# Dorset Council

## 2026 - 2035 Long Term Financial Plan

Adopted by Council
23 June 2025
Minute 108/2025

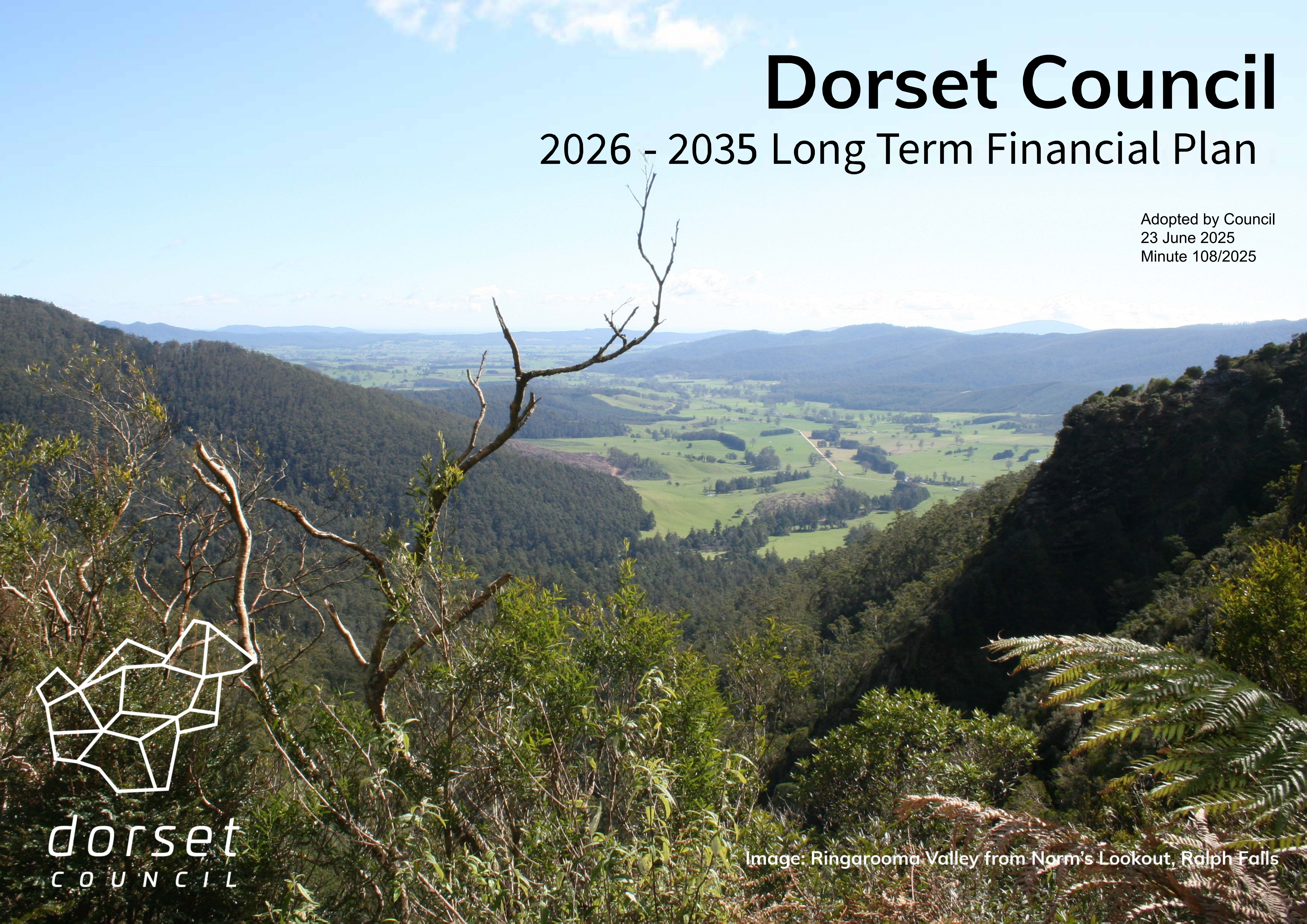

Image: Ringarooma Valley from Norm's Lookout, Ralph Falls

| Dorset Council<br>Long Term Financial Plan (LTFP)<br>Year Ending 30 June: | 2025<br>Year 0<br>Forecast<br>$'000 | 2026<br><br>Year 1 Plan<br>$'000 | 2027<br><br>Year 2 Plan<br>$'000 | 2028<br><br>Year 3 Plan<br>$'000 | 2029<br><br>Year 4 Plan<br>$'000 | 2030<br><br>Year 5 Plan<br>$'000 | 2031<br><br>Year 6 Plan<br>$'000 | 2032<br><br>Year 7 Plan<br>$'000 | 2033<br><br>Year 8 Plan<br>$'000 | 2034<br><br>Year 9 Plan<br>$'000 | 2035<br><br>Year 10 Plan<br>$'000 |
|---|---|---|---|---|---|---|---|---|---|---|---|
| Underlying Surplus / Deficit | (785) | (1,340) | (670) | (271) | 22 | 24 | 161 | 324 | 426 | 534 | 649 |
| ADD: Depreciation | 5,702 | 6,028 | 6,179 | 6,332 | 6,490 | 6,652 | 6,818 | 6,988 | 7,162 | 7,340 | 7,523 |
| **Operational Cash Generated** | **4,917** | **4,689** | **5,508** | **6,062** | **6,513** | **6,676** | **6,979** | **7,312** | **7,587** | **7,874** | **8,172** |
| **Non-Operating Cash Flows** | | | | | | | | | | | |
| Accounts Payable / Accounts Receivable Timing | - | - | - | - | - | - | - | - | - | - | - |
| Land sales | - | - | - | - | - | - | - | - | - | - | - |
| May Shaw Loan Receivable $500k Principle + Interest | 500 | | | | | | | | | | |
| LGLP Loan Repayments Principle | (316) | (322) | (328) | (334) | (340) | (347) | (38) | - | - | - | - |
| Scottsdale Irrigation Scheme Entitlements | 93 | 93 | 93 | 93 | - | - | - | - | - | - | - |
| **Total Non-Operating Cash Outgoings** | **277** | **(229)** | **(235)** | **(241)** | **(340)** | **(347)** | **(38)** | **-** | **-** | **-** | **-** |
| **Capital Expenditure on Infrastructure** | | | | | | | | | | | |
| Renewals / Replacements | | | | | | | | | | | |
| - Roads & Footpaths | (2,227) | (4,925) | (3,118) | (3,196) | (3,276) | (3,358) | (3,442) | (3,528) | (3,616) | (3,706) | (3,799) |
| - Bridges | (71) | (687) | (262) | (134) | (294) | (69) | (97) | (528) | (470) | (395) | - |
| - Stormwater | (82) | - | (34) | (35) | (36) | (37) | (38) | (39) | (40) | (41) | (42) |
| - Buildings | (207) | (353) | (468) | (479) | (491) | (504) | (516) | (529) | (542) | (556) | (570) |
| - Other (land, plant, equipment, IT, furniture/fitting, BD, SAC, BSCP) | (897) | (1,848) | (1,430) | (1,490) | (1,525) | (1,287) | (1,197) | (1,465) | (2,079) | (1,400) | (1,275) |
| Total Capital Spend on Renewal of Assets | (3,484) | (7,813) | (5,312) | (5,335) | (5,623) | (5,255) | (5,289) | (6,089) | (6,748) | (6,098) | (5,686) |
