

A FUTURE READY CABONNE

DRAFT

RESOURCING STRATEGY

2025 - 2035



CABONNE COUNCIL

In the spirit of reconciliation, Cabonne Council acknowledges and pays respect to the Wiradjuri people, the traditional custodians of the land referred to as Cabonne.

Cabonne Council also pays respect to the Elders, both past and present, of the Wiradjuri Nation and extend that respect of other Indigenous Australians who are present in the Cabonne area.

We recognise Aboriginal spiritual, social, and cultural connections to these lands and waters, and state our commitment to ensuring that Aboriginal rights, as enshrined in legislation, are upheld and not eroded.



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Introduction

The Council Resourcing Strategy forms part of Council's Integrated Planning and Reporting suite of documents.

The Resourcing Strategy supports the Community Strategic Plan – Cabonne 2025-2035, the Delivery Program 2025-2029, and the annual Operational Plans.

While the Community Strategic Plan describes the long-term goals of our community, the Resourcing Strategy outlines how we will help achieve these in terms of time, money, assets and people and is the link between the Community Strategic Plan and the Delivery Program, detailing the resources needed to implement the strategies.

The actions outlined in this Resourcing Strategy are included in the Delivery Program 2025-2029 and annual Operational Plans as required across each of the key priorities.

Strategic Service & Asset Management Plans



Strategic Service and Asset Management Plans are a value-added element to Councils IPR framework providing a more detailed strategic analysis and consideration of all functions of Council and asking the questions of what we do, why we do it, what is our current and future state for each function and the risks associated with providing that function and then the how we do it.

The Strategic Asset Management Plans provide direction for continuous improvement of the infrastructure and assets of Council's which has a replacement value of \$826 million (roads and transport infrastructure, community, operational and commercial assets).

The Strategic Service Management Plans outline how the other functions of council that are "non- asset owners" provide services both internal to the organisation and externally to community, ratepayers and customers.

Long-Term Financial Plan



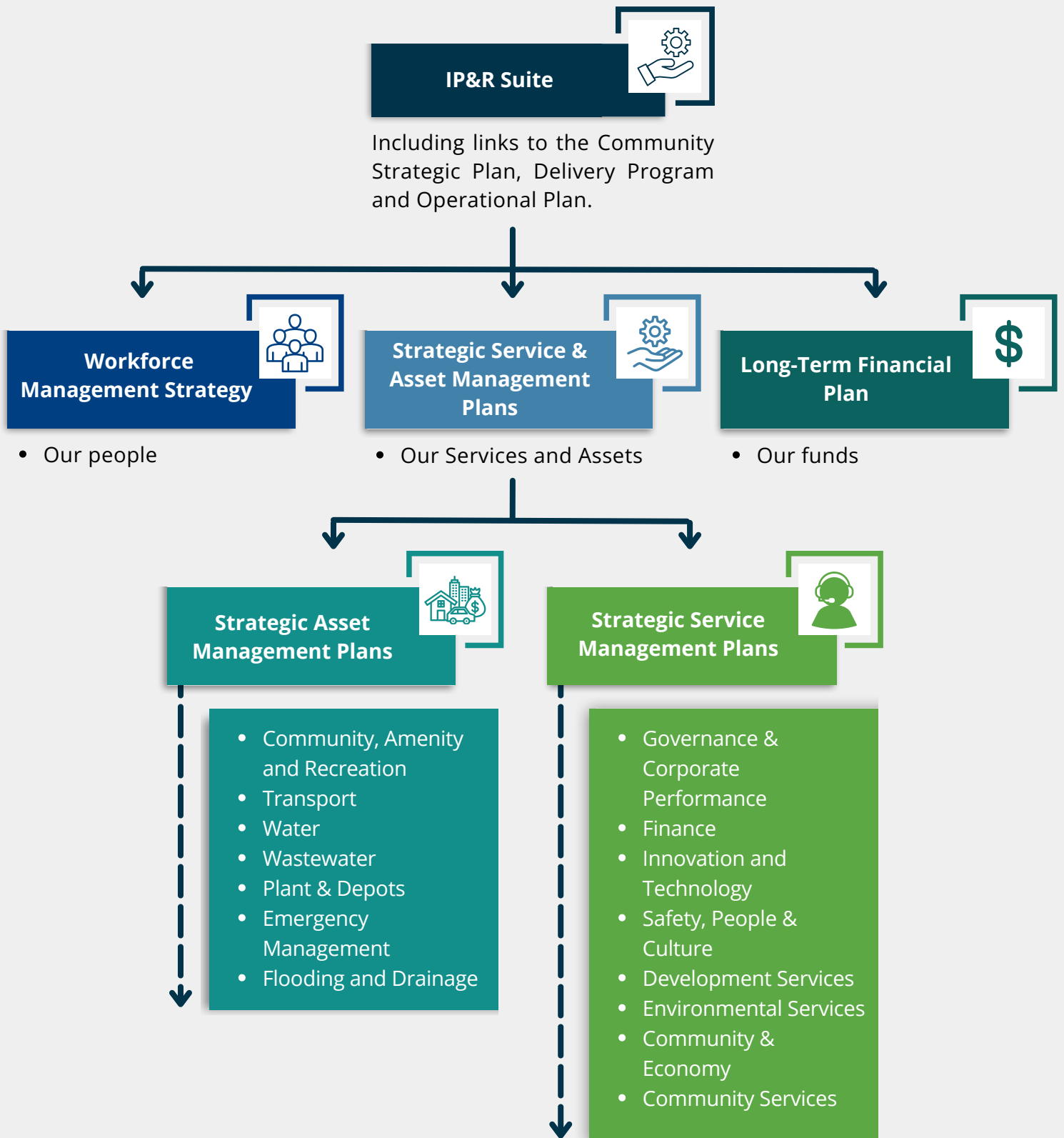
The Long-Term Financial Plan is a decision-making tool that allows various assumptions and sensitivity analysis to be carried out that will indicate the ability of Council to deliver cost effective services to our community into the future, within a framework of financial sustainability. The LTFP takes into account known and projected events over the next 10 years and compiles the best estimates of its operating results and financial position.

Workforce Management Strategy



The Workforce Management Strategy outlines how we build the capability and capacity of the workforce to achieve Council's strategic goals and objectives. It considers what people capabilities and capacity are required to deliver Council's four-year Delivery Program and outlines strategies to build an adaptive, resilient and performing workforce.

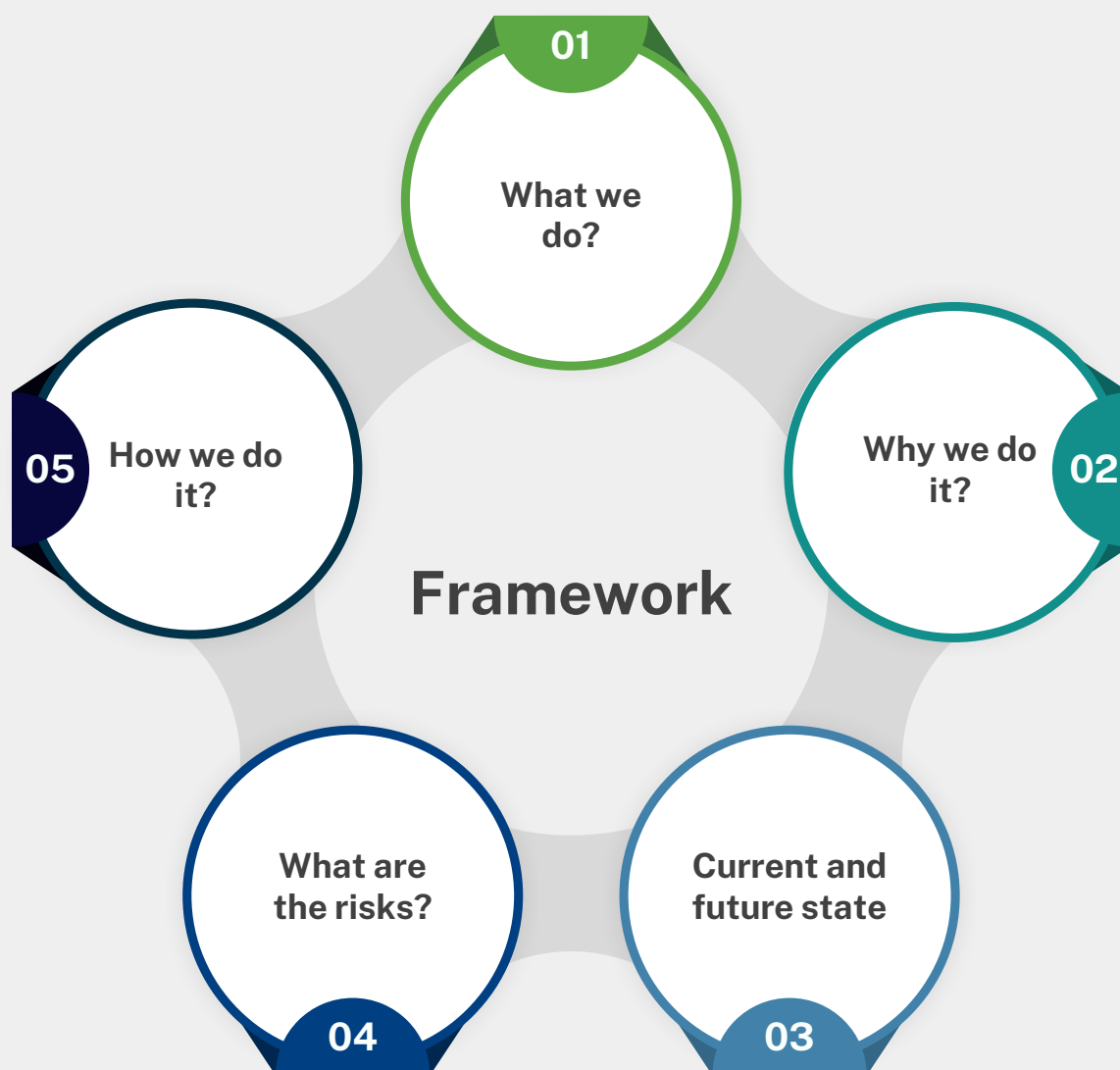
The Resourcing Strategy contains the following elements:



Strategic Asset and Service Management Plans Framework

Council has value added to the IP&R framework and intent by developing and embedding “strategic asset and service management plans”.

These plans cover all functions of Council and focus on:



The traditional Strategic Asset Management Plans (and associated policies and strategies) focus on how Council manages its large asset infrastructure that community need – roads, buildings, water and waste-water etc.

The additional Strategic Service Management Plans focus on the “non asset based” functions servicing community and internal departments supporting external facing delivery teams and overall organisational performance and compliance.

Council worked with consulting firm, Common Thread, in the design and development of these Plans.

HOW TO READ THE STRATEGIC ASSET AND SERVICE MANAGEMENT PLANS

WHAT WE DO?	Lists the functions and services of the department
WHY WE DO IT?	Outlines against the quadruple bottom line “why” we provide this function or service that meets the social, environmental, economic and leadership needs of community and council
CURRENT & FUTURE STATE	Describes the current state of assets and service delivery and council aspirations and future plans
WHAT ARE THE RISKS?	<p>The risk assessment outlines what risks could impact on the assets or service delivery.</p> <p>Risks are ranked by:</p> <ul style="list-style-type: none"> • Likelihood – how likely is it to happen • Rankings are rate through to almost certain • Consequence – if it did happen what impact would that be • Rankings are from negligible to severe • To manage (mitigate) risk council identifies ‘controls’. If these controls are in place the ‘residual risk’ can be reduced. <p>A further assessment is then undertaken to determine “the composite level of uncertainty” – this is, considering all the threats for this overall rating of uncertainty. These rankings range from low to very high.</p> <p>Council has an embedded risk management framework and mitigating and managing risk is a central goal of all functions and services.</p>
HOW WE DO IT?	Outlines how the function or service is delivered, how we monitor this and who is responsible.



Strategic Asset Management Plans



Introduction

Cabonne Council owns and manages a large and diverse asset portfolio. These assets provide services to our community, directly affecting our way of life and the local economy.

To ensure the long-term financial sustainability of Council, it is essential to balance the community's expectations for services with the ability to pay for the infrastructure asset used to provide the services.

To assist in achieving this balance, Council aims to develop and maintain asset management governance, skills, process, systems and data to provide the level of service the community need at present and in the future, in the most cost-effective and fit for purpose manner.

This Strategic Asset Management Plan approach establishes a framework and methodology for systematically managing the asset portfolio to guide the planning, construction, maintenance and operation of infrastructure to provide services to the community.

This strategy sets the direction for managing Council's major asset group, enabling Council asset management policies to be achieved.

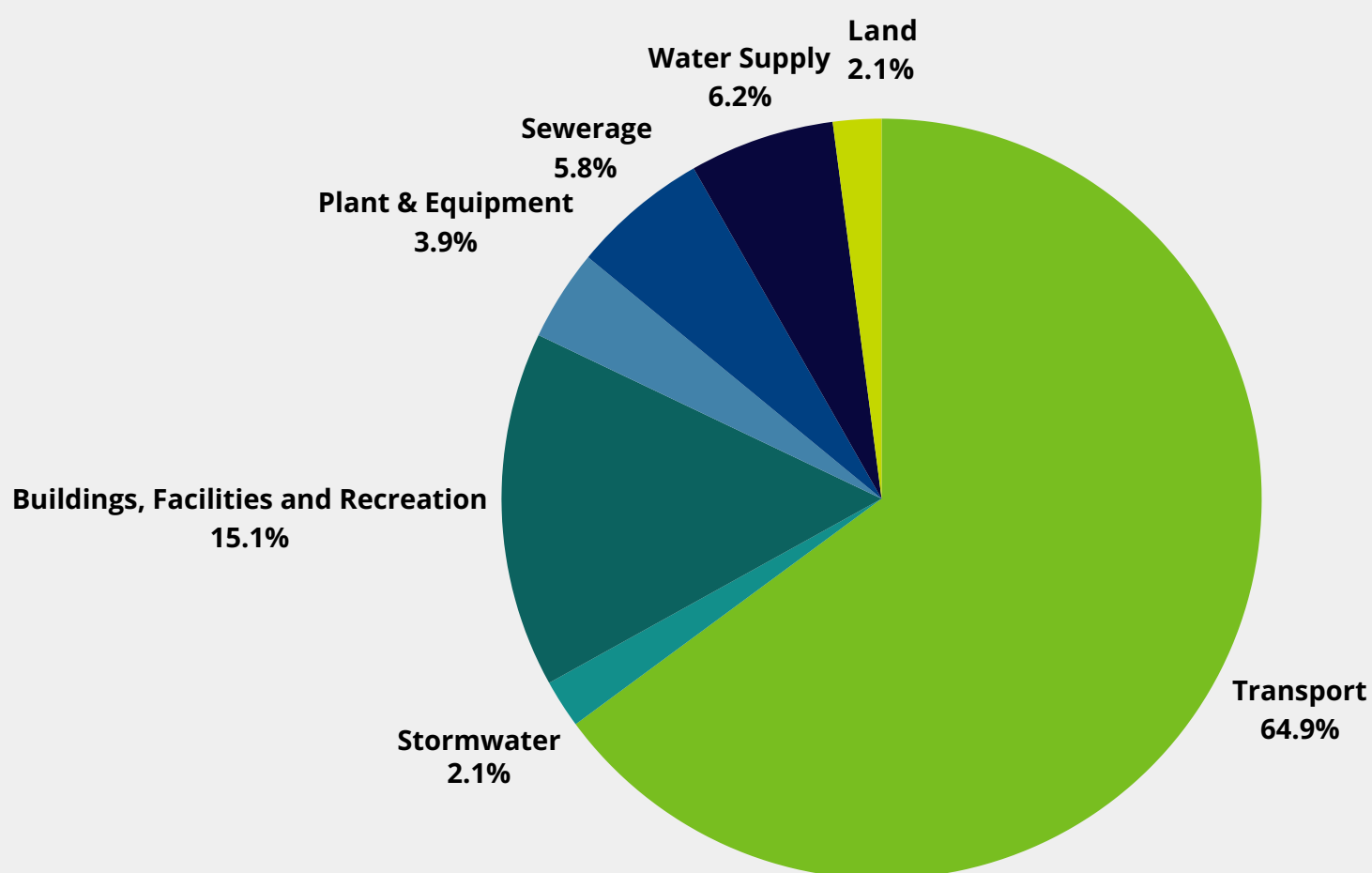
Strategic Asset Management Plans



- Community, Amenity and Recreation
- Transport
- Water
- Wastewater
- Plant & Depots
- Emergency Management
- Flooding and Drainage

The following chart summarises the replacement value of Council's main classes of physical assets.

REPLACEMENT VALUE OF PHYSICAL ASSETS	
ASSET CLASS	\$M
Transport	\$536
Stormwater	\$17
Buildings, Facilities and Recreation	\$125
Plant & Equipment	\$32
Sewerage	\$48
Water Supply	\$51
Land	\$17
TOTAL	\$826 m



Policy Framework

The strategic asset management plan forms a portion of the Resourcing Strategy, which shows how Council will resource its strategic priorities identified through Integrated Planning and Reporting (IP&R).

Critical to IP&R, this Strategic Asset Management Plan provides guidance on Councils assets position, and critical elements for inclusion within the Long-Term Financial Plan, Delivery Program and Operational Plan.

Cabonne Council maintains an Asset Management Policy, which governs Council's direction to the development and management of an asset management system.



Asset Management Improvement Plan

Council has identified that major steps are required to improve the asset management maturity of Cabonne Council.

Towards this, investments have been made towards new asset management software which is fit for purpose for the organisation, and has commenced the rewriting of its out-of-date asset management plans.

The following table represents the immediate actions required towards the organisations asset management improvement:

ASSET MANAGEMENT IMPROVEMENTS		
WHAT	WHEN	WHO
Rewrite all asset management plans to currency: <ul style="list-style-type: none"> • Transport • Stormwater/Floodplain Management • Buildings • Plant and equipment • Sewerage • Water Supply • Recreation 	Dec 2025	<ul style="list-style-type: none"> • Department Leader Transport Infrastructure • Department Leader Urban Services • Department Leader Fleet & Depots • Department Leader Water and Waste-Water Utilities
Implementation of METRIX Asset management system	Sept 2025	Deputy General Manager - Infrastructure, through Project Manager
Implement and embed Maintenance Management System of Transport Infrastructure	May 2026	Department Leader Transport Infrastructure
Implement and embed Maintenance Management System for Urban Services	May 2027	Department Leader Urban Services
Integrate Strategic Plans into New Asset Management Plans	May 2026/ Ongoing	All
Undertake National Asset Management Assessment Framework audit	July 2026	Deputy General Manager - Infrastructure

Community, Amenity and Recreation



Community, Amenity and Recreation

Well maintained community and recreational facilities that cater to our needs and make it a great place to live.

WHAT DO WE DO?

Council is responsible for many facilities that contribute to community amenity and recreation across the local government area, including:

- 7 swimming pools
- 14 sports facilities
- 23 parks (with 400+ assets such as playgrounds, shelters, BBQs, fencing, seats and tables, etc.)
- 12 public toilets
- 15 public halls / community buildings
- 7 showgrounds
- as well as an extensive native vegetation, trees, parks and gardens.

Council is responsible for a large amount of land, including land managed on behalf of the Crown.

Council's buildings and other assets have a replacement value of \$125.4m.

Council is also responsible for managing the following facilities via operations and maintenance activities:

- 3 caravan parks
- 5 community health / doctor's surgeries
- 4 preschools
- 2 administration offices

Council undertakes capital works to renew ageing assets and build new and upgraded ones as resources permit.

**Amenity of footpaths and streets is covered under Transport Infrastructure. Libraries is covered under Community Services. Cemeteries is covered under Environmental Services.*

***Council are the Crown Land Managers of the Showgrounds within the LGA; however, don't undertake any day-to-day maintenance.*

WHY DO WE DO WHAT WE DO?

Community, Amenity and Recreation	
	An active, safe and healthy community. <ul style="list-style-type: none"> • Provision of facilities that promote a healthy lifestyle (active and passive recreation) • Maintenance of facilities to minimise safety risks to users
	A vibrant, inclusive free and fair community. <ul style="list-style-type: none"> • Facilities to support and enhance community groups, programs and events • Design of facilities that caters for everyone
	A natural environment sustained for the future <ul style="list-style-type: none"> • Protecting and enhancing natural areas
	Liveable neighbourhoods with a defined identity <ul style="list-style-type: none"> • Community and recreational facilities are a key feature of liveable neighbourhoods, significantly shaping the identity of the local area
	A thriving, sustainable local economy <ul style="list-style-type: none"> • Good facilities encourage visitors and tourism
	A community achieving its potential <ul style="list-style-type: none"> • Good sports facilities create opportunities for those pursuing higher levels of achievement
	Leadership that gives us hope for the future <ul style="list-style-type: none"> • Long term planning to address current threats and to ensure future needs can be met
	Stewardship of public resources <ul style="list-style-type: none"> • Responsible and sustainable decisions, managing risks • Pursuing grants to reduce the costs for ratepayers

WHAT IS OUR STRATEGIC GOAL?

These are the measures and indicators used to evaluate performance in relation to this goal.

Council's **Delivery Program 2025-2029** has an overview of the situation at the start of the current term of council and our specific goals for the term of office.

Council's Annual Report (published each calendar year) includes an update of the situation and our achievements in working towards the strategic goal.

STRATEGIC GOAL	
WELL MAINTAINED COMMUNITY AND RECREATIONAL FACILITIES THAT CATER TO OUR NEEDS AND MAKE IT A GREAT PLACE TO LIVE.	
KEY OBJECTIVES	
WELL MAINTAINED	Council considers the number and type of maintenance defects across all facilities with a focus on those of high risk, how long it takes us to respond to these and how many we can afford to fix with available funds. Council monitor the number of customer requests (with a priority given to safety-related ones)
CATER TO NEEDS	The activities council undertake are planned in a way that considers the needs of users and that, where possible, we seek their input and feedback. Council monitors feedback from users and the broader community about the quality of council's facilities and their satisfaction with them (e.g. in community surveys and via customer responsiveness)
GREAT PLACE TO LIVE	That council acknowledge the broader benefits of community amenity and recreational facilities beyond direct users (sense of community and distinctive identity of each town, facilitation of community activities, sense of belonging, mental health, etc)

WHAT IS THE PRESENT SITUATION?

KEY OBJECTIVES	PRESENT SITUATION
WELL MAINTAINED	<p>Council maintains community amenity and recreational facilities as best as council can within the limited funds available by prioritising our efforts based on usage of facilities and risk.</p> <p>Council have been able to secure a significant number of grants in recent years to renew and upgrade many of our facilities. Some have also been renewed following damage during the floods.</p> <p>Council undertake formal inspections of playgrounds as required by legislation and identify other maintenance needs during maintenance visits. Council also respond to customer requests on a priority basis.</p> <p>Investment in general maintenance (mowing, trees, gardens, cleaning, repairs) is generally adequate to stay on top of needs although resourcing is a challenge in peak seasons (e.g. grass growing).</p> <p>A prioritised list of facilities needing renewal due to poor condition is identified in the Service Management Plan.</p>
CATER TO NEEDS	<p>Feedback from the latest community survey is that they are very satisfied with Council's facilities with an average satisfaction score of 89% across Council's facilities. Whilst satisfaction of Council's facilities is high, nearly half (45%) of residents would like Council to focus on providing a greater number of more facilities such as health care, education, sporting facilities, banks and groceries. However, it should be noted that many of these services are supported by Council, rather than delivered.</p> <p>There are opportunities to improve Council's facilities but generally these are 'nice to have' not 'have to have'. An exception is the lack of disability access at many facilities. The scope of works required to address problems needs to be quantified and aligned to Council's Disability Inclusion Action Plan.</p> <p>Council are currently undertaking a review of all our land holdings to identify opportunities to dispose of land that is not needed to meet community needs as a means of reducing the cost of maintaining this land. This will be followed by an analysis of buildings on Council land.</p> <p>Council's introduced a system of unsupervised entry to our pools to reduce costs and to increase the times when the pool is available for use.</p> <p>When the maintenance council undertakes and the condition of facilities is weighed up against priorities in other areas for Council's limited resources, the present situation is generally adequate.</p>

WHAT IS THE PRESENT SITUATION?

KEY OBJECTIVES	PRESENT SITUATION
GREAT PLACE TO LIVE	<p>There are opportunities to enhance the facilities provided, but generally what is provided in each town is adequate.</p> <p>Council have developed masterplans for each town to guide investment in new facilities, and in renewal of older facilities.</p>

ASSET CATEGORY AND VALUE AS AT MARCH 2025	
Asset Category	VALUE
7 swimming pools	\$18.06M
14 sporting facilities	\$15.19M
23 parks (with 400+ assets)	\$5.71M
12 public toilets	\$2.67M
15 community halls/centres	\$20.55M
3 caravan parks	\$1.55M
6 works depots	\$7.54M
2 administration offices	\$12.06M
5 community health/dr. surgeries	\$5.66M
16 aged persons units	\$5M
6 cultural buildings	\$7.43M
4 preschools	\$5.71M
7 showgrounds	\$8.49M
23 emergency services (RFS/SES)	\$5M
6 landfills/waste transfer stations	\$0.71M
Other Buildings	\$4.02M
Total	\$125M

WHAT IS THE FUTURE SITUATION?

KEY OBJECTIVES	FUTURE SITUATION
WELL MAINTAINED	<p>Many of council's community amenity and recreational facilities (playgrounds, fencing, seats, irrigation) have a relatively short service life. The lack of investment proposed in current plans will result in a gradual deterioration over time.</p> <p>The need for increased investment needs to be monitored in terms of the outstanding defects (based on type and risk).</p>
CATER TO NEEDS	<p>Based on the very limited investment in renewal of assets, council may struggle to cater for changing needs of users and expectations of the community. This will need to be monitored in future planning and considered in community engagement.</p>
GREAT PLACE TO LIVE	<p>While the quality of facilities Council is able to provide may deteriorate somewhat, it will still support basic expectations.</p>



RISK ASSESSMENT

RISK	LIKELIHOOD	CONSEQUENCE	CONTROL	RESIDUAL RISK	MITIGATION
Poor condition facilities and other assets may cause personal injury or property damage	Unlikely	Moderate	Maintenance. Signs in place (remote supervision)	Low	Consider formalising inspection program. Monitor and evaluate the number of defects identified and outstanding that are beyond available funding, and the risks posed by these. Monitor prioritised list of assets requiring renewal
Failure to meet the needs of all users due to lack of access for disabled persons	Unlikely	Minor	Disability Inclusion Action Plan developed (2 facility inspections p.a.)	Very Low	Develop prioritised list for upgrades
Drowning at a swimming pool	Rare	Severe	Lifeguards provided in peak times, formal risk assessment for out of hours access	Medium	Monitor and review out of hours system
Deterioration in the quality of some facilities over time given the relatively short life of assets, Council's limited capacity to invest in renewals and the high maintenance needs of new facilities	Possible	Minor	Prioritising available funding, quantify shortfall	Low	Balance service levels and budgets, develop sustainable financial plan including consideration of fees and charges

RISK ASSESSMENT

RISK	LIKELIHOOD	CONSEQUENCE	CONTROL	RESIDUAL RISK	MITIGATION
Reduced capacity to maintain facilities due to the increase in number of facilities (new assets built)	Possible	Minor	Business case for all new assets	Low	Balance service levels and budgets, develop sustainable financial plan including consideration of fees and charges
Reduced capacity to maintain facilities due to diminishing numbers of volunteers to assist with maintenance	Possible	Minor	Backfill with staff as required	Low	Balance service levels and budgets, develop sustainable financial plan including consideration of fees and charges
Inability to cater for the changing needs and expectations of users due to a lack of investment in new or upgraded facilities	Unlikely	Minor	Several new projects completed via grants	Very Low	Continue to review objectives for facilities including considering planning for growth
Lack of clarity in roles and responsibilities for community groups, section 355 committees and lessees leads to poor service outcomes	Unlikely	Minor	Engagement with groups, plans of management	Very Low	Licence agreements and committee governance structures

RISK ASSESSMENT

RISK	LIKELIHOOD	CONSEQUENCE	CONTROL	RESIDUAL RISK	MITIGATION
Damage to people to people or property from falling tree	Unlikely	Moderate	Response to requests and identified issues	Low	Formalise risk assessment process for trees, identify trees in high-risk areas

COMPOSITE ASSESSMENT OF THE LEVEL OF UNCERTAINTY		
Considering all threats to achieving Council's strategic goals and resources available in the Operational Plan and Resourcing Strategy to undertake the principal activities, the level of uncertainty in relation to achieving this goal overall is rated	Low	No further action required from Council to gain greater assurance.



MAINTENANCE AND OPERATIONS			
HOW DO WE DO IT?	IMPACT ON STRATEGIC GOALS	PLANNING AND MONITORING	WHO IS RESPONSIBLE?
MAINTENANCE	High: regular maintenance improves safety and presentation of facilities	Maintenance of facilities is undertaken to provide adequate service levels within resources available. Many activities are not driven by a formal scheduled asset inspections but rather cyclical programs (e.g. mowing, toilet cleaning) with Council responding to customer requests between these cyclical visits. Performance is monitored via customer requests and community surveys.	Leader - Urban Infrastructure
SCHEDULED ASSET INSPECTIONS	High: compliance issue and helps prioritise available resources, improving safety	Scheduled inspections of playground equipment as required by legislation and of certain aspects of buildings (fire and electrical safety, asbestos) for compliance reasons. Performance is monitored based on compliance with these requirements.	Leader - Urban Infrastructure
SWIMMING POOLS	High: safety and presentation of pools and ability to meet user needs is influenced by appropriate operations	Pools are operated in accordance with insurer requirements to provide for the safety of users (supervision is provided in peak periods, and access is by swipe card at other times) including water treatment, cleaning, etc. Maintenance of facilities for presentation and safety is a priority. Performance is monitored via water quality testing, customer requests and satisfaction surveys.	Leader - Urban Infrastructure

MAINTENANCE AND OPERATIONS			
HOW DO WE DO IT?	IMPACT ON STRATEGIC GOALS	PLANNING AND MONITORING	WHO IS RESPONSIBLE?
COMMUNITY BUILDINGS	High: ability to meet user needs and expectations	Community buildings are available for use by groups via a booking system. Priorities for maintenance are safety and functionality. Performance is monitored via customer feedback and usage of facilities.	Leader - Urban Infrastructure
CARAVAN PARKS	High: ability to meet user needs and expectations	Customers book online or at Council offices. Access to facilities is provided via the provision of a code. Priorities for maintenance are safety and functionality. Performance is monitored via customer feedback and usage of facilities.	Leader - Urban Infrastructure
SHOWGROUNDS	High: ability to meet user needs and expectations	Manage and support user groups, ensure facility is safe and complies with relevant requirements.	Leader - Urban Infrastructure

HOW DO WE WORK?

CAPITAL WORKS

COMMUNITY, AMENITY AND RECREATION FACILITIES	Very High: the quality and presentation of facilities as well as maintenance needs are heavily impacted by age / condition of assets	Renewal and upgrade funding is prioritised based on the risk associated with the poor condition asset to users (or deficiency in meeting user needs e.g. disabled access), the usage of the facility, opportunities to reduce maintenance requirements, availability of alternative items at this site or in other nearby facilities. A prioritised list of projects is in the Service Management Plan.	Leader - Urban Infrastructure
SWIMMING POOLS	High: safety and presentation of pools and ability to meet user needs is influenced by age / condition of assets	Priority to reduce water loss (not a problem at present but ageing pipes).	Leader - Urban Infrastructure
CANOWINDRA TOWN IMPROVMENT FUND	High: funded by special rate	Priorities are identified in Canowindra Town Masterplan and refined via community survey.	Leader - Urban Infrastructure

Transport Infrastructure



Transport Infrastructure

Provide a safe, smooth, accessible and efficient Transport Infrastructure.

WHAT DO WE DO?

- Council is responsible for portfolio of Transport Infrastructure valued at over half a billion dollars. This includes 924km of sealed roads (206km regional + 718km local rural + 110km local urban), 962km of local unsealed (gravel) roads, 109 bridges and major culverts, 110 causeways, 3580 smaller pipes in rural areas as well as 59km of kerb and gutter and 37km of footpaths and cycleways.
- Council delivers this service by maintaining existing infrastructure (inspecting assets to identify defects, patching potholes, grading gravel roads, clearing drains and managing vegetation) as well as undertaking capital works to renew ageing assets and build new and upgraded ones.

**Urban drainage is categorised as a separate function (see below).*



WHY DO WE DO WHAT WE DO?

Transport Infrastructure

	An active, safe and healthy community. <ul style="list-style-type: none"> • Infrastructure is safe to use • Encouraging walking and cycling
	A vibrant, inclusive free and fair community. <ul style="list-style-type: none"> • Connectivity for communities including during poor weather • Accessibility of footpaths for those with limited mobility
	A natural environment sustained for the future <ul style="list-style-type: none"> • Responsible use of natural resources
	Liveable neighbourhoods with a defined identity <ul style="list-style-type: none"> • Good quality infrastructure that contributes to a positive presentation of the local area
	A thriving, sustainable local economy <ul style="list-style-type: none"> • Freight productivity (higher mass vehicles) • Presentation of central business districts
	A community achieving its potential <ul style="list-style-type: none"> • Catering for growth and development
	Leadership that gives us hope for the future <ul style="list-style-type: none"> • Long term planning to address current threats and to ensure future needs can be met
	Stewardship of public resources <ul style="list-style-type: none"> • Responsible and sustainable decisions, managing risks • Pursuing grants to reduce the costs for ratepayers

WHAT IS OUR STRATEGIC GOAL?

These are the measures and indicators used to evaluate performance in relation to this goal.

Council's **Delivery Program 2025-2029** has an overview of the situation at the start of the current term of council and our specific goals for the term of office.

Council's Annual Report (published each calendar year) includes an update of the situation and our achievements in working towards the strategic goal.

STRATEGIC GOAL	
PROVIDE A SAFE, SMOOTH, ACCESSIBLE AND EFFICIENT TRANSPORT INFRASTRUCTURE.	
KEY OBJECTIVES	
SAFE	Council consider the number and type of maintenance defects on the network with a focus on those of high risk including how many we've responded to and how long it takes us, how many defects are outstanding (particularly those we can't afford to fix). Council monitor road safety statistics (although road conditions are often only one contributing factor) and the number of customer requests (with a priority given to those that are safety-related e.g. footpath trip hazards).
SMOOTH	<p>Council measure the roughness of our roads periodically in terms of the international roughness index (IRI). Roughness is influenced by maintenance and capital works activities. It has a major influence on safety for users, particularly the safe travel speed.</p> <p>The major cause of rough sealed roads is premature failures of pavements caused by water ingress, and so we evaluate our performance in terms of our ability to keep on top of the need for renewal of surfacing (resealing) and maintenance of drainage (to get the water away). Unsealed roads are kept smooth via maintenance grading, and so our performance here is closely related to our investment in grading, as well as gravel re-sheeting as this reduces grading needs.</p>
ACCESSIBLE	<p>Council evaluate the accessibility of our road network in terms of resilience in times of wet weather. Gravel coverage is an issue on unsealed roads to maintain access to properties. Adequate drainage is important, although because much of our area is so flat, it takes time for water to drain away.</p> <p>Council evaluate the accessibility of our footpaths in terms of access for those with limited mobility, identifying and prioritising areas of concern.</p>
EFFICIENCY	Freight productivity is vital to our agricultural industry. Council evaluate the efficiency of our network in terms of access for higher mass limit vehicles, which is restricted by road geometry and width and some structural issues.

WHAT IS THE PRESENT SITUATION?

ROADS AND BRIDGES	
KEY OBJECTIVES	PRESENT SITUATION
SAFE	<p>Council keeps its transport infrastructure as safe as council can afford to do so by prioritising our limited funds based on risk. The amount of work required varies considerably with weather (there are far more failures in the wet) and so council monitor and evaluate our ability to keep up with higher-risk issues.</p> <p>Council formally inspects each road annually, but as much as possible council undertake a rolling program for maintenance moving crews across the area as this is more efficient than a reactive approach, but council also respond to customer requests on a priority basis in between such works if required.</p>
ACCESSIBLE	<p>While a lack of gravel coverage on unsealed roads creates accessibility and safety problems in wet weather, council are generally able to keep up with needs maintain access to properties although it is a problem during times of major wet weather/natural disasters.</p> <p>Council are generally not able to address accessibility issues due to floodwaters preventing access. Council have secured funding to address the highest priority issues.</p> <p>Council have load limits placed on structures (bridges and major culverts) on some low freight roads.</p>
EFFICIENT	<p>Council process numerous applications for higher mass limit vehicle access on our roads per year (most of which are approved). Council recognise the value of access for freight productivity and efficiency but in some instances the narrow width of our roads is a barrier to approvals. Council rely on grants for upgrades to width and alignment to facilitate higher mass limit vehicle access as our focus needs to be on preventing premature failure of existing assets.</p> <p>No bridges are load-limited on roads with high freight requirements.</p>

WHAT IS THE PRESENT SITUATION?

ROADS AND BRIDGES	
KEY OBJECTIVES	PRESENT SITUATION
SMOOTH	<p>Council’s roads are ‘rougher’ than the community would like but the state of the network reflects damage caused by the 2022 floods (which we are still working to repair), but more generally the limited funding, increasing numbers of trucks and ageing state of the network (most roads were built 60+ years ago). The fact that failures are worse after rain reinforces the need to keep water out of sealed road pavements by resealing and maintaining drainage.</p>
	<p>A condition survey in 2024 identified a ‘backlog’ of 37.337km of council’s sealed roads where pavements have already failed. While the community no doubt sees these as the priority to be fixed, council must adopt a ‘stitch in time saves nine’ approach and focus on resealing the 44km of roads identified as overdue for reseal as it costs 5 to 10 times more to fix roads after they fail than to prevent failures by resealing. In addition to addressing this ‘backlog’ of reseals council need to reseal an average of 38km of local roads p.a. to keep up and avoid further premature failures. If council allow for some heavy patching of pavements as part of this program council can just keep up with this need (but not address much backlog) if all funds are spent here, not on pavement rehabilitation. But this means the 37.337 ‘backlog’ cannot be addressed and will grow over time.</p>
	<p>Council’s unsealed roads are relatively rough, although they are in better condition following repairs after the floods in 2022. Council can only afford to grade about half the 962km of roads p.a., and some roads with high traffic need grading more than once. Council can only afford to gravel re-sheet about 27km p.a. This is equivalent to 2.6% of the network p.a. (or each road, on average, every 38 years). Clearly, we can only afford to re-sheet the highest priority roads.</p>
	<p>Council cannot afford to seal any unsealed roads given the other priorities but council will consider it in cases where it will reduce the cost of grading and gravelling.</p>
	<p>Investing in drainage (clearing table drains and culverts) is a high priority as it helps to reduce premature failures of sealed and unsealed roads (especially sealed road shoulders) and improves accessibility in times of wet weather.</p> <p>Many of Council’s causeways are narrow, old and rough. Council are renewing the top priorities to improve safety, smoothness and accessibility (funded by grants to improve resilience).</p>

ASSET CATEGORY AND VALUE AS AT MARCH 2025	
Asset Category	VALUE
717.8km sealed local roads	\$111.4M
961.6km unsealed local roads	\$68M
206km sealed regional roads	\$32M
38 bridges on local roads	\$36.2M
16 bridges on regional roads	\$15.3M
93 major culverts (>6m width)	\$25.7M
3,580 minor culverts	\$60.4M
110 floodways	\$2.8M
59km kerb and gutter	\$10.5M
37km footpaths and cycleways	\$8.4M
other road assets (pedestrian bridges, road furniture, urban drainage)	\$11.7M
Earthworks (non-depreciable)	154M
Total	\$536M

WHAT IS THE PRESENT SITUATION?

FOOTPATHS AND KERB AND GUTTER	
KEY OBJECTIVES	PRESENT SITUATION
FOOTPATHS	<p>Around 7.2km of footpaths need renewal. Council's focus is on maintenance, which is undertaken in response to community requests.</p> <p>The community has identified footpaths as a high priority.</p> <p>Some parts of the footpath network present a problem to those with limited mobility. Council's ability to fund upgrades is very limited.</p>
KERB AND GUTTER	<p>Around 2.4km of kerb and gutter needs renewal. Failures result in drainage problems, accelerating failure of adjoining pavements. This can create a risk to road users (as well as being unsightly). Council can only afford a very limited program. We cannot afford to build new kerb.</p>



WHAT IS THE FUTURE SITUATION?

ROADS AND BRIDGES	
KEY OBJECTIVES	FUTURE SITUATION
SAFE AND SMOOTH	<p>The number of roads in poor condition will increase over time. While council expect to be able to maintain them to keep them as safe as possible (within the funds available), they will certainly be less smooth over time.</p> <p>The reason that our transport infrastructure will deteriorate in the future, based on the current level of funding, is that there is simply not enough money to fund renewal of infrastructure when it fails after allocating the available funding to activities that will prevent further premature failures (reseals and drainage, 'a stitch in time saves nine').</p> <p>As noted above, the current 'backlog' of sealed local rural road pavements that have already failed is 37.33km and urban streets is 3.168km. Unsealed roads with inadequate coverage of gravel is 123.854km. The safety issues associated with rural roads are of greater concern in terms of safety due to the speed of traffic, but the growing number of failures in urban streets is a concern because there is an expectation Council will have a plan to fix these over time, and the funds to do so (including the 1.763km of kerb and gutter that has failed, along with the pavement) are very limited.</p> <p>The level of funding from state government for regional roads is only sufficient to keep up with resealing needs and limited heavy patching. There is not enough funding for pavement rehabilitation on top of this, but council need to focus first on preventing premature failures and seek grant support to address large-scale failures.</p>
ACCESSIBILITY	<p>Accessibility on unsealed roads is likely to be a growing concern due to the reducing amount of gravel coverage. This will increase the demand for maintenance grading (less gravel means more grading is needed to keep roads safe, smooth and accessible; periods of very dry weather also increases the cost of maintenance grading too).</p>
EFFICIENCY	<p>The efficiency of the road network, as measured via higher mass limit vehicle access – is expected to remain largely unchanged. As noted above, Council is able to approve the majority of the applications it receives.</p> <p>There are no bridges that are identified as needing load limiting in the medium term if not replaced.</p>

WHAT IS THE FUTURE SITUATION?

FOOTPATHS AND KERB AND GUTTER	
KEY OBJECTIVES	FUTURE SITUATION
ACCESSIBILITY	<p>Footpaths and kerb and gutter will be of increasing concern as they are relatively old and renewal needs are increasing, but council have very limited funding for renewal and maintenance.</p> <p>The lack of accessibility on footpaths those with limited mobility is a concern as council's community grows, and there are increasing numbers of aged persons.</p>



RISK ASSESSMENT

RISK	LIKELIHOOD	CONSEQUENCE	CONTROL	RESIDUAL RISK	MITIGATION
Safety risks to users associated with infrastructure being in poor condition and very limited funding to maintain and renew this infrastructure	Unlikely	Severe	Available funding prioritised to highest risks; warning signs	Medium	Continue to focus on priorities for funding based on risk, evaluate the 'backlog' and implications of underfunding
Costly premature failure of sealed road pavements caused by the surfacing being in poor condition (needing a reseal) and non-functional drainage	Likely	Severe	Prioritise funding, clear drains at least ahead of reseals	Medium	Monitor 'backlog' of reseals and drainage, risk of / evidence of premature failure. Quantify 'sustainable' level of investment
Increasing cost of maintenance grading, access issues due to inadequate gravel cover unsealed roads	Likely	Major	Prioritise investment in gravel re-sheeting	Medium	Monitor 'backlog' of re-sheeting and ability to keep up with grading needs
Safety, access and presentation issues associated with kerb and footpaths in poor condition	Likely	Minor	Renew as resources permit, maintenance	Low	Prioritise within available funding, evaluate need for more investment
Poor accessibility for those with limited mobility on some footpaths	Likely	Minor	Active Transport Plan developed	Low	Pursure grants to implement Plan

COMPOSITE ASSESSMENT OF THE LEVEL OF UNCERTAINTY

Considering all threats to achieving Council's strategic goals and resources available in the Operational Plan and Resourcing Strategy to undertake the principal activities, the level of uncertainty in relation to achieving this goal overall is rated

Medium

Council should consider taking further action to gain greater assurance.

