



GLEN EIRA
CITY COUNCIL

BENTLEIGH
BENTLEIGH EAST
BRIGHTON EAST
CARNEGIE
CAULFIELD
ELSTERNWICK
GARDENVALE
GLEN HUNTLY
MCKINNON
MURRUMBEENA
ORMOND
ST KILDA EAST

GLEN EIRA CITY COUNCIL

FINANCIAL PLAN 2021–2022 to 2030–2031

Ordinary Council Meeting
Tuesday 29 June 2021



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Introduction

The key objective which underlines the development of the Financial Plan, is financial sustainability in the medium to long-term, while still achieving Council's strategic objectives as specified in the draft *Council Plan*. The key financial objectives, which underpin the Financial Plan are to:

- Manage finances appropriately within the constraints set by the Rate Cap.
- Renew and upgrade our ageing assets and community facilities.
- Maintain essential services at not less than current levels.
- Mitigate risks to our community and local economy arising from the impact of the pandemic of COVID-19 and to support the community's recovery.
- Set fee increases that are manageable and sustainable.
- Invest in continuous improvement, technology and other enablers to efficiency and enhanced customer outcomes.
- Keep day-to-day costs manageable and rates per assessment low, relative to our peers.

Impact of COVID-19

This Financial Plan is presented in unprecedented times. The COVID-19 pandemic has had a significant impact on individuals, businesses and government since March 2020. Service closures, emergency response, and financial concessions to sustain community resilience have all had a substantial impact on Council's financial position. This is expected to continue in the 2021-22 financial year. It is expected that it will take a number of years for Council's income streams to return to pre-COVID levels.

This Financial Plan is based on current knowledge of the potential impacts that COVID-19 has had on Council's finances. Council expects that COVID-19 will continue to have a longer-term financial impact. It is anticipated that some of the Victorian Auditor-General's sustainability indicators could highlight medium to high levels of risk around Council's operating deficit, liquidity position and borrowing capacity.

Long-Term Financial Plan

The Financial Plan covers the period 2021-22 to 2030-31 and aims to maintain sound operational surpluses, increasing Council's renewal, upgrade and new investment in community assets, and ensuring that the liquidity position is maintained at a level that is acceptable to Council.

Pre-COVID-19, Council made a concerted effort to generate operational surpluses and direct sufficient funding to capital expenditure. This approach has ensured the City's infrastructure and community facilities are improving and that Council is able to continue to provide the facilities and services that the community needs at a price that the community is prepared to pay. To achieve this, Council must continue to carefully manage finances and use innovation and continuous improvement measures to ensure services are the most efficient and cost-effective that can be provided.

It is the decision of Council to determine the priority for spending on the operational services that Council provides as well as the investment in the capital works program.

The Financial Plan for 2021-22 to 2030-31 shows an average operating surplus of \$15m over the next 10 years. This is necessary to ensure cash reserves are contributing to fund the long-term capital works program.

The Financial Plan has a challenging and ambitious capital works program. Council has also committed to continuing a significant strategic work plan over the coming 10 years which includes a strategic approach to place based planning and integrated transport. This important work will set the future 10-20-year strategic direction in the key areas of land-use, transport, economic development and urban design.

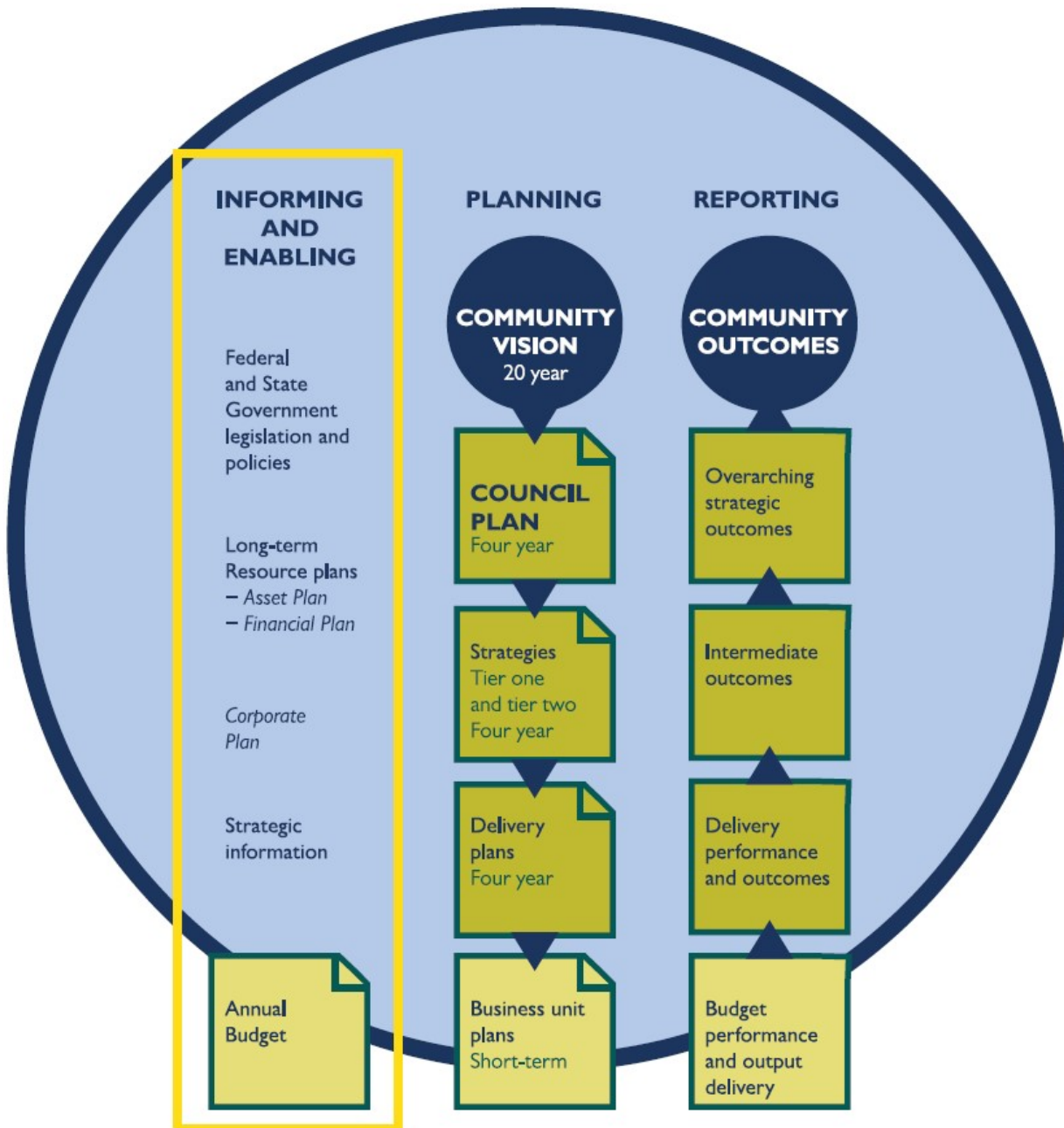
Council also needs to ensure that working capital is maintained such that sufficient cash reserves are available to meet normal cash flow requirements and meet potential emergencies.

The long-term financial position within the Financial Plan is based on Council funding the entire Capital Works Program (including Council borrowings).

1 Legislative Requirements

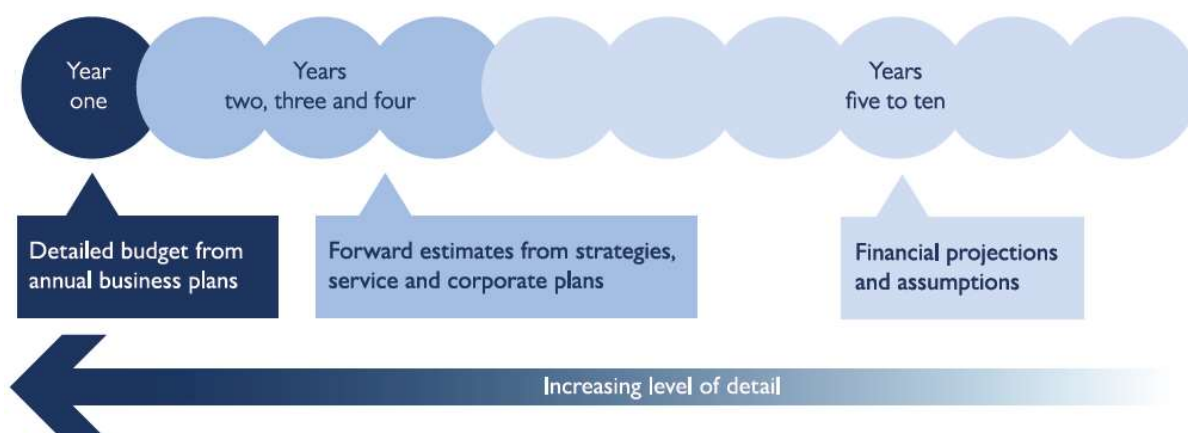
This section describes how the Financial Plan links to the achievement of the Community Vision and the Council Plan within the Integrated Strategic Planning & Reporting framework. This framework guides the Council in identifying community needs and aspirations over the long term (Community Vision), medium term (Council Plan) and short term (Budget) and then holding itself accountable (Annual Report).

The following diagram provides an overview of the core legislated elements of an integrated strategic planning and reporting framework and outcomes.



This shows the links between the Community Vision, Council Plan and strategies, with the Financial Plan, Asset Plan and Budget informing and enabling these to deliver community outcomes. The financial plan is influenced by ongoing strategies and service planning and is then used to inform the four year budget development and other financial processes.

LONG-TERM FINANCIAL PLAN = 10 YEARS



1.1 Strategic Planning Principles

The Financial Plan provides a 10 year financially sustainable projection regarding how the actions of the Council Plan may be funded to achieve the Community Vision. The Financial Plan is developed in the context of the following strategic planning principles:

- a) Council has an integrated approach to planning, monitoring and performance reporting.
- b) Council financial plan addresses the Community Vision by funding the aspirations of the Council Plan. The Council Plan aspirations and actions are formulated in the context of the Community Vision.
- c) The Financial Plan statements articulate the 10-year financial resources necessary to implement the goals and aspirations of the Council Plan to achieve the Community Vision.
- d) Council's strategic planning principles identify and address the risks to effective implementation of the Financial Plan. The financial risks are included at section 1.2.2 below.
- e) The Financial Plan provides for the strategic planning principles of monitoring the progress and reviews to identify and adapt to changing circumstances.

1.2 Financial Management Principles

The Financial Plan demonstrates the following financial management principles:

- 1.2.1 Revenue, expenses, assets, liabilities, investments and financial transactions are managed in accordance with Council's financial policies and strategic plans.
- 1.2.2 Management of the following financial risks:
 - the financial viability of the Council (refer to section 2.1 Financial Policy Statements).
 - the management of current and future liabilities of the Council. The estimated 10 year-liabilities are disclosed in section 3.2 Balance Sheet projections.
 - the beneficial enterprises of Council (where appropriate).

- 1.2.3 Financial policies and strategic plans are designed to provide financial stability and predictability to the community.
- 1.2.4 Council maintains accounts and records that explain its financial operations and financial position (refer section 3 Financial Statements).

1.3 Engagement Principles

Council has adopted a comprehensive community engagement framework in March 2021. For this current Financial Plan, Council has implemented the following consultation process to ensure due consideration and feedback is received from relevant stakeholders.

