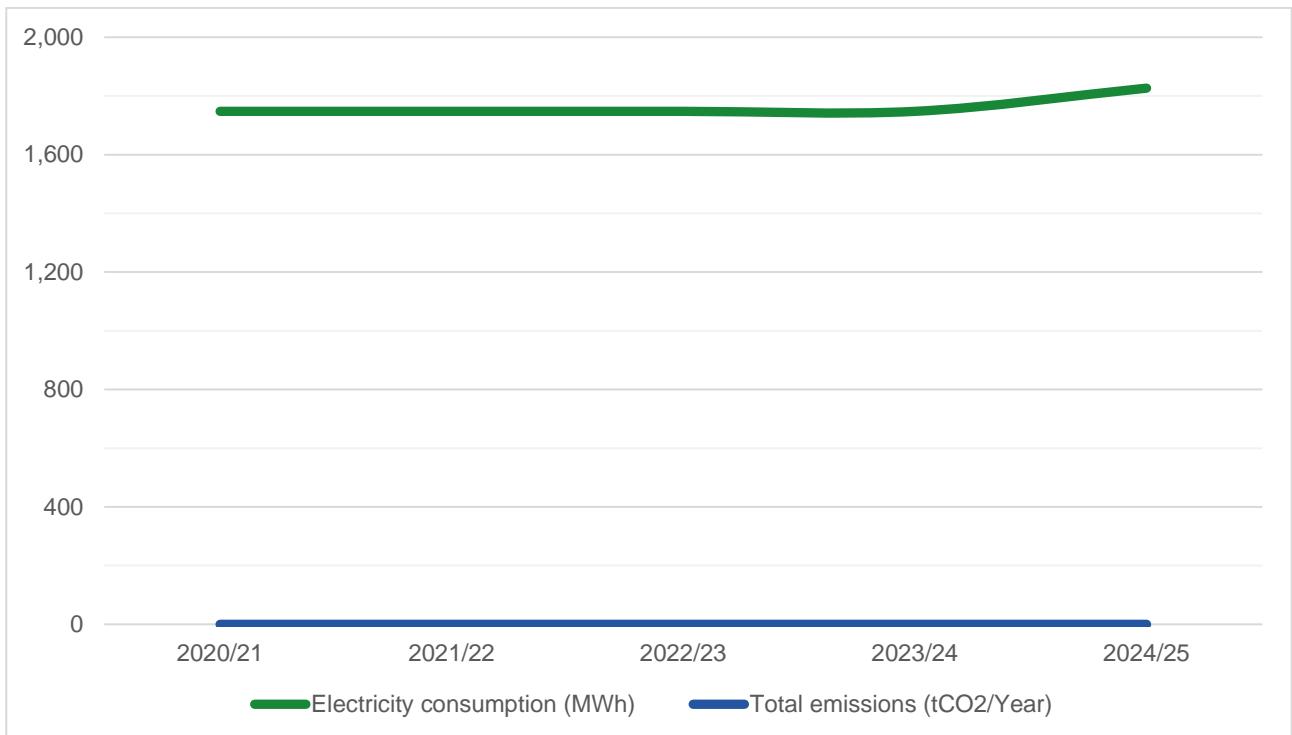
Operational emissions associated with the City of Sydney’s parks, open space and trees relate to amenities buildings and park lighting. As of 2021/2022 all operational electricity is 100% renewable, either through onsite Solar PV or through the direct purchase of renewable electricity from a wind and two solar farms. There is no gas use associated with the operation of parks, open space and trees. Therefore, there are zero emissions associated with this asset class. This is expected to be maintained over the period covered by our Environment Strategy 2021-2025.

The Asset Emissions Forecast captures the impact of planned projects on our future emissions. It also tracks the effect of energy efficiency projects which will continue to be delivered as a core tactic for our ambition to be a net-zero organisation.

The forecast predicts that electricity consumption will remain steady in the next three years. There is a slight increase expected towards the end of the reporting period when Perry Park Stage 3 is delivered.

**Electricity consumption (MWh)**

| 2021/22 | 2021/22 | 2022/23 | 2023/24 | 2024/25 |
|---------|---------|---------|---------|---------|
| 1,748   | 1,748   | 1,748   | 1,748   | 1,827   |



## Concluding Remarks

The information presented in the charts indicate that the City is allocating sufficient funding to provide for the maintenance parks infrastructure, with significant amounts being allocated to renewing and upgrading the parks and trees.

The City is managing the assets effectively and addressing the maintenance and renewal requirements and Special Schedule - Report on Infrastructure Assets cost to satisfactory requirements consistent with the Office of Local Government performance measures.

The weather and the effects of Covid 19 account for the reduction in spending in 2021/22. Amounts shown for Years 6 to 10 in the charts reflect the renewal provision for several parks and associated upgrades. Delivery contracts and resources are improving with greater efficiency to deliver renewal works.

The spike in the upgrade/expansion, and the associated dip in renewal and replacement, in the medium to long term is due to the implementation of the open space components of the Green Square Urban Renewal project. This plan also shows the allocation of funds for renewal projects while committing ongoing resources and maintenance budgets to these expanded assets.

The Greening Sydney Strategy commitments will expand the tree canopy and increase the total amount of trees in the city. This has been accounted for the medium to long term.



*Image: Dyuralya Square, Zetland*

# Property Assets

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## Background

The City relies on its buildings and property to provide services to the community and its corporate and commercial tenants. The building assets held by the City cover a diverse range of property types such as indoor and outdoor aquatic centres, libraries, works depots, public toilets, and commercial property and community venues including the iconic Sydney Town Hall.

These buildings experience significant wear and tear. They are subject to regular inspections and ongoing risk assessment and compliance processes and condition assessments to assist officers to make informed decisions about reactive and planned maintenance requirements, capital expectations and long-term property strategy options.

The portfolio is currently divided into two distinct groups, community and commercial. The required level of expenditure on the renewal program for the City's buildings will vary from year to year and will reflect:

- Health and safety risk assessments;
- The age of the assets;
- The condition of the asset components;
- Budget priorities;
- Capacity constraints to deliver services;
- On-going maintenance demand;
- Changes to service requirements; and
- The nature of the asset and its heritage and cultural significance.

The Green Square Urban Renewal Project has resulted in substantial growth in population and a corresponding increase in demand for new community facilities and local services. The City has recently completed new facilities in this area including the Gunyama Park Aquatic Centre and the Green Square Creative Centre.

Community service demands are continually assessed for the entire local government area. New assets required to meet future community growth will be acquired progressively in line with population growth, development and funding priorities. New community facilities may require sites to be acquired or existing sites redeveloped or with some services consolidated to deliver integrated community facilities.

Timing and funding for these facilities will be influenced by budget allocations and potential development contributions and updated annually within the Long Term Financial Plan.

Assessing the condition of building assets can be a complex task as modern buildings are comprised of many building components, usually in differing states of condition. The City has set condition targets for buildings which are reflective of property strategy requirements, in some cases a building will have a poor or very poor condition rating and will be included as part of a major future redevelopment plan for the site or the site is closed.

## Community Asset Management Plan 2022

The City has commissioned a detailed building component data collection project e.g. electrical components, structural components, roof details etc. These components will include individual assets where relevant, replacement values, current conditions and maintenance and renewal estimates. The detailed inventory of 60 high value or high use buildings is complete and is being utilised in the preparation of the annual maintenance and renewal projects and budgets. Recently we commissioned the financial revaluation of the building portfolio to give us a better indication of ongoing depreciation cost for the future.

The City currently has an external property services provider for facilities management. The contract includes building asset, condition and maintenance data collection for the entire portfolio which will inform how the City can improve property services and asset use.



*Image: Darling Square Library, Darling Square, Haymarket*

## Property Assets – Asset Inventory

The table below shows the range, extent and asset replacement cost for the property assets detailed in the Community Asset Plan, together with some associated infrastructure for reference purposes.

| Asset Type           | Description   | Quantity   |
|----------------------|---|------------|
| Community Portfolio  | Cost effective fit for purpose accommodation enabling the provision of services into the Community. Buildings include depots, community halls, childcare centres, libraries, public toilets etc | 187        |
| Commercial Portfolio | Buildings owned or utilised by the City for commercial or business purposes   | 66         |
| Sydney Town Hall     | Iconic heritage listed building used for public events, Council meetings, Councillor office accommodation and private hiring.   | 1          |
| <b>Total</b>         |   | <b>254</b> |

The total number of buildings includes buildings owned and managed by the City, managed by third parties e.g. Queen Victoria Building, Capitol Theatre, Capitol Square (Watkins Terrace), Manning Building or leased by the City.

## Property Assets - Levels of Service

The table below shows key target and current levels of service.

### Current

| Key Performance Category | Service Objective  | Performance Measure Process                                    | Target  | Current Performance            |
|--------------------------|--|--|---|--------------------------------|
| Function                 | Ensure each building is fit for purpose                        | Conducting regular maintenance and annual property inspections | Independent annual certification                | Achieved                       |
| Safety                   | Minimise significant risks to the public, staff and contractor | Regular Property inspections                                   | Reported monthly Audited annually               | Achieved                       |
| Quality                  | Ensure each building is presented and maintained in an         | Register of annual property inspections                        | Target Condition Index set building by building | Current average condition 2.42 |

Community Asset Management Plan 2022

| Key Performance Category | Service Objective   | Performance Measure Process                                    | Target   | Current Performance |
|--------------------------|---|--|--|---------------------|
|                          | acceptable condition  |  |  |                     |
| Environment              | Ensure the City achieves the target of reducing emissions by 2021                                     | Monitoring and reporting of targets through the SMART platform | Achieve reducing operational emissions by 44 per cent by 2021 from the 2006 baseline   | Achieved            |
|                          | Ensure the City achieves the potable water use by end June 2021                                       | Monitoring and reporting of targets through the SMART platform | Zero increase in potable water use by end June 2021 from 2006 baseline, achieved through water efficiency and recycled water | Achieved            |
|                          | Ensure the City achieves the resource recovery of waste from City managed properties by end June 2021 | Monitoring and reporting of targets through the SMART platform | 70 per cent resource recovery of waste from City managed properties by end June 2021   | Achieved            |

## Property Assets - Lifecycle Management

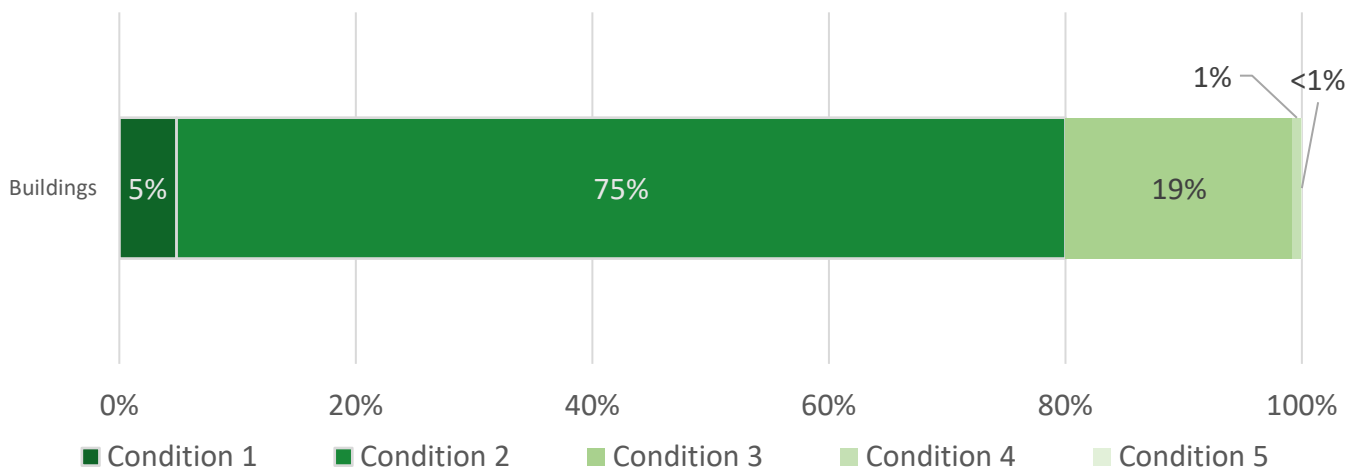
### Asset Condition

The City has recently commenced a comprehensive detailed condition assessment of its properties. Due to the complexity of collecting structure, services, roof and facade conditions, it will take a few years to fully complete the survey. Plant and Equipment data has been collected initially. The conditions shown in this report are a snapshot at March 2021. There have been several assumptions used to derive the average condition. As the data collection process continues, and the data further refined, the condition rating will be more representative of actual condition.

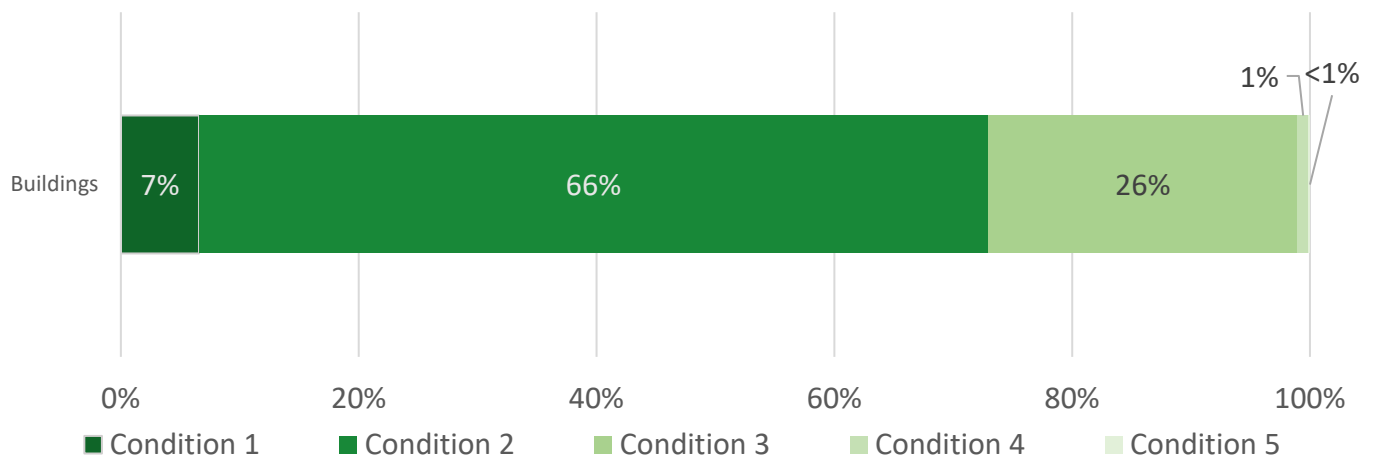
Sydney Town Hall has an insurance replacement value of \$598 million which accounts for 26% of the overall property portfolio value and its current condition is assessed as condition 2 (i.e. Good).

Consequently, the value of the Sydney Town Hall can distort summary reports of the City's wider portfolio using condition categories and replacement values. The Sydney Town Hall equates to 11% of the condition band of "Good". As a result, two condition charts are provided.

The graph below represents the conditions of the City's property portfolio by replacement cost including Sydney Town Hall.



The graph below represents the conditions of the City's property portfolio by replacement cost excluding Sydney Town Hall.



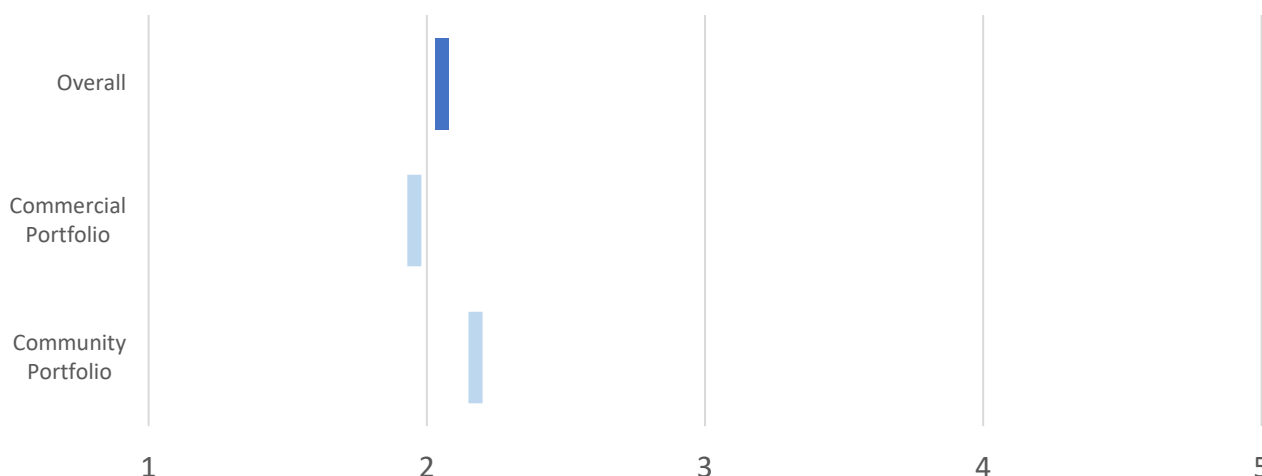


**Condition 1 – Very Good.**



**Condition 5 – Very Poor**

The graph below shows the average condition of each of the portfolios and the overall average building condition. This is calculated by replacement cost and includes Sydney Town Hall.



This data presents the derived conditions of the buildings. It has been updated at March 2021. This demonstrates the overall average condition of the buildings is 2.13 and <3% of the buildings falls within categories 4 or 5

### Asset Valuations

Listed below are the current replacement, current insurance replacement value, written down value (depreciated value) and calculated Average Annual Asset Consumption amounts used in the lifecycle and sustainability calculations

| Asset Type              | Current Replacement Cost | Written Down Value | Current Insurance Replacement Cost | Average Annual Asset Consumption * |
|-------------------------|--------------------------|--------------------|------------------------------------|------------------------------------|
| All Building Portfolios | 1,501                    | 1,222              | 1,738                              | 28.5                               |
| Sydney Town Hall        | 527.5                    | 357                | 598                                | 4.1                                |
| <b>Total</b>            | <b>2,028</b>             | <b>1,579</b>       | <b>2,336</b>                       | <b>32.6</b>                        |



Other valuation methods are used within this category of assets.

Financial accounting valuation – this is based on the replacement value of all buildings excluding investment properties which are based on market value. The financial statements recognise assets leased to or by the City in some instances, for example, Queen Victoria Building, over which the City does not have day to day maintenance control.

Current Replacement value (insurance value) for the entire portfolio – this represents the actual cost incurred if the buildings under the City's control needed to be replaced as a whole and is generally what the property is insured for. This is the figure used in calculating the average asset consumption and sustainability, and does not include buildings not under the City's direct maintenance control e.g. Queen Victoria Building, Capitol Theatre.

The Average Annual Asset Consumption for Sydney Town Hall is proportionally lower than the general portfolio due to the long life of the building which is currently assessed as 200 years.

### Lifecycle Costs

The table below shows the trend in the last five years in infrastructure expenditure for the property assets portfolio. Operational and maintenance expenditure is obtained from the Business Unit operational budgets and the renewal, upgrade and new expenditure from the capital work program reports. The five year average is the basis for the long term lifecycle costs.

| Year                  | Operating/<br>Maintenance | Renewal       | Upgrade/Expansion |
|-----------------------|---------------------------|---------------|-------------------|
| 2016/17               | 32,794                    | 30,613        | 32,955            |
| 2017/18               | 26,224                    | 15,004        | 50,275            |
| 2018/19               | 30,163                    | 9,291         | 43,707            |
| 2019/20               | 39,501                    | 8,398         | 43,983            |
| 2020/21               | 36,196                    | 14,955        | 26,897            |
| <b>5 Year Average</b> | <b>32,976</b>             | <b>15,652</b> | <b>39,563</b>     |

All figures are \$k

### Maintenance, Renewal and Upgrade costs

This table shows the Report on Infrastructure Assets as at 30 June 2021 in accordance with the Code of Accounting Practice and financial reporting. It shows the estimates to bring the building assets to a satisfactory standard as described in the 'Estimate of Cost to bring asset to satisfactory condition' section of this report.

| Asset Class | Asset Category  | Estimated Cost to bring assets to satisfactory standard** | Estimated Cost to bring to the agreed service set by Council ## | 2020/21 Required Maintenance | 2020/21 Actual Maintenance |
|-------------|-----------------|---|---|------------------------------|----------------------------|
| Buildings   | Non Specialised | 10,333  | 33,028  | 34,939                       | 34,360                     |
|             | Specialised     | 5,078   | 2,284   | 1,908                        | 1,836                      |

\*\* As per Office of Local Government Requirements, reflects the estimated cost to restore all Council assets to condition '3' or better. These cost assessments remain highly subjective as in previous years

## - reflects the estimated cost to restore all assets assessed that are at a poorer condition than Council's set minimum service levels. These standards (i.e. target conditions) reflect the strategy of maximising the consumption of the assets' service potential before renewal works are undertaken.

The City sets a Target or Minimum asset condition for each building in the portfolio. These are reflective of the current strategy for the building, in some cases a building will have a poor condition rating as the target because it is identified for upgrade or closed. The City's general definition of agreed level of service for Property is the cost to reach the condition Target for that building.

## Property Assets - Financial Summary, Projections and Sustainability

### Long Term – Lifecycle costs based on current expenditure

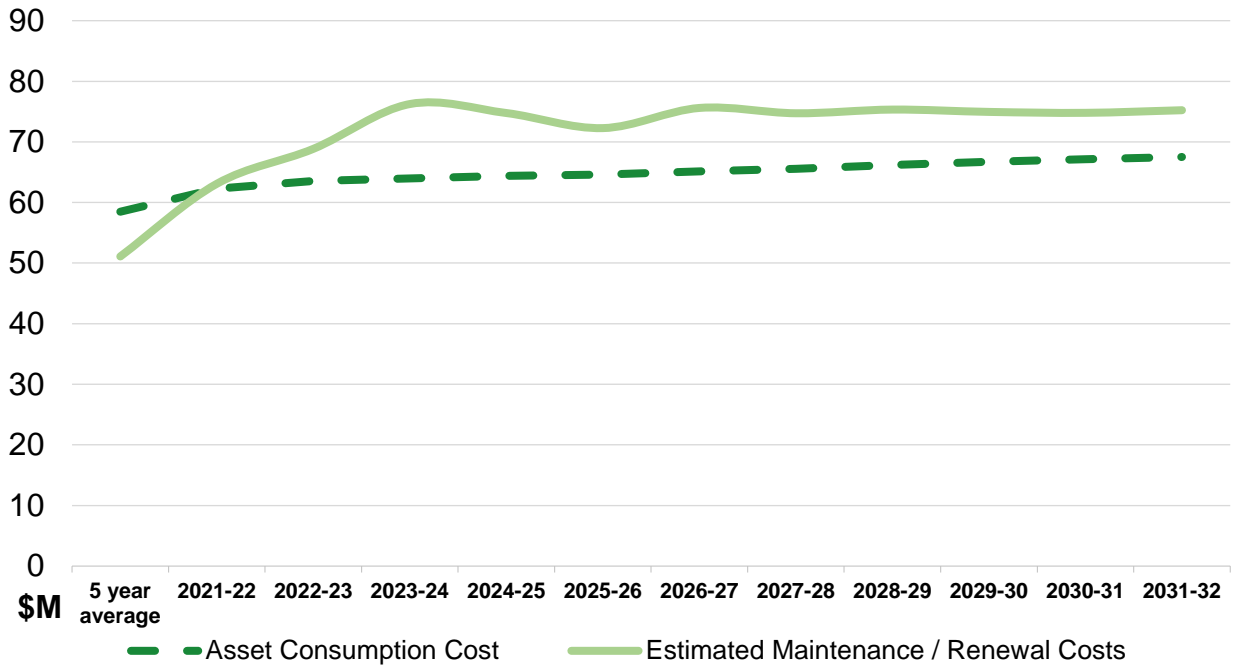
The table below shows the current sustainability index as projected using the average of the last 5 years estimated costs. This is the basis of the long term cost that the City will need to fund for the life of the assets.

| Asset Consumption Cost     | Operational, Maintenance, Renewal and Replacement Costs | Difference |
|----------------------------|---|------------|
| 62,275                     | 51,091  | -11,184    |
| What we should be spending | What we are spending                                    |            |

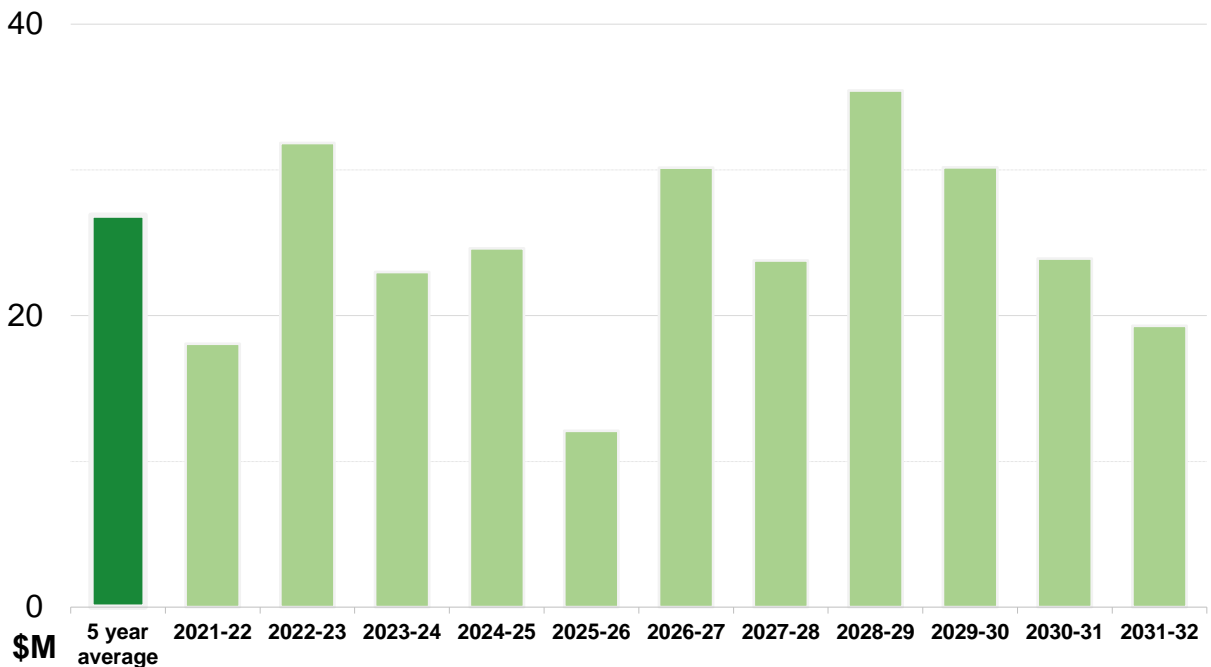
Figures in \$k

**Medium Term – 10 year financial planning period**

This chart shows the relationship between the Asset Consumption Costs and the funded Long Term Financial Plan for estimated Operational, Maintenance and Renewal and Replacement costs



The chart below shows the proposed Upgrade and Expansion Expenditure as shown in the current Long Term Financial Plan



This table shows the estimate of the Average Asset Consumption Costs, the Estimated Operational, Maintenance, Renewal and Replacement Cost, and the Sustainability Index 10 Year projection.

Community Asset Management Plan 2022

| Asset Consumption Costs       | Estimated Operational, Maintenance, Renewal and Replacement Costs | Difference   | Sustainability Index  |
|-------------------------------|---|--------------|---|
| 10 year projection calculated | 10 year projection budgeted                                       |              | 10 Year period  |
| <b>65,189</b>                 | <b>73,257</b>   | <b>8,067</b> | <b>1.12</b>   |
| What we should be spending    | What we are going to spend  |              | Ratio of what we going to spend to what we should be spending |

All figures are \$k



Image: Green Square Night Markets, City Of Sydney

## Property Assets - Environmental Summary, Projections and Sustainability

The City of Sydney’s property portfolio generates emissions via electricity use in all buildings, gas to heat pools and run our cogeneration and trigeneration plants, and refrigerants used in air-conditioning systems. As of 2021/2022 all operational electricity is 100% renewable, either through onsite Solar PV or through the direct purchase of renewable electricity from a wind and two solar farms. Therefore, there are zero emissions associated with electricity from this asset class. This is expected to be maintained over the period covered by our Environment Strategy 2021-2025.

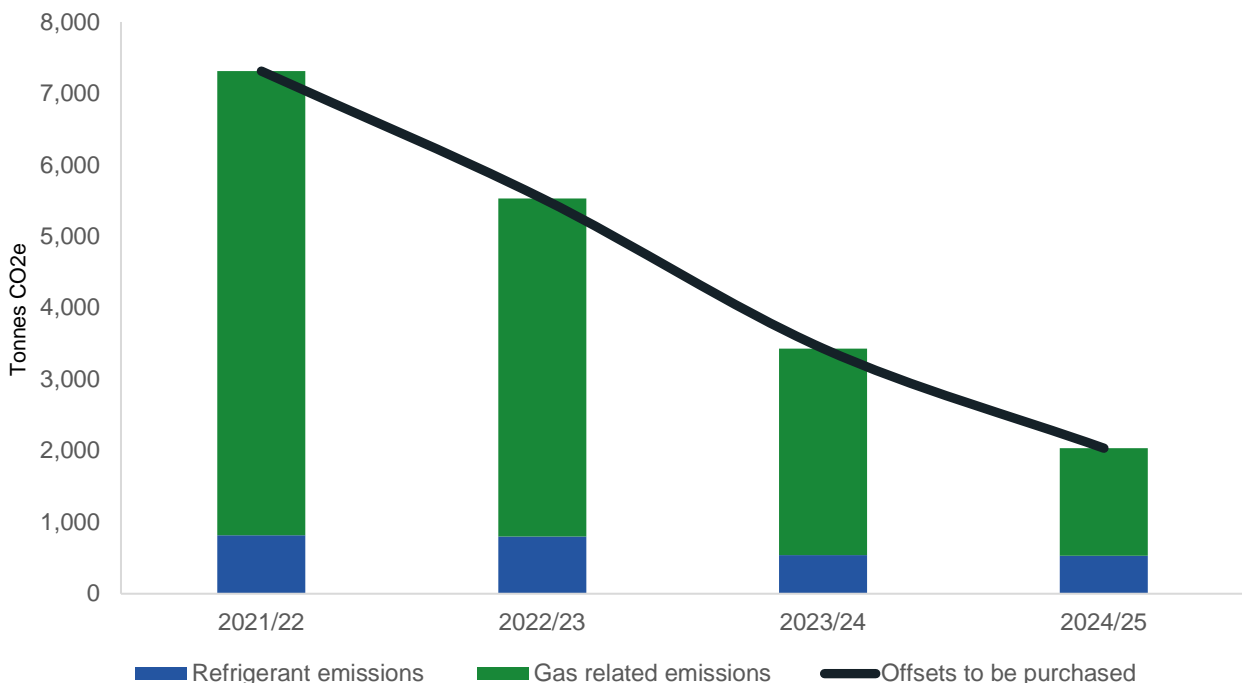
The Asset Emissions Forecast captures the impact of planned projects and property portfolio changes on our future emissions. It also tracks the effect of energy efficiency projects which will continue to be delivered as a core tactic for our ambition to be a net-zero organisation.

The forecast predicts that emissions associated with this asset class will decline over the next three years, despite an increase in the total number of properties owned by the City of Sydney. None of the additional properties are forecast to use gas, and all additional electricity use will be emissions free due to our 100% renewable electricity contract.

The reduction in gas emissions is forecast to be achieved through changes in how we heat pools in our aquatic centres. These emissions will decline as we are expecting to purchase renewable gas to complement our 100% renewable electricity contract. The City of Sydney will also be developing a capital project to reduce refrigerant emissions.

Our certified carbon neutral status will be maintained each year through the purchase of verified offsets for those net emissions we cannot eliminate, as we have since 2007..

### Forecast emissions properties assets



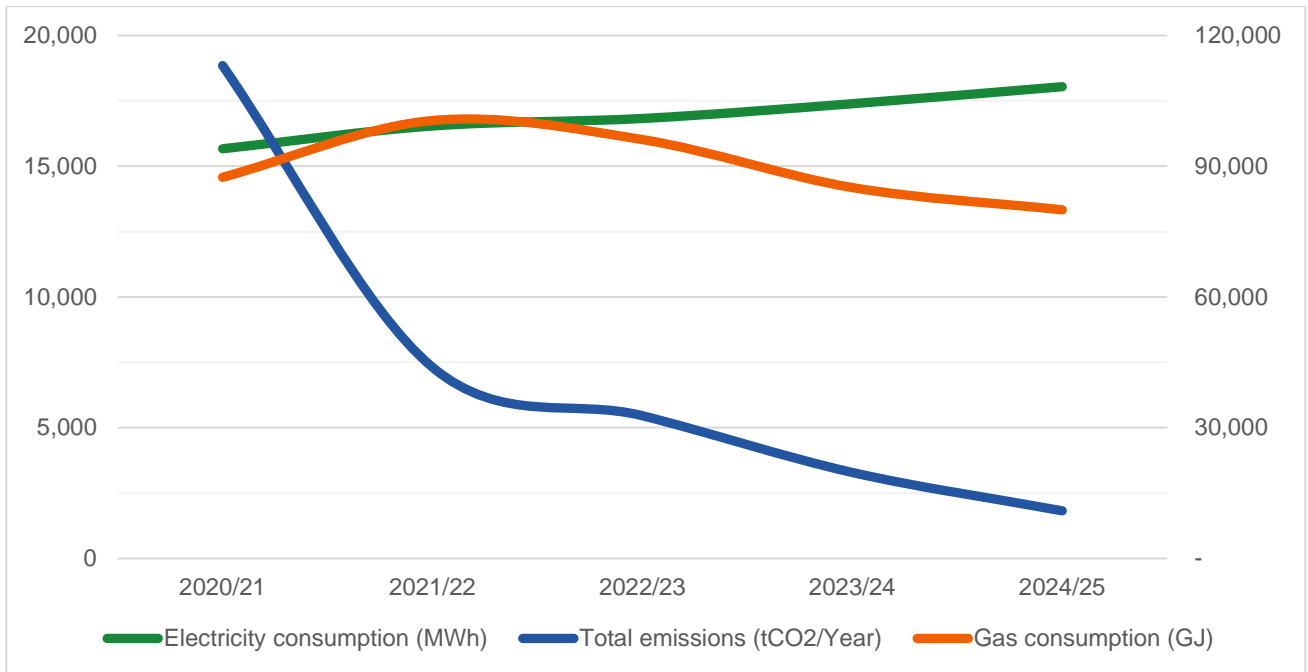
The forecast predicts that electricity consumption will increase in the next three years. This is due to a project to electrify the equipment that heats Victoria Park Pool and Andrew Boyd Charlton Pool. This project will reduce gas consumption and have a beneficial effect on our carbon

emissions. We plan to deliver an LED replacement program and perform a property benchmarking exercise which will deliver further electricity savings.