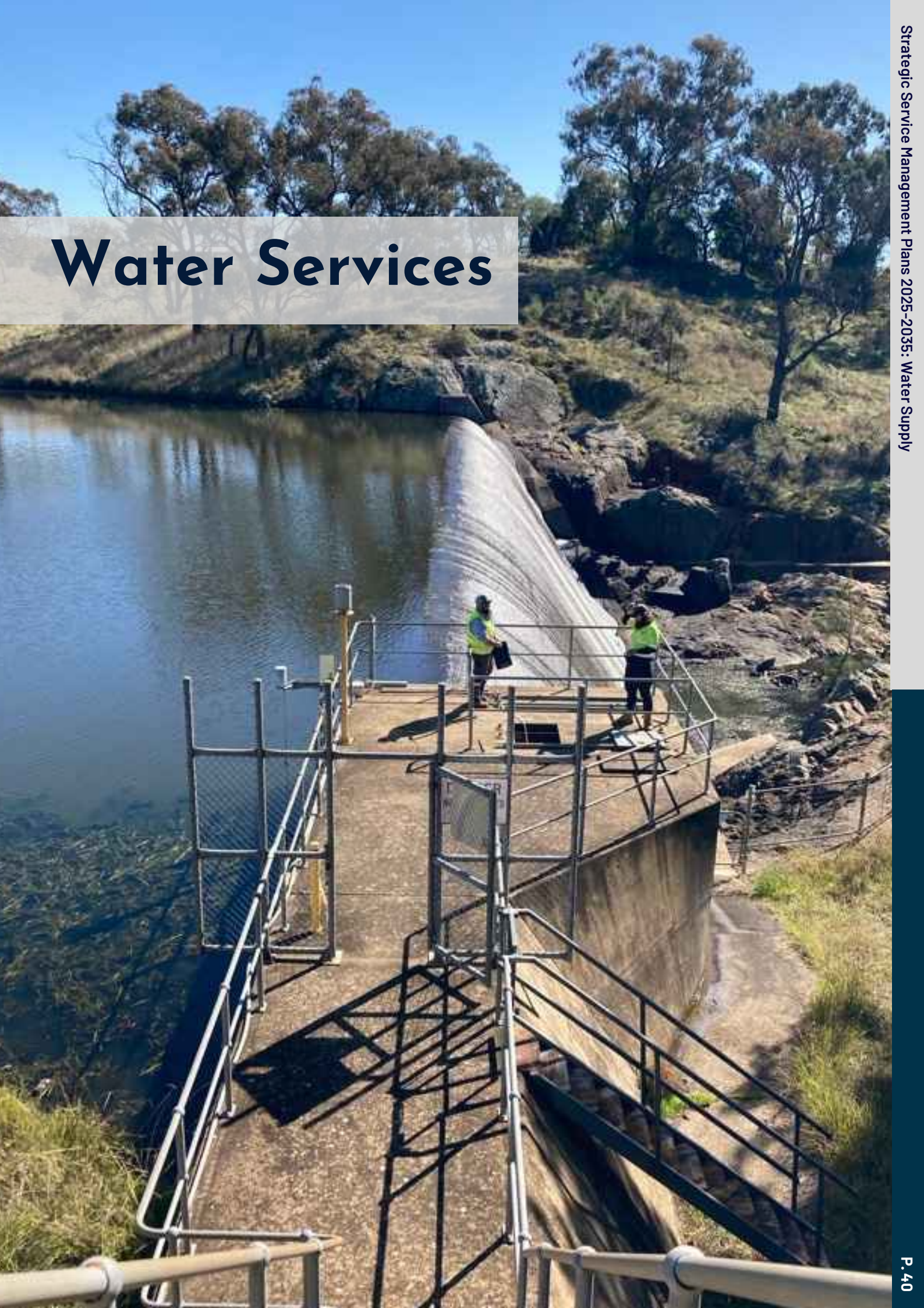


OPERATIONS AND MAINTENANCE			
HOW DO WE DO IT?	IMPACT ON STRATEGIC GOALS	PLANNING AND MONITORING	WHO IS RESPONSIBLE?
ASSET INSPECTIONS	High: proactively identifying defects improves safety by prioritising resources and better targeting available funds	Proactive inspections are undertaken at least once per year on all roads to identify defects. Additional inspections are undertaken in response to customer requests, during maintenance activities (pothole patching, grading) and following storm events. Council quantify performance based on inspections completed, number of requests.	Leader - Transport Infrastructure
MAINTENANCE (DEFECT RESPONSE)	Very High: responding to maintenance defects improves safety for users	Pothole patching on sealed roads and grading on unsealed roads is undertaken on a systematic basis (moving teams from road to road across the local government area) as this is more efficient although we respond to urgent issues identified via inspections as required. Council address other issues (clearing drains, vegetation control) within available funds. Council quantify performance by measuring the backlog of % high and very high defects addressed.	Leader - Transport Infrastructure
ROAD SAFETY	High: programs help make our roads safer	Delivering awareness campaigns in line with the NSW Road Safety Plan.	Leader - Transport Infrastructure
QUARRY OPERATIONS	High: road works rely on access to gravel	Operating quarries in accordance with mine safety management plans.	Leader - Transport Infrastructure

CAPITAL WORKS			
HOW DO WE DO IT?	IMPACT ON STRATEGIC GOALS	PLANNING AND MONITORING	WHO IS RESPONSIBLE?
SEALED ROAD RESEALS AND HEAVY PATCHING	Very High: investment in reseals is the top priority to reduce the risk of premature failure of pavements (and roads that are less safe and smooth)	Top priority is preventing premature failure of pavements. Funds are prioritised based on seal and pavement condition, heavy vehicles, drainage, pavement materials, traffic speed (safety risk), bus routes. Limited heavy patching of pavements and drain clearing is included, depending on available funds. Performance is quantified by length resealed (km)	Leader - Transport Infrastructure
REGIONAL ROADS	Very High: to provide safe and smooth roads	Priority for funding from state government is resealing (with minor heavy patching). Funds aren't sufficient to pay for much pavement rehabilitation	Leader - Transport Infrastructure
GRAVEL RE-SHEETING OF UNSEALED ROADS	Very High: improves accessibility, reduces need for grading so (safer/smoothen roads)	Priorities are reducing grading needs on high traffic roads and maintaining wet weather access to properties with adequate gravel coverage (to avoid slipperiness). Funds are prioritised based on traffic volumes, number of residences served, bus routes, reduce need for maintenance grading. Length of road re-sheeted (km)	Leader - Transport Infrastructure
SEALED ROAD REHABILITATION	High: makes roads in poor condition smooth (but far more costly than reseals)	The top priority is resealing (above) but the very limited funds to address the 'backlog' of failed (rough and unsafe) road pavements will be prioritised based on traffic volumes, road safety issues and the cost of maintenance. Performance reported based on length of road rehabilitated (km)	Leader - Transport Infrastructure

CAPITAL WORKS			
HOW DO WE DO IT?	IMPACT ON STRATEGIC GOALS	PLANNING AND MONITORING	WHO IS RESPONSIBLE?
FOOTPATHS AND KERB AND GUTTER RENEWALS	Medium: renewing failed footpaths and kerb and guttering to improve safety, presentation and smoothness	Renewal of footpaths and kerb and gutter in poor condition, length renewed (m). Priorities for new/upgraded paths are identified in the Active Transport Management Plan	Leader - Transport Infrastructure
ROAD UPGRADES	High: strategically significant upgrades to improve safety / efficiency of the network	Improving road safety, freight productivity e.g. shoulder widening, realignment, etc. Projects can only be delivered with grant funding	Leader - Transport Infrastructure
DRAINAGE (RURAL)	High: flood resilience (safety/access) is heavy impacted by functioning of drainage	Replacing failed culverts, upgrades to pipes and causeways to improve flood resilience. Projects delivered (each)	Leader - Transport Infrastructure

Water Services







Water Services

Provide a safe, secure and reliable water supply.

WHAT DO WE DO?

- Council are responsible for supplying water to residents and businesses in Molong, Cumnock and Yeoval (which makes Council one of the smallest local water supply utilities in NSW). Central Tablelands Water is responsible for supplying other communities in Cabonne.
- Water is drawn from several sources (Molong Creek Dam, a bore in Molong and a pipeline from Orange which is only used in emergencies) and treated at a Filtration Plant in Molong. The system includes 109km of pipes, 5 service reservoirs and 8 water pump stations and bores.
- Council's water supply infrastructure has a replacement value of \$51M.
- Council delivers this service by operating and maintaining the pump stations, treatment plants and distribution network as well as undertaking capital works to renew ageing assets and build new and upgraded ones.
- Our water charges are among the highest in the state due to the very small scale of the system (it is one of the smallest in NSW), the large amount of infrastructure relative to the size and the historic under-investment in the renewal of ageing infrastructure.
- The proposed increases to water charges in the Long Term Financial Plan will mean customers are paying higher charges than they are now (already among the highest in the state). There are very limited options to address this: (1) increase economies of scale via development (this requires augmentation of the Molong Plant first, in addition to the water security project) or (2) combine with another larger authority – Central Tablelands Water or Orange City Council – where overheads are covered and pricing for current customers is subsidised by the larger customer base.

WHY DO WE DO WHAT WE DO?

Water Supply	
	An active, safe and healthy community. <ul style="list-style-type: none"> Water is safe to drink
	A vibrant, inclusive free and fair community. <ul style="list-style-type: none"> Adequate supply Pricing is equitable and affordable
	A natural environment sustained for the future <ul style="list-style-type: none"> Responsible use of natural resources
	Liveable neighbourhoods with a defined identity <ul style="list-style-type: none"> Reliable supply that meets the needs of users
	A thriving, sustainable local economy <ul style="list-style-type: none"> Adequate supply to support industry needs
	A community achieving its potential <ul style="list-style-type: none"> Catering for growth and development
	Leadership that gives us hope for the future <ul style="list-style-type: none"> Long term planning to address current threats and to ensure future needs can be met
	Stewardship of public resources <ul style="list-style-type: none"> Responsible and sustainable decisions, managing risks Pursuing grants to reduce the costs for ratepayers

WHAT IS OUR STRATEGIC GOAL?

These are the measures and indicators used to evaluate performance in relation to this goal.

Council's **Delivery Program 2025-2029** has an overview of the situation at the start of the current term of council and our specific goals for the term of office.

Council's Annual Report (published each calendar year) includes an update of the situation and our achievements in working towards the strategic goal.

STRATEGIC GOAL	
PROVIDE A SAFE, SECURE AND RELIABLE WATER SUPPLY.	
KEY OBJECTIVES	
SAFE	Water Council supply meets Australian Drinking Water Guidelines.
SECURE	The system has capacity to meet the needs of current customers without needing to impose major restrictions (even in a major drought) and council can cater for the future needs (growing demand) of our growing community and industry.
RELIABLE	Council's customers can rely on adequate pressure and volume of flow and not be interrupted often or for a long period by unplanned breakdowns (caused by failures such as broken pipes, mechanical and electrical faults, etc.). We measure this in terms of number of interruptions per 1,000 customer per year and number of breaks per 100km of mains.
EFFICIENT	Council minimise the loss of water through the system due to non-revenue water, which we measure via a 'water balance' (amount that goes into the system less the amount that is supplied as measured via meters).

WHAT IS THE PRESENT SITUATION?

KEY OBJECTIVES	PRESENT SITUATION
SAFE	Council have developed and implemented a Drinking Water Management System that complies with Guidelines issued by NSW Health. This is independently audited to provide assurance the water council supply is safe to drink. Council also undertake sampling and testing in accordance with NSW Health requirements.
SECURE	Construction of the Ammerdown pipeline from Orange prevented council running out of water during the 2019 drought, but this is not a permanent solution. Council are currently investigating the potential for additional bores to supplement the supply although we will then need support from NSW Government (via the Safe and Secure Water Grants Program) to fund the construction of this project and the associated pipeline.
RELIABLE	The pipe network is ageing and so the number of interruptions to supply due to failures (burst pipes) is increasing. It is worse in times of drought. The impact of interruptions is made worse by the lack of valves (used to isolate areas where a failure has occurred). Water meters are ageing which reduces their reliability (they read more slowly over time) and the equity of water billing (which is a serious concern given the high charges). Many aged service lines are failing. These are replaced as breaks occur.

ASSET CATEGORY AND VALUE AS AT MARCH 2025

Asset Category	VALUE
169km water supply pipelines	\$26M
Molong Creek + Borenore Dams	\$15M
Molong Water Treatment Plant	\$5.4M
5 Service Reservoirs	\$4.2M
6 Water Pump Stations + Bores	\$2M
Water Meters	-
Total	\$51.1M

WHAT IS THE FUTURE SITUATION?

KEY OBJECTIVES	FUTURE SITUATION
SAFE	Council will continue to supply water that is safe to drink via the implementation of a Drinking Water Management System that complies with requirements of NSW Health.
SECURE	<p>At this stage, council cannot provide a secure supply that will be sufficient to avoid utilising the Ammerdown Pipeline from Orange and/or imposing significant restrictions in a drought.</p> <p>Council need to secure funding via the NSW Government's Safe and Secure Water Program to construct additional bores and a pipeline to connect this to the existing system.</p>
RELIABILITY	<p>The reliability of council's water supply is expected to deteriorate due to council's ageing infrastructure (pipelines, mechanical and electrical equipment) and the lack of revenues to invest in renewals.</p> <p>While the price path in the Long Term Financial Plan proposes to increase charges, it is not forecast, at this stage, that there will be sufficient funds to keep up with renewal needs.</p>
EFFICIENT	Continue to replace water mains where funding permits to address aging infrastructure causes to leaks.



RISK ASSESSMENT

RISK	LIKELIHOOD	CONSEQUENCE	CONTROL	RESIDUAL RISK	MITIGATION
Lack of security in supply	Rare	Moderate	Emergency pipeline from Orange, bore at Molong Depot	Low	Finalise investigation and concept design of bores and pipeline, seek funding assistance for design and construction
Restriction on development due to lack of security and capacity in Molong Water Filtration Plant	Rare	Major	Strategy to augment Plant developed, areas of potential development identified	Medium	Seek funding to deliver Plant augmentation and other works (new bores + pipes) to increase capacity
Molong dam is identified as non-compliant with Dam Safety requirements	Possible	Moderate	Safety assessment and dam monitoring	Medium	Work with regulator to develop agreed solution
Supply interruptions due to failures associated with informal systems for maintenance of mechanical and electrical equipment	Unlikely	Moderate	Reactive approach to maintenance, reliance on staff	Low	Scheduled maintenance program for mech./elec. equipment developed focusing initially on critical assets
Supply interruptions due to failure of ageing pipelines, mech./elec. equipment, other assets	Unlikely	Moderate	Renew as resources permit	Low	Targeted risk-based renewal program to be developed and financial plan with sufficient resources to fund this

RISK ASSESSMENT

RISK	LIKELIHOOD	CONSEQUENCE	CONTROL	RESIDUAL RISK	MITIGATION
Supply interruptions and hampering of fire response due to non-functioning valves and hydrants	Rare	Major	Maintenance and renewals programs	Medium	Formalise reporting on programs to increase assurance
Loss of revenues if there was a relocation of any of the very limited number of major water users	Unlikely	Moderate	Consider in planning scenarios	Low	Nil
Loss of revenues due to under-reading of usage due to ageing water meters (as well as lack of equity with some paying less if meters are old)	Unlikely	Minor	Readings reviewed, some meters replaced	Very Low	Replace all water meters with smart meters (business case to save on reading costs)
Lack of capacity to operate system (including management of critical control points for water quality / safety) due to inability to attract and retain skilled & qualified staff	Unlikely	Moderate	Trainees and Apprentices	Low	Continued focus

COMPOSITE ASSESSMENT OF THE LEVEL OF UNCERTAINTY

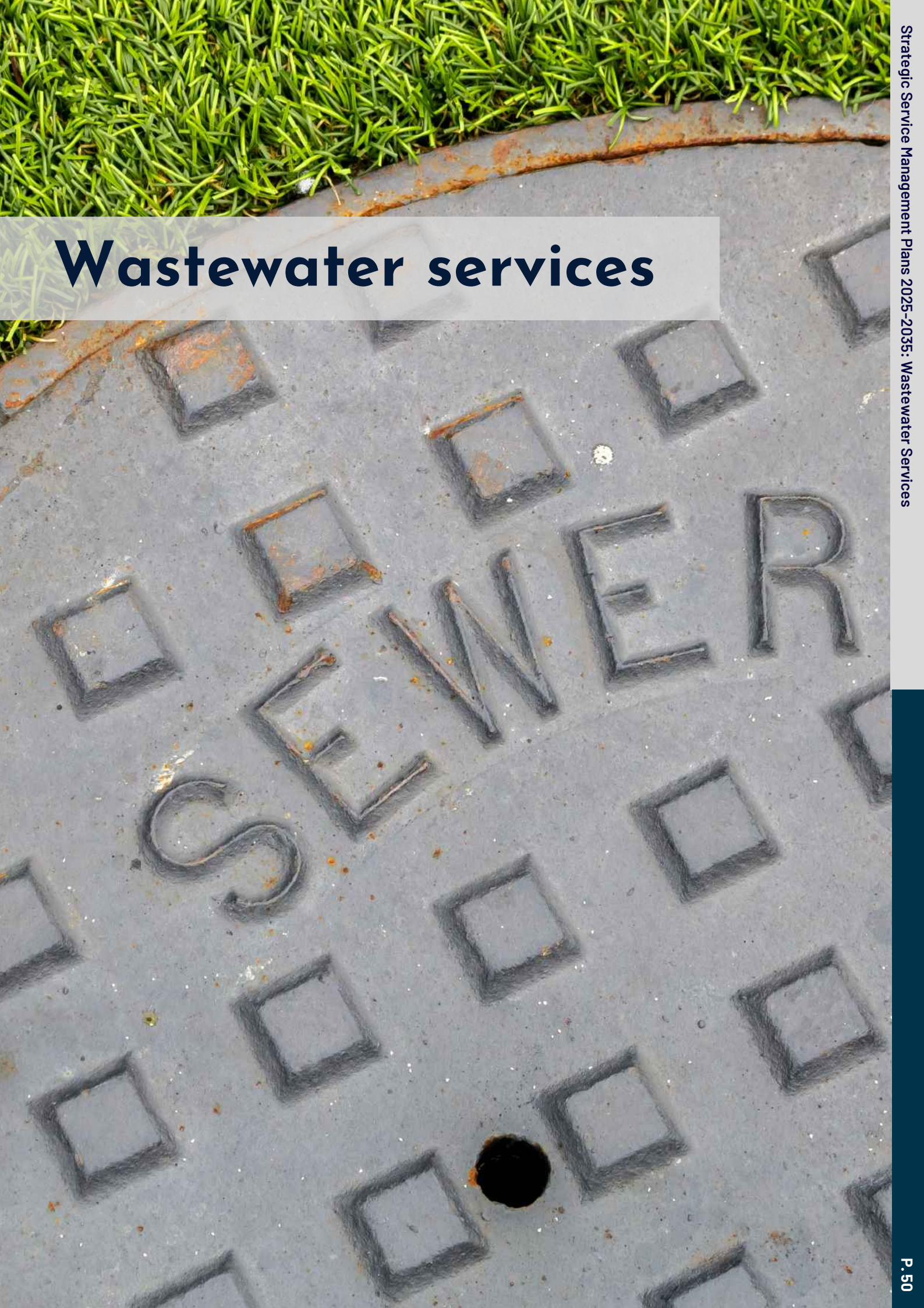
Considering all threats to achieving Council's strategic goals and resources available in the Operational Plan and Resourcing Strategy to undertake the principal activities, the level of uncertainty in relation to achieving this goal overall is rated	Medium	Council should consider taking further action to gain greater assurance.
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MAINTENANCE AND OPERATIONS			
HOW DO WE DO IT?	IMPACT ON STRATEGIC GOALS	PLANNING AND MONITORING	WHO IS RESPONSIBLE?
OPERATIONS	Very High: safety, reliability and efficiency of supply depends on operations and maintenance, meter reading impacts revenues	Water treatment and compliance with drinking water quality management plan, completion maintenance programs (responding to failures either detected or advised by customers), meter reading, managing supply as per drought management plan	Leader - Water Utilities
WATER METER REPLACEMENT	Very High: financial sustainability is impacted directly (loss of revenue)	Minimise loss of revenues and lack of equity in billing due to under-reading of some meters by replacing all meters, which have generally reached the end of their useful service life	Leader - Water Utilities
STRATEGIC PLANNING	Very High: strategic planning needed to support decisions about financial sustainability and future investments. Helps support grant applications	Adequacy of planning to guide future decisions about pricing and investment and securing of grants.	Leader - Water Utilities

CAPITAL WORKS

WATER SECURITY PROJECT	Very High: project is required to ensure security of supply and also to facilitate development	Priority is to increase supply via construction of a new bore or bores and pipeline connecting these to the existing supply. Successful pursuit of grant funding	Leader - Water Utilities
WATERMAIN RENEWALS	High: timely renewal of pipelines improves reliability (reduces breaks / interruptions)	Number and criticality of customers served, risk of failure (history of breaks, materials). Increase reliability of supply overall (reduced number of interruptions)	Leader - Water Utilities
MECHANICAL AND ELECTRICAL RENEWALS	High: improving reliability by reducing failures (maintenance is critical too)	Criticality of equipment, condition and age, history of failures, availability of spares. Increased reliability of supply overall (reduced interruptions)	Leader - Water Utilities
MOLONG WATER PLANT AUGMENTATION	High: increasing capacity of plant is required to facilitate development	Augment Plant in accordance with documented strategy to increase capacity and facilitate development (water security project also needs to be completed). Pursue grants to fund	Leader - Water Utilities
RESERVOIRS + OTHER INFRASTRUCTURE	High: ensures reliability of the supply and in some instances impacts quality and security	Criticality of assets, condition and age, history of failures. Includes sheds, SCADA (supervisory control and data acquisition) equipment and reservoirs	Leader - Water Utilities

Wastewater services



Wastewater

Provide a sufficient, reliable sewerage system that minimises environmental impacts.

WHAT DO WE DO?

- Council is responsible for providing a sewerage service to seven systems: Canowindra, Cudal, Cumnock, Eugowra, Manildra, Molong and Yeoval. Canowindra, Eugowra and Molong are gravity systems. The others are low pressure systems (with a grinder pump unit at each property).
- Effluent reuse schemes are in place for Canowindra only.
- Council's sewerage infrastructure has a replacement value of almost \$48M. In addition to the seven treatment plants, other assets include pipelines (61km of gravity, 45km of low pressure, 5km of rising mains), 762 pumps at each property in the low pressure system.
- Council delivers this service by operating and maintaining the pump stations, treatment plants and distribution network as well as undertaking capital works to renew ageing assets and build new and upgraded ones.
- Council delivers this service by operating and maintaining the pump stations, treatment plants and reticulation network as well as undertaking capital works to renew ageing assets and build new and upgraded ones.



WHY DO WE DO WHAT WE DO?

Sewerage	
	An active, safe and healthy community. <ul style="list-style-type: none"> Sewage is collected and treated to avoid impacts to health
	A vibrant, inclusive free and fair community. <ul style="list-style-type: none"> Pricing is equitable and affordable
	A natural environment sustained for the future <ul style="list-style-type: none"> Responsible use of natural resources Minimising impacts
	Liveable neighbourhoods with a defined identity <ul style="list-style-type: none"> Reliable service that meets the needs of users
	A thriving, sustainable local economy <ul style="list-style-type: none"> Adequate capacity to support industry needs
	A community achieving its potential <ul style="list-style-type: none"> Catering for growth and development
	Leadership that gives us hope for the future <ul style="list-style-type: none"> Long term planning to address current threats and to ensure future needs can be met
	Stewardship of public resources <ul style="list-style-type: none"> Responsible and sustainable decisions, managing risks Pursuing grants to reduce the costs for ratepayers

WHAT IS OUR STRATEGIC GOAL?

These are the measures and indicators used to evaluate performance in relation to this goal.

Council's **Delivery Program 2025-2029** has an overview of the situation at the start of the current term of council and our specific goals for the term of office.

Council's Annual Report (published each calendar year) includes an update of the situation and our achievements in working towards the strategic goal.

STRATEGIC GOAL	
PROVIDE A SUFFICIENT AND RELIABLE SEWERAGE SYSTEM THAT MINIMISES ENVIRONMENTAL IMPACTS	
KEY OBJECTIVES	
SUFFICIENT	The system has the capacity to cater for current and future customers in an efficient manner and does not create barriers to growth and development
RELIABLE	Council's customers can rely on the system operating without impacting them
MINIMISING ENVIRONMENTAL IMPACTS	The collection system (pipes and pumps) operate without overflowing to the environment and without creating odour impacts, and that treatment plants have the capacity to cater for flows (particularly high flows during storm events) and that the quality of the treated effluent meets environmental licence conditions and/or council's obligations under environmental legislation (for the plants that do not need a licence)

WHAT IS THE PRESENT SITUATION?

KEY OBJECTIVES	PRESENT SITUATION
SUFFICIENT	<p>The treatment plants and collection systems generally have sufficient capacity to cater for current needs.</p> <p>The Molong plant does not have sufficient capacity to cater for growth.</p> <p>The Canowindra plant is aging and will need replacement in the next 15 years.</p>
RELIABLE	<p>The primary concerns with reliability are:</p> <ul style="list-style-type: none"> • The grinder pump units in Cudal, Manildra, Cumnock and Yeoval have generally reached the end of their useful life; many have now been replaced, but the service life of the new pumps is proving to be fairly short and so there is a need for ongoing replacement of these units, which is very costly. • The gravity pipelines are ageing in many parts of Canowindra and Molong; this is leading to 'chokes' (blockages) in service lines and main pipelines. This has an impact on customers and is costly to repair. Pipes need 'relining' or in some cases replacement.
MINIMISING IMPACTS	<p>The effluent produced by Molong Sewage Treatment Plant has not always met the requirements of the environmental protection licence.</p> <p>There is indications that inflow/infiltration at Molong and Canowindra is causing additional loading and increases likelihood of overflows at the pumpstations and treatment plants.</p> <p>It is unknown at this time if liquid trade waste at Molong and Canowindra causes additional loading on treatment plants.</p>

ASSET CATEGORY AND VALUE AS AT MARCH 2025

Asset Category	VALUE
61km gravity sewerage pipelines	\$16M
7 sewerage treatment plants	\$12.5M
762 pressure sewer pump services	\$10.1M
45km pressure sewer pipelines	\$4.9M
11 sewerage pumping stations	\$3.5M
5.4km sewer rising mains	\$1.3M
Total	\$48.3M

WHAT IS THE FUTURE SITUATION?

KEY OBJECTIVES	FUTURE SITUATION
SUFFICIENT	The Molong Sewage Treatment Plant has insufficient capacity to cater for future growth. It will need augmentation avoid restricting development. A high degree of external funding is required to address this situation.
RELIABLE	While it is forecast that Council will be able to respond to the concerns identified above, there will continue to be issues with reliability due to the fact that the infrastructure is ageing and there are significant competing priorities for the limited resources available.
MINIMISING IMPACTS	Implementation of the inflow and infiltration program is forecast to reduce instances of overflows both as a result of the lower flows (less inflow and infiltration) and relining of pipes to reduce chokes/blockages.



RISK ASSESSMENT

RISK	LIKELIHOOD	CONSEQUENCE	CONTROL	RESIDUAL RISK	MITIGATION
Overflows to environment, impacts on customers due to inflow and infiltration coupled with blockages in pipelines caused by tree root ingress	Unlikely	Major	Respond to overflows	High	Develop and implement risk-based inflow and infiltration (I&I) program (biggest problems are in older areas of Molong and Canowindra)
Health impacts on people associated with operation of effluent reuse schemes	Unlikely	Major	Monitoring	Low	Review operational plans and controls
Restriction of development due to lack of capacity in Molong Plant (and possibly Canowindra Plant and reticulation and southern pumping station) to cater for significant development	Almost Certain	Severe	Plant review undertaken at Molong, underway at Canowindra	High	Prepare design and financial plan for additional treatment infrastructure , I&I program to reduce flows. Advocate for funding for critical upgrade
Reliability problems and high cost of 'piecemeal' (one at a time) replacements of the pump units at each property in Cudal, Cumnock, Manildra and Yeoval	Likely	Moderate	Replace units as they fail	Medium	Review reactive approach, evaluate potential savings of a proactive approach to replace all units over next few years and/or replacing some lines with gravity

RISK ASSESSMENT

RISK	LIKELIHOOD	CONSEQUENCE	CONTROL	RESIDUAL RISK	MITIGATION
Financial impacts on customers (need to increase charges) to fund renewal and upgrade of Canowindra Sewage Treatment Plant over medium term	Likely	Moderate	Initial planning	Low	Strategy being developed, develop financial plan to generate sufficient funds to supplement grants
Higher treatment costs due to additional loading from trade waste	Unlikely	Minor	Reactive approach	Low	Review and update, assign resources and responsibility to implement
Financial impacts of under-recouping development servicing costs	Possible	Major	Preparing development servicing plans	Medium	Review financial plans and charges once complete
Lack of capacity to operate system due to inability to attract and retain skilled & qualified staff	Possible	Major	Trainees and Apprentices	Medium	Continued Focus

COMPOSITE ASSESSMENT OF THE LEVEL OF UNCERTAINTY

Considering all threats to achieving Council's strategic goals and resources available in the Operational Plan and Resourcing Strategy to undertake the principal activities, the level of uncertainty in relation to achieving this goal overall is rated	Medium	Council should consider taking further action to gain greater assurance.
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HOW DO WE WORK?

MAINTENANCE AND OPERATIONS			
HOW DO WE DO IT?	IMPACT ON STRATEGIC GOALS	PLANNING AND MONITORING	WHO IS RESPONSIBLE?
OPERATIONS	High: reliability of system and minimising environmental impacts depends on operations and maintenance	Ongoing operations of treatment plants, pump stations and reticulation; inspections, scheduled and reactive maintenance. Actions to comply with Environmental Licence and regulatory requirements.	Leader - Water Utilities
INFLOW AND INFILTRATION PROGRAM	High: reliability of system and minimising environmental impacts depends on reducing inflow and infiltration	History of overflows, pipe materials and size, pump station analysis. Inform prioritised relining program and inflow/infiltration response.	Leader - Water Utilities
LIQUID TRADE WASTE MANAGEMENT	High: environmental impacts and cost of treatment lower if reduced load on Plant	Implement liquid trade waste program in accordance with NSW Govt. Guidelines.	Leader - Water Utilities
STRATEGIC PLANNING	Very High: strategic planning needed to support decisions about financial sustainability and future investments. Helps support grant applications	Adequacy of planning to guide future decisions about pricing and investment to help secure grants.	Leader - Water Utilities

HOW DO WE WORK?

CAPITAL WORKS

SEWER MAIN RELINING OR REPLACEMENT	High: timely renewal of pipelines improves reliability (reduces overflows, inflows and infiltration, pumping & treatment cost) and minimises environmental impacts	Reduction in the number of blockages and infiltration to the system, increasing storm flows. Pipelines are replaced where CCTV inspection identifies it is unsuitable for relining (this is far more expensive). Relining of manholes.	Leader - Water Utilities
MECHANICAL AND ELECTRICAL RENEWALS	High: improving reliability by reducing failures (maintenance is critical too)	Criticality of equipment, condition and age, history of failures, availability of spares. Increased reliability of supply overall (reduced interruptions).	Leader - Water Utilities
MOLONG SEWERAGE TREATMENT PLANT	High: threat to reliability with some parts of the plant reaching end of useful life	Project required to increase capacity for development, subject to grant assistance or other external funding.	Leader - Water Utilities

Plant and Depots



Plant and Depots

A modern, reliable and efficient fleet with functional works depots and stores and purchasing and contract plant.

WHAT DO WE DO?

- Council is responsible for managing Council's plant and vehicle fleet as well as smaller items of equipment utilised by all departments.
- Council maintain existing items and plan for replacements as well as new items to meet the needs of each department considering the full costs of owning these items.
- Council are also responsible for managing Council's works Depots at Cudal, Molong and Orange.
- Council is responsible for supporting operations via the provision of stores onsite fuel to plant, and procurement of materials and contractors as required.

WHY DO WE DO WHAT WE DO?

Plant and Depots	
	An active, safe and healthy community. <ul style="list-style-type: none"> Plant and depots support services to meet these needs
	A vibrant, inclusive free and fair community. <ul style="list-style-type: none"> Plant and depots support services to meet these needs
	A natural environment sustained for the future <ul style="list-style-type: none"> Plant and depots are managed to minimise environmental impacts including reducing emissions from the fleet and responsible disposal of used assets
	Liveable neighbourhoods with a defined identity <ul style="list-style-type: none"> Plant and depots support services to meet these needs Council's works depots are managed keeping in mind the impacts on neighbours
	A thriving, sustainable local economy <ul style="list-style-type: none"> Plant and depots support services to meet these needs Council supports local and regional businesses through the purchasing of plant and equipment
	A community achieving its potential <ul style="list-style-type: none"> Plant and depots support services to meet these needs
	Leadership that gives us hope for the future <ul style="list-style-type: none"> Appropriate support for operations helps create hope
	Stewardship of public resources <ul style="list-style-type: none"> Plant and depots are managed responsibly and sustainably It is recognised that effective and efficient service delivery across the board relies on modern and efficient plant and depots

WHAT IS OUR STRATEGIC GOAL?

These are the measures and indicators used to evaluate performance in relation to this goal.

Council's **Delivery Program 2025-2029** has an overview of the situation at the start of the current term of council and our specific goals for the term of office.

Council's Annual Report (published each calendar year) includes an update of the situation and our achievements in working towards the strategic goal.

STRATEGIC GOAL	
A MODERN, RELIABLE AND EFFICIENT FLEET WITH FUNCTIONAL WORKS DEPOTS, STORES, PURCHASING AND CONTRACT PLANT	
KEY OBJECTIVES	
A MODERN, RELIABLE AND EFFICIENT FLEET	All Council departments have the tools (plant and vehicles) they need to undertake their work efficiently and effectively. Council measure this in terms of the age of the fleet, instances of breakdowns, plant utilisation and the cost of providing the fleet.
FUNCTIONAL WORKS DEPOTS AND STORES	Council's operational depots meet the needs of operational departments. Council measure the functionality of our works depots and stores via feedback from stakeholders.
PURCHASING AND CONTRACT PLANT	Support is provided for efficient purchasing of materials as per Procurement Policy and effective operations through hire of contract plant to meet service delivery needs. Council measure this via feedback and recommendations from stakeholders.

WHAT IS THE PRESENT SITUATION?

KEY OBJECTIVES	PRESENT SITUATION
A MODERN, RELIABLE AND EFFICIENT FLEET	<p>The fleet is relatively modern, reliable and efficient thanks to ongoing investment in renewal of the fleet when required via the Plant Replacement Program.</p> <p>Council have been able to reduce the impact of challenges with attracting and retaining staff by utilising customer service agreements where suppliers provide scheduled servicing, and our focus is on response to breakdown.</p> <p>Council keep downtime to a minimum by scheduling servicing when it has the least impact on operations, and we are able to respond to breakdowns promptly as required.</p>
FUNCTIONAL WORKS DEPOTS AND STORES	<p>The large area of Council's operations creates challenges with coordinating operational resources. While each of the main depots (Canowindra, Cudal, Molong and Orange) are well appointed to support operations from that site, the overall approach to providing these facilities needs review.</p>
PURCHASING AND CONTRACT PLANT	<p>Is being managed appropriately to support operations.</p> <p>The Fleet Asset Management Plan (FAMP) indicates fleet replacement value of \$32,017,561.</p>

WHAT IS THE FUTURE SITUATION?

KEY OBJECTIVES	FUTURE SITUATION
A MODERN, RELIABLE AND EFFICIENT FLEET	<p>With continued investment in maintenance and renewal of the plant and vehicle fleet, the operational needs of departments is forecast to be continued to be met.</p> <p>It will be necessary to continue to adapt to challenges, for example, utilising contractors to supplement internal resources if problems with attracting and retaining mechanics continues.</p>
FUNCTIONAL WORKS DEPOTS AND STORES	<p>Problems with the depots are likely to increase over time as the nature of Council's operations changes to pursue greater efficiencies and flexibility in service delivery and resourcing.</p>
PURCHASING AND CONTRACT PLANT	<p>Is forecast to be able to be managed appropriately to support operations.</p>

RISK ASSESSMENT

RISK	LIKELIHOOD	CONSEQUENCE	CONTROL	RESIDUAL RISK	MITIGATION
Inability to attract and retain skilled and qualified staff leads to a lack of capability to keep up with maintenance needs of the fleet (particularly breakdown maintenance)	Likely	Moderate	Trainees and apprentice program, supplement internal resources with contractors, resourcing sharing with CNSWJO Councils	High	Customer Service Agreements, shared-resourcing, workforce profile review, attraction strategies through LG Award provisions
Inefficiencies in the utilisation and management of plant and vehicle fleet increases the cost of operations	Possible	Moderate	Monitoring of plant performance, consultation with stakeholders	Medium	Improved telematics reporting for plant fleet ongoing focus
Inefficiencies in the management of Council's works depots increases the cost and reduces effectiveness of Council's operations	Possible	Moderate	Coordination of requirements in consultation with stakeholders, prepare Master Depots Plan	Medium	Implement Master Depot Strategy

COMPOSITE ASSESSMENT OF THE LEVEL OF UNCERTAINTY

Considering all threats to achieving Council's strategic goals and resources available in the Operational Plan and Resourcing Strategy to undertake the principal activities, the level of uncertainty in relation to achieving this goal overall is rated	Medium	Council should consider taking further action to gain greater assurance
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OPERATIONS

HOW DO WE DO IT?	IMPACT ON STRATEGIC GOALS	PLANNING AND MONITORING	WHO IS RESPONSIBLE?
PLANT AND VEHICLE MAINTENANCE	High: impact on modern, reliable and efficient	Council's priority is the provision of modern, reliable, efficient and safe plant, fleet and other equipment to operational (field) staff and vehicles to office-based staff. Council undertake some maintenance and repairs (with contractors undertaking major services), monitor usage and coordinate planning for replacements. Council monitor performance via utilisation, breakdowns and downtime as well as running costs of plant.	Leader - Plant and Depots
STORES, PURCHASING AND CONTRACT PLANT	High: impact on support for operations	Council's priority is to support operations by keeping an appropriate level of stores for commonly used items (to avoid these being purchased each time), by performing the purchasing function (seeking quotes, etc.) and by managing the process for hiring of contract plant.	Leader - Plant and Depots
DEPOTS	High: impact on support for operations	Council's priority is to manage Council's works depots to ensure that service delivery levels are met.	Leader - Plant and Depots

CAPITAL WORKS			
PLANT AND VEHICLE REPLACEMENT (+ NEW AND UPGRADED)	High: impact on modern, reliable and efficient	Council's priority is to renew plant and vehicles that are reaching the end of their useful life and are at greater risk of breakdown and subsequent impact on service delivery and cost of maintenance. The optimum replacement time is prior to the point at which problems with reliability emerge. Council review the business case for ownership of all items prior to replacing them and consider the case for all new and upgraded items prior to purchase. Council are working towards transitioning to low/no emissions technology in line with Council's Renewable Energy and Emissions Reduction plans.	Leader - Plant and Depots
DEPOTS	High: impact on support for operations	Council's priority is to provide depot facilities that are safe and functional and that support operational activities.	Leader - Plant and Depots

Emergency Management



Molong

Emergency Management

Support for emergency response and recovery in our local area.

WHAT DO WE DO?

- Council have several roles in emergency management, response and recovery in council's local area.
- Council are responsible for establishing and supporting the operation of council's Local Emergency Management Committee (LEMC) and providing a Local Emergency Operations Centre (LEOC) as well as support for the LEMC via the Local Emergency Management Officer (LEMO), a council staff member.
- Council are also responsible for providing facilities for the State Emergency Service (SES) and 25 Rural Fire Service (RFS) facilities (sheds) located across the shire.
- Council also make a financial contribution to the operations of SES, RFS and the NSW Fire Brigade in accordance with agreements with NSW Government (council receive some funding to offset this).
- Council's own preparedness for and response to emergencies (business continuity planning) is included in the Council and Corporate service.



WHY DO WE DO WHAT WE DO?

Emergency Management	
	An active, safe and healthy community. <ul style="list-style-type: none"> Emergency services are critical to a safe and healthy community
	A vibrant, inclusive free and fair community. <ul style="list-style-type: none"> Protecting local communities
	A natural environment sustained for the future <ul style="list-style-type: none"> There is a close link between the management of the natural environment and natural disasters (floods, fires)
	Liveable neighbourhoods with a defined identity <ul style="list-style-type: none"> Protecting local communities
	A thriving, sustainable local economy <ul style="list-style-type: none"> Effective emergency management and services help protect the local economy
	A community achieving its potential <ul style="list-style-type: none"> Protecting local communities
	Leadership that gives us hope for the future <ul style="list-style-type: none"> Effective provision for and management of emergencies is important to provide hope Council has a legislative role to support local emergency management
	Stewardship of public resources <ul style="list-style-type: none"> Responsible and sustainable decisions, managing risks Pursuing grants to reduce the costs for ratepayers

WHAT IS OUR STRATEGIC GOAL?	
These are the measures and indicators used to evaluate performance in relation to this goal.	
Council’s Delivery Program 2025-2029 has an overview of the situation at the start of the current term of council and our specific goals for the term of office.	
Council’s Annual Report (published each calendar year) includes an update of the situation and our achievements in working towards the strategic goal.	
STRATEGIC GOAL	
SUPPORT FOR EMERGENCY RESPONSE AND RECOVERY IN OUR LOCAL AREA	
KEY OBJECTIVES	
SUPPORT	Involves meeting council’s obligations under relevant legislation and providing what additional support we are able to within the resources available. Council measures its performance in terms of compliance with council’s legislative obligations, feedback from stakeholders and periodic reviews undertaken as part of the LEMC.



WHAT IS THE PRESENT SITUATION?

KEY OBJECTIVES	PRESENT SITUATION
SUPPORT	<p>Council are able to meet council's basic obligations, but because resourcing of this area has been limited, there is a need to update several plans. We have recently appointed a new staff member to this area and so are better placed to keep up to date.</p> <p>Council's Local Emergency Operations Centre meets basic needs but there are opportunities to improve functionality and preparedness (e.g. internet connection).</p> <p>The contribution to operations of RFS (Fire Service and Emergency Services Levy) has increased by around \$258,253 over the last 4 years. This is a significant impost given council's already constrained financial position.</p>

WHAT IS THE FUTURE SITUATION?

KEY OBJECTIVES	FUTURE SITUATION
SUPPORT	<p>Council anticipate that we can continue to meet council's obligations and that, over time, our preparedness and support for the Committee will improve.</p> <p>Given the increasing prevalence and severity of natural disasters, it is likely that council's contribution to the operations of RFS and SES will grow, and also the need for our support to the LEMC.</p> <p>Council's current plans have not made specific provision for this, although we will do so as the situation becomes clear.</p>

RISK ASSESSMENT

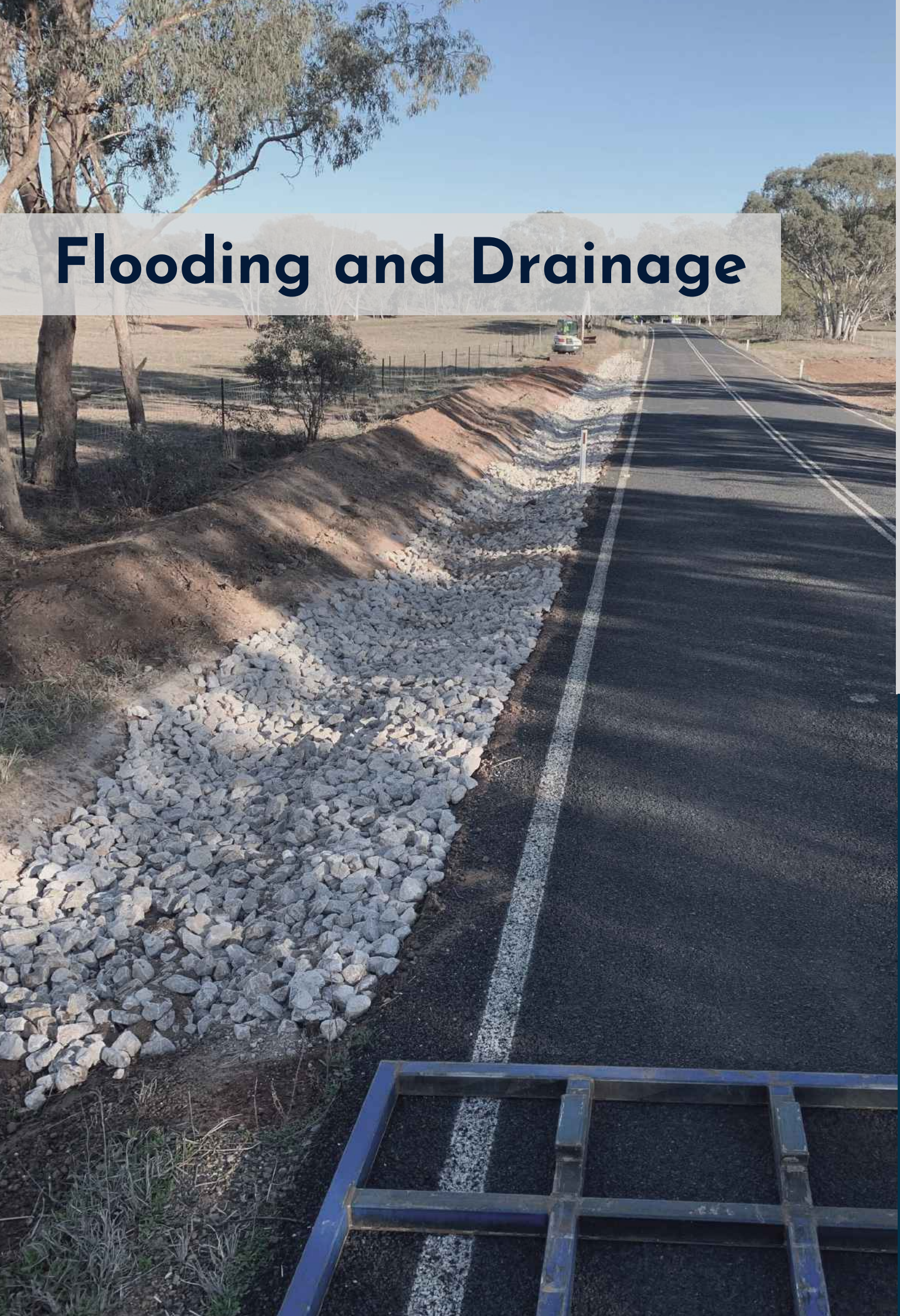
RISK	LIKELIHOOD	CONSEQUENCE	CONTROL	RESIDUAL RISK	MITIGATION
Increasing financial contribution required from Council to support operations emergency services due to increasing prevalence and severity of natural disasters as well as resourcing of these functions in accordance with NSW Government policy	Likely	Major	Monitor. Lobby for additional NSW Govt. support via LGNSW.	Medium	Nil
Increasing need for support to LEMC from Council	Possible	Minor	Monitor, Advocate for funding of Local Emergency Management Officer positions in Councils	Low	Nil

COMPOSITE ASSESSMENT OF THE LEVEL OF UNCERTAINTY		
Considering all threats to achieving Council's strategic goals and resources available in the Operational Plan and Resourcing Strategy to undertake the principal activities, the level of uncertainty in relation to achieving this goal overall is rated	Medium	Council should consider taking further action to gain greater assurance

HOW DO WE WORK?

