Item 6.3
At Council
23 June 2025

Relevant Information for Council

FILE:	**X115821**	**DATE:**	20 June 2025

TO: Lord Mayor and Councillors

FROM: Jean-Michel Carriere, Executive Director Finance and Procurement

THROUGH: Monica Barone PSM, Chief Executive Officer

SUBJECT: Information Relevant To Item 6.3 – Integrated Planning and Reporting Program and Budget 2025/26 – Adoption

Alternative Recommendation

It is resolved that:

(A) Council note the Engagement Report for the updated Community Strategic Plan Delivering Sustainable Sydney 2030-2050, including submissions and survey results for the draft community strategic plan, as shown at Attachment A to the subject report

(B) Council note the submissions received from the community, and staff responses, on the draft Delivery Program, Operational Plan and Resourcing Strategy documents as shown at Attachment B to the subject report;

(C) Council note the proposed changes to the documents, including fees and charges, as incorporated within the Operational Plan and Resourcing Strategy, and set out in Attachment C to the subject report;

(D) Council endorse the updated Community Strategic Plan - Delivering Sustainable Sydney 2030- 2050 (2025), as shown at Attachment D to the subject report;

(E) Council adopt the 2025-2029 Delivery Program, as shown at Attachment E to the subject report;

(F) Council adopt the Operational Plan 2025/26, as shown at Attachment F to the subject report;

(G) Council adopt the Long Term Financial Plan, Asset Management Planning documents consisting of the Asset Management Strategy (including the Asset Management Policy) and the Community Asset Management Plan, Community Engagement Strategy and community participation plan, and the Information and Technology Strategy within the Resourcing Strategy 2025, as shown at Attachment G to the subject report;

(H) Council endorse the People Strategy (Workforce Management Strategy) within the Resourcing Strategy 2025, as shown at Attachment G to the subject report;

(I) Council adopt the draft Operating and Capital Budgets and future years' forward estimates as reflected in the Operational Plan 2025/26 and Resourcing Strategy 2025 including:

  (i) Operating income of $748.5M, operating expenditure before depreciation of $631.4M for an Operating Result of $117.1M, and a Net Operating Result of $108.9M after allowing for interest, depreciation and capital contributions;

  (ii) Capital Works expenditure of $268.7M and a capital works contingency of $8.0M;

  (iii) Plant and Assets net expenditure of $23.4M;

  (iv) Capital Works (Technology and Digital Services) of $24.0M; and (v) Net Property Divestments of $122.3M;

(J) Council adopt the Rates Structure, Domestic Waste Management Charges, Stormwater Charges and User Fees and Charges discussed within the subject report and included within the Operational Plan 2025/26;

(K) Council endorse the organisational structure and senior positions included within the Operational Plan 2025/26;

(L) Council approve the Outdoor Dining Guidelines shown at Attachment H to the subject report;

(M) Council note that the City will investigate those locations where the footpath can be permanently extended into road space for outdoor dining, consider the criteria for the extension of the footpath and the appropriate monetary contributions from businesses for the consideration of Council; ~~and as a result, the City will not be accepting any new applications for on-road dining for at least 2 years; and~~

(N) authority be delegated to the Chief Executive Officer to approve minor editorial corrections and to finalise document design, artwork and accessibility prior to publication

Deletions shown in ~~strikethrough.~~

Purpose

To provide further information to Councillors on Item 6.3 - Integrated Planning and Reporting Program and Budget 2025/26 and to propose minor amendments to the documents to clarify the Grants and Sponsorship budget, update fees and charges in line with recently received regulatory updates, and to make a minor correction to a budgeted project description in line with exhibited documents.

Background

At the meeting of the Corporate, Finance, Properties and Tenders Committee on 16 June 2025, further information was sought on the following:

Grants process changes and budget

The below summary table shows the cash only component of the City's grant programs since 2004. This does not include the Affordable housing grants, Accommodation grants or any other value in kind. This is the cash component only. Over the years we have allocated different amounts to different programs in response to Council's changing priorities. The table below shows that the grant program has increased by approximately $500,000 to $1M a year over the past 20 years. There are 2 years where the cash amount is significantly different:

1. FY2021 increased significantly due to the additional Covid grants during this year, and

2. FY2025 the additional commitments were $1M for Griffin Theatre, $250,000 for Creative Lands Trust, $250,000 for Basketball Association Limited, $300,000 for City Recital Hall, $50,000 for the LGBTQIA+ Safety Summit, $150,000 for Waterloo resident support, $100,000 to The Nest and $192,000 in donations to local community organisations to support families over Christmas, the democratic right to protest, and to support our trans and gender diverse communities.

The figures below represent both initial commitments and additional commitments throughout the year that have been requested by Council. Every year we estimate the budget amount and these additional commitments, either in the form of ad hoc grants or donations, increases our final spend and allocated from contingency. This is why the budget we adopt can sometimes be different to what the financial statements show that we have spent at the end of the year.

In FY2026 we are budgeting for our cash grants $15,080,000. This does not include the Affordable housing grants, Accommodation grants or any other value in kind. If Council choose to allocate additional commitments throughout the year from contingency funding for ad hoc grants or donations, the amount will increase.

Cash grants commitments since financial year 2004

Financial Year	**Annual Budget - Cash Grants**
FY-2004	$2,755,622
FY-2005	$2,972,150
FY-2006	$3,895,931
FY-2007	$4,323,147
FY-2008	$4,757,500
FY-2009	$5,729,837
FY-2010	$5,949,742
FY-2011	$7,113,099
FY-2012	$6,607,917
FY-2013	$8,088,949
FY-2014	$9,517,393
FY-2015	$9,622,155
FY-2016	$11,018,737
FY-2017	$11,189,892
FY-2018	$11,614,359
FY-2019	$12,057,700
FY-2020	$13,196,627
FY-2021	$21,178,249
FY-2022	$13,466,593
FY-2023	$14,540,653

Financial Year	Annual Budget - Cash Grants
FY-2024	$14,753,000
FY-2025	$17,460,500

The FY2025/26 Grants budget represents a transition period as we undertake a major review that will incorporate the Cultural grants in FY2026/27.