The table and chart below show the change in electricity and gas use for the reporting years of the Environment Strategy.

|                               | 2021/22 | 2021/22 | 2022/23 | 2023/24 | 2024/25 |
|-------------------------------|---------|---------|---------|---------|---------|
| Electricity consumption (MWh) | 15,667  | 16,540  | 16,826  | 17,391  | 18,041  |
| Gas consumption (GJ)          | 87,464  | 100,486 | 96,112  | 85,108  | 79,998  |

**Properties energy consumption and total emissions**



Emissions associated with fleet and contractor fuel use, and waste generation are included in the City’s carbon reporting, however we are not able to reliably attribute these emissions to properties activities.

## Concluding Remarks

The City is allocating sufficient funding to provide for the renewal of the Property infrastructure, with significant amounts being allocated to renewing and upgrading the property infrastructure in the next six years.

Significant upgrade and expansion projects are scheduled between until 2023. These include building works in the Green Square Urban Renewal precinct and new community facilities across the local government area.

The challenges facing council is the ability to resource the delivery of the capital works program. In the short term, internal resources will shift from upgrade/expansion projects to renewal projects.

The modelling will be continuously updated in future revisions of this plan and the Draft Detailed Asset Management Plan for property following the completion of the overarching Property Strategy.

The estimate indicates that the City is budgeted to renew the Property assets at a sustainable rate over the next ten years while keeping the current level of service. We are managing the assets effectively and addressing the maintenance and renewal requirements and Special Schedule - Report on Infrastructure Assets requirements consistent with the Office of Local Government performance measures.



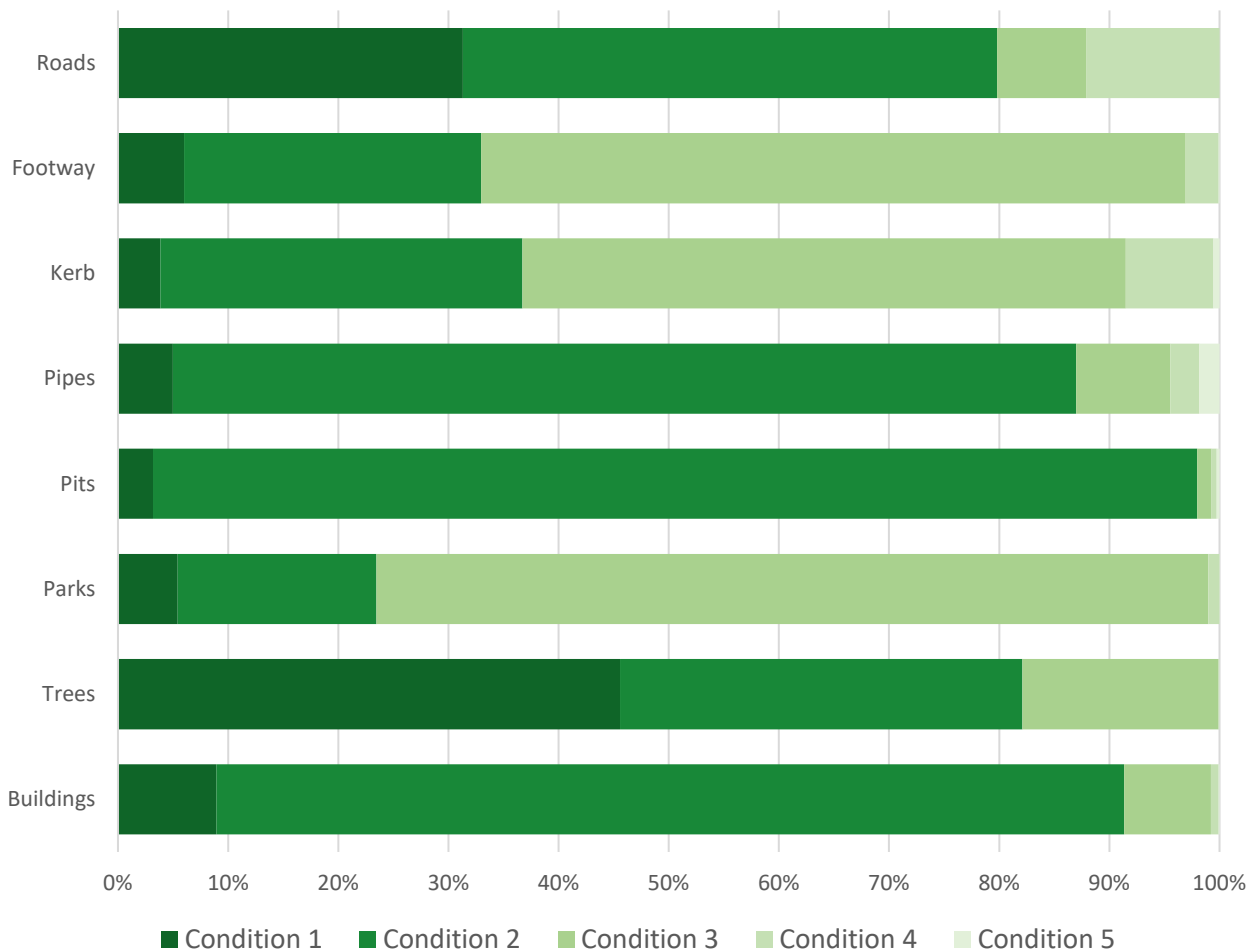
*Image: Customs House, Circular Quay*

# Conclusion

## Conditions

The information contained in this Community Asset Management Plan shows that the City is providing and maintaining a strong and vibrant city with most assets in an excellent to good condition. The city is providing adequate funding to sustain the critical infrastructure assets for the next 10 years and is managing the assets effectively and addressing renewal requirements consistent with the Office of Local Government performance measures.

This table is a summary of conditions for the critical assets within the city.



The method of calculation for the conditions is explained in each of the critical asset sections, such as the number of units or replacement value.



Community Asset Management Plan 2022

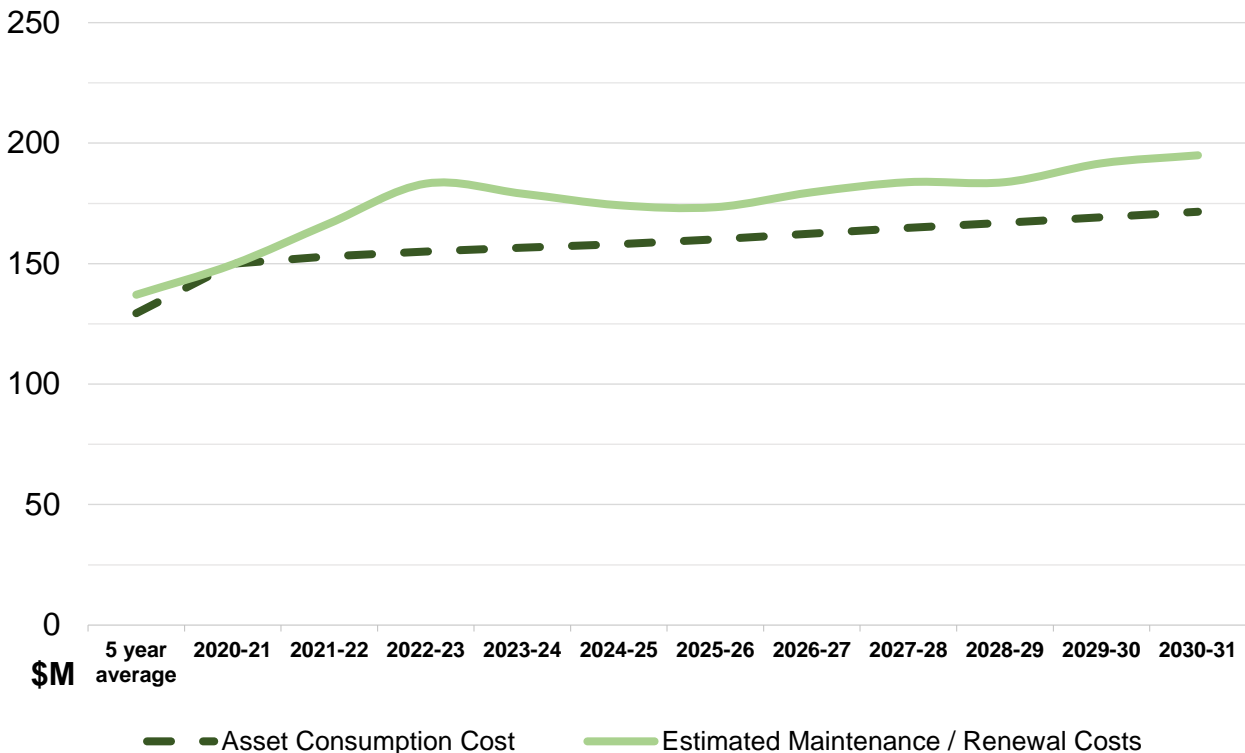
The Table below shows the Average Asset Consumption Costs and the Average Estimated Replacement Costs and the Sustainability Index ten year projection for the four critical asset classes contained in this plan.

| Asset Category       | Asset Consumption Costs    | Estimated Operational, Maintenance, Renewal and Replacement Costs | Difference    | Sustainability Ratio |
|----------------------|----------------------------|---|---------------|----------------------|
|                      | What we should be spending | What are going to spend   |               |                      |
| Roads                | 33,363                     | 40,084  | 6,721         | 1.20                 |
| Stormwater Drainage  | 6,915                      | 6,618   | 297           | 0.96                 |
| Parks and Open Space | 42,658                     | 44,488  | 1,830         | 1.04                 |
| Trees                | 12,567                     | 13,738  | 1,171         | 1.09                 |
| Property             | 65,189                     | 73,257  | 8,067         | 1.12                 |
| <b>TOTAL</b>         | <b>160,691</b>             | <b>178,185</b>  | <b>17,494</b> | <b>1.11</b>          |

All Figures in \$/yr

**Asset Consumption Costs**

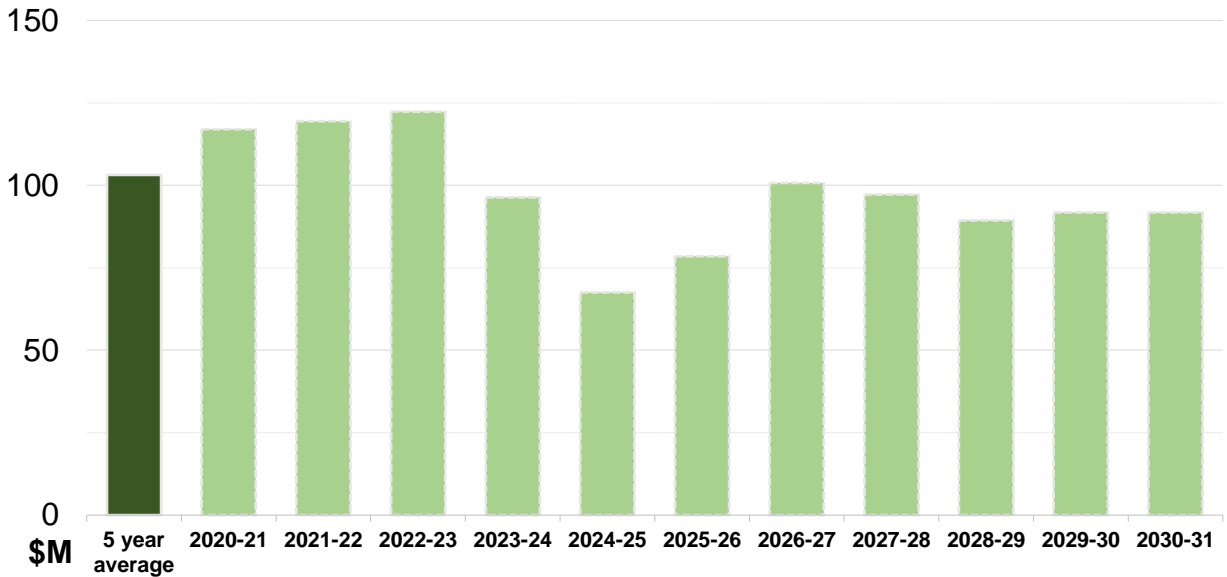
The chart below shows the relationship between the whole Councils Asset Consumption Costs estimates and the funded Long Term Financial Plan for the four Critical Asset Categories.



There is a slight dip in maintenance, renewal and replacement spending in the last few year into 2022/23 in relation to the estimate of how much should be spent. This is attributed to the substantial upgrade and expansion works during that period, particularly the Green Square Urban Renewal project and the City Transformation – Light Rail project, which has diverted funds from renewal projects. As these projects have been complete and delivery resources will be focusing on renewal based capital works.

**Upgrade and Expansion**

The chart below shows the upgrade/expansion proposed for the combined Critical Asset Categories assets in the Long Term Financial Plan.



The graph above aligns with the typical growth of assets as our resident and visitor population grows. It also accounts upgrades when assets are being renewed to allow for the asset to make provision for community needs



Image: While I live I will Grow, Joynton Avenue, Zetland

# Appendix A -Asset Management Policy.

# Asset Management Policy

## Purpose

The purpose of the Asset Management Policy is to ensure that the City has information, knowledge and understanding about the long-term and the cumulative consequences of being the custodian of public infrastructure.

This is achieved by ensuring that the systems and processes are in place to enable people to determine the most effective and efficient options for delivering infrastructure related services while controlling exposure to risk and loss.

The Asset Management Policy also provides the framework that together with the Community Strategic Plan enables the asset management strategy and specific asset management plans to be produced.

## Context

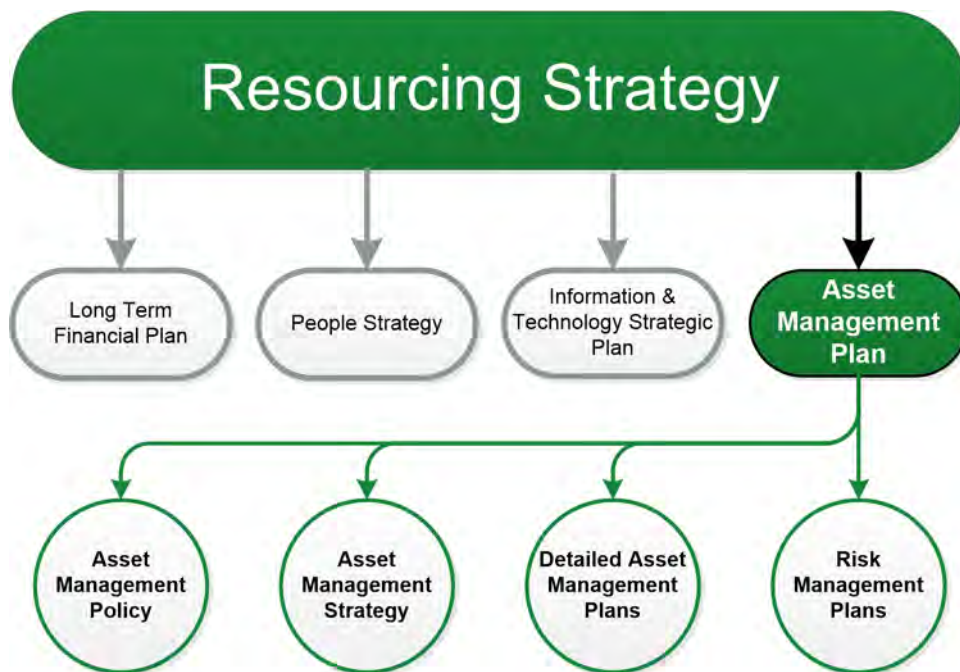
The NSW Local Government Act 1993 places a number of obligations on Councils in relation to asset management.

The City must account for and plan for all of the existing assets under its control, and any new assets proposed in its Community Strategic Plan and Delivery Program and associated Resourcing Strategy.

The City must:

- Prepare an Asset Management Strategy and Asset Management Plan(s) to support the implementation of the Community Strategic Plan and Delivery Program.
- Ensure that the Asset Management Strategy and Plan(s) cover a minimum timeframe of 10 years.
- Ensure that the Asset Management Strategy includes an overarching Council endorsed Asset Management Policy.
- Ensure that the Asset Management Strategy identifies assets that are critical to the City's operations and outline risk management strategies for these assets.
- Ensure that the Asset Management Strategy includes specific actions required to improve the City's asset management capability and projected resource requirements and timeframes.

Figure 1 below shows the components of the Integrated Planning and Reporting Resourcing Strategy that frame the Asset Management requirements.



**Figure 1 – City of Sydney Asset Management Framework**

The City first adopted an Asset Management Policy in 2006 which has been reviewed and updated regularly since that time.

The policy is linked to Sustainable Sydney 2030 Strategic Direction 10, Implementation through effective governance and partnerships and specifically, - Objective 10.3 the City of Sydney is financially sustainable over the long term

**Scope**

This policy applies to all infrastructure related service provision such as road and transport, stormwater drainage, community services delivered by the City’s buildings and facilities, parks and open spaces, sport and recreation, information and technology assets and environmental protection.

**Definitions**

| Term                | Meaning  |
|---------------------|--|
| Policy              | A statement of the City’s attitude and preference of direction.  |
| Asset Management    | The combination of management, financial, economic, engineering and other practices applied to physical assets with the objective of providing the required level of service in the most cost effective manner                                 |
| Resourcing Strategy | This document collates the long-term resources required to achieve the objectives established by the Community Strategic Plan. The strategy includes long-term financial planning, workforce management planning and asset management planning |

| Term                           | Meaning   |
|--------------------------------|---|
| Asset Management Gateway Panel | Strategic and operational panel to provide outcome focussed oversight and management control for the City's asset management policy, strategy, objectives and targets.  |
| Asset Management Plan          | A specific plan developed with an outline to acquiring, operating, maintaining, renewing and disposing of the assets within the asset class in the most cost effective manner possible, whilst providing a specific level of service.   |
| Long Term Financial Plan       | The Long Term Financial Plan (LTFP) is a ten year financial planning document that contains financial strategies and accompanying performance indicators that the City considers when making significant strategic decisions about financial resource allocation.   |
| Asset Management Strategy      | <p>The asset management strategy is a strategic document that demonstrates how the City's asset portfolio supports the service delivery needs of the community into the future. The strategy contains</p> <ul style="list-style-type: none"> <li>• A description of the current status of the council's asset management practices (processes, asset data and information systems)</li> <li>• Specific actions to be undertaken to improve or enhance the council's asset management capability (a gap analysis), including resource requirements and timeframes</li> <li>• Specific actions to be undertaken to achieve the council's strategic objectives.</li> </ul> |

## Policy Principles

The City's Asset Management policy is based on the following principles to guide sustainable management of infrastructure assets. They are:

- A lifecycle approach – the City applies a whole of life methodology for managing infrastructure assets including planning, acquisition, operation, maintenance, renewal and disposal
- Sustainable environmental performance – the City considers the long term cumulative impacts of its assets and how they are managed
- Best value – balancing financial, environmental and social outcomes
- Evidence based decision making – core systems will include up to date infrastructure asset information to inform decisions
- Alignment with long term financial planning
- Addressing community needs – including as they change over time through transparent service levels
- Effective management of risk
- Increasing resilience - planning and renewing the City's assets to be more resilient to future acute shocks and chronic stresses

## Policy Objectives

The following policy objectives guide the City to meet desired outcomes for the City's assets consistent with the Community Strategic Plan, Integrated Planning and Reporting legislation and other strategic documents.

### **1. Provide infrastructure and services to sustain the City of Sydney communities that:**

- Supports the quality of life and amenity, urban environment and cultural fabric appropriate to City of Sydney;
- Adapts to emerging needs in sustainable transport;
- Facilitates the changes to infrastructure needed to cater for changing communities.
- Enhance the resilience of the City's infrastructure and communities

### **2. Implement a life-cycle approach to the management of infrastructure assets where:**

- Asset planning decisions are based on an evaluation of alternatives that consider the "whole of life" of an asset through acquisition, operation, maintenance, renewal and disposal;
- The asset management cycle considers the current and future environmental, economic, cultural and social outcomes.

3. Ensure that service delivery needs are the primary driver for infrastructure asset management practices by:

- Establishing and monitoring levels of service for each asset class through the Community Asset Management Plan and Detailed Asset Management Plans;
- Identifying and monitoring individual and network risks to assets and service levels for each asset class;

4. Provide a sustainable funding model that provides assets aligned with the City's long term plans and community needs with a:

- Funded model for all asset related services extending at least 10 years into the future that addresses the need for funds, considers renewal peaks and troughs and identifies how the funds will be sourced.

### **5. Develop and implement best value environmentally sustainable asset management practices that:**

- Encourage a flexible and scenario based approach through systems and plans to allow for innovative use of assets, particularly in recycling and environmental initiatives.
- Acknowledge climate change adaptation, environmental protection and enhancement protocols are fundamental to sustainable asset management planning;
- Minimise energy and water use, waste generation and air quality impacts through our own initiatives and by working with stakeholders;
- Utilise low energy products, infrastructure materials and methods wherever possible;
- Incorporate sustainability criteria into infrastructure projects and procurement.

### **6. Create a resilient city by modelling and planning to make it adaptable to acute shocks and chronic stresses.**

- Identify and renewing critical assets that are vulnerable to future acute shocks and chronic stresses
- Perform return on investment studies when delivering renewed or new assets in the resilience context

- Include resilient assets when renewal planning in the long-term models and long term financial plans.

**7. Provide reliable asset and infrastructure data through supported digital platforms demonstrated by:**

- Distribution of open sourced for community use where appropriate;
- Implementation of sound data governance and data quality management;
- Access to systems and information by mobile technology wherever possible.

**8. Implement an integrated decision support system that:**

- Provides systems and knowledge necessary to achieve policy outcomes;
- Proactively interrogates and models data to support informed decisions;
- Minimise risk of corporate knowledge and data loss;
- Manages information as efficiently as possible through the appropriate use of software, hardware and communication tools; and
- Reduces data duplication

**9. Ensure compliance with legislative requirements by:**

- Having clear policies, processes and information to ensure that organisational objectives and legislative requirements are met.

**10. Allocate Asset Management responsibilities where:**

- The roles and responsibilities of Council, the Chief Executive Officer and Asset Managers are clearly identified.

## **Responsibilities**

**Lord Mayor and Councillors** adopt the policy objectives and ensure sufficient resources are applied to manage the assets.

**The Chief Executive Officer** has overall responsibility for developing infrastructure asset management systems, policies and procedures and financial models and reporting on the status and effectiveness of asset management within the City.

**The Asset Management Gateway Panel** is responsible for ensuring that all asset management activities are consistent with the objectives of Community Strategic Plan, integrated planning and the City's Long Term Financial Plan.

The Asset Management Gateway Panel is responsible to oversee that people, processes and systems are in place and work together to deliver services and meet the corporate infrastructure asset management objectives. They will also oversee the development and implementation of asset and risk management plans and capital renewal plans for all asset classes.

**Divisional Directors** and **Business Unit Managers** are responsible for developing and implementing infrastructure asset management plans, systems, policies and procedures.

**The Chief Finance Office** is responsible for preparing the Long Term Financial Plan to support the delivery of the asset management plans

**Employees with management or supervisory responsibility** are responsible for the management of assets within the area of responsibility as determined under asset management plans.



## Consultation

The policy has been reviewed with asset owners and relevant stakeholders. The Asset Management Gateway Panel and the Executive have approved the policy.

The policy is advertised for public comment as part of the Resourcing Strategy.

## References

### Laws and Standards

Local Government Act 1993  
Local Government (General) Regulation 2005  
National Asset Management Framework  
IPWEA NAMS.PLUS3 Templates for Asset Management Plans  
International Infrastructure Management Manual

### Policies and Procedures

Matrix of Responsibilities for Assets  
Roads Capitalisation Procedure  
Corporate Asset Management System Data Management Procedure  
IT Products and Services Acquisition, Management and Retirement Policy

## Review period

This policy will reviewed be in 2 years.

## Approval Status

Council approved this policy on [DD MONTH YYYY].

## Approval History

| Stage                | Date            | Comment   | TRIM Reference                          |
|----------------------|-----------------|---|---|
| Original Policy      | 25 June 2012    | Approved by Council   | 2012/049285                             |
| Reviewed             | 27 June 2016    | Approved by Council (Appendix to Resourcing Strategy (2016) – Integrated Planning and Reporting Program and Budget (2016/2017)) | 2016/576823                             |
| Reviewed             | Septemeber 2022 | Endorsed by Executive 1 September 2021. [Add Council approval date TBC]   | 20XX/XXXXXX<br>(Governance to populate) |
| Commence Review Date | [ ] Aug 2024    |   |   |
| Approval Due Date    | [ ] June 2024   |   |   |

## Ownership and approval

| Responsibility | Role                               |
|----------------|------------------------------------|
| Author         | Asset Strategy and Systems Manager |
| Owner          | Chief Operations Officer           |
| Endorser       | City of Sydney Executive           |
| Approver       | City of Sydney Council             |



# People Strategy 2022-26



# Contents

|  |           |
|--|-----------|
| <b>Executive Summary</b>   | <b>3</b>  |
| To 2030 and beyond   | 3         |
| <b>Introduction</b>  | <b>4</b>  |
| Insights informing development of the People Strategy                    | 4         |
| Alignment to our Diversity and Inclusion Action Plan                     | 6         |
| <b>People Strategy 2022-26</b>   | <b>7</b>  |
| Objective 1: Foster a People First Culture                               | 8         |
| Objective 2: Adapt our ways of working                                   | 9         |
| Objective 3: Strengthen our value proposition and recruitment experience | 11        |
| <b>Supporting Documents</b>  | <b>13</b> |
| <b>Our Workforce Profile 2021</b>  | <b>14</b> |
| <b>EEO, Diversity and Inclusion Action Plan</b>                          | <b>21</b> |
| Our commitment to Equity, Diversity, and Inclusion                       | 22        |
| Background   | 23        |
| Developing the Action Plan   | 26        |
| <b>Glossary</b>  | <b>31</b> |

# Executive Summary

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## To 2030 and beyond

The City's Community Strategic Plan – Delivering Sustainable Sydney 2030 – 2050 sets out the plan to build on the work undertaken thus far to realise Sustainable Sydney 2030. The new community strategic plan has 10 revised strategic directions and 6 guiding principles. The achievement of the aspirations and projects set out in that plan will be possible largely due to the committed efforts of our people – our employees and managers.

Our people are in a strong position to contribute to a resilient Sydney by embracing the challenges and opportunities articulated in the community strategic plan and the delivery plan.

However, in the last 3 years, since our People Strategy (2019 – 21) was developed, we have experienced some of the most unpredictable, challenging times in recent memory due to the Covid-19 pandemic. This period saw our organisation and people adapt to deliver unprecedented responses, leaving us with significant learnings to draw on as we move forward.

We also know that the future will continue to see considerable disruption, which means that we must develop and implement proactive strategies now to shape the future of our workforce, in service of the City of Sydney community.

People Strategy 2022 – 2026 outlines the key issues impacting the City's workforce and will guide people related decision making, priorities and investment to support the outcomes in the community strategic plan.

The People Strategy forms an important part of our integrated resource planning, ensuring that we can deliver on our business goals and are future-ready. The People Strategy recognises evolving community needs and the skills our people require to address the social, economic, and environmental sustainability challenges ahead.

It builds on the solid foundations established in the prior people strategy. Though the Covid-19 pandemic impacted the implementation of the 2019 – 21 People Strategy, progress was made in key areas such as flexible working, innovation, employee wellbeing, and workforce agility.

The People Strategy 2022 – 26 has 3 core objectives:

1. Energising our people and our workplaces by fostering a 'people first' culture<sup>1</sup>. If we do this well, we will support our employees to be their best selves, acting in the best interests of the community that we serve

Building on this foundation, we will ensure that our organisation, practices, and capability keep pace and embrace the new world of work. This includes:

2. Adapting our ways of working<sup>1</sup> for the future
3. Strengthening our value proposition<sup>1</sup> and recruitment experience to attract and retain diverse, skilled people.

<sup>1</sup> Definitions included in the Glossary on page 32

# Introduction

## Insights informing development of the People Strategy

The People Strategy 2022 – 26 forms an important part of our resource planning, ensuring that we can deliver on our business goals and are future-ready. The strategy recognises evolving community needs and the skills our people require to address the social, economic and environmental sustainability challenges ahead.

Analysis of internal and external data sources generated insights that informed the development of our 2022 – 26 People Strategy. Specifically:

- Staff surveys
- Stakeholder and leadership interviews
- Staff focus groups
- Workforce data
- External employee experience insights (LinkedIn, Seek, Glassdoor)
- External talent trends in the context of local government and relevant sectors
- Executive workshops.



**Figure 1.** City of Sydney staff at Gunyama Park Aquatic and Recreation Centre, Zetland – Photo by Chris Southwood/ City of Sydney

## **Feedback helped us understand where we are now, and where we want to be in the future**

Consistently, staff told us that the City of Sydney has many strengths as an employer. People feel safe at work, connected to their teams, and supported with the information, tools and resources to perform their roles.

The Covid experience for employees has been varied. With limited opportunities for social interaction, this period has weakened ties between many colleagues at work and eroded informal organisational connections.

We heard that there are opportunities to better attract, engage and grow current and future employees. This includes strengthening the connection between individual and organisational purpose, providing an attractive, clear and holistic value proposition, and evolving our ways of working to support better collaboration and inclusive flexibility.

## **We are operating in a changing environment**

To remain a progressive force and leader within a dynamic external environment, we have to foresee what is coming and shape our direction in anticipation.

Mercer's Global Talent Trends 2022 and other significant future of work research publications (e.g. Microsoft Work Trends Index 2021) points to the need for organisations to support employees to reclaim a sense of energy, joy and autonomy as they reshape their lives post-pandemic. Amplifying energy in the workforce will require an ongoing focus on managing wellbeing and mental health. It will also require a focus on enhancing employee experience by understanding differences in what motivates and inspires purpose in individuals.

Additionally, in the context of the acceleration toward virtual and digitised ways of working, there is now a need to build upon the strong bonds within teams to drive greater cross-team connections.

Finally, there are number of global trends that will have considerable influence on the future of the City of Sydney. These include (but are not limited to) the climate emergency, rapid urbanisation, disease and health impacts, and exponential technology advancement. To lead change in this context, we will be required to effectively harness the concerns, ideas, and aspirations of our communities as we develop local solutions. It will also require us to be an effective partner with other local government, private sector and civil society organisations. With this in mind, our organisation needs to be equipped with the right culture, skills and experiences to remain responsive and ensure the future success of our City.



**Figure 2.** City of Sydney Ranger – Photo by Abril Felman/ City of Sydney



## **The 2022 – 26 People Strategy sets the scene for our deliberate evolution**

In the context of Covid recovery, analysis of internal and external insights helped us frame 3 critical questions that informed development of our people strategy. These were:

1. How can we re-boot our organisation, workplace culture<sup>1</sup> and employee experience to build back stronger, amplify our collective and individual energy and strengthen inclusion and belonging?
2. How can we embed and adopt new ways of working and foster the capabilities required for the new world of work?
3. How can we advance our value proposition and recruitment experience to address skill shortages in a competitive market?

These questions guided us as we reflected upon the fundamental ways in which expectations of work and workplaces have dramatically changed.

The People Strategy 2022 – 26 recognises that we have the opportunity to be deliberate in what we do next – for and with our people. We know that this will not be an easy task as changes will require sustained attention over the next 4 years, and beyond. However, as an organisation, we are committed to leading this evolution, and resourcing it appropriately to ensure committed, deliberate focus on driving action and implementation to see it brought to life.

---

## **Alignment to our Diversity and Inclusion Action Plan**

Equal Employment Opportunity, and Diversity and Inclusion<sup>1</sup> principles inform all that we do.

The 2022 – 26 People Strategy is built upon a commitment to a diverse and inclusive workplace that is free of discrimination. We understand that having a diverse and inclusive workforce improves organisational performance, innovation and service quality.

Our EEO, Diversity and Inclusion Action Plan 2022 – 26 is a supplementary document to this People Strategy. It recognises that promoting workplace equity, diversity and inclusion is more than a legislative requirement – it is essential to our success as a local government organisation that caters to the diverse communities who live, work in and visit the City of Sydney.

We want the City of Sydney to be an organisation where everyone has an equal chance to work with us and the opportunity to realise their potential and progress their careers.

# People Strategy 2022-26

Our People Strategy 2022 – 26 has 3 key objectives, which together recognise that change is the 'new normal', and that we need to continuously evolve and adapt to keep pace with the changing environment and the 'new world of work'.



**Figure 3.** Diagram of People Strategy objectives



**Figure 4.** Volunteers packing Hampers of Hope – Photo by Chris Southwood/ City of Sydney

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## Objective 1: Foster a People First Culture

The vision for a Sustainable Sydney 2030 has driven a strong sense of purpose and progress over the last 10 years. This powerful vision was a strong attractor for new employees and a motivating force for existing employees.

