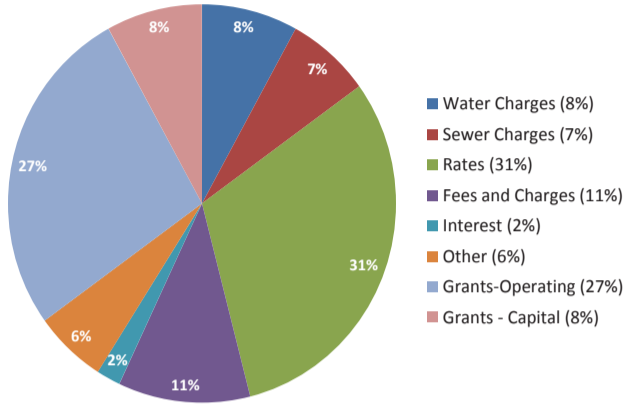
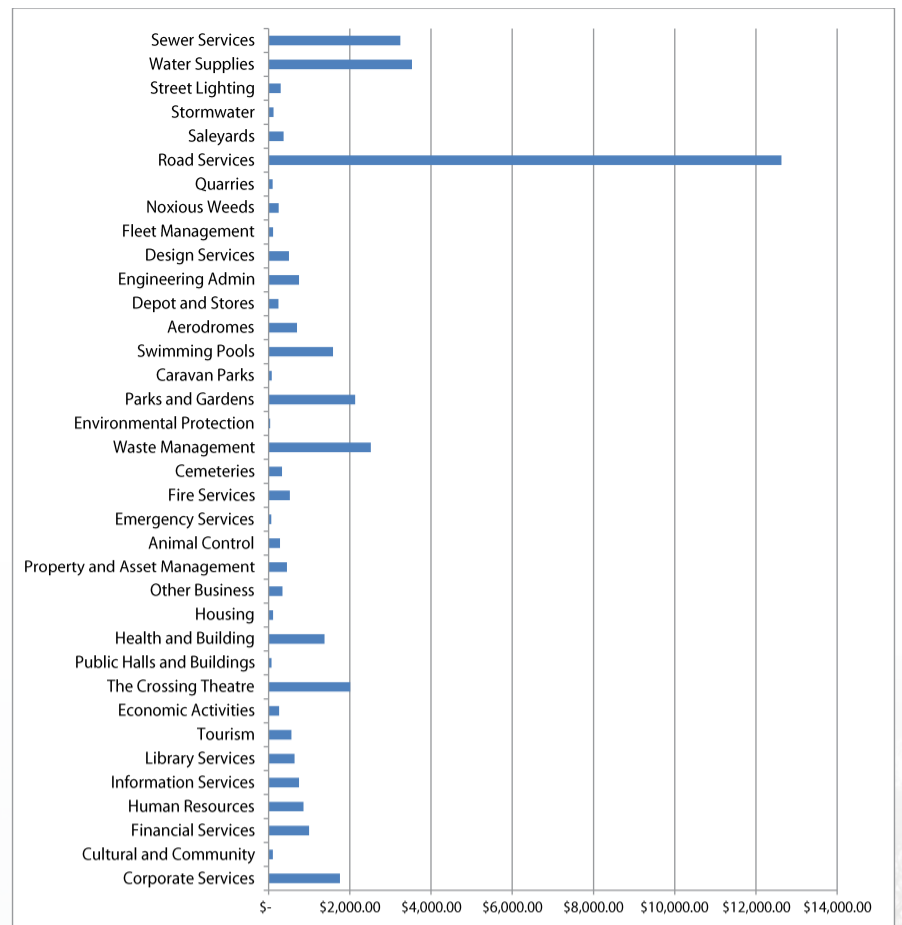


Getting Fit for the Future...

Where does Council Money come from?



Where does Council spend its money?



So what is Fit For the Future all about?

In 2014 the State Government announced a major local government reform program known as "Fit For the Future". For Narrabri Shire Council the Government suggested we remain a stand-alone Council but we had to prove our financial sustainability going into the future. This proof had to be provided by submission of a 10 year financial and business improvement strategy.

Where is all of this up to for Narrabri Shire Council?

Council had its Draft Operational Plan and Fit For the Future proposal on public exhibition for a period of 28 days for public comment. These comments were then presented to Council at its Ordinary Meeting in June where the plans were

adopted with some amendments. The Operational Plan will form the basis for Council projects in the current financial year. The Fit For the Future proposal has been submitted to the State Government for review.

What improvements will be undertaken at Council to make it Fit For the Future?

Council wants to build an organisation that is "fit for purpose" to play a leading role in providing effective local government and actively participate in the broader system of government. Council will shift its focus to a more strategic view of its operations and work towards modernising its service delivery, governance and management functions.

In order to secure long term financial sustainability Council will build fiscal

responsibility. This commitment requires building technical knowledge and financial understanding for staff and Councillors. Policy guidelines will be developed to embed fiscal responsibility into Council's strategic planning and decision making processes. Council will be introducing an independent internal audit function to help it accomplish fiscal responsibility. A new major capital projects guidance procedure for the assessment of one-off major projects will be introduced. Financial and corporate reporting systems will be invested in to improve the quality of data heavily relied on by management and Council to make informed decisions.

Council will be focussing on "core business" of local government and will only go beyond this if supplementary funding can be secured and guaranteed. Through this process Council will undertake a surplus to requirements asset and lands review and non-core assets will be sold.

Internal and external service reviews will be undertaken and innovative solutions developed to improve service delivery. An Efficiency Review Group will be established to undertake a complete and comprehensive review of all operational areas starting in 2015/2016. Three operational areas of Council will be focussed on per year. Council estimates that making these improvements in efficiency and productivity will yield up to \$1,350,000 of savings over 4 years.

Council will improve its workforce and organisational structures to deliver services more effectively. There will be a focus on good leadership and making Council an employer of choice. Council will develop a Youth Employment Strategy specifically designed to attract and develop younger local recruits to solve long term skill shortage issues.

I have heard that Council is increasing rates!?

The facts are:

Council has adopted a 2.4% increase to land rates in the 2015/2016 financial year based on the maximum allowable increase by the Independent Pricing and Regulatory Tribunal (IPART).

Flagged the possibility of a Special Rate Variation (SRV).

If the SRV comes into play it would not take place until 1 July 2017 and is predicted to be a 5% annual increase each year for a 3 year period above the normal allowable rate peg. It is important to note that no final decision on the SRV has been taken at this time.

The make-up of the SRV will be totally dependent on a number of external factors between now and 1/7/2017.

Any additional income generated from the SRV would be applied to asset renewals like roads, bridges, stormwater and drainage systems, kerb and gutter and footpaths.

It is important that Council gets its house in order before it asks the community to pay more rates. Over the next 18 months Council will be having a meaningful conversation with the community in relation to the SRV and current levels of services. Following this community consultation and efficiency reviews of Councils operations if a SRV is still deemed necessary a submission will have to be prepared and presented to IPART for their determination.

So how will all of this affect me?

The community will be kept well-informed on the changes being made through Fit For the Future and how they will be affected. Basically the community can look forward to a more efficient delivery of services and plenty of community conversations before any final conclusions are reached on levels of rates.