As part of this transition period, we are instigating changes that ensure that the Grants program is relevant and efficient in its delivery. As we move to reallocate the funds in 2026/27, the current Grants budget will focus on the current programs with a review taking place over the next 6 months for 2026/27.

For the pre-Covid years, the Quick response grant budget allocation was $25,000. From FY2023 the endorsed Grants Guidelines combined Quick response grant and Matching grant into one program titled Quick response grant. This increased the allocation to $260,000 initially and expanded the funding to cultural programs and events. These cultural programs and events can now apply through the cultural and event program rounds already available. In FY2025 of the 66 Quick response applications received, we funded only 21 applications (to the value of $117,915) that were considered essential and urgent community projects. The total budget for Quick response grants has therefore been adjusted to reflect its core purpose, to support essential and urgent needs in the community.

The Major grants program has been formed to allow greater transparency of all the ongoing projects we fund. The City supports several essential and unique organisations who have a history of ongoing funding which are listed in the Major grants category. The Major Grants category is designed to be flexible enough to support a diverse range of organisations. Recipients in the Major Grants category will now be able to apply all year and will be assessed on their ability to deliver targeted outcomes for which they have been funded, instead of being competitively assessed against each other through the previous open rounds application process. The total budget for Major Grants has been created by moving all appropriate grant amounts to this category, including Tier 2 Festival and Events, City Recital Hall operations, the Community services organisations who receive over and above the $50,000 threshold and multiyear funding, as well as the total of the multiyear funded organisations delivering homelessness support.

A subcategory has been included in the Integrated Planning and Reporting Program to outline the homelessness total funding of $1.4M. Refer to Attachment A Updated Grants and Sponsorship Programs (Operational Plan 2025/26 page 98 -99).

Friends of Chippendale submissions

City staff have organised to meet with Friends of Chippendale on 24 June 2025 to discuss their submission.

Outdoor dining

As noted at the meeting of the Corporate, Finance, Properties and Tenders Committee on 16 June 2025 the recommendation referring to outdoor dining has been amended in the Alternative Recommendation above.

Road closure fee changes

In the 2024/25 financial year, applicants requiring a temporary road closure for events not held on land owned by the City of Sydney are charged on a per block per day basis. The fees are $1,100 per block for a Temporary, Full or Partial Closure of a Major Road, or $550 per block where it is a Minor Road. This fee is not applied for not-for-profit Organisations, Charities, Public Schools, Government Agencies conducting non-commercial activities and Non-Commercial Community Applicants. Further, if the NSW Police close applicable roads under their powers for the purposes of public safety and crowd control then the fee is not applicable.

The proposed 2025/26 fees are a new structure, comprising of an Application Fee and a Road Closure Fee. The Application Fee is a single charge per application submission, regardless of the number of streets involved. If the application requires a full street closure (such as traffic detours via other streets), the 'Full Road Closure' Application of fee $850 applies. For partial street closures the 'Partial Road Closure' Application fee of $425 is charged. The Road Closure Fee, charged at $22 per lane per hour, is in addition to the Application Fee and is calculated from the total number of closed traffic and parking lanes in each street and the total duration in hours.

The new structure more closely aligns with service costs and is relative to the scale of impact of the street closures. An example event involving 5 main road blocks under the 2024/25 fee structure would have cost $5,500, and the same event with the 2025/26 fees would be $2,082. This example represents a 62% reduction in costs to the applicant.

Schedule of Fees and charges - updates to regulatory fees

Planning Assessment related fees have been updated following the publication of the 2025/26 pricing parameters by the Department of Planning, Housing and Infrastructure.

A legislative fee has also been added to the Schedule of Fees and Charges which has not been included in previous years. It is an existing legislative fee provided for under EP&A Regulation 2021:

Additional fee for a modification application that is accompanied by a statement by a qualified designer. Fee: $1,013 per application, no GST applicable.

The statutory Companion Animal Fees have also been updated. These fees are determined annually by the Office of Local Government and councils are notified by Council Circular (25-12) of the changes.

See Attachment B for updated pages 1 to 11 and 31 to 32 of the Operational Plan 2025/26 Schedule of Fees and Charges which reflect these updates.

Other minor document edits

Documents presented to the Corporate Finance Property and Tenders Committee on 16 June 2025 contained an incorrect project name. In the Capital Works Individual Projects > $5M Report, the project named 'Castlereagh Street Cycleway – North' was incorrectly labelled as 'Erskineville Alexandria Precinct Cycleway Links'. There is no change to any financial figures required and the documents placed on public exhibition from 13 May 2025 to 10 June 2025 were correct.

The relevant schedules have been updated with the corrected project name for adoption. These are in the Delivery Program 2025-2029 (page 84), Operational Plan 2025/26 (page 88) and Resourcing Strategy 2025 (page 49) of the Long Term Financial Plan.

Memo from Jean-Michel Carriere, Executive Director Finance and Procurement

Attachments

Attachment A. Updated Grants and Sponsorship Programs (Operational Plan 2025/26 pages 98-99)

Attachment B. Schedule of Fees and Charges – Updates to Regulatory Fees

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Approved

P.M. Barone

MONICA BARONE PSM

Chief Executive Officer