OPERATIONS			
HOW DO WE DO IT?	IMPACT ON STRATEGIC GOALS	PLANNING AND MONITORING	WHO IS RESPONSIBLE?
LOCAL EMERGENCY MANAGEMENT COMMITTEE SUPPORT	Very High: Council has a central role in supporting the LEMC and so the emergency preparedness for our community generally	Council prioritise activities based on meeting the needs of the LEMC as identified in the planning undertaken by the committee, of which Council is a member. Council monitor our performance in terms of number of meetings held, completion of actions from planning and feedback from stakeholders.	Deputy General Manager Infrastructure and Leader - Urban Infrastructure
EMERGENCY SERVICES SUPPORT	Very High: Council has legislative obligation to support the local SES and RFS with facilities and SES, RFS and NSW Fire Brigades financially	Council prioritise activities to meet council's obligations. While council make a financial contribution to RFS and NSW Fire Brigades, council are not responsible for planning or delivery of their facilities.	Deputy General Manager Infrastructure and Leader - Urban Infrastructure
CAPITAL WORKS			
EMERGENCY SERVICES FACILITIES (SES, LEMC)	Very High: Council has legislative obligation to provide support to the SES and LEMC in terms of facilities for their operations	Priorities are identified in consultation with SES and via the LEMC. Council is not responsible for planning or delivery of facilities for RFS or NSW Fire Brigades.	Leader - Urban Infrastructure

Flooding and Drainage



Flooding and Drainage

Ensure the floodplain and drainage infrastructure are managed for resilience and reliability.

WHAT DO WE DO?





- Council are responsible for managing the floodplain across the local area in relation to land use and development and this includes consideration of the impacts of any changes on flood behaviour and impacts.
- Council are also responsible for public infrastructure that is designed to ameliorate impacts of weather events including 11km of urban stormwater drainage pipes and box culverts* with associated pits and headwalls, Puzzle Flat flood protection levees at Eugowra open stormwater drainage channels.
- Council manage the floodplain by developing and enforcing compliance with land use and development standards** including assessing development applications, and by undertaking flood studies to better understand flood behaviour and identify opportunities to ameliorate impacts.
- Council manage flooding and drainage infrastructure via operations and maintenance activities as well as undertaking capital works to renew ageing assets and build new and upgraded ones.

**Bridges and culvert pipes on rural roads are covered under transport infrastructure.*

***Other planning and compliance functions are covered under development services.*



WHY DO WE DO WHAT WE DO?

Flooding and Drainage	
	An active, safe and healthy community. <ul style="list-style-type: none"> Reduction in risks from natural disasters (flooding)
	A vibrant, inclusive free and fair community. <ul style="list-style-type: none"> Reduction in risks from natural disasters (flooding)
	A natural environment sustained for the future <ul style="list-style-type: none"> Environmental aspects inform the management of the floodplain and drainage infrastructure
	Liveable neighbourhoods with a defined identity <ul style="list-style-type: none"> Resilience to natural disasters (flooding), flows of minor storm events managed to minimise nuisance
	A thriving, sustainable local economy <ul style="list-style-type: none"> Increase in resilience to reduce economic impacts of natural disasters (flooding)
	A community achieving its potential <ul style="list-style-type: none"> Increase in resilience to natural disasters (flooding)
	Leadership that gives us hope for the future <ul style="list-style-type: none"> Long term planning to address current threats and to ensure future needs can be met
	Stewardship of public resources <ul style="list-style-type: none"> Responsible and sustainable decisions, managing risks Pursuing grants to reduce the costs for ratepayers

WHAT IS OUR STRATEGIC GOAL?

These are the measures and indicators used to evaluate performance in relation to this goal.

Council's **Delivery Program 2025-2029** has an overview of the situation at the start of the current term of council and our specific goals for the term of office.

Council's Annual Report (published each calendar year) includes an update of the situation and our achievements in working towards the strategic goal.

STRATEGIC GOAL	
ENSURE THE FLOODPLAIN AND DRAINAGE INFRASTRUCTURE ARE MANAGED FOR RESILIENCE AND RELIABILITY.	
KEY OBJECTIVES	
RESILIENCE	<p>The impacts of natural disasters (flooding) and ordinary storm events are minimised by appropriate management of the floodplain and drainage infrastructure.</p> <p>Council measure this in terms of a reduction in risk to the community (assessed via Flood Studies and Floodplain Management Plans) and the actual performance in flood events.</p>
RELIABLE	<p>Drainage infrastructure is maintained so that it operates as required in a flood or storm event. We measure our performance in relation to instances of failure of infrastructure (e.g. blocked drainage pipes and channels).</p>

WHAT IS THE PRESENT SITUATION?

KEY OBJECTIVES	PRESENT SITUATION
RESILIENT	<p>Natural disasters, including flooding, pose a significant threat to our local community.</p> <p>Council (and other levels of government) are, at best, only able to ameliorate the impacts of flooding by making appropriate decisions about the management of the floodplain generally and by adopting a risk-based approach to investing in infrastructure to derive the best possible value from the very limited funds available.</p> <p>It is important that decisions are informed by studies or analysis to properly understand flood behaviour and impacts of any changes such as new infrastructure.</p> <p>Issues identified below as highest priority for further action are:</p> <ul style="list-style-type: none"> • Molong flood mitigation works (identified in the Molong Floodplain Risk Management Study and Risk Management Plan • Development of a Canowindra Flood Study and Risk Management Plan • Development of a Eugowra Flood Study and Risk Management Plan • Inspection and maintenance of drainage infrastructure to ensure it functions as intended in floods and storm events.
RELIABLE	<p>The reliability of infrastructure is improved when it is properly maintained. At present, there is a need for further investment, including the implementation of a more systematic approach to identification and prioritisation of deficiencies.</p> <p>Asset replacement valuation on storm water assets is \$17M for 2025/2026.</p>

WHAT IS THE FUTURE SITUATION?

KEY OBJECTIVES	FUTURE SITUATION
RESILIENT	<p>Council are unable to afford the investment needed to address all threats identified. There may be grants available to support priority projects, but these are generally offered on a 50/50 basis.</p> <p>Funding Council's share will need to be considered in future revisions of the Long Term Financial Plan.</p> <p>Council have also not made provision for increased investment in the inspection and maintenance of drainage infrastructure to ensure it functions as intended in floods and storm events. The additional budget required needs to be quantified; there is likely to be a backlog in works to clear channels and pipelines. This will be considered in future plans.</p>



RISK ASSESSMENT

RISK	LIKELIHOOD	CONSEQUENCE	CONTROL	RESIDUAL RISK	MITIGATION
There is limited resilience to flooding in some towns	Possible	Very High	Flood study undertaken in Molong, underway for Canowindra and Eugowra	High	Seek funding support for priority works, engage with other stakeholders involved in the works (government agencies), consider matching funding in future Long Term Financial Plans
Limited maintenance of drainage infrastructure means it may not function reliably in events	Possible	Moderate	Nil	Medium	Consider additional resource allocation to maintenance program in future budgets. Establish a more systematic approach with formal reporting (as for roads).
Failure of ageing infrastructure during flood or storm event	Possible	Major	Maintain and renew as resources permit	Medium	Targeted risk-based renewal (as well as upgrade where it is a priority)

COMPOSITE ASSESSMENT OF THE LEVEL OF UNCERTAINTY

Considering all threats to achieving Council's strategic goals and resources available in the Operational Plan and Resourcing Strategy to undertake the principal activities, the level of uncertainty in relation to achieving this goal overall is rated

Medium

Council should consider taking further action to gain greater assurance.



HOW DO WE DO IT?	IMPACT ON STRATEGIC GOALS	PLANNING AND MONITORING	WHO IS RESPONSIBLE?
FLOODPLAIN MANAGEMENT			
FLOODPLAIN MANAGEMENT	High: resilience is impacted by decisions made about land use and development, and investments in measures to improve this	Our floodplain management committee prepares a prioritised program of flood studies and floodplain management studies (developed with the NSW Government Floodplain Management Guidelines) and keeps actions under review; completion of actions identified in the Plan (e.g. flood studies)	Leader - Transport Infrastructure
DRAINAGE INFRASTRUCTURE MAINTENANCE AND OPERATIONS			
DRAINAGE INFRASTRUCTURE MAINTENANCE AND OPERATIONS	High: resilience of the local community is impacted by operation of infrastructure in an event, it needs to be reliable	Our staff inspect infrastructure and undertake maintenance within available resources but there is no formal system in place, activities are mostly reactive	Leader - Transport Infrastructure
CAPITAL WORKS			
FLOOD MITIGATION MEASURES	Very High: significant threat to resilience in most towns and villages	Identified in floodplain risk management plans and subject to grant funding.	Leader - Transport Infrastructure
DRAINAGE INFRASTRUCTURE RENEWALS AND UPGRADES	Very high: significant threat to resilience in many towns	Risks and consequences of failure of existing infrastructure.	Leader - Transport Infrastructure



Strategic Service Management Plans



Introduction

The Strategic Service Management Plans focus on the non- asset functions of council.

- Internal support functions such as:
 - Financial Services
 - Governance and Corporate Performance
 - Innovation and Technology
 - Safety, People and Culture
- Community and ratepayer functions such as:
 - Development Services
 - Environmental Services
 - Community and Economy
 - Community Services

**Strategic Service
Management Plans**



- Governance & Corporate Performance
- Finance
- Innovation and Technology
- Safety, People & Culture
- Development Services
- Environmental Services
- Community & Economy
- Community Services

Finance



Finance

Provide sound, strategic and compliant financial management advice and support to Council and assist with managing financial sustainability.

WHAT DO WE DO?

- Council undertake the full range of finance functions including accounts payable/creditors; rating, fees and charges, billing and debtors; payroll; managing reserves, cashflows and debt levels; taxation; and reporting.
- Finance manage the customer service* / front counter enquiries for Council in Molong. We also act as the agent for Beyond Bank in Cudal and Molong.
- Finance are responsible for ensuring Council meets its compliance obligations regarding its financial monitoring, reporting and controls.
- Finance are also responsible for supporting good decisions made by the governing body and staff in relation to Council's finances. We perform this role by providing timely and helpful information and advice including planning and budgeting as well as cost control and monitoring and reporting.
- Prudent financial management is achieved through developing financial plans for each service of council, detailed specifically in the annual Operational Budget, 4-year Delivery Programs and 10-year Long-Term Financial Plans. The Finance Department supports each service department to develop these plans through budget preparation and financial reporting. Finance supports each department by careful monitoring & guidance on budget programs.
- Council requires income and funds to achieve its objectives and services. This is achieved through levying rates, raising fees and charges, applying investment strategies to excess investment revenue, recording and managing grants and contributions, and other revenues.

**Customer service in Canowindra reports to Community Services and in Cudal to Infrastructure.*

WHY DO WE DO WHAT WE DO?

Finance	
	An active, safe and healthy community. <ul style="list-style-type: none"> Finance supports services to meet these needs.
	A vibrant, inclusive free and fair community. <ul style="list-style-type: none"> Finance supports services to meet these needs.
	A natural environment sustained for the future <ul style="list-style-type: none"> Finance supports services to meet these needs.
	Liveable neighbourhoods with a defined identity <ul style="list-style-type: none"> Finance supports services to meet these needs.
	A thriving, sustainable local economy <ul style="list-style-type: none"> Finance supports services to meet these needs.
	A community achieving its potential <ul style="list-style-type: none"> Finance supports services to meet these needs.
	Leadership that gives us hope for the future <ul style="list-style-type: none"> Finance supports robust governance over Council's finances earning the trust of the local community.
	Stewardship of public resources <ul style="list-style-type: none"> Responsible and sustainable decisions, managing risks. Effective long-term planning.

WHAT IS OUR STRATEGIC GOAL?

These are the measures and indicators used to evaluate performance in relation to this goal.

Council's **Delivery Program 2025-2029** has an overview of the situation at the start of the current term of council and our specific goals for the term of office.

Council's Annual Report (published each calendar year) includes an update of the situation and our achievements in working towards the strategic goal.

STRATEGIC GOAL	
PROVIDE SOUND, STRATEGIC AND COMPLIANT FINANCIAL MANAGEMENT ADVICE AND SUPPORT TO COUNCIL AND ASSIST WITH MANAGING FINANCIAL SUSTAINABILITY.	
KEY OBJECTIVES	
FINANCIAL MANAGEMENT	<p>Council are compliant with all relevant requirements as stipulated by legislation, regulations, accounting standards, etc. and provide accurate reporting to the governing body and other regulatory authorities.</p>
FINANCIAL SUSTAINABILITY	<p>Council strategically manage budget forecasts and financial risks of Council to assist the Executive Leadership Team (ELT) and the governing body to manage the future financial sustainability of council. This is achieved through implementation and monitoring of the Delivery Program, annual Operational Plan and Budget and Long-Term Financial Plan and having a robust investment strategy.</p>



WHAT IS THE PRESENT SITUATION?

KEY OBJECTIVES	PRESENT SITUATION
COMPLIANT	Council are compliant with all requirements related to the management of Council's finances such as annual financial statements, taxation requirements, levying of rates and charges, maximising income and employee payment and entitlements.
ACCURATE	There are monitoring and checking processes to ensure accuracy and risk around fraud or maladministration is mitigated.

WHAT IS THE FUTURE SITUATION?

KEY OBJECTIVES	FUTURE SITUATION
COMPLIANT	The lack of integration in Council's software systems and potential lack of investment from software providers is likely to create significant and increasing challenges in future. These should be able to be addressed with a proactive approach guided by a revised Digital Strategy.
FINANCIALLY SUSTAINABLE	Council has a range of reserves and investment Strategies. The Long term financial plan models scenarios for future position. Council is planning over the next 5 years that state/Federal grants will reduce and our operating expenditure may be impacted in service delivery.
ACCURATE	Council have developed regular reporting systems to support Department Leaders and DGMs. Council provide advice and training to staff with budget responsibilities and delegations to ensure they comply with financial guidelines and regulations.

RISK ASSESSMENT

RISK	LIKELIHOOD	CONSEQUENCE	CONTROL	RESIDUAL RISK	MITIGATION
Inability to perform finance functions adequately due to lack of integration in corporate systems and/or reliance on software provider for upgrades	Likely	Moderate	Manage software contract	High	Revise Digital Strategy to define best way forward to meet organisational needs
Inability to meet all compliance requirements due to inability to attract and retain skilled and qualified staff	Possible	Moderate	Trainee program, cadets, overall recruitment, culture, workforce planning	Medium	Ongoing focus
Non-compliance with legislative requirements	Possible	Moderate	Compliance register, responsibilities assigned, Audit functions	Medium	Ongoing focus
External funds through grants will reduce over time impacting Councils ability to deliver services	Likely	Major	Secure funding	High	LTFP modelling and potential consideration of SRV

COMPOSITE ASSESSMENT OF THE LEVEL OF UNCERTAINTY

Considering all threats to achieving Council's strategic goals and resources available in the Operational Plan and Resourcing Strategy to undertake the principal activities, the level of uncertainty in relation to achieving this goal overall is rated	Medium	Council should consider taking further action to gain greater assurance.
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HOW DO WE WORK?

OPERATIONS			
HOW DO WE DO IT?	IMPACT ON STRATEGIC GOALS	PLANNING AND MONITORING	WHO IS RESPONSIBLE?
FINANCE	High: impact on compliance and accuracy of reporting	Staff focus on undertaking the creditor and debtor transactions to enable Council to function; payroll processing; providing assistance to internal stakeholders with financial issues (management accounting); satisfying regulatory requirements for financial reporting; financial strategy and planning; purchasing and procurement. Performance is monitored in relation to transaction volumes and backlog, absence of problems, feedback from stakeholders.	Leader - Finance
FINANCIAL SUSTAINABILITY	High: impact on financial sustainability	Developing, monitoring and developing strategies from LTFP data to forward plan and adjust to ensure future financial sustainability.	Leader - Finance

Governance and Corporate Performance



Governance and Corporate Performance

Provide compliant governance systems and strategic frameworks to support transparent and accountable decision-making and quality customer responsiveness.

WHAT DO WE DO?

- The Governance and Corporate Performance Department and the activities that Council undertakes overall to govern its organisation and to provide assurance that Council's organisational objectives can and will be met.
- The Governance and Corporate Performance Department is responsible for coordinating and managing Councils:
 - corporate risks through Enterprise Risk Management, insurance portfolio, records management function, customer service functions including centralised switchboard operation and front counter facilities, corporate performance systems, Integrated Planning and Reporting (IP&R) Framework and Continuous Improvement Framework including service reviews and internal audit functions.
- The governance of Council's organisation overall is undertaken by the governing body and by the General Manager in accordance with the roles defined in Sections 223 and 335 of the *Local Government Act 1993*.
- The General Manager is responsible for implementing the decisions of the Council, first and foremost by conducting the day-to-day management of the Council in accordance with these plans and policies.
- The General Manager also supports the governing body by providing advice on the development and implementation of, and the appropriate form of, consultation in relation to, Council's plans and policies and for preparing those plans in consultation with governing body, and for ensuring the Mayor and Councillors are given timely information and advice and the administrative and professional support necessary to effectively discharge their functions which includes keeping under review the performance of the Council, including service delivery, and the performance of the General Manager.
- The governing body is supported in its performance monitoring role by the Audit, Risk and Improvement Committee which keeps under review various aspects of Council's operations (listed at Section 428A of the Act). The Committee also monitors and reviews the implementation of Council's risk management framework and internal audit function. The Committee is also responsible for providing advice to Council on improving the performance of its functions.

**Customer service is also provided by Finance (front counter at Molong), Community Services (front counter at Canowindra) and the Infrastructure Department (front counter at Cudal).*

WHY DO WE DO WHAT WE DO?

Governance and Corporate Performance

**An active, safe and healthy community.**

- Governance and Corporate Performance supports services to meet these needs.

A vibrant, inclusive free and fair community.

- Governance and Corporate Performance support services to meet these needs.

**A natural environment sustained for the future**

- Governance and Corporate Performance support services to meet these needs.

Liveable neighbourhoods with a defined identity

- Governance and Corporate Performance support services to meet these needs.

**A thriving, sustainable local economy**

- Governance and Corporate Performance support services to meet these needs.

A community achieving its potential

- Governance and Corporate Performance support services to meet these needs.

**Leadership that gives us hope for the future**

- Governance and Corporate Performance support robust governance to earn the trust of the local community.

Stewardship of public resources

- Responsible and sustainable decisions, managing risks.
- Effective long-term planning.

WHAT IS OUR STRATEGIC GOAL?

These are the measures and indicators used to evaluate performance in relation to this goal.

Council's **Delivery Program 2025-2029** has an overview of the situation at the start of the current term of council and our specific goals for the term of office.

Council's Annual Report (published each calendar year) includes an update of the situation and our achievements in working towards the strategic goal.

STRATEGIC GOAL	
PROVIDE COMPLIANT GOVERNANCE SYSTEMS AND STRATEGIC FRAMEWORKS TO SUPPORT TRANSPARENT AND ACCOUNTABLE DECISION-MAKING AND QUALITY CUSTOMER RESPONSIVENESS.	
KEY OBJECTIVES	
COMPLIANT	Council complies with all relevant legislative and regulatory requirements and with Council's needs in relation to these requirements. Council measure this in terms of actual instances of non-compliance, risks to compliance and results of internal audits reviewing Council's compliance.
TRANSPARENT AND ACCOUNTABLE DECISION-MAKING	The community and the governing body has sufficient information about Council's decisions and opportunities to participate in those decisions. We ensure decisions are transparent through the provision of advice from Council's Executive Leadership Team in relation to good governance and continuous improvement including financial sustainability, compliance with Council's plans, policies and strategic frameworks management, and the efficiency and effectiveness of council operations.
QUALITY CUSTOMER RESPONSIVENESS	Customers who contact Council are provided with helpful support to resolve their issue. We measure this in terms of the Community Survey in relation to Council's customer services overall and regular monitoring of customer requests and complaints data.

WHAT IS THE PRESENT SITUATION?

KEY OBJECTIVES	PRESENT SITUATION
COMPLIANT	Council is compliant with requirements for the management of Council's corporate risks, records management, corporate performance and continuous improvement. These systems are also suitable to meet Council's own needs although there is a need for continual improvement.
TRANSPARENT AND ACCOUNTABLE DECISION-MAKING	<p>Council is able to support the organisation in transparent and accountable decision-making through the provision of compliant governance systems and strategic frameworks to respond to legislative requirements including the Audit, Risk and Improvement Committee, Enterprise Risk Management Framework and Internal Audit function.</p> <p>Council ensures that the governing body is informed and provided the opportunity to provide advice on the development and implementation of Council's plans and policies and are provided with administrative and professional support necessary to effectively discharge their functions including support from the Audit, Risk and Improvement Committee.</p> <p>Feedback from the latest community survey suggests the community is satisfied with 'opportunity to participate in Council decisions' as importance (63%) is slightly lower than satisfaction (64%).</p>
QUALITY CUSTOMER RESPONSIVENESS	Council is able to meet the needs and expectations of customers in relation to our areas of responsibility, however council currently do not monitor feedback from customers for requests other than complaints and after-hours calls, response times to requests, proportion of issues resolved at first point of contact, need for repeat requests.

WHAT IS THE FUTURE SITUATION?

KEY OBJECTIVES	FUTURE SITUATION
COMPLIANT	Council expect that with continued focus on the changing compliance requirements and adopting a risk-based approach council will be able to continue to comply with requirements.
TRANSPARENT AND ACCOUNTABLE DECISIONS	Council expect that with the continued focus on the changing compliance requirements and continual improvement of management systems, council will be able to continue to coordinate and manage compliant governance systems and strategic frameworks.
QUALITY CUSTOMER SERVICE RESPONSIVENESS	<p>Council expect to be able to continue to meet the needs and expectations of customers in relation to our areas of responsibility including Council's switchboard and front counter at Molong, Cudal and Canowindra offices, and the areas identified under compliance. A focus on reporting capabilities to monitor feedback from customers for requests is needed.</p> <p>A new improvement project to review, measure and improve our customer responsiveness and customer experience will be completed during 25/26.</p>

RISK ASSESSMENT

RISK	LIKELIHOOD	CONSEQUENCE	CONTROL	RESIDUAL RISK	MITIGATION
Increasing and changing compliance requirements coupled with limited resources to respond to these results in non-compliance with requirements	Possible	Minor	Compliance register developed, coordination of priorities across Council, risk-based approach	Low	Monitor and allocate resources as required
A lack of clarity and coordination between those responsible for elements of customer service (across switchboard and front counters at three sites) results in service delivery falling short of the needs and expectations of those contacting Council	Likely	Minor	Coordination across departments	Low	Review coordination and delivery of customer service function through the development of a Customer Responsiveness Strategy (improvement project for 25/26)
Lack of engagement and accountability amongst staff to utilise organisational business systems leads to non-compliance with legislative requirements	Possible	Minor	Coordination across departments, training, training resources	Low	Ongoing focus

RISK ASSESSMENT

RISK	LIKELIHOOD	CONSEQUENCE	CONTROL	RESIDUAL RISK	MITIGATION
Inability to attract and retain skilled and qualified staff impacts service delivery	Unlikely	Minor	Trainee program, workforce planning, use of contractors to supplement internal resources	Very Low	Ongoing focus

COMPOSITE ASSESSMENT OF THE LEVEL OF UNCERTAINTY		
Considering all threats to achieving Council’s strategic goals and resources available in the Operational Plan and Resourcing Strategy to undertake the principal activities, the level of uncertainty in relation to achieving this goal overall is rated	Low	No further action is required to be undertaken by Council to gain greater assurance.

HOW DO WE WORK?

OPERATIONS			
HOW DO WE DO IT?	IMPACT ON STRATEGIC GOALS	PLANNING AND MONITORING	WHO IS RESPONSIBLE?
COMMUNITY AWARENESS OF COUNCIL DECISIONS	High: impact on the quality of customer responsiveness	Our priority is facilitating meetings of Council and committees, coordinating civic events and citizenship ceremonies and providing training and support to elected officials.	Leader – Governance and Corporate Performance
CORPORATE RISK MANAGEMENT	High: impacts Council's compliance and performance overall	Our priority is on managing corporate risks appropriately to meet regulatory requirements and to reduce the likelihood of any adverse impacts on Council and the community. We do so by maintaining a risk management framework, supporting effective operation of Council's Audit, Risk and Improvement Committee, delivering the strategic internal audit program, monitoring and reviewing Council's policies, administering and preparing leases, licences, contracts and tender documents.	Leader – Governance and Corporate Performance
CORPORATE PERFORMANCE AND CONTINUOUS IMPROVEMENT	High: impacts Council's compliance and performance overall	Our priority is on ensuring Council complies with requirements for integrated planning and reporting and utilise this framework to support good planning and performance across the organisation.	Leader – Governance and Corporate Performance
COUNCIL SWITCHBOARD FRONT COUNTERS AT - MOLONG, CANOWINDRA AND CUDAL OFFICES	High: a well-functioning interface with our customers impacts our ability to provide quality customer responsiveness	Our priority is on ensuring Council is available to take requests by telephone in a way that meets the needs of our customers. Our priority is on ensuring Council is available to take requests and process receipting for Council services (i.e., rates) and Beyond Bank in a way that meets the needs of our customers.	Leaders – Finance, Community Services, and Governance and Corporate Performance Deputy General Manager - Infrastructure

HOW DO WE WORK?

OPERATIONS			
HOW DO WE DO IT?	IMPACT ON STRATEGIC GOALS	PLANNING AND MONITORING	WHO IS RESPONSIBLE?
INSURANCE PORTFOLIO	High: impacts risks to council	Our priority is on ensuring Council's insurance portfolio is up-to-date and appropriate in giving adequate coverage for Council's risks.	Leader – Governance and Corporate Performance
RECORDS MANAGEMENT	High: impacts compliance	Our priority is ensuring that Council complies with legislative requirements for records management and that our records system facilitates access to information by staff to support Council's operations.	Leader – Governance and Corporate Performance
CIVIC FUNCTIONS (GOVERNING BODY)	Very High: impacts governance, transparent and accountable decision-making	Our priority is ensuring the governing body has timely advice and support to effectively perform their functions through meeting structure and in organising civic functions.	Leader – Governance and Corporate Performance
EXECUTIVE FUNCTIONS (GM'S OFFICE)	Very High: impacts governance, transparent and accountable decision-making	Our priority is to ensure Council's day-to-day operations are managed efficiently and effectively in order to gain sufficient assurance we will achieve our objectives.	Leader – Governance and Corporate Performance



Innovation and Technology

Innovation and Technology

Quality innovation and technology and achievement of Council's emissions reduction programs.

WHAT DO WE DO?

- Manage Council's information and communications technology hardware (computers, servers, mobile devices and phone systems) and software (programs to run on hardware) and support staff and councillors in utilising this by resolving problems and planning for future needs.
- Manage Council's geographical information system (GIS) in order to provide reliable and accurate information to support Council decision making and support users of the GIS.
- Manage around \$3m in office equipment, digital hardware and software. Assets relating to sustainability are still under construction but future value could be up to \$5.5m.
- Assist in the development and implementation of plans to mitigate, adapt, and innovate to ensure resilience to the impacts of climate change on the Cabonne LGA including Council's renewable energy and emissions reduction programs and work with other Departments to deliver actions and initiatives in Council's climate change adaptation plan.
- Work with other Council business units/departments to ensure appropriate information security/cybersecurity controls are in place in order to manage Council's cybersecurity risk and obligations.

**Innovation and Technology support the ongoing maintenance and development of Council's website; however, the management of content and customer responsiveness is managed by Community and Economy.*

WHY DO WE DO WHAT WE DO?

Innovation and Technology

	An active, safe and healthy community. <ul style="list-style-type: none"> Innovation and technology supports services to meet these needs.
	A vibrant, inclusive free and fair community. <ul style="list-style-type: none"> Innovation and technology supports services to meet these needs.
	A natural environment sustained for the future <ul style="list-style-type: none"> Innovation and technology supports services to meet these needs. Council's renewable energy and emissions reduction programs aim to reduce our impact on the environment.
	Liveable neighbourhoods with a defined identity <ul style="list-style-type: none"> Innovation and technology supports services to meet these needs.
	A thriving, sustainable local economy <ul style="list-style-type: none"> Innovation and technology supports services to meet these needs.
	A community achieving its potential <ul style="list-style-type: none"> Innovation and technology supports services to meet these needs.
	Leadership that gives us hope for the future <ul style="list-style-type: none"> Innovation and technology supports the effective governance of Council. Council is taking a leadership role in our community in renewable energy and emissions reduction.
	Stewardship of public resources <ul style="list-style-type: none"> Council's IT infrastructure is managed responsibly and sustainably. Council's renewable energy program aims to improve the way we manage our resources.

WHAT IS OUR STRATEGIC GOAL?

These are the measures and indicators used to evaluate performance in relation to this goal.

Council's **Delivery Program 2025-2029** has an overview of the situation at the start of the current term of council and our specific goals for the term of office.

Council's Annual Report (published each calendar year) includes an update of the situation and our achievements in working towards the strategic goal.

STRATEGIC GOAL	
QUALITY INNOVATION AND TECHNOLOGY AND ACHIEVEMENT OF COUNCIL'S EMISSIONS REDUCTION PROGRAM.	
KEY OBJECTIVES	
QUALITY INNOVATION AND TECHNOLOGY	Council staff and councillors are supported with the tools they need (in relation to information and communications hardware and software) to meet the needs and expectations of the community.
ACHIEVEMENT OF COUNCIL'S EMISSION REDUCTION PROGRAMS	Council realises its goal for its Renewable Energy Action Plan and Electrify Cabonne plan. We measure our performance in relation to the goals in the plans as well as feedback from the community survey in relation to 'sustainable energy programs' and the desire for more investment in 'sustainability initiatives.

WHAT IS THE PRESENT SITUATION?

KEY OBJECTIVES	PRESENT SITUATION
QUALITY INNOVATION AND TECHNOLOGY	<p>The majority of our hardware and software meets the needs of users although there are concerns with the lack of integration between these systems and the ongoing support for and investment in upgrades to some systems.</p> <p>Council is able to provide sufficient support to users to support the delivery of Council's external services.</p>
ACHIEVEMENT OF COUNCIL'S EMISSIONS REDUCTION PROGRAMS	<p>Council can only achieve the goals of Council's emissions reduction program if external support can be secured to help fund the required infrastructure including solar farm and battery. At present there are grant opportunities, but the funding has not been secured.</p> <p>Council cannot work towards achieving our objectives of its emissions reduction program without external support and the inclusion of emissions as a result of landfill operations and the scale of Council's operations limits opportunity for improvement, industry led changes are required if it continues to be included in Council's emission profile.</p> <p>Feedback from the latest community survey suggests the community is more than satisfied with 'sustainable energy programs' as importance (49%) is lower than satisfaction (72%) and only 33% of respondents see more investment in 'sustainability initiatives' as a priority.</p>

WHAT IS THE FUTURE SITUATION?

KEY OBJECTIVES	FUTURE SITUATION
QUALITY INNOVATION AND TECHNOLOGY	<p>With an ongoing focus on investment in hardware, software and support for users Council is forecast to be able to meet its needs generally.</p> <p>However, there is likely to be ongoing challenges with securing the right software systems, and integration of and support for those systems, to meet our needs.</p> <p>Lack of involvement in the decision-making process around the procurement of new systems and hardware threatens the I&T departments ability to maintain and service such systems. Lack of overarching approach is leading to lack of integration disjointed and incomplete workflows.</p>
ACHIEVEMENT OF COUNCIL'S EMISSIONS REDUCTION PROGRAMS	<p>Council can only achieve the goals of Council's emissions reduction program if external support can be secured to help fund the required infrastructure including solar farm and battery.</p>

RISK ASSESSMENT

RISK	LIKELIHOOD	CONSEQUENCE	CONTROL	RESIDUAL RISK	MITIGATION
Cyber-attack on Council's systems and subsequent data breach or operational impact	Possible	Moderate	Working towards compliance with Essential 8 as part of Central NSW Joint Organisation of Councils	Medium	Continue to improve governance around IT system, work with regional partners and new shared Chief Information Security Officer Role
Inability to keep up with the rapid pace of change in technology impacts service delivery	Possible	Moderate	Cabonne Council IT Strategy	Medium	Review Cabonne Council IT Strategy
Failure of systems due to ageing IT infrastructure	Possible	Moderate	Prioritising renewals within available funds	Medium	Monitoring, risk focus on renewals
Inability to achieve goals in Council's renewable energy program due to a lack of grant support	Possible	Moderate	Apply for grants lobbying	Medium	Review goals if grants are not secured

RISK ASSESSMENT

RISK	LIKELIHOOD	CONSEQUENCE	CONTROL	RESIDUAL RISK	MITIGATION
Inability to attract and retain skilled and qualified staff impacts service delivery	Possible	Minor	Trainee program, cadets, overall recruitment, culture, workforce planning	Low	Monitor and review

COMPOSITE ASSESSMENT OF THE LEVEL OF UNCERTAINTY		
Considering all threats to achieving Council’s strategic goals and resources available in the Operational Plan and Resourcing Strategy to undertake the principal activities, the level of uncertainty in relation to achieving this goal overall is rated	Medium	Further action is required to be undertaken by Council to gain greater assurance.



HOW DO WE WORK?

OPERATIONS			
HOW DO WE DO IT?	IMPACT ON STRATEGIC GOALS	PLANNING AND MONITORING	WHO IS RESPONSIBLE?
INFORMATION AND COMMUNICATIONS TECHNOLOGY	High: impact on the quality of innovation and technology	Council priority is to ensure users have access to quality information and communications technology to support them in external service delivery by managing the systems in place (hardware and software, e.g. licences), supporting the network (servers, connections between sites) with a particular focus on managing threats (hacking, viruses, etc.) and supporting users to overcome problems with the system operation. We monitor performance in terms of response times to requests, compliance with security standards and downtime / incidents.	Leader - Innovation and Technology
COUNCIL'S RENEWABLE ENERGY PLAN	High: achieving the goals are a key Council strategic plan	Council's priority is to ensure responsible energy management practices are considered in Council's day-to-day operations.	Leader - Innovation and Technology
COUNCIL'S EMISSIONS REDUCTION PLAN	High: achieving the goals are a key Council strategic plan	Council's priority is to undertake the actions that have the greatest impact on Council's emissions within the resources available. These actions are undertaken across many of Council's services (e.g. procurement of plant and equipment that has lower emissions). The focus is on planning and coordination of such actions.	Leader - Innovation and Technology

HOW DO WE WORK?

CAPITAL WORKS			
HOW DO WE DO IT?	IMPACT ON STRATEGIC GOALS	PLANNING AND MONITORING	WHO IS RESPONSIBLE?
INFORMATION AND COMMUNICATIONS TECHNOLOGY	High: impact on the quality of innovation and technology	Our priority is provision of modern, reliable and appropriate information and communications technology including computers, mobile devices, servers, fixed line telephones and other hardware as well as software licences (where these are accounted for as a capital cost). We measure performance in terms of the age of equipment, breakdowns and meeting user needs.	Leader - Innovation and Technology
COUNCIL'S RENEWABLE ENERGY PLAN	High: achieving the goals are a key Council strategic plan	Our priority is to deliver the priority investments in renewal energy including the solar farm, battery projects identified in Electrify Cabonne.	Leader - Innovation and Technology

Safety, People and Culture



Safety, People and Culture

Enhance the performance of our council by building capability, expanding capacity, and ensuring a safe and inclusive work environment for all employees.

WHAT DO WE DO?

- Council's role is to work with the leaders of all Council Departments to ensure they have the right human resources to deliver services, to ensure activities are undertaken safely and to foster a healthy culture.
- Council coordinate all recruitment, on and off-boarding, performance management, workforce planning, organisational design, training and development, Work Health and Safety and industrial relations activities within Council.



WHY DO WE DO WHAT WE DO?

Safety, People and Culture

	An active, safe and healthy community. <ul style="list-style-type: none"> Council provides a safe and healthy work environment for staff, contractors and visitors.
	A vibrant, inclusive free and fair community. <ul style="list-style-type: none"> Council is a responsible employer and provides a consultative and supportive work environment.
	A natural environment sustained for the future <ul style="list-style-type: none"> An appropriate workforce and culture are needed to deliver services to achieve this outcome.
	Liveable neighbourhoods with a defined identity <ul style="list-style-type: none"> An appropriate workforce and culture is needed to deliver services to achieve this outcome.
	A thriving, sustainable local economy <ul style="list-style-type: none"> Council is a large employer in the local area and so makes a positive contribution to the economy.
	A community achieving its potential <ul style="list-style-type: none"> Provision of training and development opportunities for staff, support for local contractors.
	Leadership that gives us hope for the future <ul style="list-style-type: none"> Council's leadership influences the broader community.
	Stewardship of public resources <ul style="list-style-type: none"> An appropriate workforce and culture are needed to deliver services to achieve this outcome.

WHAT IS OUR STRATEGIC GOAL?

These are the measures and indicators used to evaluate performance in relation to this goal.

Council's **Delivery Program 2025-2029** has an overview of the situation at the start of the current term of council and our specific goals for the term of office.

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STRATEGIC GOAL	
ENHANCING THE PERFORMANCE OF OUR COUNCIL BY BUILDING CAPABILITY, EXPANDING CAPACITY, AND ENSURING A SAFE AND INCLUSIVE WORK ENVIRONMENT FOR ALL EMPLOYEES.	
KEY OBJECTIVES	
BUILDING CAPABILITY	Council's workforce capability is continually developed to ensure a high-performing organisation to meet the needs of our community. Council is focused on developing the capabilities of our leaders through the Leadership Development Program, enhancing our learning and development processes to ensure we can meet the current and future needs of our workforce, and implementing and monitoring the Professional Development Program.
BUILDING CAPACITY	Council's diverse workforce is supported and has capacity to respond to the current and future needs of our community. Council is committed to improving our workforce planning strategies to ensure we can respond to current and future needs of our workforce, improving our recruitment and selection processes, and further developing an understanding of our people.
SAFE AND INCLUSIVE	Council's workplace is healthy and safe, and our people are trained and supported to deliver high-quality services to our community. Council measure success through the maintenance and continued implementation of an ISO 45001 certified Work Health and Safety Management Systems (WHSMS), ensuring a culture workplace safety and employee wellbeing, and supporting our people through best practice injury management processes.

WHAT IS THE PRESENT SITUATION?

KEY OBJECTIVES	PRESENT SITUATION
BUILDING CAPABILITY	<p>The Leadership and Coordinator Development Programs that have been implemented have proven to be of high value with an increased confidence and capability in the staff that have undertaken this training. Benchmark data measured in 2024 showed leaders were ranked 80% on the indicator “leaders are skilled and effective” – this is an increase of 20% since 2019.</p> <p>Council has implemented the Cabonne Capability Framework for Coordinators and Leaders. The Framework is designed to help attract, develop and retain a responsive and capable workforce whilst aligning to the annual Professional Development Program (PDP). The Framework will be rolled out to the remainder of the workforce in the 2025/26 FY and embedded into the annual PDP process to ensure transparency and consistency in performance management and review processes across the organisation.</p> <p>Learning and development processes are currently managed by the Safety, People and Culture team (compliance training) and individual departments (professional development). A review of the Learning and Development Framework is required to ensure a transparent, equitable and fair approach to the ongoing development of our people’s capabilities whilst complying with council processes, policies and budget requirements.</p>
BUILDING CAPACITY	<p>Capacity in the Safety, People and Culture team was purposefully expanded in the last 4 years with new positions created and increase in budgets such as Learning and Development.</p> <p>The post disaster recovery period has seen a very large increase in grant funding predominantly in the delivery areas of Urban and Transport. This has significantly impacted on capacity of current workforce to deliver both the normal operational maintenance and capital works as well as the funded projects and programs. Several projects have had to be contracted out and specialist consultants in engineering, design and project management engaged on temporary capacity.</p> <p>Council undertakes Workforce Profile Reviews to respond to challenges that are being faced regarding the attraction and retention of staff, the approach to future workforce planning needs to be well planned.</p>
SAFE AND INCLUSIVE	<p>Council achieved ISO 45000 certification for the WHSMS in 2024 with Lost Time Injury for 2024 being zero.</p> <p>Our workforce is well-supported and provided with the resources, tools and support required to effectively perform their role, with an average satisfaction score of 4.47 (out of 5) as at the Engagement Survey in December 2024</p>

WHAT IS THE FUTURE SITUATION?

KEY OBJECTIVES	FUTURE SITUATION
BUILDING CAPABILITY	With continued focus and investment of our people and ongoing monitoring, review and improvement of the systems, processes and frameworks in place, we will be able to effectively address the current and future needs of our workforce.
BUILDING CAPACITY	Through continued improvements to our workforce planning processes and a review of our recruitment and attraction processes to ensure a merit-based approach that aligns to best practice and legislative requirements, council will be able to effectively address the current and future needs of our workforce. It is vital that council continues to develop a deeper understanding of the needs of our people to ensure that we can retain a satisfied and skilled workforce, whilst also responding to future workforce needs and trends.
SAFE AND INCLUSIVE	Council are able to maintain a safe and inclusive work environment through ongoing monitoring and review of council's Work Health and Safety Management System and Wellness initiatives and associated programs.

RISK ASSESSMENT

RISK	LIKELIHOOD	CONSEQUENCE	CONTROL	RESIDUAL RISK	MITIGATION
Inability to attract and retain staff within the department	Possible	Moderate	Workforce Profile Reviews, Recruitment and Attraction Policy and Procedures	Medium	Review of Recruitment and Attraction Policy and Procedures
Inadequate management of injury/illness caused in the workplace, resulting in unnecessary lost time injuries or increased claims costs	Possible	Moderate	WHSMS, ISO 48001 certification, Wellness Programme, RTW Program	Medium	Monitor and review
Training and Development Program and initiatives do not deliver sufficient value and capability development to the internal stakeholders	Possible	Minor	Review and monitoring of compliance of training budgets	Low	Position Competency Profiles, improved PDP process

RISK ASSESSMENT

RISK	LIKELIHOOD	CONSEQUENCE	CONTROL	RESIDUAL RISK	MITIGATION
Failure to comply with the relevant Award, legislation and procedural fairness provisions	Unlikely	Moderate	Improved documented procedures, proactive injured worker case management, Wellness Program	Low	Build additional industrial relations expertise within the SPC team
Workforce and structure are not fit for purpose both in capacity and capability	Unlikely	Moderate	Workforce Profile Reviews and regular review of Position Descriptions	Low (9)	Monitor and review

COMPOSITE ASSESSMENT OF THE LEVEL OF UNCERTAINTY		
Considering all threats to achieving Council's strategic goals and resources available in the Operational Plan and Resourcing Strategy to undertake the principal activities, the level of uncertainty in relation to achieving this goal overall is rated	Medium	Council should consider taking further action to gain greater assurance

OPERATIONS			
HOW DO WE DO IT?	IMPACT ON STRATEGIC GOALS	PLANNING AND MONITORING	WHO IS RESPONSIBLE?
BUILD OUR PEOPLE'S CAPABILITY	High: enhanced performance through building capability	<p>Our workforce capability is continually developed to ensure a high-performing organisation to meet the needs of our community. Our priority is:</p> <ul style="list-style-type: none">• implementing and monitoring the Professional Development Program (PDP)• developing the capabilities of our people through formal leadership programs• improving learning and development opportunities• developing processes and ensuring our workforce is engaged and actively contributing to the work environment.	Learning and Development Coordinator
SUPPORT OUR PEOPLE'S CAPABILITY	High: enhanced performance through expanding capacity	<p>Our diverse workforce is supported and has capacity to respond to the current and future needs of our community. Our priority is:</p> <ul style="list-style-type: none">• improving workforce planning processes, policies and procedures,• improving our recruitment and attraction processes• further developing our understanding of the needs of our people to ensure we can retain a satisfied and skilled workforce.	Leader – Safety, People and Culture

OPERATIONS			
HOW DO WE DO IT?	IMPACT ON STRATEGIC GOALS	PLANNING AND MONITORING	WHO IS RESPONSIBLE?
PROTECTING OUR PEOPLE'S SAFETY AND WELLBEING	High: a safe and inclusive work environment for all employees	<p>Our workplace is healthy and safe, and our people are trained and supported to deliver high-quality services for our community. Our priority is:</p> <ul style="list-style-type: none">the maintenance of Council's accredited health and safety system to provide assurance that Council's workplace is safe for employees, contractors and visitors,maintaining a culture of workplace safety and employee wellbeing.	WHS Coordinator

Development Services



Development Services

We shape our local area to align with our community's vision, we protect public health and the environment.

WHAT DO WE DO?

- Council creates plans and strategies that define our community's vision for the future of our local area in the terms of land use within the context of the requirements established in State and Regional plans. Council performs a variety of regulatory roles to work with the community in achieving this vision as well as protecting public health and the environment.
- Our role in statutory planning informs revisions and amendments to the standard instrument Local Environmental Plan and associated supporting documents (Development Control Plans, Local Strategic Planning Statement) to define our future land use.
- Our role in development assessment includes providing information to potential applicants and assessing applications to ensure compliance with regulatory requirements and result in an appropriate development outcome.
- Our role in regulation and compliance includes certification of buildings, plumbing and drainage and enforcement of a range of requirements impacting public health and the environment including development, building, food safety, onsite sewage management, swimming pools as well as noise, air and water pollution.



