

ORD01**ORD01**

SUBJECT: PRE-PUBLIC EXHIBITION - DRAFT COMMUNITY STRATEGIC PLAN, DRAFT RESOURCING STRATEGY, DRAFT DELIVERY PROGRAM 2025/26 - 2028/29, DRAFT 2025/26 OPERATIONAL PLAN AND BUDGET (INCLUDING THE DRAFT REVENUE POLICY, DRAFT CAPITAL WORKS PROGRAM AND DRAFT FEES AND CHARGES)

FROM: Director Growth and Finance

EDMS #: 25/81623

PURPOSE OF REPORT

The purpose of this report is to present the Draft Integrated Planning and Reporting documents for Council endorsement for the purposes of public exhibition. These draft documents include the Community Strategic Plan, Resourcing Strategy, Delivery Program 2025/26 to 2028/29, Operational Plan 2025/26 and Budget.

The Draft Operational Plan 2025/26 also consists of the Draft Revenue Policy, Draft Fees and Charges and Draft Capital Works Program.

BACKGROUND

In accordance with the *Local Government Act 1993*, all councils are required to undertake community planning and reporting activities using the Integrated Planning and Reporting (IPR) framework. The framework provides for the interrelationship between the Community Strategic Plan, Resourcing Strategy, Delivery Program and Operational Plan.

The Community Strategic Plan is a minimum 10-year plan and represents the highest level of strategic planning undertaken by a council. All other plans must support the achievement of the Community Strategic Plan's objectives. The purpose of the Community Strategic Plan is to identify the community's main priorities and aspirations for the future and to plan strategies to achieve them.

The Resourcing Strategy provides detailed information on how Council will resource strategies, plans and projects over a four to 10-year period in delivering the Community Strategic Plan. The Resourcing Strategy includes the Long-Term Financial Plan, Workforce Management Strategy and the Asset Management Policy, Strategy and Plans.

The Delivery Program is a four-year program and outlines the principal activities Council will deliver, or advocate for, to achieve the objectives outlined in the Community Strategic Plan. All plans, projects, activities and funding allocations are directly linked to the Delivery Program.

The Operational Plan is an annual plan that supports the Delivery Program and outlines the actions that will be undertaken to achieve the commitments made in the Delivery Program.

Councillors were briefed on the IPR process, the draft budget and revised IPR documents on 3 December 2024, 18 February 2025, 10 March 2025, 18 March 2025 and 25 March 2025.

DRAFT COMMUNITY STRATEGIC PLAN 2025-2040

In accordance with the IPR framework, the new Community Strategic Plan has been developed, taking into consideration our current circumstances, acknowledging our proud history and strategically planning for our future growth.

The Draft Community Strategic Plan has been informed by extensive stakeholder engagement undertaken in November and December 2024 and is supported by a Delivery Program and Operational Plan.

The Community Strategic Plan incorporates our community's vision and aspirations for the area. The plan aligns objectives and strategies to realise the Community vision through five Key Directions - *Welcoming, Liveable, Prosperous, Balanced and Leading*.

A copy of the Draft Community Strategic Plan is provided as **Attachment 1** to this report.

RESOURCING STRATEGY

Council's Resourcing Strategy ensures Council has sufficient resources, money, assets and people to achieve the community's aspirations identified in the Community Strategic Plan and actioned through the Delivery Program and Operational Plan.

The Executive Report of the Resourcing Strategy is provided as **Attachment 2** to this report.

The Resourcing Strategy includes the Long-Term Financial Plan, Workforce Management Strategy and the Asset Management Policy, Strategy and Plan.

For detailed information, please refer to the following attachments:

- **Attachment 3:** Draft Long-Term Financial Plan
- **Attachment 4:** Draft Workforce Management Strategy
- **Attachment 5:** Draft Asset Management Policy, Strategy and Plans.

DELIVERY PROGRAM 2025/26 - 2028/29 AND OPERATIONAL PLAN 2025/26

The Draft 2025/26 - 2028/29 Delivery Program, inclusive of the 2025/26 Operational Plan, outlines the primary activities to be undertaken to achieve the aspirations in the Community Strategic Plan. This document details the range of services Council delivers, the principal activities and actions involved in delivering those services and the manner in which progress will be monitored and success measured.

The document is comprised of five parts:

1. Introduction – details how the documents interact with the IPR framework;
2. About Camden – provides a snapshot of the Camden community, now and into the future, and how Council is structured to deliver on the activities and actions outlined in the Program and Plan;
3. Stakeholder Engagement – summarises stakeholder engagement activities and key insights from feedback received;
4. Delivery Program Principal Activities and Operational Plan Actions – details Council-led activities for the next four years, as well as one-year actions that will contribute to these activities; and

5. Financial Management – outlines how Council will generate its revenue for the 2025/26 financial year and the major sources of revenue which fund Council's operations.