While a compelling vision remains important, the world of work as we know it, has changed significantly since the onset of the Covid-19 pandemic. Community and employee expectations have changed. We know that the community need us to be even more responsive, future focused and representative of the diverse people we serve. At the same time, we know that employees increasingly expect work to provide experiences that are empathetic, efficient and enriching.

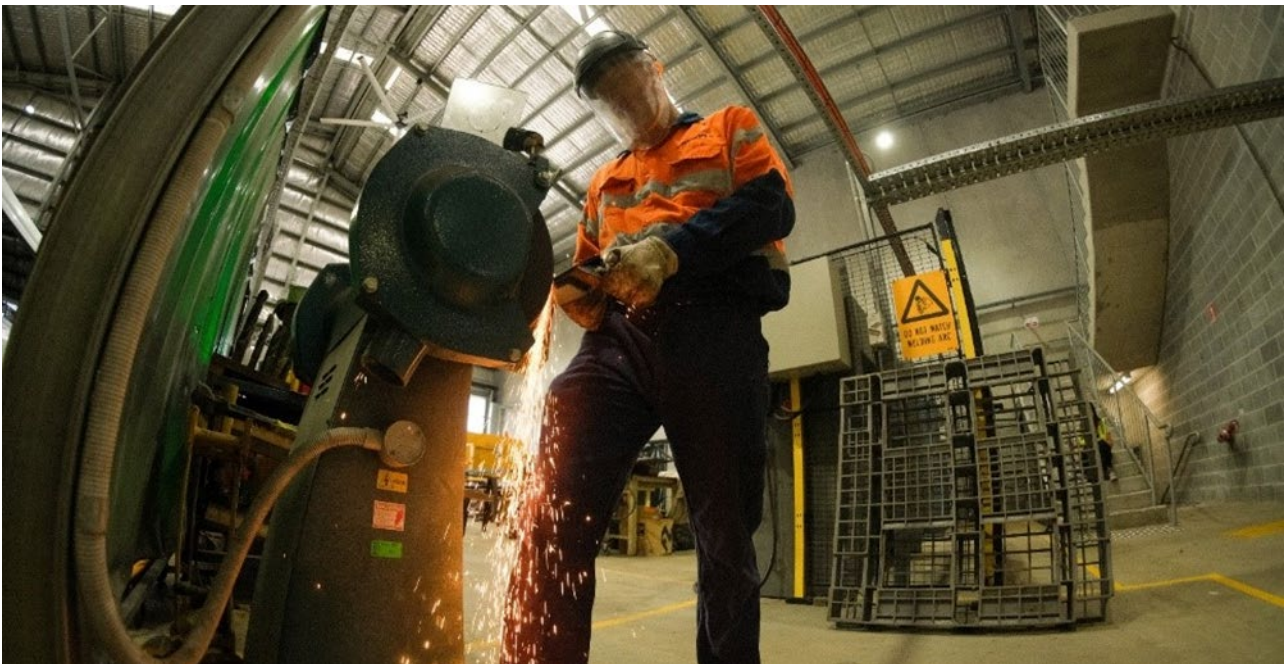
In this context, we recognise a need to reenergise our people and our workplaces and to strengthen a sense of purpose and engagement in our employees and managers. The next phase of our journey toward 2050, Sustainable Sydney 2030–2050 Continuing the Vision, provides us with an opportunity to foster this, as we also adapt, innovate and transform to meet new expectations.

At the core of our strategy, objective one paves the way for a strengthened connection between our internal people experience and the experience of the community we serve. Put simply, the people we serve will reap the benefits of a highly energised workforce, made up of employees who find sources of joy and inspiration through their connection to the purpose of the organisation and the communities we serve.

Our workplace culture and practices need to both enhance our collective drive and ‘meet people and their individual needs where they are’. To do this, we will focus on reconnecting employees with the organisation’s vision and values and build capability in our leaders to lead with empathy, and role model collaboration, inclusion and individual accountability in the new world of work. If we create a ‘People first’ culture, we will support our people be their best selves, acting in the best interest of our communities.

### Priority actions

- Strengthen employee’s connection to our purpose and vision to drive energy and engagement
- Strengthen connections between our community and employees to amplify a strong sense of purpose
- Rebuild social connections in the workplace to connect people across teams and business areas
- Support individuals to strengthen their own wellbeing and reinvigorate energy
- Implement the City’s mentally healthy workplace plan to support workplace wellbeing.
- Build and strengthen leadership capabilities for the new world of work, including:
  - Managing teams in the context of digitisation and new ways of working
  - Stakeholder engagement and collaboration
  - Building a diverse workforce and inclusive ways of working.



**Figure 5.** Alexandria Canal depot staff at work

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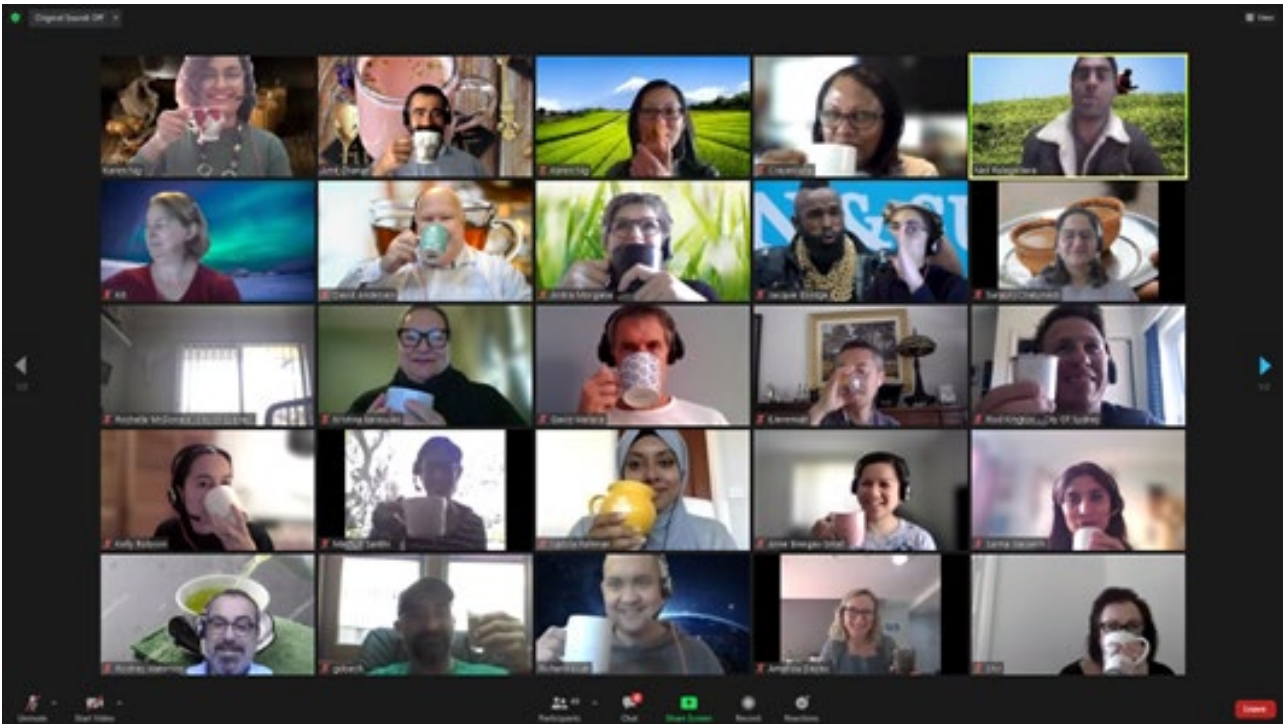
## Objective 2: Adapt our ways of working

With a strong workplace culture and experience at the core, we will focus our attention on keeping pace and embracing the new world of work.

Community expectations are changing. Our local businesses, residents and visitors are changing how they use online services and interact socially – they expect information and services to be easy to access and use, and always available. To develop seamless, community-centric solutions and services, collaboration across the organisation is critical.

The expectations of employees are also changing as the pandemic has rapidly accelerated shifts in hybrid and flexible ways of working. Many Australian employees expect that work tasks can be performed digitally at any time and from anywhere.

To remain a leading employer and a role model in government, we will reshape our ways of working. To do this, we will redefine and enable ways of working that align to our desired culture and unlock collaboration and cooperation at all levels in the organisation. This includes articulating a new vision for ways of working, elevating cross functional success stories, and resetting inclusive flexible and hybrid working<sup>1</sup> to ensure that practices support different segments of our workforce.



**Figure 6.** Online staff networking zoom event, during lockdown – Photo by Harleen Oberoi/ City of Sydney

We also recognise that resetting for the future includes fostering the development of strong, cutting edge skillsets required to drive progress and remain responsive to an increasingly digital world. We will do this by developing digital and data literacy<sup>1</sup>, and technical skills across the workforce, as well as embedding a human centric mindset<sup>1</sup> in all employees to ensure we design services with the user at the forefront.

We will also support our leaders to be adaptive, empathic, and skilled in navigating change and complexity.

If we deliver on this, we will ensure enriching, connected and skilled ways of working for our people that will ultimately deliver better outcomes for our community.

### **Priority actions**

- Equip managers to lead in the new environment of hybrid and flexible ways of working
- Optimise City’s hybrid working practices to drive stronger collaboration and strengthen social capital across the workforce
- Foster the development of strong skillsets required to drive progress and remain responsive to an increasingly digital world
- Embed a human centric mindset<sup>1</sup> in all employees to ensure we design services with the user at the forefront
- Support our leaders to be adaptive, empathic, and skilled in navigating change and complexity.

## Objective 3: Strengthen our value proposition and recruitment experience

To succeed in having the desired impact in our community, the City of Sydney needs the right people, with a diverse set of skills and experiences. We know that within the broader employment market, there are wide-spread resource shortages making access to people from the external market very competitive and challenging.

Additionally, talented people will always have career choices, so as an employer we need a compelling Value Proposition (which means the rewards, benefits, and experiences that we can offer to our employees). We recognise that to stay competitive, the recruitment experience has to present the best of what a career at City of Sydney can offer to attract talented people to the organisation.

We also know that we must equip our leaders and managers with the right insights and resources to make strategic hiring decisions that ensure we have the right people, in the right roles at the right time.



**Figure 7.** City staff with our first electric truck – Photo by Jennifer Leahy / Silversalt

This means optimising our internal processes to enhance candidate and hiring manager experience, redefining our value proposition and partnering with other organisations to attract diverse, skilled people to careers in the local government sector. It also means building capability in managers and leaders to make evidence-based recruitment decisions.

We understand that to retain our existing employees we need to deliver on our value proposition, by enabling people to actively shape their growth and development in the workplace. We will do this by unlocking experience-based development as well as offering externally competitive formal learning opportunities.

If we are successful in this, City of Sydney will be an employer of choice for the best candidates irrespective of age, background, and abilities. Managers will also be enabled and have confidence that our processes are responsive to the emerging employment landscape.

### Priority actions

- Optimise our recruitment processes to drive speed and enhance the candidate and hiring manager experience
- Redefine our Value Proposition to attract and retain diverse, skilled people to work at the City of Sydney
- Review graduate and cadet programs to attract and retain diverse early career workers.
- Invest in skills that are of strategic priority for the future, such as:
  - Human experience design and service
  - Data analytics and insights
  - Digital literacy
  - Innovation and continuous improvement.
- Partner with other organisations to promote the Value Proposition for the local government sector and attract diverse, skilled people to careers in the local government sector.



**Figure 8.** Rosanna Barbero, Addison Road Community Organisation (left) and City of Sydney CEO Monica Barone (right) – Photo by Chris Southwood/ City of Sydney

# Supporting Documents



**Figure 9.** City of Sydney staff at Alexandra Canal depot



# Our Workforce Profile 2021

## Workforce at a glance<sup>2</sup>

- At 30 June 2021, we had 1,821 employees (excluding casuals and agency staff)
- 57.7% of employees were male, compared to 42.3% female
- 2.5% of employees identified as being a person of Aboriginal or Torres Strait Islander descent
- 1.6% of employees reported that they had one or more limitations or restrictions associated with a disability
- 19.7% of employees reported that they were from a culturally and linguistically diverse background
- 3.9% of employees identified as LGBTIQ+<sup>3</sup>.

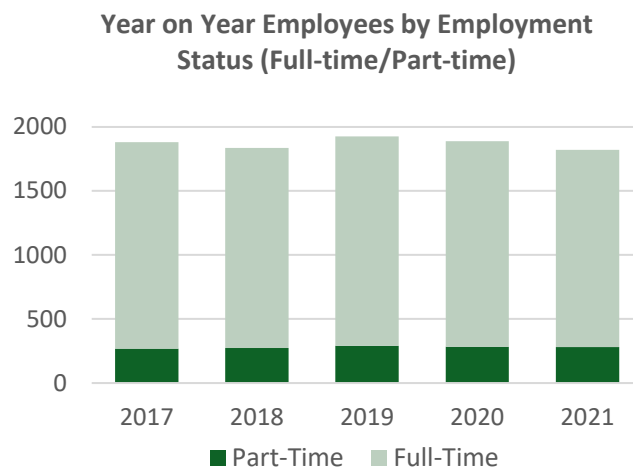
## Workforce Composition

The City’s workforce consists of people employed on a continuing, fixed term and casual basis, supplemented from time to time with agency staff.

Contingent staff (casual employees and labour hire/agency staff) meet fluctuating demand for seasonal work or major events such as New Year’s Eve.

At 30 June 2021, there were 1,821 non-casual employees, of which 90.4% were employed on a permanent basis and 9.6% were employed on fixed terms. In addition, there were 155 casual employees and 367 agency contractors.

84.6% of employees are employed full-time as shown in the graph below.



<sup>2</sup> Sourced from the City’s workforce profile data as at 30 June 2021. Non casual employees include – permanent, term contracts, apprentices

<sup>3</sup> The City is reviewing its terminology to recognise the additional diverse and evolving identities and preferences of our people and communities

### Separations

The voluntary separation rate (also known as the employee-initiated separation rate) for non-casual employees at the City during 2020 – 21 was 8.5%. This rate, which excludes completion of fixed-term appointments, has remained below 10% over the past 5 years.

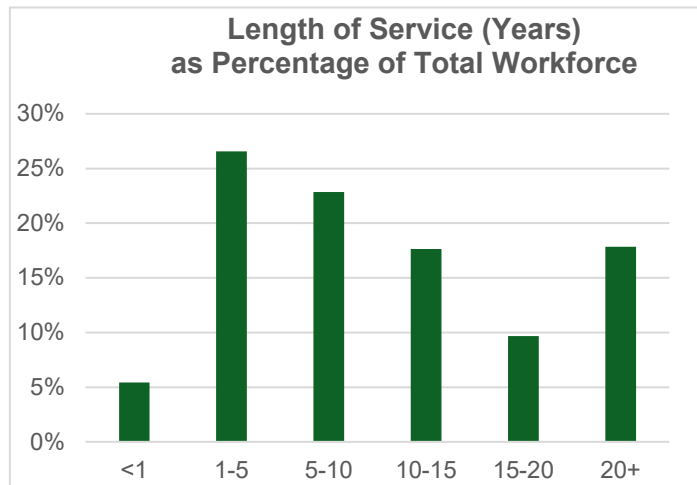
The separation rate for new employees, i.e. those that commenced during 2020 – 21, excluding the completion of term appointments (also known as the new starter turnover rate) was 6.7%.

### Length of service

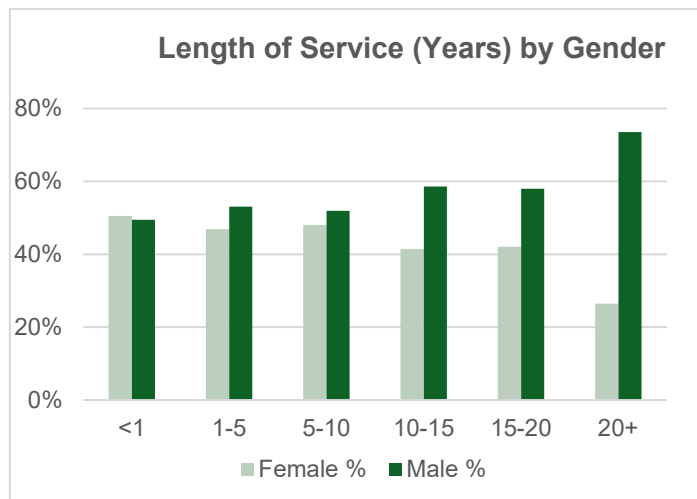
The median length of service of non-casual employees at the City on 30 June 2021 was 7.7 years, compared to the median length of service of 8.1 years in NSW public sector agencies<sup>4</sup>.

Overall, 25.2% of employees had less than 3 years of service and 38.9% had less than 5 years of service.

The graph below shows length of service in years.



Further analysis shows fewer women as service tenure increases. In contrast, men have longer lengths of service at the City, particularly at 20+ years of service.



<sup>4</sup> NSW Public Service Commission Workforce Profile Report 2021

**Age**

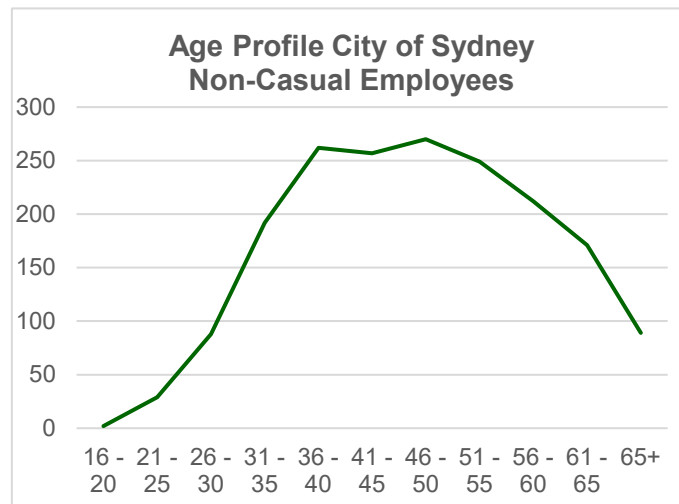
At 30 June 2021 the average age of non-casual employees was 47.2 years. This compares to the average age of 44 years in NSW public sector agencies.

The majority of the City’s employees are aged between 36 to 55 years old, representing 57% of the City’s workforce.

17.1% of employees were aged under 35 years.

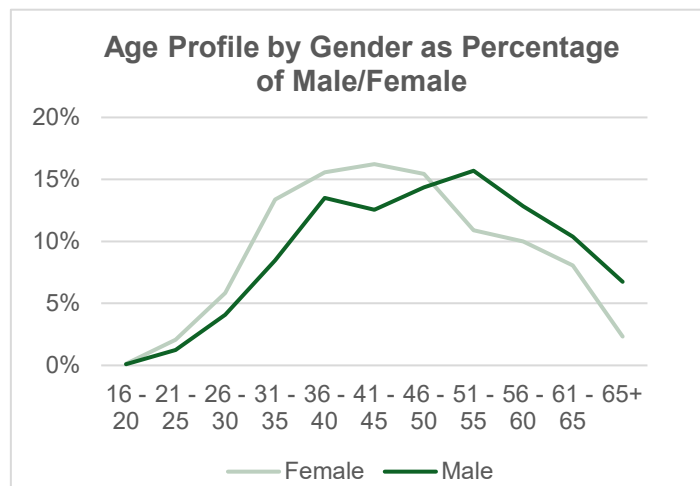
Overall, 25.9% of City of Sydney employees were aged over 55 years. In comparison, 23.7% of employees in NSW public sector agencies were aged 55 years and over at 30 June 2021<sup>5</sup>.

The graph below shows the number of employees in each of the age groups.



The age profile for male employees is older than for female employees. 64.9% of non-casual females are aged under 50 years compared to 51.6% of males.

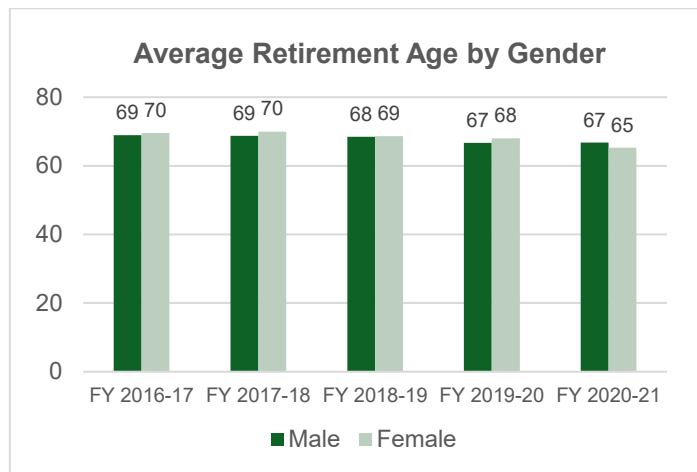
The graph below shows the age profile of employees by gender.



Over the past 5 years the average retirement age for employees has declined for both men and women. In 2020 – 21 the average retirement age for women declined by 3 years, which may be related to the gendered impacts of Covid-19 experiences.

<sup>5</sup> NSW Public Service Commission Workforce Profile Report 2021

## People Strategy 2022-26

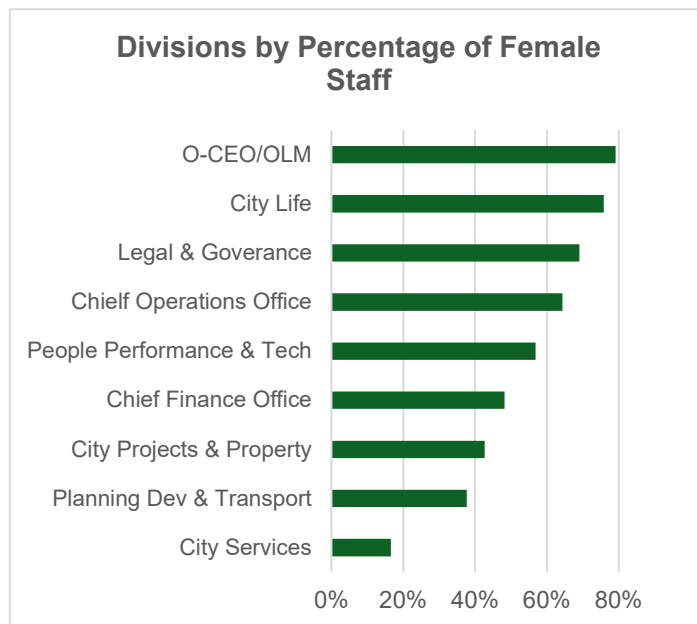


### Gender

At 30 June 2021, 57.7% of non-casual employees were male, compared to 42.3% female.

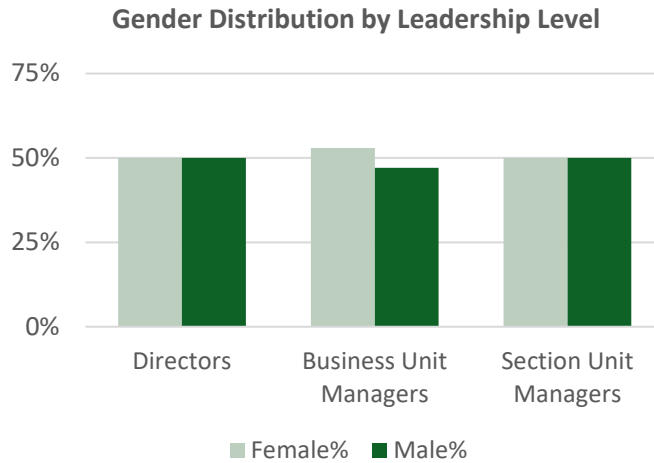
Female employment has increased over the past 8 years, from 39.2% in 2012, rising above 40% for the first time in 2018, to the current level of 42.3%.

The percentage of female employees varies across the City. Amongst the larger divisions, the City Life division has the highest percentage of female non-casual employees (75.8%), followed by the Legal and Governance division (69%).



At 30 June 2021, the overall proportion of female employees performing managerial and supervisory roles at the City of Sydney was 53.3% as compared to 41.8% in 2014. This is higher than the overall percentage of female employees at the City (42.3%).

The City now has gender-balanced leadership. The next graph shows that in 2021, the proportion of women at director level was 50%, at the business unit manager level was 52.9% and at section manager level was 50%.



In 2020 – 2021, there were 32 internal employee promotions, of which 17 were achieved by female employees<sup>6</sup>. This indicates 1.9% of female employees received a promotion compared to 1.6% of male employees.

### Pay Equity

In 2021 the City undertook its sixth gender pay equity review guided by the Workforce Gender Equality Agency framework for private sector workplaces.

The City calculated its gender pay gap (the gap between the average total remuneration of women and men across the City) on 2 measures of pay – ‘total remuneration’ (base pay plus variable pay including overtime) and ‘base salary’.

The City’s total remuneration gender pay gap was 3.4 per cent in favour of women compared to WGEA total remuneration national pay gap of 20.1 per cent in favour of men.

The base salary gender pay gap was 9% in favour of women (an increase from 2019/20). This compares with the national gender pay gap of 14.2% in favour of men and the public sector pay gap of 10.8%<sup>7</sup> in favour of men.

### Diversity and Inclusion

#### Aboriginal and Torres Strait Islander employees

At 30 June 2021, 2.5% of the City's non-casual employees identified as being a person of Aboriginal or Torres Strait Islander descent. This compares to 3.7% reported in the NSW Public Sector Workforce Profile, 2021<sup>8</sup>.

The City is working towards its Stretch Reconciliation Action Plan employment target of 3% by 2023.

The City Services division has the highest percentage of Aboriginal and Torres Strait Islander staff (4.9%).

<sup>6</sup> Payroll data 2020-2021. A promotion is when an employee advances to a more senior level and band in the organisation

<sup>7</sup> Workplace Gender Equality Agency, Australia’s Gender Pay Gap Statistics, [https://www.wgea.gov.au/sites/default/files/documents/Gender\\_pay\\_gap\\_factsheet\\_august2021.pdf](https://www.wgea.gov.au/sites/default/files/documents/Gender_pay_gap_factsheet_august2021.pdf)

<sup>8</sup> NSW Public Service Commission Workforce Profile Report 2021

### Employees with Disability

At 30 June 2021, 1.6% of the City's non-casual employees had identified with one or more limitations or restrictions associated with a disability. This compares to 2.5% of employees reported in the NSW Public Sector Workforce Profile, 2021<sup>9</sup>.

In 2020 – 21 due to known challenges with under-reporting, the City offered employees an anonymous option to identify as living with a disability. In this survey, 3.4% of respondents said they had a disability.

### Culturally and Linguistically Diverse (CALD) employees

As at 30 June 2021, 19.7% of employees identified as a part of culturally or linguistically diverse (CALD) group.

Additionally, 8.1% of all employees reported that they spoke a language other than English at home in comparison to 18.5% of the NSW Public Sector workforce.

### LGBTIQA+ employees

In 2017, the City of Sydney became one of the first councils to collect information for employees who identify as being LGBTIQA+ employees. Currently 3.9% of City employees identify as being LGBTIQA+.

The table below shows changes over the last 4 years.

|   | 2018  | 2019  | 2020  | 2021  |
|---|-------|-------|-------|-------|
| Aboriginal and Torres Strait Islander employees | 2.1%  | 2.5%  | 2.3%  | 2.5%  |
| Employees with a disability                     | 1.4%  | 1.9%  | 1.6%  | 1.6%  |
| Culturally and linguistically diverse employees | 18.2% | 19.0% | 18.8% | 19.7% |
| LGBTIQA+ employees                              | 2.8%  | 3.4%  | 3.5%  | 3.9%  |

The City acknowledges there are many factors influencing whether employees self-report diversity data, and that this contributes to under-reporting. The City continues to encourage employees to self-identify as being a part of a diversity group, to build a more accurate picture of the workforce and to provide more support to employees.

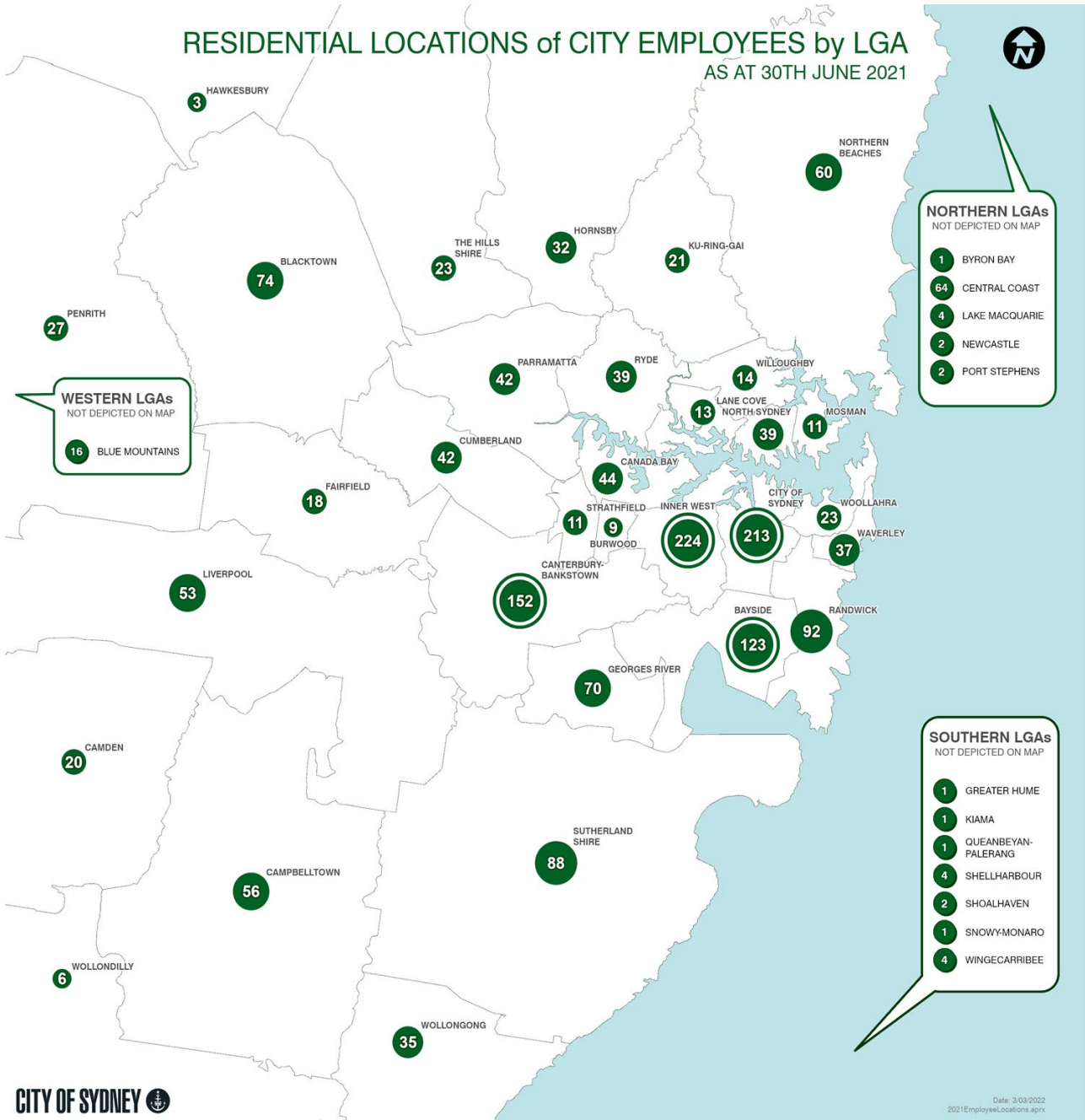
<sup>9</sup> NSW Public Service Commission Workforce Profile Report 2021.

**Where do the City of Sydney’s employees live?**

At 30 June 2021, an estimated 12% of non-casual employees lived within the City of Sydney Local Government Area as compared to 14% in 2018.

41% of our employees live within the 5 km radius and a further 15% live in the 5-10 km radius. The remaining 44% of employees live further than 10 km from the City LGA.

The heat map below shows the residential locations for our employees.



# EEO, Diversity and Inclusion Action Plan



**Figure 10.** Creative hoardings covering the Woolworths Building during its renovation, April 2022 - Photo by Abril Felman/ City of Sydney



## Our commitment to Equity, Diversity, and Inclusion

At City of Sydney, we recognise that promoting workplace equity, diversity and inclusion is more than a legislative requirement – it is essential to our success as a local government organisation that caters to the diverse communities who live, work in and visit the City of Sydney. We also understand that having a diverse and inclusive workforce improves organisational performance, innovation, engagement and service quality.

**Diversity and inclusion make good business sense because they deliver a range of positive organisational, team and individual outcomes. (Diversity Council of Australia, 2021)**

We understand that a broad range of perspectives, approaches and ideas make us better in delivering business outcomes as well as working collaboratively with Sydney's multicultural society with its varied cultures, abilities, gender identities, languages, traditions, religious and spiritual practices.

We demonstrate our commitment to diversity and inclusion by respecting our employees, and, treating employees fairly and equitably. We strive to eliminate discrimination, to actively remove barriers to inclusive employment and to promote workplace relationships that are based on understanding and respect. We want to foster a safe environment where people feel valued for who they are.

We want the City of Sydney to be an inclusive organisation – one in which employees trust they will be treated fairly, feel diversity is valued and respected, and report that top leaders demonstrate a genuine, visible commitment to diversity and inclusion.



**Figure 11.** City of Sydney staff participating in Mardi Gras parade, March 2022 – Photo by Abril Felman/ City of Sydney

Our commitment to these diversity and inclusion is reflected in the following plans and programs:

- Stretch Reconciliation Action Plan (2020 – 2023)
- Inclusion (Disability) Action Plan (2021 – 2025)
- Participation in the Human Rights Commission’s IncludeAbility program
- Disability Confident Employer status (from the Australian Network on Disability Network)
- Our annual Gender Pay Gap reporting.