WHY DO WE DO WHAT WE DO?

Development Services

**An active, safe and healthy community.**

- Land use planning shapes the local area both in public and private spaces to promote these outcomes.
- Compliance activities are critical to promote health and safety.

A vibrant, inclusive free and fair community.

- Land use planning adds vibrancy and makes provision for different needs.
- Compliance activities can address issues that impact on freedom and fairness.

**A natural environment sustained for the future**

- Land use planning that aims to protect and enhance the natural environment.
- Compliance activities to address a variety of environmental impacts.

Liveable neighbourhoods with a defined identity

- Land use planning shapes the local area both in public and private spaces to make the area more liveable and to shape the local identity.
- Compliance activities make the area more liveable.

**A thriving, sustainable local economy**

- Land use planning to facilitate, encourage, support and enhance local economy.
- Compliance activities to manage impacts of and to protect economic activities.

A community achieving its potential

- Planning and compliance activities can both help remove barriers.
- Planning can create opportunities.

**Leadership that gives us hope for the future**

- Land use planning is about developing and realising a vision for the future; leadership is vital.
- Compliance activities to address issues of concern.

Stewardship of public resources

- Land use planning to make appropriate use of resources.
- Compliance activities to promote good use of public resources.

WHAT IS OUR STRATEGIC GOAL?

These are the measures and indicators used to evaluate performance in relation to this goal.

Council's **Delivery Program 2025-2029** has an overview of the situation at the start of the current term of council and our specific goals for the term of office.

Council's Annual Report (published each calendar year) includes an update of the situation and our achievements in working towards the strategic goal.

STRATEGIC GOAL	
WE SHAPE OUR LOCAL AREA TO ALIGN WITH OUR COMMUNITY'S VISION, WE PROTECT PUBLIC HEALTH AND THE ENVIRONMENT.	
KEY OBJECTIVES	
SHAPING OUR LOCAL AREA	<p>Council aims to work with the community to develop strategies and plans that reflect the current and future needs of the community and the principles of ecologically sustainable development, via our role in statutory planning, and then to work with our community to achieve this through our assessment, regulatory and compliance roles.</p> <p>Council measures our performance in planning in terms of keeping our plans up to date, responsive to the changing needs of the community and the economy and technology and in assessment in terms of timeframes to undertake the assessment of applications.</p>
PROTECTING PUBLIC HEALTH AND THE ENVIRONMENT	<p>Council aims to educate the community and to achieve compliance with the relevant requirements.</p> <p>Council monitors our performance in terms of interactions with the community to work towards compliance with our obligations as well as customer requests and feedback.</p>

WHAT IS THE PRESENT SITUATION?

KEY OBJECTIVES	PRESENT SITUATION
SHAPING OUR LOCAL AREA	<p>The Local Environmental Plan is the cornerstone document for land use planning.</p> <p>Key supporting documents including the Bushfire Risk Map, Flood Maps, Settlement Strategy, Developer Contributions Plans are reviewed and updated.</p> <p>The other main supporting documents include the Developer Servicing Plans for water supply and sewerage, the Engineering Design Manual and the Development Control Plan require revision.</p> <p>Council's ability to attract and retain human resources to undertake the work required in this area is a real challenge, not just for council but the industry generally.</p> <p>The NSW Government's planning portal is resource intensive and integration with Council's own system adds to the complexity.</p>
PROTECTING HEALTH, THE ENVIRONMENT, LOCAL LAWS AND BIODIVERSITY	<p>Council are generally able to meet our obligations in relation to legislative requirements that are council's responsibilities.</p> <p>Risk assessments are used in developing policy to underpin the services council is able to provide.</p>

WHAT IS THE FUTURE SITUATION?

KEY OBJECTIVES	FUTURE SITUATION
SHAPE OUR LOCAL AREA TO ALIGN WITH OUR COMMUNITY'S VISION	<p>This is an area where progress will need to be monitored, and action taken to respond to threats and opportunities as they arise.</p>
PROTECTING PUBLIC HEALTH, THE ENVIRONMENT, LOCAL LAWS AND BIODIVERSITY	<p>Limited staffing and resourcing means reactionary services rather than proactive services will be provided with a focus on issues of higher risk.</p>

RISK ASSESSMENT

RISK	LIKELIHOOD	CONSEQUENCE	CONTROL	RESIDUAL RISK	MITIGATION
Lack of understanding and support regarding the roles of councillors and staff in land use planning	Unlikely	Minor	Councillor inductions, briefings	Very Low	Build a strong understanding of the role of both councillors and staff in shaping the future land use vision for Cabonne
Inability to attract and retain qualified staff results in failure to meet processing times for development assessment and to meet needs for building certification.	Possible	Moderate	Traineeships, flexible work plans, succession planning	Medium	Ongoing focus
Out-of-date documents related to regulatory requirements results in non-compliance and non-responsiveness to community needs	Possible	Minor	Available resources are focused on highest risk issues	Low	Ongoing focus and provision of resources to engage consultants to review documents
Further reduction in capacity to meet requirements due to legislative change and / or new compliance requirements	Possible	Minor	Monitor	Low	Nil

COMPOSITE ASSESSMENT OF THE LEVEL OF UNCERTAINTY		
Considering all threats to achieving Council's strategic goals and resources available in the Operational Plan and Resourcing Strategy to undertake the principal activities, the level of uncertainty in relation to achieving this goal overall is rated	Low	No further action is required to be undertaken by Council to gain greater assurance.

HOW DO WE WORK?

OPERATIONS			
HOW DO WE DO IT?	IMPACT ON STRATEGIC GOALS	PLANNING AND MONITORING	WHO IS RESPONSIBLE?
STRATEGIC LAND USE PLANNING	High: a clear vision for land use is established in the Local Environmental Plan supported by various other documents	Our priority is developing strategic land use planning documents underpinned by the Cabonne Settlement Strategy with a flexible 20-year growth forecast.	Leader – Development Services
STATUTORY PLANNING	High: impacts Council's compliance and performance overall	To provide consistent and compliant determinations of applications lodged with Council while maintaining compliance with all relevant legislation and ensuring adequate services are available and that any infrastructure provided is done so to the relevant Engineering Guidelines and Australian Standards.	Leader – Development Services
LOCAL GOVERNMENT APPROVALS	High: helping us achieve our vision involves issuing approvals under the Local Government Act 1993 for various activities	To provide consistent and compliant determinations of applications lodged with Council while maintaining compliance with all relevant legislation and ensuring adequate services are available and that any infrastructure provided is done so to the relevant Engineering Guidelines and Australian Standards.	Leader – Development Services

HOW DO WE WORK?

OPERATIONS

HOW DO WE DO IT?	IMPACT ON STRATEGIC GOALS	PLANNING AND MONITORING	WHO IS RESPONSIBLE?
BUILDING CERTIFICATES	High: helping us achieve our vision involves both facilitating development and ensuring that development is appropriate	To provide a service to the community in an open marketplace and to ensure compliance with the Building Code of Australia, The National Construction Code and relevant Australian standards.	Leader - Development Services
COMPLIANCE SERVICES: DEVELOPMENT	High: helping us achieve our vision sometimes requires enforcement of requirements related local laws, public health and other relevant legislation	Our priorities are community safety, addressing high risk or significant nuisance matters.	Leader – Development Services

Environmental Services



Environmental Services

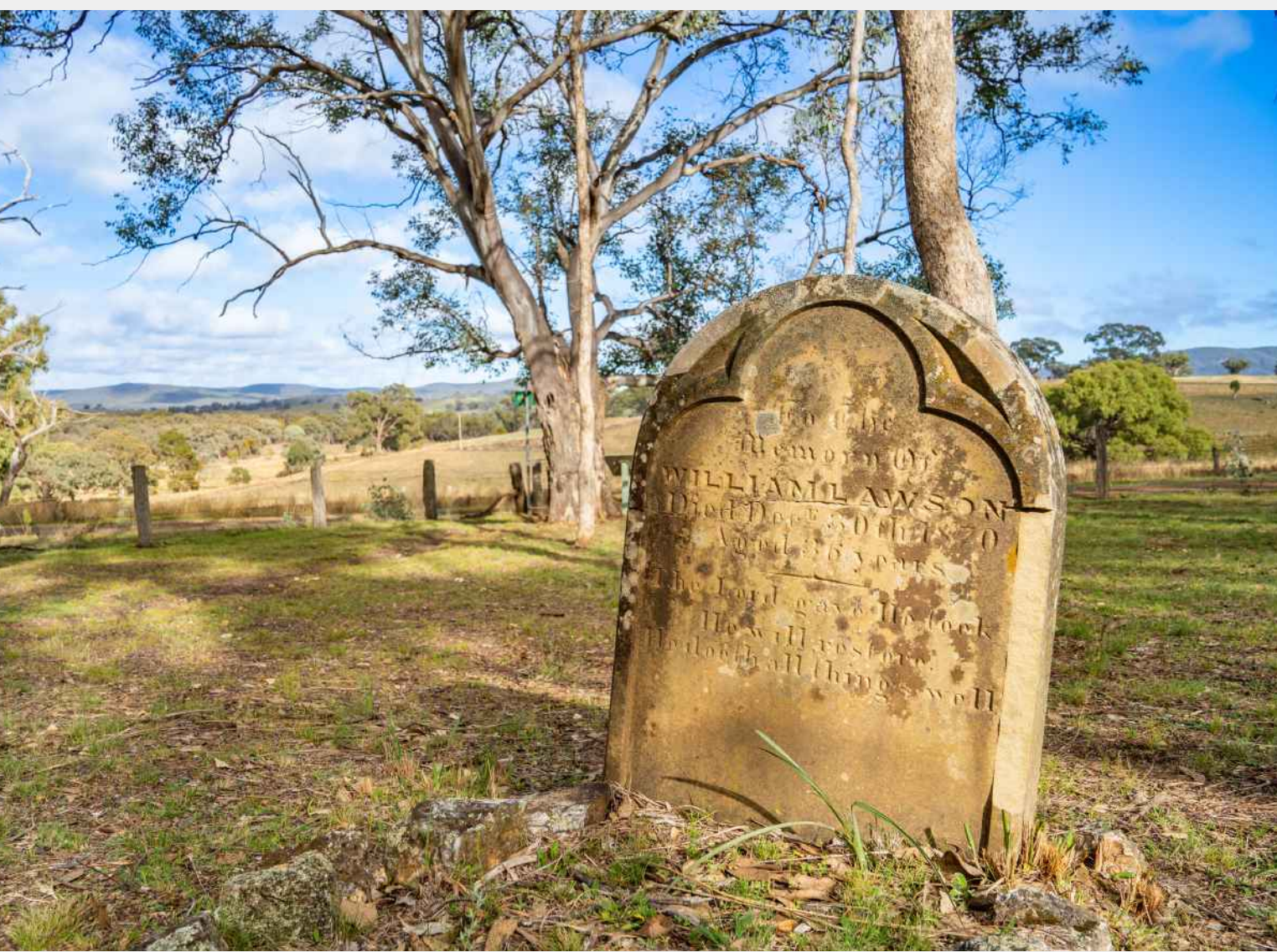
Appropriate environmental services that cater to our needs and minimise our environmental impact.

WHAT DO WE DO?

- Our role in waste management includes domestic kerbside collection acceptance of waste at facilities (landfills and transfer stations) and Diversion of recyclable from landfill.
- Kerbside collection is undertaken by contract (as part of the NetWaste group of councils) via a 2-bin system of recyclables (yellow bin) and putrescible (red bin) although this will move to a 3 bin system (green bin including food and garden organics / FOGO) as part of the new waste collection contract from 2027. Council also has 3 Recycle Banks at Cargo, Cudal and Cumnock. This is a community initiative in conjunction with JR Richards.
- Beside commercial bins collected as part of the domestic collection, we service a small number of commercial premises in skips, but this is limited by our capacity after moving skips associated with our transfer stations where recycling is moved off site and transferred to the Visy Materials Recovery Facility in Orange (other commercial premises are serviced by private companies).
- Canowindra, Cumnock, Eugowra and Manildra still operate as landfills. Four are now transfer stations. Council is responsible for post-closure care and monitoring landfills and nightsoil depots.
- Legacy monitoring of the Molong Gas Works site. We conduct yearly monitoring of water quality from existing bore wells and movement of residual tar are completed each year.
- Council is also the trustee of 6 Crownland cemeteries which include Amaroo, Collett, Guyong, Lewis Ponds, Obley and Toogong – Forbes Street. These are inactive cemeteries, and council has no active role in management of these sites.
- Interment and ashes are undertaken by funeral directors.
- Our role in biosecurity (weeds) is to undertake inspections in accordance with the contract with Local Land Services (NSW Government) who funds these activities, issuing orders for the treatment of priority plant species.
- We also engage landholders via workshops, property inspections and general meetings to take action to reduce environmental impacts.
- Landholders have a responsibility under the *Biosecurity Act 2015* to control priority plant species listed in the Central Tablelands Strategic Weed Management Plan.
- The management of weeds on Council land (roadsides, reserves, etc.) is included in the activities under those service areas.
- Our role in Ranger Services is defined under the *Companion Animals Act 1998*. Because of the limited resources available, we take a risk-based approach. The focus is on dangerous dogs and stock on roads.

WHAT DO WE DO?

- Our role in cemeteries is to comply with Council's obligations under the *Cemeteries and Crematoria Act 2013* including maintaining records of burials.
- Council also undertake the maintenance of Council's 11 cemeteries at Baldry, Boomey, Canowindra, Cargo, Cudal, Cumnock, Eugowra, Garra, Meranburn (Manildra), Molong, Nyrang Creek and Toogong. Council also manages the Columbarium wall niches for ashes interment at Cargo, Canowindra, Cudal, Eugowra, Molong, Meranburn.
- Our role in environmental assessments and planning is to address the requirements for works undertaken by Council (such as roadworks) under part 5 of the *Environmental Planning and Assessment Act 1979*.
- Council prepares most of the Review of Environmental Factors for such works on behalf of Council's Infrastructure Department (although some REFs are prepared by consultants). We also provide roadside vegetation management, engagement with the public and various stakeholders, endangered species habitat construction (Superb Parrot), identification of aboriginal site (scar trees) and advice and support to operations in implementing these plans.
- Our role in managing waterways is to undertake activities to clear obstructions in local waterways and to remove invasive tree species in waterways across the Cabonne region.



WHY DO WE DO WHAT WE DO?

Environmental Services

**An active, safe and healthy community.**

- Good waste management is vital for community safety and health.
- The Ranger function is focused on reducing safety concerns in relation to dangerous dogs and stock on roads.
- Cemeteries have a public health aspect.

A vibrant, inclusive free and fair community.

- Service provision to meet differing stakeholder needs and the costs of service delivery (e.g. waste centre opening time).
- Reflective of cost of providing the services to the public.

**A natural environment sustained for the future**

- Managing waste is vital to protect and enhance the natural environment.
- Managing biosecurity (weeds) has a significant impact on the natural environment.
- Appropriate assessments and planning for council's activities reduces our impact.

Liveable neighbourhoods with a defined identity

- These services help keep our local area clean and tidy.
- Cemeteries are an important part of the local identity.

**A thriving, sustainable local economy**

- Domestic waste services and waste facilities to meet the needs of industry.
- Managing biosecurity (weeds) helps protect our agricultural sector.

A community achieving its potential

- Service provision meets stakeholder needs.

**Leadership that gives us hope for the future**

- Long term planning to address current and future needs can be met.
- Community education programs to divert waste from landfill (i.e. recycling).

Stewardship of public resources

- Responsible and sustainable decisions, managing risks.
- Investigating grants to reduce the costs for ratepayers.

WHAT IS OUR STRATEGIC GOAL?

These are the measures and indicators used to evaluate performance in relation to this goal.

Council's **Delivery Program 2025-2029** has an overview of the situation at the start of the current term of council and our specific goals for the term of office.

Council's Annual Report (published each calendar year) includes an update of the situation and our achievements in working towards the strategic goal.

STRATEGIC GOAL	
APPROPRIATE ENVIRONMENTAL SERVICES THAT CATER TO OUR NEEDS AND MINIMISE OUR ENVIRONMENTAL IMPACT.	
KEY OBJECTIVES	
WASTE MANAGEMENT	<p>Council's goal is to provide a reliable service including collections are in accordance with the schedule, facilities are open. Council aim to ensure that the service provided is reasonably accessible and that the function is performed efficiently and effectively. Council measure this in terms of compliance with collection schedules and opening times and community satisfaction and feedback.</p> <p>Council aims to minimise our environmental impact by complying with our obligations under environmental protection legislation administered by NSW EPA.</p>
CEMETERIES	Council's goal is to comply with Council's obligations under the Cemeteries and Crematoria Act and to maintain the cemeteries, so they are presentable.
BIOSECURITY (WEEDS)	Council's goal is to meet Council's obligations under the <i>Biosecurity Act</i> and our contract with Local Land Services and to undertake further activities (such as landholder engagement) as resources permit to reduce the environmental impact of priority plant species.
RANGER SERVICES	Council's goal is to comply with our responsibilities under the Companion Animals Act and respond to issues with companion animals (dogs) and stock on roads that represent a safety issue to the community.
PROTECTION OF THE ENVIRONMENT	Council's goal is to comply with Council's responsibilities under the Environmental Planning and Assessment Act and to take further actions, as appropriate, to further reduce the impact of Council's activities on the environment.
MANAGING WATERWAYS	Council's goal is to facilitate proper flows in local waterways and minimise impacts on people, property and the natural environment.

WHAT IS THE PRESENT SITUATION?

KEY OBJECTIVES	PRESENT SITUATION
WASTE MANAGEMENT	<p>The domestic kerbside collection service is delivered on a reliable basis and at a competitive rate via a contract managed by the NetWaste group of councils.</p> <p>Opening hours for landfill and transfer facilities are limited given the cost of staffing, but the community is familiar with the times and analysis of the usage (number of vehicles) suggests the opening hours are appropriate. Based on a user demand/financial efficacy model.</p> <p>Feedback from the community in the recent community survey was that there is a performance gap in relation to waste centres (tips) as importance (89%) was higher than satisfaction (75%) but this reflects the resources available.</p> <p>Council's waste facilities are managed in compliance with regulatory requirements and in a way that reduces our environmental impact. Filling plans and closure plans are in place at all sites and monitoring is in place to ensure compliance.</p>
CEMETERIES	<p>Administered in compliance with legislative requirements and are maintained as well as possible within the limited resources available. Keeping up with mowing is a particular challenge in peak growing season. Feedback from the recent community ranked service performance satisfaction (84%).</p>
BIOSECURITY (WEEDS)	<p>Council comply with our obligations under the Biosecurity Act and undertake further actions such as engagement within the resources we have available. Feedback from the survey ranked importance at 84% but only 61% satisfaction.</p>
RANGERS	<p>Council comply with our obligations under Companion Animals Legislation. A small performance gap was identified in the survey, with importance of 'domestic animal control' (75%) rated higher than satisfaction (68%) although again, this reflects available resources.</p>
PROTECTION OF THE ENVIRONMENT	<p>Council comply with our obligations under the EP&A Act and POEO Act. Survey results ranked performance at 86%.</p>
MANAGING WATERWAYS AND ROAD RESERVES	<p>Council prioritise the limited resources available across the Cabonne area to maximise the impact of our limited funds. Feedback from landholders is positive.</p>

WHAT IS THE FUTURE SITUATION?

KEY OBJECTIVES	FUTURE SITUATION
WASTE MANAGEMENT	<p>The economies of scale achieved via the NetWaste group mean that we are well placed to continue to provide this service reliably and appropriately into the future.</p> <p>There is an estimated 20 years+ remaining capacity in Canowindra and Manildra landfills. Cumnock has around 6 years life remaining. But Eugowra landfill is estimated to have 50+ years remaining.</p> <p>At some point in future, as smaller landfills reach their capacity, the remaining site(s) are likely to require licencing with EPA due to the increased volume of waste accepted.</p> <p>While compliance requirements associated with the waste management function continue to change, the joint approach through NetWaste increases our capacity to keep up with changes.</p>
CEMETERIES	<p>All of Council's cemeteries have sufficient capacity to cater for future needs other than Molong.</p>
BIOSECURITY (WEEDS)	<p>Ongoing challenges to meet community expectations are expected.</p>
RANGERS	<p>Council can continue to comply with requirements and have sufficient resources to respond to safety issues.</p>
PROTECTION OF THE ENVIRONMENT	<p>Council will be able to continue to comply with these requirements.</p>
MANAGING WATERWAYS AND ROAD RESERVES	<p>Council will be able to continue to address priority issues within available resources.</p>

RISK ASSESSMENT

RISK	LIKELIHOOD	CONSEQUENCE	CONTROL	RESIDUAL RISK	MITIGATION
Failure to comply with environmental protection legislation at landfills or waste management centres leads to prosecution	Unlikely	Moderate	Required controls and plans in place	Low	Stay up-to-date with requirements, liaise with EPA and address issues as identified
Eventual filling and closure of all of Council's existing landfills. Ability to identify, acquire & implement a new landfill site is highly complex (due to environmental issues)	Likely	Moderate	Filling plans are in place to maximise capacity of existing sites	High	A new landfill solution will need to be identified longer term but there is still 50+ years of life remaining
Lack of resources to meet community needs and expectations in relation to biosecurity (weeds)	Possible	Minor	Clarifying Council's role and resources in managing weeds	Low	Continue to engage landholders and emphasise Council's role in weeds management
Inaccuracy in record-keeping for cemeteries	Possible	Minor	Systems in place, staff training in place	Low	Move from paper-based to a digitised record-keeping system
Molong Cemetery extension to be implemented	Likely	Negligable	Additional land acquired	Low	Plan for longer-term provision of space at Molong (once additional land used up)

RISK ASSESSMENT

RISK	LIKELIHOOD	CONSEQUENCE	CONTROL	RESIDUAL RISK	MITIGATION
Injury to persons (staff and community) or property as a result of a dog attack or stock on roads	Unlikely	Minor	Staff trained, risk-based approach	Very Low	Monitor
Failure to comply with POEO Act legislation results in prosecution (includes general Council works and waterways)	Unlikely	Moderate	Staff trained, review processes in place	Low	Monitor

COMPOSITE ASSESSMENT OF THE LEVEL OF UNCERTAINTY

Considering all threats to achieving Council's strategic goals and resources available in the Operational Plan and Resourcing Strategy to undertake the principal activities, the level of uncertainty in relation to achieving this goal overall is rated	Low	Council should consider taking further action to gain greater assurance
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HOW DO WE WORK?

OPERATIONS			
HOW DO WE DO IT?	IMPACT ON STRATEGIC GOALS	PLANNING AND MONITORING	WHO IS RESPONSIBLE?
DOMESTIC COLLECTION AND COMMERCIAL COLLECTION	Very High: reliability and meeting community needs.	Kerbside collection contract is managed via Netwaste group of councils.	Leader – Environmental Services
	Medium: there are other providers who can serve commercial customers	Other than normal kerbside collection (which is undertaken in conjunction with domestic collection) the priority is providing a skip bin collection service to a limited number of commercial customers to achieve sufficient utilisation of the collection truck after meeting the needs of Council in transferring skips to service Council's own facilities. Pricing is aimed at competing on a level playing field with private companies.	Leader – Environmental Services
WASTE DROP OFF FACILITIES	Very High: reliability and meeting community needs	Opening time reflect community need on a demand-based approach (at landfills and transfer stations) for all relevant wastes where appropriate.	Leader – Environmental Services
LANDFILL OPERATIONS	High: operation of landfills has potential impacts on the environment and compliance	Compliance with regulatory requirements, filling in accordance with filling plans (to maximise the life of the facility), minimising impacts on the environment and neighbouring properties.	Leader – Environmental Services
CEMETERIES	High: impact on compliance with regulatory requirements and community perceptions	Compliance with legislative requirements for administration of plot reservations for burials, maintenance of cemeteries and columbarium walls so they are well presented within the resources available, safety of those at the facilities.	Leader – Environmental Services

HOW DO WE WORK?

OPERATIONS			
HOW DO WE DO IT?	IMPACT ON STRATEGIC GOALS	PLANNING AND MONITORING	WHO IS RESPONSIBLE?
BIOSECURITY (WEEDS)	High: impact on compliance with contract and community perceptions	Compliance with obligations under the contract with Local Land Services and further actions to reduce the impact of weeds on our local environment.	Biosecurity Officer
RANGERS	High: impact on compliance with regulatory requirements and community safety	Compliance with Companion Animals Act; respond to issues based on risk to community safety including dangerous dogs and stock on roads.	Council Ranger
PROTECTION OF THE ENVIRONMENT	High: impact on compliance with regulatory requirements	Compliance with Protection of the Environment Operations Act in relation to the assessment of works undertaken by Council under part 5 of the Act. Responsibility for implementation and compliance rests with the operational sections of Council.	Leader - Environmental Services
MANAGING WATERWAYS AND ROAD RESERVES	High: impact on compliance with regulatory requirements	Compliance with Protection of the Environment Operations Act. Appropriate management of Flora & Fauna – EEC & Aboriginal sites.	Environmental Officer

Community and Economy



Community and Economy

Enabling a thriving and vibrant Cabonne with sustainably growing, engaged and informed communities, where people want to live, visit, play and stay.

WHAT DO WE DO?

- Support thriving and vibrant communities through facilitation of events and cultural opportunities, advocacy of tourism opportunities and promotion of the Cabonne region driving the visitor economy.
- Aim to sustainably operate the Age of Fishes Museum, which attracts visitors to Canowindra and the Cabonne region.
- Work with Orange City Council, Blayney Shire Council, and Orange 360 to promote and attract visitors to Cabonne and the broader Orange region.
- Ensure sustainably growing communities through seeking opportunities to support local businesses, community organisations and Council; advocacy efforts to seek funding, policy change and other actions with government and other stakeholders on behalf of our community; and ensuring that community flood recovery and resilience measures are prioritised by both Council and government.
- Utilise Council's Community Engagement Strategy and the Media and Social Media Protocols Policy to ensure that engagement and communication activities align with current community needs and trends.
- Work with Council staff to ensure alignment between Department priorities and economic and community outcomes.
- Utilise the Cabonne Economic Development and Visitor Economy Strategy to provide guidance around key activities that will deliver economic outcomes for the Cabonne LGA.
- Ensure we have engaged and informed communities by leading Council's communication and engagement activities, enabling community participation in decision making* and promoting the work of Council to the community.

**Activities to ensure transparency and accountability in decisions are identified within the Governance and Corporate Performance service.*

WHY DO WE DO WHAT WE DO?

COMMUNITY AND ECONOMY

**An active, safe and healthy community.**

- Increased economic activity and visitation can open up opportunities
- Effective community engagement provides a clear link between Council and community

A vibrant, inclusive free and fair community.

- Council supports this by facilitating the visitor economy and local events

**A natural environment sustained for the future**

- Economic activities and appropriate visitation can support a more sustainable environment

Liveable neighbourhoods with a defined identity

- Economic activities and appropriate visitation can facilitate a more liveable environment
- The Age of Fishes Museum is a unique part of Canowindra's identity

**A thriving, sustainable local economy**

- Sustainable growth of the local economy is facilitated by Council's activities.

A community achieving its potential

- Appropriate targeting of Council's efforts can create opportunities for more people in the community to achieve their potential (e.g. starting or growing a business) and for community groups to realise the outcomes they seek.

**Leadership that gives us hope for the future**

- A healthy economy, a thriving visitor economy, local events and good community engagement all help create hope for the future.

Stewardship of public resources

- Securing and provision of grants to ensure Council's limited resources can go further.

WHAT IS OUR STRATEGIC GOAL?

These are the measures and indicators used to evaluate performance in relation to this goal.

Council's **Delivery Program 2025-2029** has an overview of the situation at the start of the current term of council and our specific goals for the term of office.

Council's Annual Report (published each calendar year) includes an update of the situation and our achievements in working towards the strategic goal.

STRATEGIC GOAL	
ENABLING A THRIVING AND VIBRANT CABONNE WITH SUSTAINABLY GROWING, ENGAGED AND INFORMED COMMUNITIES, WHERE PEOPLE WANT TO LIVE, VISIT, PLAY AND STAY.	
KEY OBJECTIVES	
A THRIVING AND VIBRANT CABONNE	Opportunities for supporting and promoting the visitor economy, delivery and support of events, and provision of cultural services including the sustainable operation of the Age of Fishes Museum are promoted and pursued effectively within the available resources. We measure this via community satisfaction with 'tourism,' 'events and festivals' and 'arts and cultural facilities' in the Community Survey.
SUSTAINABLY GROWING COMMUNITIES	Council's activities in facilitating local economic growth are effective and represent best value given the limited resources available. We measure this via community satisfaction with 'supporting and growing investment' and the need for more investment in 'economic development' in the Community Survey.
ENGAGED AND INFORMED COMMUNITIES	The Cabonne community has an opportunity to participate and understand Council decision making and other activities undertaken by Council. We measure this in terms of general feedback from engagement processes and through the Community Survey in relation to 'consultation with the community', 'community comms and engagement', and 'Preferred method for communication'.

WHAT IS THE PRESENT SITUATION?

KEY OBJECTIVES	PRESENT SITUATION
A THRIVING AND VIBRANT CABONNE	<p>Feedback from the latest community survey indicates that the majority of the community are more than satisfied with the current service provided: satisfaction (92%) is higher than importance (48%), although almost half of all respondents identified 'tourism and visitor services' as an area for more investment.</p> <p>It is important to consider Council's opportunities to invest more in a 'thriving' community by undertaking specific activities: both facilitating the visitor economy and operating the Age of Fishes Museum.</p>
SUSTAINABLY GROWING COMMUNITIES	<p>Feedback from the latest community survey identifies a small gap between satisfaction (75%) and importance (82%) with Council's activities to 'support and grow business.'</p> <p>Over half of all respondents identified 'economic development' as an area for more investment.</p> <p>It is important to consider the opportunities for Council to increase its efforts and the resources required to do so.</p>
ENGAGED AND INFORMED COMMUNITIES	<p>Feedback from the recent community survey rated satisfaction with Council's engagement with the community high (75%) relative to its importance (76%), which suggests Council is meeting expectations, but 50% of respondents identified 'community comms and engagement' as a high priority for further investment.</p> <p>The survey identified community engagement as the second highest driver of community satisfaction overall.</p>

WHAT IS THE FUTURE SITUATION?

KEY OBJECTIVES	FUTURE SITUATION
A THRIVING AND VIBRANT CABONNE	<p>Failure to meet community expectations in relation to economic development and the visitor economy because of misalignment between Council’s role and resourcing versus Council’s ability to directly influence outcomes (economic growth, visitor numbers).</p> <p>Council needs to promote the capability and role and provide adequate resources to capitalise on opportunities in the visitor economy.</p>
SUSTAINABLY GROWING COMMUNITIES	<p>Supporting current local business and positioning Cabonne to attract new businesses is a priority to ensure a sustainable future economy for the region.</p> <p>Council has a role in connecting government levels and agencies that contribute to regional economic capacity and capability.</p> <p><i>A Cabonne Future Housing Strategy</i> will be delivered in 25/26.</p>
ENGAGED AND INFORMED COMMUNITIES	<p>Whilst recent survey results relating to service provision (performance) were quite positive, the fact that community engagement was ranked the second highest driver of community satisfaction overall means that Council must ensure that the processes, systems, capability and capacity of the organisation prioritise engagement and provision of information to our communities and ratepayers.</p> <p>Council will need to adapt to new communication technologies and platforms and manage any risks associated with emerging artificial intelligence systems.</p>



RISK ASSESSMENT

RISK	LIKELIHOOD	CONSEQUENCE	CONTROL	RESIDUAL RISK	MITIGATION
Failure to meet community expectations in relation to economic development and the visitor economy because of misalignment between Council's role and resourcing versus of Council's ability to directly influence outcomes (economic growth, visitor numbers).	Possible	Minor	Clarifying Council's role in economic development and tourism, working with stakeholders	Low	Continue to reinforce Council's role as a facilitator and enabler
Negative community perception, media and social media outcomes from promotion of Council activities.	Likely	Minor	Community Engagement Strategy prepared, Media and Social Media Protocols Policy adopted and regularly reviewed to ensure alignment with Council's current communications and engagement activities	Low	12-monthly Review of Community Engagement Strategy and Media and Social Media Protocols Policy
Poor condition of Age of Fishes Museum results in declining visitation and poor perception	Likely	Minor	Plan developed for refurbishment	Low	Secure funding for redevelopment works

RISK ASSESSMENT

RISK	LIKELIHOOD	CONSEQUENCE	CONTROL	RESIDUAL RISK	MITIGATION
Diminishing opportunities to secure grants reduces Council's ability to deliver outcomes through grant funded projects and to support community groups in securing support	Likely	Moderate	Monitor and promote opportunities where present	High	Promotion of lobbying activities in relation to securing funding Ongoing promotion of funding opportunities through Council's media and social channels.

COMPOSITE ASSESSMENT OF THE LEVEL OF UNCERTAINTY		
Considering all threats to achieving Council's strategic goals and resources available in the Operational Plan and Resourcing Strategy to undertake the principal activities, the level of uncertainty in relation to achieving this goal overall is rated	Low	No further action is required to be undertaken by Council to gain greater assurance.

HOW DO WE WORK?

OPERATIONS			
HOW DO WE DO IT?	IMPACT ON STRATEGIC GOALS	PLANNING AND MONITORING	WHO IS RESPONSIBLE?
COMMUNICATIONS, MARKETING AND ENGAGEMENT	Very high: impact on the engaged and informed communities	Our priority is to support all Council departments undertake meaningful engagement with the local community to effectively promote Council's activities and to provide opportunities for the community to participate in Council's decision-making generally.	Communications and Marketing Coordinator
GRANTS AND FUNDING SUPPORT	High: impact on the sustainably growing communities	Our priority is to deliver community and council outcomes through securing grant funding, whilst also providing support to and assisting local community stakeholder groups access funding and other support from Council, State and Federal government.	Grants Officer
VISITOR ECONOMY	High: impact on thriving and vibrant Cabonne	Our priority is to facilitate the growth of the visitor economy by working with stakeholders to promote the Cabonne and Orange region.	Tourism, Culture and Events Coordinator
AGE OF FISHES MUSEUM	High: impact on thriving and vibrant Cabonne	Our priority is to sustainably operate the facility in a way that gives visitors a great experience, encourages repeat visits and helps promote the facility and its contents, whilst also promoting the Cabonne region. Future capital works will be needed to upgrade the facilities if funding can be secured.	Age of Fishes Museum Manager/ Leader – Community and Economy
ECONOMIC DEVELOPMENT	High: impact on sustainably growing communities	Our priority is to achieve the maximum positive benefit to new and existing local businesses with the very limited resources available and in line with Council's role as a facilitator.	Leader – Community and Economy

Community Services



Community Services

Programs and facilities that are affordable, effective and meet the needs of the Cabonne community.

WHAT DO WE DO?

- Council provide a variety of services for children and older persons that are mostly funded by Federal and State governments with contributions to some services from clients. Some services rely heavily on volunteers.
- Council operate the Cabonne Family Day Care service which provides access to children's services for local communities in Cabonne and neighbouring areas (the wider operating area creates economies of scale, which makes the service more cost-effective). Our role is one of ensuring compliance with requirements for the home and operations by the self-employed educators.
- Council provide OOSH (out of school hours) services for children – before and after school hours and vacation services – at schools in Blayney, Manildra, Mullion Creek and Molong and Clergate. Additional services will soon commence in Cudal and Nashdale.
- Council work with Central West Library Service to provide library services at Canowindra, Manildra and Molong.
- Council facilitate and/or provide a range of services to support older people who are living at home including home maintenance services by contractors, distribution of Meals on Wheels by volunteers, Community Transport by volunteers and staff and Social Support services such as activities and bus trips by volunteers and staff.
- Council manage and maintain 11 units for aged persons in Molong (Acacia Lodge and Durak Court) and at Cudal (Boree Lodge) with input from a committee. Council also owns the Eugowra Units.
- Council coordinate the development and implementation of Council's Disability Inclusion Action Plan. The actions in the plan are the responsibility of a variety of departments. Our role is one of coordination, facilitation and reporting.
- Council facilitate events and recognition for Youth in Cabonne.

WHY DO WE DO WHAT WE DO?

Community Services	
	An active, safe and healthy community. <ul style="list-style-type: none"> Providing community services facilitates these outcomes.
	A vibrant, inclusive free and fair community. <ul style="list-style-type: none"> Providing community services facilitates these outcomes. Access to services such as information, childcare and home support services is critical for some people. Services for older people enable them to remain in and be a part of their wider community.
	A natural environment sustained for the future <ul style="list-style-type: none"> Services are run sustainably. Environmental advantages of affordable / social housing.
	Liveable neighbourhoods with a defined identity <ul style="list-style-type: none"> Provision of housing for older persons in the community offers opportunities to remain in the area.
	A thriving, sustainable local economy <ul style="list-style-type: none"> Access to children's services increases the workforce to support local business.
	A community achieving its potential <ul style="list-style-type: none"> Current services are unable to meet demand for children's services; without this families can miss out on employment opportunities. Services for older persons can enable them to stay in their homes and communities for longer. Access to services for those living in rural / farming areas.
	Leadership that gives us hope for the future <ul style="list-style-type: none"> Access to community services is an important part of building and sustaining hope for the future.
	Stewardship of public resources <ul style="list-style-type: none"> Responsible and sustainable decisions, managing risks. Pursuing grants to reduce the costs for ratepayers. Council aims to operate services on a cost-recovery basis.

WHAT IS OUR STRATEGIC GOAL?

These are the measures and indicators used to evaluate performance in relation to this goal.

Council's **Delivery Program 2025-2029** has an overview of the situation at the start of the current term of council and our specific goals for the term of office.

Council's Annual Report (published each calendar year) includes an update of the situation and our achievements in working towards the strategic goal.

STRATEGIC GOAL	
PROGRAMS AND FACILITIES THAT ARE AFFORDABLE, EFFECTIVE AND MEET THE NEEDS OF THE CABONNE COMMUNITY.	
KEY OBJECTIVES	
AFFORDABILITY	Council evaluate the affordability of the services for children and older persons to both Council and the community based on the cost of the service to both the clients and to Council. The cost to clients is relative to alternative providers and on the basis of the cost to Council of operating these services. As far as possible, Council aims to operate these on a cost recovery basis so as to minimise the contribution from ratepayers. These services are generally funded by Federal and State governments, but the Cabonne community will only have access to them, in most cases, if Council acts as a facilitator and/or service provider. Library services require subsidisation from Council.
EFFECTIVENESS	Council evaluates the effectiveness of the services in relation to the number of clients accessing our services while acknowledging that we have a limited ability to influence this (for example, Council is approved to operate 45 Family Day Care Services but there are currently only 15 educators). We also evaluate effectiveness in terms of compliance with the relevant requirements, generally specified as part of the funding agreement.
MEETING THE NEEDS	Council evaluate whether we are meeting the needs of the Cabonne community based on feedback from our clients and from the broader community and consideration of community needs, for example, as part of the Community Strategic Plan and opportunities for Council to undertake actions to meet those needs. Council has limited resources and so these opportunities are generally restricted to programs with funding support from higher levels of government.

WHAT IS THE PRESENT SITUATION?

KEY OBJECTIVES	PRESENT SITUATION
FAMILY DAY CARE	The demand for our Family Day Care service within the community is far greater than what we can provide. There are approximately 130 children enrolled and another 100 on the waiting list. We have approval to operate up to 45 services but currently have only 15 educators. This reflects challenges across the industry. The lower number of educators impacts the cost of delivery and, as a consequence, the service sometimes operates at a loss, but we have streamlined support operations where possible (e.g. office staff now support all children's services) and are seeking more revenues (e.g. grants) to reduce or eliminate the need for subsidy.
OOSH	The demand for our OOSH services varies between towns and from year to year but it is a highly valued service for families and schools (it helps maintain enrolments in smaller schools), with few alternatives.
LIBRARY SERVICES	The nature of our library services continues to change (moving from books to online resources, etc.) but it remains highly valued by users. There has been a need for increased investment due to increasing costs from Central West Libraries.
HOME MAINTENANCE, MEALS ON WHEELS, COMMUNITY TRANSPORT AND SOCIAL SUPPORT	<p>The demand for our Home Maintenance, Meals on Wheels, Community Transport and Social Support services is increasing with our ageing population.</p> <p>We have a good reputation with our clients and have developed high levels of trust. They value the service that is provided. The Home Maintenance service relies on access to contractors, which is limited. The other services rely mostly on volunteers, and these are also limited. The delivery of these services is a challenge given the large area we cover.</p> <p>The aged persons units in Cudal are relatively old and will need refurbishment over the medium term, as will Acacia Lodge in Molong. There are limited funds available to undertake these works. Durak Court in Molong is relatively new. The units in Eugowra have been replaced following the floods.</p>
DISABILITY INCLUSION ACTION PLAN	<p>There is a need to improve engagement around the Disability Inclusion Action Plan to better meet the needs of the local community and to ensure Council complies with its obligations.</p> <p>The provision of these grant-funded services improves Council's economies of scale by contributing to overheads to run the organisation.</p>

WHAT IS THE FUTURE SITUATION?

KEY OBJECTIVES	FUTURE SITUATION
CABONNE COMMUNITY SERVICES	<p>Demand for all of the Cabonne Community Services is expected to increase in future but challenges with facilitating and/or delivering these services (the threats identified below) are expected to increase as well.</p> <p>Council has limited control over the funding models for these services and so it will be important to continue to adapt to changes as they arise, so we are able to ensure the community has continued access to these services.</p> <p>The ability to present the business case for grant applications is becoming increasingly important due to the competitive nature of the sector.</p> <p>Funding periods are shortening and reporting requirements are increasing, so these aspects are increasing demand on staff time.</p>



RISK ASSESSMENT

RISK	LIKELIHOOD	CONSEQUENCE	CONTROL	RESIDUAL RISK	MITIGATION
Inability to meet community needs and expectations for Family Day Care because Council is only able to indirectly influence educators	Possible	Minor	Adapt to changes, recruitment, advertisements, promotion	Medium	Monitor and review
Affordability of services is impacted by a lack of security in funding programs from Federal and State governments, reduced economies of scale and increasing compliance burden	Possible	Moderate	Adapt to changes, work with peak bodies	Medium	Monitor and review
Inability to meet community needs and expectations for services for older persons due to a lack of volunteers and contractors and cost	Possible	Moderate	Recruitment, support for volunteers	Medium	Monitor and review

RISK ASSESSMENT

RISK	LIKELIHOOD	CONSEQUENCE	CONTROL	RESIDUAL RISK	MITIGATION
Lack of security for casual workforce for OOSH services impacts the delivery of the service	Possible	Minor	Consistency in regular shifts	Low	Consider status of portions
Failure to deliver on commitments in Disability Inclusion Action Plan due to competing demands from those with responsibilities for actions	Unlikely	Negligable	Facilitation, reporting	Very Low	Monitor and review
Variable enrolments in OOSH services reduces the affordability of the service and the ability to operate under a two-educator model that meets child safe standards	Possible	Minor	Promotion, relationships with schools	Low	Monitor and review

COMPOSITE ASSESSMENT OF THE LEVEL OF UNCERTAINTY

Considering all threats to achieving Council's strategic goals and resources available in the Operational Plan and Resourcing Strategy to undertake the principal activities, the level of uncertainty in relation to achieving this goal overall is rated	Medium	Council should consider taking further action to gain greater assurance
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OPERATIONS			
HOW DO WE DO IT?	IMPACT ON STRATEGIC GOALS	PLANNING AND MONITORING	WHO IS RESPONSIBLE?
FAMILY DAY CARE	High: family day care services is vital to meet the needs of local families who rely on this service	Our staff provide support and monitoring for Family Day Care educators to provide a welcoming and safe environment for children, meeting regulatory requirements and funding obligations.	Leader - Community Services
OUT OF SCHOOL HOURS CARE	High: OOSH services are vital to meet the needs of local families who rely on this service	Our staff focus on providing a welcoming and safe environment for children, meeting regulatory requirements and complying with funding obligations.	Leader - Community Services
HOME MAINTENANCE	High: home maintenance services is vital to meet the needs of aged persons living at home	Our staff coordinate access to home maintenance services delivered by contractors in accordance with regulatory requirements and funding obligations.	Leader - Community Services
MEALS ON WHEELS	High: meals on wheels are vital to meet the needs of local people who rely on this service.	Our staff coordinate the delivery of hot and cold meals to clients by volunteers, meeting regulatory requirements and complying with funding obligations.	Leader - Community Services
COMMUNITY TRANSPORT	High: community transport is vital to meet the needs of aged persons living at home	We provide a community transport service via a mix of employees and volunteers, meeting regulatory requirements and complying with funding obligations.	Leader - Community Services

OPERATIONS			
HOW DO WE DO IT?	IMPACT ON STRATEGIC GOALS	PLANNING AND MONITORING	WHO IS RESPONSIBLE?
SOCIAL SUPPORT	High: social support is vital to meet the needs of local people who rely on this service.	Our staff coordinate and facilitate activities for aged persons, with assistance from volunteers at times, meeting regulatory requirements and complying with funding obligations.	Leader - Community Services
LIBRARY	High: library services are vital to meet the needs of our users	Our staff are responsible for overseeing the delivery of this service by Central West Library Service in accordance with the agreement with Orange City Council and Central West Libraries.	Leader - Community Services
DISABILITY INCLUSION ACTION PLAN	High: continued commitment is required to improve inclusiveness to meet the needs of those living with a disability	Our staff are responsible for coordinating the preparation of the Plan and annual reporting in accordance with legislative obligations and for monitoring the implementation of actions by those identified as having responsibility for this.	Leader - Community Services
AGED PERSONS UNITS	High: facilities need ongoing maintenance to meet the needs of residents	Our staff in conjunction with the S355 committee are responsible for managing the properties in Molong and arranging maintenance as required in accordance with Council's obligations under the Tenancy agreement and legislation. Council has delegated authority to manage Boree Lodge to a s355 committee, however Council remains ultimately responsible as the property owner.	Leader - Community Services

CAPITAL WORKS

HOW DO WE DO IT?	IMPACT ON STRATEGIC GOALS	PLANNING AND MONITORING	WHO IS RESPONSIBLE?
LIBRARIES	High: library services are vital to meet the needs of our users	Given the limited funds available, our priority is maintenance and repairs to ensure the safety of users and the longevity of the structure. Council also pursue grant opportunities as they arise to undertake other works.	Leader - Community Services
AGED PERSONS UNIT	High: aged persons units are vital to meet the needs of residents	Given the limited funds available, our priority is maintenance and repairs to ensure the safety of users and the longevity of the structure.	Leader - Community Services

An aerial photograph of a rural landscape during sunset. A paved road runs diagonally from the bottom left towards the center. To the right of the road is a large, green, open field with some circular patterns, possibly from irrigation. In the background, there are rolling hills and a sky with soft, pink and orange clouds. A semi-transparent white box is overlaid on the bottom right of the image, containing the title text.

