

Draft 2022 Resourcing Strategy



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

Introduction

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

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

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

Our resourcing strategy

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

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

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

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

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

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

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

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

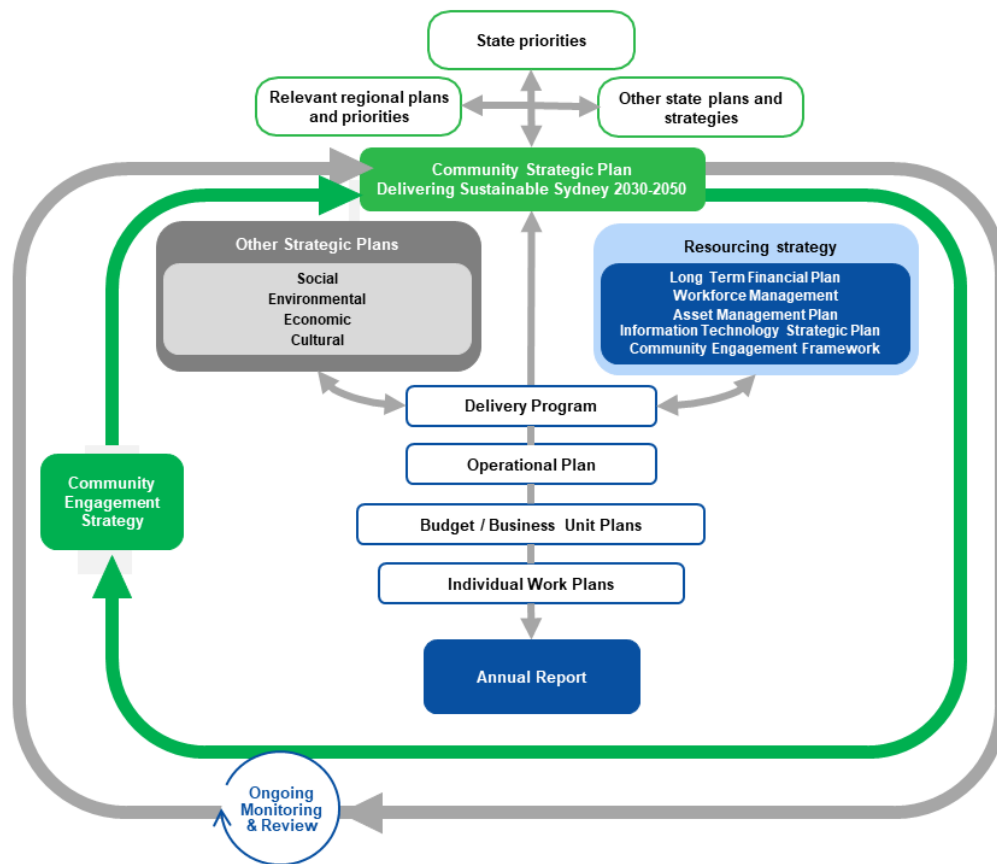


Figure 1. Integrated planning and reporting framework diagram, adapted from Office of Local Government

How the documents relate

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

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

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

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

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

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

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

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

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

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

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

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

The resourcing strategy

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

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

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

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

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

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

Covid-19 Update

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

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

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

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

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

Long term financial plan (LTFP)

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

Contained in this plan are:

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

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

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

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

Asset management plan (AMP)

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

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

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

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

The City's asset management planning framework includes:

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

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

People strategy (PS)

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

The strategy has three core objectives:

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

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

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

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

Information and technology strategy (ITS)

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

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

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

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

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

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

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

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

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

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

Common Challenges in the Resourcing Strategy

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

The major challenges for the City include the:

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

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

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

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

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

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

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

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