A copy of the Draft Delivery Program 2025/26 - 2028/29 and Draft Operational Plan 2025/26 is provided as **Attachment 6** to this report.

DRAFT 2025/26 BUDGET

A detailed review of the draft 2025/26 Budget has been undertaken. A summary of the Draft 2025/26 Budget is provided in the table below:

Draft 2025/26 Budget	
Operating Expenditure	\$205,124,000
Capital Works Program Expenditure – Council Delivered	\$314,301,000
Capital Works Program Expenditure – Developer Delivered	\$66,861,000
Other Capital Expenditure	\$7,292,000
Loan Principal Repayments	\$3,931,000
Transfers to Cash Reserves	\$132,693,000
Gross Expenditure Budget	\$730,202,000
Less: Developer Delivered Capital Works	\$66,861,000
Less: Depreciation Expense	\$37,596,000
Less: Transfers to Cash Reserves	\$132,693,000
Net Cash Expenditure Budget	\$493,052,000

Council's proposed gross expenditure budget for the 2025/26 financial year is \$730.2 million. Upon removing non-cash expenditure and transfers to reserve, Council's proposed cash budget for the 2025/26 financial year is \$493.1 million.

RECOMMENDED ALLOCATION OF AVAILABLE FUNDS

The Draft 2025/26 Budget provides the financial resources for Council to continue to deliver the services, programs and activities outlined within the Draft Delivery Program and Operational Plan. In reviewing the 2025/26 Budget, Council has prudently considered both the needs of the community and long-term financial sustainability of the organisation.

After taking into consideration the cost of maintaining existing service levels, the draft 2025/26 Budget has identified available funding of \$2.1 million.

The proposed allocation of available funds will ensure Council is able to maintain service levels in support of a rapidly growing and diversifying community, including Council's asset base. The funding has also been aligned to enhancing technologies and cyber security resilience.

ORD01

The proposed allocation of available funds is shown in the following table:

Allocation of Available Funds	Positions	2025/26
Available Funding		\$2,074,700
Recommended Allocation:		
Corporate Support (Organisational Growth)	2	\$234,600
Cyber Security Strategy Implementation	-	\$472,900
Digital Innovation Strategy (Data Insights & Tech Upgrades)	-	\$246,000
Workforce Management Plan (Leadership Program)	-	\$200,000
Open Space and Sustainability Program	1	\$116,100
Public Fire Safety Compliance	1	\$151,700
Strategic Asset Management and Investment	1	\$284,200
Advocacy and Strategic Partnerships	1	\$334,200
Targeted Early Literacy Programs	-	\$35,000
Additional Asset Renewal Works	-	\$760,000
Loan Borrowings – 2025/26 Loans Program	-	(\$760,000)
Biodiversity Education and Engagement Program	-	\$60,000
Biodiversity Reserve – Transfer from Reserve	-	(\$60,000)
Domestic Waste Services Operations	4	\$2,700,000
Funding from Domestic Waste Service	-	(\$2,700,000)
Total – Recommended Allocation	10	\$2,074,700
Draft Budget Position		Balanced

DRAFT 2025/26 BUDGET HIGHLIGHTS

Rate Income

Rates consist of a base charge (\$810 proposed in 2025/26) and an ad-valorem charge. The base charge amount is the same amount, applied to all properties. The ad-valorem charge is primarily determined by the value of the property as provided by the NSW Valuer General.

Rates for the 2025/26 financial year will be based on 2022 land valuations as provided by the NSW Valuer General's Office. Under the *Valuation of Land Act 1916*, Council must use the 2022 valuations for the issuing of 2025/26 rate notices.

It is proposed that total rating income for the 2025/26 financial year will increase by 7.5% in line with the approved rate peg announced by the NSW Independent Pricing and Regulatory Tribunal (IPART) in October 2024. This is an increase in total rating income and not the increase which will be applied against each rateable assessment.

The impact on the average residential assessment is an increase of approximately \$2.08 per week.

The implications of not taking up the IPART approved rate peg of 7.5% (or \$2.08 per week) will result in a significant decrease in service standards over the long term for our community. If Council does not take up the rate peg as recommended by IPART, Council would need to remove \$87.4 million from its budget over the next 10 years, and this scenario is not possible without significantly decreasing service standards to our community.

Upon review, Council's operations which could be impacted include:

- a reduction in the frequency of mowing sporting fields
- a reduction in the frequency of mowing and maintenance of parks and gardens
- a reduction in the frequency of cleaning facilities and streetscape
- a reduction in the opening hours or number of weeks per year that the Camden Pool and/or water play parks are open
- a reduction in the intervention levels for when assets will be maintained or renewed
- the removal or reduction of Council funded events and/or the community grants programs.

It should be noted that any reduction in service levels would be for all of the Local Government Area (LGA).

The rate income generated in the 2025/26 financial year will be used to continue to maintain current services levels and to deliver infrastructure and facilities for our current and growing community. It will also assist Council in strategically planning and delivering for our future growth.