The commitments in these plans and programs will not be repeated in this document.

This Action Plan demonstrates our ongoing commitment to action. It outlines our high-level and aspirational goals for 2022–26 and the ways we will monitor and review our progress.

---

## Background

The City of Sydney (the City) aims to provide a work environment that supports equity, diversity, and inclusion, and is free from discrimination, harassment, and vilification as determined by legislation. The City believes that a diverse workforce that reflects the community it serves and represents, is better equipped to understand and meet their needs.

The City is committed to meeting the Equal Employment Opportunity (EEO) obligations outlined in Section 344 of the Local Government Act 1993:

- a. Eliminate and ensure the absence of discrimination in employment on the grounds of race, sex, marital or domestic status and disability in councils, and
- b. Promote equal employment opportunity for women, members of racial minorities and persons with disabilities in councils.

### State Alignment

In addition to the Local Government Act (NSW) 1993, this plan also considers other state-level policy and legislation, including:

- *Anti-Discrimination Act (NSW) 1977*
- *Multicultural Act (NSW) 2000*
- *Disability Inclusion Act (NSW) 2014*
- *Carer Recognition Act (NSW) 2010*

### National Alignment

The preparation of this plan also considers national policy and legislation, including:

- *Human Rights and Equal Opportunity Commission Act 1986*
- *Racial Discrimination Act 1975*
- *Sex Discrimination Act 1984*
- *Disability Discrimination Act 1992*
- *Age Discrimination Act 2004*

### City Alignment

This EEO, Diversity and Inclusion Action Plan is informed by the City’s community strategic plan. It supports the vision for Sydney to be a highly connected city – that is, a city that is diverse, welcoming and inclusive; one that will be resilient with the capacity to adapt to change and withstand adversity.

This plan also aligns with other City initiatives, including:

- Stretch Reconciliation Action Plan (2020 – 2023)
- Inclusion (Disability) Action Plan (2021 – 2025)
- Human Rights Commission’s IncludeAbility program
- Disability Confident Employer status
- Annual Gender Pay Gap reporting.

Moreover, the plan supports Sydney becoming a city for people – a socially supportive community that is safe, and inclusive. Feeling safe is associated with being free from discrimination based on gender, ethnicity or origin, culture, language, relationship status, pregnancy, sexuality, race, medical conditions or disability, age and political or religious belief.

### Key Deliverables

This Action Plan sets out the key deliverables that address the City’s commitment to EEO principles and which together provide a roadmap for a diverse and inclusive workplace. These include actions to:

- Deliver the workforce commitments within the City’s Stretch Reconciliation Action Plan 2020 – 23
- Implement the workforce actions within the Inclusion (Disability) Action Plan 2021 – 25
- Report on gender equity as part of an annual workforce reporting process and implement initiatives to improve gender equity
- Embed the principles of diversity and inclusion in the City’s core people management processes (recruitment, learning, development, performance) and leadership and employee capabilities and related programs
- Develop initiatives to further support workplace diversity and inclusion including among Aboriginal and Torres Strait Islander people, people with disability, women, culturally and linguistically diverse (CALD) people (including refugees and asylum seekers), LGBTIQ+ people, young workers, mature age workers, and carers.



**Figure 12.** Yabun Festival celebration in Victoria Park, Camperdown – Photo by Joseph Mayers / Joseph Mayers Photography

## Our achievements

We recognise we still have much work to do.

However, we are building upon a strong foundation and have a lot to celebrate, including:

- Achieving accreditation from the Australian Network on Disability to become a ‘Disability Confident Recruiter’
- Becoming a member of the Australian Human Rights Commission’s IncludeAbility employers’ network
- Increasing the number of Aboriginal and Torres Strait Islander employees from 1.6% of our workforce in 2016 to 2.7% in 2022
- Achieving the Gender Equality target of 50% female representation in leadership roles
- Being one of very few organisations to have a positive pay gap in favour of women, reflecting a high number of women in management roles
- Becoming one of the few organisations to collect data and report on the workforce participation of LGBTIQ+ staff
- Sponsoring the ‘Counting Culture’ Research – an Australian first approach for defining, measuring, and reporting on workforce cultural diversity in a respectful, accurate and inclusive way by Diversity Council Australia (DCA) and the University of Sydney Business School
- Establishing Executive level sponsors to promote workplace diversity and inclusion
- Maintaining active employee reference groups – City Women, City Pride, DiverCity and the Aboriginal Torres Strait Islander staff network
- Establishing targeted mental health awareness and mental health first aid training for staff and management.



**Figure 13.** Beginners tai chi class focusing on physical and mental wellbeing – Photo by Katherine Griffiths/ City of Sydney

Our work has also been recognised by others:

- 2020 Ministers' Award for Women in Local Government – Employment Diversity – Metropolitan
- 2019 Australian HR Award for 'Best Workplace Diversity and Inclusion Program'
- 2019 Australian Human Resource Institute (AHRI) Finalist 'Diversity and Inclusion Champion'
- 2018 Local Government NSW Award for 'Best Diversity and Inclusion Program'
- 2018 and 2019 Ministers' Award for Women in Local Government – 'Women in non-traditional roles'
- 2018 Australian LGBTIQ+ Awards – Finalist 'Best New Employee Network'.

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## Developing the Action Plan

### Planning

The City undertakes diversity and inclusion action planning through annual and longer-term management plans linked to the business planning cycle. This integrated approach ensures diversity actions are incorporated in workforce planning and major business change initiatives.

### Responsibility

A commitment to equity, diversity and inclusion at the City starts with the Chief Executive Officer and the Executive. Overall corporate responsibility for monitoring workforce diversity and inclusion lies with the Director People, Performance and Technology. Managers and staff throughout the City are responsible for implementing EEO principles and supporting a diverse and inclusive workplace.

### Monitoring and Evaluation

Monitoring and evaluation of equity, diversity and inclusion performance is a regular part of the annual business planning and reporting cycle. The City is required to periodically report progress against equity, diversity and statistics to the Council and other government bodies in addition to ad hoc requests from other government agencies.

### Informing

The EEO, Diversity and Inclusion Action Plan 2022 – 26 includes actions to ensure staff are kept informed of the initiatives and of their EEO rights and responsibilities in the workplace. Information is shared through:

- Online communication including intranet, email and online resources
- Specific Diversity and EEO related training programs and inclusion of Diversity and EEO topics in a wide range of general training programs
- Leadership and staff briefings/information forums
- Induction training
- Diversity network meetings.

### Review of Policies and Practices

The City's policies and practices are monitored to ensure they are consistent with equity, diversity and inclusion objectives and EEO legislation and are informed by best practice research and resources. Equity, diversity and inclusion principles are considered in major projects, when developing new or changed work practices and when creating and reviewing relevant policies.

The EEO Policy applies to all City staff, agency staff, consultants, job applicants, contractors, volunteers, trainees and work experience participants. The City, being the responsible employer, is legally accountable for discrimination in employment matters. The City's programs are informed by

the EEO (Commonwealth Authorities) Act 1987 [the Act]. The Act requires organisations to have programs that:

- Promote the employment of designated disadvantaged groups (Aboriginal and Torres Strait Islander peoples, people with disability, people from non-English speaking backgrounds and women)
- Facilitate the elimination of all forms of unlawful discrimination and harassment in the workplace.

The Act also requires annual reporting on progress against program objectives, which the City does each year in its Annual Report.

### Focussing our efforts on 3 strategic goals

#### 1. Build a more diverse workforce

Build on our strengths and learn from others to recruit and retain a diverse workforce and invest in leadership diversity.

#### 2. Foster inclusion and belonging

Maintain a workplace that is safe, collaborative, and accountable - one in which employees trust they will be treated fairly, see that diversity is valued and feel as if they belong.

#### 3. Create awareness and build effective measures

Build awareness and skills in diversity and inclusion. Strengthen workforce data and evidence to inform effective decision making and programs

### 1. Build a more diverse workforce

Build on our strengths and learn from others to recruit and retain a diverse workforce and invest in leadership diversity.

Diversity refers to the mix of people in an organisation – that is, the differences between people in how they identify in relation to their Aboriginal and/or Torres Strait Islander background, age, caring responsibilities, cultural background, disability status, gender, religious affiliation, sexual orientation, gender identity, intersex status, and socio-economic background<sup>10</sup>

<sup>10</sup> Diversity Council Australia, <https://www.dca.org.au/di-planning/getting-started-di/diversity-inclusion-explained>

These identities may shape the way people view and perceive their world and workplace – as well as how others view and treat them.

We understand that a broad range of perspectives, approaches and ideas make us better in delivering business outcomes as well as working collaboratively with Sydney's multicultural society with its varied cultures, abilities, gender identities, languages, religious and spiritual practices.

At the City we see diversity and inclusion as critical business enablers. Helping us attract and retain high potential employees, to futureproof our relevance and capacity to solve complex real-world problems, to be leaders in the local government space, change agents, to develop our capability to lead on matters of national and global importance and to connect respectfully with our citizens and places.

We also accept that we have a social responsibility to advance the employment of people who are unfairly excluded or disadvantaged in the workforce.

We strive to embrace diversity and inclusion at all stages of the employment cycle, from attraction, recruitment, and selection to access to training, promotional and development opportunities. Not only do we want to attract new talent from different backgrounds, we want to support our existing employees to develop their skills and careers at the City and achieve their best.

We will achieve this by:

- Promoting the City of Sydney as an inclusive employer of choice, that values and supports diversity in its workforce
- Partnering with specialist employment agencies to attract Aboriginal and Torres Strait Islander candidates and candidates with disability to work for the City of Sydney
- Reviewing our entry-level programs to help create a diverse talent pool for the future – this involves ensuring our programs include strategies to create pathways to permanent positions
- Streamlining our recruitment and selection processes to support the objectives of this plan, remove barriers and reduce the risk of unconscious bias
- Improving diversity in our selection and interview panels
- Analysing retention trends of employees from under-represented groups to identify and mitigate issues, if any
- Broadening our pool of diverse leaders across the organisation.

## **2. Foster inclusion and belonging**

Maintain a workplace that is safe, collaborative, and accountable – one in which employees trust they will be treated fairly, see that diversity is valued and feel as if they belong.

Inclusion refers to getting the diverse mix of people in an organisation to work together to improve performance and wellbeing. Inclusion in a workplace is achieved when people from diverse backgrounds feel that they are:

- Respected for who they are and able to be themselves
- Connected to their colleagues and feel they belong
- Contributing their perspectives and talents to the workplace and
- Progressing in their career at work<sup>11</sup>.

An inclusive organisation contributes to greater psychological safety and wellbeing, and a stronger sense of belonging. People are more likely to feel their contributions are valued and are more comfortable raising their ideas and concerns.

The City aspires to be a place where all people are valued and respected, have equal access to opportunities and are encouraged to fulfil their talents and potential. We understand that in order to

<sup>11</sup> Diversity Council Australia, <https://www.dca.org.au/di-planning/getting-started-di/diversity-inclusion-explained>

reap the benefits of a diverse workforce we must create and cultivate a workplace that enables diverse perspectives to be heard and empowers all employees to participate and contribute. To become a recognised leader in diversity and inclusion, we must foster a culture of respect, transparency and accountability and demonstrate this through measured and reported actions.

It has never been more important for the City to prioritise inclusion and belonging. The Covid-19 pandemic has affected our city and community in many ways, with significant impacts on parents and carers, access for people with disabilities, new mental health challenges, and financial hardship. Building a culture of belonging in this context is critical to our reset and rebound to the future.

We also acknowledge that in order to succeed, this plan must be driven from the top. Without visible leadership engagement and accountability there's a risk that diversity and inclusion will be considered a secondary "nice to have" rather than the strategic priority that we believe, it is. We have established leadership commitment and processes to ensure accountability for diversity and inclusion outcomes.

We will achieve this by:

- Engaging and empowering our diverse employees through our employee network groups.
- Implementing the City's mentally healthy workplace plan to support workplace belonging and wellbeing.
- Addressing factors contributing to psychological safety for diverse employees and action mitigation strategies to address any systemic barriers.
- Ensuring our internal policies support an inclusive working environment.
- Strengthening leadership and manager capabilities to build a diverse workforce and manage inclusive ways of working.
- Strengthening our leadership engagement and accountability for diversity and inclusion outcomes.
- Developing and implementing an Aboriginal and Torres Strait Islander Workforce Strategy to support the recruitment, retention, support, and development of Aboriginal and Torres Strait Islander staff.
- Implementing a Cultural Inclusion Strategy.
- Learning from and sharing good practices, experiences and lessons learned across business areas and with our external partners.

### **3. Create awareness and build effective measures**

Build awareness and skills in diversity and inclusion. Strengthen workforce data and evidence to inform effective decision making and programs.

"Diversity and Inclusion is everyone's responsibility" – and that's why it is the actions and behaviours of employees and managers at all levels of our organisation that will determine how successful we are in creating an inclusive culture. We believe that all our employees are responsible for creating an inclusive and supporting environment within their sphere of influence.

As a large and complex organisation, communication and engagement can sometimes be challenging. Strategic communications and stakeholder engagement will encourage buy-in to our goals through consistent, clear, and honest messaging. We will support awareness raising through appropriate workplace education and training.

We will regularly monitor our progress and evaluate the effectiveness of our strategies and initiatives. Progress measures will include the collection of workforce diversity data, employee engagement, evaluation of learning activities, and diversity performance compared to benchmarks.



Overall progress against the goals and targets in this plan will be reported bi-annually to the City's leadership team throughout the duration of the plan.

We will achieve this by:

- Increasing our employees' awareness and appreciation of diversity and inclusion through targeted engagement and learning activities.
- Continuing to monitor the diversity of our job candidates and employees in order to understand the make-up of our workforce and to identify barriers which may be affecting the recruitment, progression or experience of diverse candidates and employees.
- Developing and delivering diversity and inclusion training aimed at addressing unconscious bias in the workplace and promoting inclusive leadership and management practices.
- Educating hiring managers and key decision makers on embracing diversity in recruitment and selection.
- Regularly reporting on the diversity dashboards and other workforce planning analytics metrics.
- Promoting voluntary equal employment opportunity identification (including questions from Counting Culture research) to measure and better understand the diversity of our workforce. This will be supported by an internal communication explaining the importance of collecting this information.
- Monitoring the workplace experiences of diverse segments of our workforce.
- Deploying effective communication channels to promote understanding of lived experiences of diverse employees.

# Glossary

**Belonging:** the individual sense of being accepted in the workplace.

**Capabilities:** the skills, knowledge areas, behaviours and mindsets needed at an individual level to adapt and to succeed in the context of continuously emerging changes at work.

**Collaboration:** a working practice whereby individuals work together for a common purpose to achieve an outcome.

**Data analytics:** use of data-informed methods to improve planning, decision making and management.

**Digital literacy:** having the capabilities to learn and work in an environment where communication and access to information is increasingly through digital technologies, which includes internet platforms, social media, and mobile devices.

**Employee experience:** the intersection of an employee's expectations (including needs, wants and values), their environment (including culture, people and leaders, work, programs and processes and workplace / tech) and the events (including life, career and organisation) that shape their journey within an organisation.

**Human centric mindset:** a mental disposition / attitude that cultivates deep empathy for the core needs of individuals. In the context of solving problems, a human centric mindset means balancing the needs of the organisation with the needs of users, customers and the community.

**Hybrid working:** a flexible working model where employees work partly between the physical workplace, and partly remotely – at home or from another workspace.

**Inclusion:** the achievement of a work environment where all individuals are treated fairly and respectfully and provided of equal access to opportunities and resources to ensure they can contribute fully.

**Organisational culture:** a “pattern of shared basic assumptions” (Schein, 1992) that guide how work gets done within an organisation. It includes the organisation's vision, norms, systems, symbols, language, assumptions, environment, location, beliefs and habits.

**‘People first’ culture:** a culture that actively considers and fulfils the needs of all people, including the community and employees. Within the organisation, a ‘people first’ culture ensures that people of all backgrounds, ages and abilities belong and are given the opportunity to thrive.

**Skills:** the ability to perform a certain task / activity or to manage a certain tool, technology or process.

**Value Proposition:** the collection of rewards and benefits that a company can offer its employees, in return for the capabilities and experiences that they bring to the company.

**Ways of working:** the set of principles, practices and processes that determine how a team / organisation collaborates to deliver outcomes.

**Workforce planning:** the process through which an organisation analyses and plans for the workforce and capabilities it needs in the future to ensure it has the right people, in the right place, at the right time.



# Information and Technology Strategy



# Contents

|   |    |
|---|----|
| Summary   | 3  |
| Developing community focused services                   | 4  |
| Current trends that have influenced this strategy       | 4  |
| Strategic statements                                    | 6  |
| Priority actions  | 6  |
| Managing information and data for public good           | 8  |
| Trends that have influenced this strategy               | 8  |
| Priority actions  | 10 |
| Optimising technology and communications infrastructure | 11 |
| Trends that have influenced this strategy               | 11 |
| Strategic statements                                    | 14 |
| Priority actions  | 15 |
| Governance, management and risk                         | 16 |

**Cover image:** Sydney city at night with technology theme overlay depicting a connected city – Photo by Abril Felman / City of Sydney

# Summary

This strategy outlines how the City of Sydney plans to develop and use information and technology services over the next 4 years.

It responds to growing community, client, and workforce expectations that life and work tasks can be performed digitally at any time and from anywhere.

Our local businesses are rapidly embracing new capabilities into their service delivery models. And our residents and visitors are changing how they use online services and interact socially. As a local government agency, we need to meet these expectations, make the most of new technologies and make the right services easily available.

With the ever-growing presence of technology, we also need to ensure the right controls are in place for privacy, security, and the ethical management of personal information.

This strategy forms part of the City of Sydney's Resourcing Strategy and aligns with our community strategic plan, Delivering Sustainable Sydney 2030–2050.

This strategy does not describe our work on influencing the digital economy of Sydney and enhancing the digital literacy and inclusion of our communities – that work is detailed in other City of Sydney documents, including the community strategic plan. Our previous information and technology strategy in 2017 set the foundations for a new generation of service delivery systems and best practice management and governance of technology, information and data.

This strategy builds on our earlier work and sets actions that will transform our capability in digitalised services and the use of data and information. It sets these out in 3 key areas of focus.

## **Focus area 1:** Developing community centric services

Our community expects a high standard for digital services. In the next 4 years we will increase the range and quality of our digital services and ensure a consistent and connected experience across our services. We will extend our digital channels to make it easier for our community to provide comments, share ideas and take part in consultation activities. We will also increase community access to digital equipment.

## **Focus area 2:** Managing information and data for public good

Information and data present enormous opportunity for community and societal benefit. In the next 4 years we will continue to improve data quality, governance, management, and record keeping. We will publish open data to the City of Sydney's data hub and develop a document publishing hub that facilitates easier access to information.

## **Focus area 3:** Optimising technology and communications infrastructure for service delivery

Digital systems and their supporting networks have become a core local government capability – they are essential resources and tools to run the City of Sydney's operations. We will review how we manage our foundational systems and technology to support changing business requirements, further improve cyber security and monitor advances in emerging and sensing technologies for our assets and services. We will also collaborate with stakeholders developing the Tech Central precinct to optimise placement and access to digital infrastructure.

# Developing community focused services

Our residents, business and communities are at the centre of our work to transform the City of Sydney's digital services.

The digital systems and processes in local government have traditionally been property centric, focused on managing land, planning, property, public infrastructure and associated regulatory services. While this work remains a core responsibility, this strategy reframes digital services by placing the needs of our communities – our residents, businesses, and the other agencies we interact with, first.

Our new service systems will integrate how we manage incoming service requests across all areas of service delivery. For example, if a community member chooses to email us about a topic, make a follow up phone call, and message us on social media, we will be better able to coordinate these points of contact and our response.

We also want to move a majority of our information and transactional services onto digital channels to make doing business with us faster, simpler, more personalised and accessible.

This will allow our communities to interact with us easily and in real time, see the relevance in the services and information we provide, receive timely alerts and notifications, and have better mechanisms to give feedback on our services.

## Current trends that have influenced this strategy

### **Our community expects a high standard for digital services**

Community expectations for digital services have escalated in the last decade. We have seen rapid digital services development in e-health, e-commerce, remote learning, entertainment, the arts, social services, and events. These expectations have been amplified by the Covid-19 pandemic.

The Greater Sydney Commission reports:

**“A 700% increase in telehealth services and large-scale increases in collaborative work and social platforms since the pandemic was declared and a 300% increase in library e-loans illustrate how the pandemic is accelerating the digitisation of all areas of life. Over the last 10 years the proportion of households in NSW with access to the internet increased from around 70% to around 85% across all categories of households”.**

(Source: Greater Sydney Commission, 2020, City-shaping impacts of COVID-19)

People's food and shopping decisions are also more likely to be digital. Around 82% of Australian households shopped online in 2020 and total purchases were higher by 48.5% on 2019 levels. (Source: Inside Australian Online Shopping eCommerce update, December 2021)

### **Expectations of clear and consistent government communications are growing**

In 2019 the City of Sydney's research into customer service needs identified that across all age groups, between 68% to 81% of our communities wanted to access our services all in one place online.

Our communities expect us to provide information upfront and once only, minimise unnecessary interactions with them, protect their personal and transactional data, and keep them informed to a level they choose, and in a communications style they prefer.

They want connected services that meet their needs and account for the context of their interests and circumstances. For example, the range of connected services needed for a life event like moving house, or for a stage of life such as children needing childcare and holiday activities, or for entertainment.

They also want rapid end-to-end transactions. These include being able to book, pay and receive a receipt in real time, and access to high-quality automated chat assistance to provide general and transaction-specific information.

Customer experience (CX) has grown as an industry and practice in the business sector over the past decade. And people now expect similar business grade services from government agencies. The NSW Government has made substantial progress toward this goal, making connected services accessible through the Service NSW online portal.

The City of Sydney also needs to provide responsive digital services that are easy to access and use, and to a quality that matches or exceeds people's everyday experiences and expectations.

### **Our digital channels are designed to support equity and inclusion**

The City of Sydney targets WCAG 2.1 AA accessibility standards as the preferred standard for our digital properties and we work to influence third party providers to meet this benchmark.

Our digital channels will support equity and inclusion, reaching more people more quickly and easily than in-person services. Language accessibility and translation services are becoming increasingly viable.

We are using insights on how people respond to our digital services to learn more about needs and preferences and better target these services over time.

We also know that some people will require or prefer in person or phone services. As more transactions and general enquiries are fulfilled through online services, we will be able to free up capacity to help people with more complex needs.

During the Covid-19 pandemic, we gained stronger insights into the need for public access to the information technology available in our libraries and community centres. Access to digital equipment remains an issue for some members of our community.

### **Our role is to provide a connected end-to-end digital journey**

The City of Sydney serves residents, businesses, visitors, and partners through multiple separate systems. Examples include systems for planning and property management, rates, waste management and direct community services.

However, interacting with disparate systems can provide an inefficient and fragmented experience with respect to contemporary expectations.

We aim to create an end-to-end journey that seamlessly draws from different business systems for easier interactions. This will require integrating our internal systems and processes to enable consistent and appropriate communications and build lasting relationships with our community members.

Centralised governance supports these efforts setting standards, streamlining operations, and providing a coherent strategic direction.



### **Artificial intelligence technologies help enable responsive connected digital journey**

Our communities expect a personally customised experience as they interact with our digital channels. Artificial intelligence algorithms can help deliver this experience by using previous interactions to tailor predictive search, to power the virtual assistant and other navigations to quickly guide community members to the digital services they want, automate manual processes and data capture, and support improved real-time decision-making processes.

The City of Sydney will approach the use of this key enabler ethically, taking care to ensure our algorithms are free of biases that may generate poor or unwanted outcomes.

### **Open banking and payment options are diversifying**

With the increasing use of digital wallets and services such as PayPal, and in the context of the recent pandemic, people expect contactless payment processing options.

There has also been substantial growth in banking, payments and financial data accessibility standards that has changed the provider and consumer landscape.

The City of Sydney needs to monitor these developments and continue to integrate diversified payment methods into our digital services.

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## **Strategic statements**

The City of Sydney will plan and develop responsive digital services that are easy to access and use, robust, always available, and at a level that matches our users' experience of digital products and services in everyday life.

We will use human-centred service design principles, involving co-creation and testing with users during the design and development

stages of our digital products and services. This will help ensure our services match our communities' needs, are easy to use and are informed by a diverse set of perspectives.

We will apply design and development standards and techniques to ensure our products and services are accessible and inclusive.

Third party systems will provide detailed transaction processing and data storage.

We will plan, design and execute integrations between systems to create a consistent and connected experience.

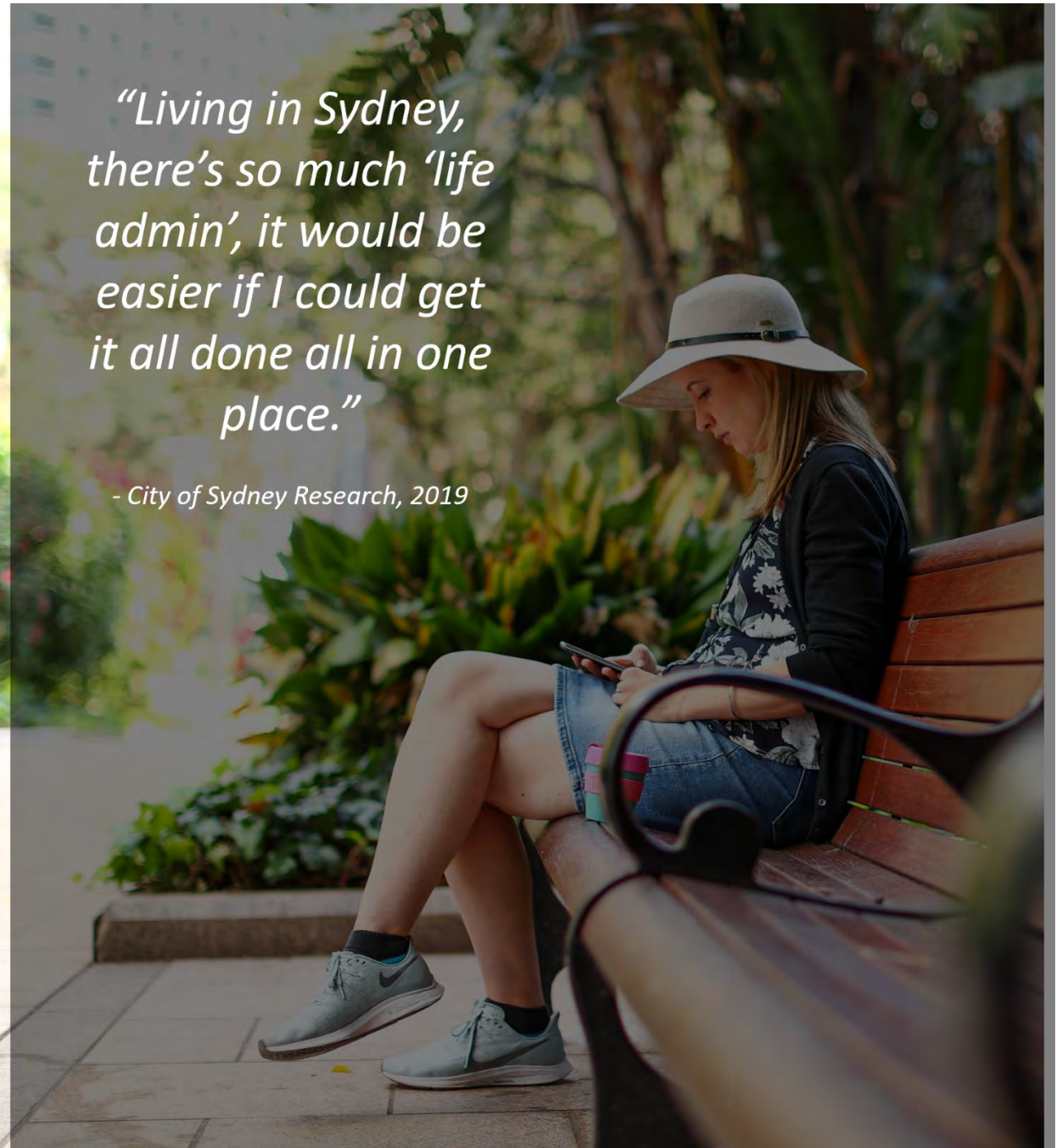
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## **Priority actions**

- Design and build a new, improved and richly featured customer portal and services layer (CityConnect).
- Progressively increase the range of digital services, using human-centred design practices, including co-design, and testing with our communities.
- Revise, redevelop and extend our digital channels for community engagement and consultation.
- Develop new and improved channels for booking and use of community facilities.
- Increase community access to digital equipment through focussed extensions to our public access to technology program and through partnerships with other providers in social services sector.
- Invest in integrations between systems to ensure a consistent and connected experience across our services.
- Extend our customer relationship management (CRM) solution to ensure technology works seamlessly for our communities across any channel.

*“Living in Sydney,  
there’s so much ‘life  
admin’, it would be  
easier if I could get  
it all done all in one  
place.”*

*- City of Sydney Research, 2019*



**Figure 1.** Person using mobile device on a bench in Hyde Park – Photo by Mark Metcalfe/City of Sydney

# Managing information and data for public good

Information and data are arguably the longest lasting assets of any organisation – underpinning all the City of Sydney manages and does.

The ever-increasing volume of information and data created in the digital economy present huge opportunities for community and societal benefit, but also presents considerable risks.

We need to protect information and data to ensure privacy and confidentiality, long term access to records, and preserve history for future generations.

We manage information and data in line with: *State Records Act 1998 (NSW)*; *Government Information (Public Access) Act 2009 (NSW)*; *Privacy and Personal Information Protection Act 1998 (NSW)*; and *Health Records and Information Privacy Act 2002 (NSW)*.

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## Trends that have influenced this strategy

### **Data protection and ethics have become mainstream**

Australia has long been at the vanguard of privacy, confidentiality, and data ethics. Strong privacy legislation is administered and monitored by federal and state bodies.

The City of Sydney has high standards in privacy, confidentiality, security, ethical use, and record keeping. But we need to continuously improve and remain vigilant.

At a time of exponential growth in information and data, we need to keep the principles of informed consent and data minimisation front of mind.

### **Providing public access to information and data remains essential**

Openness and transparency are the cornerstones of public sector institutions, promoting good governance, accountability, and high levels of community participation and trust. Openness also facilitates opportunities for innovation.

As a NSW public sector organisation, we must comply with the Government Information (Public Access) Act 2009. This law is overseen and monitored by the NSW Information and Privacy Commission, which has a mandate to contribute to social and economic wellbeing in NSW by leading effective information access and privacy.

The City of Sydney has robust practices in place to comply with this Act. These practices need to keep pace with changing community needs and expectations, with more information and data being published under our proactive disclosure program.

### Growth in big data and analytics will change how we interact with our city

Around 90% of all data in existence today was created in the past 2 years. By 2025 worldwide data is projected to reach 175 zettabytes, of which 80% will be unstructured data (video, images, sound, and documents). An estimated 90 zettabytes will be from sensors.

The astonishing growth in data and advances in technology have driven growth in data science and analytics – the application of machine learning and artificial intelligence to predict the future and help prescribe the best course of action.

Spatial intelligence and data are particularly important for local governments as it provides insights on how people interact with the built form – telling us what is working well and where improvements can be made.

Digital twins – a near-time model of a space, building, or even city – is an emerging trend underpinned by spatial data exchange, Internet of Things sensors, and spatial intelligence analytics. It has the potential to fundamentally change the way we understand, plan, and manage our area. When combined with virtual and augmented reality, the way we experience the City of Sydney area is also open to fundamental change.

### Strategic statements

The City of Sydney will ethically manage personal and confidential information to prevent harm to people and organisations.

We will provide and promote equitable public access to City of Sydney information and data to meet the spirit and requirements of the *Government Information (Public Access) Act 2009*.

We will contribute to the information economy to foster innovation.

We will manage data in line with record keeping and archival requirements to ensure defensible business decisions and preserve history for future generations.

We will optimise the volume of physical and digital information and data to be managed and stored to ensure continued compliance with legislation, minimise costs, and reduce environmental impacts.

We will provide business and spatial intelligence for better planning, operations, and decision making.



**Figure 2.** Building data analytics capabilities - Sydney harbour skyline – Photo by Abril Felman / City of Sydney

## Priority actions

- Establish data stewardship across the City of Sydney with a focus on data privacy, confidentiality, security, ethics, quality, and sharing.
- Engage with academia, industry, and communities about our data hub and our archives and history resources catalogue to inform, engage, educate, and improve services to the community and encourage innovation.
- Develop a document publishing hub that complements the City's data hub and facilitates easier access to information.
- Digitise business processes and improve data quality, data sharing, and records management.
- Deliver business and spatial intelligence and analytics solutions that provide actionable insights for improved planning, operations, and decision making.
- Digitise physical information for improved access to information, compliance with record keeping legislation, reduced storage, and management costs, and reduced environmental footprint.
- Educate the City of Sydney's workforce in information access, information and data governance and management, and business intelligence.

# Optimising technology and communications infrastructure

Local governments now rely on digital and communications technologies as essential infrastructure for their services. Even services that are provided face to face or involve the planning, management, and maintenance of the physical aspects of the city and public domain rely on digital systems and technologies for planning and administration. Without reliable, fit for purpose technology the City's business continuity is at risk.

This dependence on technology to provide core local government services means we need longer term planning and appropriate investment. We also need strong capabilities to achieve the necessary standards, reliability, and security of services that support Sustainable Sydney 2030–2050 business outcomes.

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## Trends that have influenced this strategy

### **Digital systems and their supporting networks have become a core capability for resilient service delivery**

We depend upon an increasing asset base to provide our services digitally. This has implications for funding and investment and managing this asset base to ensure digital services are secure, integrated and continually available.