- a) Draft Financial Plan principles, key components, and outcomes discussed and agreed with Councillors.
- b) Draft Financial Plan prepared by management.
- c) Draft Financial Plan placed on public exhibition at 4 May 2021 Council meeting for a period of 28 days and calling for public submissions.
- d) Community engagement is conducted using local news outlets, social media and information sessions.
- e) Hearing of public submissions to the Financial Plan on 15 June 2021.
- f) Draft Financial Plan, including any revisions, presented to 29 June 2021 Council meeting for adoption.

1.4 Service Performance Principles

Council services are designed to be purposeful, targeted to community needs and value for money. The service performance principles are listed below:

- a) Services are provided in an equitable manner and are responsive to the diverse needs of the community. The draft Council Plan is designed to identify the key services and projects to be delivered to the community. The Financial Plan provides the mechanism to demonstrate how the service aspirations within the Council Plan may be funded.
- b) Services are accessible to the relevant users within the community.
- c) Council provides quality services that provide value for money to the community. The Local Government Planning and Reporting Framework (LGPRF) is designed to communicate council's performance regarding the provision of quality and efficient services.
- d) Council is developing a performance monitoring framework to continuously improve its service delivery standards.
- e) Council is developing a service delivery framework that considers and responds to community feedback and complaints regards service provision.

1.5 Asset Plan Integration

Integration to the Asset Plan is a key principle of the Council's strategic financial planning principles. The purpose of this integration is designed to ensure that future funding is allocated in a manner that supports service delivery in terms of the plans and the effective management of Council's assets into the future.

The Asset Plan identifies the operational and strategic practices which will ensure that Council manages assets across their life cycle in a financially sustainable manner. The Asset Plan, and associated asset management policies, provide council with a sound base to understand the risk associated with managing its assets for the community's benefit.

The Asset Plan is designed to inform the 10-year Financial Plan by identifying the amount of capital renewal, backlog and maintenance funding that is required over the life of each asset category. The level of funding will incorporate knowledge of asset condition, the risk assessment issues as well as the impact of reviewing and setting intervention and service levels for each asset class.

In addition to identifying the operational and strategic practices that ensure that Council manages assets across their life cycle in a financially sustainable manner, the Asset Plan quantifies the asset portfolio and the financial implications of those practices. Together the Financial Plan and Asset Plan seek to balance projected investment requirements against projected budgets.

2 Financial Plan Context

2.1 Financial Policy Statements

This section defines the policy statements, and associated measures, that demonstrates Council's financial sustainability to fund the aspirations of the Council Vision and the Council Plan.

Financial Policy Statements												
	Target	Forecast										
		2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31
Consistent financial surplus result. (Table figures are in \$000's)	> \$5m	2,263	11,052	9,135	9,645	13,468	15,452	16,909	17,490	17,767	19,804	21,615
Council holds sufficient working capital to meet obligations.	Average over 100%	115%	94%	92%	93%	94%	100%	107%	114%	102%	93%	113%
That Council applies loan funding to new capital and maintains total borrowings in line with rate income.	Indebtedness no higher than 40%	7%	23%	38%	34%	30%	27%	26%	23%	20%	17%	15%
Allocate funds towards renewal capital in order to replace assets as they reach the end of their service life.	Asset renewal and upgrade spend/ Depreciation above 100%	98%	223%	233%	112%	115%	115%	111%	117%	129%	129%	98%

2.2 Strategic Actions

Council has identified the following strategic actions that will support the aspirations of the Council Plan.

- Increase investment in renewal capital to maintain our infrastructure assets.
- Additional investment to address Council's Declaration of a Climate emergency.
- Debt funding to be applied to growth infrastructure where necessary.
- Investment in Open Space in accordance with the *Open Space Strategy*.
- Maintain essential services at not less than current levels.
- Invest in continuous improvement, technology and other enablers to efficiency and enhanced customer outcomes.

The strategic actions are included in the 10-year financial plan and, where appropriate, referenced in the commentary.

2.3 Assumptions to the financial plan statements

2.3.1 Rates and charges

Planning for future rate increases has been an important component of the Financial Plan process. The State Government has introduced the *Fair Go Rates System* which sets out the maximum amount councils may increase rates in a year. The Financial Plan assumes a rate increase of 1.5 per cent in 2021-22 and 2.0 per cent in future years. This is the fifth year of Victorian councils operating under a rate cap.

The plan also assumes an additional 1,000 property assessments per annum. The average Rates per Assessment for 2021-22 is estimated at \$1,459.

Waste management charges are levied on the basis of cost recovery. This is consistent with the position of the majority of councils given that waste charges are outside the Minister's

Rate Cap. The budget reflects both an increase in Waste and Recycling Charges as well as increased contractor expenses.

More information can be found in Council's *Revenue and Rating Plan 2021-22 to 2024-25*.

2.3.2 Statutory fees and fines

Statutory fees relate mainly to fees and fines levied in accordance with legislation and include animal registrations, health act registrations and parking fines. Increases are set at 2 per cent per annum.

2.3.3 User fees

User fees relate mainly to the recovery of service delivery costs through the charging of fees to users of Council's services. These include use of leisure, community facilities and the provision of human services such as Family Day Care and Community Care Services. The Financial Plan assumes it will take a number of years for Council's income streams to return to pre-COVID levels. After this period, increases are set at 2 per cent per annum.

2.3.4 Grants

Operating grant funding received from State and Federal sources is assumed to increase at 2 per cent per annum. One-off non-recurrent grant funding includes funding for:

- Carnegie Pool Redevelopment (subject to the Sports & Recreation Victoria Better Pools Program grant of \$2m over 2022-23 and 2023-24)
- Murrumbeena Park (\$6.0m between 2020-21 and 2021-22)
- Eat Street Community Space (\$1.3m between 2019-20 and 2021-22)
- Aileen Avenue Open Space (\$1.3m between 2019-20 and 2021-22).
- Bentleigh Library Upgrade funding from the Living Libraries program (\$1m in 2021-22).
- Various infrastructure projects through the *Local Roads and Community Infrastructure Program* (\$4.8m between 2020-21 and 2021-22)

2.3.5 Contributions

Council receives open space levies pursuant to clause 52.01 of the Glen Eira Planning Scheme. Council has achieved the new uniform levy rate of 5.7 per cent (Amendment C120).

These contributions are levied on multi-unit property developments in order to fund open space and are volatile and depend on decisions made by developers, not Council.

2.3.6 Other income

Other income includes lease and rental income, non-statutory licences and reimbursements.

2.3.7 Employee costs

Increases for employee costs mainly reflect the salary increase for all staff pursuant to expected Enterprise Bargaining Agreements. No provision or allowance has been made for any call from the Defined Benefits fund. Full time equivalent (FTE) staffing is capped at current levels for 2021-22.

Glen Eira has capable and diverse staff required to provide a range of quality services to the community. Recruitment, development and retention of our staff are critical for the organisation to be able to provide services to our community. The ages of staff vary, with Glen Eira Sports and Aquatic Centre (GESAC) attracting a younger age group of employees in the fitness and aquatic areas.

Our COVID-19 response has impacted services during 2020-21 and these changes are reflected in our 2020-21 forecasted labour costs but the FTE has remained the same as the affected staff will remain employed by Council.

2.3.8 Materials and Services

Material costs include items required for the maintenance and repairs of Council buildings, parks, roads, drains and footpaths. Cost increases for these items are governed more by market forces based on availability rather than CPI. Other costs included under this category are waste collection and disposal, payments to family day care providers, supply of community meals and consumable items for a range of services. Council also utilises external expertise on a range of matters, including legal services and audit. These costs have been projected to increase at 2 per cent year on year.

2.3.9 Depreciation and amortisation

Depreciation estimates have been based on the projected capital spending. Depreciation has been further increased by the indexing of the replacement cost of Council's fixed assets.

2.3.10 Other expenses

Other expenses include administration costs such as Councillor allowances, lease expenditure, audit costs, subscriptions and other costs associated with the day to day running of Council.

2.4 Other Matters impacting the 10-year financial projections

- Election costs of \$640k every 4 years.
- Clayton South Regional Landfill Site – allowance of \$211k per annum from 2021-22 onwards, being Glen Eira's contribution for post closure rehabilitation costs.
- This Financial Plan assumes that Council continues operating our two Residential Aged Care Facilities – Rosstown and Warrawee.
- No additional income from public/private sector partnerships has been factored into considerations for strategic projects such as structure plan projects.
- Reduced income from our leisure centres due to COVID-19. After the forced closures of our leisure centres and subsequent restrictions on attendance levels, there is still an ongoing impact on these revenue streams, and it is expected that it will take at least another year to return to our previous level of memberships and patronage.
- The first year of the Financial Plan provides for a 'Hardship Rates Relief Support Package' for ratepayers who continue to be financially impacted by COVID-19.

2.5 Capital Works Program

Council's base capital program is approximately \$36m (excluding Strategic and Major Projects). Strategic and Major Projects in the 10 year Capital Works Program include:

- Eat Street (Rotunda) - \$5.1m (to be completed in 2022). Create a pedestrian-only mall area with outdoor seating, activated by cafes, restaurants and bars with increased trading hours.
- Murrumbeena Park Community Hub - \$11.7m (to be completed in 2022). This will provide a multi-functional space for a variety of community, Council, sporting and casual users.
- Bentleigh Library Upgrade - \$6.3m (to be completed in 2023). Improve Bentleigh Library and the surrounding area, including expansion of the facility and introduction of a new civic forecourt.
- Carnegie Pool Redevelopment – capital costs of \$53m with anticipated completion in 2023.
- Selwyn Street Cultural Precinct - \$5.1m (to be completed in 2025) to facilitate a new cultural precinct centred around Selwyn Street.
- Lord Reserve / Koornang Park Masterplan Precinct Implementation - \$3.4m with completion expected in 2026.
- To implement the Coatesville Primary School Pedestrian Friendly Neighbourhood as part of the Integrated Transport Strategy - \$4m (completion in 2027)
- Elsternwick Community Hub & Park - \$47m (to be completed in 2030). Create a new community hub and improved car parking in place of the existing car park between Staniland Grove and Orrong Road.



