

Public Exhibition: Integrated Planning and Reporting Framework (incorporating the 2025/26 Budget and Statement of Revenue policy)

Responsible Officer: Group Manager Organisational Services (Helen McNeil)

Report Contributor: Finance Manager (Jonathan Patino)

Recommendation

That Council:

1. Endorse the draft Integrated Planning and Reporting Framework (incorporating the 2025/26 Budget and Statement of Revenue policy) linked in this report, for public exhibition.
2. Note that adjustments approved at this meeting as part of the March 2025 Quarterly Budget Review Statement report will be included in the exhibited Framework.
3. Note that if public submissions are made during the public exhibition period, a report will be furnished to Council's June 2025 meeting, including staff comment on how the submissions have been considered, for Council to determine a position on endorsement of the Framework.
4. Note that if no public submissions are made during the public exhibition period, the version of the draft Framework (incorporating the 2025/26 Budget and Statement of Revenue policy) placed on public exhibition, is deemed to be adopted by Council.

Key points

1. Council's Draft Long-Term Financial Plan for 2025/26 – 2034/35 depicts improving financial performance over the 10-year period with operating results (including capital revenue) set to improve from \$5.9M to \$14.5M. This is important as it will enable Rous to fund capital works beyond 2027/28 solely from cash reserves and meet important financial benchmark ratios.
2. The 10-year capital works program totals \$205.5M with significant investment in the Future Water Program and water infrastructure assets.
3. The bulk water price for Constituent Councils will increase by 7%, while the price for retail water customers will increase by 8%. Flood Mitigation contributions will increase by 5% while other charges have generally increased by rate-peg or CPI.

Background

Draft 2025/26 Budget

This section of the report is presented with the following structure:

- Financial information on the organisation as one combined entity (consolidated).
- Financial information in respect to each Reporting Unit: Bulk Water, Retail Water, Flood Mitigation, Weed Biosecurity, Properties, and Fleet.

It is noted that the 10-year Long-Term Financial Plan (LTFP) presented in this report includes budget adjustments presented to Council as part of the March 2025 Quarterly Budget Review

Statement (see separate report). If those adjustments are not approved by Council, the LTFP will need to be revised prior to public exhibition.

The report presents financial information in a consistent format for each of the Reporting Units and the whole organisation. Detailed information is provided on each Reporting Unit in terms of assumptions on which the budget is based, including a breakdown of the main streams of income and expense for both operating and capital items.

Rous is currently providing administrative services to the Northern Rivers Joint Organisation under a fee for service arrangement.

Future Water Program and LTFP assumptions

The LTFP incorporates significant expenditure associated with the Future Water Program (FWP). This includes Council's decision from its February 2022 meeting [5/22] which continues with the basic assumptions as of the July 2021 Council resolution [39/21] but accommodates the change relating to the Dunoon Dam investigation studies.

The FWP estimates within the LTFP include expenditure to construct and run new and expanded groundwater sites. To finance these the LTFP includes external borrowings and increased bulk water charges to constituent councils (7.0% per annum for the next 3 years). Future borrowings and estimated loan rates are reflected in the LTFP.

The viability and estimated costs of the new water source solutions continues to be investigated. It is likely that core assumptions will continue to evolve as investigations continue. As a result, the LTFP includes significant assumptions in respect to future capital works which are currently 'proposals' that continue to be actively investigated. The LTFP is presented based on information available as at March 2025.

Whole Organisation

The table below details the forecast Operating Performance of the organisation together with capital movements and estimated cash reserve.