Long-Term Financial Plan

Executive Summary and Introduction

In planning for Cabonne's future and Council's contribution to the Cabonne Community Plan, Council considers resourcing capability and future resourcing needs.

Council has developed an overarching Resourcing Strategy which demonstrates how Council will be resourced for the next ten years. The Resourcing Strategy supports the integration between our finance, workforce, assets and technology.

Key components of Council's resourcing capability are its assets, its financial position and outlook, existing and potential technologies and human resourcing. While we have separately documented how each of the key resourcing components will contribute to our resourcing, Council considers each component simultaneously in its overarching Resourcing Strategy as part of our long term planning.

The Integrated Planning and Reporting (IP&R) framework encourages and supports the review of each of Council's resourcing strategies aligned with the review of the Community Strategic Plan and at other times as required.

The Long-Term Financial Plan (LTFP) focuses on Council's financial sustainability and is a decision-making and problem-solving tool. It is intended as a guide for future action. It is an important part of Council's strategic planning process, and it is the point where long-term community aspirations and goals are tested against financial realities.

The strategies from the LTFP will guide the delivery of actions by Council to achieve the following outcomes of the Council Plan. Council has a long-term vision based on financial sustainability; Council has the ability to maintain existing facilities and infrastructure to afford what the community wants through sound financial planning, proactive asset management and continuous improvement

The Long-Term Financial Plan:

- provides long-term financial projections and highlights issues which may impact on our future financial sustainability
- helps assess the long-term financial sustainability of present and future service levels
- allows various scenarios to be tested with regard to different levels of service delivery
- identifies future funding gaps in advance so action can be taken to address shortfalls
- allows sensitivity testing with regard to various assumptions contained within the plan.

The LTFP is reviewed on an annual basis, with a major review process undertaken in line with the review of the Community Strategic Plan.

The LTFP is a decision-making and problem-solving tool. It is intended as a guide for future action. It is an important part of Council's strategic planning process, and it is the point where long term community aspirations and goals are tested against financial realities.

The strategies from the LTFP will guide the delivery of actions by Council to achieve the following outcomes of the Council Plan.

- Council has a long-term vision based on financial sustainability;
- Council has the ability to maintain existing facilities and infrastructure to afford what the community wants through sound financial planning, proactive asset management and continuous improvement.

This LTFP has been prepared in the context of the ongoing recovery from three separate natural disaster flood events in 2021 and 2022 which had a devastating impact on the Cabonne community including loss of life and widespread damage to housing, roads, buildings and other community infrastructure. Whilst a significant portion of the recovery programs and projects are now completed, there are ongoing road renewal programs and building replacements which will continue into the 2025/26 financial year.

Council is also considering and planning for the implications of future population growth and development which will impact on the demand for services and the provision of upgraded facilities including water and sewerage.

At the time of preparing this plan Council has received a draft report detailing the results of the scheduled revaluation of road assets at 30/6/2025 which includes a revised estimate for the cost of depreciation. The cost of depreciation for roads will increase by 31% (\$1.91M) effective from the 2026/27 financial year. This reflects the increase in costs for road materials, contractor costs and the reassessment of the expected useful lives of some assets including bridges. This represents a significant change from the projected 4% increase contained in last year's LTFP.



How do we define Long-Term Financial Sustainability?

A financially sustainable Council is one that has the ability to fund ongoing service delivery, and the renewal and replacement of assets without imposing excessive debt or rate increases on future generations. This definition has been translated into **four key financial sustainability principles**:

1. Council must achieve a fully funded operating position reflecting that Council collects enough revenue to fund operational expenditure, and repayment of debt,
2. Council must maintain sufficient cash reserves to ensure that it can meet its short term working capital requirements,
3. Council must have a fully funded capital program, where the source of funding is identified and secured for both capital renewal and new capital works,
4. Council must maintain its asset base, by renewing ageing infrastructure, which is identified, and by ensuring cash reserves are set aside for those works which are yet to be identified.

It is important to note that while these principles represent financial sustainability, in the current environment, most councils will find it difficult to achieve this level of sustainability. This is because councils cannot easily adjust income levels to match rising costs including depreciation. A major challenge for all NSW councils is the need to provide adequate levels of funding for the maintenance and renewal of existing infrastructure.

This has been previously highlighted in a number of studies such as the 2006 Local Government and Shires Association's Independent Inquiry into the Financial Sustainability of NSW Local Government and more recently the 2013 report released by NSW Treasury Corporation (TCorp) in regard to financial sustainability of all NSW councils.

The TCorp review identified an infrastructure renewal backlog of \$7.2 billion across all NSW councils. These studies have identified the need for NSW councils to significantly increase funding for the renewal of existing infrastructure. They have further identified that if funding is not increased in the immediate term, then the infrastructure renewal backlog will continue to increase at a level which may become too great to address without serious ramifications on service delivery. The infrastructure backlog at Cabonne Council was estimated to be \$90M as at 30 June 2024.

The backlog in asset renewal is a direct result of councils in NSW not being able to cash fund depreciation. Depreciation represents the average loss of service potential for the asset over its economic life. Current asset renewal funding is based on the actual renewals program, and this is often modified to fit within budgetary restraints. This means that as assets are consumed funds are not being put aside to replace the asset at the end of its useful life. This is not a result of poor management; councils simply cannot afford to fund depreciation without compromising existing levels of service. As rates are pegged to a basket of indexes by IPART many councils struggle to keep up with their asset renewal requirements and other cost increases progressively erode the funding base.

Deferring asset renewals compounds the asset renewal problem, as the older assets get, the more they cost a council to maintain. This in part is being addressed through the implementation of Integrated Planning and Reporting, moving a council's focus away from simply maintaining assets to managing an assets life cycle. This framework allows councils to clearly demonstrate to the community the long-term financial ramifications of not renewing assets.

How is Long Term Financial Sustainability Measured?

A review undertaken by the Independent Pricing and Regulatory Tribunal (IPART) into the Revenue Framework for Local Government identified a number of performance indicators which measure the financial performance and position of NSW councils. The indicators measure both recurrent operations and capital sustainability.

Council will review its LTFP against these indicators as part of assessing the long-term financial health of the organisation and its capacity to fund the proposed Delivery Program.

This Long-Term Financial Plan

The NSW Local Government Act (section 409) and National Competition Policy require councils to account for their water supply and sewerage functions as distinct businesses, separate from the 'general fund' (which covers all other functions).

Sections 2, 3 and 4 of this LTFP outline Council's historic, current and forecast financial performance and position for general, water and sewer funds respectively. The assumptions behind the forecasts are included in each section.

The 'raw numbers' behind this analysis are in the Income Statement (sometimes referred to as a profit and loss statement), Statement of Financial Position (balance sheet) and Cashflow Statement for each fund in Appendix 1.

Section 5 of this LTFP considers the sensitivity of the forecasts to changes in key assumptions (e.g. trends in employee costs or the availability of government grants).

Section 6 of this LTFP considers several scenarios to help Council understand the implications of its decisions (e.g. not increasing water charges) and potential changes that are not directly under its control (e.g. new residential development in Molong).

With reference to Council's financial sustainability objectives and measures:

- financial performance relates to Council's spending in its Income Statement (operating performance, surplus or deficit) and part of the Cashflow Statement; and
- financial position relates Council's assets and liabilities in its Statement of Financial Position (its cash reserves, infrastructure and debt) which is impacted by movements in the Cashflow Statement (e.g. purchase of assets, taking on and repayment of debt); it also relates to the state of its assets as detailed in the Strategic Asset Management Plan.

Financial Assessment

Current Situation

The table below summarises Council’s ‘baseline’ performance (in the 2025/26 budget) against each measure for each financial sustainability (FS) objective by fund.

FINANCIAL SUSTAINABILITY OBJECTIVE	MEASURE/S	CURRENT PERFORMANCE BY FUND (2025/26 BUDGET)		
		GENERAL	WATER	SEWER
Council achieves a fully funded operating position reflecting that Council generates sufficient revenue to fund operational expenditure and depreciation.	Operating Performance Ratio greater than zero.	Not achieved. (\$5.7M deficit)	Not achieved. (\$0.8M deficit)	Achieved. (\$0.2M surplus)
Council must maintain sufficient cash reserves to ensure it can meet its short-term working capital requirements.	Unrestricted Current Ratio > 1.0 times	Achieved	Achieved	Achieved
Council must have a fully funded capital program where the source of funding is identified and secured for both capital renewal and new capital works.	Capital Budget detailing the funding source for each item.	Achieved	Achieved	Achieved
Council must maintain its asset base by renewing ageing infrastructure, which is identified, and by ensuring cash reserves are set aside for those works which are yet to be identified.	A minimum 85% of Council’s infrastructure assets are rated as being at a satisfactory level or higher.	Achieved. (all asset categories above 85% except buildings-72%)	Not achieved	Achieved

General Fund

Overview

The previous table and the financial forecasts presented in this plan demonstrate that Council needs to consider corrective action in order to achieve financial sustainability. This is highlighted in the Income Statement for the General Fund below which forecasts a net operating loss of \$5.7M before capital grants and contributions in 2025/26 which extends out to \$12M in 2034/35.

	2025/26 (\$'000)	2026/27 (\$'000)	2027/28 (\$'000)	2028/29 (\$'000)	2029/30 (\$'000)	2030/31 (\$'000)	2031/32 (\$'000)	2032/33 (\$'000)	2033/34 (\$'000)	2034/35 (\$'000)
Rates and Annual Charges	14,773	15,150	15,538	15,935	16,342	16,760	17,189	17,629	18,080	18,543
User Charges & Fees	7,976	8,168	8,365	8,568	8,775	8,987	9,204	9,427	9,655	9,889
Other Revenues	387	396	405	414	424	434	444	454	465	476
Grants & Contributions - Operating	12,674	12,971	13,276	13,587	13,906	14,233	14,568	14,910	15,260	15,619
Grants & Contributions - Capital	9,498	9,280	-	-	-	-	-	-	-	-
Interest & Investment Revenue	1,201	1,018	994	964	930	1,108	1,070	1,064	1,009	973
Other Income	183	187	192	196	201	206	211	216	221	227
TOTAL INCOME	46,692	47,171	38,769	39,665	40,578	41,728	42,686	43,700	44,691	45,726
Employee Costs	17,912	18,449	19,003	19,573	20,160	20,765	21,388	22,030	22,690	23,371
Materials & Services	10,525	10,788	11,058	11,334	11,618	11,908	12,206	12,511	12,824	13,144
Borrowing Costs	165	179	174	168	162	156	150	143	136	128
Depreciation	13,513	15,829	16,304	16,793	17,297	17,816	18,351	18,901	19,468	20,052
Other Expenses	835	856	877	899	922	945	968	993	1,017	1,043
TOTAL EXPENSES	42,950	46,102	47,416	48,768	50,159	51,590	53,062	54,577	56,136	57,738
NET OPERATING RESULT	3,742	1,069	(8,647)	(9,103)	(9,581)	(9,862)	(10,376)	(10,877)	(11,445)	(12,012)
NET OPERATING RESULT BEFORE CAPITAL GRANTS & CONTRIBUTIONS	(5,756)	(8,211)	(8,647)	(9,103)	(9,581)	(9,862)	(10,376)	(10,877)	(11,445)	(12,012)

Figure 1: Net Operating Result Forecast - 2025/26 to 2034/35

Council's budget has faced significant pressures including:

- The impact of natural disaster events (which exceeded any previous 1 in 100 year projections) has directed resources away from Council's 'normal' operations and reduced overall financial capacity. This is reflected in the Unrestricted Current ratio at 30 June 2024(4.88 times down from 7.74).
- Increases in the cost of procuring goods and services and employee costs have been consistently higher than rate pegging increases as determined by IPART.
- Council is spending less on infrastructure renewal than the cost of depreciation. This is exacerbated by the recent 31% increase in the cost of depreciation on roads.

In preparing the 2025-2035 LTFP, the following underpinning principles have been used:

- Reinstating and repair work to assets that were damaged by the flooding events in 2022;
- Following the completion of the repairs and reinstatement of damaged assets, budgets will aim to maintain assets to at least the same condition as they were at the start of each financial year;
- Management will continually look for ways to structurally realign resources and / or increase income opportunities without changes to service standards;
- Council will replenish its cash reserves as the claims for natural disaster relief are settled;
- Council will continue to improve its capacity to fund its recurrent operations and renew critical infrastructure through sustainable decision making.

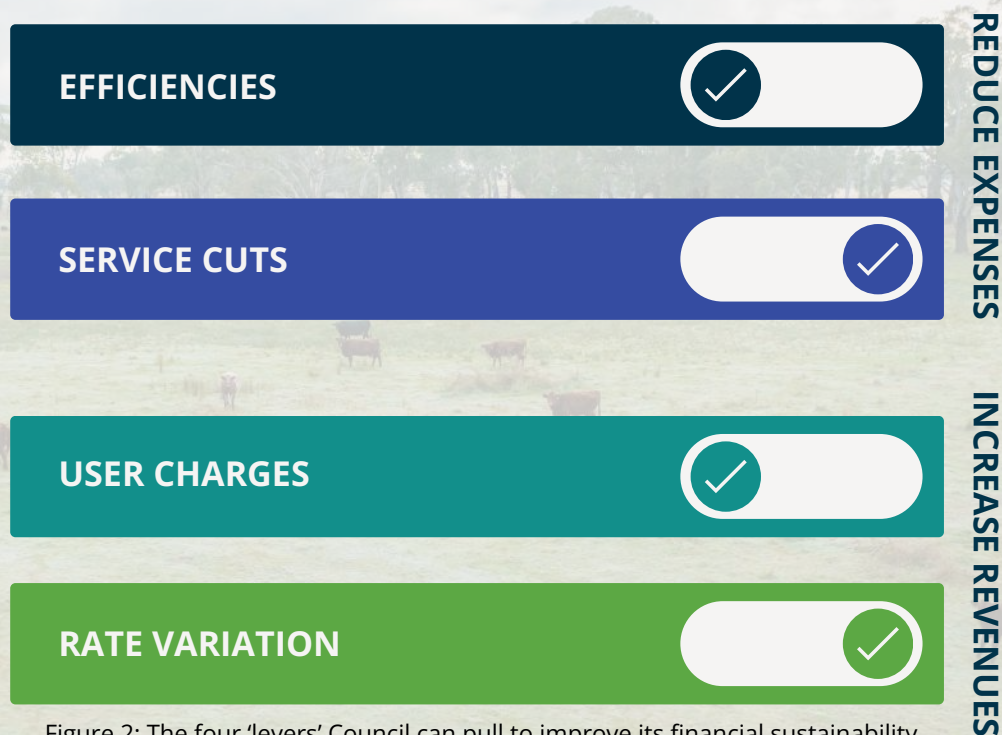


Figure 2: The four 'levers' Council can pull to improve its financial sustainability

The options considered in this plan for an improved financial forecast are summarised in the table below as follows:

	OPTION	DETAIL	IMPACT ON SUSTAINABILITY
1	Identify cost savings	A number of service reviews are being undertaken or included in Councils planning. These include the Age of Fishes Museum, swimming pool facilities, the Community Services department and town presentation.	Any reduction in the cost of services will improve sustainability.
2	Seek additional grant funding for asset replacement	<p>Council is proactive in applying for grant funding to deliver projects which align with the Cabonne Community Plan. This includes funding for new assets and may also include funding for the replacement or enhancement of existing infrastructure and for disaster recovery costs.</p> <p>Council should generally prioritise its funding applications towards projects which fund the replacement and betterment of existing assets as this reduces the requirement for funding from ordinary rates revenue and does not add to the existing cost for depreciation.</p>	<p>The measures for sustainability include grant funding received for asset replacement.</p> <p>An increase in grant funding for asset replacements will improve Council's net operating result.</p>
3	Seek a special rating variation (SRV) from IPART.	<p>This process will require an extensive period of community consultation and a clear demonstration of the tangible outcomes that will follow an SRV and the likely consequences if rates revenue is not increased.</p> <p>The identification of additional cost savings from service reviews will support the application and case for change.</p>	An increase in revenue from ordinary rates will improve financial sustainability measures including the net operating result and by contributing additional funding towards asset maintenance and asset replacement.
4	Continue to increase User Charges	Where possible Council should be setting fees for services which reflects the actual cost of providing the service for those services which benefit a specific group of users only.	This reduces the burden on general ratepayers to meet the escalating costs of services.

Water Fund

Overview

Section 4 provides a detailed summary and assessment of the Water Fund LTFP projections.

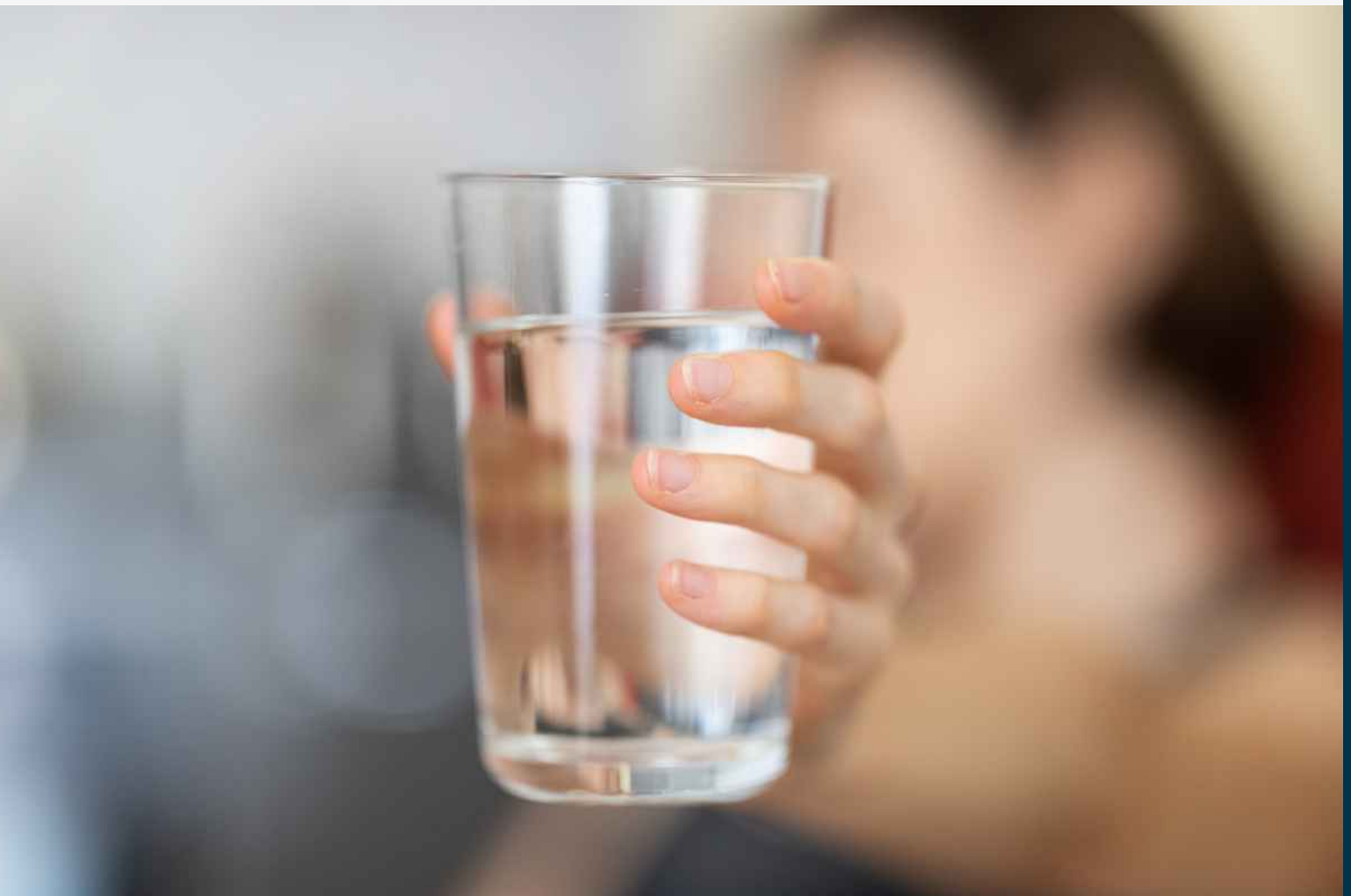
The projection is for a continuation of ongoing operating deficits over the ten year period. The deficits are maintained within the range of \$0.7M to \$0.8M including depreciation (\$1M to \$1.6M).

The 2025/26 year will be the third year of applying increases in charges for customers of Cabonne's water supply business (in Molong, Cumnock and Yeoval) of 10% p.a which has improved the level of sustainability.

Despite the improved forecasts the Water Fund is still not sustainable in the longer term and requires further changes to achieve a sustainable position. The balance of the Water Fund Reserve (cash) at 30/6/2024 was \$4.46M and this is projected to peak at \$5.8M before falling to \$0.81M in 2029/30 following the completion of the \$5.3M upgrade of the Molong Creek Dam pipeline. The projected cash balance at 30/6/2035 is \$1.9M.

A typical residential property in Molong consuming 200kl of water per annum currently pays \$1,168. The proposed increases will increase this amount to \$1,415 by 2026/27.

Council has recently undertaken the financial modelling of alternate scenarios based around the development of a new residential subdivision in Molong. This will require additional capital expenditure and new borrowings. It will potentially attract government funding and developer contributions. The impact of this scenario has been modelled in Section 6.



Sewerage Business

Overview

Council proposes to continue the process of harmonising charges for customers of Cabonne's sewerage businesses to bring all towns up to the level at Canowindra.

The assumed increases in residential charges in each town are detailed in section 4, but in summary:

- charges in Canowindra now \$1,008 are proposed to increase by CPI only 2.4%.
- Cudal, Cumnock, Manildra and Yeoval now pay \$996, proposed increases are 0.5-1.5% over CPI after that to harmonise with Canowindra.
- Eugowra pays \$862 now, an increase of 5-7% including CPI for 5 years after that to harmonise with Canowindra.
- Molong pays \$896 now, an increase of 10.6%p.a. including CPI is proposed to harmonise with Canowindra.

These increases are sufficient to achieve a small operating surplus by 2025/26, suggesting that Council's sewerage business will be sustainable once charges are harmonised, however there are some significant uncertainties to be addressed.

The biggest issue is the cost of, and funding for, replacement of the Molong and Canowindra Sewage Treatment Plants at a total estimated cost of \$25M. The base case modelling assumes the timing of 2039-41 for Molong and 2044/45 for Canowindra. This places them outside the ten year period for this LTFP.

The cash reserve is projected to be \$5.6M at 30/6/2024 and is expected to grow to \$10M by 2029/30. Council will be reliant on obtaining external grant funding, developer contributions and potentially new borrowings to meet the funding requirements for the replacement of the two treatment plants.



2. General Fund

2.1 Analysis

The chart below summarises the main operating income and expenses in the Income Statement for Council's 2025/26 budget, including the projected deficit of \$5.8M. This excludes \$9.5M forecast for capital grants and contributions.

	2025/26 \$'000	% of Total \$'000
Rates & Annual Charges	14,773	40%
User Charges and Fees	7,976	21%
Other Revenues	387	2%
Grants - Operating	12,674	34%
Interest and Investment Revenue	1,201	3%
Other Income	183	1%
TOTAL INCOME	37,194	
Employee Costs	17,912	42%
Materials and Services	10,525	25%
Borrowing Costs	165	0%
Depreciation	13,513	31%
Other Expenses	835	2%
TOTAL EXPENSES	42,950	
NET OPERATING RESULT	(5,756)	

Figure 3: Key income and expense items in 2025/26 general fund budget.

A deficit of this scale (15% of operating revenues) is of concern if it continues long term.

The longer-term view in Figure 4 puts this year's deficit in perspective. It shows:

- actual results from Council's financial statements 2022-2023 and 2023-2024.
- current year 2025 budget, as per the September Quarterly Budget Review
- forecast performance to 2035: an underlying (ongoing) deficit of 13-14%

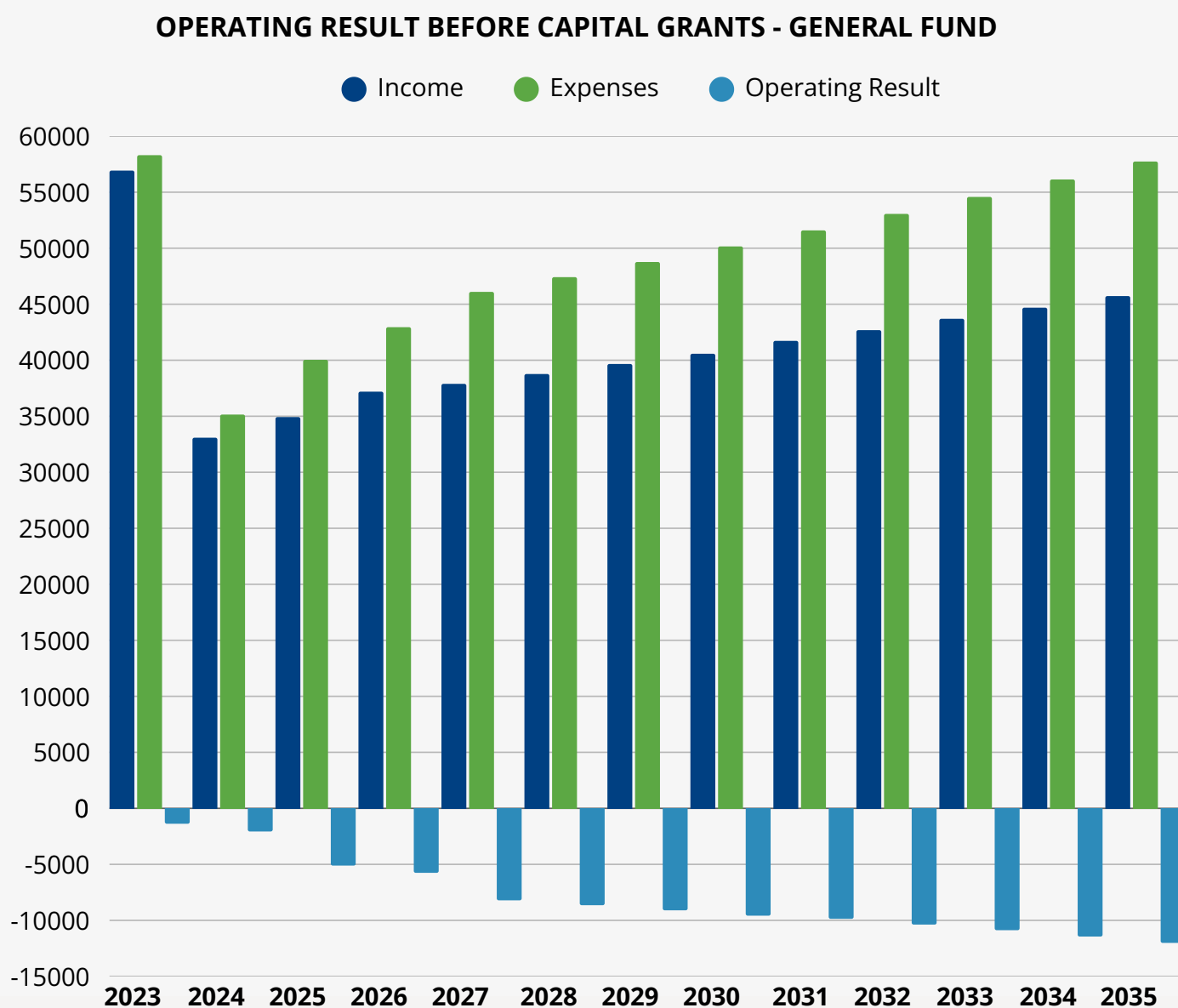


Figure 4: trends in income, expenses and operating result in general fund.

Key points to note in relation to Figure 4 (for details, refer to Tables 2 and 3):

- **Operating income [blue columns]**
 - Higher number for 2023 relates to grants for natural disaster recovery and restoration.
 - Operating income excludes capital grants and contributions.
- **Operating expenses [green columns]**
 - Higher number for 2023 is largely flood recovery work.
 - Increase in 2027 is largely due to depreciation.
 - Figures from 2025 on, are basically the 'business as usual' amount.
- **Operating result [light blue columns]**
 - Operating result is forecast to deteriorate from 2027 reflecting the 'underlying operating deficit' (ongoing shortfall in revenues compared to expenses; around \$8-\$12M p.a. or 21-26% of operating revenues excluding capital grants)

Figures 5 and 6 tells the 'other half' of the story – council's cash position and capital expenditure - again encompassing past, present and future:

CASH AND INVESTMENTS - RESERVE FUNDS

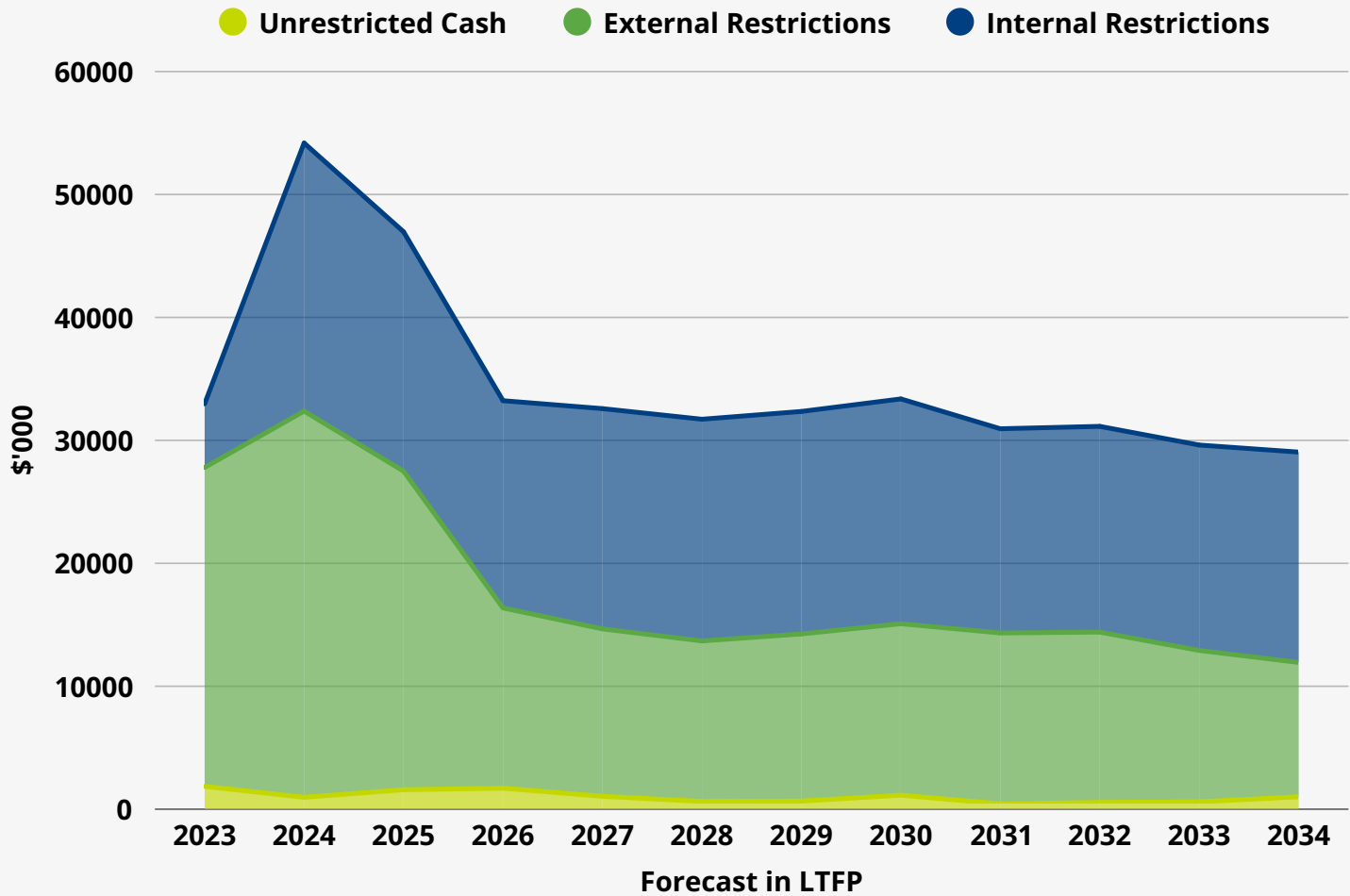


Figure 5: Cash and Investments split by internal reserves capitals, external restrictions and unrestricted cash.

The key points to note in relation to cash reserves are:

- Internal reserves were utilised extensively in 2022/23 to support flood recovery actions.
- Internal reserves were substantially replenished in 2023/24 as flood recovery claims were assessed and paid.
- The overall level of cash reserves (internal restrictions) is forecast to stay in the range of \$15-\$18M over the course of the LTFP.

CAPITAL EXPENDITURE/CAPITAL GRANTS & CONTRIBUTIONS

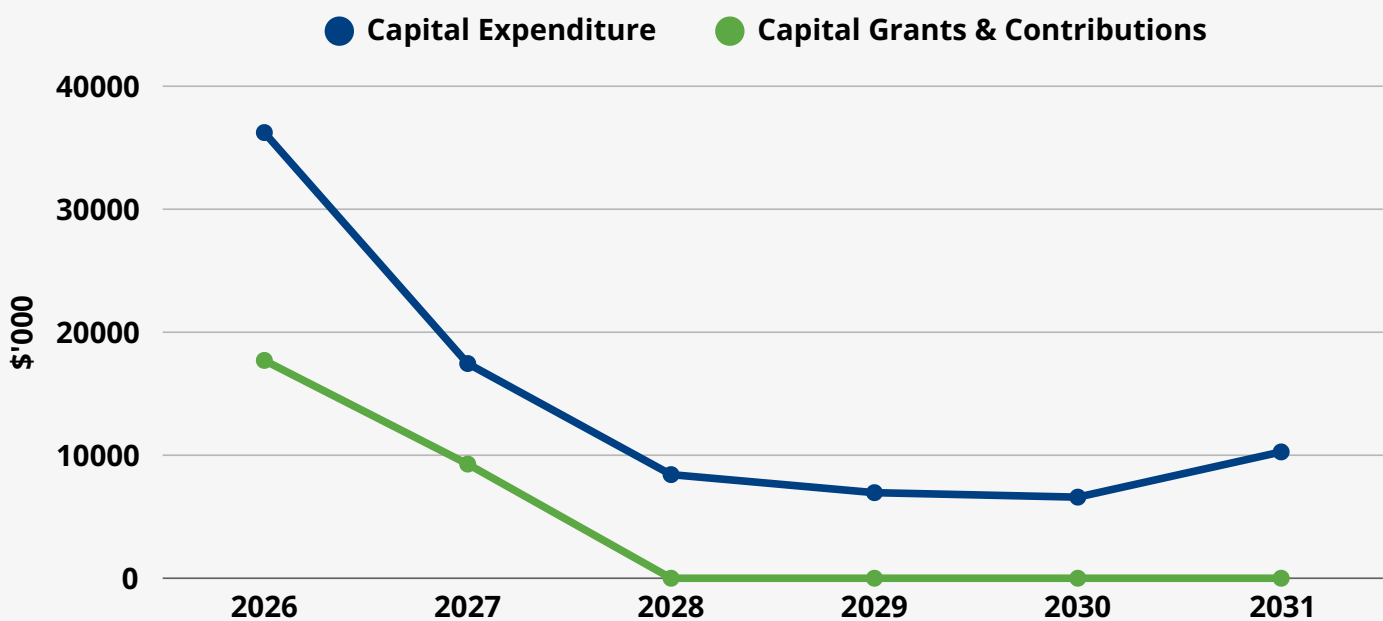


Figure 6: Capital Expenditure and portion funded by grants and contributions.

Key points to note in relation to Figures 5 and 6.

- Capital works and capital grants.
 - Council has not yet fully developed a ten year capital works program.
 - The capital program for 2025/26 includes:
 - Plant and equipment replacements \$5.9M
 - Solar facility \$5.6M
 - Bridge upgrades \$2.2M
 - Peak Hill Road Upgrade \$5M
 - CHS Building Canowindra \$1.99M
 - Swimming Pool Aesthetic Improvements \$1M
 - Other Roadworks \$8M
 - The capital projections included in the LTFP beyond 2025/26 comprise ongoing reseals, major repairs and resheeting programs which are entirely funded from operating grants including the Financial Assistance Grant, Regional Roads Block Grant and the Roads to Recovery Program.
 - The budget for 2025/26 includes borrowings of \$4M for the mid-scale solar project. No further borrowings are proposed.
 - The capital budget is subject to constant revision as grant funding programs are announced.

2.2 Future Revenue Assumptions

The base year figures that have been used for operating revenues are those contained within the 2023/24 financial statements and the draft 2025/26 budget.

The potential impact of one-off or extraordinary items have been excluded from the LTFP along with Council's share of the associated interest in Central Tablelands Water.

The mix of operating revenues for the 2025/26 year are shown in the chart below:

GENERAL FUND - OPERATING REVENUE BUDGET 2025/26

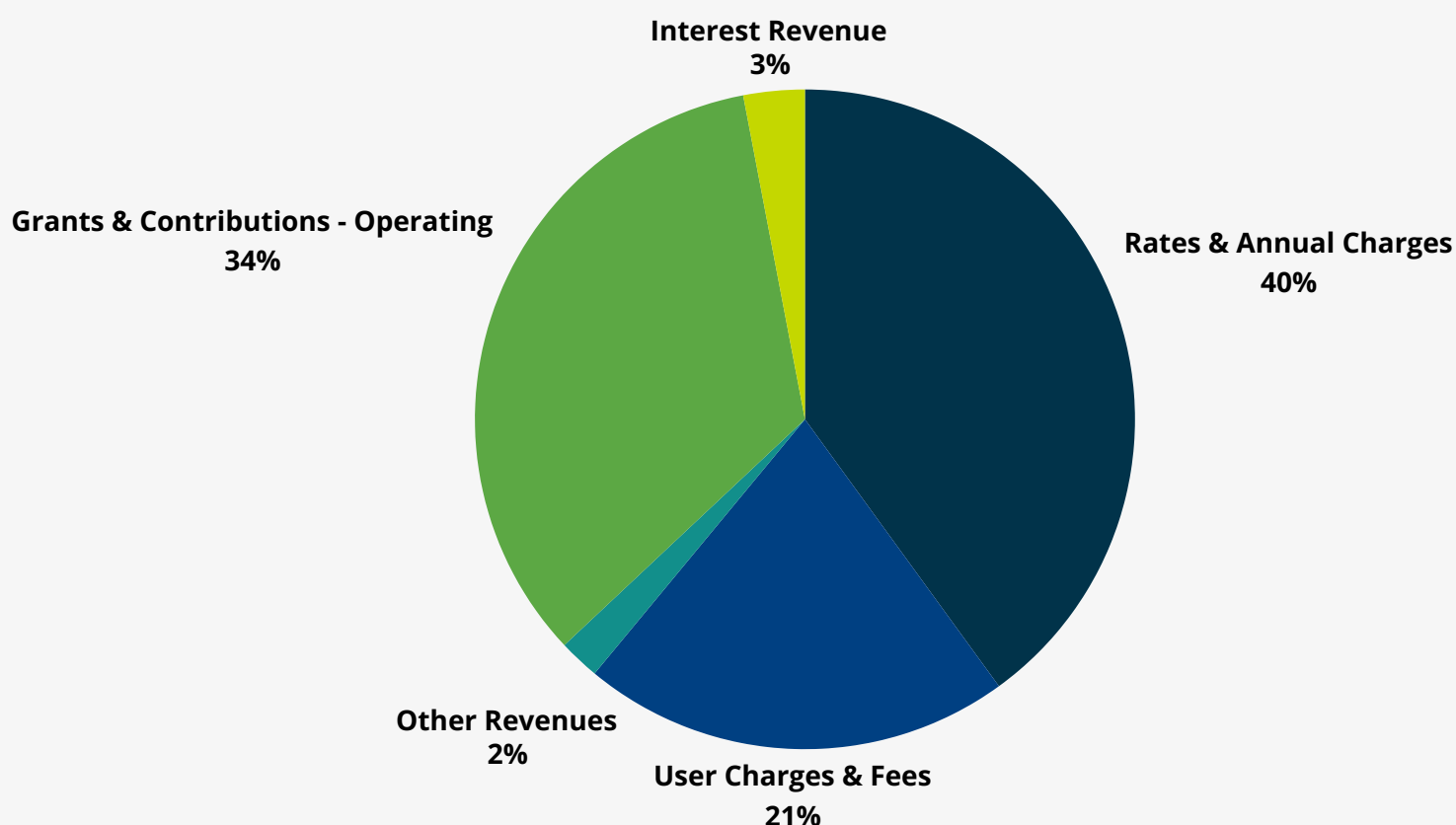


Figure 7 - Operating revenue sources.

Rates & Annual Charges

Council's ability to align rating revenues with the increased cost of providing local government services has been restrained for a number of years by rate pegging (since 1977), a legislative instrument whereby the maximum increase in rating revenues is set by the Independent Pricing and Regulatory Tribunal (IPART) NSW.

For the rating year commencing 1st July 2025, IPART has determined that the rate pegging limit will be 4.4%. In announcing the rate pegging limit, IPART have advised that the 4.4% limit for 2025/26 includes one off adjustment factor for increases in the Emergency Services Levy (0.2%) and election costs (0.3%). A population factor adjustment was also made of 0.3%.

In 2024 IPART have changed the methodology and formula for determining the rate peg for each Council. IPART have provided the following information on the new rate peg methodology:

Our new rate peg methodology is described by the following formula:

Rate peg = Base Cost Change (BCC) model - productivity factor + population factor + Emergency Services Levy (ESL) factor + other adjustments

Our new rate peg methodology:

- *Measures the annual change in NSW councils' base costs for 3 groups of councils (metropolitan, regional, and rural councils).*
- *Uses a new, simpler model with forward-looking indicators to measure this change, known as the Base Cost Change (BCC) model. It comprises 3 components:*
 - *Employee costs (primarily wages, including superannuation guarantee) measured by the Local Government (State) Award (Award). However, if the Award increase is not known at the time we set the rate peg (around September), we will use the Reserve Bank of Australia's (RBA's) WPI forecast.*
 - *Asset costs measured by the RBA's forecast change in the Consumer Price Index (CPI), adjusted to reflect the average 5-year historical difference between changes in the Producer Price Index (PPI) (Road and bridge construction, NSW) and changes in the CPI.*
 - *All other operating costs (including administration, utility costs, insurance but excluding the Emergency Services Levy (ESL) measured by the RBA's forecast change in the CPI.*
- *Includes a separate council-specific ESL factor, lagged by one year, that reflects the annual change in each council's ESL contribution.*
- *Maintains our existing approach of making additional adjustments for costs driven by external factors outside councils' control as needed, if ratepayers will benefit from these costs and we have the information we need to calculate the necessary adjustment.*
- *Continues to add a population factor but uses a refined approach to more accurately measure the change in councils' residential populations by excluding prison populations.*
- *Retains the productivity factor at a default value of zero.*

Source: <https://www.ipart.nsw.gov.au/Home/Industries/Local-Government/For-Ratepayers/The-rate-peg>

The NSW Office of Local Government and IPART have recommended that Councils assume a rate peg increase of 2.5% each year commencing from 2026/27.

The number of properties subject to rating in 2025/26 for each rating category and the income yield for 2025/26 is as follows:

CATEGORY	# OF PROPERTIES	RATING YIELD \$'000	AVERAGE RATE P.A.
Farmland	1,964	\$6,495	\$3,307
Residential	4,022	\$3,142	\$781
Residential - Canowindra	703	\$515	\$733
Business	410	\$256	\$624
Business - Canowindra	86	\$67	\$779
Mining	6	\$2,175	\$362,500
TOTAL	7,191	\$12,650	

Council is currently reviewing its rating structure and the rating mix with a view to introducing a new structure from 2026/27. A number of options will be considered and a revised structure proposed and subjected to a period of public consultation with the changes implemented during the 2026/27 financial year. Any changes which are implemented will not impact on the total amount of rating income.

A summary of the key assumptions for increases in Rates & Annual Charges across the ten year period are as follows:

RATES AND ANNUAL CHARGES	2024 %	2025 %	2026 %	2027 %	2028 %	2029 %	2030 %	2031 %	2032 %	2033 %	2034 %
Ordinary Rates	4.1	4.5	4.4	2.5	2.5	2.5	2.5	2.5	2.5	2.5	2.5
Domestic Waste and Other Waste Management	2.5	3.0	2.4	2.5	2.5	2.5	2.5	2.5	2.5	2.5	2.5
Urban Stormwater Levy	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil

The LTFP also includes consideration of options for a Special Rating Variation to apply from 2029/30 in order for Council to improve its financial sustainability. The options considered include:

- Increase of 8.25% per year for 4 years commencing from 2029/30.
- Increase of 12% per year for 4 years commencing from 2029/30.
- Increase of 14% per year for 4 years commencing from 2029/30.