Eat Street



Murrumbeena Park Community Hub



Bentleigh Library Upgrade



Carnegie Pool Redevelopment



Selwyn Street Cultural Precinct



Elsternwick Community Hub & Park

i. Open Space & Recreational Projects

Recreation & Open Space includes open space initiatives; parks; playing surfaces; and playground equipment. Projects include:

- Open Space Strategy Implementation funding of \$61.3m in line with Council's *Open Space Strategy*.
- Urban Forest Strategy Implementation of \$3.9m. The strategy outlines our vision to create a resilient and sustainable urban forest that supports our liveable city and contributes to the well-being of the community in a changing climate.
- Lord Reserve/Koornang Park Masterplan Precinct Implementation - \$3.4m from 2021-22 to 2025-26.
- Recreational upgrades of \$17m including sportsground lighting, warm season grasses, playground upgrades, cricket net upgrades, sportsground shelters and tennis strategy implementation.

ii. Community Facilities

Community facilities comprises buildings and building improvements, upgrade and renewal of community facilities; Municipal offices; sports facilities; and pavilions. Projects include:

- Carnegie Swim Centre Pool Redevelopment - \$50.5m from 2021-22 to 2023-24.
- Elsternwick Community Hub & Park - \$46.8m from 2027-28 onwards.
- Murrumbeena Pavilion - \$7m in 2021-22 expected to be completed by mid-2022.
- Pavilion Design and Construction Program - \$13.4m.
- Town Hall Refurbishment and Essential Safety Measures - \$4m from 2021-22 to 2023-24.

iii. Sustainability Initiatives

Sustainability initiatives includes the installation of photovoltaic systems to generate renewable energy, double glazing and insulation on council assets and other building sustainability improvements. Council continues to allocate five per cent of capital budgets for sustainability measures.

iv. Transformation and Technology

Transformation and technology include technological solutions to enable customers to better transact with Council. Customer focused projects include single customer view, completion of the Customer Strategy and increased online presence to make it easier for residents to do business with us without needing to come to the Town Hall.

v. Community Safety

Transport and Planning projects include safety projects at cross intersections, pedestrian crossings, safer speed limits, school safety, shopping centres, sustainable transport and disabled parking upgrades.

vi. Renewals

Included in the capital program is the renewal and upgrade of Council's major infrastructure assets with an average spend of \$23m per annum including:

- Infrastructure Renewals per annum – Roads \$4.5m, Drainage Improvement Program \$3.7m, Footpaths \$2.1m, Local Road Resurfacing \$1.7m, and Car Park Renewals \$490k.
- Building Renewal works – \$1.9m per annum for cyclical renewal works such as floor coverings, roof renewals and replacement of plant and equipment.
- Recreation and Parks – \$1.6m per annum for renewals of: park shelters, cricket wickets, goal posts, bin enclosures, park furniture and athletics/netball track re-surfacing.
- Glen Eira Leisure Services (GEL) – \$1.3m per annum for cyclical renewal works and replacement of plant and equipment.
- Library Book Collections – \$1.1m per annum for the purchase of books, DVDs, magazines, games, eBooks and eMagazines.
- Replacement of Fleet and Plant – \$1.8m per annum includes plant and equipment at Parks, Depot and Town Hall.
- Information Technology – \$1m per annum including: renewing base infrastructure such as storage, servers, networking and end-user tools (desktops; laptops; tablets; monitors).

vii. Strategic Projects

Structure Plan Implementation funding of \$15.5m has been allocated to fund structure plan works in Elsternwick, Carnegie and Bentleigh over the next ten years. Funding for this is to implement major projects identified in the Structure Plans, including new buildings, new public plazas, etc. and includes the following:

- Selwyn Street Cultural Precinct – \$5.1m from 2023-24 to 2024-25.
- Koornang Road Streetscape Upgrade & Pedestrianisation – \$1.65m from 2026-27 to 2028-29.
- Streetscape and Activity Centre Minor Improvements Program funding of \$450k.
- Integrated Transport Strategy projects including new bicycle paths, new pedestrian improvements, wayfinding signage, parking improvements, etc. of \$4.6m.
- Cycling Action Plan implementation of \$2.47m to improve opportunities for cycling around Glen Eira. The plan identifies areas for improvement to help support cycling as a safe and viable transport option for the community. This includes improvements to recognise the role that the cycling network plays in linking people to public transport and walking routes. The plan includes actions around infrastructure, policy and enforcement and education/behaviour.
- Neerim Road Streetscape upgrade - \$1.43m from 2023-24 to 2026-27.

3 Financial Plan Statements

This section presents information regarding the Financial Statements for the 10 years from 2021-22 to 2030-31.

- Comprehensive Income Statement
- Balance Sheet
- Statement of Changes in Equity
- Statement of Cash Flows
- Statement of Capital Works
- Statement of Human Resources

3.1 Comprehensive Income Statement for the years ending 30 June 2021 - 2031

	2020-21 Forecast	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Income											
Rates Revenue	98,587	100,858	105,544	109,173	112,904	116,741	120,365	124,087	127,909	131,835	135,866
Supplementary Rates	1,248	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
Waste and Recycling Charges	20,400	22,672	23,125	23,588	24,059	24,541	25,031	25,532	26,043	26,563	27,095
Statutory Fees and Fines	5,295	9,020	9,200	9,384	9,572	9,763	9,959	10,158	10,361	10,568	10,780
User Fees	14,069	23,502	26,116	27,102	31,995	32,748	33,520	34,264	35,003	35,320	36,083
Interest Received	239	500	1,138	1,147	1,169	1,571	1,716	1,858	1,623	1,446	1,858
Contributions - Monetary	6,654	3,450	3,450	3,450	6,900	6,900	6,900	6,900	6,900	6,900	6,900
Grants - Operating	31,014	20,154	22,514	22,964	23,424	23,892	24,370	24,857	25,354	25,862	26,379
Grants - Capital	5,305	11,884	2,500	1,510	520	531	542	552	563	575	586
Other Income	1,391	2,018	2,038	2,059	2,079	2,100	2,121	2,142	2,164	2,185	2,207
Total Income	184,202	195,057	196,626	201,377	213,623	219,787	225,523	231,350	236,919	242,253	248,753
Expenses											
Employee Costs	86,413	87,146	88,695	90,921	95,606	97,990	100,048	102,149	104,294	106,484	108,720
Materials and Consumables	4,735	5,278	5,281	5,284	5,286	5,289	5,292	5,294	5,297	5,300	5,302
Contractor Payments	40,698	41,659	42,110	42,615	44,572	45,027	45,872	46,655	48,354	48,058	49,005
Maintenance	7,696	7,916	7,874	8,032	8,292	8,458	8,627	8,800	8,976	9,108	9,290
Utilities	4,651	5,178	5,282	5,388	5,495	5,605	5,717	5,832	5,948	6,067	6,189
Insurance	1,167	1,420	1,449	1,478	1,507	1,537	1,568	1,599	1,631	1,664	1,697
Grants and Subsidies	2,682	1,370	1,397	1,425	1,454	1,483	1,513	1,543	1,574	1,605	1,637
Other Expenses	6,108	5,556	5,401	5,251	5,356	5,463	5,572	5,684	5,798	5,913	6,032
Borrowing Costs	332	499	724	1,529	1,438	1,345	1,249	1,151	1,050	946	839
Finance Costs - Leases	154	121	75	41	42	43	44	44	45	46	47
Depreciation	24,318	24,978	26,377	27,305	28,617	29,581	30,573	32,544	33,595	34,641	35,734
Amortisation - Intangible Assets	731	788	804	820	836	853	870	888	905	924	942
Amortisation - Right of Use Assets	943	847	774	397	405	413	421	429	438	447	456
Net Loss on Sale/Disposal of Property, Infrastructure, Plant and Equipment	1,311	1,248	1,248	1,248	1,248	1,248	1,248	1,248	1,248	1,248	1,248
Total Expenses	181,939	184,005	187,490	191,732	200,155	204,335	208,614	213,860	219,152	222,450	227,137
Surplus for the year	2,263	11,052	9,135	9,645	13,468	15,452	16,909	17,490	17,767	19,804	21,615

3.2 Balance Sheet for the years ending 30 June 2021 - 2031

	2020-21 Forecast	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Assets											
Current Assets											
Cash and Cash Equivalents	65,316	60,503	56,916	57,355	58,454	62,846	68,630	74,312	64,911	57,822	74,309
Trade and Other Receivables	21,490	11,490	11,490	11,990	12,490	12,490	13,490	14,490	15,490	16,490	17,490
Other Financial Assets	1,313	1,313	1,313	1,313	1,313	1,313	1,313	1,313	1,313	1,313	1,313
Total Current Assets	88,118	73,306	69,718	70,657	72,256	76,649	83,432	90,114	81,713	75,625	93,111
Non-Current Assets											
Investments in Joint Operations	604	604	604	604	604	604	604	604	604	604	604
Financial Assets	5	5	5	5	5	5	5	5	5	5	5
Intangible Assets	2,629	2,629	2,629	2,629	2,629	2,629	2,629	2,629	2,629	2,629	2,629
Right of Use Assets	2,907	2,060	1,286	889	485	72	2,151	1,722	1,284	838	382
Property, Infrastructure, Plant & Equipment	2,547,330	2,602,501	2,640,546	2,646,186	2,654,997	2,662,401	2,669,784	2,677,759	2,701,003	2,723,875	2,724,886
Total Non-Current Assets	2,553,476	2,607,799	2,645,071	2,650,314	2,658,720	2,665,711	2,675,174	2,682,719	2,705,526	2,727,951	2,728,507
Total Assets	2,641,594	2,681,105	2,714,789	2,720,971	2,730,976	2,742,360	2,758,606	2,772,834	2,787,238	2,803,576	2,821,618
Liabilities											
Current Liabilities											
Trade and Other Payables	18,668	18,668	18,668	19,168	19,668	19,668	19,668	19,668	19,668	19,668	19,668
Trust Funds and Deposits	37,405	37,405	37,405	37,405	37,405	37,405	37,405	37,405	37,405	37,405	37,405
Provisions	15,687	15,687	15,687	15,687	15,687	15,687	16,687	17,687	18,687	19,687	20,687
Lease Liabilities	753	708	365	275	287	287	287	287	287	287	287
Interest-Bearing Liabilities	3,788	5,743	3,597	3,688	3,781	3,876	3,975	4,076	4,179	4,286	4,395
Total Current Liabilities	76,302	78,212	75,723	76,224	76,829	76,924	78,023	79,123	80,227	81,334	82,443
Non-Current Liabilities											
Provisions	1,337	1,337	1,337	1,337	1,337	1,337	1,337	1,337	1,337	1,337	1,337
Interest-Bearing Liabilities	3,848	31,105	58,507	54,820	51,039	47,162	43,188	39,112	34,933	30,647	26,252
Lease Liabilities	2,349	1,641	1,276	1,001	714	427	2,640	2,353	2,066	1,779	1,492
Other Liabilities	2,403	2,403	2,403	2,403	2,403	2,403	2,403	2,403	2,403	2,403	2,403
Total Non-Current Liabilities	9,937	36,486	63,524	59,560	55,492	51,329	49,567	45,205	40,738	36,166	31,484
Total Liabilities	86,239	114,698	139,247	135,785	132,321	128,253	127,590	124,328	120,966	117,499	113,927
Net Assets	2,555,355	2,566,407	2,575,542	2,585,187	2,598,655	2,614,107	2,631,016	2,648,506	2,666,273	2,686,076	2,707,692
Equity											
Accumulated Surplus	966,479	984,081	996,767	1,008,961	1,022,429	1,037,881	1,054,790	1,072,280	1,090,047	1,109,851	1,131,466
Reserves	1,588,875	1,582,325	1,578,775	1,576,225	1,576,225	1,576,225	1,576,225	1,576,225	1,576,225	1,576,225	1,576,225
TOTAL EQUITY	2,555,355	2,566,407	2,575,542	2,585,187	2,598,655	2,614,107	2,631,016	2,648,506	2,666,273	2,686,076	2,707,692