| New / Upgrade | | | | | | | | | | | |
| - Roads & Footpaths | (860) | (413) | (104) | (107) | (109) | (112) | (115) | (118) | (121) | (124) | (127) |
| - Bridges | - | (801) | (320) | (163) | (360) | (84) | (118) | (645) | (575) | (482) | - |
| - Stormwater | (238) | (284) | (194) | (199) | (204) | (209) | (215) | (220) | (225) | (231) | (237) |
| - Buildings | (186) | (514) | - | - | - | - | - | - | - | - | - |
| - Other (land, equipment, IT, furniture/fittings) | (2,410) | (1,135) | (114) | (117) | (120) | (123) | (126) | (129) | (133) | (136) | (139) |
| Total Capital Spend on New / Upgraded Assets | (3,694) | (3,147) | (733) | (586) | (793) | (529) | (573) | (1,112) | (1,053) | (973) | (503) |
| Labour overheads (ex direct allocation) | (1,280) | (1,378) | (1,433) | (1,490) | (1,528) | (1,566) | (1,605) | (1,645) | (1,686) | (1,728) | (1,772) |
| Total Capital Spend on Infrastructure Assets | (8,458) | (12,338) | (7,478) | (7,412) | (7,944) | (7,349) | (7,467) | (8,847) | (9,487) | (8,799) | (7,960) |
| Capital Grants specifically for new or upgraded assets | 5,165 | 3,773 | 2,028 | 1,502 | 1,502 | 1,750 | 1,750 | 1,750 | 1,750 | 1,750 | 2,100 |
| **Total Council Spend on Infrastructure Assets** | **(3,294)** | **(8,565)** | **(5,450)** | **(5,910)** | **(6,442)** | **(5,599)** | **(5,717)** | **(7,097)** | **(7,737)** | **(7,049)** | **(5,860)** |
| **Cash, Cash Equivalents & TDs - Opening Balance** | **8,239** | **10,140** | **6,034** | **5,858** | **5,769** | **5,499** | **6,229** | **7,452** | **7,668** | **7,518** | **8,343** |
| Operational Cash Generated | 4,917 | 4,689 | 5,508 | 6,062 | 6,513 | 6,676 | 6,979 | 7,312 | 7,587 | 7,874 | 8,172 |
| Non-operating cashflows | 277 | (229) | (235) | (241) | (340) | (347) | (38) | - | - | - | - |
| Capital Expenditure Cash Movement | (3,294) | (8,565) | (5,450) | (5,910) | (6,442) | (5,599) | (5,717) | (7,097) | (7,737) | (7,049) | (5,860) |
| **Cash, Cash Equivalents & TDs - Closing balance** | **10,140** | **6,034** | **5,858** | **5,769** | **5,499** | **6,229** | **7,452** | **7,668** | **7,518** | **8,343** | **10,654** |
| **Present Value of Cash, Cash Equivalents & TDs - Closing balance** | **10,140** | **5,951** | **5,636** | **5,415** | **5,036** | **5,565** | **6,496** | **6,521** | **6,237** | **6,753** | **8,414** |
| Council Loans Balance | 1,709 | 1,387 | 1,059 | 725 | 385 | 38 | - | - | - | - | - |
| May Shaw Back to Back Loans Balance | 1,646 | 1,407 | 1,162 | 910 | 653 | 389 | 229 | 176 | 120 | 62 | - |