These options are inclusive of the forecast rate pegging limit and are listed as a separate scenario from the base-case financial forecast. There is no formal endorsement of this strategy by Council, or no community consultation held on this matter at this point in time.

User fees and charges

Council receives 21% of its annual operating revenue through user fees and charges, set under S610D of the Local Government Act 1993.

The majority of this revenue (approx. \$5.1M) is generated from a service contract with Transport for NSW for work performed on NSW State Highways (65%) and through fees and charges applied through areas of Council including childcare (17%) and planning and building (7%).

FEES AND USER CHARGES

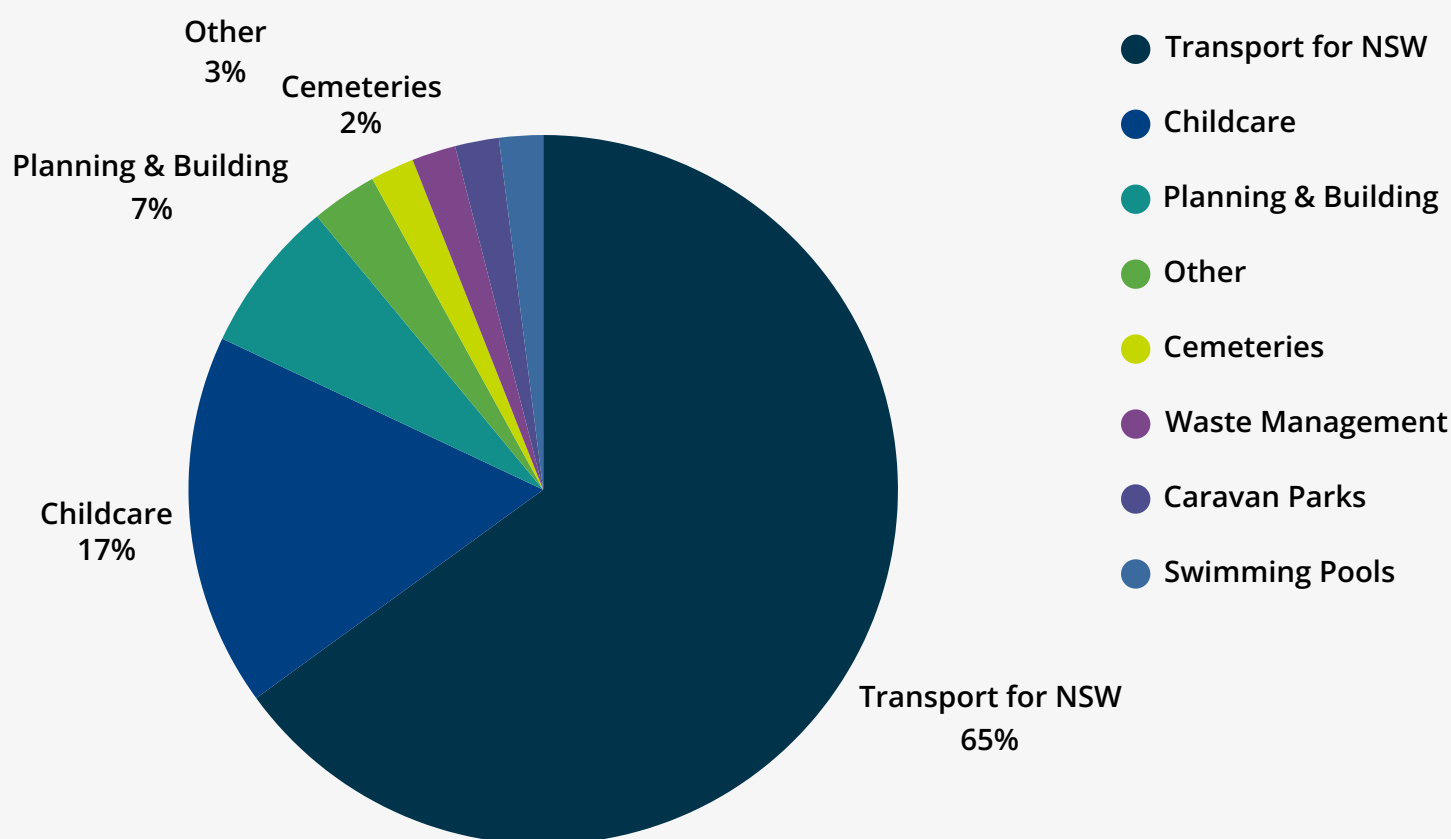


Figure 8: Fees and User Charges by Type.

The assumption is that the contract with Transport for NSW will be ongoing at the level contained in the 2024/25 budget and with annual increases of 2.4%.

Other user fees and charges are expected to generally increase in line with CPI (2.4%).

Operating grants

Council has a high degree of reliance on external funding sources to fund its operations and recurrent capital programs. There has been no inclusion of any additional grants or contributions in the plan with only those non-speculative, existing and recurring grants being included.

The largest grant received on a recurrent basis is the Financial Assistance Grant which is an untied grant funded by the Commonwealth and distributed to Councils in NSW via the NSW Grants Commission. Cabonne's allocation for 2024/25 is \$6.72M which represents approximately 62% of total operating grants. It is the current practice of the NSW Grants Commission to pay a portion of the grant in advance which must be recognised and reported as income from the date of receipt. This can create a temporary distortion in reported income, cash balances and the overall assessment of sustainability. This plan has eliminated the impact of any grants paid in advance.

The assumption is that the Financial Assistance Grant will increase by 2.4% on a recurrent basis. The remainder of operating grants are expected to increase in the range of 1-2.4% per annum.

Capital grants

Various grants are received by Council throughout financial years for capital projects. These grants are predominantly for road construction and the number and value are determined by State or Federal Government programs. Due to the nature of their unpredictability, capital grants contained in this LTFP are limited to existing funding agreements and confirmed funding announcements.

The capital program for 2025/26 includes the following items:

- \$475,000 - State Library of NSW funding for the Cabonne Home Support building in Canowindra
- \$716,109 - Local Roads & Community Infrastructure (LRCI) funding for the Cabonne Home Support building in Canowindra
- \$1,000,000 - Resources for Regions funding for the Swimming Pool Aesthetic improvements
- \$3,211,835 - Betterment Program funding for bridges and culverts.
- \$5,000,000 - Roads of Strategic Importance funding for Peak Hill Road upgrade. The Commonwealth has recently confirmed a further \$19M towards this project.

Gains from disposals of assets

Council has not included any budget for gains from the sale of Council's plant and fleet assets noting that small gains or losses can occur from time to time. These assets are disposed in accordance with Council's Plant Replacement Strategy with the underlying assumption that the sale price will approximate the depreciated value of the asset.

Other revenue

Other revenue includes commissions and agencies fees, diesel fuel rebate, sales of inventories, sale of recyclables and sales of renewable energy certificates. These items are expected to increase by 2.4% each year.

Net share of interests in joint ventures – Central Tablelands Water

Council recognises in the financial statements its share (33%) in the movement in equity of Central Tablelands Water which is a County Council providing water supply to towns within Cabonne, Weddin and Blayney shires.

The LTFP has not included any allowances for profits or losses from Central Tablelands Water. The operations of Central Tablelands Water are conducted independently from Cabonne and do not directly impact on the financial sustainability of Cabonne Council.

2.3 Future Expenditure Assumptions

The base year figures that have been used for operating expenditure in this plan are those contained within the 2023/24 financial statements and/or the forecast 2025/26 budget.

Employee costs

Employee costs are forecast to increase by 3% each year using the staff establishment as at 31 December 2024 as the basis for this calculation.

The employee cost estimate includes the superannuation guarantee which will increase from 11.5% in 2024/25 to 12% in 2025/26.

A portion of employee costs are allocated each year to capital projects. This plan allows for \$496K of employee costs to be capitalised in 2025/26 and each subsequent year.

Materials and contracts

Materials and contracts are forecast to increase by 2.5% per annum.

This rate is within the RBA forecast for inflation which they are attempting to control within the range of 2% to 3%. Over the twelve months to December 2024, the CPI rose by 2.4%.

The overall forecast includes an estimate of \$5.4M in service contracts with Transport for NSW for work performed on State Roads.

Borrowing costs

The plan provides for new borrowings of \$4M for the proposed solar project at Eugowra. The interest rate modelled in this plan is 5.67% across a ten-year term.

There are no further borrowings proposed in this plan.

Depreciation

Depreciation for Council's assets is a non-cash expense that reflects the utilisation of Council's assets and the degradation of their capacity to provide functionality over time.

Depreciation expense is an overall indicator to determine the level of asset renewals that council should be undertaking. A straight-line method of depreciation is used.

The cost of depreciation has increased by a significant level in the past three years as presented in the chart below. The increase is due to the rising cost of materials and construction costs and is also influenced by more accurate data becoming available on asset condition which is then reflected in the revaluation amounts for each relevant asset category.

The rising cost of depreciation creates a major challenge for Cabonne (and all rural councils) to meet the criteria for achieving sustainability i.e. achieve an operating surplus before capital grants and contributions. Council is not easily able to adjust its income levels to match the rising cost of depreciation.

The recent revaluation of road assets is expected to add a further \$1.91M to the cost of depreciation and this is included in the cost estimates from 1/7/2026.

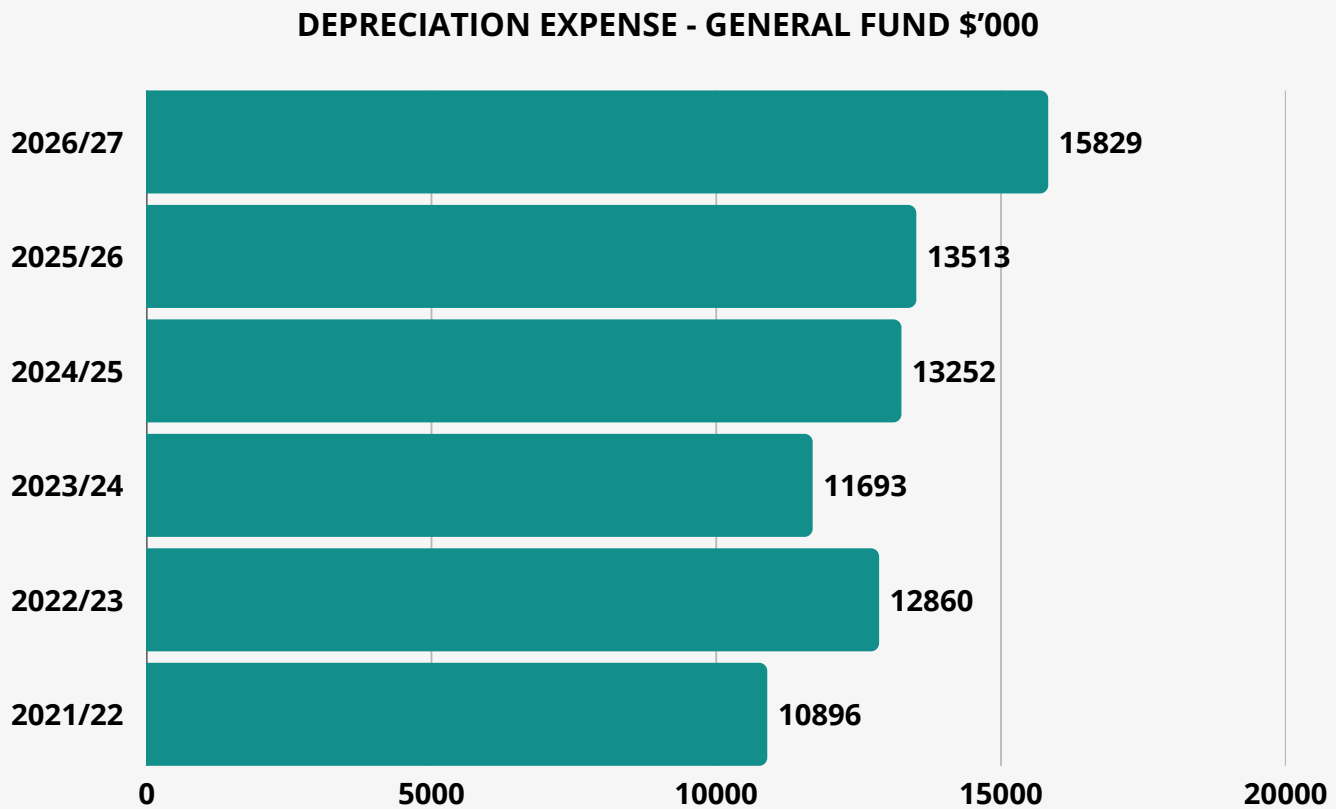


Figure 9: Depreciation - General Fund.

Other expenses

Increases in the range of levies imposed by the NSW Government are difficult to predict. Levies including the Emergency Services Levy, Rural Fire Services and NSW Fire Brigade Levy have grown steadily in past years and have been forecast to continue.

The assumption is that these levies will increase by 2.5% each year throughout the plan.

2.4 Balance Sheet Projections

The base year figures that have been used for all balance sheet items including cash and investments are those included in the audited financial reports for the 2023/24 year.

Cash and investments

Council has a number of cash reserves both internally and externally restricted. The forecast balance of cash and investments have taken into account the planned transactions of various reserves such as plant replacement, domestic waste, employee leave entitlements, roadworks and infrastructure replacement.

The balance of internally restricted reserves is predicted to consistently remain steady in the range of \$16M to \$18M across the term of the LTFP.

The table below summarises the actual and projected balances of cash reserves excluding water and sewer reserves over the next four-year period:

	2022 ACTUAL	2023 ACTUAL	2024 ACTUAL	2025	2026	2027	2028	2029
Projected Closing Value of Cash & Investments	37,436	32,974	54,184	46,965	33,237	32,581	31,719	32,353
Less External Restrictions	12,844	25,941	31,407	25,912	14,661	13,614	13,054	13,597
Less Internal Restrictions	23,092	5,177	21,806	19,469	16,856	17,916	18,033	18,096
Unrestricted Cash & Investments	1,500	1,856	971	1,584	1,710	1,051	632	659

The cash projections for the full ten year period are shown in the Statement of Financial Position (Appendix One).

Receivables and contract assets

The balance of receivables is expected to grow in line with the rate pegging increases of 2.5%.

Contracted assets include work performed for agencies including Transport for NSW or grant funded programs which Council is waiting for reimbursement. The predicted balance of contract assets in the LTFP is nil based on the assumption that grants and reimbursements occur in the same accounting period that the works are performed.

Inventories

The value of inventories has remained stable over the past ten years and this trend is expected to continue. Inventories include the value of stock held at the works depot and the value of real estate assets held for sale. Council is planning to commence the process for selling land in the Longs Corner residential subdivision in Canowindra during the 2025/26 financial year and this will reduce the value of inventory as lots are sold.

Infrastructure, property, plant and equipment

The value of infrastructure, property, plant and equipment (excluding water and sewer) at 30/6/2024 was \$603M and this balance is expected to grow to \$625M by 2034/35. This includes the value of roads, bridges, footpaths and stormwater assets which is expected to increase by \$82.8M following the revaluation at 30/6/2025.

The financial management of these assets are guided by the 2025 Strategic Asset Management Plan. The asset base maintained by Council is revalued every five years and an annual indexation to the fair value is applied based on relevant published rates applicable to each asset category.

The dates planned for revaluation are:

ASSET	REVALUATION DATE
Roads	30/6/2025
Community land and land improvements	30/6/2026
Other structures, open spaces, water and sewer	30/6/2027
Buildings	30/6/2028
Operational land	30/6/2028

Payables

The value of payables is forecast to increase by 2.5% each year.

Provisions - employee entitlements

The provisions for payment of employee leave entitlements consist of annual leave and long service leave. The balance of these policies is governed by the Leave Policy and the requirements under the NSW Local Government Award 2023. The value of the provisions is impacted by factors such as wage and salary increase, cash rate forecasts, discounting rates and the management of leave in accordance with the Leave Policy.

Provisions - remediation of land fill and quarry sites

Council also makes provisions for the future remediation of land associated with waste disposal and quarry operations. The value is determined by estimating the current costs for remediation and applying an indexation rate to the year in which the remediation works will be undertaken for each site. The value is then discounted using the applicable Commonwealth Treasury bond.

The assessment of the remaining life of each relevant site is undertaken with specialist external assistance.

Borrowings

Council currently has zero borrowings against the general fund. There are new borrowings proposed which will supplement grant funds for the construction of a mid-scale solar plant with battery storage at Eugowra. The amount of the loan proposed is \$4.5M and the borrowing costs are included in this plan effective from 1 July 2025.

3. Water Fund

The water fund relates to the system servicing Molong, Cumnock and Yeoval. Canowindra, Cudal, Eugowra and Manildra are serviced by Central Tablelands Water (of which Council is a third owner along with Blayney and Weddin Shire Councils). Council also operates a small water supply system servicing Delgany and Mullion Creek. Council also supplies water to southern parts of Dubbo Regional Council.

The chart below summarises Council's main operating income and expenses for the water fund, based on the 2025/26 budget and comparisons with the three previous financial years (actual and projected).

	2022/23 \$'000	2023/24 \$'000	2024/25 \$'000	2025/26 \$'000	% of Total \$'000
Rates & Annual Charges	566	642	706	708	43.0%
User Charges and Fees	605	851	623	662	40.2%
Other Revenues	7	8	2	1	0.1%
Grants - Operating	-	-	-	-	0.0%
Developer Contributions - Capital	-	-	-	71	4.3%
Interest and Investment Revenue	11	185	189	202	12.3%
Other Income	-	-	-	2	0.1%
TOTAL INCOME	1,189	1,686	1,520	1,646	
Employee Costs	517	665	681	739	30.7%
Materials and Services	780	436	415	481	20.0%
Borrowing Costs	-	-	-	-	0.0%
Depreciation	810	1,075	1,084	1,088	45.2%
Other Expenses	88	125	123	97	4.0%
TOTAL EXPENSES	2,195	2,301	2,303	2,405	
NET OPERATING RESULT	(1,006)	(615)	(783)	(759)	

Figure 10: Key Income and Expense Items in 2025/26 Water Fund Budget

Whilst Council has taken some steps to reduce the extent of the deficit, a deficit of this scale (53% of operating revenues for 2025/26) is unsustainable and remains of serious concern.

As with general fund, it is helpful to take a longer-term view:

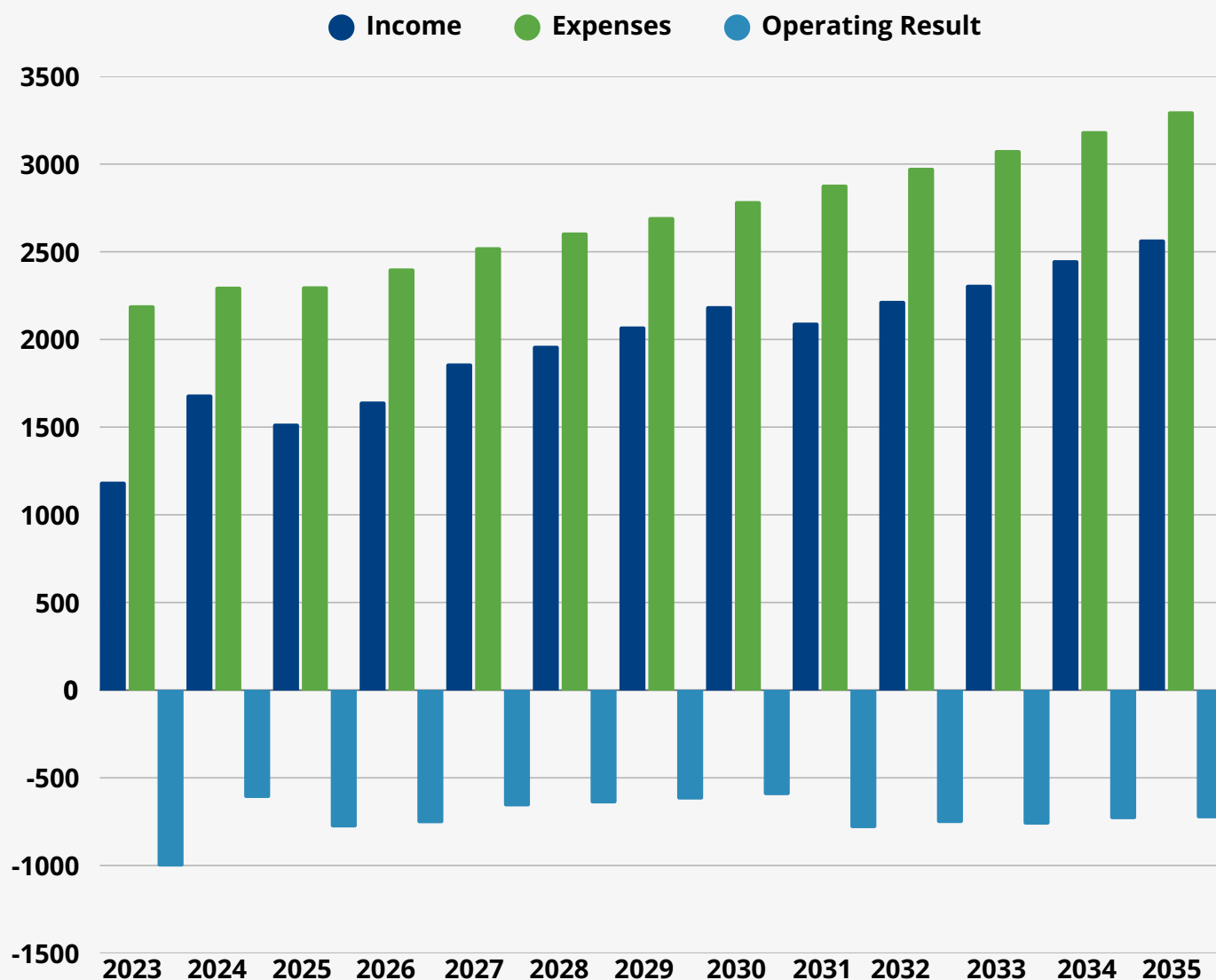


Figure 11: Trends in Income, Expenses and Operating Result in Water Fund.

Key points to note in relation to Figure 11:

- **Operating income**
 - historically, the variability relates to water usage, which makes up just over half of all revenues (the other half is the access charges)
 - increases from 2024 to 2028 relates to proposed increase in charges of 10% p.a. The period from 2029 to 2035 proposes annual increases of 5%.
- **Operating expenses**
 - increase from 2025 is attributable to:
 - higher cost of materials and services,
 - increased focus on meeting customer service needs and regulatory obligations (ongoing)
 - higher depreciation costs
 - strategic work focused on addressing critical challenges such as water security, potential growth in residential area for Molong and financial sustainability.
- **Operating result**
 - operating deficit has increased but stabilises from 2025 reflecting a higher level of fees and annual charges.
 - a rising depreciation cost is contributing to the deficit. The cost of depreciation has increased by an average 5.8% per annum during the period 2023/24 to 2026/27.

The projected balance of the Cash and Investments (Reserve Fund) is shown in Figure 12 below.

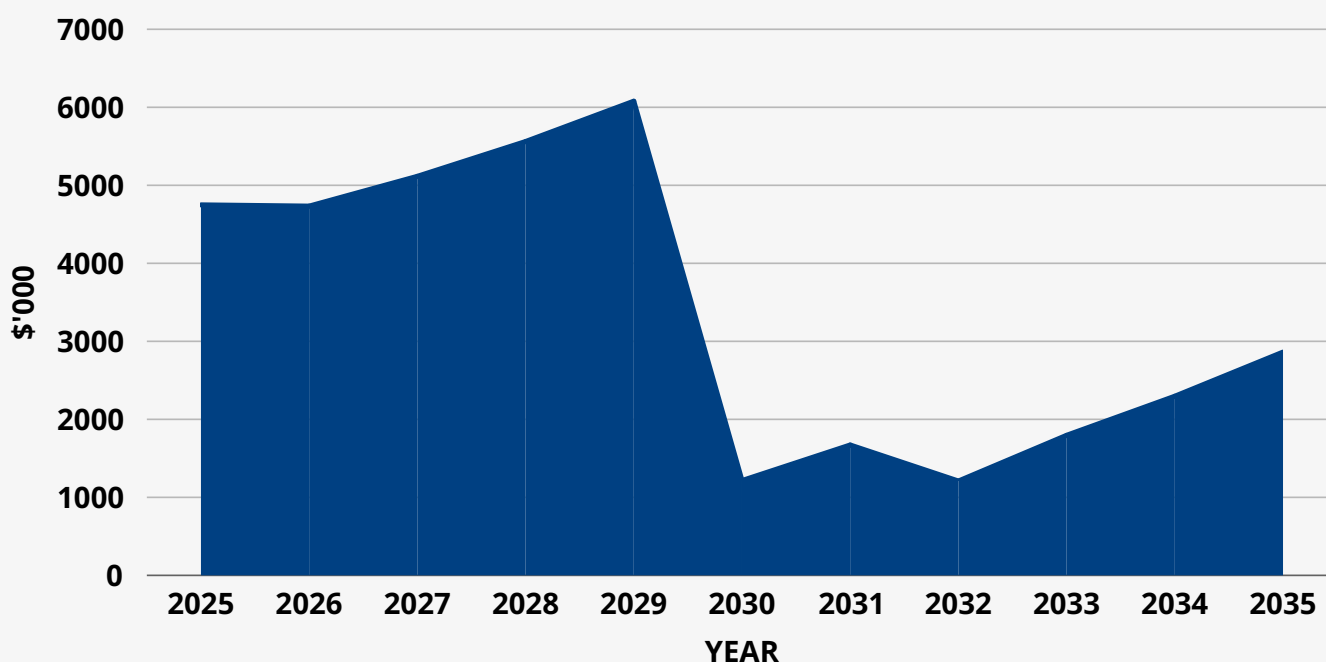


Figure 12: Projected Cash Reserve levels for the Water Fund.

Council has recently modelled two alternate scenarios which includes additional capital expenditure and alternative funding sources which will result in variations to the projected cash balance shown above.

These scenarios are shown in Section 6.

3.1 Key Assumptions - Operations

Tables 1 to 3 summarise the assumptions behind Figures 10 and 11 (and the corresponding primary financial statements in Appendix 1) as well as improvement actions related to these assumptions.

Income	Major items and assumptions
Annual charges	<p>Council proposed increases to water access and usage charges of 10% p.a. x 4 years (including CPI) ending on 30 June 2027.</p> <p>This is consistent with the increases proposed in the 2022 and 2023 LTFPs for a four-year period but not implemented until 1 July 2023. This LTFP proposes to implement the third year of the 4 x 10% p.a. increases.</p> <p>The increases proposed from 1 July 2027 are 5% per annum.</p>
User charges and fees	<p>Unlike annual charges (which only change with the number of customers), income from user charges can vary dramatically with water usage. The revenue predicted in 2025/26 is \$662K which is set at the expected usage levels from 2023/24 and below the peak level of \$886k in 2018.</p> <p>The 2026 budget is based on 2024/25 expected actuals (\$662k) + 10%. Income is then indexed at 10% for 1 year, and 5% p.a. thereafter.</p>
Interest	Calculated based on cash reserves @ 4% over 10-years.

Table 1: assumptions for operating income water fund 2025-2035

Expenses	Major items and assumptions
Employee costs	<p>The 2025/26 budget is set at the established staffing levels utilising the current pay rates and the agreed changes to LGNSW Award. The budget also factors in the expectation of ongoing vacancies equivalent to 10% of the complete staff establishment for water and sewerage utilities and across all areas of Council.</p> <p>Employee costs include wages and salaries and all related oncosts including superannuation, workers compensation cover and employee leave entitlements.</p> <p>An annual increase of 3% is proposed effective from 2025/26.</p>
Materials and contracts	<p>The 2026 budget is set at the 2025 level plus 3.5%. This includes an allowance for consultancy assistance is critical to undertaking the strategic work necessary to address Council's challenges and achieve a sustainable operating model. An annual increase of 3% is proposed effective from 2026/27.</p> <p>No allowance has been made for additional operational costs from the Molong Water Security (MWS) Project, but operating costs (electricity) will be higher.</p> <p>No allowance has been made for replacement of water meters (this is an operational expense, not capital work).</p>
Depreciation	The annual cost of depreciation is expected to increase by 4% p.a. reflecting the revaluation and annual indexing of asset values.
Other expenses	Budget consistent with previous years, then 4% p.a.
Borrowing	<p>There are no existing borrowings or new borrowings proposed in this LTFP. New borrowings maybe required to partially fund new infrastructure associated with the Molong Water Security (MWS) Project.</p> <p>Further clarity on the requirement for new borrowings including the financial capacity to service the borrowing costs is anticipated in the next year.</p>

Table 2: Assumptions for operating expenses water fund 2025-2035

Council has recently undertaken a detailed 30 year modelling of alternate financial scenarios based on growth occurring from new residential subdivisions including and new/upgraded infrastructure, additional revenue from grants/contributions and additional revenue generated from annual and user charges resulting from the growth. These are summarised in Section 7. (See Section 7 Alternate Scenarios).

The base-case scenario summarised above already incorporates a significant and progressive increase in user charges and annual charges, Council has not modelled any other options for further increases in user charges and annual charges due to affordability concerns.

3.2 KEY ASSUMPTIONS AND IMPROVEMENT ACTIONS - CAPITAL

Item	Major items and assumptions
Capital Works	<p>The major item identified under the base-case low growth scenario is the upgrade of the Molong Creek Dam (MCD) pipeline. This is scheduled for 2029/30 at an indexed capital cost of \$5.4M. Further capital upgrades will be necessary from 2035/36 onwards, but they are outside the ten year period of this plan.</p> <p>Capital works are restricted to preserve funds for the MCD Pipeline and maintain a basic level of capacity to respond to unplanned asset failures.</p> <p>Capital works in 2025/26 include improvements to the sludge pond at an estimated cost of \$325K.</p>
Capital Grants	Council is seeking funding of \$9M being two thirds of the cost of the Molong Water Security Project. Most other works are unlikely to attract grants. The base-case scenario plan for the next ten years does not factor in any grant funding.
Capital Contributions	\$26K p.a. from 2025/26 assumed (around 9 new connections p.a.).
Cash Reserves	Starting cash is estimated based on 2024 actuals + forecast for 2025 to end of year. With the exception of the \$5.5M Molong Creek Dam Pipeline project planned for 2029/30, capital works have been restricted from 2027, in order to build cash reserves back to the 'target' of \$2.0M. A reasonable level of reserves is considered vital due to the higher risk of unexpected failures (because of ageing infrastructure) and potential challenges securing a loan given the financial situation with the water business.
Borrowings	There are no existing borrowings or new borrowings proposed. New borrowings maybe required to partially fund new infrastructure associated with the Molong Water Security Project. Further clarity on the requirement for new borrowings is anticipated in the next year once the outcome of the grant funding application is known.

Table 3: Assumptions for capital, grants, borrowings, etc. Water Fund 2025/2035

Improvement actions:

1. Review capital works forecasts, in particular risk-based renewal program for items noted above, then update the 30 year strategic plan.
2. Refine estimate for Molong Creek Dam Pipeline project and its funding sources as further information becomes available.
3. Review proposed minimum cash reserve level considering ability to secure loans, risks of needing to fund urgent unplanned works etc.

4. Sewer Fund

The sewer fund includes services across the Cabonne local government area. While Council has historically accounted for the 'small town sewer scheme' (STSS servicing Cudal, Cumnock, Manildra and Yeoval) separately – which was important while customers were contributing to the cost of constructing the scheme – Council's sewer function is now combined, and a pathway to harmonising annual charges has commenced as discussed in section 5.1.

The chart below summarises Council's main operating income and expenses for the water fund, based on the 2025/26 budget and comparisons with the three previous financial years (actual and projected).

	2022/23 \$'000	2023/24 \$'000	2024/25 \$'000	2025/26 \$'000	% of Total \$'000
Rates & Annual Charges	\$2,092	\$2,367	\$2,376	\$2,571	89.3%
User Charges and Fees	\$85	\$97	\$90	\$109	3.8%
Other Revenues	-	-	-	-	0.0%
Developer Contributions - Capital	\$24	-	-	\$55	1.9%
Interest and Investment Revenue	\$24	\$124	\$142	\$142	4.9%
Other Income	\$4	\$4	\$4	\$3	0.1%
Total Income	\$2,229	\$2,592	\$2,612	\$2,880	
Employee Costs	\$505	\$679	\$679	\$712	27.1%
Materials and Services	\$592	\$612	\$627	\$619	23.6%
Borrowing Costs	\$75	\$62	\$62	\$62	2.4%
Depreciation	\$914	\$942	\$963	\$958	36.5%
Other Expenses	\$236	\$257	\$270	\$275	10.5%
Total Expenses	\$2,322	\$2,552	\$2,601	\$2,626	
Operating Result Profit/Loss	(\$93)	\$40	\$11	\$254	
Operating Result before capital grants and contributions	(\$117)	\$40	\$11	\$199	

Figure 13: Key Income and expense items in 2025/26 sewer fund budget.

The chart above and the longer term forecasts shown in the charts below indicate a small operating surplus has been achieved.

Longer term issues associated with funding major capital investments including replacing and upgrading the Molong, then Canowindra, sewage treatment plants are likely to require significant funding from the Sewer Reserve. Surpluses will be required to ensure the sewer reserve balance is maintained at the level required to partially fund these future capital costs.

The longer term operational trend is shown below:

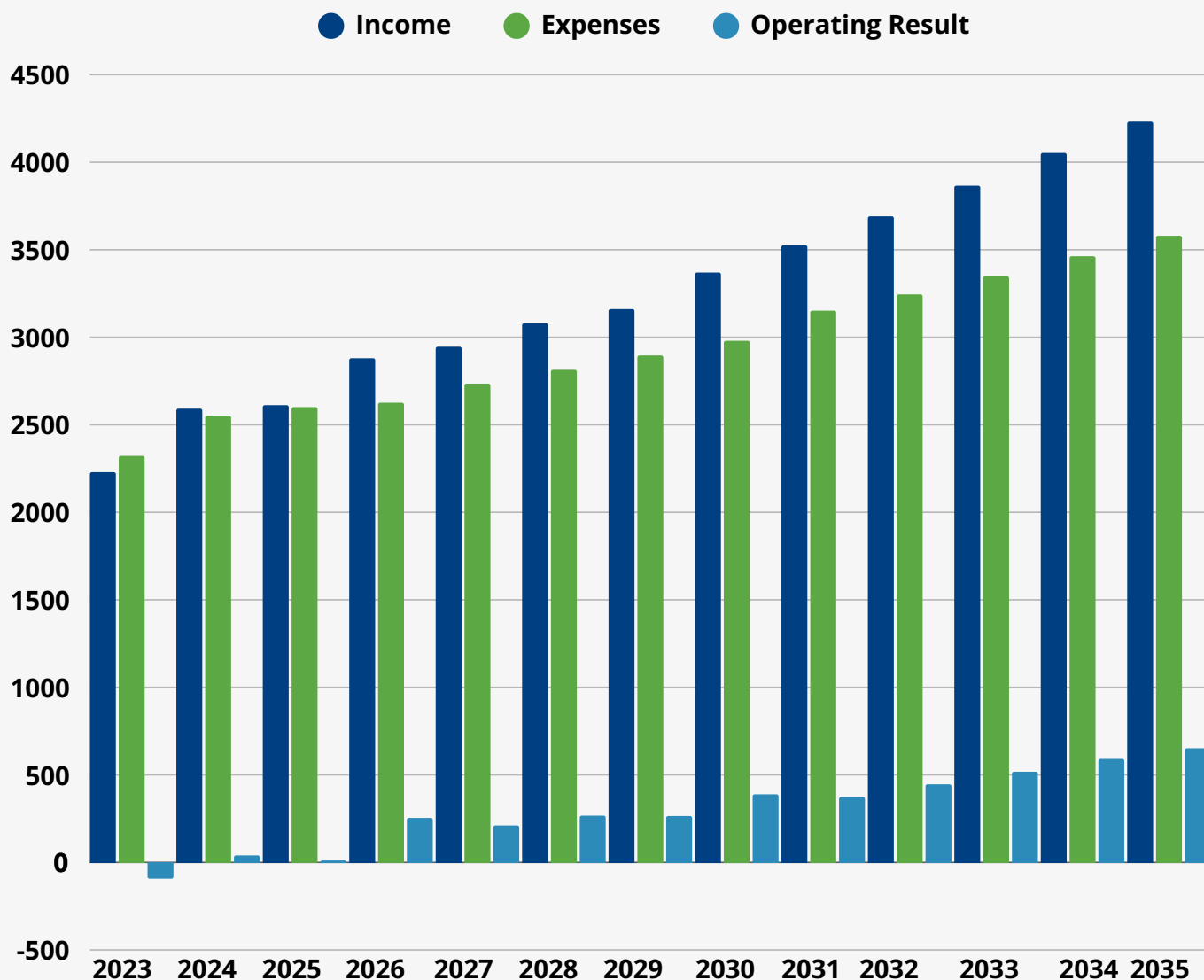


Figure 14: Trends in income, expenses and operating result in sewer fund.

Key points to note in relation to Figure 14:

- operating income
- historically, the variability relates to operating grants and non-residential user charges (which vary with water usage)
- increase from 2026 to 2027 relates to the proposed increase in charges, primarily for Molong (10%) for the next two years, to harmonise these with other towns which are all proposed to eventually align with Canowindra.
- operating expenses
- steady CPI type increases (approximately 2.4% increase are forecast from 2025/26 onwards).
- operating result
- operating deficit moves into a small operating surplus which is primarily due to the additional income derived from the harmonisation of annual charges.

The historical and projected balance of the Cash and Investments (Reserve Fund) is shown in Figure 15 below.

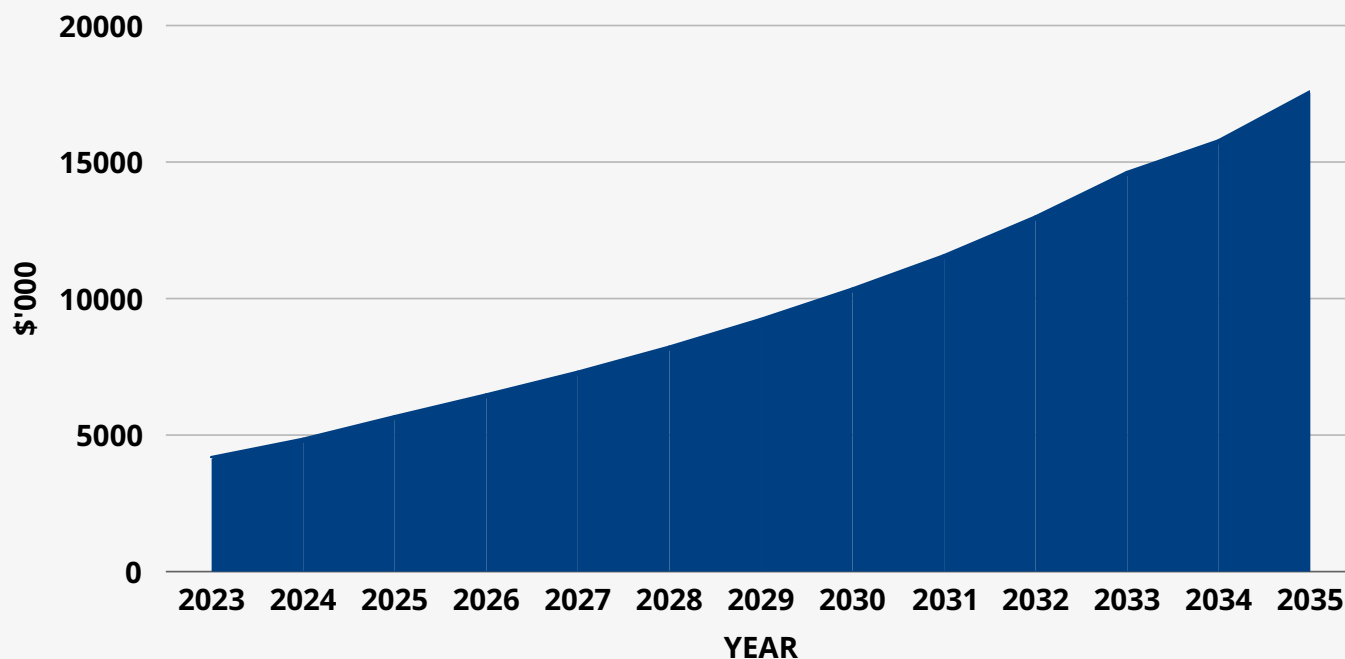


Figure 15: Historical and projected balance of the Sewer Reserve Fund (Cash and Investments)

Key points to note in relation to Figure 15:

- Council has invested very little in asset renewals (which means major investments will be required moving forward)
- The major projects under consideration are the upgrades or replacement of the Molong and Canowindra Sewerage Treatment Plants (STP). The assumed timing under the base-case scenario is 2039/40 for Molong (\$21.3M) and 2044/45 for Canowindra (\$40M). The timing, capital cost and funding sources for these projects have been included in the 30 year financial modelling undertaken but both projects sit outside the ten year timeframe for this LTFP.
- An allowance for moderate capital works has been made. The top priorities are sewage pumping station refurbishments (plus minor upgrades to address operational issues) sewerage mains relining and manhole rehabilitation.
- cash reserves are forecast to build up over the next ten years to partially fund the two major projects.

4.1 KEY ASSUMPTIONS - OPERATIONS

Tables 4 to 6 summarise the assumptions behind Figures 13 and 14 (and the corresponding primary financial statements in Appendix 1) as well as improvement actions related to these assumptions.

INCOME	MAJOR ITEMS AND ASSUMPTIONS																																								
Rates and Annual Charges	<p>Unlike water supply, the majority of income for the sewer fund is generated via annual charges, which are consistent from year to year as they are based on customer numbers.</p> <p>The proposed increases in Annual Charges are not consistent as Council has, historically, treated the individual towns differently and in 2024 commenced the pathway to harmonising charges across all towns. This process will take a further 2 years to complete for all towns except Eugowra which will take 7 years.</p> <p>The following increases are proposed for properties with a typical 20mm connection:</p>																																								
	<table><tr><th>TOWN</th><th>TYPICAL CHARGE 2025 (\$)</th><th>PROPOSED CHARGE 2026 (\$)</th><th>INCREASE %</th></tr><tr><td>Molong</td><td>896</td><td>985</td><td>10%</td></tr><tr><td>Canowindra</td><td>1,008</td><td>1,032</td><td>2.4%</td></tr><tr><td>Eugowra</td><td>862</td><td>905</td><td>5%</td></tr><tr><td>Small Towns Sewer</td><td>996</td><td>1,020</td><td>2.4%</td></tr></table>	TOWN	TYPICAL CHARGE 2025 (\$)	PROPOSED CHARGE 2026 (\$)	INCREASE %	Molong	896	985	10%	Canowindra	1,008	1,032	2.4%	Eugowra	862	905	5%	Small Towns Sewer	996	1,020	2.4%																				
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ASSUMPTIONS FOR OPERATING INCOME SEWER FUND 2025-2033

INCOME	MAJOR ITEMS AND ASSUMPTIONS (\$M)							
Rates and Annual Charges	ANNUAL CHARGE (%)	2025	2026	2027	2027	2029	2030	2031
	Molong	10	10	6.8	2.4	2.4	2.4	2.4
	Canowindra	4	2.4	2.4	2.4	2.4	2.4	2.4
	Eugowra	2	5	5	7	7	7	7
	STSS	4	2.4	2.4	2.4	2.4	2.4	2.4
	Section 1 includes further discussion on the proposed increases.							
User Fees and Charges	User charges are for non-domestic customers. These are based on water usage and a discharge factor.							
Interest	Calculated based on cash reserves @ 4% over 10 years.							

Table 4: Assumptions for Operating Income Sewer Fund 2025/35

EXPENSES	MAJOR ITEMS AND ASSUMPTIONS							
Employee Costs	The 2025/26 budget is set to cover the established staffing levels utilising the current pay rates and the agreed changes to LGNSW Award.							
	Employee costs include wages and salaries and all related oncosts including superannuation, Workcover and employee leave entitlements.							
	An annual increase of 3% is proposed effective from 2025/26.							
Materials and Services	The 2026 budget is set at the 2024 level plus 2.4%. This includes an allowance for consultancy assistance is critical to undertaking the strategic work necessary to address Council's challenges and achieve a sustainable operating model.							
Depreciation	The annual cost of depreciation is expected to increase by 4% per annum reflecting the revaluation and annual indexing of asset values.							
Other Expenses	Budget consistent with previous years, then 2.4% p.a.							
Borrowing	The interest on the loan for small town sewers is included in the estimates. This loan will be fully repaid by 20/12/2032.							

Table 5: Assumptions for operating expenses Sewer Fund 2025-2033

4.2 KEY ASSUMPTIONS - CAPITAL

ITEM	MAJOR ITEMS AND ASSUMPTIONS
Capital Works	<p>There are no major capital works items forecast for the next 10 year period.</p> <p>Major items for renewal and upgrade are the Molong STP in 2039/40 and Canowindra STP in 2044/45.</p> <p>Refurbishment works are needed at several pumping stations, plus upgrades to address operational issues including WHS.</p>
Capital Grants	Nil.
Capital Contributions	Equivalent of ≈ 7 additional connections p.a. assumed.
Reserves	Starting cash for 2025 estimated.
Borrowings	Repayment of existing small town sewer loans.