Table 1: Whole Organisation Forecast Operating Performance

Description	2026 Estimate \$	2027 Estimate \$	2028 Estimate \$	2029 Estimate \$	2030 Estimate \$	2031 Estimate \$	2032 Estimate \$	2033 Estimate \$	2034 Estimate \$	2035 Estimate \$
Operating Income	48,835,700	44,526,800	44,040,000	51,105,600	52,708,600	54,683,100	57,856,300	56,018,100	56,941,800	58,181,000
Operating Expense	42,929,800	38,275,300	39,153,000	39,493,400	40,107,400	40,637,900	41,633,300	42,198,200	42,836,100	43,646,200
Operating Result	5,905,900	6,251,500	4,887,000	11,612,200	12,601,200	14,045,200	16,223,000	13,819,900	14,105,700	14,534,800
Less: Depreciation	9,432,500	9,982,000	10,235,300	10,510,700	10,821,300	11,144,400	11,481,400	11,806,800	12,100,000	12,408,200
Operating Result Excl. Non Cash	15,338,400	16,233,500	15,122,300	22,122,900	23,422,500	25,189,600	27,704,400	25,626,700	26,205,700	26,943,000
Add: Loan Drawdown	7,000,000	10,000,000	10,000,000	0	0	0	0	0	0	0
Less: Loan Repayment	4,735,600	4,420,200	2,669,700	2,313,800	2,422,000	2,535,600	2,654,800	2,780,100	2,911,600	3,049,700
Less: Capital Expense	33,016,600	14,907,000	17,070,700	21,249,300	20,729,600	18,498,000	23,185,100	18,598,900	18,911,300	19,295,100
Adjustment for Grants held as Liability	(4,024,200)	0	0	0	0	0	0	0	0	0
Net Cash Movement	(19,438,000)	6,906,300	5,381,900	(1,440,200)	270,900	4,156,000	1,864,500	4,247,700	4,382,800	4,598,200
Estimated Cash	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
Balances \$	15,023,100	21,929,400	27,311,300	25,871,100	26,142,000	30,298,000	32,162,500	36,410,200	40,793,000	45,391,200

The outlook depicts an organisation heavily invested in capital works. The operating result includes capital revenue, with forecast deficits until 2028/29 when capital revenue is excluded. Further improvements to the operating result would need to be sourced from significant increases to the bulk water price paid by Constituent Council's and would represent a negative impact to their operations. Capital expense over the ten years is forecast to be \$205.5M supported by external borrowings of \$27M. Cash reserves remain relatively stable until 2030/31 when cash begins to grow.

The outlook for the whole organisation tends to be dominated by the Bulk Water Reporting Unit and more detailed information is provided in this section of the report.

Bulk Water

Table 2: Bulk Water Reporting Unit Forecast Operating Performance

Description	2026 Estimate \$	2027 Estimate \$	2028 Estimate \$	2029 Estimate \$	2030 Estimate \$	2031 Estimate \$	2032 Estimate \$	2033 Estimate \$	2034 Estimate \$	2035 Estimate \$
Operating Income	33,736,300	33,322,400	35,321,100	42,505,300	43,709,900	45,220,500	47,858,200	45,776,200	46,545,400	47,520,300
Operating Expense	31,887,100	29,273,500	30,513,400	31,113,000	31,363,000	31,625,900	32,271,600	32,684,700	33,130,800	33,739,900
Operating Result	1,849,200	4,048,900	4,807,700	11,392,300	12,346,900	13,594,600	15,586,600	13,091,500	13,414,600	13,780,400
Less: Depreciation	7,532,900	8,053,900	8,278,200	8,524,300	8,805,100	9,097,900	9,404,100	9,698,400	9,960,000	10,236,100
Operating Result Excl. Non Cash	9,382,100	12,102,800	13,085,900	19,916,600	21,152,000	22,692,500	24,990,700	22,789,900	23,374,600	24,016,500
Add: Loan Drawdown	7,000,000	10,000,000	10,000,000	0	0	0	0	0	0	0
Less: Loan Repayment	4,735,600	4,420,200	2,669,700	2,313,800	2,422,000	2,535,600	2,654,800	2,780,100	2,911,600	3,049,700
Less: Capital Expense	26,735,900	11,191,100	15,952,100	20,126,300	19,114,600	17,434,000	22,057,100	17,597,900	17,597,300	18,218,100
Adjustment for Grants held as Liability	(400,000)	0	0	0	0	0	0	0	0	0
Net Cash Movement	(15,489,400)	6,991,500	4,464,100	(2,523,500)	(384,600)	2,722,900	278,800	2,411,900	2,865,700	2,748,700
Estimated Cash Balance \$	11,468,400	18,459,900	22,924,000	20,400,500	20,015,900	22,738,800	23,017,600	25,429,500	28,295,200	31,043,900

Overview

- The LTTP sees significant additional spending due to the FWP.
- Over the next ten years the FWP will focus on building bores at Woodburn, a groundwater treatment plant at Alstonville, the Marom Creek water treatment plant and land acquisitions for groundwater.
- The focus of the LTTP is to grow the operating surplus over the LTTP period, whilst carefully balancing the amount of borrowings Council takes and the impact of servicing those loans.
- Council has sought to contain operating costs across that timeframe, the main variability arises from salary and wage costs, chemical prices and work on projects.

