



ORDINARY MEETING OF COUNCIL TO BE
HELD TUESDAY 28 APRIL 2015

CL05

FIT FOR THE FUTURE – LOCAL
GOVERNMENT REFORM

ATTACHMENT (d)

(d) Griffith City Council - Stand Alone (Council Improvement)" Proposal -Template 2
(Draft) (Under Separate Cover)

Template 2

Fit for the Future

Council Improvement Proposal

(Existing structure)



Getting started . . .

Before you commence this template, please check the following:

- You have chosen the correct template – only councils that have sufficient scale and capacity and who do not intend to merge or become a Rural Council should complete this template (Template 2)
- You have obtained a copy of the guidance material for Template 2 and instructions for completing each question
- You have completed the self-assessment of your current performance, using the tool provided
- You have completed any supporting material and prepared attachments for your Proposal as PDF documents. Please limit the number of attachments and ensure they are directly relevant to your proposal. Specific references to the relevant page and/or paragraph in the attachments should also be included.
- Your Proposal has been endorsed by a resolution of your Council.

Council name: Griffith City Council

Date of Council resolution endorsing this submission: 24th April 2015

1.1 Executive Summary

Provide a summary (up to 500 words) of the key points of your Proposal including current performance, the issues facing your council and your planned improvement strategies and outcomes.

Griffith City Council (GCC) performs well in financial terms and in the main records strong surplus results. Four years ago, Council made the decision to focus on achieving financial sustainability. A restructure in 2011/12 resulted in a reduction of 18 FTE and along with other efficiency measures resulted in savings of approximately \$2M in annual operating costs. Council has a current staffing level of 282 FTE which compares favourably amongst Group 4 Councils in NSW. Council has instigated an external process of best value reviews which will see higher priority areas of Council's operations reviewed to improve service delivery and productivity. A Customer Service Review has been completed in 2014/15 with a Road Services Review commenced in April 2015 and to be completed 30 June 2015.

Griffith City Council comfortably meets all seven (7) Fit for the Future benchmarking targets both currently and on forecasts over the next 4 years. GCC has been identified by the Independent Review Panel as a regional centre with the scale and capacity to be sustainable in the future. Our LGA continues to grow and has a robust agricultural and manufacturing base that supports a strong local economy.

Some further examples of Councils scale and capacity to deliver key projects on a regional or large scale are;

- Collaboration with St Vincent's & Mater Health Sydney to establish a \$25M private hospital facility in Griffith. The facility will service the wider Western Riverina catchment of up to 60,000 residents. Council is a key and active partner in the planning, financing and construction of this facility.
- Completion of a new \$26M Membrane Bio Reactor Water Reclamation Plant, project managed by Council with the collaboration of various consultants.
- Working with Government and the private sector to ensure a new freight intermodal and logistics hub is created in the Western Riverina.
- Griffith City Council is a key member and stakeholder in Riverina and Murray Regional Organisation of Councils (RAMROC) which works collaboratively to enhance the economic, social and environmental capabilities of our communities so as to ensure the long term sustainability of our region.
- Actively promoting partnerships to build community capacity including the Western Riverina Higher Education Partnership with Riverina Institute of TAFE, Charles Sturt and Deakin Universities.
- A preparedness to listen and respond to community aspirations.

GCC is committed to the implementation of a robust and contemporary Asset Management System that will allow for high level strategic planning and maintenance of its assets. A significant amount of work has been completed in capturing and recording accurate asset data however there is still work to be done in analysing this data and validating current forecasts in such areas as infrastructure backlog.

In conclusion, the NSW Independent Local Government Review Panel stated that Griffith would be the regional centre for any expanded Council and part of the Murrumbidgee JO and could be considered for a merger with Murrumbidgee Shire Council (MSC) and/or Carrathool Shire Council (CSC).

Scale and Capacity

Does your council have the scale and capacity broadly consistent with the recommendations of the Independent Local Government Review Panel? (*ie, the Panel did not recommend your council needed to merge or become a Rural Council*).

If No, please indicate why you are not proceeding with a voluntary merger or creation of a Rural Council as recommended by the Independent Panel and demonstrate how your council has scale and capacity (up to 500 words).

Griffith City Council is classified as a Group D Council which includes 14 Councils that could be considered partners in a merger with one or more Councils in Group B & C. The Independent Review Panel noted a potential merger with Murrumbidgee Shire Council and/or Carrathool Shire Council. GCC has been open to constructive discussions with both of these councils. GCC and MSC held formal discussions with a facilitator funded by Office of Local Government (OLG) in April 2015. Subsequently, MSC resolved not to collaborate in the preparation of a business case for merger.