Voluntary Pension Rebate

In accordance with section 575 of the *Local Government Act 1993*, Council provides a rebate to eligible pensioners for annual rates and domestic waste charges of \$250.

In June 2022, Council resolved to provide an additional voluntary pension rebate of \$50 to eligible pensioners, bringing the total pension rebate amount to \$300. This increase is now in place on a permanent basis.

The provision of an additional voluntary pension rebate is permissible under section 582 of the *Local Government Act 1993*, which states that a council may waive or reduce rates, charges and interest due by any person prescribed by the regulations who is in receipt of a pension, benefit or allowance under the *Social Security Act 1991*.

Stormwater Management Levy

In accordance with section 496A of the *Local Government Act 1993*, Council will continue to levy properties that receive a stormwater service through the Stormwater Management Levy, which is \$25 per year for land categorised as residential. Residents who currently receive a pension rebate will continue to receive an exemption from paying the Stormwater Management Levy.

The proposed charges for the Stormwater Management Levy and the proposed program of works for the 2025/26 financial year can be found in Council's Draft Revenue Policy.

Domestic Waste Charges

It is proposed to increase Domestic Waste Management charges by 11% for the 2025/26 financial year. The impact on the average 120 litre service is approximately \$0.90 per week. This increase is primarily driven by a significant increase in waste disposal fees.

ORD01

Council will continue to subsidise the impact of increasing disposal costs for four years (introduced in 2023/24) by using its Domestic Waste Management reserve. This subsidy had been planned for since 2015/16. Without this financial planning, residents would have seen an immediate increase of 23% in their Domestic Waste Management charge.

Council continues to provide a weekly three-bin service at a very reasonable cost per property. The table below shows that even with a \$0.90 per week increase for 2025/26, Camden remains the cheapest service compared to other councils, and that is before those Councils have considered any proposed increase for 2025/26.



The proposed charges for Domestic Waste Management can be found in Council's Draft Fees and Charges Schedule for the 2025/26 financial year.

Draft Fees and Charges

It is proposed to increase discretionary fees and charges by 3.0% in the 2025/26 financial year. Fees set by legislation have been reviewed and updated as required. Any changes to legislative fees which are announced during the public exhibition period will be included in the Fees and Charges Schedule presented to Council for formal adoption in June 2025.

Council's Fees and Charges for the 2025/26 financial year will be part of the documentation placed on public exhibition for 28 days. A copy of the Fees and Charges Schedule has been provided as **Attachment 8** to this report.

Investment Income

Council has an adopted Investment Policy which outlines the way Council may invest funds, risk profile considerations and the types of institutions and products which it may invest in.

Interest projections for the 2025/26 financial year have been prepared based on generating a return on investment of 4.5%. This is in line with current market conditions and external advice in relation to future economic projections.

Loan Borrowings

The proposed loan borrowing program is shown below. Loan borrowings are indicative only and revisited at each review of the Budget. Council's capacity to borrow is strong and within the industry benchmarks for a growing Council.

Purpose	2025/26	2026/27	2027/28	2028/29
Asset Renewal Program	\$5.1M	\$6.5M	\$8.8M	\$5.4M
Community Support Package Stage 3	\$9.8M	\$5.2M	-	-
Oran Park Community/Cultural/Commercial Centre	-	\$9.5M	\$20.0M	\$50.0M
Animal Rehoming Centre	-	\$2.5M	-	-
Community Infrastructure Renewal Program	\$1.7M	\$1.2M	-	-
Total Borrowings	\$16.6M	\$24.9M	\$28.8M	\$55.4M

Where possible, Council will also take advantage of low-cost interest schemes offered by the NSW State Government that assist councils with the cost of growth.

It should be noted that the Oran Park Community/Cultural/Commercial Centre proposed borrowings are indicative only, with the commencement of the project still to be formally considered by Council.

Council's proposed debt is shown in the table below:

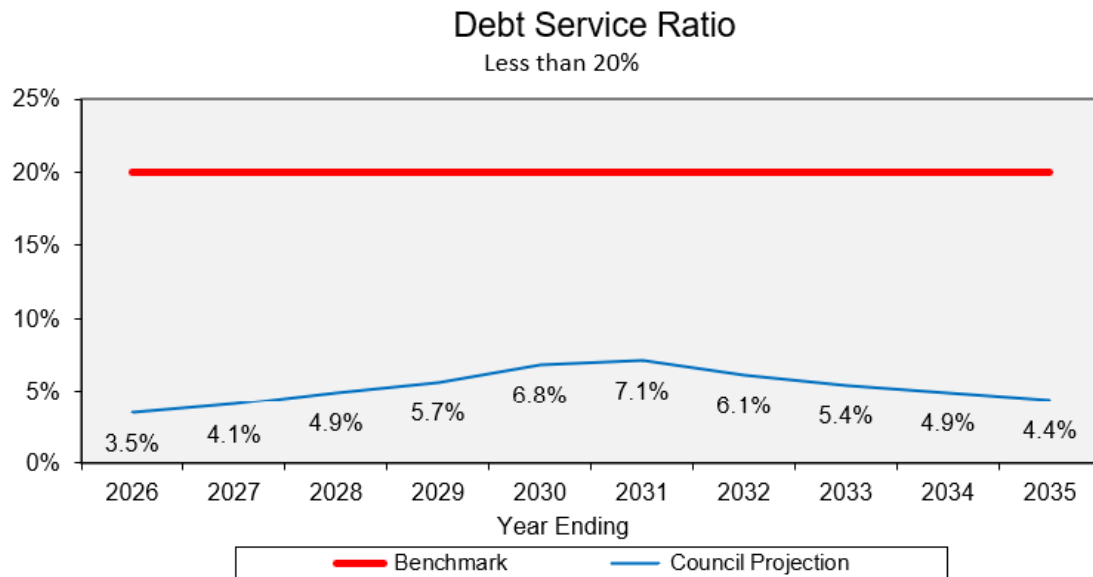
	2025/26	2026/27	2027/28	2028/29
Principal Outstanding	\$71.3M	\$90.8M	\$113.6M	\$161.9M
Debt Servicing Costs (principal & interest)	\$6.5M	\$8.2M	\$10.4M	\$12.8M

Council's current economy of scale means that debt remains an important part of Council's funding strategy moving forward, as it allows Council to renew its asset base, deliver infrastructure critical to community service delivery and provides intergenerational equity by spreading costs over many years.

Council has considered the impact of its proposed loan borrowings program on the Long-Term Financial Plan and is satisfied that this level of debt is well within the recommended levels for a growth council of less than 20% of Operating Income.

This is demonstrated through the forecasted debt service ratio which is shown in the chart below:

ORD01



DRAFT 2025/26 CAPITAL WORKS PROGRAM

Capital Works Program Summary

The Draft Capital Works Program for the 2025/26 financial year is \$381.2 million. A breakdown of this program is shown in the following table:

Local Service	2025/26
Roads and Transport Infrastructure	\$151,112,000
Drainage Infrastructure	\$18,069,000
Parks & Playgrounds	\$195,899,000
Community & Recreational Facilities	\$16,082,000
Total	\$381,162,000
Funded By:	
Non-Cash Contributions – Developer Delivered	\$66,861,000
Developer Contributions - Cash Reserves	\$193,956,000
External Grants	\$100,252,000
Loan Proceeds - Community Support Program	\$9,806,000
Loan Proceeds - Com. Infrastructure Renewal Program	\$1,710,000
Loan Proceeds - Asset Renewal	\$5,060,000
Internal Cash Reserves	\$1,933,000
General Fund – Rating Income	\$1,584,000
Total	\$381,162,000

A copy of the draft Capital Works Program is provided as **Attachment 7** to this report.

Western Sydney Infrastructure Grants

In 2022, the NSW State Government announced the WestInvest Program, a \$5 billion program to fund infrastructure projects that will improve liveability across Western Sydney. Under the program, \$3 billion was allocated to NSW Government agencies and \$2 billion was allocated to community projects.

Council was successful in securing funding for 11 projects under the WestInvest Program, totalling \$132 million which included the contingency amounts which are only allocated to projects following review and agreement with the grant body. The table below shows the allocated budget for each of the projects included in the Draft Capital Works Program.

Project	Budget
Scalabrini North - Leppington Town Centre Open Space and Riparian Corridor – Leppington	\$23,038,576
Camden Town Centre Enhancements - John Street Public Domain Upgrade and Activation – Camden	\$18,765,630
Scalabrini East - Pat Kontista Active Open Space and Community Facilities – Leppington	\$19,361,664
Liz Kernohan Drive Intersection Upgrade with Camden Valley Way & Kirkham Lane – Elderslie	\$13,000,000
Cut Hill Reserve Sports Field Redevelopment - Cobbitty	\$11,759,880
Animal Rehoming Centre and Community Education Hub – Smeaton Grange	\$9,383,485
Narellan Town Centre Improvements – Narellan	\$8,707,700
Camden Civic Centre Renewal and Upgrade – Camden	\$6,272,000
Camden Community Nursery – Smeaton Grange	\$3,391,881
Camden Pedestrian Access and Mobility Plan – City Wide	\$1,149,163
Ultimate Nature Challenge – Cobbitty	\$851,400
SUB-TOTAL	\$115,681,379
Project Contingencies	\$16,311,221
Total Budget Plus Contingency Amounts	\$131,992,600

Community Support Package (Stage 3)

The Draft 2025/26 Capital Works Program includes the continuation of the Community Support Package (Stage 3) which focuses on recovery and generating investment into our community following the COVID-19 pandemic. The total support package, valued at \$127 million over four years, includes a Sportsground Improvement Program.