Revenue

- The majority of bulk water revenue comes directly from Constituent Councils. Council has sought to provide surety to those Councils by adhering to the previously advised price path as below.

Table 3: Forecast % Increase to constituent councils' contributions for Bulk Water

Year	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	Cumulative Total
Proposed % Increase	7.0%	7.0%	7.0%	7.0%	7.0%	7.0%	7.0%	2.0%	2.0%	2.0%	70.4%

- Council's charging methodology means the allocation to each council is based on the prior year's usage.
- Water consumption decreased over the calculation period with Byron and Ballina's proportion of the weighted average charge increasing beyond the 7.0% increase.

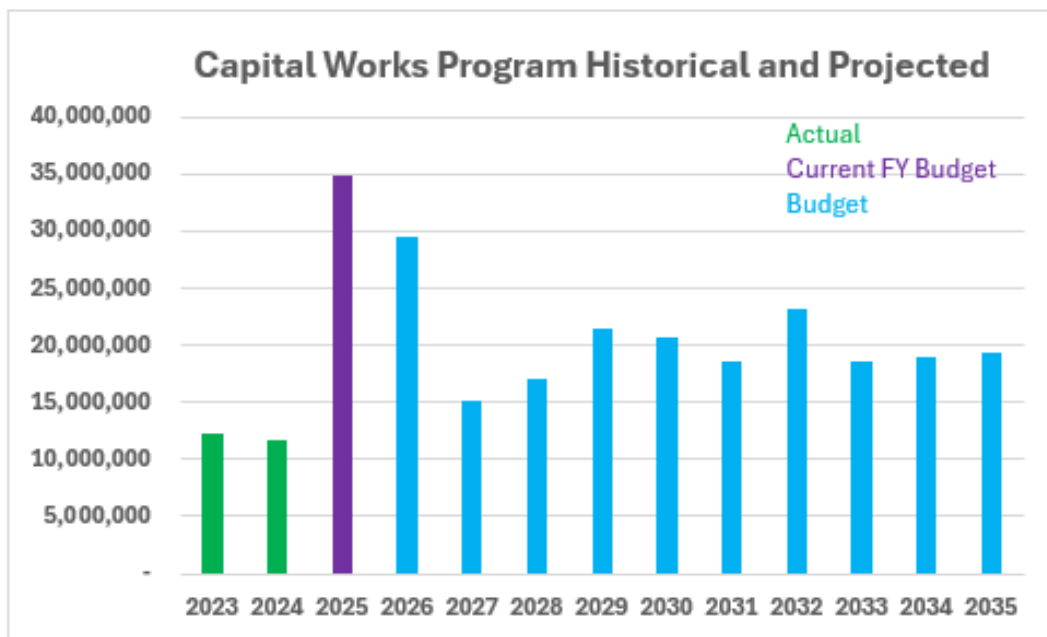
Table 4: Proposed Bulk Water Contributions Constituent Councils and Retail Water

	2024/25 \$	2025/26 \$	Movement %	Movement \$
Lismore City Council	6,873,500	7,077,500	2.97	204,000
Byron Council	6,374,300	6,943,900	8.94	569,600
Richmond Valley Council	1,483,900	1,511,000	1.83	27,100
Ballina Council	8,799,100	9,817,200	11.57	1,018,100
Rous Retail	1,975,500	1,942,100	(1.69)	(33,400)
Total	25,506,300	27,291,700	7.00	1,785,400

