

Long-Term Financial Plan

Pyrenees Shire Council

Executive Summary

This long-term financial plan serves as the key ten-year planning document providing a long-term view of the resources that are expected to be available to Council to deliver the Council Plan and the Community Vision for Pyrenees.

The plan contains a series of financial strategies and accompanying performance indicators that council considers when making significant strategic decisions about resource allocation.

The plan supports the Council in its endeavours towards the vision of being a shire with ***sustainable and welcoming places and natural environments that create inclusive, happy, and healthy connected communities.***

The Plan has been informed by a deliberative engagement process that involved a Community Panel of 25 community representatives. The Community Panel's task was to develop a ten-year community vision, to describe what the Pyrenees region will be like as a place to live, play, work and visit in the future. A wide range of economic, social, demographic, environmental, information was presented to the group to inform thinking. The Panel worked together to write the Community Vision report starting from a blank page. Everything in the report has at least 80% consensus.

The Council made the following promises to the Community Panel:

- *Publish the unedited recommendations of the deliberative process.*
- *Undertake a rigorous decision-making process to adopt the recommended community vision to the fullest extent possible.*
- *Ensure that the priorities identified by the Community are incorporated into the Council Plan and Financial Plan to the fullest extent possible.*
- *Where recommendations are not implemented in full, Council will report back to the community and explain the reasoning for decisions made.*

Council used the Community Vision, as a direct reference in developing the four-year Council Plan which is scheduled for adoption in October 2021.

The 2021/22 budget which was prepared in parallel with the development of the Council Plan was adopted in June 2021 prior to the Council Plan being finalised. The budget document seeks to set out the expenditures and revenues to deliver the services in response to the objectives contained in the Council Plan. The 2021/22 budget reflects a transition to the new plan, and the first year of the four-year Council Plan cycle. Future budgets will more closely align with the new Council Plan and Community Vision.



The 2021/22 Budget has necessarily been the starting point, and extrapolated over ten years, to help inform this Long-Term Financial Plan. The Long-Term Financial Plan outlines how Council will resource the implementation of the four-year Council Plan, and the 10-year Community Vision.

In developing this Financial Plan, a range of capacity limitations have been highlighted, which are going to form a challenge in the years ahead. These challenges include:

- A heavy dependence on external grants
- Rate-capping which limits Council capacity to raise revenue
- No capacity to increase staff numbers beyond maintaining existing levels

Importantly, the document projects on average an asset renewal rate of 85% of depreciation further highlighting a significant sustainability concern and limit on Council's capacity to renew critical community assets over the long term.

These concerns highlight the need for additional direct and untied recurrent funding from government for council to deliver the expectations that have been identified in the Community Vision.

It is intended that the Long-Term Financial Plan be reviewed at least annually and in conjunction with the annual budget process.

