

## **Snowy Valleys Council Road to Sustainability Plan: V1.1, February 2020**

The table below provides a summary of the key actions Council intends to undertake to achieve its objective of *delivering sustainable best value to the community*.

Further information about particular actions will be provided in the updated Resourcing Strategy, particularly in the Council Improvement Program (noted as CIP below) and the Long Term Financial Plan (LTFP).

This list will be reviewed and updated by the Program Management Office and reported to Council together with updates to the Operational Plan.

| <b>Refer*</b> | <b>Action</b>   | <b>Who</b>                       | <b>When</b>             |
|---------------|---|----------------------------------|-------------------------|
| CIP1          | <b>Continue to operate the Program Management Office</b> to drive business improvement outcomes as well as delivering major projects; regularly review this Road to Sustainability Plan + register of potential / approved improvement projects (informed by SMPs)  | CEO                              | Ongoing                 |
| LTFP1         | <b>Update Council's LTFP with scenarios to improve sustainability</b> (actions identified below: efficiency gains, user charges, commercial works, SRV, etc.) and based on information in the 20/21 budget: <ul style="list-style-type: none"> <li>Initial model completed to support community engagement about sustainability (see LTFP3);</li> <li>Final draft for exhibition with 20/21 Operational Plan and Budget</li> </ul>  | CFO                              | March 2020<br>April     |
| LTFP2         | <b>Prepare a Rate Options Study</b> considering expiry of SRV in former Tumut Shire (2020), new rating for SVC (2021) and potential SRV/s   | CFO                              | February 2020           |
| LTFP3         | <b>Undertake community engagement about options to improve sustainability</b> (see LTFP1) and <b>options for rating</b> (see LTFP 2) in conjunction with 2020/21 OP and budget  | Coord. Comms & engagement        | March-April 2020        |
| LTFP4         | <b>Take action to manage reserves</b> given Council's very limited reserves. This will need to include minimising spending generally (as far as possible), limiting the capital works program over the next few years and potentially ensuring there is access to interfund loans (from water and/or sewerage funds) or external loans  | Council<br>CFO                   | Ongoing                 |
| CIP2          | <b>Continue to improve the level of detail in budgets</b> , align this and performance reporting with Service Dashboards and financial projections in the LTFP, service level options in SMPs   | CFO<br>Managers                  | As part of 20/21 budget |
| CIP3          | <b>Continue to improve the rigour of financial reporting / budget control processes</b> and eventually integrate with broader performance reporting. Review what is included in works orders/project budgets (depreciation, administration costs not undertaken by operations). No costs booked direct to General Ledger. Reporting and responsibility assets / operations.   | CFO<br>Managers                  | Ongoing                 |
| CIP4          | <b>Continue to implement Council's ICT Strategy</b> including improving the utilisation of Council's enterprise management system (Technology1)   | Manager<br>Customer & Technology | Ongoing                 |
| CIP5          | <b>Prepare Service Management Plans</b> (SMPs) for all service areas including supporting information for budgeting, identifying opportunities to gain efficiencies (+ any investment required to realise these), improving performance measures and targets, options to vary service levels (including disposal of under-utilised assets), options to increase user fees and charges, impacts of reducing resources on service levels, etc. Any proposals for new assets to clearly identify additional operating costs. | ELT<br>Managers                  | Sept 2020               |
| LTFP5         | <b>Review Council's procurement processes</b> to identify opportunities to generate savings (informed by analysis in SMPs) (target to be set in LTFP scenarios: was 5% over 3 years, \$250k)  | CFO<br>Managers                  | Review by Dec. 2020     |
| LTFP6         | <b>Review fees and charges</b> across all service areas (informed by SMPs), identifying opportunities to implement a 'user pays' approach or else specify reasons for Council to subsidise an area (target to be set in LTFP scenarios: was \$150k p.a., subject to consultation with users)  | CFO<br>Managers                  | New IP&R                |

| Refer* | Action   | Who**   | When   |
|--------|--|---|--|
| LTFP7  | <b>Continue to pursue grants</b> to assist with Council service delivery, but consider additional ongoing expenses associated with new assets and/or programs  | ELT, Mgrs Council, PMO                                | Ongoing                                      |
| LTFP8  | Continue to <b>evaluate and review all positions when they become vacant</b> to identify opportunities (informed by the SMPs) to reduce resources by natural attrition and/or retraining existing staff to fill vacancies (target to be set in LTFP scenarios: was employee cost savings of 1.5% p.a. for each of the next 3 years, before accounting for additional 2.5% p.a. for superannuation up to 25/26) | Mgr HR Managers                                       | Ongoing                                      |
| LTFP9  | Reduce Council's <b>Employee Leave Entitlements</b> by preparing plans for managing excess leave and monitoring reports on leave taken in an ongoing way (target: < 15% by June 2020, < 5% thereon)  | Mgr HR Managers                                       | Ongoing                                      |
| LTFP10 | Continue to <b>review depreciation expenses</b> to ensure expenses are not overstated, but rather reflect actual service levels (informed by SMPs)   | CFO<br>Mgr Tech Services                              | Ongoing                                      |
| LTFP11 | Develop a <b>strategic business plan for commercial works</b> to set direction for increasing revenues from external customers and ensuring Council retains the RMS Road Maintenance Council Contract; establish governance framework to manage risk and facilitate meaningful performance reporting and review (target to be set in LTFP scenarios: was \$2M p.a. growth over 3 years, 5% margin)             | Executive Director<br>Infra-structure                 | June 2020                                    |
| LTFP12 | Identify and assess <b>opportunities to reduce service levels</b> (and consequently, operating costs) informed by SMPs considering feedback from the community as part of the Service Level Review project, risks to Council, financial impacts and further consultation (no target set as yet)  | ELT<br>Managers                                       | As part of the prep. of SMPs                 |
| LTFP13 | Ensure preparations for a <b>new Special Rate Variation</b> are in place to enable the new Council to decide, as part of its IP&R documentation (adopted after the election), whether or not to pursue an SRV. Includes financial modelling, community engagement, etc. Scenarios to be in LTFP.   | CFO   | Sept 2020<br>(for new IP&R)                  |
| CIP6   | <b>Review allocation of overheads and oncosts</b> in budgets to better reflect actual costs of services (also: allowances, plant, rates and water, insurance, depreciation)  | CFO   | Dec 20                                       |
| CIP7   | <b>Revise the structure of Council's Delivery Program to focus on services</b> (rather than Community Strategic Plan themes) to facilitate better strategic planning, aligning Council's activities with budgets   | Corp planner  | New IP&R<br>Nov. 2020                        |
| CIP8   | Define <b>maintenance management systems</b> for transport, drainage, open space and facilities assets in each SMP, clarifying the relationship between funding and service levels and highlighting risks of underfunding. Improve reporting on financial and service delivery performance.  | Mgrs. Works<br>Delivery<br>Mgr Parks<br>and Utilities | Dec. 2020                                    |
| CIP9   | Undertake a <b>needs analysis for recreational activities and community buildings</b> , considering asset renewal needs, potential new/upgraded assets to meet community needs, opportunities for disposal, etc. as part of preparing the Open Space and Facilities SMP  | Open Space<br>and Facilities                          | Completed<br>to inform<br>new IP&R<br>Dec 20 |
| CIP10  | Finalise a new <b>Integrated Water Cycle Management Strategy</b> for the SVC local government area including strategic planning for water supply and sewerage services, financial planning, etc.   | Mgr Utilities   | December<br>2021                             |