The 3 main classes of technology assets are:

- public facing service channels, information display and data collection interfaces
- internal administration and operational systems to complete transactions and store the associated data and records
- digital infrastructure including data storage, networks, cabling and switching devices.

The City of Sydney uses a mix of vendor provided products and systems spanning these asset classes. Our employees are responsible for ensuring daily availability and continuity of the technology services, for constructing integrations between systems and for assurance of vendor deliverables.

Sufficient budget is required to ensure appropriate lifecycle management of these classes of asset, including project work for major uplift and renewal, and funded programs for management and maintenance.

Planning and managing these assets also requires a skilled workforce with capability in a range of electrical engineering specialisations including infrastructure, networking, applications development and integration, cyber security, and end user computing. The City of Sydney must attract and retain a sufficiently skilled engineering workforce to effectively manage this critical and complex set of assets and providers.

The associated resource requirements are recognised in our long-term financial plan and our people strategy.

### **Working digitally has become mainstream**

In the past 2 years our expectations and capabilities to work digitally have escalated rapidly and with this our ways of working have changed. Our workforce has become more digitally adept, adopting new tools and techniques for working effectively remotely but together and for collaborating and sharing knowledge, documents and workloads.

This shift means that we have an increased need for up to date, high performance, well secured end user device fleet and an operating environment to support our employees to work digitally.

### **Australian local government systems are highly customised and a long-term asset class**

Local government services are delivered within a web of organisational and administrative arrangements. In Australia there are variations in the range of services and regulatory requirements in each state, and variation between regional and urban areas.

Local government business systems are thus highly configured and customised to meet local scope and regulations – they are bespoke and not easy to change or replace. This adds cost and limits the City of Sydney's choices.

In the scale of all business, local government is a very small sector. The vendors servicing the Australian local government market are few and are also challenged with keeping pace with consumer quality expectations.

The City of Sydney acknowledges these constraints and aims to optimise its investment in these complex long-term underpinning systems.

### **We also need to integrate with the broader government ecosystem**

There is a growing interdependency between the digital systems and services at state and local government levels and this increases the complexity of the digital systems we manage.

The NSW Government, through agencies such as Service NSW and Department of Planning and Environment, also seeks to provide connected, consistent, and accessible digital services. It has developed new services in land use, strategic planning, development, lodgement and assessment, and a range of

data transfers for building certification. Further developments are in progress or planned.

The City of Sydney will liaise with relevant agencies to understand their digital development plans and roadmaps, and this will inform our technology management and resource planning.

### **Service hosting options require periodic and in-context assessment**

There are 3 main hosting and management options for the systems and technology deployed by any organisation to deliver its services.

Pure "cloud services" are standardised services that are owned, developed, and managed by others. These are accessed with a subscription fee.

Vendor hosted services are where the provider establishes a customised system and operating environment for specific use by an organisation over an internet connection. The provider manages availability and periodic upgrades for that specific environment.

On-premises management is where a product or service is installed in the organisation's data centre under licence, and its availability, operating environment and upgrades are managed by the organisation.

The City of Sydney will continue to use a mix of all 3 service provision methods to provide a resilient and available service. The methods selected for a service depend upon several factors including product maturity, our needs for data storage, security considerations, comparative costs between methods, and needs for integration with other City of Sydney systems and services.

Many providers of generic platforms and common enterprise processes, such as collaboration platforms and tools, financial and human capital management systems, have transitioned to offer their products via cloud services. Consuming these services via subscription, transfers the cost of digital technology from a capital expenditure to an operational expenditure and this needs to be factored into long term financial planning.

### **Emerging technologies and methods require ongoing assessment**

Many industry sectors are incorporating innovative capabilities such as augmented and virtual reality, blockchain, digital twins, quantum computing and robotics into their business operations. The City of Sydney maintains awareness of the application of these technologies, to assess their beneficial applicability in relation to our business needs. Key areas include the use of augmented reality for visualisation of proposed changes in the built environment and public domain, and digital twin capabilities for modelling, mapping, and managing assets, buildings, and landform.

### **Digital infrastructure in the urban realm requires greater planning and management**

Modern global cities increasingly rely on digital infrastructure for effective and efficient operations. The data and alerts generated from sensing technologies such as cameras, probes, and meters, can potentially assist many aspects of city planning and operations. Candidate areas include kerbside management, pedestrian flow, lighting management, waste management and resource recovery, water management in relation to consumption, quality and reuse, environmental condition sensing, safety management, and building management.

Sensing technologies need access to reliable network connections, adequate computational processing power and sufficient network bandwidth to efficiently transmit data.

For example, sensors that report on the state of a service, such as water flow speed, or air quality, typically log and report small volumes of data periodically. Devices that manage traffic flow must assess large volumes of data in real-time and need a large bandwidth and/or computational processing (edge computing) close to the sensor.

These technologies require extensive planning and management that consider these factors:

- **Forward planning:** anything designed in the urban setting involves long-term planning

- **Cost management:** the cost of retrofitting technologies is far greater than designing into initial construction or planned major refurbishments. Ongoing cost of maintenance and renewal needs to be built into asset management plans
- **Jurisdiction:** who has primary responsibility for the asset. In Australia, many sensing technologies are managed by other government agencies such as transport, police and emergency services, and through everyday life such as cars, building management systems, home management systems and smartphones. These rely on our telecommunication network carriers
- **Data sources and services:** Many data aggregators already collect data from a range of sources, which can be alternate data sources for city services planning and management
- **Ethical use of data:** data from sensing technologies and third-party services must comply with privacy principles
- **Security:** data from sensing technologies must be protected from intentional and unintentional compromise in terms of its veracity and availability
- **Network density:** migration from prevalent 4G to forward network protocols including 5G, Wi-Fi and LoRaWan are increasing the density of street level equipment
- **Aesthetics and public amenity:** good planning and design is required to ensure sensing technologies and the networks they rely on do not degrade amenity in the public domain.

Our focus will be to establish policies and initiatives that encourage the business community, service delivery partners and the City of Sydney to adopt and expand infrastructure that contributes to our Sustainable Sydney 2030-2050 vision.

Collaboration and partnerships with these groups will be critical to establishing the foundation for emerging and as yet, unknown capabilities across the city.





**Figure 3.** Securing digital services – Sydney Tower and skyline - photo by Abril Felman / City of Sydney

### **Cyber security issues are escalating**

The threat and volume of cyber security incursions in all areas of life and business has escalated dramatically.

The Australian Cyber Security Centre reports cybercrime increased by 13% and ransomware reports by 15% during 2021. Risk increases as our community users continue to embrace digital channels and workers work remotely.

The City of Sydney has a strong foundation of policies, processes, and controls to protect our technology assets and services from both intentional and unintentional compromise. A strong focus on cyber security protections will continue to be integral to our technology planning and management.

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### **Strategic statements**

The City of Sydney will continue to plan and maintain 4-year and 10-year outlooks for best practice lifecycle management of information and technology assets to ensure continuity of services, transition to digital channels, integrated efficient systems and effective digital working.

We will define, attract, and retain a sufficiently skilled workforce to plan, manage, assure, and maintain our digital services, systems, and infrastructure.

We will prioritise the deployment and continual upgrade of sufficiently performing network and end user devices that enable our workforce to work digitally.

We will continue to periodically assess the most appropriate hosting environment (cloud, hosted, or on premises) for our business systems and collaboration platforms to inform our project roadmaps, and also at inflexion points when we procure new products or upgrade existing facilities.

We will liaise with relevant government agencies to understand their roadmaps for digital development as inputs to our technology and resource planning.

We will optimise investment in our long-term foundational systems through effective configuration and integrations.

We will continue to monitor and advise on emerging technologies and their communications networks to assess their benefits and ensure appropriate installations in the public domain.

We will collaborate with relevant owners, regulators, and operators of infrastructure for water, energy, transport, and communications who are delivering projects for development and installation of digital infrastructure.

We will continue to extend our cyber security capability to align to industry best practice guidance, including recommendations from the Australian Centre for Cyber Security (ACSC) and with reference to other key international frameworks such as National Institute for Standards & Technology (NIST) Cyber Security Framework and ISO27001 – Information Security Standard.

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### Priority actions

- Mature our enterprise architecture practice to govern the design and development of technology services and support the effective coordination and integration of internal and external components.
- Review and renew data centre services to respond to changing requirements for key city business systems and further strengthen the environmental performance of our infrastructure and end-user devices.
- Increasingly advocate for effective regulations to balance the interests of the public domain with the requirements for increased density of communications infrastructure.
- Monitor advances in emerging technologies, including sensors, and how they can help in the planning and management of our assets and services.
- Increase focus on reducing risks relating to vendor provided systems.
- Respond to revisions of Australian Centre for Cyber Security guidance to identify any adjustments required in our approaches and programs.
- Review and confirm the long-term plan of management for our core local government business systems of record.
- Collaborate with stakeholders developing projects within the Tech Central precinct, to ensure optimised siting and access to digital infrastructure.

# Governance, management and risk

As an integrated part of the City of Sydney Resourcing Strategy, the Information and Technology Strategy guides a sustained course of action in a rapidly and ever-changing environment.

Over the term of this strategy, technology platforms and business systems that were once desirable for service delivery and business operations, will become primary channels. This means they must be treated as core and critical assets that are continuously managed through a lifecycle of planning, development or acquisition, maintenance and uplift, and/or replacement and retirement.

Governance systems need to keep pace with this change, including systems for ethics and security. We need a strong ethical framework to protect privacy and secure data. Maintaining our critical technology infrastructure to prevent cyberattacks is crucial.

The City of Sydney's executive and its budget and project management processes provide oversight of the direction and delivery of information and technology planning, service delivery and projects. They also consider and guide information and technology risk management and ensure ongoing alignment with organisational strategic priorities.

The Information Protection Coordination Group provides advice and assistance across the City of Sydney on privacy, information security, data governance, records management, and ethics.

Service delivery and performance outcomes are included in the City of Sydney's planning hierarchy of annual operational plans and 4-year delivery program, with regular progress reporting in place.

Information technology risk and audit assessments are done periodically and reported through our audit, risk and compliance committee. The City of Sydney's annual financial audit process has a strong focus on assessing the related technology and systems controls related to financial outcomes. This audit is completed by the Audit Office of NSW and reported to NSW Parliament.



**Figure 4.** Information on the go - Sydney Town Hall clock – Photo by Abril Felman / City of Sydney

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# Community engagement strategy and community participation plan



# Table of contents

|   |    |
|---|----|
| Introduction  | 4  |
| Informing our engagement approach                           | 5  |
| Understanding the legislative and decision-making framework | 7  |
| The communities we serve                                    | 10 |
| Community engagement framework                              | 14 |
| Engagement approaches                                       | 18 |
| Advisory groups and partnerships                            | 26 |
| Engaging diverse communities                                | 30 |
| Community participation plan for land use planning          | 42 |
| Appendices  | 45 |

## Acknowledgement of Country

The City of Sydney acknowledges the Gadigal of the Eora Nation as the Traditional Custodians of this place we now call Sydney, and we acknowledge their continued connection to Country. We pay respect to Aboriginal and Torres Strait Islander Elders past, present and emerging.



# Introduction

## Our commitment to engage

Community participation is a guiding principle of effective and accountable local government. We are required to engage the communities that we serve – the people, organisations and businesses that have a stake in the future of Sydney and are impacted by the decisions made by the City of Sydney.

This document is a framework for how we engage communities in the decisions made at the City of Sydney. It outlines the legislative requirements, guiding principles, approaches and processes we use to ensure our engagement is clear, accountable, meaningful, inclusive and accessible. It describes the role communities play in our decisions about projects, policies, strategies, programs and services.

“To achieve our super connected city in every way, the first thing for us is good governance on all levels implemented to restore true democracy. This means for us meaningful community consultation at every stage.”

Advisory panel member



*Emerging Civic Leaders program for the Community Strategic Plan*

# Informing our engagement approach

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## Engaging on the community strategic plan

The City of Sydney engaged with communities extensively to develop a new long-term community strategic plan to deliver Sustainable Sydney 2030-2050 Continuing the Vision.

The 18-month engagement process was awarded Australasian Project of the Year in 2020 by the International Association of Public Participation and was recognised as one of the top 3 projects internationally.

We started the process in 2018 by asking community members how we would know if our engagement with them was effective. We continued to ask participants for feedback on our approach throughout the process. This information has been used to improve and refine our engagement approach.

Feedback also included explicit recommendations on the importance of involving communities in decision-making for the future of Sydney.

First Nations community members asked us to be brave and be the first city to recognise cultural authority and embed it in governance structures and decision-making. People raised the importance of speaking for Country and listening to the voice of Country.

Children and young people told us about the importance of listening to their views in planning for the future – as they will be the ones to live with the decisions we make now and they have unique perspectives and creativity.

Businesses identified collaboration, co-working and partnerships as characterising the future. The creative sector said Sydney should strengthen its creative relationships and encourage collaboration and that communities should actively participate in shaping their own identities.

The final step in the engagement process was a Citizens' Jury. This group of 43 randomly selected and demographically representative citizens considered the insights gathered from the community engagement process and recommended concepts to transform Sydney by 2050. The first 2 of their 8 recommendations addressed community participation in decision-making:

**Recommendation 1 – participatory governance:** a new model of governance that genuinely engages citizens in decision-making on all levels which is responsive and adaptable.

**Recommendation 2 – First peoples of Australia leadership and representation:** the Traditional Custodians of the land being able to play a central role in how to shape the city, through active participation in governance that is embedded and respectful.

## Resilient Sydney strategy

The resilient Sydney strategy was developed with 33 metropolitan Sydney councils, the New South Wales (NSW) Government, business and communities in 2018. Resilience is the capacity of individuals, communities, businesses and systems within a city to survive, adapt and thrive, no matter what kinds of chronic stresses and acute shocks they experience.

The engagement process for the strategy identified community agency as essential to community resilience. Communities have an appetite for acting in collaboration and partnership with governments and businesses. The strategy affirmed this in its first direction.

### **Direction 1: People-centred city**

We include communities in decision-making for growth and equity. We will provide our diverse communities with a genuine say in the decisions that affect them, ensuring those most impacted are included.

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## Ongoing insights

We also drew insights to inform this strategy from the City of Sydney's Aboriginal and Torres Strait Islander Advisory Panel and the Disability (Inclusion) Advisory Panel and ongoing engagement with businesses and the creative sector. We spoke with City of Sydney staff who deliver services directly to communities and have expertise in working with particular groups. We evaluated our engagement and we continue to seek feedback from community members about what works for them.

# Understanding the legislative and decision-making framework

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## City of Sydney decision-making

The City of Sydney is a local council responsible for a range of services within its designated local area.

We seek input from communities when we develop projects, strategies and plans. These views are put to council, made up of 10 elected councillors, to discuss and vote on. We provide councillors with the outcome of community engagement to assist in their decision-making.

At the City of Sydney, issues are discussed and considered at regular council committee meetings where members of the public can speak to specific decisions before council. Then a formal decision is made at a council meeting the following week. The council can also delegate certain decisions to the Lord Mayor and to the Chief Executive Officer (CEO).

The council committees where members of the public can address councillors are:

- Corporate, Finance, Properties and Tenders Committee
- Environment Committee
- Cultural and Community Committee
- Transport, Heritage and Planning Committee

There are the [guidelines for speakers at council committee meetings](#).

Members of the community can also speak at meetings of the Central Sydney Planning Committee and our Local Planning Panel. The Central Sydney Planning Committee determines applications for major developments with an estimated cost of more than \$50 million. The committee was established under the *City of Sydney Act 1988* and is made up of the Lord Mayor, 2 councillors and 4 members appointed by the Minister of Planning.

The Local Planning Panel is an independent committee that determines certain development applications. Set up as required by the *Environmental Planning and Assessment Act 1979*, it has 4 members, including a community representative selected by the council.

Members of the community can also give input at meetings of the Local Pedestrian, Cycling and Traffic Calming Committee. This body considers the needs of pedestrians, cyclists and motorists in our area and gives technical advice to our council. It includes representatives from the City of Sydney, NSW Police, Transport for NSW, local members of the NSW Parliament, and other NSW

government agencies. It is an important stakeholder mechanism to enable coordination across responsible authorities. However, it does not have decision-making powers.

Some elements of community engagement are directed by state government legislation. This includes the *Local Government Act 1993* and *Environmental Planning and Assessment Act 1979* which both require plans outlining how the City of Sydney will engage the community to inform decisions. Others include *Crown Lands Management Act 2016* and *Roads Act 1993*.

Appendix A includes a list of NSW legislation, standards or policies that outline requirements for community engagement.

There are many other occasions where we seek community insights and involvement in the development and delivery of projects, strategies, programs and services. In some cases, community engagement is required to inform a decision of council and at other times input from the community is incorporated into the project, program or service in implementation.

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## Local Government Act and integrated planning and reporting

All councils are required to have a community strategic plan that sets long-term goals and outcomes. This plan, along with a long-term financial plan and delivery program ensures the needs of the local area and communities are planned for and met. These documents along with other mechanisms, including a community engagement strategy, make up the integrated planning and reporting framework.

The Local Government Act identifies community participation as a guiding principle of local government. It states that councils should actively engage with their local communities, through the use of the integrated planning and reporting framework and other measures.

The Act also requires councils to “establish and implement a community engagement strategy for engagement with the local community when developing its plans, policies and programs and for the purpose of determining its activities (other than routine administrative matters).”

The Office of Local Government has guidelines specifying the community engagement strategy should be reviewed and adopted by council every 4 years. This document aligns with the Office of Local Government guidelines and standards.

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## Environmental Planning and Assessment Act and community participation plan

We apply a community participation plan in carrying out our planning functions. This plan meets the requirements of the Environmental Planning and Assessment Act, which specifies community planning panels and mandates community consultation in planning matters for all councils in the Greater Sydney region and other specified areas. It describes mandatory requirements that the City of Sydney must meet for public exhibition and notification processes for land use planning matters.

The City of Sydney’s community participation plan is included in this document to make it easier for community members to understand. However, it can read as a stand-alone plan that responds to the requirements of the Act.

There are mandatory statutory timeframes for the public exhibition of planning related documents and applications including planning proposals, planning agreements and development applications. These are set out in the Act and the *Environmental Planning and Assessment Regulation 2000*. Mandatory public exhibition timeframes for relevant planning matters and the associated notification processes are described in the chapter on land use planning and in appendices C, D and E which make up the community participation plan.

Both the community engagement strategy and the community participation plan follow the guiding principles identified in this document (chapter 5). These are additional to the requirements of the Environmental Planning and Assessment Act and ~~but~~ reflect good practice in engagement and the City of Sydney's overall approach.

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## Privacy

The City of Sydney is committed to protecting the privacy of personal information we collect from our community. Our [Privacy Management Plan](#) explains how we manage personal and health information under NSW privacy laws including the *Privacy and Personal Information Protection Act 1998* and the *Health Records and Information Privacy Act 2002*. It includes information on how to access and amend personal information. It also guides our employees on how to comply with the NSW [Information Protection Principles](#) and [Health Privacy Principles](#) when we collect, store, use or disclose personal information.

We collect personal information in a variety of ways in order to perform services and functions. We assess the appropriate level of personal information to be collected on a case-by-case basis with a view to minimising the amount of personal information we collect and manage. We use personal information for the purpose for which it was collected and may use it as is necessary for the exercise of other council functions.

We actively engage with our communities through a range of methods outlined in this strategy. We use personal information, such as contact details, in different ways to interact with community members depending on the nature of the project, strategy or service.

Where legislation requires us to inform and engage our communities, we use personal information, including rates records, that we already hold for other purposes to contact people.

We also use personal information provided to us by individual members of our community, such as email addresses, to involve them on other issues that we think might be of interest or relevance to them and to better meet our community engagement commitment. For example, we may email participants who have provided feedback on previous community consultation initiatives (through Sydney Your Say) about new plans for their area. We may invite specific program attendees to subscribe to a program newsletter or attend other information sessions.

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## Non-residential register

In 2015 the NSW Government amended the *City of Sydney Act 1988*, making it compulsory for us to maintain a register with details of people and corporations that may be entitled to vote as non-residents in our local government elections. The City of Sydney is the only council in the state with this legislative requirement.

Non-residents are owners, occupiers and rate-paying lessees (or their nominees) of rateable property in the City of Sydney local government area who are enrolled to vote outside our area.

Voting is compulsory for these non-residents with property interests in the City of Sydney. Voting is optional for non-residents in all other NSW local authorities.

The number and percentage of non-residents on the City of Sydney electoral roll has grown significantly since the legislation was introduced, increasing from 2% in 2012 to over 25% in 2025. This means around 1 in 4 voters do not live within the City of Sydney local area.

# The communities we serve

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## Defining community

The Local Government Act requires councils to engage their “local community”. Defining the local communities the City of Sydney serves is complex.

We have over one million people – residents, workers, students, businesses and visitors who spend time in the local area, every day. A mix of cultural organisations, educational institutions, international tourism sector, corporate headquarters, peak bodies, advocacy groups and government departments are based in the local area because of Sydney’s role as a capital and global city. We also have non-resident property owners and occupiers – with properties, both large and small.

These communities are diverse. The people who rely on Sydney as the place they live, work, study, do business, access services or visit are also connected to other places around the world. The City of Sydney recognises our responsibilities that are created through these connections of our communities to other communities.

Our local communities are all of these people and organisations that have a stake in the decisions the City of Sydney makes.

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## Recognising diverse communities

One way to understand the complexity of the communities in the City of Sydney is through how communities of people relate to an issue or decision. The types of communities described below overlap and intersect.

### **Communities of place**

Many of our projects aim to improve places. Often the most interested and impacted communities are those that live or work around these projects. For example, when consulting on improvements to a neighbourhood park, we aim to reach the local residents, property owners, school or childcare services and nearby businesses.

Communities of place also include groups of people who hold a particular connection to a place because of its historical or cultural significance, such as Aboriginal and Torres Strait Islander communities to Redfern; LGBTIQ+ people who identify with Oxford Street and the Chinese business community in Chinatown. People may also closely associate with the activities that take place there, for example members of sporting, community garden or cultural groups. They might belong to less formal groups, such as skaters who use a skate park or people using the local library or community centre.

### **Communities of interest**

Communities of interest organise around an issue or activity. These may include:

- different business sectors, such as tech startups or hospitality
- large corporates or owners of small local businesses
- professions we engage with such as architects and urban planners

## Community engagement strategy and community participation plan

- peak bodies, advocacy and industry groups, like NSW Council of Social Services, People with Disability Australia, Property Council or Committee for Sydney
- not-for-profit organisations and services with a common purpose such as sustainability or affordable housing.

Communities of interest may form advocacy groups and networks that the City of Sydney can tap into, such as business chambers, resident action groups and interagency networks. Such communities may also convene around a shared activity – sporting or recreational clubs, bush care and gardening groups, cultural and creative communities and people involved in informal activities like dog walking.

### **Communities of identity**

These communities define themselves. They include First Nations communities, LGBTIQ+ communities, culturally and linguistically diverse communities. Within communities there may be smaller groups, such as trans and gender diverse communities. It is important to remember that there is diversity within these communities.

They may gather around cultural and religious beliefs. Communities of identity may associate by age, for example groups of young people or older people. Sometimes these groups form as a result of shared experiences, for example social housing tenants who live in a particular neighbourhood.

### **Communities of need**

The Covid--19 pandemic reminded us that the needs of people must take priority. For example, in 2020 the City of Sydney community recovery plan found that 74% of people surveyed agreed it was “very important that we support people that are vulnerable during the pandemic”.

These may be people who face food insecurity, housing stress or homelessness and economic hardship. They may have difficulty accessing services, including digital information channels. These are people who need the City of Sydney to work in a way that understands and addresses their vulnerability, so they can participate in daily life and our decision-making processes.

### **Communities of the future**

Perhaps the most important communities to consider in our decision-making are the communities of the future. Their perspectives are often difficult to consider. Two ways we can try to include the perspectives of communities of the future in our engagement are:

- consult children and young people who will live with the impacts of our decision-making the longest
- ask the people who we consult to consider the needs and perspectives of those who will be part of their communities in the future.

“We are the ones who are going to have to live through the things we choose right now”

Youth Summit participant





*Children's Summit for the Community Strategic Plan*

### **Government and institutional stakeholders**

The City of Sydney works within an environment of other levels of government that have overlapping or complimentary responsibilities. We consult each other in our strategy and project development and implementation. State government agencies also consult communities in our local area. In these circumstances, it is important that people are clear about who and which level of government – local, state or federal – is responsible for making the decisions.

We have Principles of Cooperation with the Metropolitan Local Aboriginal Land Council respecting their status under the *Land Rights Act 1983*.

We engage with educational institutions, including the tertiary sector, schools and early learning centres which are important nodes of community connection in our local area. One example is our memorandums of understanding with the University of Technology Sydney and Sydney University.

Increasingly we are working with health providers to understand community needs, to respond to urgent situations – such as the pandemic – and to plan for the needs of future communities.

We work collaboratively with state government agencies and local services in developing shared approaches to support social housing community members across the city and to ensure that these residents' voices are heard and their needs are realised in urban renewal projects.

The City of Sydney works with surrounding metropolitan councils on issues that cross our local government areas, on the resilient Sydney strategy and program and on economic or cultural development.

And we work with state government agencies to inform the Greater Sydney and state level policies, plans and strategies they develop. We champion engagement with communities to better inform approaches to land-use planning, infrastructure provision, program development and city-wide targets and benchmarking.

We are a member of national and international groups, including the Council of Capital City Lord Mayors, global Resilient Cities Network and C40 Cities Climate Change Leadership Group.

## A snapshot of our city in 2021

By June 2020 the City of Sydney local government area was home to an estimated 248 736 residents. There were an estimated 664 850 jobs located in our area.

The City of Sydney's gross regional product is estimated at \$130.22 billion (2020), which represents 20.8% of the gross state product.

### **Demographic profile**

City of Sydney residents are relatively young, with a median age of around 32 years (2016). This compares with a median age of around 36 years in Greater Sydney residents.

Over 32% of residents live alone in one person households. However, most city residents live in family households with a partner and/or children or other relatives. Group households accommodate another 13% of residents.

City of Sydney residents are well-educated with 44% holding bachelor degrees or higher qualifications and a further 14% attending university. This compares with 28% with bachelor or higher qualifications across Greater Sydney and 6% attending university.

Higher educational attainment is also represented in the 2016 employment profile of our residents. A total of 38% of employed City of Sydney residents were professionals – more than any other category – while 17% were managers – the second highest occupational group. In comparison in Greater Sydney 26% were professionals and 15% clerical and administrative workers – the next highest occupational group.

### **Cultural diversity**

Almost half of our area's residents were born overseas, with 45% of the overseas-born residents arriving in Australia between 2011 and 2016. Residents born in Asia now comprise more than one-quarter of the population of the city.

More than one-third of city residents speak a language other than English at home, the most prevalent of which is Mandarin followed by Thai, Cantonese, Indonesian Spanish and Korean.

### **Work and transport**

There was a 64% labour force participation rate among City of Sydney residents in 2016. This represents the number of people working or looking for work as a percentage of the total residential population aged over 15 years. Of this group, 94% were employed and 6% were looking for work.

Almost two thirds – 65% – of City of Sydney's resident workers were employed locally.

On the 2016 census day, 22% of people in our area travelled to work in a private car, 36% took public transport and 27% rode a bike or walked. Just 4% worked at home.

### **Housing**

A total of 47% of City of Sydney residents were renting their home privately. A further 30% of households were purchasing or fully owned their home and 8% lived in social housing (2016). The balance did not state their tenure.

# Community engagement framework

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## What is community engagement?

Community engagement or public participation is the process of involving people in the decisions that affect their lives.

Community engagement strengthens our planning and delivery of projects and services by helping to:

- create a vision and new ways of thinking
- understand the needs and aspirations of communities
- challenge our assumptions
- check that we are on the right track
- refine and implement projects, programs and services
- empower communities to act.

It enables good governance and informed decision-making by promoting shared responsibilities for decisions. It supports an open approach to managing risk by providing a strong foundation for understanding decisions and building trust within our community about the decision-making process.

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## Engagement outcomes

Community engagement at the City of Sydney aims to:

- Create better solutions for our local area. Drawing on local knowledge from a diverse group creates solutions that are practical, effective and responsive to needs.
- Increase trust in our governance and decision-making processes. Working together improves communication and understanding.
- Develop sustained collaboration, partnerships and new ways to involve and empower communities to achieve the Sustainable Sydney 2030 – 2050 vision. Engaged and active communities will drive change.

## The process of community engagement

One way to understand different types of engagement with the community is through a continuum from informing through to empowerment.

**Informing** takes place when a decision has already been made or action is required, and we need to make sure that those affected are aware of the facts. *We are keeping you informed*

**Consulting** takes place when a project requires some input or feedback before part of the project or decision is progressed. *We care about what you think.*

**Involving** takes place when we work with the community to develop alternatives and identify preferred approaches. *You are helping us think and act differently about the issue.*

**Collaborating** takes place when we partner with stakeholder or community groups to work out what needs to be done and to develop and implement solutions. *Your leadership and expertise is critical to how we address this issue*

**Empowering** takes place when final decision is put in the hands of the public. *We will implement what you decide.*

All engagement processes need to inform and will have some level of consultation. Some projects will require community involvement and collaboration. On a few occasions, the City of Sydney is able to delegate decision-making to members of the community on all or parts of a project.

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## Engagement principles

The City of Sydney's approach to community engagement is guided by the following principles:

### **Our engagement processes have integrity.**

We will make sure our engagement is clear in scope and purpose. Our engagement will be timely, accessible, well-planned and meaningful.

### **Our engagement activities are inclusive and accessible.**

We will strive to capture a range of values and perspectives. We will design engagement activities that overcome barriers to people being able to participate. We will strengthen the capacity of our communities to participate in decision-making.

### **Our engagement is two-way.**

When we engage, we will promote dialogue and open up genuine discussion. We will support people with accurate information and create a space to weigh up options and develop common understanding.

### **Our engagement influences the decisions we make.**

We will publicly report the outcomes of community engagement and show how these influenced the decision. We will provide feedback to participants on the results of their contribution. People will be able to see and understand the impact of their involvement.

These principles are informed by the core values of the [International Association of Public Participation](#). They apply to everyone who participates in the City of Sydney's engagement process no matter what their age, gender, views, interest in the outcome, wealth or cultural background.

## Planning engagement that is fit for purpose

There is no single perfect approach to engagement. The City of Sydney delivers a range of very different strategies, projects, programs and services. It is important that the community engagement process matches in each case and is fit for purpose.

When we plan engagement on a project, strategy, program or service we consider:

### Impacts

Who are the people who will be impacted by the decision? How many people will be impacted? And what are the impacts?

### Context

Why are we doing the project? What is the history of the project? What other issues may impact that community? What constraints do we have, such as timeframes set by other levels of government?

### Scope

How much influence can the community have on the outcome? What are the negotiables and non-negotiables? What is the scale of the project? What is its budget?

Based on the answers to these questions, engagement can range from simple to complex. Our analysis shows us when we should engage deeply with communities or simply inform them.

The amount of effort we apply to an engagement process fits the requirements of the decisions being made. This informs the combination of engagement activities we use each time.

We list types of engagement activity in appendix B.

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## Reporting the results of engagement

The information we collect through community engagement helps our staff and councillors make decisions. It is also important that the community can easily access the outcomes of community engagement.

The City of Sydney publicly reports the details and outcomes including:

- consultation activities undertaken
- activities to promote participation in the consultation (for example letterbox drops)
- number of people and organisations who participated and key demographic information
- feedback from our communities (for example survey results and workshop outcomes).
- summaries of key issues and themes raised and how we intend to respond to each of these
- online engagement activity, such as number of visitors, document downloads, video views and comments and social media statistics.

Engagement reports can be found as supporting documents to council papers and we share the results [on the consultation pages of the City of Sydney's website](#). People who participated in the engagement and provided contact details are always notified when results are available.

Using developments in digital technology, we will increase the channels and tools we use to report the outcomes of community engagement.

## Evaluating engagement

We evaluate our community engagement against our guiding principles and in line with the complexity of the engagement process. We use the knowledge gained through evaluation to continue to improve our engagement practice.

We use community feedback, insights from project teams, information from our website and the demographic information we collect to understand how well our engagement activity measures up against our guiding principles.

| Value                | Goal   | Measure   |
|----------------------|--|---|
| <b>Integrity</b>     | The project is clear in scope and purpose.                     | Feedback gather through engagement is relevant and useful.  |
|                      | The project is well designed and implemented.                  | Engagement plans are developed identifying impacted communities.  |
|                      | Communities are informed.                                      | Projects are publicised and materials are viewed.   |
| <b>Inclusiveness</b> | We capture a range of perspectives from different people.      | Feedback is received from a diverse range of people identified in the engagement plan.  |
|                      | The participation experience is accessible.                    | Activities are accessible and suitable for diverse communities.   |
| <b>Dialogue</b>      | We make space for people to exchange views.                    | Techniques promote a two-way conversation, providing an opportunity for people to hear each other.  |
|                      | We listen to people.   | People tell us they feel listened to.   |
| <b>Influence</b>     | People can see and understand the impact of their involvement. | Engagement reports are published detailing the feedback from the community. Council reports explain how feedback has influenced the decision. |

# Engagement approaches

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## People-centred engagement

### Listening and respecting

Participating in engagement should be an enjoyable and worthwhile experience. It should be delivered in a respectful and welcoming way. It should create an environment where all people feel they can share their ideas without fear, while listening to and respecting the views of others.

“People were welcoming and respectful and wanted to hear what a young person had to say.”

Workshop participant

### Information channels

Individuals relate to different forms of information – visual, audio and written mediums. People also like different amounts of information. To provide information in a way that best suits different people we use summaries and long-form documents, easy read versions, translations, images, videos, data maps, virtual reality experiences, workshops and presentations. Using different formats helps overcome barriers to participation.