3.3

Statement of Changes in Equity for the years ending 30 June 2021-25				
	Total	Accumulated Surplus	Revaluation Reserve	Other Reserves
	\$'000	\$'000	\$'000	\$'000
2020-21 Budget				
Balance at beginning of the financial year	2,230,973	969,096	1,237,050	24,827
Comprehensive result	5,362	5,362	-	-
Movement in assets and liabilities	-	-	-	-
Movement in Reserves	-	(4,600)	-	4,600
Balance at end of financial year	2,236,335	969,858	1,237,050	29,427
2020-21 Forecast				
Balance at beginning of the financial year	2,263,091	967,600	1,271,297	24,195
Comprehensive result	2,263	2,263	-	-
Movement in assets and liabilities	-	-	-	-
Movement in Reserves	140,000	(3,384)	140,000	3,384
Balance at end of financial year	2,405,355	966,479	1,411,297	27,579
2021-22				
Balance at beginning of the financial year	2,405,355	966,479	1,411,297	27,579
Comprehensive result	11,052	11,052	-	-
Movement in assets and liabilities	-	-	-	-
Movement in Reserves	-	6,550	-	(6,550)
Balance at end of financial year	2,416,407	984,081	1,411,297	21,029
2022-23				
Balance at beginning of the financial year	2,416,407	984,081	1,411,297	21,029
Comprehensive result	9,135	9,135	-	-
Movement in assets and liabilities	-	-	-	-
Movement in Reserves	-	3,550	-	(3,550)
Balance at end of financial year	2,425,542	996,767	1,411,297	17,479
2023-24				
Balance at beginning of the financial year	2,425,542	996,767	1,411,297	17,479
Comprehensive result	9,645	9,645	-	-
Movement in assets and liabilities	-	-	-	-
Movement in Reserves	-	2,550	-	(2,550)
Balance at end of financial year	2,435,187	1,008,961	1,411,297	14,929
2024-25				
Balance at beginning of the financial year	2,435,187	1,008,961	1,411,297	14,929
Comprehensive result	13,468	13,468	-	-
Movement in assets and liabilities	-	-	-	-
Movement in Reserves	-	-	-	-
Balance at end of financial year	2,448,655	1,022,429	1,411,297	14,929

3.3 continued

Statement of Changes in Equity for the years ending 30 June 2026-31				
	Total	Accumulated Surplus	Revaluation Reserve	Other Reserves
	\$'000	\$'000	\$'000	\$'000
2025-26				
Balance at beginning of the financial year	2,448,655	1,022,429	1,411,297	14,929
Comprehensive result	15,452	15,452	-	-
Movement in assets and liabilities	-	-	-	-
Movement in Reserves	-	-	-	-
Balance at end of financial year	2,464,107	1,037,881	1,411,297	14,929
2026-27				
Balance at beginning of the financial year	2,464,107	1,037,881	1,411,297	14,929
Comprehensive result	16,909	16,909	-	-
Movement in provisions	-	-	-	-
Movement in Reserves	-	-	-	-
Balance at end of financial year	2,481,016	1,054,790	1,411,297	14,929
2027-28				
Balance at beginning of the financial year	2,481,016	1,054,790	1,411,297	14,929
Comprehensive result	17,490	17,490	-	-
Movement in assets and liabilities	-	-	-	-
Movement in Reserves	-	-	-	-
Balance at end of financial year	2,498,506	1,072,280	1,411,297	14,929
2028-29				
Balance at beginning of the financial year	2,498,506	1,072,280	1,411,297	14,929
Comprehensive result	17,767	17,767	-	-
Movement in assets and liabilities	-	-	-	-
Movement in Reserves	-	-	-	-
Balance at end of financial year	2,516,273	1,090,047	1,411,297	14,929
2029-30				
Balance at beginning of the financial year	2,516,273	1,090,047	1,411,297	14,929
Comprehensive result	19,804	19,804	-	-
Movement in assets and liabilities	-	-	-	-
Movement in Reserves	-	-	-	-
Balance at end of financial year	2,536,076	1,109,851	1,411,297	14,929
2030-31				
Balance at beginning of the financial year	2,536,076	1,109,851	1,411,297	14,929
Comprehensive result	21,615	21,615	-	-
Movement in assets and liabilities	-	-	-	-
Movement in Reserves	-	-	-	-
Balance at end of financial year	2,557,692	1,131,466	1,411,297	14,929

3.4 Statement of Cash Flows for the years ending 30 June 2021 - 2031

	2020-21 Forecast	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31
	Inflow/ (Outflow)	Inflow/ (Outflow)	Inflow/ (Outflow)	Inflow/ (Outflow)	Inflow/ (Outflow)	Inflow/ (Outflow)	Inflow/ (Outflow)	Inflow/ (Outflow)	Inflow/ (Outflow)	Inflow/ (Outflow)	Inflow/ (Outflow)
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Cash Flow from Operating Activities											
Rates Revenue	91,835	111,858	106,544	110,173	113,904	117,741	121,365	125,087	128,909	132,835	136,866
Waste and Recycling Charges	20,400	22,672	23,125	23,588	24,059	24,541	25,031	25,532	26,043	26,563	27,095
Statutory Fees and Fines	5,295	9,020	9,200	9,384	9,572	9,763	9,959	10,158	10,361	10,568	10,780
User Fees	14,069	23,502	26,116	27,102	31,995	32,748	33,520	34,264	35,003	35,320	36,083
Other Receipts	1,391	2,018	2,038	2,059	2,079	2,100	2,121	2,142	2,164	2,185	2,207
Interest Received	239	500	1,138	1,147	1,169	1,571	1,716	1,858	1,623	1,446	1,858
Contributions - Monetary	6,654	3,450	3,450	3,450	6,900	6,900	6,900	6,900	6,900	6,900	6,900
Grants - Operating	28,014	20,154	22,514	22,964	23,424	23,892	24,370	24,857	25,354	25,862	26,379
Grants - Capital	4,305	11,884	2,500	1,510	520	531	542	552	563	575	586
Employee Costs	(86,413)	(87,146)	(88,695)	(90,921)	(95,606)	(97,990)	(100,048)	(102,149)	(104,294)	(106,484)	(108,720)
Materials and Services	(61,525)	(62,633)	(63,201)	(64,024)	(66,407)	(67,195)	(68,381)	(69,511)	(71,563)	(71,580)	(72,895)
Short-term, low value and variable lease payments	(104)	(189)	(192)	(196)	(200)	(204)	(208)	(213)	(217)	(221)	(226)
Other Payments	(6,108)	(5,556)	(5,401)	(5,251)	(5,356)	(5,463)	(5,572)	(5,684)	(5,798)	(5,913)	(6,032)
Net Cash provided by/(used in) Operating Activities	18,052	49,533	39,137	40,985	46,054	48,935	51,314	53,794	55,048	58,055	60,881
Cash Flow from Investing Activities											
Proceeds from Sale of Property, Infrastructure, Plant & Equipment	387	460	300	300	300	300	300	300	300	300	300
Payments for Property, Infrastructure, Plant & Equipment	(35,831)	(82,645)	(66,775)	(35,313)	(39,812)	(39,386)	(40,374)	(42,955)	(59,292)	(59,985)	(39,235)
Net Cash provided by/(used in) Investing Activities	(35,444)	(82,185)	(66,475)	(35,013)	(39,512)	(39,086)	(40,074)	(42,655)	(58,992)	(59,685)	(38,935)
Cash Flow from Financing Activities											
Proceeds from Borrowings	-	33,000	31,000	-	-	-	-	-	-	-	-
Repayment of Borrowings	(3,669)	(3,788)	(5,743)	(3,597)	(3,688)	(3,781)	(3,876)	(3,975)	(4,076)	(4,179)	(4,286)
Finance Costs	(332)	(499)	(724)	(1,529)	(1,438)	(1,345)	(1,249)	(1,151)	(1,050)	(946)	(839)
Interest paid - lease liability	(154)	(121)	(75)	(41)	(42)	(43)	(44)	(44)	(45)	(46)	(47)
Repayment of lease liabilities	(874)	(753)	(708)	(365)	(275)	(287)	(287)	(287)	(287)	(287)	(287)
Net Cash provided by/(used in) Financing Activities	(5,029)	27,839	23,751	(5,533)	(5,444)	(5,456)	(5,456)	(5,457)	(5,457)	(5,458)	(5,459)
Net Increase/(Decrease) in Cash held	(22,421)	(4,813)	(3,587)	439	1,099	4,393	5,783	5,682	(9,402)	(7,088)	16,487
Cash and Cash Equivalents at the Beginning of the Financial Year	87,737	65,316	60,503	56,916	57,355	58,454	62,846	68,630	74,312	64,911	57,822
Cash and Cash Equivalents at End of Year	65,316	60,503	56,916	57,355	58,454	62,846	68,630	74,312	64,911	57,822	74,309

3.5

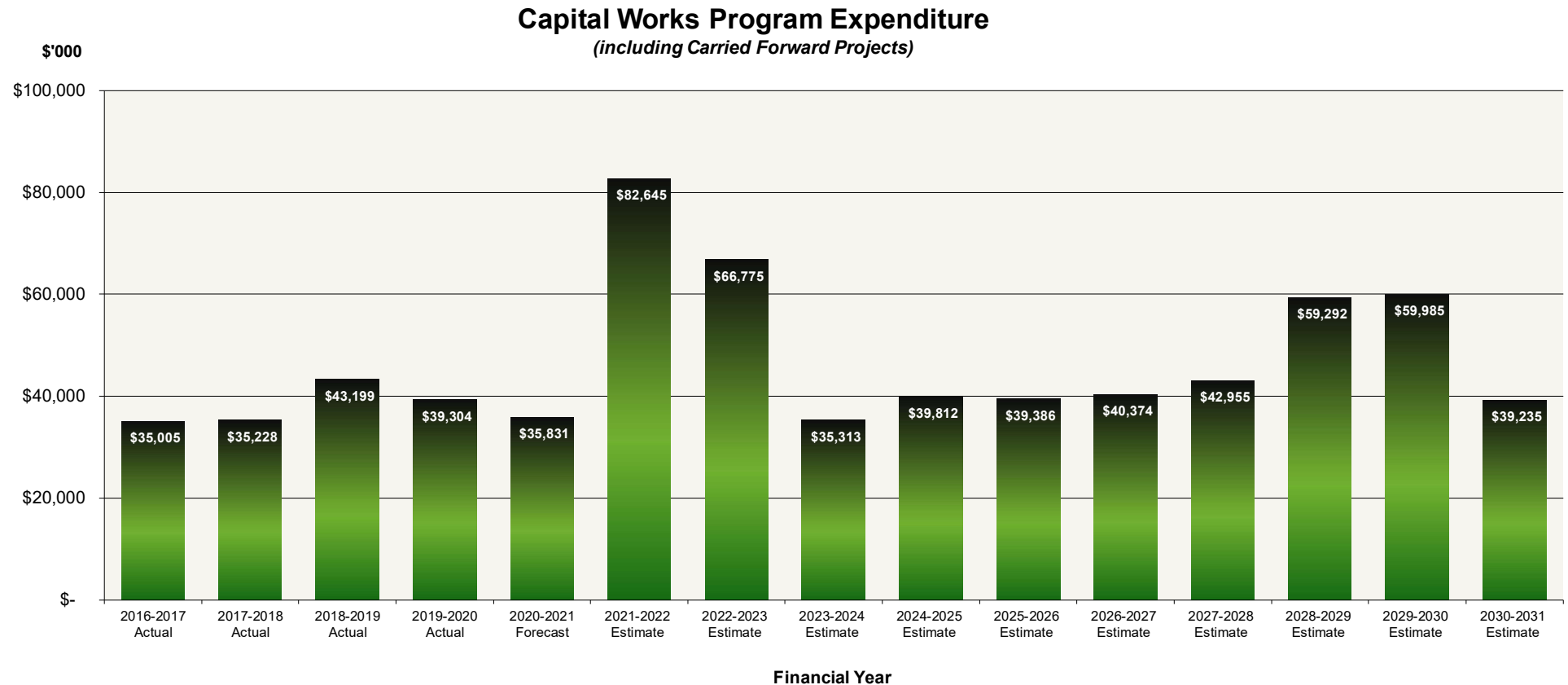
Statement of Capital Works for the years ending 30 June 2021- 2031