Notwithstanding the Review Panels recommendations, Griffith City Council is assessed to have the scale and capacity to continue as a standalone Council. GCC's positive self-assessment results in each of the seven (7) Fit-for-the-Future measures, both current and forecast, indicates a strong operating and financial environment characterised by;

1. High own source revenue base (above 63%) stemming from a population base of 25,000 residents (currently growing at 1.5% per annum)
2. Ability to increase discretionary spending at a reasonable level, and

3. Relatively low operating costs (as evidenced by a reducing aggregate rate of expenditure in the annual comparative information reports published by the OLG).

In addition, the following points are relevant when assessing Councils scale and capacity;

- Council has not sought additional revenues through special rate variations, demonstrating its ability to provide the current range of services within the existing legislative framework
- Council has the capacity and will to undertake robust Best Value Reviews on high priority services to ensure efficient, high quality and cost effective services are provided to its community
- Council does attract skilled and experienced staff with which to carry out its functions and to provide with the requisite knowledge, creativity and innovation required.
- Griffith is a regional service centre for the Western Riverina of NSW and provides facilities and services to many surrounding LGA's e.g. Griffith Regional Theatre, Griffith Regional Art Gallery, Griffith Regional Aquatic Leisure Centre and library services via being the lead Council of Western Riverina Libraries (WRL)
- Council has advanced skills in strategic planning and policy development as evidenced by the successful completion of the Standard Instrument Local Environment Plan, preparation of numerous management plans as well as important strategic and master plans such as CBD Strategies and Playground Strategy.
- Griffith City Council is part of an active and effective regional collaboration through its membership of RAMROC, Riverina Regional Cities, the Water Directorate and WRL to name a few examples
- Griffith City Council has proven itself to be a capable and effective partner for State and Federal agencies through its past and present collaborations in managing and coordinating numerous road and infrastructure projects, Griffith Airport upgrade and the St Vincent's Private Community Hospital Griffith
- Griffith City Council has strong, stable political and managerial leadership which is evidenced by its sound financial rating, capacity to accommodate change and continuing positive outlook in its forecasts.

2. Your council's current position

2.1 About your local government area

Explain the key characteristics of your local government area, your community's goals and priorities and the challenges you face in the future (up to 500 words). *You should reference your Community Strategic Plan and any relevant demographic data for this section.*

Characteristics of the LGA

Griffith City Council is in the Riverina region of south-western NSW, 450 kilometres north of Melbourne and 570 kilometres west of Sydney. The area includes the towns/villages of Griffith, Hanwood, Beelbangera, Bilbul, Yoogali, Yenda, Lake Wyangan, Nericon and Tharbogang. The Griffith local government area is 1,600 square kilometres and has a population of 25,489 people.

The LGA is predominately rural land and is used for irrigated agriculture, including intensive horticulture, citrus, prunes, viticulture, rice, canola, vegetable, nuts, cotton, wheat, sheep and cattle grazing and dryland cropping.

The main industries in Griffith are food, beverage and manufacturing, agriculture and retail trade. Manufacturing accounts for 20% of the areas job market and employs up to 2,000 people. Manufacturing includes Baiada Poultry, the largest chicken producer in Australia. Baiada Poultry have recently gone through an aggressive growth phase and have invested more than \$160 million dollars into the Griffith economy and increased staff numbers by an extra 600 people. Griffith has 12 wineries of which 5 are in the top 10 largest wineries in Australia. The wineries in Griffith export more than \$800 million dollars a year worth of wine to international markets. The MIA area supplies 75% of NSW wine grapes and 70% of NSW citrus production. Griffith is also home to two large citrus juicing operations in Real Juice and Harvey Fresh.

Griffith is a major service centre for the agricultural sector and services a region with a population base of 60,000 people. Griffith is also a major centre for health services with an excellent facility in Griffith Base Hospital and the soon to be constructed addition of the St Vincent's Community Private Hospital Griffith. The new Private Hospital will employ 40 staff at full capacity and will incorporate a medical teaching and learning facility.