### Strengthening civic efficacy

Positive and effective engagement invests in the civic efficacy of society. It builds people’s sense of empowerment and belief in their own ability to participate and make a difference. Effective engagement communicates the important role communities can play in council decision-making. It also builds knowledge within communities about how decisions are made.

Evidence shows that people who participate in sustained and impactful engagement processes are likely to use those skills and sense of empowerment to become more involved in community organisations and groups.

“The workshop gave me the opportunity to comment on issues that are not always the ones that I think about a lot.”

Workshop participant

### Engagement that builds relationships

Hearing the views of others builds understanding and empathy.

When evaluating our engagement, we found that 69% of respondents valued hearing the views of other people. People also spoke about the importance of conversations that crossed generations and of making sure the diversity of their community was involved. Students spoke about how much they enjoyed hearing the views of peers from other schools and of building networks and connections.

## Community engagement strategy and community participation plan

In our conversations with diverse communities – First Nations communities, culturally and linguistically diverse communities, people facing vulnerability – we are regularly reminded of the importance of ongoing relationships between the City of Sydney and the communities we serve.

“I’ve had a really good time collaborating with people from other schools. It’s been really, really interesting because, the future we are going to be living in 2050, we have the power to change that.”

Youth Summit participant

When people can see the results of their input and build connections within their communities, they will continue to participate in the City of Sydney’s community engagement and develop an ongoing role in democratic decision-making.

“A happy thriving community of citizens who want to and feel like they are able to give ideas and will be listened to.”

Workshop participant



*International Students Leadership and Ambassadors Program workshop*



## Citizens' Jury recommendations

The City of Sydney held a Citizens' Jury as part of the consultation on our community strategic plan. This group of 43 randomly selected and demographically representative community members was convened in late 2019. The jury considered and made recommendations on concepts that should be introduced by 2050 to help realise the communities' vision for Sydney. They considered the insights gathered from our community engagement process and proposed 8 transformative concepts. The first 2 of their recommendations address community participation in decision-making:

### **Recommendation 1 – Participatory governance**

**What:** We want a new model of governance that genuinely engages citizens in decision-making on all levels and is responsive and adaptable.

**Why:** There are currently concentrated power structures making decisions for citizens, rather than citizens holding the power. We want a city influenced by diverse views, needs and wants. We want to rectify imbalances and inequities.

**How:** We can achieve this through:

- participatory budgeting
- citizens' panels of sizeable scale for true representation
- innovative online voting system
- data to be used by council to generate economic benefit, and help communities

### **Recommendation 2 – First Peoples of Australia leadership and representation**

**What:** We want the Traditional Custodians of the land to help shape the city, through active participation in governance that is embedded, respectful. We want Sydney to be a place where Aboriginal and Torres Strait Islander voices influence the identity, design, and functioning of Sydney (Eora).

**Why:** We recognise that our history has displaced the First Peoples of Australia, and that current systems do not adequately allow First Nations' perspectives, values and priorities. Aboriginal and Torres Strait Islander communities possess wisdom and knowledge that must be valued in shaping how we care for our Country and our communities – in governance, planning, education and health. This has the capacity to enhance social and emotional wellbeing for all. We must recognise the cultural authority of the First Peoples of Australia. We want a society that shares the respect for and connection to this land that Aboriginal and Torres Strait Islander people have had for 60 000 years.

**How:** We need to promote First Nations' self-determination and empowerment so that ideas are not imposed on people and we do not repeat the mistakes of the past. In line with the principles of reconciliation, we want to place responsibility on non-Indigenous people to adapt their systems and practices to value and promote Aboriginal and Torres Strait Islander issues and encourage discourse and community reflection. We need a process of truth telling and recognition that deals with the impacts of invasion and colonisation.

### **The City of Sydney's response**

The recommendations of the Citizens' Jury were reported to council in December 2019. The 8 transformative concepts have informed the project ideas and principles in Sustainable Sydney 2030-2050 Continuing the Vision and the outcomes in our Community Strategic Plan.

We acknowledge the intent of the transformative concepts to deepen and expand the ways government works with communities on decision-making. The City of Sydney will continue to explore these approaches to help realise the communities' vision for 2050.

## Deliberative approaches

### Depth versus breadth

Many of the City of Sydney's engagement activities reach out and target input from as large and diverse a group of interested community members as possible. This delivers lots of opinions and ideas from the community to the decision-makers. A high level of participation in engagement is important to us in terms of understanding the needs and aspiration of our communities, providing confidence in decisions and building relationships.

However, in some cases, considering an issue in depth is the priority. The issue may be very polarised, complex or have significant trade-offs. Sometimes we may be at the point of the process when we need to decide between options. In these scenarios, a small group of community members who deliberate on an issue can help the City of Sydney arrive at the right decision.



*Citizens Jury on Sydney in 2050*

### What is deliberation?

The ways we engage when trying to arrive at a decision are:

- debate: seek to persuade by arguing a position
- dialogue: seek to understand through respectful and constructive exchange
- deliberation: seek to find common ground and consensus.

A deliberative process will likely include both debate – for example experts presenting their position – and dialogue – for example participants discussing and exploring each other's views. A deliberative process aims to reach a consensus decision of the group.

Deliberation encourages constructive exchange and active listening. It also promotes critical thinking and challenges unconscious bias. It poses choices that the members of the group must collectively make.

Deliberation requires that participants become well informed about the topic and consider different perspectives in order to arrive at a public judgement (not opinion) about "what we can strongly agree on". The group is not just considering what its members want, but also what trade-offs they can accept.

## **Features of a deliberative engagement process**

### Random selection

A group of community members (usually between 12 and 50) is randomly selected. This group is selected to match the demographics of the population, effectively forming a mini-public. People are not selected to participate because they are vocal advocates or experts. These people may be involved in the process by presenting their position in a debate for the participants to consider.

### Time

The group is given the time to consider, research, learn, exchange ideas and arrive at agreed responses to the questions they are posed. This is unlike many engagement processes where time is limited. The City of Sydney has run deliberative engagement processes that extended over a couple of weeks through to citizens' juries that considered issues over several months.

### Information

The group is provided with extensive information on the issue and are encouraged to seek out their own sources of information. A citizens' jury should involve an opportunity for jurors to call their own expert witnesses.

### Remit and authority

The group is given a clear remit to deliberate on. The council has made it clear that they will act on the recommendations of the group.

## **Use of deliberative approaches to engagement**

Community members are generally willing to invest the time and effort required to participate in a deliberative process because they have trust in the process, care about the outcomes for their communities and can see that their effort will have impact.

A process like a citizens' jury also requires considerable investment from the organisation. It requires expert facilitation, councillors to not just listen but relinquish some of their authority and staff to resource the process with information and expertise.

However, the principles of a deliberative approach, such as random selection and time to consider issues in depth, can also be used in scaled down and more simple engagement projects. The City of Sydney has run a small number of large-scale deliberative processes as well as smaller deliberative workshops.

“It was inspiring to see that a random group of citizens from diverse background, could collaborate with empathy and keen willingness to understand and support each other, and discover we had so much more in common.”

Citizens' juror

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## **Digital engagement**

Over the past 10 years, community engagement has undergone a digital transformation, moving from letters, workshops, town hall meetings and email submissions to a model of engagement where most feedback is collected using digital tools.

The Covid-19 pandemic further accelerated this shift to digital engagement. In response, we have strengthened our digital toolkit and tested alternative approaches, such as online workshops.

The smart city strategic framework describes how the City of Sydney will transform how we engage and support connected and empowered communities through smart, ethical and secure use of data and technology.

We will use developments in digital technology to increase inclusion and access to the City of Sydney's democratic process, provide ways for communities to connect with us and each other, deliver a more personalised experience, and improve the reporting of consultation outcomes.

Face-to-face activities will continue to be a crucial part of how we engage. However, developments in digital technology mean in-person engagement techniques can now be used in more targeted ways.

Digital engagement has also significantly enhanced the data we can share with the community members to ensure their input is informed and meaningful. The City of Sydney is increasingly using data maps and stories as an interactive visual mechanism to support engagement.

### **Understanding who is participating**

There are two ways to ensure we are reaching a diverse cross-section of the community.

1. Target communities: specific networks, forums and engagement activities along with targeted marketing and databases. Examples of how we reach different groups are outlined in the next chapter.

Digital marketing can also help increase exposure to particular audiences. For example, targeted social media marketing was used to increase the percentage of people under 30 who completed the Sydney 2050 survey.

2. Collecting demographic information about the people who participate in our engagement.

When we survey people, we ask basic demographic information. This information provides a picture of who we are speaking to and how views within communities change based on age, gender, place of residence among other things.



*Youth Summit for the Community Strategic Plan*

### Next steps in digital engagement

We are continuing to develop our digital engagement experience through a range of tools and techniques, including quick polls, surveys, consensus tools and interactive mapping. This will strengthen our ability to hear from communities through digital channels, allow people to connect with the views of other in their community, and easily follow the issues they care about. A sign-in process will be implemented, asking some basic demographic information about the people participating. This will help us understand whether we are capturing the views and perspectives of a range of people. It will also allow a more personalised experience where the user can see projects happening in their area and keep updated on progress.

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## Surveys

Surveys have become a fundamental tool in community engagement and have increased as more engagement takes place online. Most consultations include an online survey.

The City of Sydney also undertakes regular surveys of:

- wellbeing for all our area's residents (every 4 years)
- business needs survey (annually)
- community satisfaction survey (every 4 years)
- service users feedback (continuous).

These surveys provide essential data to understand community needs, measure progress on strategies and evaluate services.

There are three main types of survey techniques that the City of Sydney uses:

1. Online surveys that anyone can choose to do. These provide an effective way for us to collect information from lots of participants. We aim to get as large a sample as possible and we ask for demographic information to check that a range of people are participating. Social media marketing and other promotional activities can be used to encourage underrepresented groups to participate. The City of Sydney's surveys regularly attract over 1000 respondents.
2. Randomly selected phone or online surveys deliver views from a demographic sample. These surveys are usually conducted by a social research company. They provide robust, demographically matched data that allow us to understand the different perspectives between demographic groups. They also overcome any bias that may exist in self-selecting surveys we host on our website. They are an important checking mechanism particularly when there are polarised opinions on an issue. They are also useful when it is hard to achieve widespread community interest and we need to be confident that we are hearing a range of perspectives.
3. Intercept surveys are usually undertaken to capture the views of people who spend time in a particular place, use a service or are at an event. These provide a random sample of the people who value this place, event or service.

Our surveys provide quantitative data that we can test and explore through other engagement activities such as workshops and focus groups.

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## Coordinated community relations

Coordinated community relations provides a change management approach to support communities through major urban redevelopment projects. This approach has made an important contribution to the successful redevelopment of the Green Square area.

In these neighbourhoods, affected communities face a series of decisions about upgrades to local streets, building new community infrastructure (including parks, recreational, community and cultural facilities) as well as planning changes and development applications. Among these ongoing decisions, communities also face impacts from construction on multiple projects. In an environment of change, small decisions during construction, such as temporary removal of parking or nightworks have a cumulative effect.

## Community engagement strategy and community participation plan

The City of Sydney supports these communities through a coordinated community relations approach, which includes dedicated webpages and development maps; regular notifications and communication; and construction liaison group meetings that cover multiple projects delivered by different parties (for example the City of Sydney, Department of Education and various developers).



*Have your say day at Green Square*

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## Petitions

Community members can also petition the City of Sydney on issues of concern to them. Petitions can be tabled by a councillor at a council meeting or provided to the CEO and staff for a response. Petitions that are received about a project while it is open for consultation, will be considered as one submission item and included in the engagement outcomes report. The City of Sydney guidelines on petitions can be found in Appendix F.

# Advisory groups and partnerships

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## Advisory panels, committees and working groups

The City of Sydney has established community and sector advisory panels, committees and working groups to provide ongoing, specialist advice on complex issues affecting specific communities or areas of expertise. They do not have decision-making powers. These advisory panels are critical to implementing our long-term strategic vision and also addressing key challenges such as recovery from the pandemic.

These panels are appointed by us and have terms of reference to ensure clarity of purpose and process for appointment. Some are appointed through a public expression of interest while others are by invitation.

Within each panel, the City of Sydney aims to gather a diversity of expertise, experience and perspectives including young people, individuals with disability, Aboriginal and Torres Strait Islander people and those from culturally diverse backgrounds.

### **Aboriginal and Torres Strait Islander Advisory Panel**

The primary role of the Aboriginal and Torres Strait Islander Advisory Panel is to provide input that can inform the policies of the City of Sydney on matters important to these communities.

Established in 2008, the panel consists of community and industry professionals, including Elders, leaders, artists and young people, who live, work or study in our local area. The terms of reference specify that young people and Elders need to be represented on the panel.

Each member brings a wealth of knowledge and skills in providing advice on key issues for Aboriginal and Torres Strait Islander peoples and communities. Panel members contribute a diverse range of views to help build our relationships with Indigenous communities. The panel also provides important advice about cultural protocols, Eora journey projects and our reconciliation action plan.

### **Inclusion (Disability) Advisory Panel**

The City of Sydney's Inclusion (Disability) Advisory Panel provides strategic, expert advice to us on our policies, strategies and plans to advance the inclusion of people with disability. As part of its role, the panel monitors and provides advice on the implementation of our Inclusion (disability) action plan 2021-2025.

Established in 2012, the panel reflects the diversity of the disability sector and members were chosen for their expertise in areas such as inclusion and accessibility, government policy and strategy development, planning and design and disability-related legislation. They advise us on a wide range of issues, including access to mental health services, legislative reform, housing, transport, employment, advocacy, arts, culture and events, media and communication.

### **Multicultural Advisory Panel**

The Multicultural Advisory Panel advocates on behalf of culturally diverse communities on strategies to combat racism and discrimination; to promote greater understanding and appreciation of cultural diversity. Established in 2022 we consult this panel on issues such as building partnerships that nurture cultural diversity, capacity building and increased community connections.

The panel provides advice on matters of importance to culturally diverse communities including their needs and major strategies, such as the community strategic plan; We get input from them on cultural events and programming; plus policies and projects which are likely to impact on multicultural communities and businesses.

### **Housing for All Working Group**

The Housing for All Working Group brings together industry leaders and experts to share knowledge and provide advice to the City of Sydney on the development of strategies and initiatives to increase the supply of affordable and diverse housing, including social housing.

Established in 2022, the group includes stakeholders and organisations from the affordable and diverse housing sector plus peak bodies and agencies that represent the interests of Sydney's diverse communities. There are also community representatives who live in affordable and diverse housing.

The City of Sydney actively encourages Aboriginal and Torres Strait Islander housing groups or peak bodies to put forward nominees for membership of the working group.

### **Business, Economic Development and Covid Recovery Advisory Panel**

The Business, Economic Development and Covid Recovery Advisory Panel will provide high-level independent expert advice to us on the implementation of the City of Sydney's economic strategy and support for city businesses to ensure a sustainable recovery from the pandemic. It sets the pathway over the medium term for recovery of our local economy, particularly in heavily impacted central Sydney – NSW's most significant economic centre in a post Covid-19 environment.

Established in 2022, the panel includes members who are highly recognised in relevant professional fields and who have demonstrated experience, seniority and knowledge of a range of economic areas.

### **Creative and Cultural Sector Recovery Advisory Panel**

The Creative and Cultural Sector Recovery Advisory Panel provides strategic advice on making space for culture. It focuses on addressing the loss of floor space for people employed in creative industries in Sydney – a critical issue that has been exacerbated by the pandemic.

The panel helps guide our contribution over the medium term to cultural infrastructure programs and sustainable recovery of the City of Sydney's creative and cultural life.

The Cultural and Creative Sector Panel includes a broad range of members who are highly recognised in relevant professional fields and have demonstrated experience and knowledge in the arts, culture and creativity. Members include practitioners, business owners and people with related specialist expertise.

It replaced the Nightlife and Creative Sector Panel in 2022.

### **Design Advisory Panel**

The Design Advisory Panel is an independent panel of experts that helps the City of Sydney continually improve the quality of private development and our own urban design and public projects. It advises us about urban design, architecture, landscape architecture, art and sustainability. Established in 2007, the panel provides advice to staff and decision-makers when determining the direction of major projects.

### **Public Art Advisory Panel**

The Public Art Advisory Panel comprises professional artists, curators and architects who provide advice to the City of Sydney on matters relating to public art. The advice informs the development, approval and implementation of public art projects and is provided to staff and decision-makers. The panel was established in 2007.



### **Cycling Advisory Committee**

The Cycling Advisory Committee's role is to monitor progress and give advice on implementation of our cycling strategy and action plan. This committee provides a consultation and feedback forum for our area's key cycling stakeholders as part of the City of Sydney's ongoing commitment to cycling.

Established in 2007, the committee includes the Lord Mayor (or delegate), representatives of Bicycle NSW, Bike East, Bike Sydney and Transport for NSW.

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## **Sector partnerships**

### **Better Buildings Partnership**

Led by the City of Sydney, the Better Buildings Partnership aims to address the challenges facing the commercial property sector and help Sydney become one of the world's top sustainable cities.

Formed in 2010, the Better Buildings Partnership is a collaboration between leading property owners and industry influencers who are improving sustainability and rolling out green infrastructure in our area. They control or manage over half the office floorspace across Sydney's city centre. These commercial landlords have played an important role in improving the energy, water and waste efficiency of Sydney's existing buildings.

The founding members are AMP Capital Investors, Brookfield Office Properties Australia, Charter Hall, City of Sydney, Colonial First State, DEXUS Property Group, Frasers Property, The GPT Group, Investa Property Group, Lendlease, Mirvac, Stockland, University of Sydney and the University of Technology Sydney.

### **Sustainable Destination Partnership**

The Sustainable Destination Partnership is a collaboration between leading hotel groups, YHA Australia, serviced apartment owners, cultural institutions, entertainment venues and industry influencers working together to make Sydney a sustainable destination.

The partnership represents over half the hotel rooms in the city in addition to all major entertainment venues. These operations create 47% of Sydney's commercial waste, 21% of its carbon emissions and consume 14% of its drinking water.

The members include hotel chains Hilton, Hyatt, Accor and TFE Hotels; Star Entertainment Group, Fox Studios, International Convention Centre and all the government-owned cultural institutions including Sydney Opera House.

### **Tech Centre innovation precinct**

Innovation will power Sydney's economic recovery and growth. It is key to raising economic productivity. Innovation requires a healthy tech start-up ecosystem, a high intensity of creativity, a strong pipeline of current and future talent, active research and commercialisation, large-scale investment and a big volume of knowledge-based jobs.

An ideal environment for innovation to flourish is in a vibrant and connected precinct where collaboration is enabled through the co-location of education, industry, talent, infrastructure and investment.

In our local area, the Tech Central innovation precinct encompasses six neighbourhoods which have all the elements for a successful innovation precinct. They are Haymarket, Ultimo, Surry Hills, Camperdown, South Darlington and Eveleigh (including North Eveleigh).

The City of Sydney is an active partner in the Tech Central precinct, working with the Greater Sydney Commission, University of Technology Sydney, University of Sydney, TAFE, NSW Health,

Inner West Council, Transport for NSW, Investment NSW and the tech ecosystem operating within the precinct.

## **Resilience**

Resilient Sydney is a collaboration of all 33 local governments of Greater Sydney aiming to improve disaster preparedness and reduce disaster risk to the residents, economy and environment of Greater Sydney. The Resilient Sydney program began in 2015 as a city member of the international 100 Resilient Cities initiative, and Sydney remains a member of the global Resilient Cities Network.

The program and Resilient Sydney office are hosted by the City of Sydney. Funded by the metropolitan local governments, the program is governed by a metropolitan-level steering committee – engaging key senior executives from local and state government, business and community sectors.

The program operates as a hub of networks, engaging councils and partners to participate in the actions and directions of the resilient Sydney strategy (2018). Through engagement with residents, businesses and governments of metropolitan Sydney, the key resilience challenges were identified and noted in the strategy.



*Resilient Sydney partners*

# Engaging diverse communities

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## Aboriginal and Torres Strait Islander communities

Our stretch reconciliation action plan (RAP) outlines the need for the City of Sydney to be inclusive, innovative and committed in its relationship with Aboriginal and Torres Strait Islander communities. It recognises that Aboriginal and Torres Strait Islander communities need to be empowered with real and genuine connections, not just symbolism. This will be achieved through active participation in governance that is embedded, and most of all, respectful. The City of Sydney will listen to and elevate the voices of Aboriginal and Torres Strait Islander peoples.

The RAP commits to developing a framework for engaging Aboriginal and Torres Strait Islander communities and also specifically children and young community members.

The RAP seeks to:

- establish and maintain mutually beneficial relationships with Aboriginal and Torres Strait Islander stakeholders and organisations
- engage Aboriginal and Torres Strait Islander communities in the City of Sydney's projects and decision-making processes.

The Sydney 2050 First Nations Dialogue Forum held in 2019 asked the City of Sydney to recognise cultural authority and embed it in its governance structures and in decisions-making.

The City of Sydney will look at ways to further empower and centre First Nations voices including through agreement-making. This also aligns with the Australian Local Government Association's Closing the gap implementation plan that commits local governments to partner with Aboriginal and Torres Strait Islander people in making shared decisions that accelerate progress towards equality.

### Guiding principles

Engagement with Aboriginal and Torres Strait Islander communities must be guided by the City of Sydney's Aboriginal and Torres Strait Islander Protocols and respect cultural practices and Indigenous cultural and intellectual property rights. It should:

- elevate and centre First Nations voices in our decisions
- respect cultural and community protocols
- understand the diversity of experiences, perspectives and expertise within First Nations communities
- nurture ongoing relationships - ensuring there is the time, flexibility and responsiveness in our approach to build trust.



*First Nations Dialogue Forum*

## Who we engage

Among groups and people that we engage with are:

- Metropolitan Local Aboriginal Land Council
- Elders, community leaders and residents in Redfern, Waterloo, Woolloomooloo and Glebe and other communities in the local area
- Cultural knowledge holders
- Aboriginal and Torres Strait Islander workers, students and visitors
- Aboriginal and Torres Strait Islander academics, artists, writers, designers, performers and cultural practitioners
- Aboriginal and Torres Strait Islander-controlled organisations, including community services, cultural organisations, religious groups, health and wellbeing organisations and sporting groups
- Indigenous media
- Indigenous businesses
- Aboriginal and Torres Strait Islander staff in government agencies and cultural institutions such as Aboriginal Affairs NSW, the government architect, curators, neighbouring councils
- community advocacy groups and campaigns
- service providers and interagency networks.

## Delivering engagement

The role of Aboriginal staff is critical to nurturing and navigating the City of Sydney's ongoing relationships with Aboriginal and Torres Strait Islander communities. We have a specialist business unit – Indigenous Leadership and Engagement – to guide this area of work. However, the whole

organisation must demonstrate a level of cultural capability supported through cultural training and appropriate engagement tools.

We also procure community engagement expertise from Indigenous consultancies, as well as project specific cultural experts, for example Aboriginal and Torres Strait Islander curators, artists, writers, architects and designers.

All the City of Sydney's engagement activities will be respectful and welcoming to Aboriginal and Torres Strait Islander community members.

Our targeted engagement includes:

- regular meetings with the Metropolitan Local Aboriginal Land Council
- seeking advice from the Aboriginal and Torres Strait Islander Advisory Panel
- meetings with Elders, Cultural knowledge holders and local organisations
- dialogue forums with invited community members
- pop-up stalls and surveys at community events such as Yabun Festival and NAIDOC Week, in collaboration with the event organisers
- workshops with school students and youth groups
- partnerships with cultural and community organisations on major projects such as the Eora Journey
- call outs via Indigenous media, such as Koori Radio
- interagency networks
- collaboration with Aboriginal and Torres Strait Islander employees at the City of Sydney, in other councils, government agencies and education and cultural institutions

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## Children and young people

### Commitment to authentic engagement

The United Nations Convention on the Rights of the Child enshrines 54 central rights that all children should have around the world. Article 12 states: "Children have the right to say what they think should happen when adults are making decisions that affect them and to have their opinions taken into account."

Our engagement upholds this right by empowering children and young people to express their views and ideas about the City of Sydney's strategies, projects and programs and to have those views and ideas considered alongside those of adults. We will apply the same guiding principles to engaging young people as we do everyone else. This includes conducting meaningful engagement with children and young people, analysing their responses, incorporating this into the relevant project, strategy or service and reporting the results to council.

This approach is consistent with the NSW Child Safe Standards which provide core components to ensure organisations provide a child safe environment. Standard 2 states: "Children participate in decisions that affect them and are taken seriously."

"Kids today are tomorrow's adults and if kids are listened to now it will make a big difference for the future."

Children's Summit participant

## Creating empowering environments for children and young people

It is critical that children and young people know they are welcome to contribute their ideas. To achieve this we will:

- create engagement spaces where children and young people feel respected and can express themselves
- go to where children and young people are through our relationships with schools and services and places like skateparks, libraries and community centres
- ensure that our engagement activities do not present age barriers and that children and young people are welcome at our community workshops.

It is also important to recognise that children and young people come from diverse backgrounds. The City of Sydney needs to ensure we engage in ways that are culturally respectful and actively reach a diverse group of young people. We commit to ensuring the voices of First Nations and culturally diverse children and young people are heard in our decision-making processes.

Our stretch reconciliation action plan highlights the importance of a framework for engaging with and supporting the participation of Aboriginal and Torres Strait Islander children and young people.

We acknowledge the importance of the trusted relationships between staff, children, young people and families in our early learning centres, out-of-school-hours care and youth services.



*Children's workshop at Cook + Phillip Park*

## Types of engagement with children and young people

### Engaging on strategies and projects

The City of Sydney has a long record of consulting children and young people on the design of playgrounds and parks, including skate and recreational facilities. We always inform local schools and children's services when upgrading parks and offer engagement activities for their students.

We also engage children and young people in strategy development. Some of the ways we do this include providing class discussion guides and data maps online, holding workshops with students'

representative councils and inviting schools to send representatives to student forums and summits.

### Reviewing and developing services and programs

We seek feedback when we evaluate and review services and programs for children and young people. This feedback guides future offerings. The flexible self-direction and feedback built into our sessions also ensures that our approach responds to the interests, needs and ideas of children and young people. Providing opportunities for the younger generation to participate in self-directed learning and play can then provide the basis for relevant future program development.

### Involving children, young people and families in service design and operational policies

The NSW Safe Child Standards states: “Families and communities are informed and involved”

As part of the delivery of services and programs the City of Sydney will:

- engage families and communities on new services and programs, or changes to existing services and programs
- engage in open, two-way communication with families and communities about our child safety approach and make sure relevant information is accessible
- ensure families and communities have a say in our child safety policies and practices
- ensure families and communities are informed about our operations and governance including how to give feedback on services and raise issues of concern.

### **Engaging through school and child services**

School and child services are pivotal nodes of local community connection. Holding consultations in classrooms ensures a diverse range of local children and young people can participate.

However, schools and early learning centres are busy places. To build ongoing relationships between the City of Sydney and schools, it is important we have a sustained, coordinated approach and work within their systems and programming.

When engaging within schools and early learning centres we will ensure our activities support the learning outcomes in the curriculum. Our approach aligns with the philosophy of civics and citizenship that underpins the Australian national curriculum. Engagement activities offer students authentic learning experiences and opportunities to build knowledge about how their community and government works.

As well as class-based workshops, the City of Sydney also provides consultation kits with discussion questions that students’ representative councils (SRCs) and teachers can run themselves and return to us as part of the consultation.

During the Sydney 2050 engagement we heard that schools are looking for opportunities for the SRCs to participate in. This included both in-school activities and City of Sydney hosted summits and workshops that students can attend with students from other schools. This is a powerful approach when working on development of big-picture strategies.

“I enjoyed meeting with other schools, talking with them and hearing what they have to say about the environment and the future of the city.”

Children’s Summit participant

### **Working with youth networks and interest groups**

The structure of our engagement activities should facilitate the sharing of ideas between children and young people and not just with the City of Sydney.

Students we engaged through the Sydney 2050 engagement spoke about how important it was to have the opportunity to exchange ideas and collaborate with peers from other schools on issues that matter to them.

We support the local youth services sector by leading and convening the City of Sydney Youth Interagency and actively participate in other interagency groups and networks, such as the Woolloomooloo Youth Working Group and the NSW Multicultural Youth Affairs Network. We also use Wear it Purple and Youth Week to promote youth engagement.

Our initiatives help connect and empower young people. Emerging Civic Leaders involves 18- to 26-year-olds as active citizens in a 6-week program to amplify their voices in community decision-making. International students make up a large part of our population of young people.

The City of Sydney's International Student Leadership and Ambassador Program builds the capacity of international students to co-design programs to address the needs of our culturally diverse communities.

Many services and organisations have youth advisory groups and representatives and these provide another avenue for engaging young people in the City of Sydney's decision-making. Pathways such as YarnUp, provide important opportunities to engage diverse communities, including First Nations young people.

The youth are organising around issues that are important to them. We need to actively listen and engage with these self-organised groups, including climate activist groups. By working with networks of young people, we open the opportunity for engagement to be led by young people.

“Young people care and they want to be involved, and we think this a great way to help them be active citizens in their local communities.”

Emerging Civic Leaders participant

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## People living with disability

It is important that everyone has equitable and dignified opportunities to engage in community life and have a say on matters that affect them. We strive to make all our engagement activities inclusive and accessible. We also acknowledge it is important to have targeted conversations to properly understand how decisions impact different people.

The City of Sydney's Inclusion (disability) action plan commits to providing equitable access to mainstream services, including making sure that people with disability are informed, consulted and actively participate in our decision-making processes. The action plan commits to identifying and implementing ways to inform people with disability about how they can be involved in our decision-making.

The City of Sydney's Inclusion (Disability) Advisory Panel provides expert insights on experiences and needs of people with disability. We also acknowledge the important role of carers and advocacy groups and the insights that they can bring to our engagement.

Our staff guidelines for engaging people with disability outline minimum requirements for online and in-person consultation and give advice on inclusive and accessible community engagement.

### Accessible information

We use plain English in all engagement materials, avoiding jargon and clearly explaining processes.

People have told us information in alternative formats is important. Where we believe it is required, for example when consulting on the inclusion (disability) action plan, we provide a range of



## Community engagement strategy and community participation plan

different formats: easy read versions, Auslan, video explainers, live captioning and large print to help make our information as accessible as possible. Community members can also request braille, audio, large text or easy English versions of any information on our website.

We have guidelines to assist staff in creating accessible digital and print documents, to procure inclusive and accessible materials such as easy read versions of documents and to guide staff in communicating with people with disability.



*Advisory panel workshop for the Community Strategic Plan*

### **Digital engagement**

People have told us that they really value digital engagement. It enables the convenience of engaging at home and can make participating more accessible. People with disability have told us that they would like us to share information online, particularly through social media, our website and newsletters.

In 2019 the City of Sydney collaborated with Vision Australia to update our digital and print accessibility policy and procedures to comply with current standards for accessible digital and print information. Our websites and web applications must be compatible with assistive technologies (screen readers and magnification software) and comply with the Web Content Accessibility Guidelines 2.1.

The updated policy also provides a guide to choosing alternative formats for documents based on the audience and the type of document being produced. Providing transcripts of audio content, captions for video content, and different channels for submissions and feedback (written or by phone) broadens access to online engagement.

### **Inclusive and accessible events**

Our inclusive and accessible event guidelines for staff outline key access and inclusion considerations for planning and delivering outdoor events.

We provide accessible seating, hearing loops and a continuous accessible path of travel to support inclusive participation at face-to-face events. Simple adaptations to the design of workshops, for example smaller table groups, can make a significant difference to how inclusive these are.

To make events more accessible, we provide information to help people plan to attend, including accurate venue information and details of access features that will be available at the event.

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## Culturally and linguistically diverse communities

The City of Sydney is one of the most culturally and linguistically diverse parts of Australia. Almost 50% of our residents were born overseas and 36.7% of people speak a language other than English at home. Most commonly spoken languages include Mandarin, Thai, Cantonese, Indonesian, Spanish and Korean.



*Mandarin community session for the Community Strategic Plan*

Culturally diverse communities have told us they value ongoing communication with City of Sydney, and that they get information through media and social media in their own-languages as well as through trusted groups like community and faith-based organisations. People need easily accessible information in plain English or in their first language, to understand what we are doing and how to participate.

We actively work with our culturally and linguistically diverse communities to identify communication gaps and barriers and develop strategies to ensure our information and services are accessible. We provide information in plain English and translations into community languages when needed. We acknowledge the importance of culturally welcoming and inclusive customer experiences. We leverage the knowledge and skills of our culturally diverse workforce and recognise the importance of building cultural competency of staff through training.

Channels that establish the relationship and ongoing engagement that we engage through include:

- our Multicultural Advisory Panel
- cultural groups that meet at our community centres
- International Students Leadership and Ambassador Program
- memorandums of understanding with universities
- library programs (bilingual storytime and other programs)
- Mandarin and Cantonese translators attending info days in Green Square
- wellbeing survey translated into community languages (traditional and simplified Chinese, Korean, Indonesian and Thai)
- longitudinal survey in Green Square, in partnership with University of New South Wales, available in simplified Chinese
- relationships with community leaders, organisations, service providers
- relationships with associate event providers for Lunar New Year.

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## People who are vulnerable

People experience vulnerability at different times and for different reasons. City of Sydney staff are committed to the value of respect. This means considering and valuing the views of others, showing empathy and treating all people equally and with courtesy.

It is important for us to recognise when people need extra support to participate in our decision-making processes and to tailor our engagement approach to make sure that everyone impacted by the project has the opportunity to be heard. Sometimes this includes overcoming barriers, such as a lack of access to digital channels or difficulty attending City of Sydney's standard face-to-face events.

Some of the ways we overcome these barriers include:

- going to where people feel safe, in the places and services they use every day
- creating an environment that is comfortable and welcoming, for example having a cup of tea at the community centre or facilitating conversations through trusted staff and service providers
- adapting consultation materials and online surveys so they are shorter or easier to complete and conducting them face-to-face as an interview
- taking the time to listen, not rushing people and expecting everything to be completed at once.