The proposed projects in relation to the Community Support Package (Stage 3) – sportsground improvement program is included in the Draft Capital Works Program and are highlighted in the following table:

ORD01

CSP3 Sportsground Improvement Program	Budget
Hybrid or Synthetic Turf Investigation and Works	\$5,983,200
New Amenities Building for Hockey	\$3,970,000
Harrington Park Reserve Facility Upgrade Stage 1	\$2,252,600
Harrington Park Reserve - Sportsfield Development Stage 2	\$2,032,000
Fairfax Reserve Sportsfield Works	\$1,661,800
Cowpasture Reserve Softball Works	\$1,592,300
Nugget Beames Sportsfield Works	\$1,130,000
Onslow Sportsfield Works	\$1,062,100
Ron Dine Reserve Works	\$1,022,800
Hilder Reserve Sportsfield	\$3,482,600
Belgenny Sportsfield Works	\$742,700
Birriwa Reserve Sportsfield Works	\$354,500
Various Fields Drainage & Field Design and Investigation	\$125,000
Total	\$25,411,600

The above project budgets include funding from grants and developer contributions.

Community Infrastructure Renewal Program (CIRP)

The Community Infrastructure Renewal Program (CIRP) has been in place for over ten years and is in addition to Council's existing (adopted) renewal programs. The program is aimed at renewal of infrastructure in the older areas of Camden to ensure assets remain in a good condition across the LGA and Council's renewal backlog remains within the industry benchmark.

The 2023/24 Adopted Budget included an extension of the CIRP for a further four years (from 2023/24 to 2026/27). The program has been reviewed as part of the 2025/26 Budget.

A summary of the CIRP for the 2025/26 financial year is included below:

Community Infrastructure Renewal Program	Amount
Community Buildings	
Mount Annan Leisure Centre	\$450,000
Minor Projects Funding	\$150,000
Playgrounds	
Kirkham Park	\$225,000
Onslow Park	\$230,000
Rossmore Reserve	\$125,000
Banks Reserve	\$125,000
Minor Projects Funding	\$100,000
Open Space	
French & Outram Reserves	\$100,000
Minor Projects Funding	\$75,000
Sportsgrounds	
Cricket Wicket Surfacing Renewal Program	\$30,000
Tennis & Multi-Use Court Renewal Program	\$50,000
Sportsfield Lighting Renewal Program	\$50,000
Total Proposed Program	\$1,710,000

Councillors were briefed on the proposed program as part of the Draft 2025/26 Budget, and no changes were requested to the program from what Council had endorsed as part of adopting the 2024/25 budget.

PROPOSED RESERVE MOVEMENTS

In addition to the reserve transfers already approved as part of the adopted 2024/25 Budget, the following reserve transfers are proposed to be made as part of the 2025/26 Budget.

Transfer from Capital Works Reserve – \$276,900

The draft 2025/26 budget proposes to transfer \$276,900 from the Capital Works Reserve to assist with funding the 2025/26 Draft Capital Works Program.

Transfer from Working Funds Reserve – \$500,000

The draft 2025/26 budget proposes to transfer \$500,000 from the Working Funds Reserve to assist with funding the 2025/26 Budget. This allocation has been identified through savings in funded positions which have not yet been filled in the 2024/25 financial year. This will be reported to Council as part of the March 2025 Quarterly Budget Review Process.

RESERVE BALANCES

The balances available to Council for future allocation from its three major reserves are shown below. There are proposed transfers from these reserves to assist with funding the Draft 2025/26 Budget which are noted above.

ORD01

Capital Works Reserve

The Capital Works Reserve is predominantly used to fund capital works or to match grant funding as part of a capital grant funding agreement.

Capital Works Reserve	
Reserve Balance – 30 June 2024	\$1,510,600
Add: Flood Insurance Funding – Flood Recovery Projects	\$2,241,800
Add: 2023/24 Year End Review Transfer	\$2,336,400
Add: September 2024 Quarterly Review Transfer	\$6,500
Add: December 2024 Quarterly Review Transfer	\$137,400
Proposed Balance of Reserve	\$6,232,700
Committed Funds Held in Reserve	
Less: 2023/24 Revoted projects	(\$785,500)
Less: 2022 Flood Repair Works - Insurance Funds	(\$2,241,800)
Less: Camden Sports Club (ORD 148/24)	(\$500,000)
Less: Proposed Budget Funding 2025/26	(\$276,900)
Less: Proposed Budget Funding 2026/27	(\$412,000)
Total Committed Funds	(\$4,216,200)
Uncommitted Balance – Capital Works Reserve	\$2,016,500

Asset Renewal Reserve

The Asset Renewal Reserve is primarily used for the replacement and/or maintenance of existing assets. It assists in maintaining Council's asset base in a good condition. The balance of the Asset Renewal Reserve is as follows.