Community Goals and Priorities (see attachment for further details on the 4 key themes included in Councils Community Strategic Plan – Growing Griffith 2030)

In Councils Community Strategic Plan (Growing Griffith 2030), the community outlined 4 key themes as follows;

1. Leadership
2. Loving our lifestyle
3. Valuing our environment
4. Growing our city

Challenges in the future

The main challenge to Griffith in the future is the security and availability of water to support the regions irrigated agricultural industries which in turn underpin much of the service and manufacturing industries. Ongoing water security is a key aspect to Griffith growing and progressing into the future.

2.2 Key challenges and opportunities

Strengths	Weaknesses
<ul style="list-style-type: none"> • Good financial sustainability position ie “Sound” TCorp rating • A robust City water allocation to support further growth in population and business expansion • Responsible financial management • Stable population base, forecasts for positive population increments into the future • Lower unemployment rate than State average • Low infrastructure backlog ratio • Growing financial reserves • Cohesive councillor/staff relationship 	<ul style="list-style-type: none"> • Locality ie the LGA is not located on a major rail corridor which may be detrimental to the most efficient movement of freight • Access to services ie internet, higher education • Substandard infrastructure ie regional road networks and heavy vehicle routes need to be constructed or upgraded, rail network needs upgrading, lacking a robust freight intermodal hub
Opportunities	Threats
<ul style="list-style-type: none"> • To strengthen and grow the regional service centre aspect through new hospital, education and lifestyle dynamics • Improve transport infrastructure to decrease freight costs and increase efficiency and productivity • Attract additional value adding industries and grow existing industries further • To take a more positive role in collaborating and partnering with neighbouring LGA's • High speed internet infrastructure to be rolled out to Griffith City by end of 2016 year 	<ul style="list-style-type: none"> • Any ongoing erosion of irrigated water allocations and entitlements • Demographic changes in population base • Further erosion in the level of Financial Assistance Grant funding by Federal Government • Additional Cost shifting from State Government that places more pressure on local government • Environmental threats ie prolonged drought

2.3 Performance against the Fit for the Future benchmarks

Sustainability

Measure/ benchmark	2013 / 2014 performance	Achieves FFTF benchmark?	Forecast 2016 / 2017 performance	Achieves FFTF benchmark?
Operating Performance Ratio (Greater than or equal to break-even average over 3 years)	.038	Yes	.014	Yes
Own Source Revenue Ratio (Greater than 60% average over 3 years)	63.6%	Yes	74.7%	Yes
Building and Infrastructure Asset Renewal Ratio (Greater than 100% average over 3 years)	111.4%	Yes	146.4%	Yes

If the Fit for the Future benchmarks are not being achieved, please indicate why.

Not applicable, each Fit for the Future benchmark is being satisfactorily achieved on both a current and forecast basis. Strong results in all Measures.

2.3 Performance against the Fit for the Future benchmarks

Infrastructure and service management

Measure/ benchmark	2013 /2014 performance	Achieves FFTF benchmark?	Forecast 2016 / 2017 performance	Achieves FFTF benchmark?
Infrastructure Backlog Ratio (Less than 2%)	1.39%	Yes	1.69%	Yes
Asset Maintenance Ratio (Greater than 100% average over 3 years)	102.6%	Yes	114.9%	Yes
Debt Service Ratio (Greater than 0% and less than or equal to 20% average over 3 years)	5.41%	Yes	3.72%	Yes

If the Fit for the Future benchmarks are not being achieved, please indicate why.

Not applicable, each Fit for the Future benchmark is being achieved.

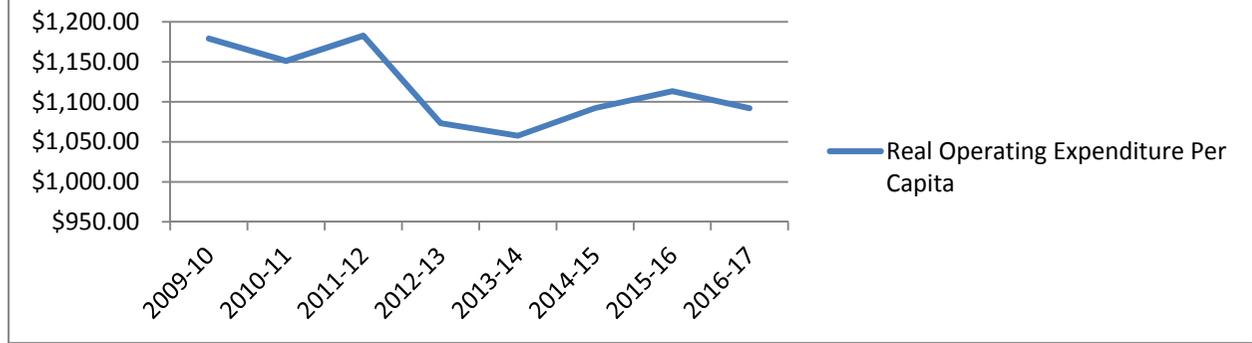
2.3 Performance against the Fit for the Future benchmarks