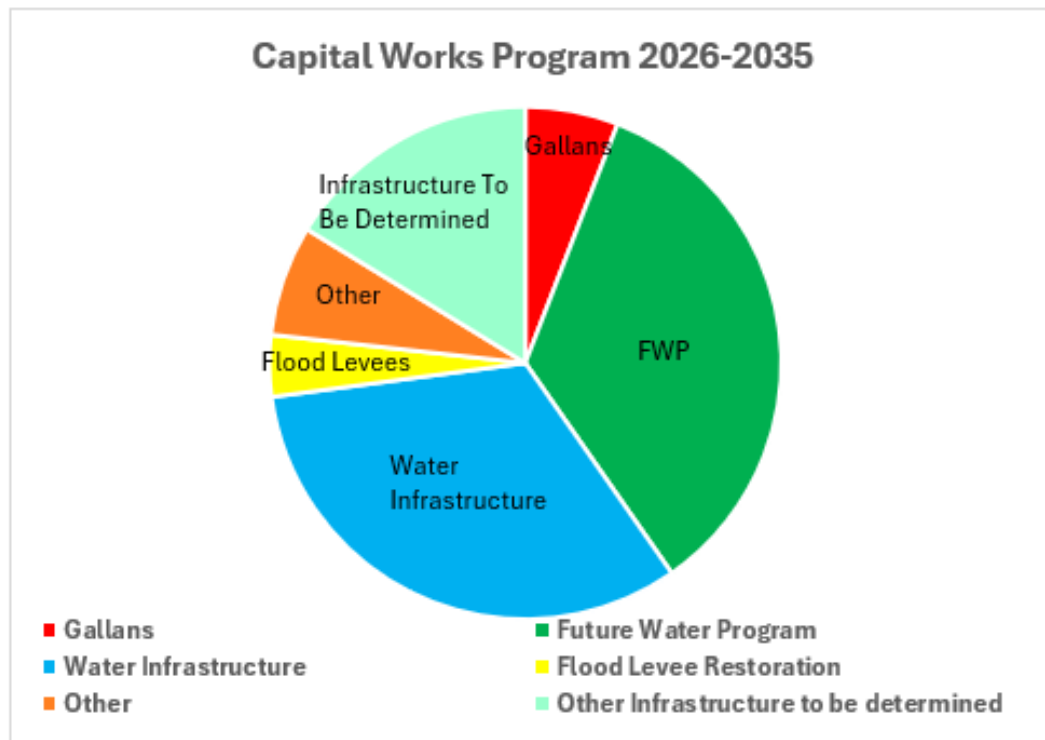
Capital Works

- FY26 capital expenditure is significantly higher than the historical average as the one-off project for Rous' new consolidated workplace premises continues as well as investment in the FWP.
- Over the next ten years the FWP capital expenditure represents a significant portion of the capital works program at \$70.6M or 34.4% of total capital works.

Graph 1: Capital Works Program Historical and Projected



Graph 2: Capital Works Program 2025-2034



Funding

- The scale of the capital works to be undertaken will result in additional borrowings of \$27.0M being required over the LTFP period.
- A balance is required between what Council can borrow to fund works and the additional costs required to repay those funds.

Table 5: Estimated Borrowings 2025/26 – 2034/35

Year	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
Amount \$	5,000,000	10,000,000	10,000,000	-	-	-	-	-	-	-
Estimated Rate	5.50%	5.50%	5.00%							

- Interest rates are predicted to decrease over time however it is difficult to predict exactly just what will occur and when.
- Loans have generally been calculated based on a standard principal and interest repayment over a 20 year term.