Asset Renewal Reserve	
Reserve Balance – 30 June 2024	\$600,200
Add: 2023/24 Year End Review Transfer	\$1,000,000
Add: 2024/25 Transfers to Reserve: Interest Savings	\$6,300
Proposed Balance of Reserve	\$1,606,500
Committed Funds Held in Reserve	
Less: 2023/24 Revoted Projects	(\$340,500)
Less: Camden Sports Club (ORD 148/24)	(\$307,080)
Total Committed Funds	(\$647,580)
Uncommitted Balance – Asset Renewal Reserve	\$958,920

Working Funds Reserve

The Working Funds Reserve is primarily used as a holding reserve for unallocated funds or for transferring committed funding from one budget year to the next.

Working Funds Reserve	
Reserve Balance – 30 June 2024	\$349,400
Add: 2023/24 Year End Review Transfer	\$905,500
Add: Budget Transfer 2025/26	\$155,000
Add: Proposed 2024/25 vacant position savings	\$500,000
Proposed Balance of Reserve	\$1,909,900
Committed Funds Held in Reserve	
Less: 2023/24 Revoted Projects	(\$409,900)
Less: Proposed 2025/26 Budget Funding – Transfer from Reserve	(\$500,000)
Total Committed Funds	(\$909,900)
Uncommitted Balance – Working Funds Reserve	\$1,000,000

LONG-TERM FINANCIAL PLAN

Council has reviewed its Long-Term Financial Plan as part of the Draft Resourcing Strategy. The Plan demonstrates that Council remains in a strong financial position despite the continued pressures which comes with rapid urban development.

Council has a history of strong financial management through adopting and maintaining a balanced cash budget position. This is supported by a Council that does not spend beyond its means and has the appropriate budgetary controls and project management frameworks in place.

Council's long-term financial sustainability will be assisted over time by increased revenue and economies of scale through population growth. Council will remain financially sustainable if the rate peg recommended by IPART is adopted annually and the rate of growth remains within the parameters allowed for in the Long-Term Financial Plan. Not taking up the rate peg would result in material reductions in service standards to our community in order to remain financially sustainable, and the implications of not taking up the rate peg were detailed earlier in this report.

Most councils in NSW adopt the recommended rate peg set by IPART annually as it is the only way of maintaining existing service levels without applying to IPART for a special rate variation, now or in the future. Recurrent rate income is essential to operations, maintaining the service quality expected by our community, to upgrade/renew and construct infrastructure. It is also expected that Council will continue to deliver its services as efficiently as possible, adopting leading technologies and practices that are sustainable and environmentally sensitive.

Council's rapidly growing and diversifying asset base continues to be maintained at a high standard with the appropriate maintenance and asset renewal programs in place. Council has a strong cash position which is maintained at a level better than the industry benchmark, which is prudent for a rapidly growing community and organisation.

ORD01

Council has a strong capacity to borrow, which is essential for the delivery of infrastructure in a rapidly growing environment. In this instance, borrowing ensures the cost of growth is distributed across generations with no one community responsible for infrastructure that will be used by communities over many years. Where possible, Council looks to capitalise on low-cost loan initiatives made available by the State Government or grant funding as it becomes available.

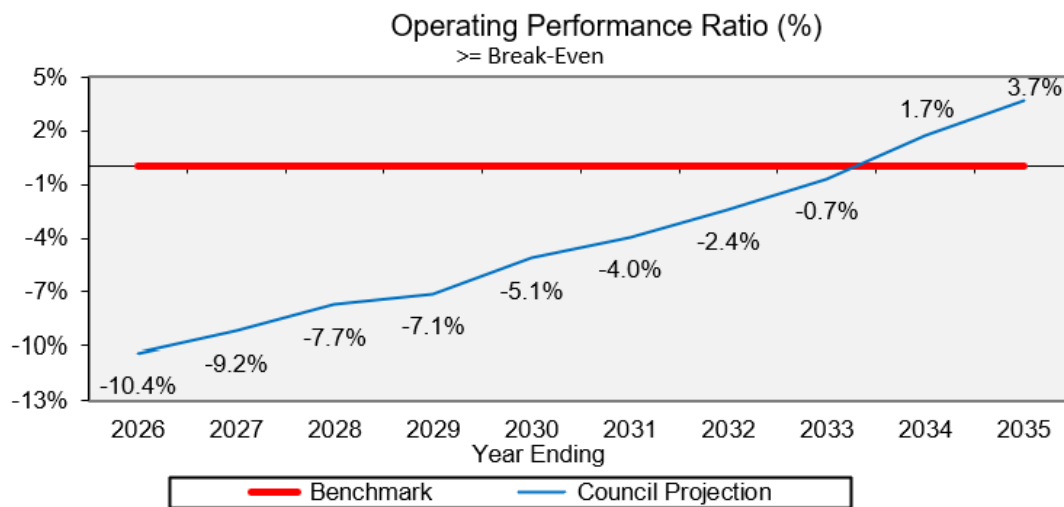
Further information on Council's financial health ratios is provided below and in Council's revised Long-Term Financial Plan. A copy of the Long-Term Financial Plan has been provided as **Attachment 3** to this report.