Efficiency				
Measure/ benchmark	2013 / 2014 performance	Achieves FFTF benchmark?	Forecast 2016 / 2017 performance	Achieves FFTF benchmark?
Real Operating Expenditure per capita A decrease in Real Operating Expenditure per capita over time	\$1,060	Yes	\$1,090	Yes

If the Fit for the Future benchmarks are not being achieved, please indicate why.

Whilst the two sample data above show near neutral change in this measure, this is based on conservative population growth projection. In addition, the long term trend shows decreasing real operating expenditure per capita. (Refer Graph)

Real Operating Expenditure Per Capita



2.4 Water utility performance

NB: This section should only be completed by councils who have direct responsibility for water supply and sewerage management

Does your council currently achieve the requirements of the NSW Government Best Practice Management of Water Supply and Sewerage Framework?

Yes

If NO, please explain the factors that influence your performance against the Framework.

How much is your council's current (2013/14) water and sewerage infrastructure backlog?

In the 2013/14 Financial Accounts, Council does not have any infrastructure backlog recorded. A complete new Water Reclamation Plant was installed in 2012/13 and there is an annual capital maintenance program in place that is progressively renewing and replacing these assets. Council's main Water Treatment Plant and Reservoirs are all in sound condition. Council has a 30 year capital expenditure program and substantial capital reserves with which to ensure infrastructure is adequately maintained on a long term basis.

As at 2013/14, the percentages of assets rated at condition 5 (ie poor condition) as a % of Written Down Value was 4.1% for Water and 0.8% for Sewer assets.

2.4 Water utility performance

Identify any significant capital works (>\$1m) proposed for your council's water and sewer operations during the 2016-17 to 2019-20 period and any known grants or external funding to support these works.

GCC does not have any single projects exceeding \$1.0M in the 4 year period nominated above although Council will be spending \$1.5M on new trunk mains for potable water supplies in this period. In total, the Water Fund is forecasting a capital spend across its infrastructure network and plant of \$8.8M across the period between 2016/17 to 2019/20.

In total, the Sewer Fund is forecasting a capital spend across its infrastructure network and plant of \$7.0M across the period between 2016/17 to 2019/20.

None of the capital works will be supported or funded through grants or external funding although Council will actively seek external funding where it is able to do so.

Capital works

Proposed works	Timeframe	Cost	Grants or external funding
New trunk mains (Potable)	2016/17 – 2019/20	\$1,490,000	Nil
Sewer connection to Lake Wyangan	2016/17 – 2018/19	\$1,060,000	Nil

2.4 Water utility performance

Does your council currently manage its water and sewerage operations on at least a break-even basis?

Yes, each of the Water & Sewer fund are managed and operated to achieve a surplus result before capital grants and contributions including depreciation and amortisation on a year-on-year basis. In addition, each fund also sets aside an annual allocation towards cash reserves to assist in funding future capital upgrades as and when required. Council has achieved surplus results in each of the Water & Sewer Funds over the past 3 years at least and are forecast to record solid surpluses in each of the next 10 years as evidenced in the long term financial plan (see attachment of 10 Year Operating Budget Forecast for details).

If No, please explain the factors that influence your performance.

Not applicable, Griffith City Council is operating with satisfactory surpluses in both its Water and Sewer Funds, inclusive of amortisation and depreciation and is also fully funding its capital expenditure programs through a mix of own source revenue and strategically planned borrowings.

2.4 Water utility performance

Identify some of your council's strategies to improve the performance of its water and sewer operations in the 2016-17 to 2019-20 period.

Griffith City Council carefully plans and monitors its performance in its water and sewer operations to ensure appropriate fees and charges are levied and surpluses are achieved year on year as well as ensuring cash reserves are set aside and adequate capital expenditure is maintained to mitigate any infrastructure backlog

building up. Council has prepared a 30 year infrastructure plan to ensure it is well prepared for future infrastructure renewals or growth requirements (see attachment for 30 year Infrastructure Plan for details). Councils Water and Sewer operations are fully integrated into the 10 year long term financial plan.