Table 6: Assumptions for capital, grants, borrowings etc sewer fund 2025-2033

5. Sensitivity Analysis

The table below analyses the impacts of movements in some of the main assumptions behind the financial modelling in Sections 2, 3 and 4.

The LTFP contains a range of assumptions which are obtained from a various number of sources. Council has ensured that these sources are reputable and are the best known available source for that data.

A conservative approach has been taken in the development of the plan to ensure that the chosen option is more likely to succeed and exposes Council to the least amount of risk.

The following areas are highlighted to reinforce the need for ongoing monitoring.

BUDGET PARAMETER	IMPACT ON FINANCIAL SUSTAINABILITY OBJECTIVES
Cash rates for investments and borrowings	<p>The RBA reduced the cash rate in February 2025 from 4.35% to 4.1%. Any movements in the cash rate will impact on the returns on cash and investments and on the rate of interest for new borrowings. The future movements in the cash rate are largely dependent upon the government's ability to contain inflation and the overall state of the economy which is influenced by both domestic and international factors. Most economic forecasts are currently suggesting that interest rates will start to slowly move down.</p> <p>This plan assumes a rate of 4.0% in earnings from investments and an interest rate of 5.67% for new borrowings.</p> <p>A reduction in the cash rate of 0.5% is likely to reduce Council's interest income by \$1.7M in total over a ten year period.</p> <p>A reduction in the borrowing rate of 0.5% is likely to reduce the cost of borrowing by \$0.20M over a ten year period.</p>
Consumer Price Index	<p>The Consumer Price Index has risen by 2.4% in the 12 months to December 2024. CPI assumptions are used to assist in a number of calculations contained in the plan including materials, contracts and services and some fees and charges. The assumption across a ten year period is that the CPI will increase by 2.4% each year from 2025/26.</p> <p>The impact of a 0.5% increase (or decrease) in the CPI on the cost of contracts, materials and services procured externally is approximately \$0.5M per year.</p>
Rate Pegging	<p>The rate pegging increase for 2025/26 is 4.4% and the base case assumption is that ordinary rates will increase by 2.5% per annum for the remaining years of the plan. As ordinary rates represent approximately 25% of Council's overall budget, the LTFP is sensitive to any changes to the rate pegging limit.</p> <p>A reduction in the rate pegging level from 2.5% to 2% would reduce Council's income by \$3.2M over the ten year period of this plan.</p>
Grants Commission allocation	<p>The annual allocation is forecast to increase by 2.4% each year from 2025/26. A reduction of 0.5% in this forecast will decrease income by \$1.74M across the life of the plan.</p>
Employee Costs	<p>Employee costs will increase in line with changes to the NSW Local Government Award, changes in staffing numbers, staffing structures etc. Increases in premiums for workers compensation, and increases to the superannuation guarantee have been factored into the assumptions in this plan.</p> <p>The plan assumes that employee costs will increase by 3.0%.</p> <p>As employee costs represent approximately 40% of the budget, the LTFP is sensitive to any % variations.</p> <p>An increase in employee costs of 0.25% beyond the assumption included in the plan would represent additional costs of approximately \$2.9M across the life of the plan.</p>

6. Alternative Scenarios

Two scenarios are considered in the following sections. Each explores the impacts of a major change to the assumptions in sections 2,3 and 4.

SECTION	NAME	ISSUE EXPLORED
6.1	Special Rate Variation (SRV)	Size of SRV required to eliminate operating deficit in general fund, raise funds for asset renewal. The impact on the average residential rate including comparisons with other Councils is considered.
6.2	Increase water charges	Increases in water annual charges and user fees to improve the sustainability of the water fund.

Table 7: Summary of alternative scenarios.

6.1 SPECIAL RATE VARIATION

NSW councils are only permitted to increase ordinary rates each year by the ‘rate peg’ set by IPART. In 2025/26, this is 4.4% and in 2024/25 it was 4.5%.

NSW Government (Office of Local Government) issues Special Rate Variation (SRV) Guidelines that councils must adhere to in making an application to increase their rates above the rate peg (plus any population factor). Applications are assessed by IPART against the SRV Guidelines and must include:

- a demonstrated need for higher increases to charges
- community awareness of their plans
- a reasonable impact on ratepayers
- a process to exhibit relevant council documents to the public
- a history of well-documented council productivity improvements and cost containment strategies

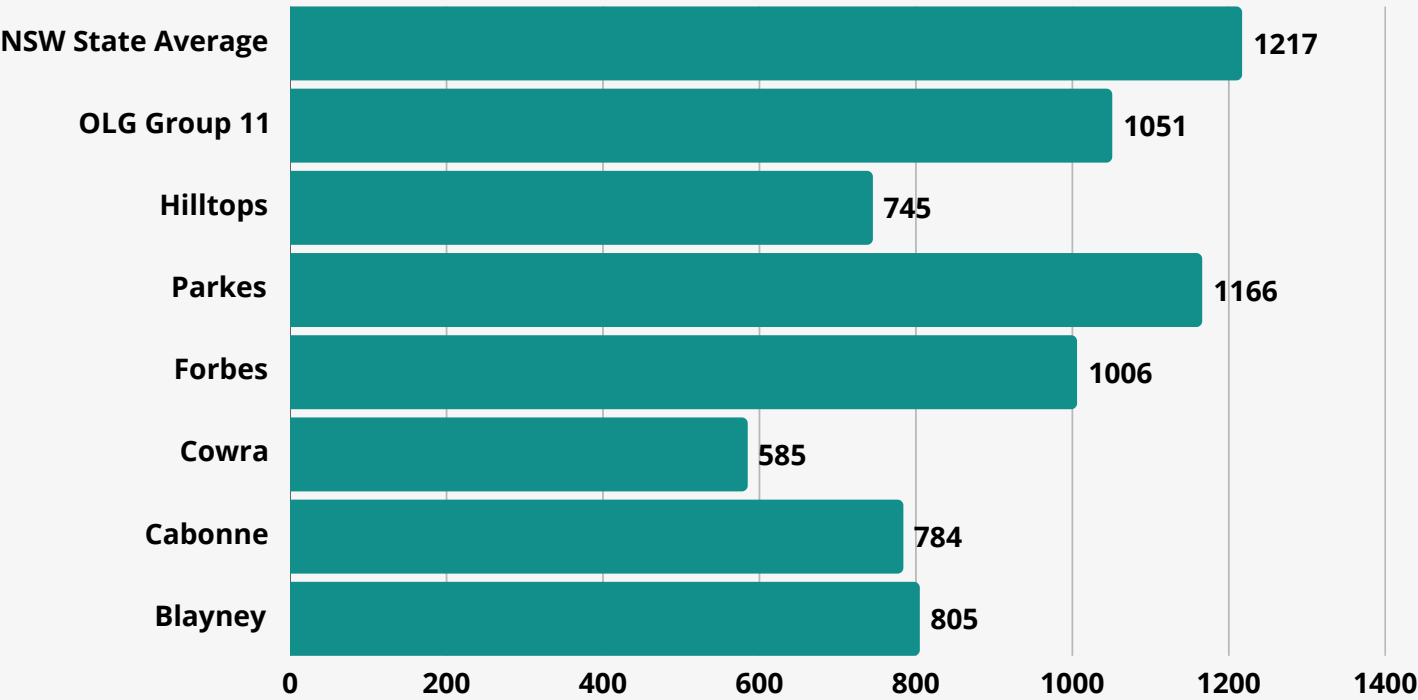
As discussed in section 1, Council is not forecasting to be able to meet the targets related to its financial sustainability objectives, even in 10 years, for general fund. The key issues are spending (an ongoing operating deficit) and infrastructure investment (insufficient funds to meet Council’s objectives for services such as water supply, sewerage and transport).

It is important to emphasise that the focus of the community engagement undertaken by the outgoing Council would be to explore options rather than make decisions. This information would then be available for the incoming Council, elected in September 2028, to then consider in further community engagement regarding the new Community Strategic Plan and the Delivery Program for its term in office.

The options including in this section are:

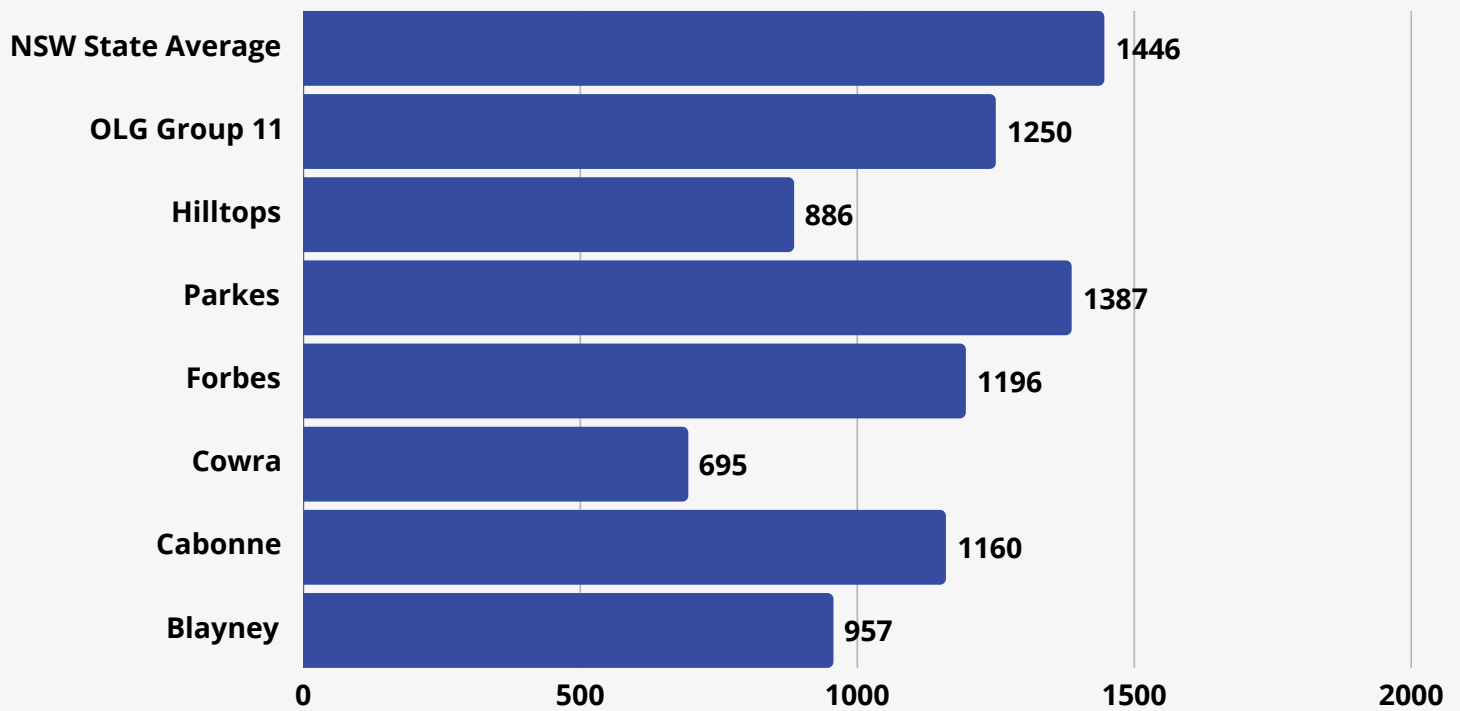
	OPTION 1 - 8.25%			OPTION 2 - 12%			OPTION 3 - 14%		
YEAR	%	RATE PEG %	TOTAL %	%	RATE PEG %	TOTAL %	%	RATE PEG %	TOTAL %
2029/30	5.75	2.5	8.25	9.5	2.5	12	11.5	3.5	14
2030/31	5.75	2.5	8.25	9.5	2.5	12	11.5	3.5	14
2031/32	5.75	2.5	8.25	9.5	2.5	12	11.5	3.5	14
2032/33	5.75	2.5	8.25	9.5	2.5	12	11.5	3.5	14
4 Year - Cumulative	37%			57%			69%		

Cabonne Council currently has a low average residential rate relative to similar sized Councils and the NSW State Average as illustrated below:

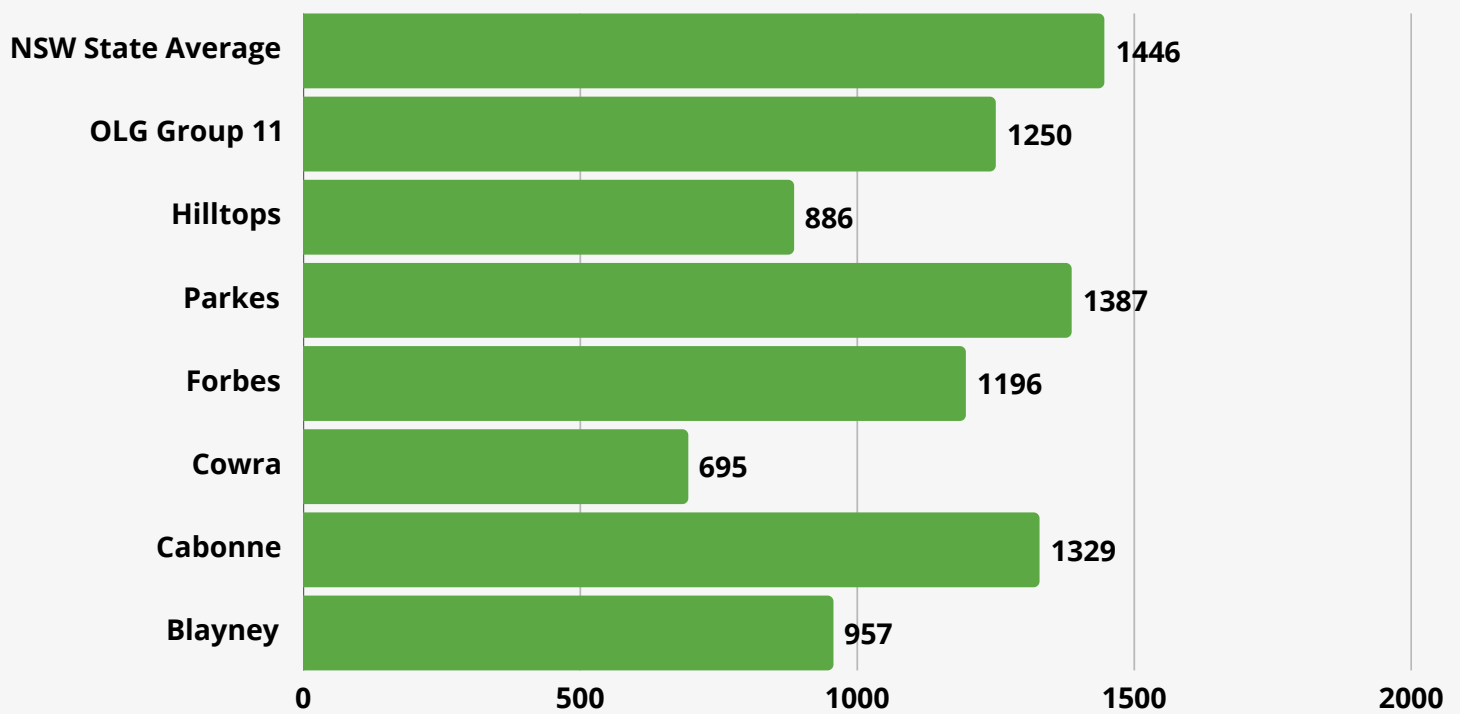


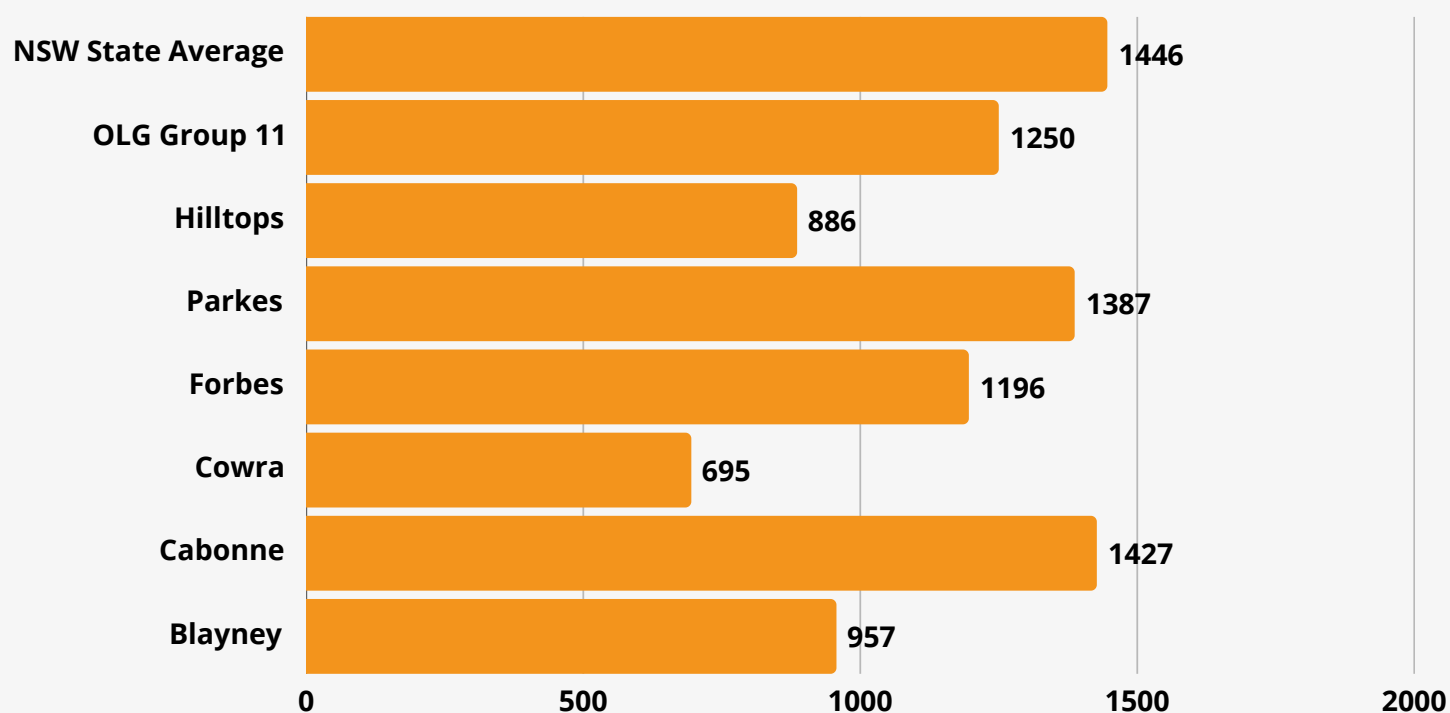
The three charts below forecast the impact on the average residential rate for each of the options modelled at the end of the four year period of the rate increases.

AVERAGE RESIDENTIAL RATE 2032/33 - OPTION 1 - 8.25%



AVERAGE RESIDENTIAL RATE 2032/33 - OPTION 2 - 12%



AVERAGE RESIDENTIAL RATE 2032/33 - OPTION 3 - 14%

Councils average residential rate will remain below the OLG Group 11 average for Option 1 (8.25%) but will climb marginally above the average for Options 2 and 3 and draw closer to the NSW State Average. It is likely however, that a number of other councils will be granted increases during this period which will push the Group11 and NSW averages higher.

The additional rating generated by each of the options is presented in the table below:

	26/27 (\$'000)	27/28 (\$'000)	28/29 (\$'000)	29/30 (\$'000)	30/31 (\$'000)	31/32 (\$'000)	32/33 (\$'000)	33/34 (\$'000)	34/35 (\$'000)
OPTION 1									
Ordinary Rates @ 2.5%	12,998	13,323	13,656	13,997	14,347	14,706	15,074	15,451	15,837
Ordinary Rates @ 8.25% from 2029/30	12,998	13,323	13,656	14,783	16,002	17,322	18,751	19,220	19,701
\$ Impact on result				785	1,655	2,616	3,678	3,770	3,864
OPTION 2									
Ordinary Rates @ 2.5%	12,998	13,323	13,656	13,997	14,347	14,706	15,074	15,451	15,837
Ordinary Rates @ 12% from 2029/30	12,998	13,323	13,656	15,295	17,130	19,186	21,488	22,025	22,576
\$ Impact on result				1,297	2,783	4,480	6,414	6,575	6,739
OPTION 3									
Ordinary Rates @ 2.5%	12,998	13,323	13,656	13,997	14,347	14,706	15,074	15,451	15,837
Ordinary Rates @ 14% from 2029/30	12,998	13,323	13,656	15,568	17,747	20,232	23,064	23,641	24,232
\$ Impact on result				1,570	3,400	5,526	7,991	8,191	8,395

Option 1 will make a modest improvement to Council's operating result but will not on its own return Council to a sustainable financial position. Options 2 and 3 present a significantly more favourable position but still does not fully cover the forecast deficits.

An increase in the vicinity of 20% p.a. for 4 years would be required to fully cover the forecast operating deficits extending out to 2034/35. This option is mentioned but is not presented as realistic due to affordability concerns.

The major changes from last year's LTFP are:

- The increase in depreciation on roads of \$1.93M
- The rate pegging assumption has moved downwards from 3.5% to 2.5%.

6.2 WATER AND SEWERAGE FUNDS - GROWTH SCENARIOS AND CAPITAL FUNDING

Council has recently undertaken a strategic review of its water and sewer reticulation networks including detailed 30 year financial modelling of three scenarios for each fund.

The objective of the strategic review is to:

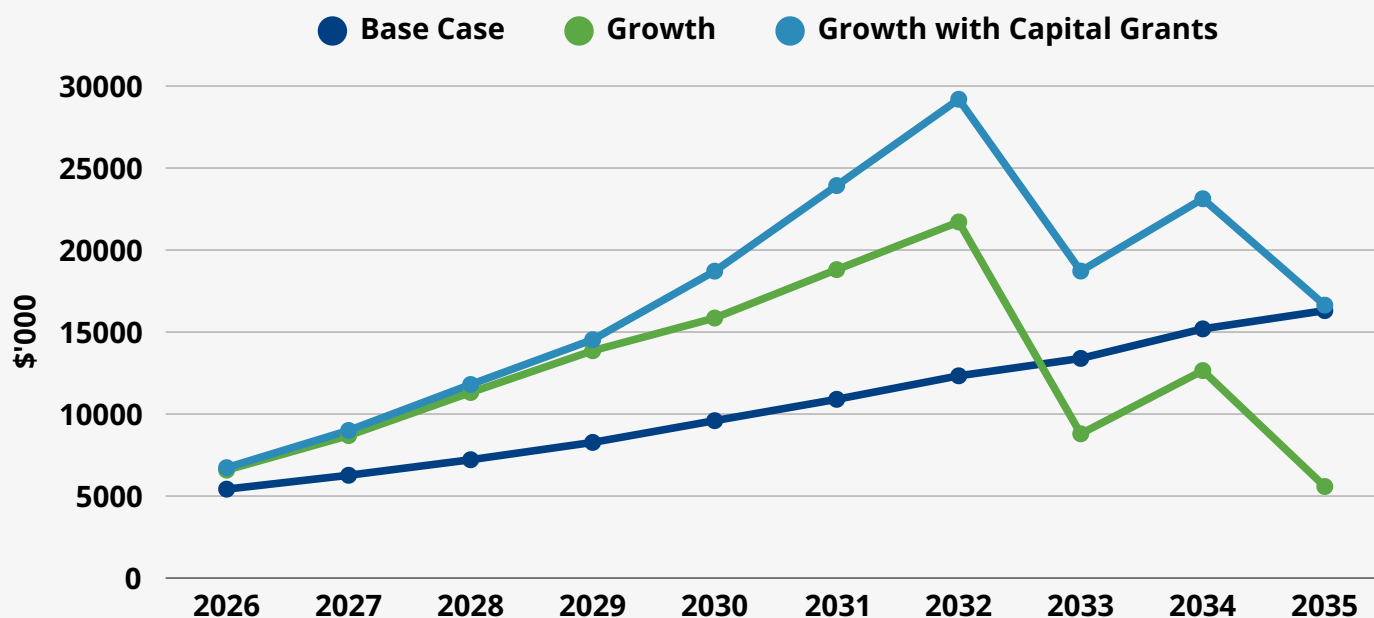
1. Identify a preferred program of works for future water and sewer network upgrades over a 30 year planning horizon to 2053;
2. Develop concept designs and documentation including cost estimated to enable the works to be constructed under design and construct contracts;
3. Identify funding gaps, potential funding sources and demonstrate a robust basis has been followed to support funding applications to the NSW and Commonwealth governments.

The three scenarios developed for each fund are:

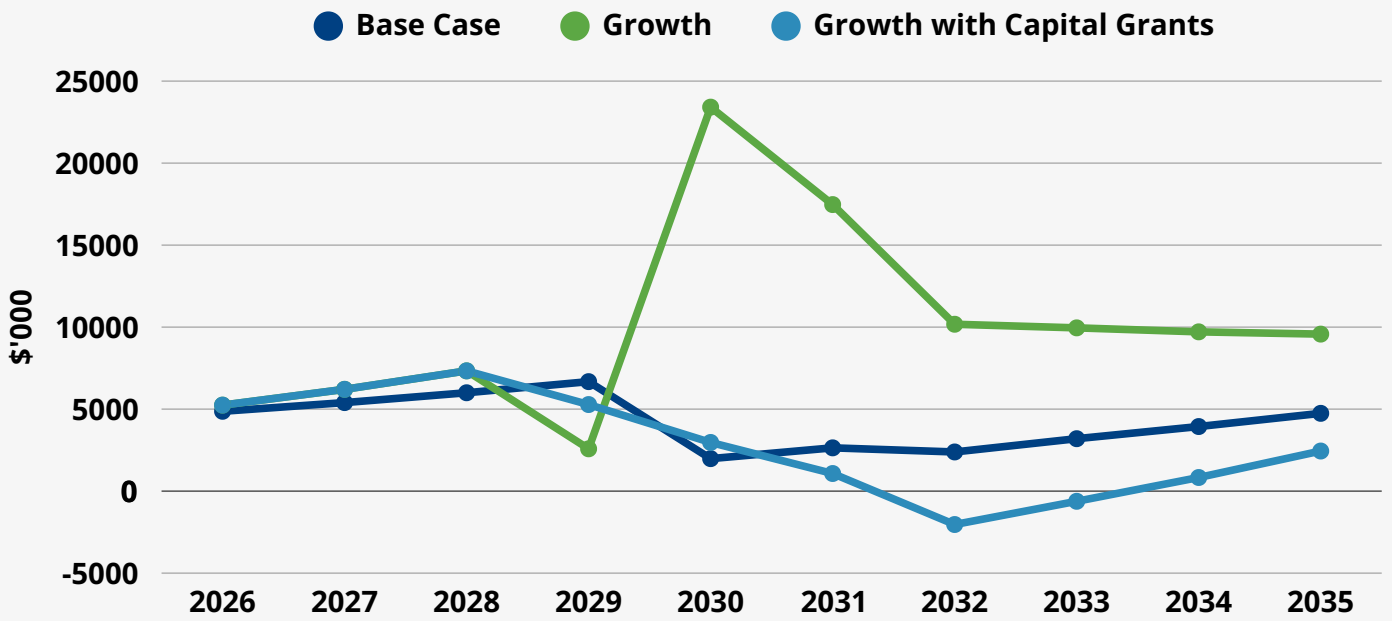
1. **Base Case Scenario.** This option assumes a continuation of the existing low population growth pattern (8 new lots per year) and applies the annual charges, user fees and other operating cost and revenue assumptions presented in sections 3 and 4 of this LTFP. The capital items are limited to the upgrade of the Molong Creek Dam water pipeline and minor routine renewals. There are no capital grants projected within the next ten year period.
2. **Growth Case.** This scenario applies a higher growth forecast of 32-35 new lots per year supported by the development of the East Molong - Golf Course Heights Estate subdivision which will require expansion of the reticulation network. The capital expenditure includes pumps and reservoirs, upgraded mains, filtration plant, and upgraded sewer treatment plants. This scenario does not include any capital grants assumptions within the first ten years. There are proposed borrowings of \$28M and additional developer contributions which represent the primary funding source for the capital expenditure.
3. **Growth Case with Capital Grants.** This scenario is the same as the growth case above except that it assumes obtaining \$19M in capital grants within the next ten years which will negate the necessity for new borrowings.

The projected cash reserve balance over the next ten year period for each scenario is shown in the charts.

SEWER - PROJECTED CASH RESERVE BALANCE



WATER - PROJECTED CASH RESERVE BALANCE



Council is pursuing the growth option with capital grants as its preferred option. No announcements on grant funding have been made at this time.



Appendix 1: Financial Statements for BASE CASE

Appendix 1: Financial Statements for BASE CASE

Notes:

- All figures in \$000's
- Historic actual figures in income statement and statement of financial position are taken from annual financial statements (historic cashflows are not included as this isn't reported separately by fund in statements)
- Historic capital works is from Note C1-7 or equivalent in financial statements (doesn't include works in progress)

Income Statement General Fund

	Historic Actuals		Budget		Forecast								
	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34	2034/35
Rates and Annual Charges	12,926	13,450	14,032	14,773	15,150	15,538	15,935	16,342	16,760	17,189	17,629	18,080	18,543
User Charges & Fees	8,673	7,350	7,644	7,976	8,168	8,365	8,568	8,775	8,987	9,204	9,427	9,655	9,889
Other Revenues	1,695	672	1,181	387	396	405	414	424	434	444	454	465	476
Grants & Contributions - Operating	31,863	10,400	10,866	12,674	12,971	13,276	13,587	13,906	14,233	14,568	14,910	15,260	15,619
Grants & Contributions - Capital	14,887	48,080	34,472	9,498	9,280	-	-	-	-	-	-	-	-
Interest & Investment Revenue	1,168	832	821	1,201	1,018	994	964	930	1,108	1,070	1,064	1,009	973
Other Income	602	380	384	183	187	192	196	201	206	211	216	221	227
TOTAL INCOME	71,814	81,164	69,399	46,692	47,171	38,769	39,665	40,578	41,728	42,686	43,700	44,691	45,726
Employee Costs	13,755	13,932	16,568	17,912	18,449	19,003	19,573	20,160	20,765	21,388	22,030	22,690	23,371
Materials & Services	31,328	8,920	9,590	10,525	10,788	11,058	11,334	11,618	11,908	12,206	12,511	12,824	13,144
Borrowing Costs	106	-	-	165	179	174	168	162	156	150	143	136	128
Depreciation	12,860	11,693	13,252	13,513	15,829	16,304	16,793	17,297	17,816	18,351	18,901	19,468	20,052
Other Expenses	255	603	627	835	856	877	899	922	945	968	993	1,017	1,043
	58,304	35,149	40,037	42,950	46,102	47,416	48,768	50,159	51,590	53,062	54,577	56,136	57,738
NET OPERATING RESULT	13,510	46,015	29,362	3,742	1,069	(8,647)	(9,103)	(9,581)	(9,862)	(10,376)	(10,877)	(11,445)	(12,012)
NET OPERATING RESULT BEFORE CAPITAL GRANTS & CONTRIBUTIONS	(1,377)	(2,064)	(5,110)	(5,756)	(8,211)	(8,647)	(9,103)	(9,581)	(9,862)	(10,376)	(10,877)	(11,445)	(12,012)

Statement of Financial Position General Fund

	Historic Actuals		Budget		Forecast								
	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34	2034/35
Current Assets													
Cash and Investments	32,974	54,184	46,965	33,227	32,581	31,719	32,353	33,371	30,944	31,139	29,620	29,045	28,374
Receivables	4,497	4,158	4,262	4,368	4,478	4,590	4,704	4,822	4,943	5,066	5,193	5,323	5,456
Inventories	621	640	656	672	689	706	724	742	761	780	799	819	840
Contract Assets	18,120	4,824	4,500	-	-	-	-	-	-	-	-	-	1
Other	82	944	968	992	1,017	1,042	1,068	1,095	1,122	1,150	1,179	1,208	1,239
TOTAL CURRENT ASSETS	56,294	64,750	57,351	39,260	38,765	38,057	38,850	40,030	37,769	38,135	36,791	36,396	35,909
Non-Current Assets													
Receivables	453	377	347	317	287	257	227	197	167	137	107	77	47
Inventories	173	40	-	-	-	-	-	-	-	-	-	-	1
Infrastructure, Property, Plant	562,741	603,290	614,137	566,310	582,182	588,953	593,939	598,189	605,709	610,280	616,179	620,713	624,890
Intangible Assets	62	45	-	-	-	-	-	-	-	-	-	-	-
Other	282	282	282	282	282	282	282	282	282	282	282	282	282
TOTAL NON-CURRENT ASSETS	563,711	604,034	614,766	566,909	582,751	589,492	594,448	598,668	606,158	610,699	616,568	621,072	625,220
TOTAL ASSETS	620,005	668,784	672,116	606,169	621,516	627,548	633,298	638,698	643,927	648,834	653,359	657,468	661,129
Current Liabilities													
Payables	4,804	7,156	5,300	5,433	5,568	5,708	5,850	5,996	6,146	6,300	6,458	6,619	6,784
Contract Liabilities	6,925	17,164	11,100	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,001
Borrowings	-	-	-	89	95	100	106	112	118	125	132	2,413	157
Employee Benefit provisions	3,178	3,630	3,739	3,851	3,967	4,086	4,208	4,334	4,464	4,598	4,736	4,878	5,025
Provisions	59	200	220	-	-	-	-	-	-	-	-	-	1
TOTAL CURRENT LIABILITIES	14,966	28,150	20,359	12,372	12,629	12,893	13,164	13,443	13,729	14,024	14,326	16,910	14,968

Statement of Financial Position General Fund

Continued

	HISTORIC ACTUALS		BUDGET		FORECAST								
	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34	2034/35
NON-CURRENT LIABILITIES													
Payables	161	407	300	300	300	300	300	300	300	300	300	300	300
Borrowings	-	-	-	3,822	3,205	3,091	2,970	2,842	2,707	2,564	2,413	-	157
Provisions	3,765	2,160	2,117	2,074	2,033	1,992	1,952	1,913	1,875	1,838	1,801	1,765	1,730
TOTAL NON-CURRENT LIABILITIES	3,926	2,567	2,417	6,197	5,538	5,383	5,223	5,056	4,882	4,701	4,514	2,065	1,873
TOTAL LIABILITIES	18,892	30,717	22,776	18,569	18,168	18,277	18,387	18,498	18,611	18,725	18,839	18,975	16,841
Net Assets	601,113	638,067	649,341	587,600	603,348	609,272	614,911	620,199	625,316	630,109	634,519	638,493	644,288
EQUITY													
Accumulated Surplus	318,480	364,495	393,857	397,599	398,668	390,021	380,918	371,337	361,475	351,099	340,221	328,777	316,764
Revaluation Reserves	282,633	273,572	255,483	190,001	204,681	219,251	233,993	248,862	263,841	279,010	294,298	309,716	327,524
TOTAL EQUITY	601,113	638,067	649,341	587,600	603,348	609,272	614,911	620,199	625,316	630,109	634,519	638,493	644,288

Projected Statement of Cash Flows General Fund

	HISTORIC ACTUALS	BUDGET		FORECAST								
	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34	2034/35
OPENING CASH AND INVESTMENTS	32,974	54,184	46,965	33,227	32,581	31,719	32,353	33,371	30,944	31,139	29,620	29,045
CASH FLOWS FROM OPERATING ACTIVITIES												
RECEIPTS												
Rates and Annual Charges	13,383	14,032	14,773	15,150	15,538	15,935	16,342	16,760	17,189	17,629	18,080	18,543
User Charges and Fees	10,085	7,644	7,976	8,168	8,365	8,568	8,775	8,987	9,204	9,427	9,655	9,889
Interest Received	820	821	1,201	1,018	994	964	930	1,108	1,070	1,064	1,009	973
Grants and Contributions - Operating	38,413	10,866	12,674	12,971	13,276	13,587	13,906	14,233	14,568	14,910	15,260	15,619
Grants and Contributions - Capital	13,686	34,472	9,498	9,280	-	-	-	-	-	-	-	-
Other	5,027	1,565	570	583	597	611	625	640	655	670	686	702
PAYMENTS												
Payments to Employees	(15,819)	(16,568)	(17,912)	(18,449)	(19,003)	(19,573)	(20,160)	(20,765)	(21,388)	(22,030)	(22,690)	(23,371)
Payments for Materials and Services	(20,393)	(9,590)	(10,525)	(10,788)	(11,058)	(11,334)	(11,618)	(11,908)	(12,206)	(12,511)	(12,824)	(13,144)
Borrowing Costs	(68)	-	(165)	(179)	(174)	(168)	(162)	(156)	(150)	(143)	(136)	(128)
Other	(4,288)	(627)	(835)	(856)	(877)	(899)	(922)	(945)	(968)	(993)	(1,017)	(1,043)
NET CASH FLOWS FROM OPERATING ACTIVITIES	40,846	42,614	17,255	16,898	7,657	7,690	7,717	7,954	7,974	8,024	8,023	8,040

Projected Statement of Cash Flows General Fund

Continued

	HISTORIC ACTUALS	BUDGET		FORECAST								
	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34	2034/35
CASH FLOWS FROM INVESTING ACTIVITIES												
Purchase of IPPE	(20,858)	(51,033)	(25,122)	(17,455)	(8,425)	(6,956)	(6,593)	(10,269)	(7,661)	(9,418)	(8,466)	(8,571)
Sale of Plant	1,222	1,200	1,239	-	-	-	-	-	-	-	-	-
Carryover Capital Expenditure - Road Assets	-	-	(3,000)	-	-	-	-	-	-	-	-	-
Carryover Capital Expenditure - Urban Services	-	-	(5,110)	-	-	-	-	-	-	-	-	-
Carryover Capital Expenditure - Solar Facility	-	-	(1,500)	-	-	-	-	-	-	-	-	-
Carryover Capital Expenditure - Fleet	-	-	(1,500)	-	-	-	-	-	-	-	-	-
NET CASH FLOWS FROM INVESTING ACTIVITIES	(19,636)	(49,833)	(34,993)	(17,455)	(8,425)	(6,956)	(6,593)	(10,269)	(7,661)	(9,418)	(8,466)	(8,571)
CASH FLOWS FROM FINANCING ACTIVITIES												
Borrowings - Solar Project	-	-	4,000	-	-	-	-	-	-	-	-	-
Loan Repayments	-	-	-	(89)	(95)	(100)	(106)	(112)	(118)	(125)	(132)	(140)
PROJECTED CLOSING CASH AND INVESTMENTS	54,184	46,965	33,227	32,581	31,719	32,353	33,371	30,944	31,139	29,620	29,045	28,374

Income Statement (Sewer)

	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34	2034/35
Rates and Annual Charges	2,092	2,367	2,376	2,571	2,578	2,681	2,788	2,900	3,016	3,137	3,262	3,392	3,528
User Charges and Fees	85	97	90	109	113	118	123	128	133	138	143	149	155
Other Revenues	-	-	-	-	-	-	-	-	-	-	-	-	-
Grants and Contributions - Operating	-	-	-	-	-	-	-	-	-	-	-	-	-
Developer Contributions - Capital	24	-	-	55	57	59	61	62	64	66	68	70	72
Interest and Investment Revenue	24	124	142	142	193	218	246	276	309	346	389	438	472
Other Income	4	4	4	3	4	4	4	4	4	4	4	4	4
TOTAL INCOME	2,229	2,592	2,612	2,880	2,946	3,080	3,222	3,370	3,526	3,691	3,866	4,053	4,232
Employee Costs	505	679	679	712	733	755	778	801	825	850	876	906	938
Materials & Services	592	612	627	619	634	650	667	683	700	718	736	754	773
Borrowing Costs	75	62	62	62	43	36	28	20	11	2	-	-	-
Depreciation	914	942	963	958	1,042	1,083	1,127	1,172	1,304	1,356	1,410	1,467	1,525
Other Expenses	236	257	270	275	282	289	296	304	311	319	327	335	343
TOTAL EXPENSES	2,322	2,552	2,601	2,626	2,735	2,814	2,896	2,980	3,152	3,245	3,348	3,463	3,580
OPERATING RESULT	(93)	40	11	254	211	267	326	389	374	446	518	591	652
OPERATING RESULT BEFORE CAPITAL GRANTS & CONTRIBUTIONS	(117)	40	11	199	154	208	265	327	310	380	450	521	580

Statement of Financial Position - Sewer

	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34	2034/35
CURRENT ASSETS													
Cash and Investments	4,146	4,815	5,642	6,439	7,270	8,189	9,203	10,316	11,535	12,955	14,586	15,745	17,542
Receivables	997	1,027	1,058	1,089	1,122	1,156	1,190	1,226	1,263	1,301	1,340	1,380	1,421
Total current assets	5,143	5,842	6,700	7,529	8,392	9,345	10,393	11,542	12,798	14,256	15,926	17,125	18,963
NON-CURRENT ASSETS													
Infrastructure, property, plant and equipment	38,261	39,601	39,430	39,521	39,529	39,497	39,420	39,296	39,038	38,723	38,347	38,507	38,092
Intangible assets	20	16	12	8	4	-	-	-	-	-	-	-	-
TOTAL NON-CURRENT ASSETS	38,281	39,617	39,442	39,529	39,533	39,497	39,420	39,296	39,038	38,723	38,347	38,507	38,092
TOTAL ASSETS	43,424	45,459	46,142	47,058	47,925	48,841	49,813	50,838	51,836	52,979	54,273	55,632	57,056
CURRENT LIABILITIES													
Payables	38	39	40	42	43	44	45	47	48	50	51	53	54
Borrowings	105	89	165	89	95	100	106	112	118	125	132	140	-
TOTAL CURRENT LIABILITIES	143	128	205	130	137	144	151	159	167	175	183	193	54
NON-CURRENT LIABILITIES													
Payables	-	-	-	-	-	-	-	-	-	-	-	-	-
Borrowings	1,172	1,067	978	813	724	630	530	424	312	193	68	-	-
TOTAL NON-CURRENT LIABILITIES	1,172	1,067	978	813	724	630	530	424	312	193	68	-	-
TOTAL LIABILITIES	1,315	1,195	1,183	943	861	774	681	582	478	368	251	193	54
NET ASSETS	42,109	44,263	44,958	46,114	47,064	48,068	49,132	50,255	51,358	52,611	54,021	55,439	57,001
EQUITY													
Accumulated surplus	23,404	23,415	23,669	23,880	24,146	24,472	24,862	25,236	25,681	26,199	26,790	27,442	27,442
Revaluation reserves	18,704	20,848	21,289	22,234	22,917	23,596	24,270	25,019	25,676	26,411	27,232	27,997	29,560
TOTAL EQUITY	42,108	44,263	44,958	46,114	47,064	48,068	49,132	50,255	51,358	52,611	54,021	55,439	57,001

Income Statement (Water)

	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34	2034/35
Rates & Annual Charges	566	642	706	708	869	917	968	1,021	1,077	1,136	1,198	1,262	1,306
User Charges & Fees	605	851	623	662	728	765	803	843	885	929	976	1,025	1,076
Other Revenues	7	8	2	1	1	1	1	1	1	1	1	1	1
Interest and Investment Revenue	11	185	189	202	186	199	213	231	32	47	24	43	58
Other Income	-	-	-	2	2	2	2	2	2	2	2	2	2
TOTAL INCOME	1,189	1,686	1,520	1,575	1,787	1,883	1,987	2,098	1,998	2,115	2,201	2,333	2,443
Employee Costs	517	665	681	739	761	784	808	832	857	882	909	941	974
Materials & Services	780	436	415	481	493	505	518	531	544	558	572	586	601
Borrowing Costs	-	-	-	-	-	-	-	-	-	-	-	-	1
Depreciation	810	1,075	1,084	1,088	1,172	1,219	1,268	1,319	1,372	1,426	1,484	1,543	1,605
Other Expenses	88	125	123	97	99	102	104	107	110	112	115	118	121
TOTAL EXPENSES	2,195	2,301	2,303	2,405	2,526	2,610	2,698	2,789	2,883	2,979	3,080	3,188	3,301
OPERATING RESULT	(1,006)	(615)	(783)	(830)	(739)	(727)	(711)	(691)	(885)	(864)	(879)	(855)	(858)
OPERATING RESULT BEFORE CAPITAL GRANTS & CONTRIBUTIONS	(1,006)	(615)	(783)	(830)	(739)	(727)	(711)	(691)	(885)	(864)	(879)	(855)	(858)

Statement of Financial Position Water

	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34	2034/35
CURRENT ASSETS													
Cash and Investments	4,115	4,468	4,749	4,662	4,968	5,334	5,763	808	1,166	598	1,073	1,454	1,894
Receivables	550	872	898	925	953	981	1,011	1,041	1,072	1,105	1,138	1,172	1,207
Contract assets	15	108	-	-	-	-	-	-	-	-	-	-	1
Other	-	5	-	-	-	-	-	-	-	-	-	-	-
Total current assets	4,680	5,453	5,647	5,587	5,921	6,315	6,774	1,849	2,238	1,703	2,211	2,626	3,102
NON-CURRENT ASSETS													
Infrastructure, property, plant and equipment	41,868	43,234	43,015	43,111	42,907	42,651	42,341	47,429	47,110	47,731	47,307	46,990	46,605
Total non-current assets	41,868	43,234	43,015	43,111	42,907	42,651	42,341	47,429	47,110	47,731	47,307	46,990	46,606
Total Assets	46,548	48,687	48,662	48,698	48,828	48,966	49,115	49,278	49,348	49,434	49,518	49,617	49,708
CURRENT LIABILITIES													
Payables	135	200	206	212	219	225	232	239	246	253	261	269	277
Total current liabilities	135	200	206	212	219	225	232	239	246	253	261	269	277
Total Liabilities	135	200	206	212	219	225	232	239	246	253	261	269	277
Net Assets	46,413	48,487	48,456	48,486	48,609	48,741	48,883	49,039	49,102	49,181	49,257	49,348	49,431
EQUITY													
Accumulated surplus	25,655	25,040	24,257	23,427	22,688	21,962	21,251	20,560	19,675	18,811	17,932	17,077	16,219
Revaluation reserves	20,758	23,447	24,199	25,059	25,921	26,779	27,632	28,479	29,428	30,370	31,324	32,271	33,212
Total Equity	46,413	48,487	48,456	48,486	48,609	48,741	48,883	49,039	49,102	49,181	49,257	49,348	49,431

Key Ratios General Fund

	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34	2034/35
OPERATING PERFORMANCE RATIO													
Target >0%	-2%	-6%	-15%	-15%	-22%	-22%	-23%	-24%	-24%	-24%	-25%	-26%	-26%
OWN SOURCE OPERATING REVENUE RATIO													
Target >60%	35%	28%	35%	53%	53%	66%	66%	66%	66%	66%	66%	66%	66%
UNRESTRICTED CURRENT RATIO													
Target >1.5 x	3.77	3.04	3.40	2.62	2.61	2.53	2.48	2.50	2.23	2.20	2.16	2.62	3.00
INFRASTRUCTURE RENEWAL RATIO													
Target >1.0	1.28	1.78	3.85	1.86	1.10	0.52	0.41	0.38	0.58	0.42	0.50	0.43	0.43
DEBT SERVICE COVER RATIO													
Target >2.00 x	11.63	16.84	16.71	19.66	9.39	10.16	11.09	12.08	13.22	14.43	14.84	15.07	15.01

Key Ratios Water Fund

	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34	2034/35
OPERATING PERFORMANCE RATIO													
Target >0%	-85%	-36%	-51%	-53%	-41%	-39%	-36%	-33%	-44%	-41%	-40%	-37%	-35%
CURRENT RATIO													
Target >1.5 x	34.67	27.27	27.41	26.33	27.09	28.05	29.22	7.74	9.10	6.72	8.47	9.77	11.21
INFRASTRUCTURE RENEWAL RATIO													
Target >1.0	0.15	0.00	0.00	0.30	0.09	0.09	0.08	4.22	0.08	0.77	0.07	0.18	0.17

Key Ratios Sewer Fund

	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34	2034/35
OPERATING PERFORMANCE RATIO													
Target >0%	-5%	2%	0%	7%	5%	7%	8%	10%	9%	10%	12%	13%	14%
CURRENT RATIO													
Target >1.5 x	35.97	45.59	32.63	57.72	61.13	64.88	68.75	72.75	76.84	81.53	87.03	88.81	350.01
INFRASTRUCTURE RENEWAL RATIO													
Target >1.0	0.01	0.18	0.00	0.27	0.25	0.24	0.23	0.22	0.20	0.19	0.18	0.59	0.22



Workforce Management Strategy

Introduction

The Workforce Management Strategy outlines how we recruit, retain, support and develop our workforce over the next four years to deliver Council's services to ensure our Shire is thriving, caring and vibrant.

