

FACT SHEET 1: **What is Council doing to reduce costs?**

As part of Council's organisational transformation commencing in 2017, a Financial Sustainability Strategy and Roadmap were developed and adopted in 2019. Modernising systems and processes that had negatively impacted accurate financial management has been a significant part of this work.

Recovery from bushfires, floods and COVID-19, delivering on major recovery grant funded infrastructure, and the resulting economic conditions impacting supply chains, cost escalations and interest rates, all added further challenges. A revised Financial Sustainability Program was adopted by Council in 2022.

Results have been reported quarterly across the three core themes in the Financial Sustainability Program.

Theme	Actions	Outcomes
Delivering best value to our community	Improve accuracy of asset management data and modelling.	Accurate costing and program development. Strategic Asset Management Plan developed and adopted. Council could not accurately state the cost of the asset maintenance backlog prior to this work.
	Community surveys	Analysis of independent, statistically valid community surveys confirms service level expectations and high value placed on financial performance by the community.
	Organisational Structure	Reducing Director roles by 1 and Senior Manager roles by 4. Ongoing review and reporting to achieve balance of service delivery at most efficient cost.
	Procurement and contract management	Developed a Procurement Strategy to overhaul systems and support improved supplier relationships, more efficient contract management and use of credit cards.
Excellence in Financial Management	Corporate Governance	Audit, Risk and Improvement Committee (ARIC) established, with increased focus on financial sustainability. Noted improved financial governance reporting.
	Budgeting process	Cost containment budget process; project priority criteria applied to new activity; phased budget implemented to optimise cash flow; asset renewal prioritised over new builds.

	Grants	Grant applications must reflect priorities in Delivery Program and Operational Plans. Policy improvements to be made.
	Treasury Management	Investment advisor appointed to maximise investment returns. A range of specialist Policies and management practices will be delivered in 2023-24 to provide a higher level of financial accountability. These include: • Restricted Assets Policy – securing cash reserves • Debt Management Policy – ensure inter-generational equity by using debt correctly • Investment strategy – seeks to maximise returns
Striving to deliver better practices	Business Improvement and Innovation portal	Continuous improvement through staff led initiatives to reduce costs include: • training in contract management • reduced advertising spend • innovation through centralised smart asset design services • new online development assessment portal improving file management and workloads • digital systems for recording food inspections and parking penalties Innovation portal to be established to identify further business improvement and cost reduction opportunities.
	Own Source Revenue	Increase or create new income sources. An ongoing part of good financial management. Initiatives delivered to date are: • External saleyards management • Holiday Park capital improvements, increasing returns to Council • Cemeteries strategy and new fee structure • Property rental and lease procedure review achieving equity for community groups and increased commercial rental income.

Other operational cost reductions
Additional cost saving initiatives, outside of the formal Financial Sustainability Program have been led by staff and reflect the culture of reducing spending wherever possible.

- Sale of vacant / unused land.
- Reduce ongoing hiring costs and plant inefficiencies through machinery purchase.
- Centralised purchasing of all software to get maximum benefits from suppliers.
- Placing rates and water bills onto one account, saving staff cost, printing and postage.
- Accessing government rebates to help pay staff by recruiting trainees. Creating local jobs.
- Reduced specialist positions, allow for greater staff flexibility and therefore reduce recruitment costs.
- Negotiated a Power Purchasing Agreement to lock in lower electricity costs.
- Environmental efficiencies and financial savings by installing solar panels and LED lights.
- Include employment of specialist project managers within grants for major capital projects. Reduces spending on external contractors, creates local jobs, means projects are delivered on time and on budget.