Capital Works Area	2020-21 Forecast \$'000	2021-22 \$'000	2022-23 \$'000	2023-24 \$'000	2024-25 \$'000	2025-26 \$'000	2026-27 \$'000	2027-28 \$'000	2028-29 \$'000	2029-30 \$'000	2030-31 \$'000
Carried forward expenditure from previous financial year	5,675	10,000	-	-	-	-	-	-	-	-	-
New Works											
Property											
Land	3,270	7,000	4,571	5,190	6,035	6,379	5,940	5,800	5,168	6,086	5,681
Buildings	15,508	34,029	36,775	4,863	2,888	4,985	4,883	8,653	26,165	27,661	6,259
Total Property	18,778	41,029	41,346	10,053	8,922	11,365	10,823	14,453	31,334	33,747	11,940
Plant and Equipment											
Plant, Machinery and Equipment	2,226	1,845	1,826	2,001	1,884	1,910	3,009	2,575	2,130	2,136	2,143
Computers and Telecommunications	1,512	2,193	1,534	1,365	1,386	1,408	1,430	1,453	1,476	1,499	1,523
Library Books and Materials	699	1,200	928	947	966	1,985	985	1,005	1,025	1,045	1,066
Other Plant & Equipment	655	286	782	1,236	950	909	866	883	905	928	953
Total Plant and Equipment	5,092	5,524	5,071	5,549	5,186	6,212	6,289	5,915	5,535	5,609	5,686
Infrastructure											
Roads	4,652	7,169	8,415	7,815	7,922	8,059	8,811	8,974	9,131	9,301	9,454
Footpaths	2,225	2,805	1,987	2,027	1,963	2,002	2,043	2,083	2,125	2,168	2,211
Drainage	3,898	3,500	3,442	3,510	3,581	3,652	3,725	3,800	3,876	3,953	4,032
Open Space and Recreation	1,792	8,398	5,764	5,475	6,119	5,218	4,746	6,432	5,485	4,389	5,084
Car Parks	41	1,209	450	459	468	478	487	497	507	517	527
Streetscape Works	3,678	3,012	300	425	5,650	2,400	3,450	800	1,300	300	300
Total Infrastructure	16,286	26,093	20,358	19,711	25,703	21,809	23,262	22,587	22,424	20,628	21,609
Total New Works	40,156	72,645	66,775	35,313	39,812	39,386	40,374	42,955	59,292	59,985	39,235
Carried forward projects to the next financial year	(10,000)	-	-	-	-	-	-	-	-	-	-
Total Capital Expenditure (including carry forwards)	35,831	82,645	66,775	35,313	39,812	39,386	40,374	42,955	59,292	59,985	39,235

3.5 continued

Statement of Capital Works for the years ending 30 June 2021- 2031											
Capital Works Area	2020-21 Forecast \$'000	2021-22 \$'000	2022-23 \$'000	2023-24 \$'000	2024-25 \$'000	2025-26 \$'000	2026-27 \$'000	2027-28 \$'000	2028-29 \$'000	2029-30 \$'000	2030-31 \$'000
Total Capital Expenditure	35,831	82,645	66,775	35,313	39,812	39,386	40,374	42,955	59,292	59,985	39,235
Represented by:											
Asset Renewal Expenditure	13,676	25,670	19,279	20,603	19,563	20,893	21,385	23,297	21,504	21,245	22,357
Asset Upgrade Expenditure	10,243	29,907	42,088	9,896	13,255	13,243	12,476	14,676	21,816	23,289	12,694
Asset Expansion Expenditure	2,220	4,134	2,737	2,462	4,980	3,272	3,040	3,131	13,855	13,262	2,127
Asset New Expenditure	9,693	22,934	2,671	2,352	2,015	1,978	3,473	1,852	2,117	2,189	2,057
Total Capital Expenditure	35,831	82,645	66,775	35,313	39,812	39,386	40,374	42,955	59,292	59,985	39,235
Funding sources represented by:											
Grants	5,305	11,884	2,500	1,510	520	531	542	552	563	575	586
Council Cash	30,526	37,761	33,274	33,803	39,291	38,855	39,833	42,403	58,729	59,410	38,649
Borrowings	-	33,000	31,000	-	-	-	-	-	-	-	-
Total Capital Funding	35,831	82,645	66,775	35,313	39,812	39,386	40,374	42,955	59,292	59,985	39,235

The graph below highlights the movement in capital spend since 2016-17 and Council's forward outlook on capital expenditure to 2030-31.



3.6

Statement of Human Resources - Staff Numbers for the years ending 30 June 2021 - 2031

Description	2020-21 Forecast	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31
	FTE	FTE	FTE	FTE	FTE	FTE	FTE	FTE	FTE	FTE	FTE
Community Wellbeing											
Permanent Full-time	127.00	125.00	124.00	123.00	123.00	123.00	123.00	123.00	123.00	123.00	123.00
Female	102.00	100.00	99.00	98.00	98.00	98.00	98.00	98.00	98.00	98.00	98.00
Male	25.00	25.00	25.00	25.00	25.00	25.00	25.00	25.00	25.00	25.00	25.00
Permanent Part-time	236.76	243.08	238.58	239.83	269.83	269.83	269.83	269.83	269.83	269.83	269.83
Female	207.44	212.98	209.48	209.48	224.48	224.48	224.48	224.48	224.48	224.48	224.48
Male	29.32	30.10	29.10	30.35	45.35	45.35	45.35	45.35	45.35	45.35	45.35
Total Community Wellbeing	363.76	368.08	362.58	362.83	392.83	392.83	392.83	392.83	392.83	392.83	392.83
Infrastructure & Open Space											
Permanent Full-time	119.00	120.00	120.00	120.00	120.00	120.00	120.00	120.00	120.00	120.00	120.00
Female	20.00	20.00	20.00	20.00	20.00	20.00	20.00	20.00	20.00	20.00	20.00
Male	99.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00
Permanent Part-time	3.74	3.74	3.74	3.74	3.74	3.74	3.74	3.74	3.74	3.74	3.74
Female	2.01	2.01	2.01	2.01	2.01	2.01	2.01	2.01	2.01	2.01	2.01
Male	1.73	1.73	1.73	1.73	1.73	1.73	1.73	1.73	1.73	1.73	1.73
Total Infrastructure & Open Space	122.74	123.74	123.74	123.74	123.74	123.74	123.74	123.74	123.74	123.74	123.74
Planning, Place & Sustainability											
Permanent Full-time	93.00	96.00	96.00	96.00	96.00	96.00	96.00	96.00	96.00	96.00	96.00
Female	44.00	45.00	45.00	45.00	45.00	45.00	45.00	45.00	45.00	45.00	45.00
Male	49.00	51.00	51.00	51.00	51.00	51.00	51.00	51.00	51.00	51.00	51.00
Permanent Part-time	20.17	21.53	21.53	21.53	21.53	21.53	21.53	21.53	21.53	21.53	21.53
Female	15.77	16.83	16.83	16.83	16.83	16.83	16.83	16.83	16.83	16.83	16.83
Male	4.40	4.70	4.70	4.70	4.70	4.70	4.70	4.70	4.70	4.70	4.70
Total Planning, Place & Sustainability	113.17	117.53	117.53	117.53	117.53	117.53	117.53	117.53	117.53	117.53	117.53
Corporate Services											
Permanent Full-time	79.00	78.00	78.00	78.00	78.00	78.00	78.00	78.00	78.00	78.00	78.00
Female	37.00	37.00	37.00	37.00	37.00	37.00	37.00	37.00	37.00	37.00	37.00
Male	42.00	41.00	41.00	41.00	41.00	41.00	41.00	41.00	41.00	41.00	41.00
Permanent Part-time	18.05	19.60	19.60	19.60	19.60	19.60	19.60	19.60	19.60	19.60	19.60
Female	15.44	16.76	16.76	16.76	16.76	16.76	16.76	16.76	16.76	16.76	16.76
Male	2.61	2.84	2.84	2.84	2.84	2.84	2.84	2.84	2.84	2.84	2.84
Total Corporate Services	97.05	97.60	97.60	97.60	97.60	97.60	97.60	97.60	97.60	97.60	97.60
City Management											
Permanent Full-time	24.00	27.00	27.00	27.00	27.00	27.00	27.00	27.00	27.00	27.00	27.00
Female	15.00	17.00	17.00	17.00	17.00	17.00	17.00	17.00	17.00	17.00	17.00
Male	9.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00
Permanent Part-time	6.93	6.10	6.10	6.10	6.10	6.10	6.10	6.10	6.10	6.10	6.10
Female	6.04	5.31	5.31	5.31	5.31	5.31	5.31	5.31	5.31	5.31	5.31
Male	0.89	0.79	0.79	0.79	0.79	0.79	0.79	0.79	0.79	0.79	0.79
Total City Management	30.93	33.10	33.10	33.10	33.10	33.10	33.10	33.10	33.10	33.10	33.10
Total Permanent Staff	727.65	740.05	734.55	734.80	764.80	764.80	764.80	764.80	764.80	764.80	764.80
Casuals and Other	101.31	95.18	95.18	95.18	95.18	95.18	95.18	95.18	95.18	95.18	95.18
Capitalised Labour	31.20	31.00	31.00	31.00	31.00	31.00	31.00	31.00	31.00	31.00	31.00
Total Staff	860.16	866.23	860.73	860.98	890.98	890.98	890.98	890.98	890.98	890.98	890.98

The *Gender Equality Act 2020* (commenced on 31 March 2021) will improve workplace gender equality in the Victorian public sector, universities and local councils. The legislation requires organisations to regularly collect and report data on gender equality in the workplace by doing workplace gender audits. Council is currently undertaking a gender audit (expected to be completed in July 2021) and collecting data on gender categories. These categories will be disclosed in future iterations of the Budget and Long-Term Financial Plan.