This strategy has been prepared as part of our cyclical planning process and considers our workforce goals, our workforce snapshot, our opportunities and challenges and the strategies and actions that will enable us to maintain a high-performing workforce to deliver Council's services to the Cabonne community.

Current workforce challenges facing Cabonne Council are focused around building an adaptive, resilient and performing organisation. Based on consultation and the need to respond to the workforce profile, the workforce plan should reflect the following themes:

- Planning for an aging workforce
- Addressing knowledge management
- Succession Planning and capability development
- Attraction and Retention
- Staff capability and capacity to harness technological advances
- Developing a resilient and agile workforce
- Attracting and retaining local youth
- Increasing workforce diversity
- Leadership and management capability development.



Purpose of the Workforce Management Strategy

The purpose of this Workforce Management Strategy (WMS) is to provide a framework to identify, consider and respond to significant issues and risks facing Cabonne Council, now and into the future that shape the capacity and capability of the workforce to achieve Council's strategic goals and objectives.

The Workforce Management Strategy will act as a roadmap to guide workforce initiatives and programs. This includes future staffing and skills requirements and how these will be met by ensuring our recruitment, succession planning and development strategies are designed to attract and retain a capable and safe workforce with the right capacity.

Councils operate within challenging environments that demand greater flexibility, responsiveness and performance improvements to meet agile labour markets, skills shortages and an ageing workforce. With a thorough WMS, councils are in a stronger and more stable position to plan for and address future workforce needs. In summary, workforce planning should be:

- An ongoing activity
- A process, not just a set of actions
- Able to support workforce planning with a clearly identified process that is linked to organisational objectives and informed by the Delivery Program and Operational Plan
- Applicable to the current workforce while also anticipating future needs and capabilities

Successful workforce planning is an active process that must be continually monitored, and adjusted when required, to promptly address new workforce or organisational issues. Monitoring and evaluating should comprise establishing:

- A time framed monitoring and evaluation process
- Measures of success and performance indicators
- Feedback from stakeholders
- Identifying opportunities for shared learning



To enable Council to deliver high-quality services to our communities, it is essential that appropriate workforce planning is undertaken. Council's process is informed by the Office of Local Government's (OLG) guide to workforce management planning and is outlined as follows:

6. MONITOR AND EVALUATE

Monitor and evaluate the workforce management strategy to measure success and identify areas for improvement.

5. IMPLEMENT actions to address shortages, surpluses or skills mismatches

Actions are put into place, responsibility for the action is assigned, timeframes are set and budget implications highlighted.

4. IDENTIFY workforce gaps against future needs

Develop strategies, asking questions and identifying actions to manage the gap between what we have now and what we need in the future.

1. SCOPE the Workforce Management Strategy

This strategy addresses workforce needs for a period of four years.

2. ANALYSE the current workforce

Analyse the current workforce to determine the difference between what we have now and what we need in the future.

3. FORECAST the workforce needs

Think about the types of skills, positions and other resources the organisation will require over the next four years. Look at internal organisational needs as well as the needs identified in the Community Strategic Plan.



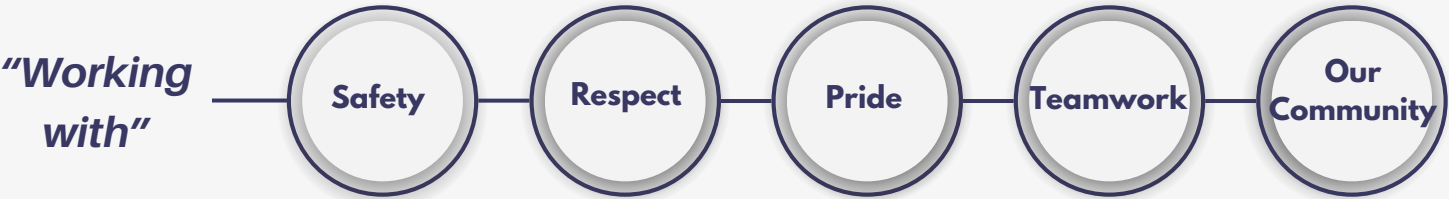
Our Workforce Goals

Our organisational mission is:

"By 2025 Cabonne Council will be a, **ADAPTIVE**, **RESILIENT** and **PERFORMING** organisation to maximise opportunities and to overcome the challenges faced by Council and our community."



Our organisational mission is underpinned by our **values** which include:



Our values guide the actions of our leaders and staff, provide clear expectations on behaviours, form the foundation for role capabilities across the organisation and are a key tool for the recruitment processes. We measure the effectiveness of our values through skills, knowledge, behaviours and outcomes.

Our **lines of effort** define the priorities for capability development of our people and are aligned to eight (8) capability areas in the Cabonne Capability Framework and guide the organisation and individuals to achieving our overall goal of being an **ADAPTIVE**, **RESILIENT** and **PERFORMING** organisation.

HIGH QUALITY SERVICE & ASSET DELIVERY	ADAPTING, INNOVATING & IMPROVING THE WAY WE WORK	DEVELOPING & VALUING OUR PEOPLE	ENGAGING & BUILDING RELATIONSHIPS WITH KEY STAKEHOLDERS
Managing Risk	Innovation & Improvement	Managing Self	Managing Relationships
Managing Budgets		Leading People	
Managing Service Delivery			
Managing Projects			

LINE OF EFFORT: HIGH QUALITY SERVICE AND ASSET DELIVERY

Capability Area

Capability Statements

Managing Risk



- We proactively identify threats and opportunities impacting on our objectives.
- We actively management these positive and negative risks to be at acceptable levels within our resources to achieve optimum outcomes for Council.
- We ensure our risk-based decisions are appropriately recorded and are understood.
- Risks to our people's safety is our priority. We will reduce these risks as low as is reasonably practicable to ensure they are safe at work.

Managing Budgets



- We are responsible financial custodians of public funds.
- We adhere to good governance and financial management processes and systems.
- We exercise our fiduciary duties and ensure budgets are managed sustainably with due regard for our Long-Term Financial Planning and Strategic Asset Management Plans.

Managing Service Delivery



- We ensure council services are delivered in a timely manner with quality to meet the needs and expectations of our communities and stakeholders.
- We manage our assets efficiently to ensure they are fit for our purpose and sustainable for our communities into the future.

Managing Projects



- We manage our projects through diligent project management processes and systems to ensure they are on time, on budget and deliver quality outcomes for key stakeholders.

LINE OF EFFORT: ADAPTING, INNOVATING AND IMPROVING THE WAY WE WORK

Capability Area

Capability Statements

Innovation & Improvement



- We drive a culture of continuous improvement that encourages innovation, maximises value and eradicates waste.
- We look to solve problems and make daily improvements.
- We foster curiosity and questioning on the status quo to identify and maximise opportunities.

LINE OF EFFORT: DEVELOPING AND VALUING OUR PEOPLE

Capability Area

Capability Statements



Managing Self

We provide leadership through valuing and respecting our people by:

- Making the best use of their abilities.
- Ensuring they are well informed of issues and changes that affect them.
- Recognising effort and giving credit where credit is due.
- Being honest and constructive in guidance and feedback given around their performance and behaviours.
- Ensuring our workplace culture contributes to the overall wellbeing of our people.

Leading People



- As Council employees we display initiative and resilience, modelling appropriate behaviour, valuing safety, respect for others, and a willingness to continue developing and learning.

LINE OF EFFORT: ENGAGING AND BUILDING RELATIONSHIPS WITH OUR KEY STAKEHOLDERS

Capability Area

Capability Statements



Managing Relationships

- We expect quality customer service with a commitment to timely responsiveness to our community and stakeholders, so they are aware of our actions and decisions as soon as practicable.
- We take time to ensure our communication methods are clear and appropriate to the audience to minimise misunderstandings and confusion.
- We seek to actively engage and work collaboratively with our community on projects, problems and issues that affect them.

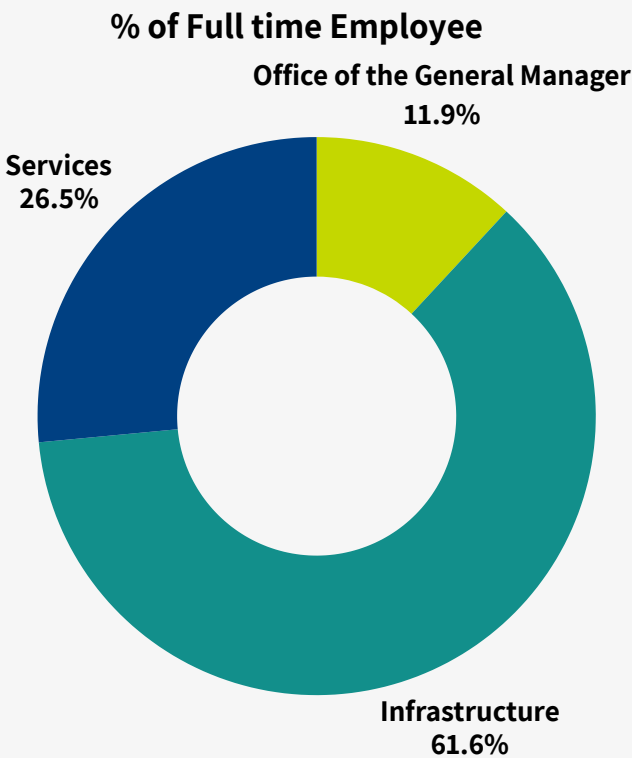
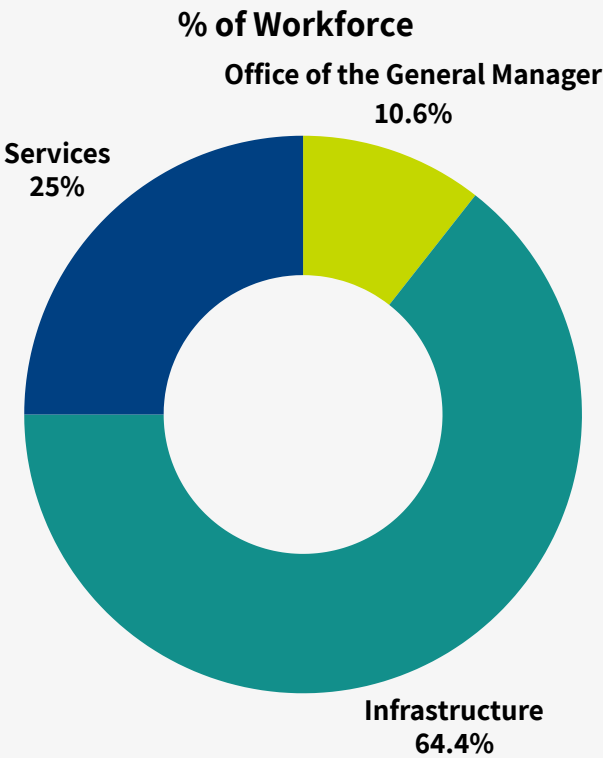


Workforce Trends and Needs

At February 2025, Cabonne Council had a total headcount of 256 staff (including 83 casuals and 14 term contract staff). Staff are distributed across three divisions.

WORKFORCE DISTRIBUTIONS				
DEPARTMENT	HEADCOUNT	% OF WORKFORCE	FTE (EXCLUDES TERM CONTRACTS AND CASUALS)	% OF FTE
Office of the General Manager	27	10.6%	20.6	11.9%
Infrastructure	165*	64.4%	107.9	61.6%
Services	64	25%	45.4	26.5%
Total	256	100%	173.9	100%

Note: *These figures include casual pool attendants. Annually Council would typically engage 50-70 casual pool attendants to service their seven village pools. Other casual and term contract positions are also included.



Council's turnover rate for 2023/24 was at a high of 25%.

At March 2025, Council's vacancy rate is at an all-time low since 2020 with 90% of FTE positions filled. Implementation of this Workforce Management Strategy has the potential to build upon this and support a drop in the turnover rate in the coming 12 months.

EDUCATION TO EMPLOYMENT

APPRENTICES

TYPE	PLANNED NUMBERS	HEADCOUNT	% OF WORKFORCE
Parks and Gardens	2	1	0.4%
Civil Construction	3	0	0%
Heavy Vehicle Mechanic	3	3	1.2%

TRAINEES

TYPE	PLANNED NUMBERS	HEADCOUNT	% OF WORKFORCE
Human Resources (C4)	1	1	0.4%
Administration	2	2	0.8%
Finances	1	0	0%
Community Services	1	1	0.4%

CADETS

TYPE	PLANNED NUMBERS	HEADCOUNT	% OF WORKFORCE
Town Planning	2	2	0.8%
Total	15	10	4%



AGE AND DIVERSITY PROFILE

Unlike many Councils, Cabonne is not experiencing a changing generational workforce mix.

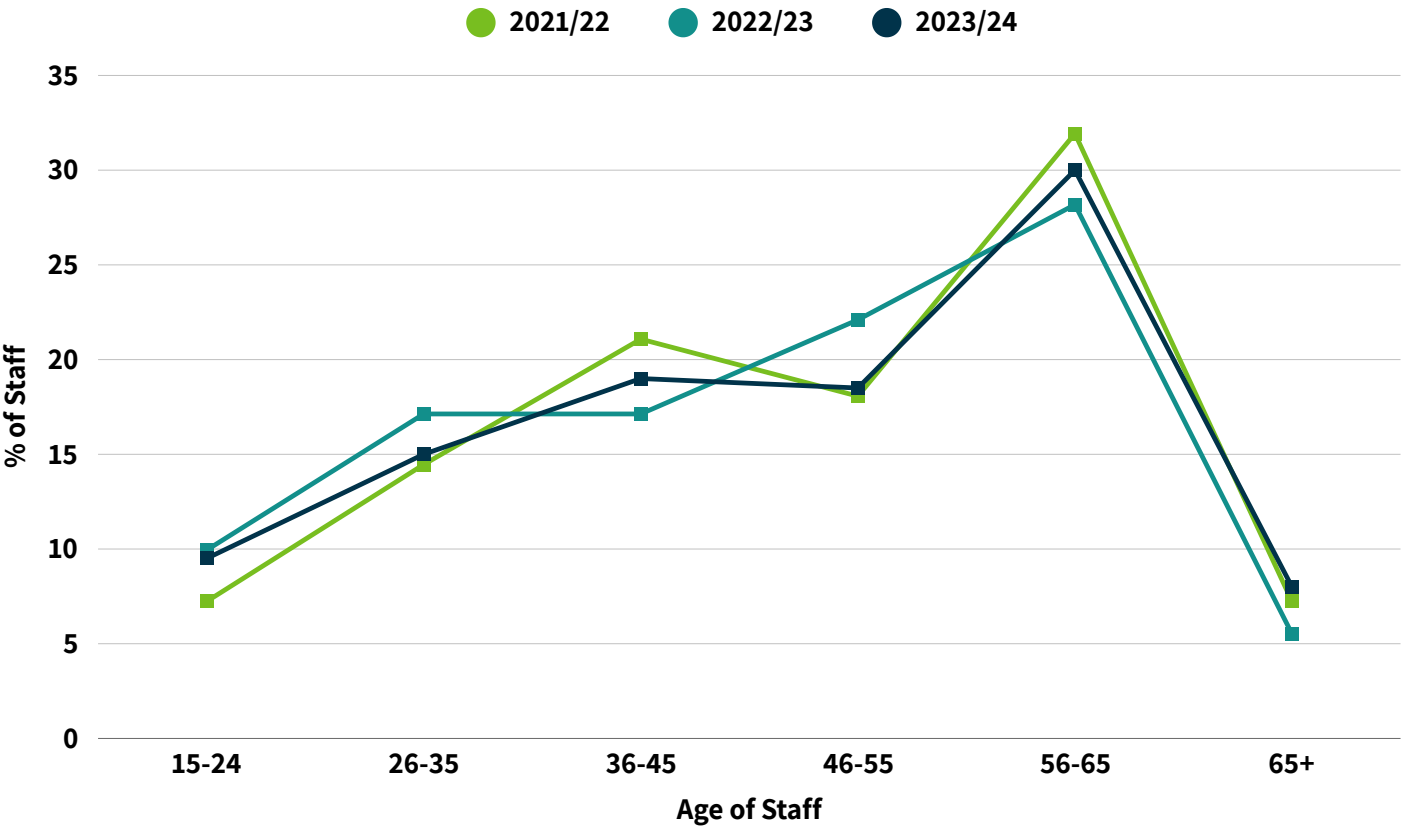
Baby boomers are reaching retirement age and Council is not effectively attracting and retaining Gen Z through entry level roles, semi-professional roles and our apprentice/cadet/trainee programs to secure our future.

For the past three years approximately 50% of our staff have continued to sit in the over 46-year-old age bracket. Potentially Council will lose up to 38% of its skilled and experienced workforce in the coming 5 to 10 years with this age group able to access their superannuation at age 60.

Council's gender diversity is gradually climbing however, more work can be done to increase female participation in our workforce.

Council aims to improve its capture of data around diversity in our workforce in the coming years.

AGE GROUPS (% OF HEAD COUNT FOR THAT YEAR)

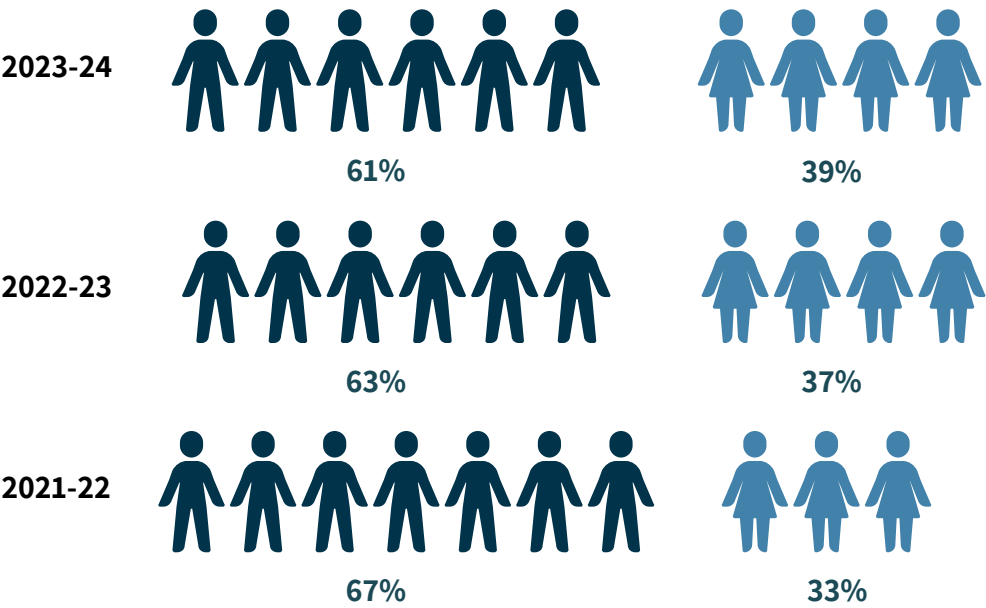


AGE GROUPS (% OF HEAD COUNT FOR THAT YEAR)

YEAR	15-24	26-35	36-45	46-55	56-65	OVER 65
2023/24	9.5%	15%	19%	18.5%	30%	8%
2022/23	9.94%	17.13%	17.13%	22.1%	28.18%	5.52%
2021/22	7.23%	14.46%	21.08%	18.07%	31.93%	7.23%

AGE AND DIVERSITY PROFILE

Male and Female Comparison



Indigenous Heritage



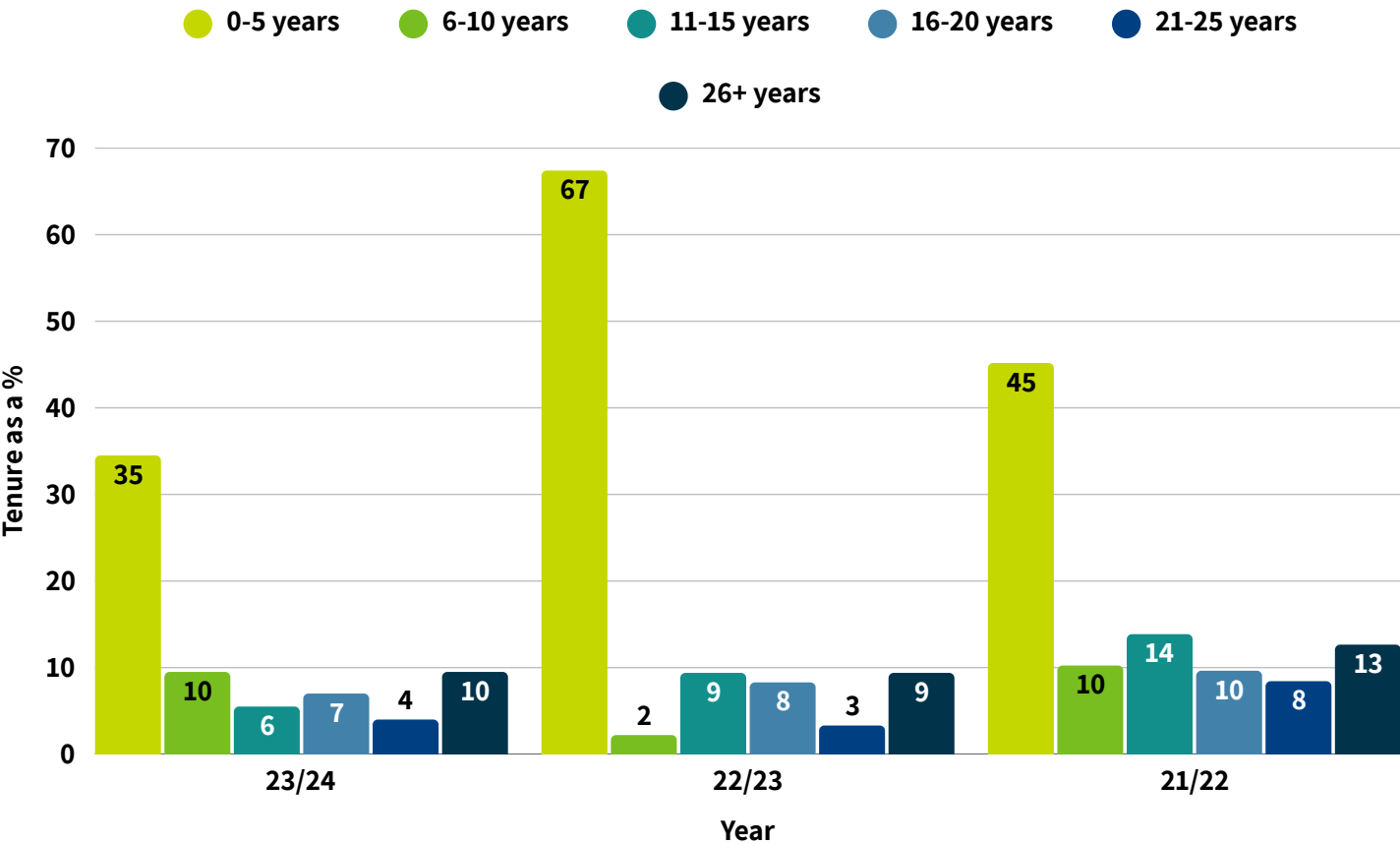
4%

Staff with a disability



2.2%

Tenure of Workforce



Note: 2019/20 and 2020/21 data not available due to the COVID-19 pandemic.

Informing our Workforce Management Strategy

Council utilises a range of surveys and internal strategies to inform decision-making regarding the capability, capacity and health and wellbeing of our workforce including Strategic Service and Asset Management Plans, Organisational Effectiveness Survey, Staff Engagement Survey and People at Work Survey, workforce profile reviews and industry benchmark and workforce reports and data.

High-level analysis of the findings and/or effectiveness of the abovementioned tools directly informs the Workforce Management Strategy 2025-29.

STRATEGIC SERVICE AND ASSET MANAGEMENT PLANS

Council has developed and then integrated Strategic Asset and Strategic Service Plans into the overall Integrated Planning and Reporting Framework. These plans focus on what each of the departments (and functional areas) do, how they do it, future challenges and risk assessment and actions to meet challenges and improve service delivery. The plans also consider the workforce structure, capability and capacity of the departments workforce. This data then helps to inform the overall Council Workforce Management Strategy.

A consistent workforce-related threat identified in the SSMP is the inability to attract and retain skilled and qualified staff impacting service delivery, particularly in the Water, Sewerage, Development Services, Community Services and Plant and Depots departments.

ORGANISATIONAL EFFECTIVENESS SURVEY

Council conducted an Organisational Effectiveness Survey in 2019 to identify maturity and performance benchmarks for 7 focus areas in Council's Transformation 2025 Program, including:

- Leadership
- Strategy and performance
- Service and asset delivery
- Capability and capacity
- Systems and frameworks
- Engagement and relationships
- Improvement and innovation

At the conclusion of the Transformation 2025 Program, a follow-up survey was conducted in 2024 to analyse the effectiveness of the programs, projects and initiatives delivered within the 7 focus areas.

An average improvement of 14.6% was achieved between 2019 and 2024, with the standout improvement areas being systems and frameworks (19.8% increase) and engagement and relationships (22.8% increase).

Key people-focused improvements made between 2019 and 2024 included:

- Implementation of a Leadership Development Program.
- Mentoring for Leaders.
- Increase in training spend (40% increase from \$743 to \$1,811 per FTE).
- Implementation of the Cabonne Capability Framework for Leaders and Coordinators.
- Organisational design to ensure capacity and capability are fit for purpose
- Recruitment of additional resourcing.
- Implementation of a staff Performance Development Program (PDP).

Whilst significant improvements were noted by staff in the over the five-year period, a number of areas for further improvements were identified to better support our workforce, including:

- Enhanced workforce planning to address the current challenges with attracting and retaining skilled people in hard-to-fill and specialist roles.
- Enhanced workforce planning to address the future challenges with future-proofing our capacity to deliver services to our community through effective succession planning.
- Improved engagement (i.e., surveys and Connect Cabonne Day, roadshows) to identify the needs of our people.
- Improved learning and development processes to identify and deliver the skills and training required in each department.

STAFF ENGAGEMENT SURVEY

Council undertakes engagement surveys every six months to help understand employee engagement and culture, providing insight into what we are doing well, and where our staff feel we need to improve to continue to move toward being an Employer of Choice.

The most recent survey undertaken in December 2024 was completed by 109 staff (63% of our workforce). The survey identified that Cabonne has many strengths as an employer and a workplace, including:

- Our Wellness Program and access to the Employee Assistance Program (EAP).
- Our workplace culture promotes a positive team environment.
- Our leadership team work well together and provide the information, tools and resources needed for our people to effectively do their roles.
- Our people are well-informed with clear and concise communication from our leaders.

However, we also heard that there are opportunities to continue to grow our people through learning and development, improve our attraction and recruitment of staff, enhance our performance management processes, and further develop the career opportunities available at Cabonne.

PEOPLE AT WORK SURVEY

Council has recently implemented the People at Work Survey as a tool to identify psychosocial hazards present for our workers and volunteers within Council's workplaces and to support a psychosocial risk assessment process through, accessing and managing psychosocial risks.

A trial of this process was undertaken in November 2024 - January 2025. 80 staff were invited to complete the People at Work survey. The survey, which was completed by 52% of those invited (representing 16% of our workforce) indicated that Cabonne is achieving best practice in several areas including low role overload, low role conflict, low group relationship conflict, high co-worker support, high job control, high praise and recognition and high supervisor support.

However, areas for improvement were identified including inconsistency in processes, procedural justice and change consultation.

THE ROLE OF WORKFORCE PLANNING

Continued investment in ongoing workforce planning and review will be utilised to address efficiencies in workforce structure and future skill shortages.

Workforce profile reviews will be scheduled over a period of 4 years that will ensure that all functional areas of council undertake a workforce profile review to identify current and future workforce needs and to ensure we have the right people, in the right place, at the right time to meet Council's operational goals and objectives.



Our Workforce Challenges

EXTERNAL FACTORS

Throughout 2021, data suggests that 45 per cent of employers had difficulty in recruiting for their most recent vacancies. Despite overall statistics being largely in line with previous years, recruitment difficulty has become more common outside capital cities following the pandemic, with rest-of-state recruitment difficulty exceeding that for capital cities in 2020 (for the first time ever) and again in 2021.

One of the key triggers causing difficulty in recruitment relate to shortage of skilled labour. This combined with the reality that the skills that will be needed in the future are uncertain, some companies will shift from trying to build skills for an uncertain future all together and simply hire (and in doing so, pay a premium) when there is a genuine need for said skills.

Skills shortages are set to continue for the next decade compounded by people shortages in rural and regional areas. Peak shortages in the aged care and childcare sectors have the potential to impact council's community services sector.

Recruitment in our LGA has been impacted by the increase in housing prices and decrease in housing availability in the area along with the high rental occupancy rates, making attraction of candidates from outside the region extremely difficult.

Other factors impacting regional local government workforce is the continued expansion of Council core activities within tight budget constraints; having to do more with less, the unknown, and unplanned for, effects of climate change and the exponential growth and change in technology.

Local Government struggles to attract school leavers. They do not see progression and opportunity working for local government holding fast to "the brown cardigan image". 60% of school leavers are scared when considering the skills needed for work, they are concerned about climate change, but don't exactly know what that means. Our challenge is to develop strategies to break down these barriers.

(Source: LGNSW Careers at Council Jobs Summit May 2024).



INTERNAL FACTORS

The 2023/24 LG NSW HR Metrics survey report indicates that Cabonne Council's turnover rate has increased since, what was presumed, the high during the pandemic, from 23% to 25% with up to 16.7% turnover of new starter staff (all NSW council's median is 12.4%).

Council has implemented a retention and attraction programme over the past two years. In response to these new and emerging challenges Council will review and renew its attraction and retention programme.

The new programme will include a focus on:

1. ATTRACTION OF YOUNG PEOPLE

Council is working to attract young people to a career in Local Government through:

- Promotion of transferrable skill development
- Project placement for university students
- Mentoring programme for emerging leaders
- Engage with school work experience programmes
- Connect with graduate placement programmes
- Continued interaction with local secondary schools.
- Survey new recruits on "what we can do better".
- Reviewing and improving the onboarding experience.
- Defining progression/succession pathways and opportunities for each role within Council.

2. INCREASE IN WORKFORCE DIVERSITY

Council currently engages many overseas graduates and visa holders. Council will continue to create diversity in its workforce and extend its current practices by:

- Targeting millennials returning to the workforce from parental leave.
- Poll the LGA to see what people think about Council as an employer.
- Include discussion on access/accessibility during probationary check-ins
- Include information on community groups and resources in recruitment packages.
- Implementation of Council's disability inclusion action plan.

3. AGING WORKFORCE

Potentially Council will lose up to 38% of its skilled and experienced workforce in the coming 5 to 10 years with this age group able to access their superannuation at age 60.

This is exacerbated by difficulties in engaging young people to work in local government.

Council plans to increase flexibility in its approach to the type of employment standardly used e.g. job share roles and casual mentoring roles to assist with transition to retirement and build succession planning into its Position Competency Profiles.



A FOCUS ON HARD TO FILL POSITIONS

Heavy Vehicle Mechanic Roles

Council has struggled to attract and retain suitably qualified and skilled mechanics to service and maintain council's fleet. The inability to attract and retain skilled mechanics is not an issue that is unique to Cabonne Council; other councils within the Local Government Area (LGA) and the private sector are also experiencing similar challenges.

The National Skills Commission's (NSC) report on Australia's current, emerging and future workforce skills needs highlighted motor mechanics as an occupation requiring an apprenticeship as one that faces significant challenges to attract and retain suitably qualified staff, resulting in industry shortages. Analysis by the NSC suggests that the broad tightening of Australia's labour market has not necessarily been the prime driver of these shortages but rather has simply exacerbated shortages that have persisted over time. Similarly, this challenge has been a significant one for Council over the past five years.



Whilst the challenges are felt amongst a range of businesses, it can be said that Council is disadvantaged more than commercial enterprise due to the limitations of the Local Government Award not reflecting a competitive pay rate for skilled labour.

Council has committed to building its capacity internally through an ongoing, successful, apprenticeship program. Council historically offered two heavy vehicle mechanical apprenticeship places every three years. With the inability to attract qualified mechanics a qualified mechanic position was replaced with an apprenticeship position to try to "grow" more of our own.

Several factors are impacting the success of this programme:

- Lack of experienced mechanics to supervise and provide the on-the-job-training for apprentices.
- High workloads due to lack of qualified mechanics also means supervision and training of apprentices is a strain on existing staff.
- Lack of incentive for apprentices to remain with Council on completion of their apprenticeship, largely due to the non-competitive salary offered in a tight labour market.

Compounding this, the aging workforce and pending retirements of long-term employees, particularly in the Fleet and Depots department, is placing significant risk on the business. Potentially within the next 12 months Council could be without experienced heavy vehicle mechanics.

Council's response to this workforce challenge

• Contracted labour

- Council has engaged external contractors on a temporary basis as an interim measure to address resourcing challenges in the Fleet and Depots department. Whilst the primary output of the contractor/s is to perform scheduled and reactive maintenance on plant, these resources are providing on-the-job training to council's heavy vehicle mechanic apprentices.

• Recruitment of apprentices to fill vacancies

- Council has been able to recruit a third-year apprentice to fill vacancies for roles requiring qualified mechanics as a strategy to address the resourcing.
- Once qualified it would be optimal for this candidate to transition into the retiring mechanics role.

Strategic Planning and Health and Building roles

The challenges faced by council to attract and retain qualified strategic planners and health and building professionals has been ongoing and is not unique to the local government sector; it is recognised as a national challenge and is widely supported by state and federal departments as a critical issue. The Planning Institute of Australia (PIA) reports in the State of the Profession Report (2023) that there are persistent pressures affecting the supply and demand dynamics for planners, including:

- A high number of job advertisements with insufficient applications
- Potential threats to smaller university planning courses due to financial constraints faced by institutions
- Growing regulatory demands on the planning profession

Compounding this there are:

- Only 42% of people with urban design and regional design qualifications are working as Planners.
- 34% of planners reside in NSW
- 73% of Planners worked in a capital city area

Council will potentially be losing one of its two health and building surveyors to retirement in the short term. Plans to address this will need to be established as a matter of urgency.

The senior town planning role and Leader Development Services role (which requires town planning qualifications) have been difficult to recruit to with the senior town planning role vacant for at least four years.

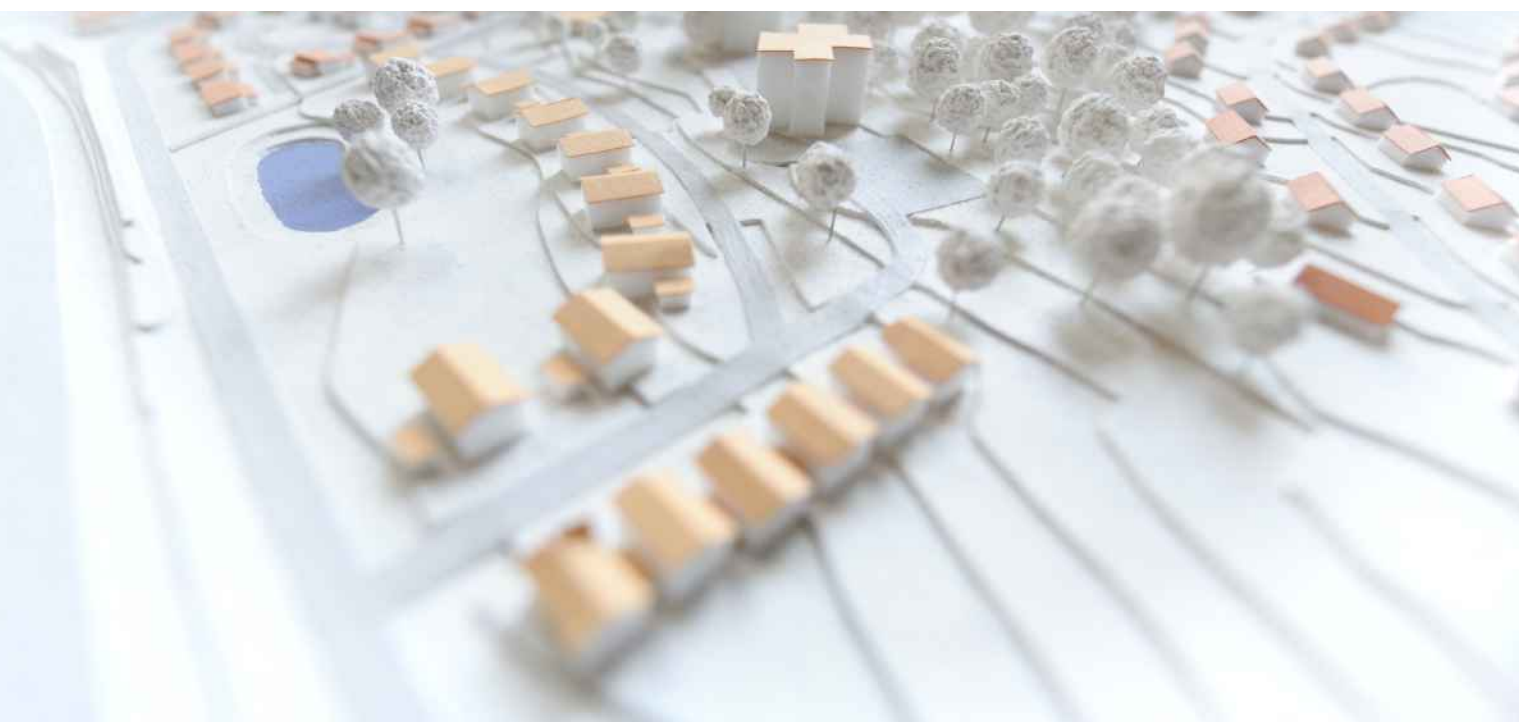


Council's response to this workforce challenge

Council has taken up recent funding opportunities to introduce two cadet Town Planning positions. One of these positions will end this year, and with no budget to retain the position, will lose the now trained staff.

Specialist recruitment agencies have been engaged to assist with recruitment along with engaging professional networks.

Assistance with provision of discounted accommodation has also shown some success with attracting candidates from out of the area to these roles.



Water Engineers, Assets and Operator Positions

Council is also a water authority and provides essential water and wastewater Infrastructure and services to the community.

Specialist water engineers and professionals are very hard to recruit, as are technical staff with the capability, capacity and training to operate the water and wastewater facilities.

This is not just a challenge for Cabonne Council but is recognised within the sector as a major risk and challenge.

Council's response to this workforce challenge

Council is seeking funding from state and federal authorities to support work to implement strategies to attract and retain suitable staff. This is a particular challenge for council in regards to future housing strategies and development proposals with an expected future growth in population.



Other unskilled/semi-skilled hard to fill roles



Competition from commercial industry and the mining industry both within the Cabonne LGA and the surrounding LGAs has meant that Council has continual vacancies in entry level positions and semi-skilled positions particularly road maintenance officers and plant operators, crucial to Council's operations.

These types of roles are not desired employment pathways for younger generations and Council's salary structure cannot compete with local industry.

Council's response to this workforce challenge

- Council has been working with local secondary schools and engaging in career expos to raise awareness and Council's profile as an employer of choice for younger generations.
- We have expanded our traineeship programmes with some success and have taken up the Fresh Start trainee/cadet/apprenticeship state government funding opportunity currently available, however this has not been successful with regard to these positions with our three civil construction apprenticeship positions remaining vacant for at least the past two years.
- Operationally supervisors are preferring to place applicants in the vacant road maintenance officer positions, provide the Certificate 3 in civil construction training (which is covered by smart and skilled funding) rather than take on civil construction apprentices. For candidates this is a more attractive option as the pay grade is marginally higher than that of an Apprentice. These factors have not alleviated the difficulty in recruiting to these positions.

Our Workforce Focus Areas

The Cabonne Workforce Management Strategy is aligned to the Cabonne 2030 mission and focuses on identifying the critical people principles and practices that we believe will ensure we are able to continue to be an adaptive, resilient and performing organisation.

To achieve the Cabonne 2030 mission, we will continue to put our people at the centre of everything we do.


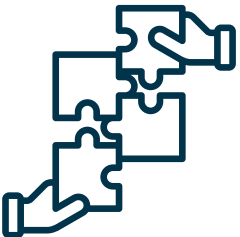

Current workforce challenges facing Cabonne Council are focused around building an adaptive, resilient and performing organisation. Based on consultation and the need to respond to the workforce profile, the workforce plan should reflect the following themes:

- Planning for an aging workforce
- Addressing knowledge management
- Succession Planning
- Attraction and Retention
- Staff capability and capacity to harness technological advances
- Developing a resilient and agile workforce
- Attracting and retaining local youth
- Increasing workforce diversity
- Leadership and management capability development.

We have taken a layered approach to this Strategy, embedding these themes with in three key focus areas, as shown below. Each focus area is defined by a clear goal and 'our people' principles which are in turn supported by practices, programs, and actions that bring the plan to life.

Detailed workforce management strategies are found in the Delivery Program 2025-2029, under the Safety, People and Culture Department area and actions from this strategy are found in the annual Operational Plan.



FOCUS AREA	OUR GOAL	WHAT WE WILL DO
Protecting our people's safety and wellbeing 	<p>Our workplace is healthy and safe, and our people are trained and supported to deliver high-quality services for our community</p>	<ul style="list-style-type: none"> • Maintain an ISO 45001 certified Work Health and Safety Management System (WHSMS) • Establish and maintain a culture of workplace safety and employee wellbeing • Ensure our workforce is supported through best practice injury management processes
Build our people's capability 	<p>Our workforce capability is continually developed to ensure a high-performing organisation to meet the needs of our community</p>	<ul style="list-style-type: none"> • Implement and monitor the Professional Development Program (PDP) in line with the Cabonne Capability Framework • Develop the capabilities of our people leaders through the Leadership Development Program • Improve our Learning and Development processes to ensure we can meet the current and future needs of our workforce • Ensure our workforce is engaged and understand how what they do contributes to Council's mission. • Emerging Leader programme
Support our people's capacity 	<p>Our diverse workforce is supported and has capacity to respond to the current and future needs of our community</p>	<ul style="list-style-type: none"> • Improve our workforce planning to ensure we can effectively respond to current and future needs of our workforce • Improve our recruitment and attraction processes to ensure a merit-based approach that aligns to best practice • Develop an understanding of the needs of our people to ensure we can retain a satisfied and skilled workforce



Monitoring and Evaluation

Monitoring and evaluation are important aspects of the workforce planning process that allows Council to analyse the effectiveness of strategies and action plans, and where required make changes to improve ongoing success.

A review of the strategies and actions developed as part of the Workforce Management Strategy will be undertaken annually in alignment with the annual Operational Plan review. This will ensure that the strategies and actions identified remain current and will provide the opportunity for Council to effectively respond to emerging workforce trends throughout the four-year period.

We will monitor progress and measure success through half yearly Operational Plan reporting to Council.