| Dorset Council Management Indicators as at 30 June: | | 2025 | 2026 | 2027 | 2028 | 2029 | 2030 | 2031 | 2032 | 2033 | 2034 | 2035 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| All numbers other than %'s are in $'000s | Target | Year 0 Forecast | Year 1 Plan | Year 2 Plan | Year 3 Plan | Year 4 Plan | Year 5 Plan | Year 6 Plan | Year 7 Plan | Year 8 Plan | Year 9 Plan | Year 10 Plan |
| | | | | | | | | | | | | |
| Target met | | | | | | | | | | | | |
| Target almost met / within acceptable levels | | | | | | | | | | | | |
| Target not met / unacceptable levels | | | | | | | | | | | | |
| | | | | | | | | | | | | |
| **Financial Aims & Targets per Local Government (Management) Order (S.R.2014, No.36)** | | | | | | | | | | | | |
| Net financial liabilities | Zero | 4,351 | 853 | 1,256 | 1,758 | 2,092 | 3,328 | 4,643 | 4,914 | 4,823 | 5,710 | 8,021 |
| Net financial liabilities ratio | Between (50%) to 0 | 24.5% | 4.6% | 6.6% | 8.8% | 10.1% | 15.6% | 21.2% | 21.8% | 20.7% | 23.8% | 32.4% |
| Statutory underlying surplus / (deficit) | > 0 | (785) | (1,340) | (670) | (271) | 22 | 24 | 161 | 324 | 426 | 534 | 649 |
| Statutory underlying surplus / (deficit) ratio | > 0 | -4.4% | -7.3% | -3.5% | -1.4% | 0.1% | 0.1% | 0.7% | 1.4% | 1.8% | 2.2% | 2.6% |
| Asset renewal funding ratio | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% |
| Asset sustainability ratio | 100% | 75% | 143% | 100% | 98% | 101% | 93% | 92% | 101% | 108% | 97% | 90% |
| Asset consumption ratio | At least 60% | 74% | 73% | 72% | 71% | 70% | 69% | 67% | 66% | 65% | 64% | 63% |
| | | | | | | | | | | | | |
| **Financial Aims & Targets - Dorset Council Specific** | | | | | | | | | | | | |
| Operational cash flow coverage of capital spend | > 0 | 1,624 | (3,876) | 58 | 152 | 70 | 1,076 | 1,262 | 215 | (150) | 825 | 2,312 |
| Working capital ratio (current ratio) | 150% or greater | 348% | 232% | 224% | 218% | 210% | 257% | 305% | 311% | 306% | 333% | 414% |
| Cash holdings - year end | Year end > $3m | 10,140 | 6,034 | 5,858 | 5,769 | 5,499 | 6,229 | 7,452 | 7,668 | 7,518 | 8,343 | 10,654 |
| Net of borrowings cash position - year 10 of LTFP | > $3m | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | 10,654 |