Retail Water

Table 6: Retail Water Reporting Unit Forecast Operating Performance

Description	2026 Estimate \$	2027 Estimate \$	2028 Estimate \$	2029 Estimate \$	2030 Estimate \$	2031 Estimate \$	2032 Estimate \$	2033 Estimate \$	2034 Estimate \$	2035 Estimate \$
Operating Income	4,316,600	4,589,700	4,892,300	5,232,100	5,592,300	5,981,000	6,410,000	6,562,200	6,699,800	6,867,600
Operating Expense	3,859,900	4,000,600	4,187,300	4,400,400	4,625,600	4,863,800	5,115,500	5,207,000	5,329,500	5,425,700
Operating Result	456,700	589,100	705,000	831,700	966,700	1,117,200	1,294,500	1,355,200	1,370,300	1,441,900
Less: Depreciation	306,600	311,200	315,900	320,600	325,400	330,300	335,300	340,300	345,400	350,600
Operating Result Excl. Non Cash	763,300	900,300	1,020,900	1,152,300	1,292,100	1,447,500	1,629,800	1,695,500	1,715,700	1,792,500
Less: Capital Expense	75,000	140,400	272,300	0	416,000	0	130,000	0	452,000	0
Net Cash Movement	688,300	(240,100)	748,600	1,152,300	876,100	1,447,500	1,499,800	1,695,500	1,263,700	1,792,500
Estimated Cash Balance \$	1,143,900	903,800	1,652,400	2,804,700	3,680,800	5,128,300	6,628,100	8,323,600	9,587,300	11,379,800

Overview

- Significant investment has occurred in the retail water business over the last year as Smart Metering and Backflow devices have been rolled out. Costs associated with those projects will be recouped through a charge.

Revenue

- Water pricing will increase by 8.0% due to the increased cost of bulk water (which is increasing by 7.0%) and the need to fund capital works including the future replacement of smart meters and backflow devices.

Table 7: Forecast Price Path for Charges to Rous Retail Customers

Year	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	Cumulative Total
Proposed % Increase	8.00%	8.00%	8.00%	8.00%	8.00%	8.00%	8.00%	2.00%	2.50%	2.50%	83.7%

Flood Mitigation

Table 8: Flood Mitigation Reporting Unit Forecast Operating Performance

Description	2026 Estimate \$	2027 Estimate \$	2028 Estimate \$	2029 Estimate \$	2030 Estimate \$	2031 Estimate \$	2032 Estimate \$	2033 Estimate \$	2034 Estimate \$	2035 Estimate \$
Operating Income	8,101,700	3,888,100	1,320,200	1,358,500	1,391,800	1,423,900	1,461,200	1,499,100	1,527,200	1,564,400
Operating Expense	4,317,200	2,254,900	1,983,600	2,018,200	2,124,100	2,113,900	2,150,000	2,161,700	2,198,900	2,271,400
Operating Result	3,784,500	1,633,200	(663,400)	(659,700)	(732,300)	(690,000)	(688,800)	(662,600)	(671,700)	(707,000)
Less: Depreciation	934,700	948,700	962,900	977,300	992,000	1,006,900	1,022,000	1,037,300	1,052,900	1,068,700
Operating Result Excl. Non Cash	4,719,200	2,581,900	299,500	317,600	259,700	316,900	333,200	374,700	381,200	361,700
Less: Capital Expense	5,412,300	2,806,100	285,000	310,000	356,000	317,000	316,000	316,000	316,000	316,000
Adjustment for Grants held as Liability	(3,624,200)	0	0	0	0	0	0	0	0	0
Net Cash Movement	(4,317,300)	(224,200)	14,500	7,600	(96,300)	(100)	17,200	58,700	65,200	45,700
Estimated Cash Balance \$	1,020,800	796,600	811,100	818,700	722,400	722,300	739,500	798,200	863,400	909,100

Table 9: Flood Mitigation Reporting Unit Operating Result Excluding Lismore Levee Depreciation

Description	2026 Estimate \$	2027 Estimate \$	2028 Estimate \$	2029 Estimate \$	2030 Estimate \$	2031 Estimate \$	2032 Estimate \$	2033 Estimate \$	2034 Estimate \$	2035 Estimate \$
Operating Result	3,784,500	1,633,200	(663,400)	(659,700)	(732,300)	(690,000)	(688,800)	(662,600)	(671,700)	(707,000)
Less: Lismore Levee Depreciation	403,400	409,500	415,600	421,800	428,100	434,500	441,000	447,600	454,300	461,100
Revised Operating Result	4,187,900	2,042,700	(247,800)	(237,900)	(304,200)	(255,500)	(247,800)	(215,000)	(217,400)	(245,900)

Overview

- Council's Flood Mitigation function operates on a very tight budget, based largely on a State government funding model that was designed pre-1983 and has not seen any increases (not even by CPI).
- There have been no material increases to costs, however, additionally grant funding has been sought in order to complete additional works.
- The Lismore Levee continues to be owned by Council, although the depreciation associated with these assets are not funded through financial contributions.