2021-22 to 2030-31 Long Term Financial Plan

3.7

Statement of Human Resources - Staff Expenditure for the years ending 30 June 2021 - 2031

Description	2020-21 Forecast	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Staff Expenditure											
Community Wellbeing											
Permanent Full-time	11,929	12,775	12,984	13,199	13,530	13,868	14,159	14,456	14,760	15,070	15,386
Female	9,353	10,017	10,156	10,299	10,558	10,821	11,048	11,280	11,517	11,759	12,006
Male	2,576	2,758	2,828	2,899	2,972	3,046	3,110	3,175	3,242	3,310	3,379
Permanent Part-time	23,278	23,583	23,680	24,377	27,389	28,072	28,661	29,263	29,878	30,505	31,146
Female	20,513	20,782	20,608	21,127	22,857	23,427	23,919	24,422	24,935	25,458	25,993
Male	2,765	2,802	3,073	3,250	4,532	4,645	4,742	4,842	4,944	5,048	5,154
Total Community Wellbeing	35,208	36,359	36,664	37,576	40,919	41,939	42,820	43,719	44,637	45,575	46,532
Infrastructure & Open Space											
Permanent Full-time	11,327	11,640	11,934	12,235	12,542	12,855	13,125	13,401	13,682	13,969	14,263
Female	1,927	1,981	2,031	2,082	2,135	2,188	2,234	2,281	2,328	2,377	2,427
Male	9,399	9,660	9,904	10,154	10,409	10,668	10,892	11,121	11,355	11,593	11,837
Permanent Part-time	343	357	366	375	385	394	402	411	420	428	437
Female	200	209	214	220	225	231	236	241	246	251	256
Male	143	148	152	156	159	163	167	170	174	178	181
Total Infrastructure & Open Space	11,670	11,997	12,300	12,610	12,927	13,249	13,527	13,812	14,102	14,398	14,700
Planning, Place & Sustainability											
Permanent Full-time	10,059	11,093	11,374	11,661	11,953	12,251	12,509	12,771	13,040	13,313	13,593
Female	4,693	5,176	5,307	5,441	5,577	5,716	5,836	5,959	6,084	6,212	6,342
Male	5,366	5,917	6,067	6,220	6,376	6,535	6,672	6,812	6,955	7,101	7,250
Permanent Part-time	1,823	2,053	2,105	2,158	2,212	2,268	2,315	2,364	2,413	2,464	2,516
Female	1,483	1,670	1,712	1,755	1,799	1,844	1,883	1,923	1,963	2,004	2,046
Male	340	383	393	403	413	423	432	441	450	460	469
Total Planning, Place & Sustainability	11,881	13,147	13,479	13,819	14,166	14,519	14,824	15,135	15,453	15,778	16,109
Corporate Services											
Permanent Full-time	8,841	9,123	9,354	9,590	9,830	10,076	10,287	10,503	10,724	10,949	11,179
Female	4,058	4,188	4,294	4,402	4,513	4,625	4,722	4,822	4,923	5,026	5,132
Male	4,783	4,935	5,060	5,187	5,318	5,450	5,565	5,681	5,801	5,923	6,047
Permanent Part-time	1,566	1,730	1,774	1,819	1,864	1,911	1,951	1,992	2,034	2,076	2,120
Female	1,333	1,473	1,510	1,548	1,587	1,627	1,661	1,696	1,731	1,768	1,805
Male	233	257	264	270	277	284	290	296	302	308	315
Total Corporate Services	10,406	10,853	11,128	11,408	11,695	11,986	12,238	12,495	12,758	13,025	13,299
City Management											
Permanent Full-time	3,247	3,813	3,909	4,008	4,108	4,211	4,299	4,389	4,482	4,576	4,672
Female	2,162	2,539	2,603	2,669	2,736	2,804	2,863	2,923	2,984	3,047	3,111
Male	1,085	1,274	1,306	1,339	1,373	1,407	1,437	1,467	1,498	1,529	1,561
Permanent Part-time	761	680	697	715	733	751	767	783	799	816	833
Female	651	582	597	612	627	643	656	670	684	698	713
Male	110	98	100	103	106	108	111	113	115	118	120
Total City Management	4,008	4,493	4,606	4,723	4,841	4,962	5,066	5,172	5,281	5,392	5,505
Total Permanent Staff Expenditure	73,173	76,848	78,178	80,136	84,547	86,656	88,475	90,333	92,230	94,167	96,145
Casuals and Other Expenditure	13,239	10,297	10,517	10,785	11,059	11,334	11,572	11,815	12,063	12,317	12,575
Capitalised Labour Costs	2,718	3,146	3,226	3,307	3,390	3,474	3,547	3,622	3,698	3,776	3,855
Total Expenditure	89,130	90,292	91,920	94,227	98,996	101,464	103,595	105,770	107,992	110,259	112,575

Statement of Human Resources for the years ending 30 June 2021 - 2031

Staff Expenditure	2020-21 Forecast	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Employee Costs - Operating	86,413	87,146	88,695	90,921	95,606	97,990	100,048	102,149	104,294	106,484	108,720
Employee Costs - Capital	2,718	3,146	3,226	3,307	3,390	3,474	3,547	3,622	3,698	3,776	3,855
Total Staff Expenditure	89,130	90,292	91,920	94,227	98,996	101,464	103,595	105,770	107,992	110,259	112,575
Staff Numbers	2020-21 Forecast	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31
	FTE	FTE	FTE	FTE	FTE	FTE	FTE	FTE	FTE	FTE	FTE
Employees (Full-time Equivalent)	860.16	866.23	860.73	860.98	890.98	890.98	890.98	890.98	890.98	890.98	890.98

4 Financial Performance Indicators

4.1 Local Government Performance Reporting Framework Indicators (LGPRF)

The Local Government Performance Reporting Framework is a mandatory system of performance reporting for all Councils. The regulations include a set of 12 financial performance indicators, which aim to provide information on the effectiveness of financial management. The following tables highlight Council's current and projected performance across a range of these key financial performance indicators. These indicators provide a useful analysis of Council's financial position and performance and should be used in the context of the organisation's objectives.

Financial Performance Indicators for the years ending 30 June														
Indicator	Measure	Notes	2020-21 Forecast	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31	Trend +/-
Operating Position														
Adjusted Underlying Result	Adjusted Underlying Surplus	1	-1.70%	-0.45%	3.42%	4.07%	6.08%	6.81%	7.28%	7.34%	7.28%	7.96%	8.47%	+
	Adjusted Underlying Revenue													
Liquidity														
Working Capital	Current Assets/ Current Liabilities	2	115.49%	93.73%	92.07%	92.70%	94.05%	99.64%	106.93%	113.89%	101.85%	92.98%	112.94%	o
Unrestricted Cash	Unrestricted Cash/ Current Liabilities		23.47%	29.53%	25.77%	26.17%	27.40%	33.07%	40.02%	46.64%	34.28%	25.10%	44.76%	+
Obligations														
Loans and Borrowings	Interest-bearing Loans and Borrowings Rate Revenue	3	6.35%	29.59%	47.89%	43.74%	39.73%	35.87%	32.22%	28.67%	25.24%	21.92%	18.69%	-
Loans and Borrowings	Interest and Principal Repayments Rate Revenue		3.33%	3.44%	4.99%	3.83%	3.72%	3.60%	3.50%	3.40%	3.31%	3.22%	3.13%	o
Indebtedness	Non-current Liabilities Own Source Revenue		7.04%	22.87%	37.78%	34.34%	30.36%	27.24%	25.59%	22.71%	19.96%	17.31%	14.65%	-
Asset Renewal	Asset Renewal+Upgrade Asset Depreciation	4	98.36%	222.51%	232.65%	111.70%	114.68%	115.40%	110.75%	116.68%	128.95%	128.56%	98.09%	o

Financial Performance Indicators for the years ending 30 June

Indicator	Measure	Notes	2020-21 Forecast	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31	Trend +/-
Stability														
Rates Concentration	Rate Revenue Adjusted Underlying Revenue	5	67.21%	67.98%	66.80%	66.92%	64.74%	64.89%	65.07%	65.26%	65.56%	65.95%	66.07%	o
Rates Effort	Rate Revenue Property Values (CIV)		0.17%	0.16%	0.16%	0.16%	0.16%	0.16%	0.15%	0.15%	0.15%	0.14%	0.14%	+
Efficiency														
Expenditure Level	Total Expenditure No. of Assessments		\$ 2,612	\$ 2,604	\$ 2,617	\$ 2,639	\$ 2,718	\$ 2,744	\$ 2,772	\$ 2,812	\$ 2,852	\$ 2,865	\$ 2,895	+
Revenue Level	Rates Revenue No. of Assessments		\$ 1,433	\$ 1,442	\$ 1,487	\$ 1,516	\$ 1,546	\$ 1,581	\$ 1,613	\$ 1,645	\$ 1,677	\$ 1,711	\$ 1,745	+
Workforce Turnover	No. of Resignations & Terminations Average Number of Staff		12.98%	10.87%	10.87%	10.86%	10.84%	10.83%	10.81%	10.79%	10.76%	10.73%	10.70%	o

Key to Forecast Trend:

- + Forecasts improvement in Council's financial performance/financial position indicator
- o Forecasts that Council's financial performance/financial position indicator will be steady
- Forecasts deterioration in Council's financial performance/financial position indicator

Notes to Financial Performance Indicators (LGPRF)

1. Adjusted Underlying Result

An indicator of the sustainable operating result required to enable Council to continue to provide core services and meet its objectives. The changes in Council services required during the COVID-19 pandemic has reduced our surplus significantly in 2020-21 and 2021-22 however Council expects to retain a positive result over the subsequent years.

2. Working Capital

The proportion of current liabilities represented by current assets. This measures the ability to pay existing liabilities in the next 12 months. A ratio of more than 100 per cent means there are more short term assets than short-term liabilities.

Council needs to ensure working capital is maintained such that sufficient cash reserves are available to meet normal cash flow requirements. Over the next few years, Council will invest heavily in its capital works program by fully utilising cash reserves and taking advantage of the low interest rate environment to fast track major projects using borrowings.

Council should hold sufficient cash to cover 'Restricted Assets' such as: Residential Aged Care Deposits, Contract Deposits and *Fire Services Property Levy*.

The trend of working capital is forecast to be below 100 per cent but not lower than 90 per cent over the 2021-2031 period.

3. Loans and borrowings

Trend indicates Council's reliance on debt against its annual rate revenue. Total new borrowings of \$64 million will affect this indicator from 2021-22.