FINANCIAL SUSTAINABILITY RATIOS

Council's Long-Term Financial Plan outlines the key financial ratios that assist councils to determine their financial health and sustainability. An overview of these ratios is provided in this section.

Operating Performance Ratio

This ratio measures Council's ability to fund operations (including non-cash depreciation) now and into the future. The benchmark for this ratio is to break even or better.



The Camden LGA is one of the fastest growing areas in NSW. This brings the challenge of planning and delivering service demand and infrastructure years before additional income is realised through growth.

Rates and annual charges income is expected to double over the next ten years, providing greater economies of scale in the later years of the Long-Term Financial Plan.

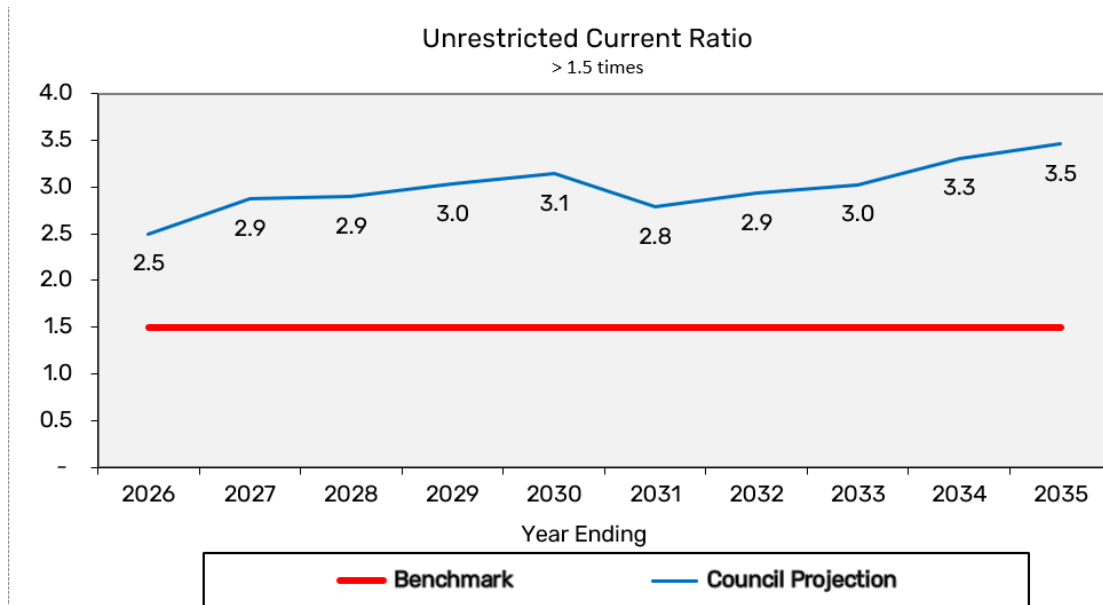
The Operating Performance Ratio remains below breakeven predominately due to high depreciation expense and growing maintenance costs, resulting from infrastructure constructed for future growth in the area. The operating performance ratio improves steadily in line with Council growth after the first year and the model anticipates an operating surplus position from year nine.

A Council undertaking greenfield developments cannot decide to deliver infrastructure once the population is fully realised, it must deliver services and infrastructure from the time growth commences. It is expected that this ratio will continue to improve over time as Council's economies of scale increases.

It is important to note that the operating performance ratio is not a measure of the Council's budget or cash position. Council has a history of adopting balanced budgets and prudently managing expenditure throughout the year to ensure at each quarterly budget review the budget remains in a balanced or surplus position. Council's cash reserves and ability to fund debt (borrowings) are in a strong position.

Unrestricted Current Ratio

The unrestricted current ratio measures Council's ability to fund short term financial obligations such as loans, payroll and leave entitlements (measures liquidity). The benchmark for this ratio is greater than 1.5:1.