We reach out to impacted community members through existing forums, like neighbourhood associations, social housing neighbourhood advisory board meetings, community programs and services. We consult with trusted community representatives. The City of Sydney also organises regular local meetings such as the Lord Mayor's social housing forums.

The Covid-19 pandemic helped to strengthen a collaborative approach to engaging with people facing vulnerability. The pandemic response to support homeless communities and facilitate the vaccine roll-out required the City of Sydney, state government agencies and community organisations and services to work together and share resources and expertise. Regular communication through local services and networks, distributed via printed materials and community radio were very effective. The lessons learned and relationship built through this emergency response approach will inform our engagement into the future.

Some guiding principles to ensure people who face vulnerability can participate in our engagement processes include:

- always provide alternatives to digital communications
- meet in places that are familiar and local
- take the time to build trust
- consider engaging in small groups or one-to-one

## Community engagement strategy and community participation plan

- maintain communication to continue to build trust and get back to people about the project through the same channels.

Some of the community channels and places we use include:

- community centres
- libraries
- schools
- our services, including child and youth services, homelessness and safe city services and Meals on Wheels
- Interagency networks with local services providers, not-for-profit organisations and government agencies
- local services and advocacy groups.

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## Business sector

Sydney is recognised as Australia's only global city and the leading knowledge-based region in the nation. In 2018-19, (before the Covid-19 pandemic) around \$140 billion was generated within our area representing over 7% of Australia's economy. This provided over half a million jobs across all skills levels offering diverse opportunities for our communities.

Many aspects of the economy rely on the legislative frameworks and financial investment of state and federal governments. However, the City of Sydney makes important and direct contributions to promote an environment that facilitates economic growth. We have an important role to play in land use and transport planning, public domain improvements, connecting business networks and advocacy. City of Sydney is guided by a community vision that includes a vibrant, future-focused and diverse economy.

Among key industry sectors we interact with are retail; tourism; nightlife; green economy; tech startups, creative industries, international education and Indigenous businesses. We engage with multinational corporations and international hospitality and cultural venues. We also work with local business chambers and networks and individual businesses who may be impacted by a local project.

We work with peak organisations, industry groups and state government agencies. These include interactions with the Committee for Sydney, Night-time Industries Association, Property Council, Tech Council, Australian Fashion Council, Restaurant & Catering Association, Chambers of Commerce, Destination NSW, Australian Retail Association and Business Sydney.

The City of Sydney has a dedicated team that works closely with the business sector to ensure our initiatives, grants and education programs are developed appropriately. We use a variety of channels to engage with the business sector including:

- our Business, Economic Development and Covid Recovery Advisory panel
- regular briefings on programs, projects and issues
- notifications, surveys, doorknocking and one-on-one meetings with businesses during local projects such as street upgrades
- digital newsletters and updates
- listening sessions with business chambers, industry associations and business representatives
- customer service business concierge providing information to business owners on a one-on-one basis
- annual business needs survey
- relationship management with grants recipients.

## Challenges

The Covid-19 pandemic has impacted business and economic growth. It has also changed the way businesses engage. The pandemic has accelerated the adoption of new technology and has changed patterns of work. This has implications for the exchange of knowledge and business innovation. The City of Sydney is responding to these challenges by rethinking how we engage with this sector.

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## Creative sector

The City of Sydney is committed to supporting Sydney's cultural life. We recognise the intrinsic and instrumental value of creative activity as a cultural, economic and social force. Culture is an essential component of all aspects of life. It gives our city its character and creates a shared identity for our diverse and growing population. It is fundamental to an inclusive society, which helps our communities remain connected in times of change. For our city to succeed, we must value our unique, eclectic and diverse people by welcoming new ideas and forms of expression.

A city that aspires to a strong cultural life needs to value its artists, musicians, writers, filmmakers, designers and other creative practitioners. We need to harness the full potential of our creative practitioners and apply their thinking city-wide, integrating it into every aspect of the city and its long-term vision.

We provide a range of accessible opportunities for cultural organisations, artists, and the broader community to provide input into the City of Sydney's vision, priority issues and programs.



*Creative Sector workshop for the Community Strategic Plan*

We actively engage with the creative sector during:

- policy and strategy development such as the vision for Sustainable Sydney 2030–2050, cultural strategies, grants and policy reviews and development control plans
- public exhibition of policies, strategies or planning proposals that may impact the cultural life of the City of Sydney.

## Community engagement strategy and community participation plan

Channels used by us to engage with the creative sector include:

- our Creative and Cultural Sector Recovery Advisory Panel
- direct in-person engagements
- public briefings and question and answer sessions where communities learn about our programs and are invited to speak with staff
- online webinars and forums
- attendance by invitation to forums, conferences and events organised and hosted by others in the sector
- liaising through our advisory panels

Challenges faced by the City of Sydney when engaging with the sector include reaching the right mix of cultural, creative and business operators as well as culturally diverse communities including Aboriginal and Torres Strait Islander communities.

### Cultural sector challenges

The growth of the City of Sydney area and rising property prices have had unintended consequences for our cultural life, impacting the viability of venues for live music, small theatres, galleries, studios and rehearsal spaces. There are significantly fewer spaces available where creative professionals can work and live.

These challenges were exacerbated during the Covid-19 pandemic. Creative industries were one of the first sectors to close and may be among the last to return to pre-Covid levels of activity.

To help address these challenges, we recently established a Creative and Cultural Sector Recovery Advisory Panel (formerly the Nightlife and Creative Sector Advisory Panel).

# Community participation plan for land use planning

The City of Sydney is required to have a community participation plan which describes the public exhibition and notification processes for land use planning matters in terms of the *Environmental Planning and Assessment Act 1979* and the *Environmental Planning and Assessment Regulation 2000*.

Areas covered by this chapter include strategic planning and plan-making, planning agreements and development assessment. It should be read in conjunction with the following appendices:

- Appendix C – land use planning notification and submission requirements
- Appendix D – land use planning consultation matrix
- Appendix E – glossary of terms.

This chapter and appendices constitute the City's community participation plan.

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## Strategic planning

Strategic planning involves preparing long-term strategic plans and setting planning controls for development. The City of Sydney's strategic planning direction is informed by regional and district policies, plans and guidelines; our local strategic planning statement and objectives that are based on our community strategic plan in Sustainable Sydney 2030 - 2050.

Figure 1. Planning hierarchy in NSW



## Development assessment

Development assessment, or statutory planning, involves assessing a proposal for development (development application) to use land or undertake building works against planning controls.

Development applications can be determined by delegated City of Sydney staff; by the Local Planning Panel; or by the Central Sydney Planning Committee, where the cost of works exceeds \$50 million.

At the City of Sydney, the majority of development and footway applications are assessed against:

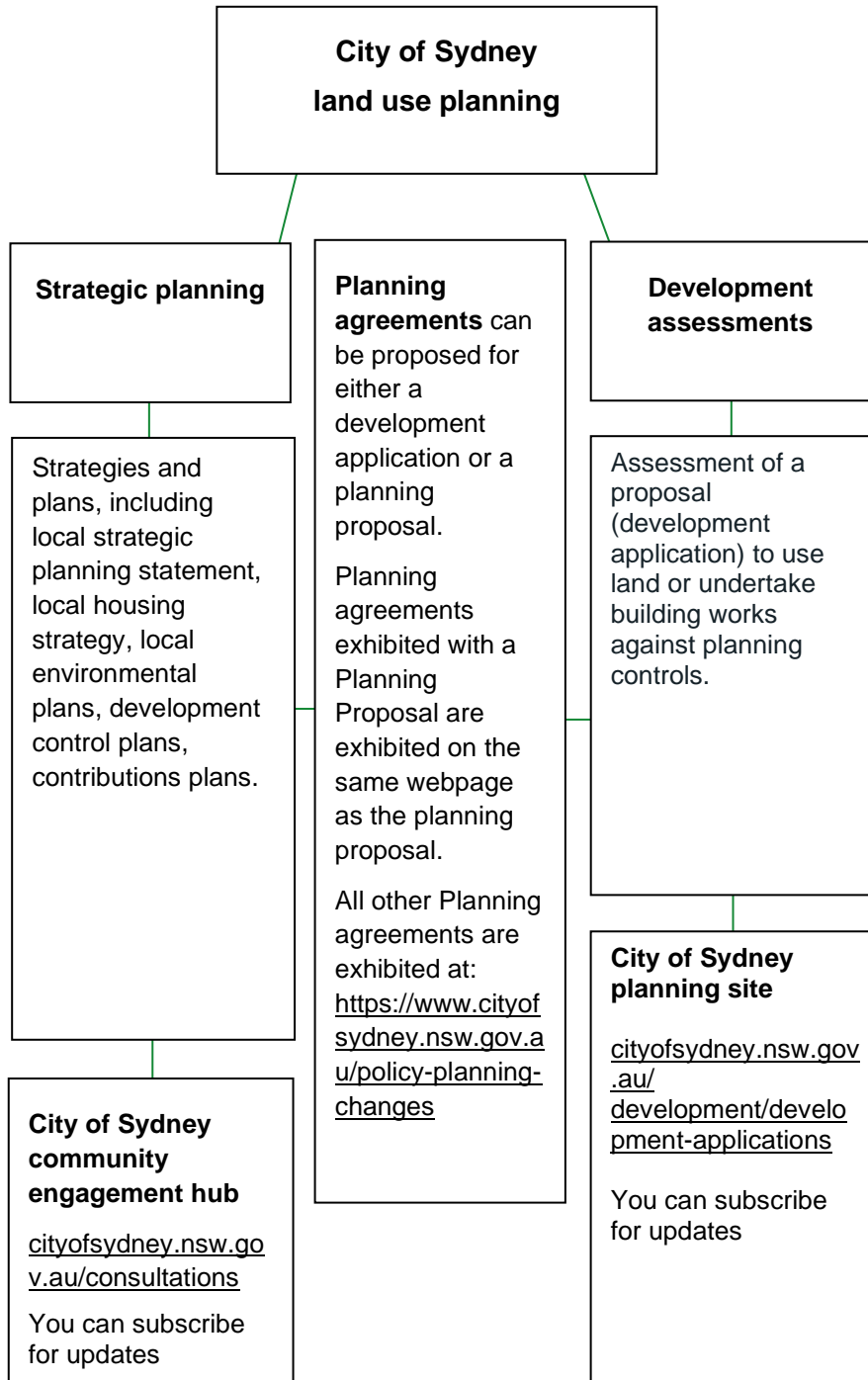
- the Sydney local environmental plan 2012
- the Sydney development control plan 2012
- relevant state environmental planning policies
- other relevant legislation, such as the *Local Government Act 1993*, the *Roads Act 1993* and the *City of Sydney Act 1988*.

There are some limited circumstances where historical local environmental plans and development control plans may apply.

Examples of the types of applications the City of Sydney receives and assesses include development applications, footway applications, section 4.55 and 4.56 modification applications, division 8.2 application reviews, environmental impact statements, designated development, integrated development and state significant development. Definitions of each can be found in appendix E.



## How to engage on land use planning matters



Notification and submission requirements, maps, timeframes, engagement activities and glossary of planning terms are detailed in appendix C, D and E.

# Appendices

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## Appendix A: list of legislation

### Legislation or standards

Local Government Act 1993

Environmental Planning and Assessment Act 1979

Environmental Planning and Assessment Regulation 2000

Crown Land Management Act 2016

Roads Act 1993

City of Sydney Act 1988

Multicultural NSW Act 2000

Disability Inclusion Act 2014

Children's Guardian Act 2019

Privacy and Personal Information Protection Act 1998

Geographical Names Act 1966

Geographical Names Board policies and manuals

NSW Child Safe Standards

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## Appendix B: list of engagement activities

This list is not exhaustive. The City will assess each project in line with the principles of the Community Engagement Strategy to decide on the tools and activities used.

| Activity   |
|--|
| Website – <a href="http://sydneyyoursay.com.au">sydneyyoursay.com.au</a> |
| Surveys (online, intercept, randomly selected)                           |
| Online interactive maps  |
| Videos, animations, flythroughs  |
| Artist impressions, images and designs                                   |
| Community discussion guides  |
| School activities kits   |
| Data stories   |
| Advisory panels, committees and groups                                   |
| Partnership and networks   |
| Summits  |
| CityTalks  |
| Stakeholder briefings  |
| Community workshops  |
| Deliberative workshops   |
| Citizens juries  |
| Focus groups   |
| Stakeholder meetings   |
| In depth interviews  |
| Social housing meetings  |
| Creative writing workshops   |
| Door knocking  |
| On-site pop-ups  |
| Walking tours  |
| Site visits  |
| Information stalls   |
| Community letters  |
| Social media   |
| E-newsletters  |
| Stakeholder emails   |
| Signage in the public domain   |

## Appendix C: land use planning notification and submission requirements (community participation plan)

The City will publicly exhibit development applications, draft plans and any supporting documents (including development control plans, contributions plans, local strategic planning statements, community participation plans, and planning proposals) on the website for the dates and duration set out in the notice.

The notification process will:

- ✓ adhere to the community participation plan for land use planning
- ✓ be consistent in the notification of similar applications
- ✓ clearly identify circumstances where a notification is not required (see appendix D)
- ✓ facilitate the efficient processing of applications without compromising the opportunity for public participation
- ✓ identify exhibition period and letter notification area (see appendix C and D).
- ✓ exclude the period between 20 December and 10 January (inclusive) from the calculation of the public exhibition (should the timing of the application fall over the traditional holiday period of Christmas and New Years Day)
- ✓ extend the notification closure date to the next business day if a notification period finishes on a weekend or a public holiday

Notifications will include information required by the *Environmental Planning and Assessment Act 1979* and the *Environmental Planning and Assessment Regulation 2000*.

### Site notices

Site notices as required by this plan will be placed on the main frontage(s) (not service lanes, except where significant development is proposed on that service lane) of the site(s) in a position where it will be able to be read from a public place.

### Changes or exceptions to notification procedures

The City has the discretion to alter the procedures in appendix D for a particular application if the nature of the development, its location or the history of site development warrants a different form of consultation. In such circumstances the notification period may be increased up to 40 days.

In exceptional circumstances, where it is determined the nature or circumstances of the development do not require or allow for notification in accordance with the procedures in appendix E, the Director of City Planning, Transport and Development may consider reduced notification.

The City may write to affected and adjoining landowners and occupants, depending on the nature, scale, potential environmental impact of the proposal and practicality of carrying out the notification. For example, the City may not issue written notifications where a citywide administrative amendment has no material impact on the community.

Where a development is not listed in appendix D, the City will determine the most appropriate notification procedure using appendix D as a guide.

Requirements outlined in chapter 7 and appendix C and D do not apply to permits for works to trees. Schedule 8 of the Sydney DCP 2012 establishes procedures for notification of neighbours when a tree is to be removed.

### Deficient development applications

The Council may not notify a development application which is considered incomplete or inadequate.

### Notification of planning agreements

## Community engagement strategy and community participation plan

A planning agreement cannot be entered into, amended or revoked unless public notice is given and the planning agreement is first made publicly available for inspection for a minimum period of 28 days.

If the planning agreement is in connection with a development application, the public notice will be given as soon as possible after a draft agreement has been prepared and agreed by the parties, in the same manner as any public notice of the relevant development application that is required under this plan and the Act.

If the planning agreement is in connection with a planning proposal, the public notice will be given, if practicable, as part of and concurrently with, and in the same manner as, any public notice of the relevant planning proposal that is required under this plan.

Where it is not practicable to give public notice at such times, the Regulation requires that it be given as soon as possible after as determined by Council.

Amendments may be required as a result of public submissions or for other reasons. Where amendments are required to a draft planning agreement, the amended draft planning agreement and explanatory note will be reexhibited.

### **Submissions**

In making, considering and responding to submissions for development applications and strategic planning projects, the following procedures apply.

- Anyone may make a submission regardless of whether they received a notification letter
- Anonymous submissions will not be considered or acknowledged
- Submissions are not confidential and are open to public access under Freedom of Information laws
- All submissions received within the notification period will be considered and summarised in assessment or engagement reports
- Submissions received will be acknowledged as soon as practicable
- Submissions must be made in writing, must include the development address or application number and must be delivered to the Council either personally, by post, facsimile or electronic mail. Planning staff may discuss applications over the phone, but these conversations do not constitute a submission.
- Submissions must include contact details including a return address (postal or email address). This will allow acknowledgement letters to be sent.
- Where the submission comprises a petition, the acknowledgement and all future contact will be sent to the head petitioner or, where not nominated, the first petitioner supplying contact details.
- Acknowledgement letters will include advice that if the person making the submission wishes to be notified of the Local Planning Panel or Central Sydney Planning Committee meeting where the development application is to be considered, they must provide daytime contact details.
- Best endeavour will be made to contact people prior to the applicable meeting of the Council or the Central City Planning Committee. However the onus remains on the person to seek information about meeting dates from the officer dealing with the application or the City website.
- Following determination of an application, anyone who made a submission will be notified in writing of the decision.

## Notification distribution – development applications

In addition to placing applications on its website, the Council notifies an application by sending a letter to surrounding property owners and occupiers.

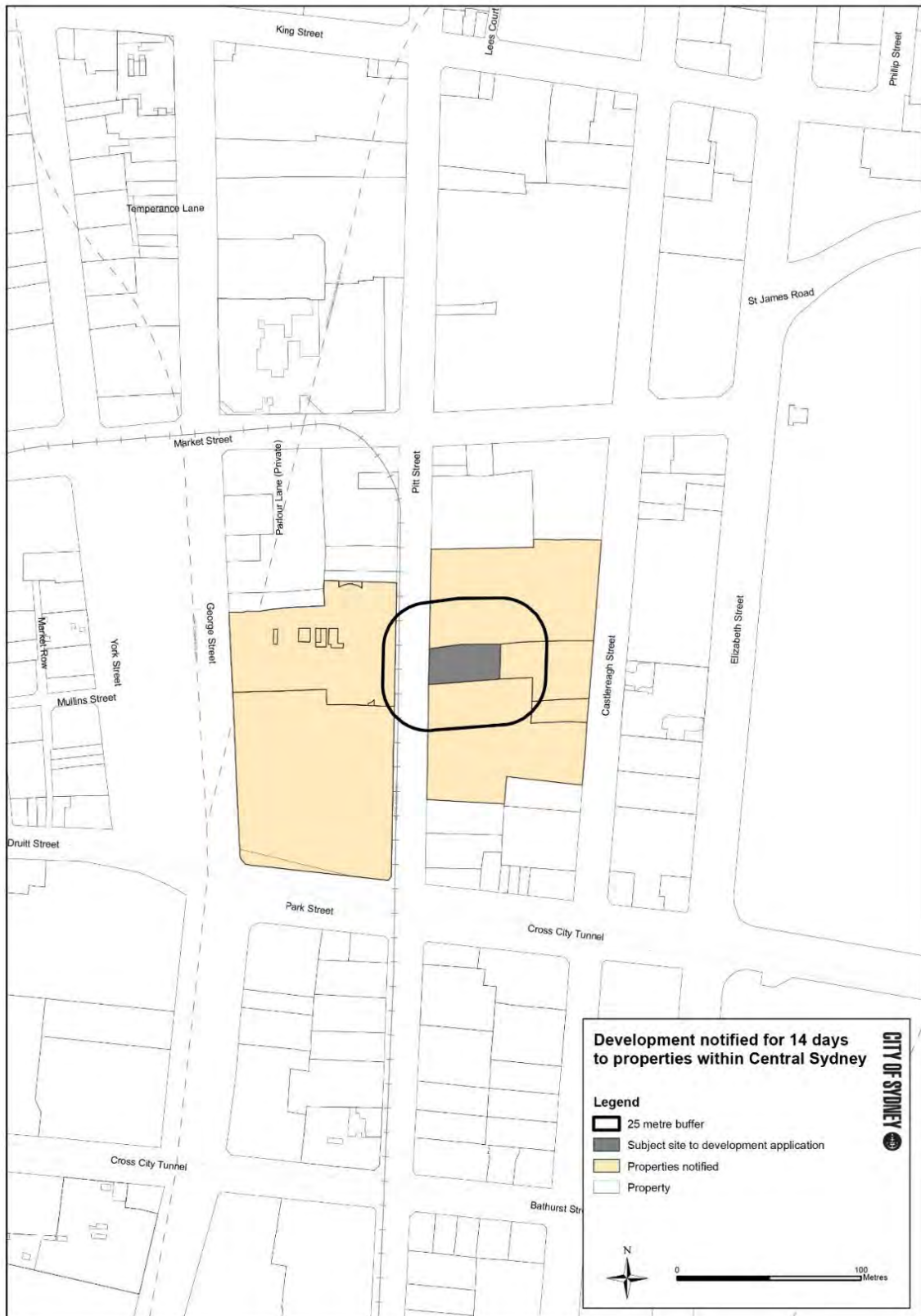
- ✓ 25m for development notified for 14 days;
- ✓ 50m for development notified for 21 days; and
- ✓ 75m for development notified for 28 days.

The notification area may be increased (but not reduced) based on the nature and the likely impact of the development proposal.

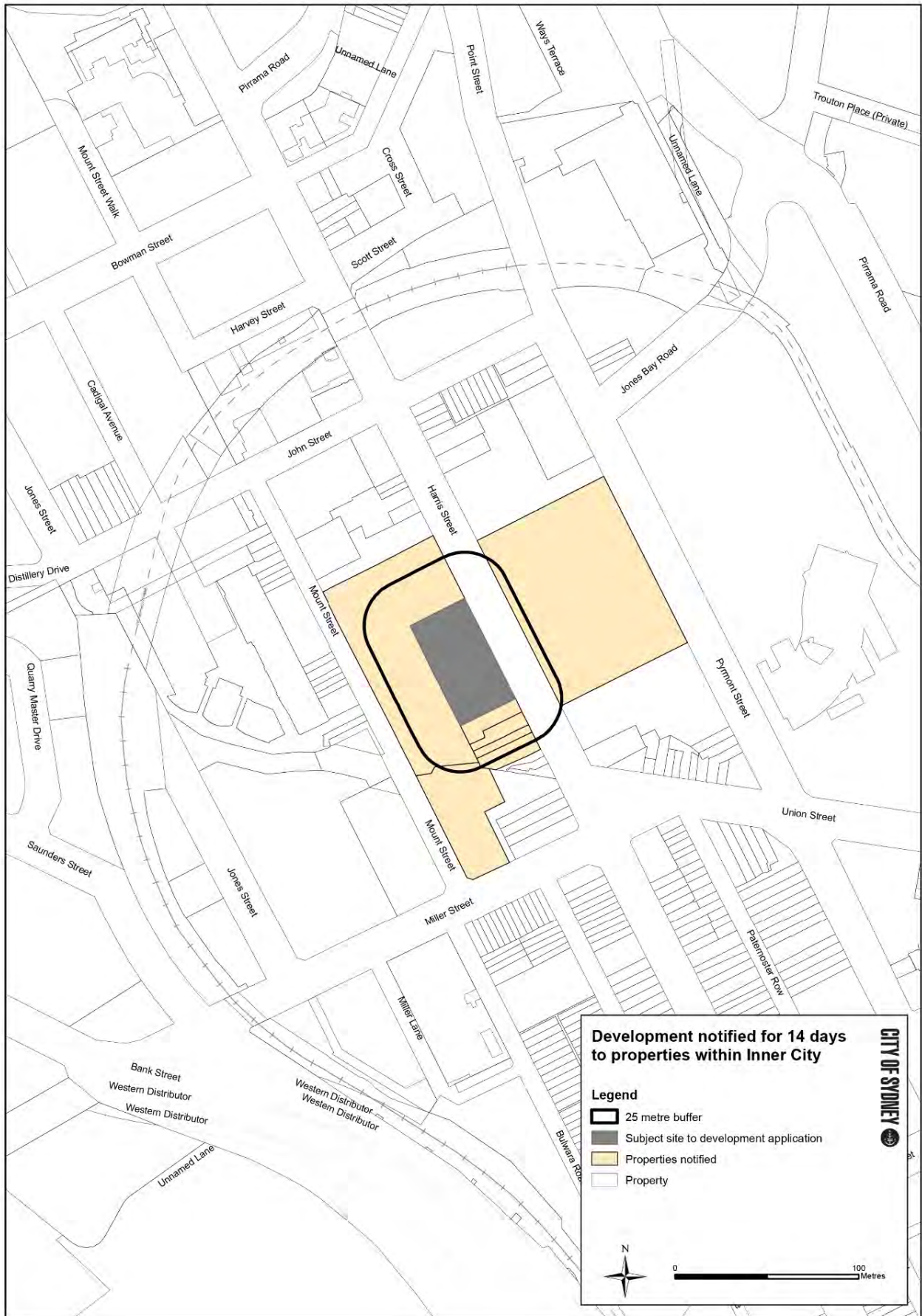
Properties in adjoining local government areas within the minimum radius detailed above will be notified in accordance with these provisions if the adjoining local government authority provides the City of Sydney with the relevant property details within 48 hours of making a request.

Where a surrounding property is in single ownership, including properties owned by a single company, the letter will be addressed to that owner. Where a surrounding property has multiple owners but is not under strata or community title (i.e. more than one individual owner or more than one company owner), letters will be addressed to all owners. Where a surrounding property is in strata or community title, letters will be addressed to the Owners Corporation and to individual owners of strata units.

Development notified for 14 days to properties within Central Sydney

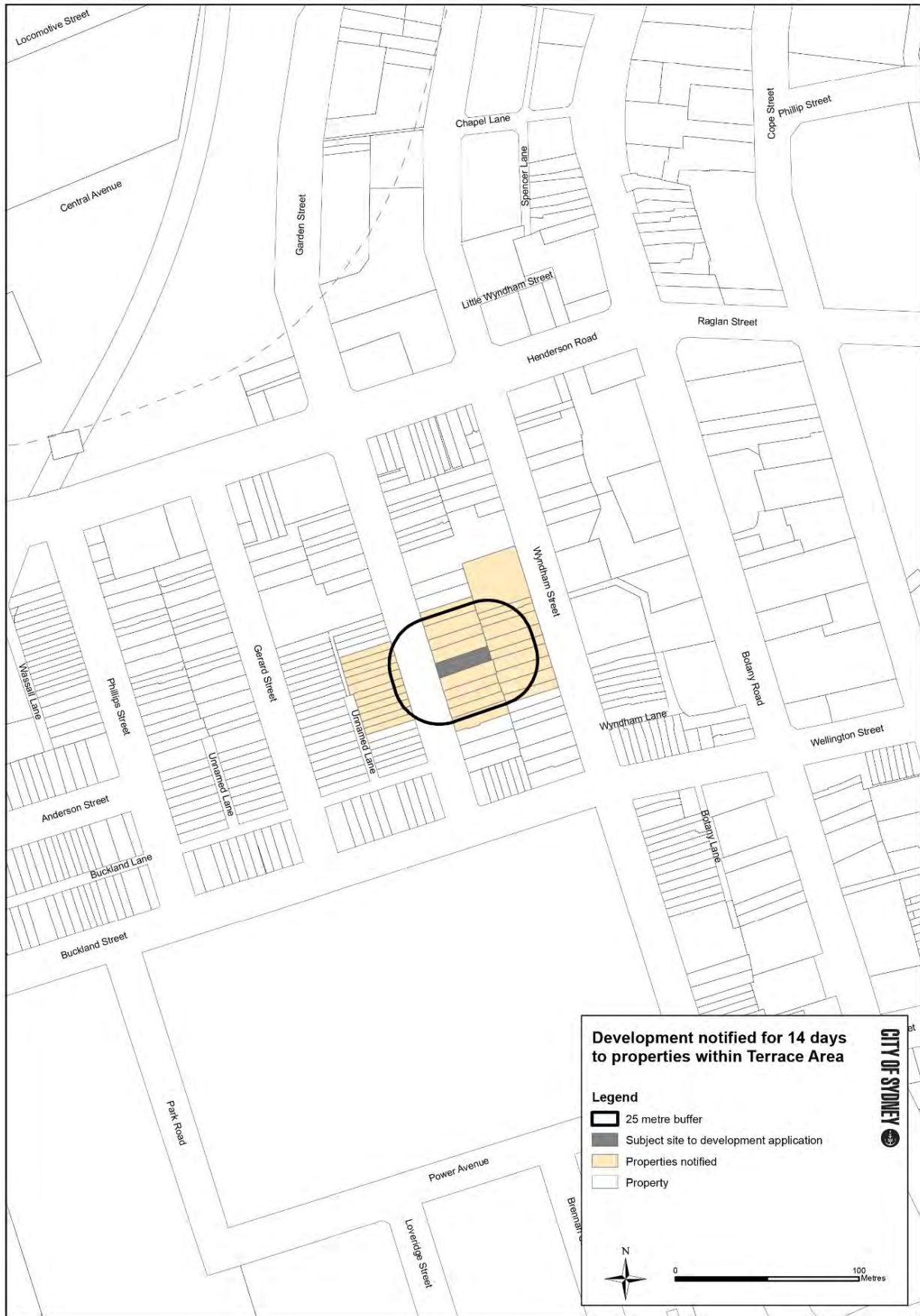


Development notified for 14 days to properties within Inner City

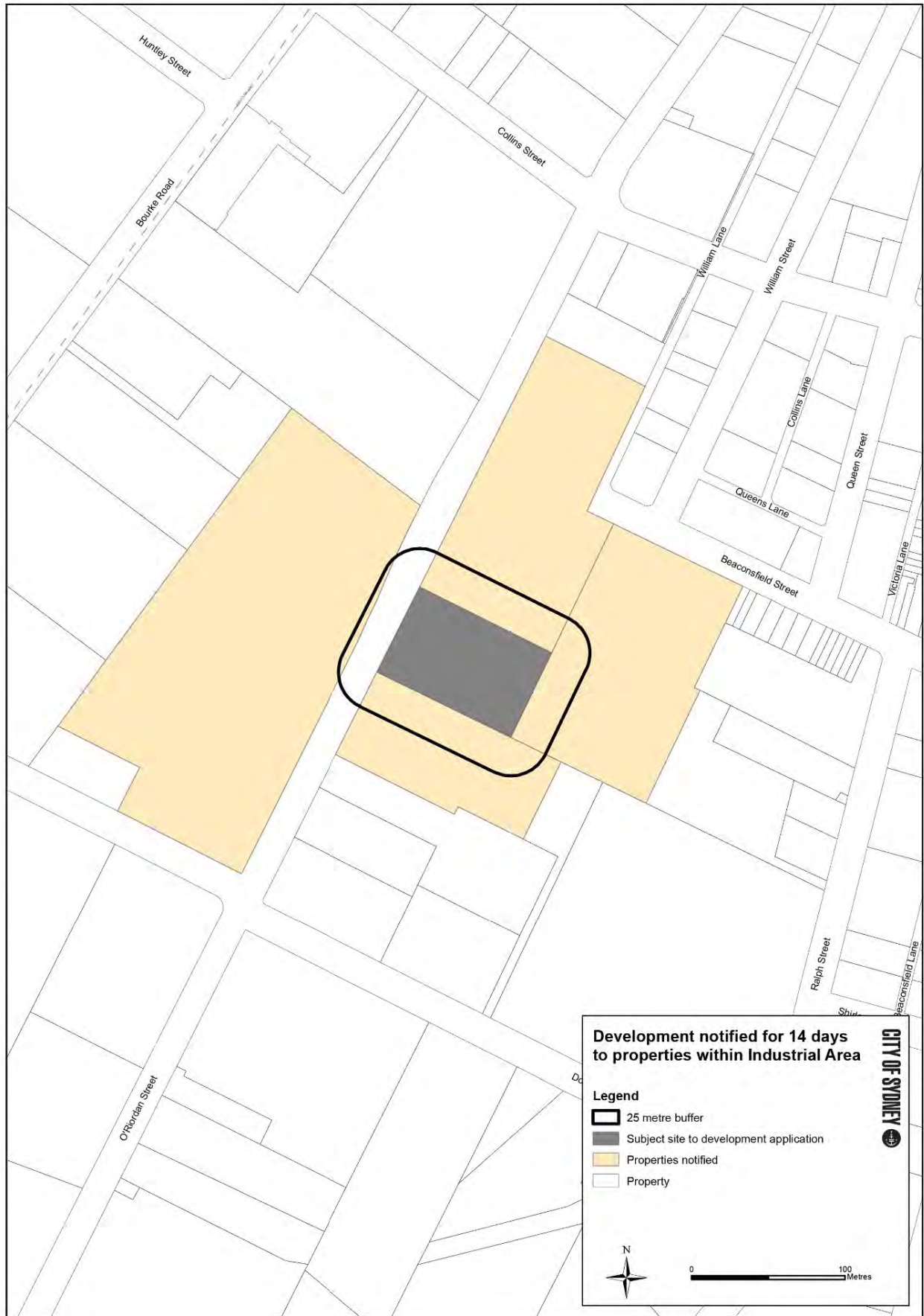




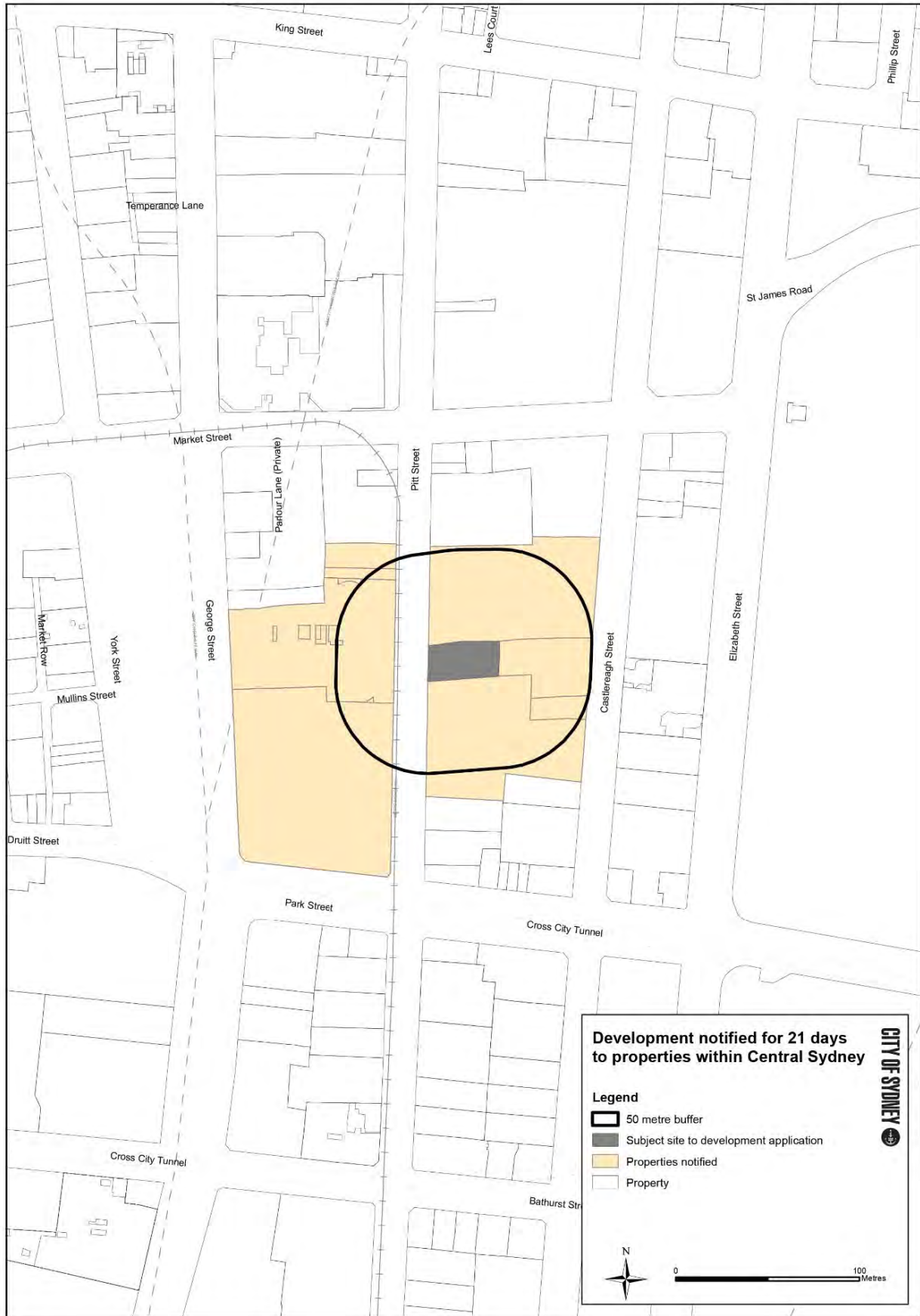
**Development notified for 14 days to properties within Terrace Area**