4. Asset Renewal

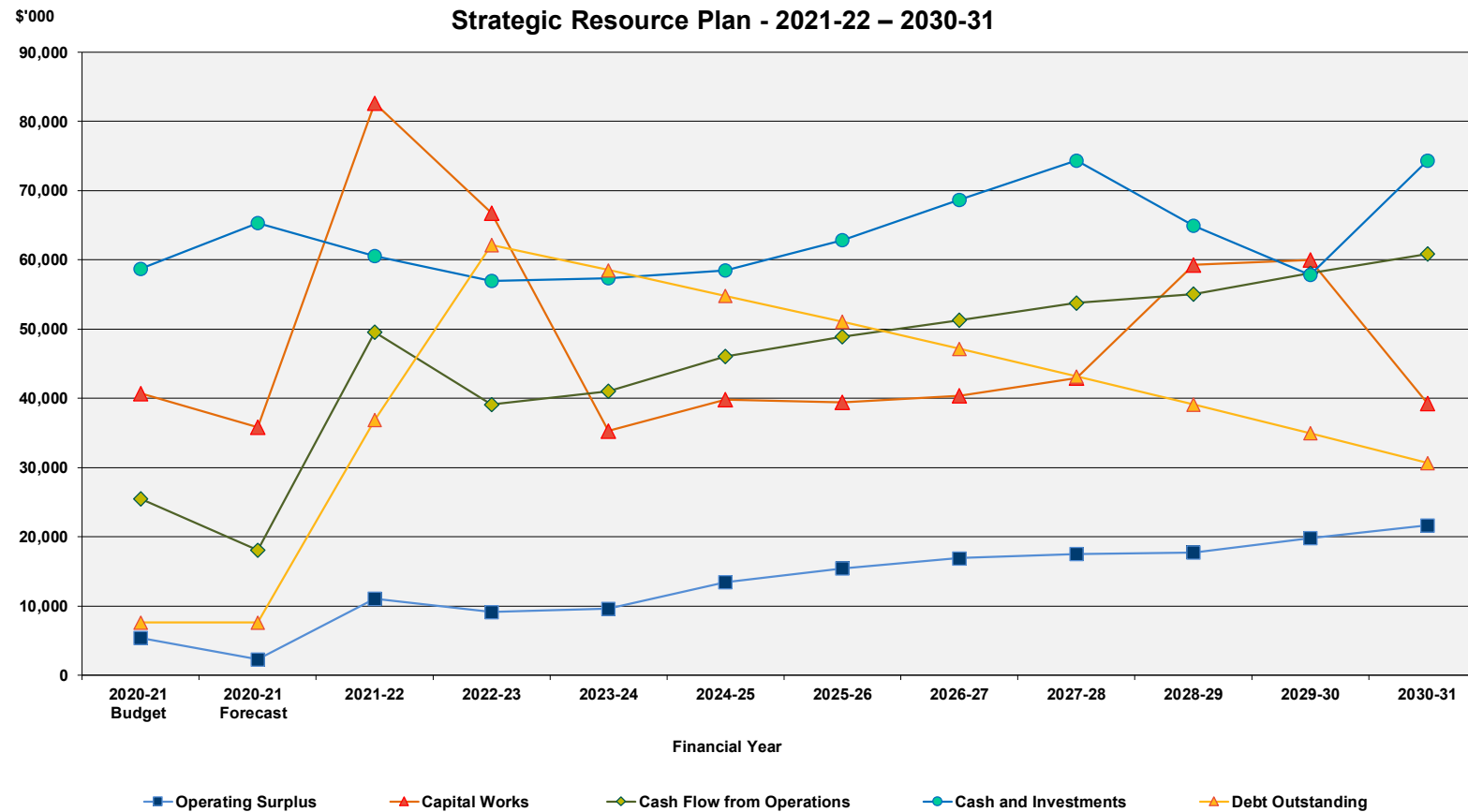
This percentage indicates the extent of Council's renewal and upgrade expenditure on new capital works projects against its depreciation charge.

5. Rates Concentration

Reflects extent of reliance on rate revenues to fund all of Council's on-going services. Trend indicates Council will still be consistently reliant on rate revenue compared to all other revenue sources.

3.8 Financial Resources

The following graph summarises the key financial results for the years 2020-21 to 2030-31. The graph below shows that: the operating result improving; capital works averages over \$50m; and loans will be used to partially fund major projects from 2021-22 with repayments over fifteen years. The level of projected cash incorporates capital expenditure and current rates projections. The financial statements include a more detailed analysis of the financial resources to be used over the ten year period.

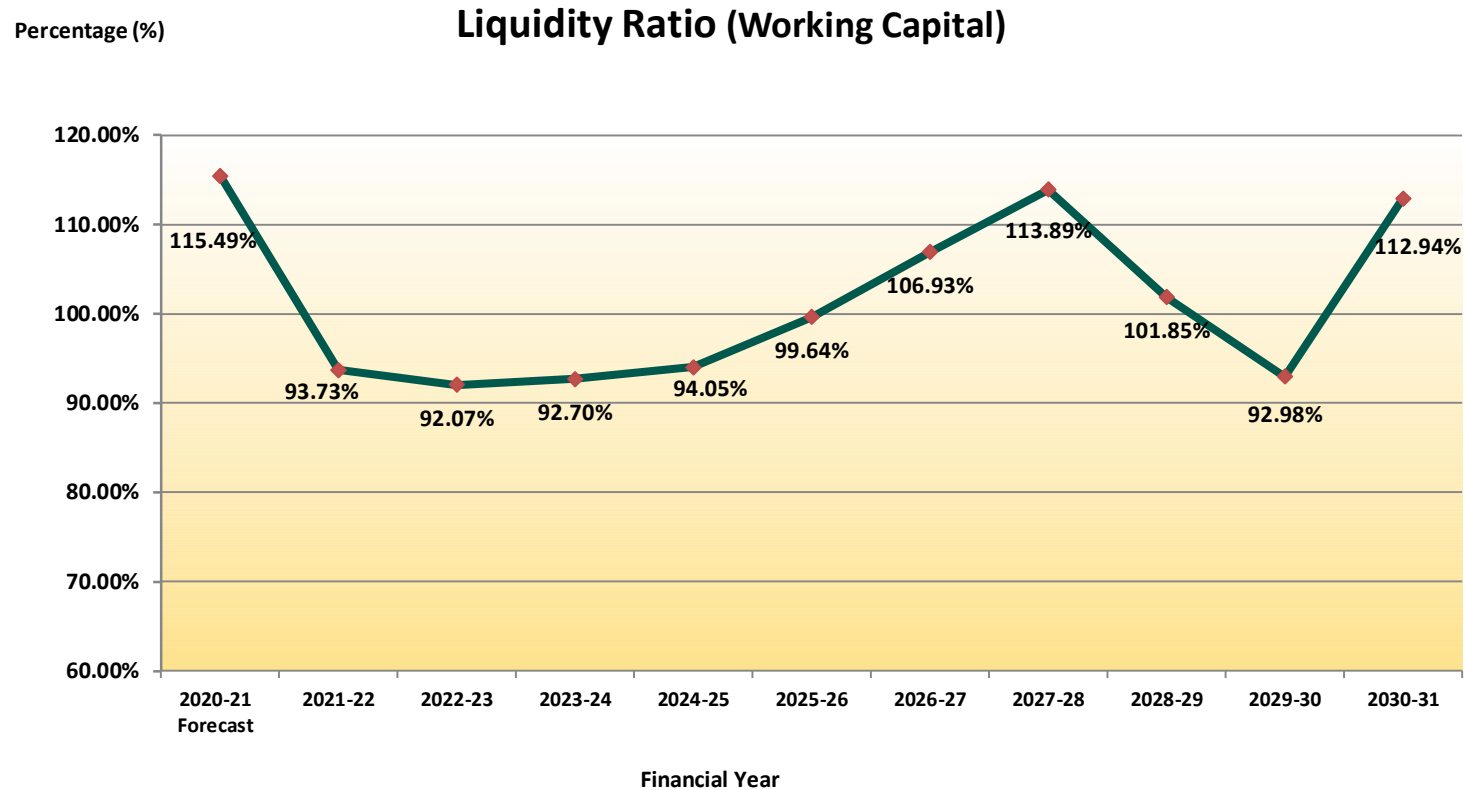


The following table summarises the key financial results for the years 2020-21 to 2030-31.

Key Financial Results													
	2020-21 Budget	2020-21 Forecast	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31	Trend +/-
Operating Surplus	5,362	2,263	11,052	9,135	9,645	13,468	15,452	16,909	17,490	17,767	19,804	21,615	+
Capital Works	40,678	35,831	82,645	66,775	35,313	39,812	39,386	40,374	42,955	59,292	59,985	39,235	o
Cash Flow from Operations	25,478	18,052	49,533	39,137	40,985	46,054	48,935	51,314	53,794	55,048	58,055	60,881	+
Cash and Investments	58,680	65,316	60,503	56,916	57,355	58,454	62,846	68,630	74,312	64,911	57,822	74,309	o
Debt Outstanding	7,636	7,636	36,848	62,105	58,507	54,820	51,039	47,162	43,188	39,112	34,933	30,647	-

Key to Forecast Trend:

- + Forecasts improvement in Council's financial performance/financial position indicator
- o Forecasts that Council's financial performance/financial position indicator will be steady
- Forecasts deterioration in Council's financial performance/financial position indicator



Our long term aim is to return to a working capital ratio of over 100 per cent, however during the build of our major projects it has been considered acceptable for our liquidity to temporarily drop below this level.

5 Strategies and Plans

5.1 Borrowing Strategy

Current Debt Position

In the past, Council borrowed to finance the construction of GESAC. The loan will be re-paid in 2022-23.

Future Borrowing Requirements

As Council is considering a number of substantial intergenerational capital works projects and environmental initiatives, it is time for Council to consider further borrowings to finance strategic infrastructure initiatives.

Loan borrowing is a responsible financial management tool that can provide Council an appropriate mechanism to enable it to implement its Council Plan objectives. This is considered an appropriate funding source for long-term community assets. Borrowing is a useful instrument for spreading the costs of an asset over its useful life or time that the asset provides services to the ratepayers so that ratepayers who benefit from the assets, pay for their consumption over time, providing inter-generational benefits to the community. Loans can only be approved by Council resolution.

It is important to note that Borrowings provide Council with cash to create an asset (available cash) and a liability (obligation to repay) with the repayment of principal being a reduction in the liability and the interest treated as an expense.

Borrowings may also be required in the future to fund other liabilities. For example, Council may be subject to a call on future contributions to the Local Government Defined Benefits Fund which is dependent on market-forces.

The following financial sustainability principles must be adhered to with new borrowings:

- The purpose for borrowing is consistent with Council's strategic objectives as detailed in the Council Plan.
- Borrowings must be carefully considered in accordance with sound financial management principles and the ability of Council to meet the relevant prudential requirements.
- The nature of any borrowings (short or long-term) and the interest rate (fixed or variable) will consider the purpose of the borrowings and seek to minimise interest rate exposure.
- Borrowings must only be applied where it can be proven that repayments can be met in the Long-Term Financial Plan.
- Borrowings are not to be used to finance ongoing recurrent operational expenditure.
- Borrowings are appropriate for funding large capital works where the benefits are provided to future generations.
- Council will maintain its debt at levels which are sustainable in accordance with the thresholds of the Victorian Auditor-General's Sustainability Indicators. Council will aim for an indebtedness ratio of less 40% relating to the ability to repay debt from own-source revenue (which excludes grants and contributions).