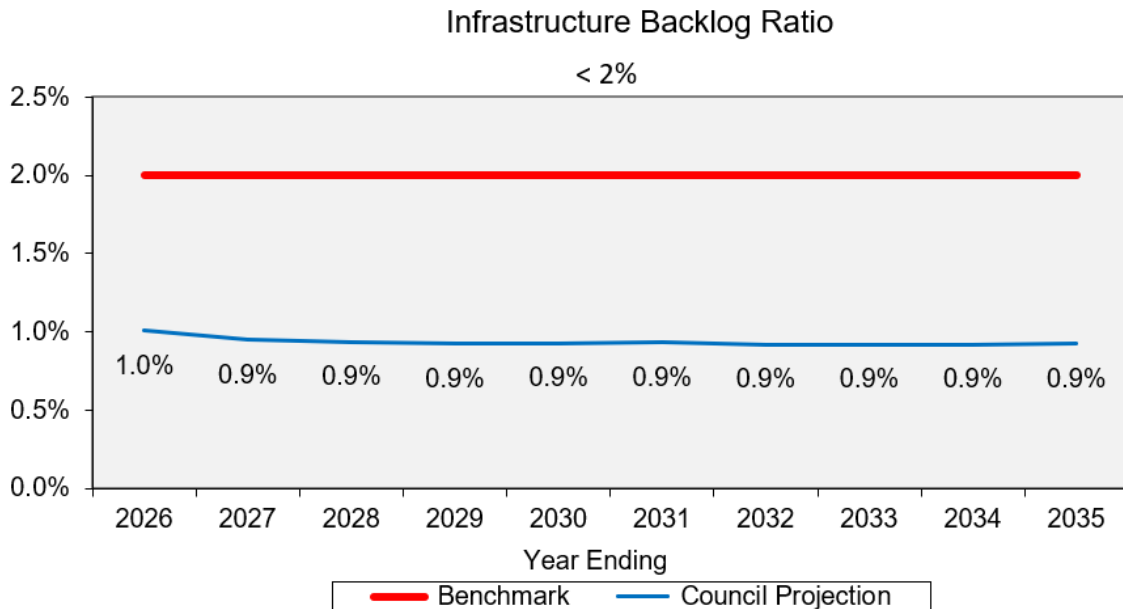


This indicator measures Council's ability to fund its short-term liabilities. It is estimated in 2025/26 that Council will have \$2.50 to fund every \$1 of liability. Forecasts indicate that Council will remain above benchmark levels over the life of the plan, demonstrating Council's strong cash position.

The ratio improves in later years due to an improved cash position when additional rating income is available. This reflects the ability for Council to allocate funds for future infrastructure requirements such as infrastructure in growth areas which are not funded through Developer Contributions.

Infrastructure Backlog Ratio

This ratio measures the proportion of the infrastructure backlog against the total value of Council's infrastructure asset base. The benchmark for this ratio is less than 2%.



Camden's rapid growth forecasts will result in a significant proportion of new assets to be constructed each year. This ratio is expected to be maintained over the course of the Long-Term Financial Plan despite the magnitude of new assets received through development.

PUBLIC EXHIBITION

The draft 2025/26 documents – Community Strategic Plan, Delivery Program, Operational Plan, Revenue Policy, Fees and Charges Schedule, Capital Works Program and Resourcing Strategy – have been prepared in accordance with the *Local Government Act 1993* and IPR framework.

The draft documents must be publicly exhibited for a period of 28 days as per the legislation. Public exhibition will commence on Wednesday 16 April 2025 and conclude on Tuesday 13 May 2025 (inclusive).

The documents will be available at Council's Customer Service Centre (Oran Park) and the Camden and Narellan Libraries and will be published on Council's website throughout the course of the exhibition period.

Any submissions and/or comments received will be reported back to Council as part of the adoption of the IPR and budget documents.

FINANCIAL IMPLICATIONS

The financial implications are covered within the body of the report.

CONCLUSION

It is recommended that the Draft Community Strategic Plan 2025 - 2040, Draft Resourcing Strategy, Draft Delivery Program 2025/26 to 2028/29, Draft Operational Plan 2025/26, Draft Revenue Policy, Draft Capital Works Program and Draft Fees and Charges Schedule be placed on public exhibition for a period of 28 days.

RECOMMENDED

That Council:

- i. endorse the following documents for the purposes of public exhibition:
 - **Draft Community Strategic Plan 2025 – 2040 (Attachment 1);**
 - **Draft Resourcing Strategy Executive Report (Attachment 2);**
 - **Draft Long-Term Financial Plan (Attachment 3);**
 - **Draft Workforce Management Plan (Attachment 4);**
 - **Draft Asset Management Policy, Strategy and Plans (Attachment 5);**
 - **Draft Delivery Program 2025/26 - 2028/29 and Draft Operational Plan 2025/26 and Budget including Revenue Policy (Attachment 6);**
 - **Draft 2025/26 Capital Works Program (Attachment 7); and**
 - **Draft 2025/26 Fees and Charges Schedule (Attachment 8); and**
- ii. note that a further report will be presented to Council at its meeting of 10 June 2025 to consider any submissions received during the public exhibition period and to adopt the documents outlined above.

ATTACHMENTS

1. Draft Community Strategic Plan 2025 - 2040
2. Draft Resourcing Strategy - Executive Report
3. Draft 2025-26 Long Term Financial Plan
4. Draft Workforce Management Strategy 2025 - 2029
5. Draft Asset Management Policy, Strategy and Plans
6. Draft Delivery Program 2025 - 2029 and Operational Plan 2025 - 26
7. Draft 2025-26 Capital Works Program
8. Draft 2025-26 Fees and Charges Schedule