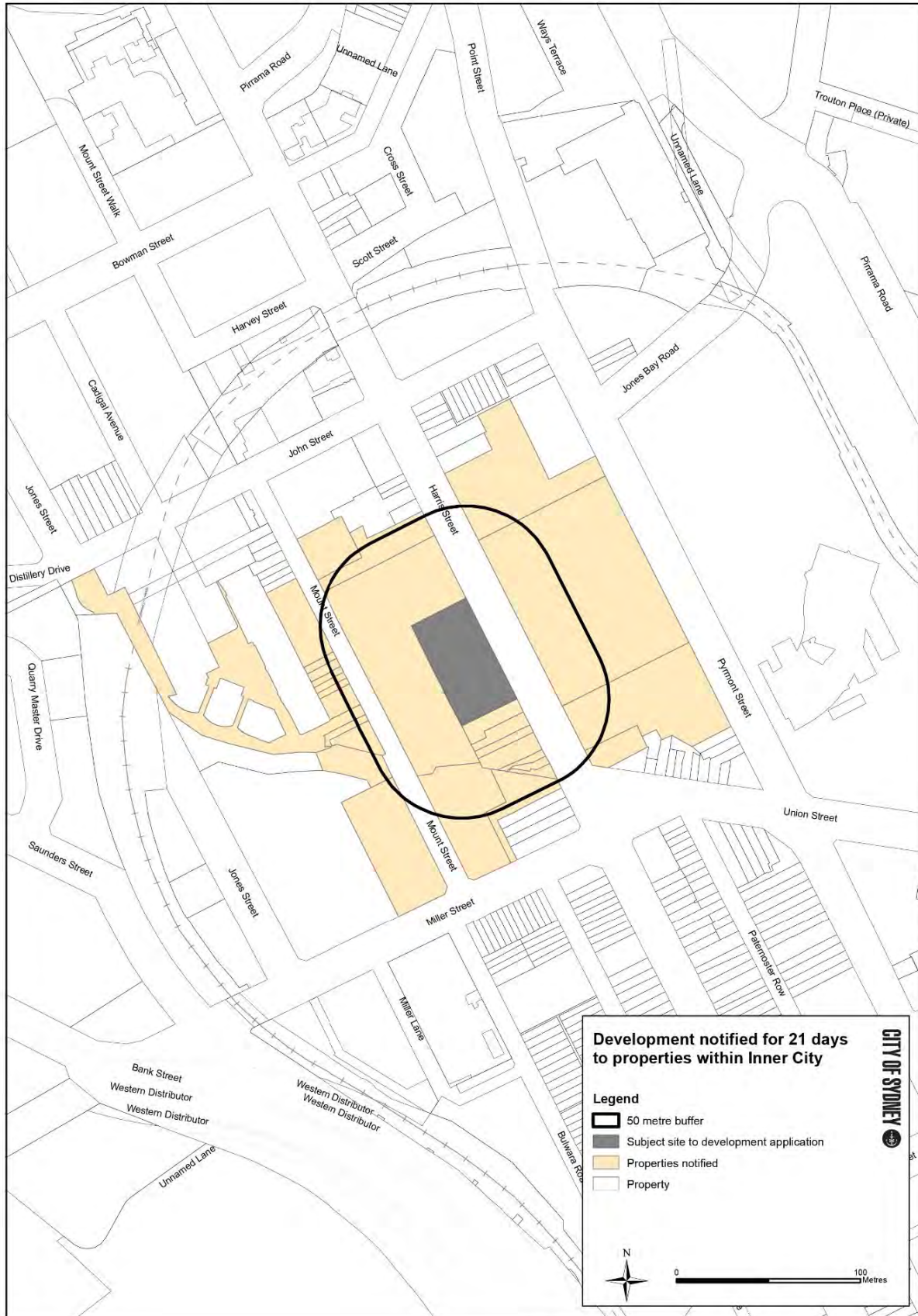
**Development notified for 14 days to properties within Industrial Area**



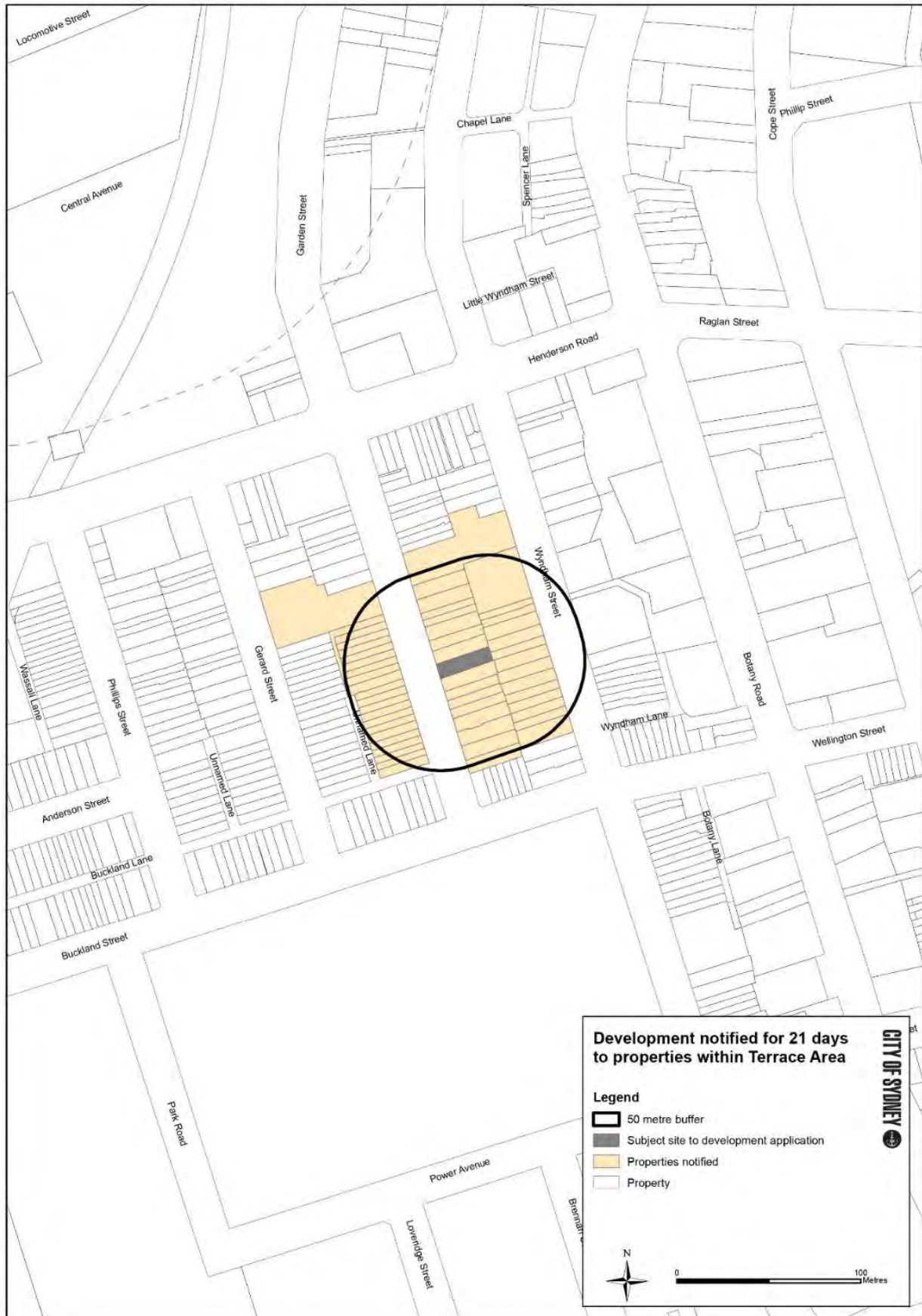
Development notified for 21 days to properties within Central Sydney



Development notified for 21 days to properties within Inner City



**Development notified for 21 days to properties within Terrace Area**



## Appendix D: land use planning consultation matrix (community participation plan)

X = activity required under legislation  
 \* = may be required by State Government

| Category                | Type  | DA category  | DA category detail   | 30 days exhibition period | 28 days exhibition period | 21 days exhibition period | 14 days exhibition period | No notification | Site notice | City of Sydney consultation hub | City of Sydney planning site | Letter notification | Notify previous submitters | Distribution 75 metre buffer | Distribution 50 metre buffer | Distribution 25 metre buffer |
|-------------------------|---|--|--|---------------------------|---------------------------|---------------------------|---------------------------|-----------------|-------------|---------------------------------|------------------------------|---------------------|----------------------------|------------------------------|------------------------------|------------------------------|
| Strategic planning      | Local Strategic Planning Statement                            |  |  |                           | X                         |                           |                           |                 |             | X                               |                              | *                   |                            |                              |                              |                              |
| Strategic planning      | Community Participation Plan                                  |  |  |                           | X                         |                           |                           |                 |             | X                               |                              | *                   |                            |                              |                              |                              |
| Strategic planning      | Local Environmental Plans and amendments (Planning Proposals) |  |  |                           | X                         |                           |                           |                 |             | X                               |                              | *                   |                            |                              |                              |                              |
| Strategic planning      | Development Control Plans                                     |  |  |                           | X                         |                           |                           |                 |             | X                               |                              | *                   |                            |                              |                              |                              |
| Strategic planning      | Contribution Plans  |  |  |                           | X                         |                           |                           |                 |             | X                               |                              | *                   |                            |                              |                              |                              |
| Development assessments | Designated development  |  |  |                           | X                         |                           |                           |                 | X           |                                 | X                            | X                   |                            |                              |                              |                              |
| Development assessments | Integrated development  |  |  |                           | X                         |                           |                           |                 | X           |                                 | X                            | X                   |                            |                              |                              |                              |
| Development assessments | State significant development                                 |  |  |                           | X                         |                           |                           |                 | X           |                                 | X                            | X                   |                            |                              |                              |                              |
| Development assessments | Environmental impact statement                                |  |  | X                         |                           |                           |                           |                 |             |                                 | X                            |                     |                            |                              |                              |                              |
| Planning agreements     | Planning agreements   |  |  |                           | X                         |                           |                           |                 | X           |                                 | X                            | X                   |                            |                              |                              |                              |
| Development assessments | Development applications                                      | Accommodation for aged and disabled persons provided under the Seniors Living SEPP |  |                           |                           | X                         |                           |                 | X           |                                 | X                            | X                   |                            |                              | X                            |                              |
| Development assessments | Development applications                                      | Boarding houses (new)  |  |                           |                           | X                         |                           |                 | X           |                                 | X                            | X                   |                            |                              | X                            |                              |
| Development assessments | Development applications                                      | Change of use  | from a dwelling to another use   |                           |                           | X                         |                           |                 | X           |                                 | X                            | X                   |                            |                              | X                            |                              |
| Development assessments | Development applications                                      | Change of use  | to a non-residential use in a residential zone   |                           |                           | X                         |                           |                 | X           |                                 | X                            | X                   |                            |                              | X                            |                              |
| Development assessments | Development applications                                      | Change of use  | convenience stores; sex industry premises; places of public entertainment; pubs; night clubs; bars; amusement arcades and the like |                           |                           | X                         |                           |                 | X           |                                 | X                            | X                   |                            |                              | X                            |                              |
| Development assessments | Development applications                                      | Change of use  | of a whole multi-storey building   |                           |                           | X                         |                           |                 | X           |                                 | X                            | X                   |                            |                              | X                            |                              |
| Development assessments | Development applications                                      | Child care centres   |  |                           |                           | X                         |                           |                 | X           |                                 | X                            | X                   |                            |                              | X                            |                              |
| Development assessments | Development applications                                      | Commercial/retail and other non-residential buildings                              | new buildings & additions less than 3 storeys  |                           |                           |                           | X                         |                 | X           |                                 | X                            | X                   |                            |                              |                              | X                            |
| Development assessments | Development applications                                      | Commercial/retail and other non-residential buildings                              | new buildings & additions 3 or more storeys  |                           |                           | X                         |                           |                 | X           |                                 | X                            | X                   |                            |                              | X                            |                              |
| Development assessments | Development applications                                      | Community centres / facilities   |  |                           |                           | X                         |                           |                 | X           |                                 | X                            | X                   |                            |                              | X                            |                              |
| Development assessments | Development applications                                      | Community events   |  |                           |                           |                           | X                         |                 | X           |                                 | X                            | X                   |                            |                              |                              | X                            |
| Development assessments | Development applications                                      | Development where value of work exceeds \$50 million                               |  |                           | X                         |                           |                           |                 | X           |                                 | X                            | X                   |                            | X                            |                              |                              |
| Development assessments | Development applications                                      | Educational establishments (e.g. schools, higher education institutions)           |  |                           |                           | X                         |                           |                 | X           |                                 | X                            | X                   |                            |                              | X                            |                              |

## Appendix D: land use planning consultation matrix (community participation plan)

X = activity required under legislation  
 \* = may be required by State Government

| Category                | Type                     | DA category   | DA category detail  | 30 days exhibition period | 28 days exhibition period | 21 days exhibition period | 14 days exhibition period | No notification | Site notice | City of Sydney consultation hub | City of Sydney planning site | Letter notification | Notify previous submitters | Distribution 75 metre buffer | Distribution 50 metre buffer | Distribution 25 metre buffer |
|-------------------------|--------------------------|---|---|---------------------------|---------------------------|---------------------------|---------------------------|-----------------|-------------|---------------------------------|------------------------------|---------------------|----------------------------|------------------------------|------------------------------|------------------------------|
| Development assessments | Development applications | Food and drink premises (e.g. cafes, restaurants)   | not in residential zones  |                           |                           |                           | X                         |                 | X           |                                 | X                            | X                   |                            |                              |                              | X                            |
| Development assessments | Development applications | Food and drink premises (e.g. cafes, restaurants)   | in residential zones  |                           |                           | X                         |                           |                 | X           |                                 | X                            | X                   |                            |                              | X                            |                              |
| Development assessments | Development applications | Heritage  | applications for award of Heritage Floor Space  |                           | X                         |                           |                           |                 | X           |                                 | X                            | X                   |                            | X                            |                              |                              |
| Development assessments | Development applications | Heritage  | minor external alterations or additions to a Heritage Item  |                           |                           |                           | X                         |                 | X           |                                 | X                            | X                   |                            |                              |                              | X                            |
| Development assessments | Development applications | Heritage  | minor external alterations or additions to a building within a Heritage Conservation Area   |                           |                           |                           | X                         |                 | X           |                                 | X                            | X                   |                            |                              |                              | X                            |
| Development assessments | Development applications | Heritage  | significant alterations or additions to a Heritage Item   |                           | X                         |                           |                           |                 | X           |                                 | X                            | X                   |                            | X                            |                              |                              |
| Development assessments | Development applications | Heritage  | significant alterations or additions, or new buildings, or full demolition of a contributory building within a Heritage Conservation Area |                           | X                         |                           |                           |                 | X           |                                 | X                            | X                   |                            | X                            |                              |                              |
| Development assessments | Development applications | Home industry   |   |                           |                           |                           | X                         |                 | X           |                                 | X                            | X                   |                            |                              |                              | X                            |
| Development assessments | Development applications | Industrial development  | less than 500sqm new floor area   |                           |                           |                           | X                         |                 | X           |                                 | X                            | X                   |                            |                              |                              | X                            |
| Development assessments | Development applications | Industrial development  | 500sqm to 1000sqm new floor area  |                           |                           | X                         |                           |                 | X           |                                 | X                            | X                   |                            |                              | X                            |                              |
| Development assessments | Development applications | Industrial development  | over 1000sqm new floor area   |                           | X                         |                           |                           |                 | X           |                                 | X                            | X                   |                            | X                            |                              |                              |
| Development assessments | Development applications | Modifications to consent which will not impact upon surrounding land uses or increase impacts in comparison with the previous approval(s) |   |                           |                           |                           |                           | X               |             |                                 | X                            |                     |                            |                              |                              |                              |
| Development assessments | Development applications | Place of Public Worship   |   |                           |                           | X                         |                           |                 | X           |                                 | X                            | X                   |                            |                              | X                            |                              |
| Development assessments | Development applications | Professional consulting rooms   |   |                           |                           |                           | X                         |                 | X           |                                 | X                            | X                   |                            |                              |                              | X                            |
| Development assessments | Development applications | Outdoor café seating and/or coffee carts on footways  |   |                           |                           |                           |                           |                 | X           |                                 | X                            | X                   |                            |                              |                              |                              |
| Development assessments | Development applications | Residential flat buildings  | new buildings & additions less than 3 storeys   |                           |                           |                           | X                         |                 | X           |                                 | X                            | X                   |                            |                              |                              | X                            |
| Development assessments | Development applications | Residential flat buildings  | new buildings & additions 3 or more storeys   |                           |                           | X                         |                           |                 | X           |                                 | X                            | X                   |                            |                              | X                            |                              |
| Development assessments | Development applications | Significant development or use of the public domain   |   |                           | X                         |                           |                           |                 | X           |                                 | X                            | X                   |                            | X                            |                              |                              |
| Development assessments | Development applications | Signs over 10sqm in area  |   |                           |                           |                           | X                         |                 | X           |                                 | X                            | X                   |                            |                              |                              | X                            |
| Development assessments | Development applications | Single dwellings, including ancillary structures, involving construction; demolition; additions and/or alterations                        |   |                           |                           |                           | X                         |                 | X           |                                 | X                            | X                   |                            |                              |                              | X                            |

## Appendix D: land use planning consultation matrix (community participation plan)

X = activity required under legislation

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| Category                | Type                     | DA category  | DA category detail  | 30 days exhibition period | 28 days exhibition period | 21 days exhibition period | 14 days exhibition period | No notification | Site notice | City of Sydney consultation hub | City of Sydney planning site | Letter notification | Notify previous submitters | Distribution 75 metre buffer | Distribution 50 metre buffer | Distribution 25 metre buffer |
|-------------------------|--------------------------|--|---|---------------------------|---------------------------|---------------------------|---------------------------|-----------------|-------------|---------------------------------|------------------------------|---------------------|----------------------------|------------------------------|------------------------------|------------------------------|
| Development assessments | Development applications | Subdivision – creation of new lots   |   |                           |                           | X                         |                           |                 | X           |                                 | X                            | X                   |                            |                              | X                            |                              |
| Development assessments | Development applications | Telecommunications facilities (non-low impact facilities)  |   |                           | X                         |                           |                           |                 | X           |                                 | X                            | X                   |                            | X                            |                              |                              |
| Development assessments | Development applications | Visitor and tourist accommodation (including bed & breakfast premises that are not complying development, backpacker accommodation, motels and hotels) |   |                           |                           | X                         |                           |                 | X           |                                 | X                            | X                   |                            |                              | X                            |                              |
| Development assessments | Development applications | Trading hours  | after 10 pm or 24 hour trading  |                           |                           | X                         |                           |                 | X           |                                 | X                            | X                   |                            |                              | X                            |                              |
| Development assessments | Development applications | Trading hours  | extension of trial periods  |                           |                           |                           | X                         |                 | X           |                                 | X                            | X                   |                            |                              |                              | X                            |
| Development assessments | Development applications | Modification applications  | Section 4.55(1) application (i.e. correction of minor error)                                      |                           |                           |                           |                           | X               |             |                                 |                              |                     |                            |                              |                              | X                            |
| Development assessments | Development applications | Modification applications  | Section 4.55(1A) application (i.e. involving minimal environmental impacts)                       |                           |                           |                           |                           | X               |             |                                 |                              |                     |                            |                              |                              | X                            |
| Development assessments | Development applications | Modification applications  | Section 4.56 application (i.e. in relation to consents granted by the Land and Environment Court) |                           |                           |                           | X                         |                 | X           |                                 | X                            | X                   |                            |                              |                              | X                            |
| Development assessments | Development applications | Modification applications  | Section 4.55(2) application (i.e. other modifications)  |                           |                           |                           | X                         |                 | X           |                                 | X                            | X                   | X                          |                              |                              | X                            |

**Note regarding Christmas, New Years, weekends and public holidays:**

Should the timing of the application fall over the traditional holiday period of Christmas and New Years Day, the period between 20 December and 10 January (inclusive) is excluded from the calculation of a period of If a notification period finishes on a weekend or a public holiday, it will be extended to the next business day.



## Appendix E: glossary of terms – land use planning (community participation plan)

| <b>Document</b>                                       | <b>Description</b>   |
|---|--|
| <b>Local strategic planning statement</b>             | Links the NSW Government’s strategic plans and the City’s community strategic plan, Sustainable Sydney 2030 - 2050, and the planning controls that guide development in our city.  |
| <b>Community participation plan</b>                   | The plan that outlines consultation requirements for land use planning. It consists of chapter titled: Community participation plan for land use planning and appendices C, D and E.   |
| <b>Contributions plans</b>                            | Prepared by councils to levy new development to fund additional or improved local, public infrastructure needed by the development and used by the whole community.  |
| <b>Local environmental plans (planning proposals)</b> | The local planning laws prepared by councils but approved by the NSW Government. They set out what development can take place where, the maximum height and density of development, and what places need to be protected for their heritage value. They are amended by preparing a planning proposal.  |
| <b>Development control plans</b>                      | Guidelines prepared by councils that describe the preferred way to undertake development that is enabled by a local environmental plan to get good planning and design outcomes and manage impacts.  |
| <b>Development applications</b>                       | Development applications are required for development which is identified in an environmental planning instrument as development requiring consent, which is not identified that is not ‘exempt’ or ‘complying’ development. They can range from small scale proposals to renovate and extend a house, to new multi storey commercial towers.  |
| <b>Planning agreements</b>                            | Planning agreements are voluntary agreements entered into by the City and a person, usually a developer, to deliver public benefits. Public benefits may include the dedication of land to Council, monetary contributions, public infrastructure, community facilities, affordable housing, any other material public benefit or any combination of these. Planning agreements are prepared under the Act in relation to either a planning proposal or a development application. |
| <b>Footway applications</b>                           | Outdoor dining within the local government area requires approval to use public land. Footway applications are assessed against various pieces of legislation, including but not limited to the Roads Act 1993 and Outdoor Dining Guidelines. Footway approvals set out how much of the public footpath outside a premises can be taken up by outdoor dining.  |
| <b>Section 4.55 modification applications</b>         | Under Section 4.55 of the Act, development consents can be modified. Applications to modify a development consent are split into three categories, based on the extent of environmental impact:<br>Section 4.55(1) – modifications involving minor error, misdescription or miscalculation;<br>Section 4.55(1A) – modifications involving minimal environmental impact; and<br>Section 4.55(2) – other modifications   |
| <b>Section 4.56 modification applications</b>         | Section 4.56 modification applications are applications made to Council to modify a consent granted by the Land and Environment Court.   |
| <b>Division 8.2 application reviews</b>               | An applicant for development consent may request Council review a determination or decision within 6 months of the determination.  |

## Community engagement strategy and community participation plan

|   |  |
|---|--|
| <b>Environmental impact statements</b>        | Under Part 5 of the Act, some types of development do not require consent. In these instances, the public authority proposing the development or issuing an approval under other legislation, needs to carry out self-assessment via an environmental impact statement. This statement is required to be notified. Development that doesn't require consent under Part 5 generally consists of projects undertaken by public authorities.  |
| <b>Mandatory public exhibition timeframes</b> | The Environmental Planning and Assessment Act 1979 sets out mandatory timeframes for the notification of certain types of development applications and draft plans.<br>Under the Act, Council can specify the types of development applications that require exhibition and notification, how long these applications are required to be publicly exhibited for, and how far notification should extend from the property proposed to be developed. Council's exhibition periods must comply with minimum mandatory timeframes in the Act. |

## Appendix F: Petitions guidelines

The City of Sydney welcomes petitions as one way in which people can let us know their concerns. We set out below how council will respond to petitions that are sent to us.

### **What is a petition?**

Council will treat as a petition for the purposes of these guidelines any communication that is either identified as being a petition, or which it seems to us is intended to be a petition.

Petitions can be sent directly to councillors or to:

City of Sydney Town Hall House

456 Kent Street

Sydney NSW 2001

### **Who can submit a petition?**

Anyone can sign or organise a petition.

### **What are the guidelines for submitting a petition?**

Petitions on the following matters will be considered by City of Sydney in accordance with these guidelines:

- issues relating to council's responsibilities
- issues which affect the City of Sydney or communities in our area, as long as Council is in a position to exercise some degree of influence.

If your petition is about something over which council has no direct control (for example the local railway or school), we will consider making representations on behalf of the community to the relevant body. The City of Sydney works with a large number of local partners and where possible will work with these partners to respond to your petition. If we are not able to do this for any reason (for example, if what the petition calls for conflicts with council policy), then we will set out the reasons for this to petitioners.

Where a petition relates to a matter over which council has no responsibility or influence, council will return the petition to the main petition contact with an explanation for that decision (and will wherever possible give petitioners any information that council has available as to where the petition should be redirected). If your petition is about something that a different council or other public authority is responsible for, we will ask the main petition contact whether they would like us to redirect the petition to the other authority.

Petitions submitted to council must include:

- a clear and concise statement covering the subject matter of the petition. It should state what action petitioners want the council to take
- the name and address and signature (or email address in the case of electronic petitions) of any person supporting the petition.

A petition should contain the name and address and contact details of the main petition contact. This is the person we will contact to explain how we will respond to the petition. If the petition does not identify a main petition contact, we will assume the first signatory is the main petition contact. The address may be where the signatory to the petition lives, works or studies. City of Sydney has the discretion to verify the name and address and signature of any person supporting the petition should we consider it necessary for any reason.

If you want your petition to be tabled at a meeting of council, you must send it to a councillor for them to consider tabling it.

State legislation may affect council's ability to respond to some petitions, including those related to development assessment, tendering or electoral laws. In the period immediately before an election,

council may need to deal with your petition differently or in a different timeframe, and if this is the case council will contact the main petition contact to explain the reasons and discuss the revised timescale that will apply.

Before submitting a petition, you may first wish to check with councillors or with City of Sydney to see if we are already acting on your concerns and to confirm that council is the most appropriate body to receive your petition, as sometimes your petition may be more appropriate for another public body.

### **Types of petition**

For the purposes of the council's petition guidelines all petitions that are received by council (that are considered to fall within the scope of these guidelines) will be treated as falling within one of the two different types of petitions, described below.

#### Petitions for tabling

These are petitions that have been sent to a councillor so that they can consider tabling it at a council meeting. If the councillor wishes council to debate the petition, they are required to submit it to the CEO (or their delegate) by 12 noon on the Tuesday in the week preceding council meeting. The motion that shall accompany tabled petitions whether notice has been given or not is: "That the petition be received and noted."

Where notice has not been given, a councillor may request that the petition be listed on the agenda for the next meeting to enable it to be debated.

#### Petitions

These are petitions that have been sent to the CEO or to city staff, either directly or via councillors or the Lord Mayor.

### **What happens when a petition is received?**

Within 15 working days of receipt by the CEO or city staff, we will acknowledge receipt to the main petition contact and will advise the main petition contact:

- whether we consider that the petition falls within the scope of council's petition guidelines
- the identity of the person or body within City of Sydney to whom the petition will be reported for consideration
- where we consider that the petition does not fall within these guidelines, we will advise all petitioners of the reason for this decision

At the same time as responding to the main petition contact, we will notify the relevant City of Sydney director with responsibility for the matter to which the petition relates and all councillors of receipt of the petition.

In the event that the subject of a petition falls within the remit of more than one director, the petition will be reported to both directors, who will be asked to nominate one of them as the lead for the matter.

In some cases, we may be able to resolve the petitioner's request directly, by requesting the relevant council officer to take appropriate action. Where this is done, we will advise all signatories, where valid addresses have been provided, that we consider that the matter is resolved and explain how it has been resolved.

If any signatory is not satisfied with the outcome they may appeal to the CEO in accordance with the procedure set out below. In all other cases, within 3 months of receipt of a petition (or sooner where possible), we will provide a substantive response to the signatories giving information about what steps we have taken or propose to take in response to the petition and our reasons for doing so.

When we receive a petition, our response will depend on what a petition asks for and may include one or more of the following:

- giving effect to the request in the petition

- considering the petition at a meeting of council
- research or consultation
- giving a written response to all signatories setting out our views about the request in the petition.

In addition to these steps, City of Sydney will consider all of the specific actions that it can potentially take on the issues highlighted in the petition.

#### **What will happen to a petition for tabling?**

If a councillor to whom the petition is sent submits it to the CEO in accordance with the procedure for notifying petitions, the petition will be debated by council at its next ordinary meeting. This means that the issue(s) raised in the petition will be discussed at a meeting at which all councillors can attend.

Petitions will not be considered at extraordinary meetings of council unless it is convened to consider the subject matter of the petition.

The procedure to be followed during the petition debate is the same as for debate on any other motion and is set out in council's code of meeting practice.

Following consideration by council of a petition for tabling, council may make a decision on the subject matter of the petition if a notice of motion has been received, may request that it be listed on the agenda for the next council meeting to enable debate or may refer the petition to the CEO to respond as per petitions received directly.

#### **What can I do if I feel my petition has not been dealt with properly?**

If any signatory is not satisfied with the outcome of council's consideration of their petition, they may appeal to the CEO setting out the reasons for their dissatisfaction. The CEO may choose to instigate an investigation, make recommendations to the executive, or arrange for the matter to be considered at a meeting of council. Once the appeal has been considered the CEO will provide the person who has appealed with written confirmation of the outcome.

#### **Excluded petitions**

Council's petition scheme does not apply to the types of petition listed below. If council receives a petition that it considers to be an excluded petition, we will contact the main petition contact to advise them that we do not consider that their petition falls within the scope of council's petition guidelines and the reasons for this decision.

#### **Petitions excluded by statutory consultation, review or appeal rights**

In order not to duplicate procedures where established processes already exist for people to voice their opinions, the following matters are excluded from the scope of council's petition guidelines:

- any matter relating to a planning decision that has already been made by council or city staff;  
or
- any matter relating to an individual or entity in respect of which that individual or entity has a right of recourse to a review or a right of appeal conferred by or under any enactment.

However, a petition that alleges a systematic failure to deliver services in the above areas is within the scope of council's petition guidelines. For example, while a petition on an individual planning application would be an excluded petition, a petition about council's failure to deliver an effective service for planning applications would be within the scope of these guidelines.

#### **Petitions that are vexatious, abusive or otherwise inappropriate**

If, in the opinion of City of Sydney, a petition is vexatious, abusive or otherwise inappropriate, we will acknowledge receipt of the petition to the main petition contact. We will explain to them the reason why we consider that the petition is vexatious, abusive or otherwise inappropriate and that we will not be taking any further action in respect of the petition. Please note that petitions which

raise issues of possible councillor misconduct will be taken as complaints arising under council's code of conduct, rather than considered under these guidelines.

**Repeat petitions**

A petition will not normally be considered where it is received within 24 months of another petition being considered by council on the same matter. When a petition is received on a similar issue to a previous petition, petitioners will be notified of the outcome of the previous petition if City of Sydney considers that the issues raised have been addressed.