Revenue

- Contributions will increase by 5.0% as previously agreed with Constituent Councils to make Flood Mitigation more financially sustainable.
- These cost increases are not significant in dollar terms and are vital for this function to continue its core operations.

Table 10: Forecast Price Path for Constituent Council Flood Mitigation Contributions

Year	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	Cumulative Total
Proposed % Increase	5.0%	4.0%	4.0%	3.0%	3.0%	2.5%	2.5%	2.5%	2.5%	2.5%	36.3%

Table 11: Proposed Flood Mitigation Council Contributions 2025/26

Service Area	2024/25	2025/26	Increase
Ballina Shire Council	326,900	343,200	16,300
Lismore City Council	326,900	343,200	16,300
Richmond Valley Council	326,900	343,200	16,300
	980,700	1,029,600	48,900

Table 12: Proposed Ex-Drainage Union Council Contributions 2025/26

Service Area	2024/25	2025/26	Increase
Ballina Shire Council	43,700	45,400	1,700
Lismore City Council	43,700	45,400	1,700
Richmond Valley Council	4,200	4,400	200
	91,600	95,200	3,600

Weed Biosecurity

Table 13: Weed Biosecurity Reporting Unit Forecast Operating Performance

Description	2026 Estimate \$	2027 Estimate \$	2028 Estimate \$	2029 Estimate \$	2030 Estimate \$	2031 Estimate \$	2032 Estimate \$	2033 Estimate \$	2034 Estimate \$	2035 Estimate \$
Operating Income	2,450,200	2,465,600	2,206,100	1,702,900	1,728,700	1,765,100	1,809,300	1,848,700	1,869,500	1,911,600
Operating Expense	2,605,800	2,486,100	2,252,900	1,700,000	1,731,400	1,768,700	1,828,800	1,875,300	1,906,000	1,937,100
Operating Result	(155,600)	(20,500)	(46,800)	2,900	(2,700)	(3,600)	(19,500)	(26,600)	(36,500)	(25,500)
Less: Depreciation	31,700	32,200	32,700	33,200	33,700	34,200	34,700	35,200	35,700	36,200
Operating Result Excl. Non Cash	(123,900)	11,700	(14,100)	36,100	31,000	30,600	15,200	8,600	(800)	10,700
Less: Capital Expense	25,000	0	0	0	0	0	0	0	0	0
Net Cash Movement	(148,900)	11,700	(14,100)	36,100	31,000	30,600	15,200	8,600	(800)	10,700
Estimated Cash Balance \$	796,600	808,300	794,200	830,300	861,300	891,900	907,100	915,700	914,900	925,600

Overview

- Council continues to deliver weed biosecurity works throughout the region, to Constituent Councils and Kyogle and Tweed Shire Councils on a fee for service arrangement. An additional service arrangement with Tweed for roadside services is in place until 2026/27.

Revenue

- Council contributions increase annually with the rate peg %. Since each Council has received an individual rate peg, the lowest increase of 3.8% has been applied.

Table 14: Forecast Price Path for Constituent Council Contributions

Year	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	Cumulative Total
Proposed % Increase	3.80%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	24.1%

Table 15: Proposed Weed Biosecurity Council Contributions

Service Area	2024/25 \$	2025/26 \$	Increase \$
Ballina Shire Council	128,700	133,600	4,900
Byron Shire Council	128,700	133,600	4,900
Lismore City Council	169,100	175,500	6,400
Richmond Valley Council	140,000	145,300	5,300
Total Contributions	566,500	588,000	
Kyogle Shire Council *	141,100	146,500	5,400
Tweed Shire Council *	193,700	201,100	7,400
Total Fees	334,800	347,600	
Total Contributions and Fees	901,300	935,600	34,300
Total % Increase			3.8%
* Indicates local government area under a fee-for-service arrangement			