A breakdown of Council's borrowings in the Financial Plan are as follows:

i. Previous Borrowings (\$25m)

Council drew down \$25m of borrowings in the early part of 2011-12 for GESAC. In 2016, Council approved restructuring the loan facilities with a revised term of 7 years and a fixed interest rate. The loan will be re-paid in 2022-23.

ii. New Loans - Community Loan Infrastructure Scheme (\$20m)

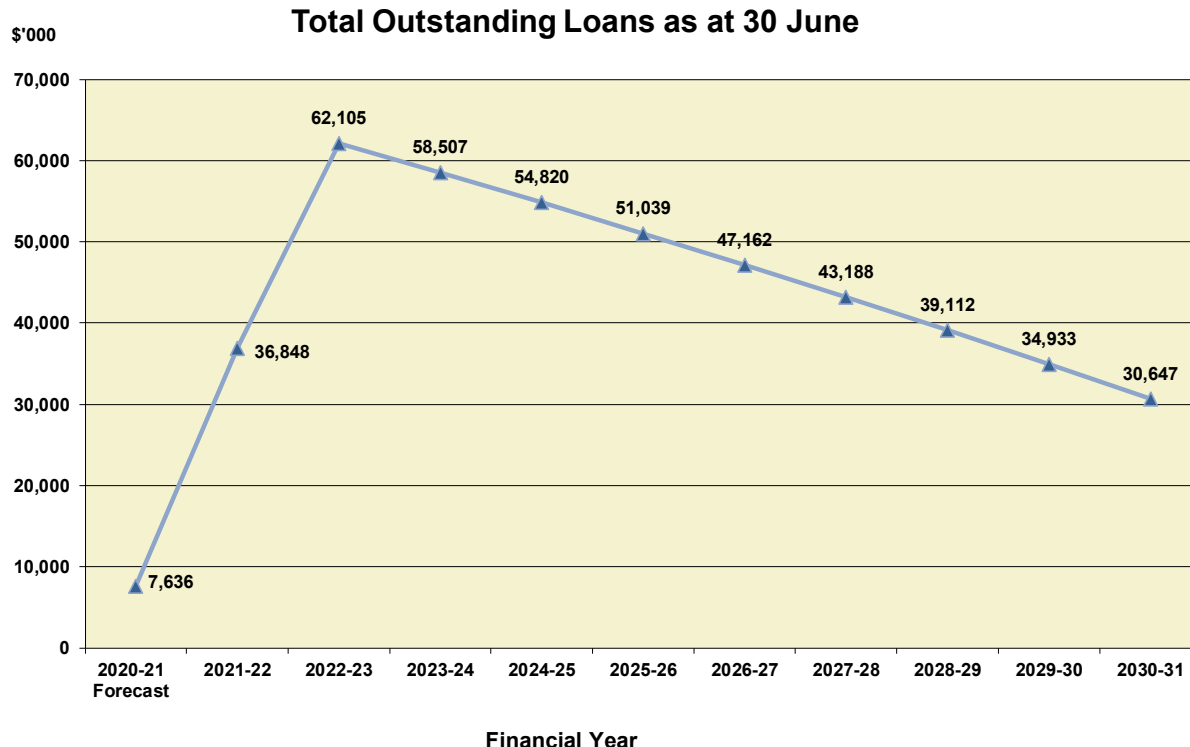
Council resolved on 4 February 2020 to approve the lodgement of an application for a loan of \$10m, under the 2019 *Community Infrastructure Loans Scheme* for the Eat Street Community Space Project and the Bentleigh Library redevelopment.

On 21 November 2020 Council resolved to approve the lodgement of an application for a loan of \$10m under the *2020 Community Sports Infrastructure Loans Scheme* for the Carnegie Swim Centre project.

Both of these applications were successful, and drawdowns will start during 2021-22.

iii. New Loans (\$44m)

Officers have undertaken financial modelling in order to fund major and strategic projects. Council will need to borrow \$44m with a majority of drawdowns over 2021-22 and 2022-23. Loan repayments of approximately \$5.1m per annum have been included in the Financial Plan. Borrowings outstanding as at 30 June 2022 are projected to be \$37m.



2021-22 to 2030-31 Financial Plan

The following table highlights Council's projected loan balance, including new loans and loan repayments for the 10 years of the Financial Plan

Borrowings											
	Forecast										
	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Opening balance	11,304	7,636	36,848	62,105	58,507	54,820	51,039	47,162	43,188	39,112	34,933
Plus New loans	-	33,000	31,000	-	-	-	-	-	-	-	-
Less Principal repayment	(3,669)	(3,788)	(5,743)	(3,597)	(3,688)	(3,781)	(3,876)	(3,975)	(4,076)	(4,179)	(4,286)
Closing balance	7,636	36,848	62,105	58,507	54,820	51,039	47,162	43,188	39,112	34,933	30,647
Interest payment	332	499	724	1,529	1,438	1,345	1,249	1,151	1,050	946	839

The following table highlights Council's projected performance across a range of debt management performance indicators.

Borrowings Indicators												
	Target	Forecast										
		2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31
Total borrowings / Rate revenue	< 50%	6.35%	29.59%	47.89%	43.74%	39.73%	35.87%	32.22%	28.67%	25.24%	21.92%	18.69%
Interest and Repayments / Rate revenue	< 10%	3.33%	3.44%	4.99%	3.83%	3.72%	3.60%	3.50%	3.40%	3.31%	3.22%	3.13%
Indebtedness / Own source revenue	< 40%	7.04%	22.87%	37.78%	34.34%	30.36%	27.24%	25.59%	22.71%	19.96%	17.31%	14.65%

Council maintains its loan borrowing within prudent and management limits as demonstrated by the performance indicators.

5.2 Climate Emergency Strategy 2021-2025 and Action Plan

In May 2020, Council declared a climate emergency and joined the growing movement calling for urgent action to address climate change. Our Climate Emergency Strategy sets out how we will:

- respond to the climate emergency in our own operations;
- support the community to take action; and
- advocate to, and partner with governments to drive stronger action.

The Draft Strategy builds on the work completed to date and supersedes our *Environmental Sustainability Strategy 2016–2021*. It helps deliver the Community Vision and because climate change has a direct or indirect impact on all Council operations, it is an overarching Strategy that sits directly under the *Council Plan 2021–25* in Council's integrated planning framework. The implementation of the Strategy is supported by *Our Action Plan* with specific, timebound actions. While the Strategy is led by the Climate and Sustainability team, actions will be integrated into annual work plans right across Council to ensure climate action is truly integrated into our planning, delivery and reporting systems.

In the Draft Strategy, Council is committing to deliver 68 actions to help deliver six goals:

- We embed climate change action in everything that we do
- Our community is active and mobilised on climate action
- Council-owned buildings and infrastructure are resilient and safe for our staff and community
- Our community is protected from the worst impacts of climate change
- Net zero Council emissions by 2025
- Net zero community emissions by 2030.

Our Action Plan will be updated annually to reflect changing needs and opportunities and respond to evaluation findings. A new Strategy and associated Action Plan will be developed in 2026.

5.3 Open Space Strategy

The Open Space Strategy guides the future planning, provision, design and management of public open space in Glen Eira for the next 15 years. This includes understanding and addressing the open space needs of the existing community and planning ahead to anticipate and meet the open space needs of the forecast population within the municipality.

Part of the scope for the Strategy is to provide an integrated framework that supports the justification for a fair and equitable open space contribution program. This is so Council can incorporate the program, with appropriate policy directions, into the Glen Eira Planning Scheme. The Strategy includes specific actions with broad opinions of costs allocated to them in order to justify the underlying contribution rate. This also provides direction for Council and the community on the range of open space projects to be undertaken in the municipality during the 15 year open space program.

Open space is the publicly owned land that is currently set aside, or has the potential in the future to be set aside primarily for recreation, nature conservation and passive outdoor enjoyment. This includes parks, reserves, gardens, larger urban and civic spaces and forecourts.

5.4 Infrastructure Strategy

Council is committed to the long term sustainability of its major community assets. To this end, over the years, Council has developed and implemented the following Asset Management Plans:

- Stormwater Drainage
- Roads and Right of Ways
- Pathways
- Buildings and Structures
- Recreation

The plans provide the framework for meeting the desired levels of service from our community assets in the most cost effective manner for the present and the future. The plans incorporate the main elements of planning, creating, operating, maintaining, replacing and renewing Council assets. Using the basis of the various Asset Management Plans, capital expenditure requirements of Council have been estimated for the next 10 years (which is a key input to the Financial Plan). The key processes to determine Council's long-term infrastructure funding requirements are as follows:

- Long-term capital planning process which integrates with the Council Plan, Financial Plan and Budget processes.
- Identification of capital projects through the preparation of asset management plans.
- Prioritisation of capital projects within classes on the basis of evaluation criteria.
- Business Case template for officers to document capital project submissions.

The plans provide the framework for meeting the desired levels of service from our community assets, in the most cost effective manner for the present and the future.

A key objective of the *Infrastructure Strategy* is to maintain or renew Council's existing assets at desired condition levels. If sufficient funds are not allocated to asset renewal then Council's investment in those assets will reduce, along with the capacity to deliver services to the community.

Most of the condition data Council has about its community assets is now reliable and up to date. It shows that Council's assets, on average, are in very good condition. Further, over 90 per cent of the assets are in good to excellent condition. With a robust financial strategy in place, Council is in a good position to continue to maintain its existing community assets to the standard the community expects. This is a substantial turnaround from 1999 when Council became increasingly aware that many of its assets were run down and not financially sustainable.

Council is required under section 92 of *Local Government Act 2020* to develop, adopt and keep in force the Asset Plan in accordance with its deliberative engagement practices. The Asset Plan must include information about maintenance, renewal, acquisition, expansion, upgrade, disposal and decommissioning in relation to each class of infrastructure asset under the control of the Council. Currently Council is collecting data, undertaking financial modelling in order to develop and adopt the Asset Plan with its community engagement policy by 30 June 2022.

5.5 Municipal Public Health and Wellbeing Plan 2021-25

The Draft Municipal Public Health and Wellbeing Plan 2021-25 is a strategic plan that aims to build a healthy and sustainable community. It considers the needs of the whole community and will develop priorities and actions that respond to the Victorian Public Health and Wellbeing Plan 2019-23.

Council is taking an integrated approach to the Municipal Public Health and Wellbeing Plan 2021-25 by recognising the diversity of the community and incorporating the Disability Action Plan, Family Violence Prevention Plan, Positive Ageing Strategy and Youth Strategy. Through this holistic approach, the Municipal Public Health and Wellbeing Plan 2021-25 will specifically identify and address the needs of people from all backgrounds and at all stages of life.

Council's approach to community engagement is based on the Community Engagement Policy 2021, the Community Engagement Strategy 2018-21 and Connecting with Young People Strategy 2018-21. These documents are informed by the International Association of Public Participation engagement framework which provides guidance about the types of engagement that are suitable for the various levels of influence that a community can have over decision-making.

The timing of the development of both the Council Plan and Municipal Public Health and Wellbeing Plan has led to an integrated approach to the community engagement process that will inform these plans. Feedback and input from the community about how they can live happy, healthy and well in Glen Eira will provide valuable insights for both plans as well as streamlining engagement activities.

The objectives of the community engagement process for the Council Plan 2021-25 and Municipal Public Health and Wellbeing Plan 2021-25 are to:

- Collaborate with a range of people across the City of Glen Eira to understand the needs, aspirations and priorities of all people across our diverse community.
- Accurately represent community need, opinions and aspirations in the final plans and associated actions and report back to the community how their input was used to inform decision-making.

5.6 Risk Management Strategy

Glen Eira City Council is committed to ensuring strategic and operational risks are appropriately managed to protect Council and the community.

Council has a well-developed and mature risk management framework. Through a strategic risk review process, coupled with the incorporation of the top 10 risks in every Council business plan, Council has a thorough understanding of the risks and opportunities it needs to manage.

The challenge ahead is to create true business success by being able to demonstrate that all risks are considered in every decision made. The Risk Management Unit, in collaboration with Council's business unit managers, ensures existing and emerging risk issues are identified, discussed and mitigated. Assistance is offered through advice, support and training to all staff.

Council's Audit and Risk Committee considers a number of risk management reports prepared by management. The Committee reviews specific risk areas across Council and in some instances across specific projects and examines the controls in place to mitigate those risks.

The risk management function works in collaboration with Council's business unit managers to ensure risk is well understood and managed. Assistance is offered through advice, support and training to all staff. Management of risk at the business unit level was reported by the auditors to be excellent. Risk management has been embraced by staff and this responsibility has been included in position descriptions.

Every manager has a risk register to monitor the operational risks within their business units. Managers are provided with refresher training on how to review identified risks, add new risks and assess the effectiveness of the controls while providing detailed information about the way the risk is managed.

Council's key assurance activities have been mapped to its strategic risks. The assurance map considers the key risks to Council in achieving its objectives and performance expectations, the assurance activities that have been conducted and the operation of controls that apply to those risks.