Property

Table 16: Property Forecast Operating Performance

Description	2026 Estimate \$	2027 Estimate \$	2028 Estimate \$	2029 Estimate \$	2030 Estimate \$	2031 Estimate \$	2032 Estimate \$	2033 Estimate \$	2034 Estimate \$	2035 Estimate \$
Operating Income	84,900	125,200	164,100	168,300	150,800	151,700	164,700	169,800	148,200	158,400
Operating Expense	315,800	307,400	243,200	246,100	250,100	254,900	259,100	264,500	268,800	273,200
Operating Result	(230,900)	(182,200)	(79,100)	(77,800)	(99,300)	(103,200)	(94,400)	(94,700)	(120,600)	(114,800)
Less: Depreciation	102,100	103,600	105,200	106,800	108,400	110,000	111,700	113,400	115,100	116,800
Operating Result Excl. Non Cash	(128,800)	(78,600)	26,100	29,000	9,100	6,800	17,300	18,700	(5,500)	2,000
Less: Capital Expense	51,000	52,000	53,000	54,000	55,000	56,000	57,000	58,000	59,000	60,000
Net Cash Movement	(179,800)	369,400	(26,900)	(25,000)	(45,900)	(49,200)	(39,700)	(39,300)	(64,500)	(58,000)
Estimated Cash Balance \$	2026 106,300	2027 475,700	2028 448,800	2029 423,800	2030 377,900	2031 328,700	2032 289,000	2033 249,700	2034 185,200	2035 127,200

Overview

- Council no longer leases the Molesworth Street administration building, however, Council does have one commercial property in the Lismore CBD, rural residential rental properties and the Perradenya estate.

Fleet Reporting Unit

Table 17: Fleet Reporting Unit Forecast Operating Performance

Description	2026 Estimate \$	2027 Estimate \$	2028 Estimate \$	2029 Estimate \$	2030 Estimate \$	2031 Estimate \$	2032 Estimate \$	2033 Estimate \$	2034 Estimate \$	2035 Estimate \$
Operating Income	146,000	135,800	136,200	138,500	135,100	140,900	152,900	162,100	151,700	158,700
Operating Expense	(56,000)	(47,200)	(27,400)	15,700	13,200	10,700	8,300	5,000	2,100	(1,100)
Operating Result	202,000	183,000	163,600	122,800	121,900	130,200	144,600	157,100	149,600	159,800
Less: Depreciation	524,500	532,400	540,400	548,500	556,700	565,100	573,600	582,200	590,900	599,800
Operating Result Excl. Non Cash	726,500	715,400	704,000	671,300	678,600	695,300	718,200	739,300	740,500	759,600
Less: Capital Expense	717,400	717,400	508,300	759,000	788,000	691,000	625,000	627,000	487,000	701,000
Net Cash Movement	9,100	(2,000)	195,700	(87,700)	(109,400)	4,300	93,200	112,300	253,500	58,600
Estimated Cash Balance \$	2026 487,100	2027 485,100	2028 680,800	2029 593,100	2030 483,700	2031 488,000	2032 581,200	2033 693,500	2034 947,000	2035 1,005,600

Overview

- Fleet provides fit-for purpose fleet including vehicles, boats, trailers and heavy plant at an economical rental to the other Reporting Units. There are approximately 112 items within the Fleet.

Statement of Revenue Policy 2025/26

Proposed fees and charges for the 2025/26 financial year include: -

- Bulk water sales revenue – an increase of 7.0% to \$2.65 per kilolitre.
- Retail water sales – an increase of 8.0% to \$3.54 per kilolitre for water usage. The fixed facility charges will also increase by 8.0%.
- Developer charges – an increase of 2.4% to \$10,598.00 per equivalent tenement (based on the revised Development Servicing Plans that were adopted by Council in February 2023 [6/23] adjusted for CPI).
- Developer charges for Retail customers – an increase of 2.4% to \$408.00.
- Weed biosecurity contributions – an increase of 3.8% in line with rate pegging.
- Flood mitigation contributions – an increase of 5.0%.
- Ex-drainage union contributions – an increase of 3.8% in line with rate pegging.

- Backflow device annual charge – the existing fee of \$196.00 remains (this charge has not increased from last year).
- Property information certificates – current fee is \$100.00 as prescribed by section 603 of the *Local Government Act 1993* (this fee is determined by the Office of Local Government and has yet to be provided to Councils. The fee will need to be updated when the new prescribed fee for 2025 is published).
- Interest on overdue water accounts – current rate is 10.5% as prescribed by section 566(3) of the *Local Government Act 1993* (this fee is determined by the Office of Local Government and has yet to be provided to Councils. As such this may need be revised).
- Other fees have generally increased by CPI of 2.4% or less and in many cases have not been increased at all.

Governance

Consistent with requirements under the *Local Government Act 1993* and Office of Local Government Handbook and Guidelines, Council is required to review its Integrated Planning and Reporting Framework every 4 years. That review has been completed and various changes to the Framework are proposed. A copy of the draft Framework including supporting documents are linked to this report (Attachment 1-6).

Underpinning the review has been a focus on developing a streamlined and simple Framework, highlighting Rous' purpose and role in delivering public value across its core functions. Continuous improvement, change and digital transformation are also key themes.

At the core of the Framework are a set of Focus Areas and Actions:

- **Focus Area 1: Be prepared and resilient**

- Action 1.1:** Continue to expertly manage drinking water supply and security
- Action 1.2:** Work with community, business and government to deliver specialist biosecurity services
- Action 1.3:** Determine what a valued flood mitigation service looks like and our role in it
- Action 1.4:** Identify operational and strategic blind spots to inform investment in long-term resilience and short-term efficiency

- **Focus Area 2: Transform the way we work**

- Action 2.1:** Strengthen data driven decision-making through digital transformation and data literacy
- Action 2.2:** Adopt a more commercial focus to control costs and direct investment
- Action 2.3:** Innovate to boost efficiency, safety and environmental outcomes
- Action 2.4:** Drive business optimisation and value through business capability and transformation

- **Focus Area 3: Be a future focussed trusted business**

- Action 3.1:** Show leadership, accountability and transparency through corporate social responsibility
- Action 3.2:** Increase awareness of who Rous is, what we do and why we do it
- Action 3.3:** Consider and be open to opportunities to diversify service provision
- Action 3.4:** Invest in workforce culture, engagement, diversity and capability

These Focus Areas and Actions direct and inform the activities set out in the draft Delivery program | Operational plan.

‘Light touch’ review of Asset Management Strategy and Plans (element of the Resourcing Strategy)

The replacement of Rous’ asset management system is underway. As a result, given the criticality of that system to informing the Asset Management Strategy and Plans the decision was taken to defer the comprehensive review of those documents. Instead, a high-level review has occurred and an Asset Management Position Statement has been produced. Among other things, the review resulted in previously separate Fleet and Information Technology asset management practices being formalised and incorporated into the Asset Management Position Statement and earmarked for inclusion in the Strategy and Plans in the future.

A. Finance

As detailed in the report.

B. Environment

Not applicable.

C. Legal

Council has until 30 June in the year following a local government election to endorse a new Framework. Before that can occur the draft Framework (including the Long-Term Financial Plan, Budget and Statement of Revenue Policy) must be placed on public exhibition for at least 28 days. Submissions received during that time must be considered prior to Council making a decision regarding the Framework.

Consultation

As detailed in the 'Legal' section of the report.

Comment

The proposed draft Integrated Planning and Reporting Framework (incorporating the 2025/26 Budget and Statement of Revenue policy) is recommended to Council for public exhibition.

Attachments (for public exhibition)

1. [Integrated Planning and Reporting Framework 2025-2035](#)
2. [Delivery program | Operational plan 2025-2029](#)
3. [Workforce Management Strategy](#)
4. A. [Asset Management Strategy Position Statement 2025](#)
B. [ICT Asset Management Position Statement 2025](#)
C. [Fleet Asset Management Position Statement 2025](#)
5. A. [Long-Term Financial Plan 1 July 2025 to 30 June 2035 \(concise\)](#)
B. [Long-Term Financial Plan 1 July 2025 to 30 June 2035 \(detailed\)](#)
6. [Statement of Revenue policy \(Fees and Charges\)](#)