Council is a member of the Water Directorate and has a senior staff member on the Executive Committee. The Water Directorate was established in 1999 and provides focused technical information to its members by:

- providing an independent source of advice to councils on water and sewerage operations
- promoting a more efficient operation of Local Government water and sewerage infrastructure;
- providing direction on technical issues;
- providing networking opportunities for water and sewerage engineers to share knowledge and improve communication within the industry

Improvement strategies

Strategy	Timeframe	Anticipated outcome
1. Prepare/implement robust long term financial plans for both the Water & Sewer fund operations ensuring appropriate fees and charges are levied according to the desired level of service required by the community	Annual Ongoing	Strong financial management with annual operating surpluses
2. Resourcing sharing and collaboration through continuing membership and executive committee representation on the Water Directorate and Joint Organisation of Councils	Annual Ongoing	Expert technical resources, collaboration and efficiency
3. Annual performance monitoring	Annually	Improved operating performance, high customer satisfaction

3. How will your council become/remain Fit for the Future?

3.1 Sustainability

Summarise your council's key strategies to improve performance against the Sustainability benchmarks in the 2016-20 period, including the outcomes you expect to achieve.

Explain the key assumptions that underpin your strategies and expected outcomes.

For example the key assumptions that drive financial performance including the use of SRVs, growth in rates, wage increases, Financial Assistance or other operating grants, depreciation, and other essential or major expense or revenue items.

Operating Performance Ratio (greater than or equal to breakeven average over 3 years)

GCC has a 0.038 ratio for the average 3 years to 2013/14. A positive ratio is maintained throughout the 10 years of the long term financial plan.

Own Source Revenue Ratio (greater than 60% average over 3 years)

Griffith City Council has Own Source Revenue in excess of 63.0% for the 3 year average up to 2013/14 and comfortably achieves a ratio above the 60.0% benchmark throughout the period of the 10 year long term financial plan.

Building & Infrastructure Asset Renewal (greater than 100% average over 3 years)

GCC achieved a ratio of 111.4% for the 3 year average to 2013/14, this is comfortably above the 100.0% benchmark. A ratio in excess of 100.0% is forecast for the period of the 10 year long term financial plan.

In developing the 10 year Long Term Financial Plan, Council has been reasonably conservative in its projections of both revenue and expenditure and have factored in the following assumptions;

- Freezing FAG income up until 2017/18, with a conservative 2.0% indexation for the years beyond 2017/18.
- Average annual 3.0% increases applied to all Fees & User Charges
- No Special Rate Variation income has been factored into rating income and only modest rate pegging increases applied year on year that range from 2.4% in 2015/16 up to 2.5% through until 2019/20
- Wages growth references known award increases and estimated ongoing increases ranging from 2.7% in 2015/16 to 2.6% in 2019/20
- Materials and services costs escalating by an average of 3.0% per annum
- No additional reliance on grant income

Sustainability Strategies already commenced

Griffith City Council has a number of key strategies that have commenced or been put in place over the past two to three years, these are outlined in the following dot points;

- Organisation restructure in 2011/12 to reduce 18 FTE
- Active monitoring and management of Employee Leave Entitlements
- Implementation of a new Asset Management System, extensive data capture and condition assessment program including predictive modelling capabilities
- Ongoing program of high priority Best Value Reviews implemented. Customer Service completed, currently completing Road Services review, completed review of Griffith Regional Aquatic Leisure Centre
- Active management of Workers Compensation claims and WH&S systems to reduce premium impacts
- Market testing for maintenance of selected plant items
- Expression of Interest process to lease gymnasium facility as a means of further market testing this service
- Rationalisation of council committee structure, reduced from 43 to 13.

- Ongoing technological updates ie new or updated software implemented; Authority (operating system), TRIM (document management), CRM (Customer Request Manager), Pulse (IPRF reporting tool), ASSETIC (Asset Management System)
- Audit of Crown Reserves in Griffith in conjunction with local Crown Lands Office
- Ongoing staff development initiatives ie participated in and was successful in winning the inaugural Rural Management Challenge in 2014 and progressed to Australasian Management Challenge round
- New website developed
- New community engagement strategy implemented with online Community Opinion Group and social media
- Policy review and amendment in key areas such as Leaseback Motor Vehicle provision

Outcomes expected

As a result of the strategies implemented and in the process of being implemented, Council expects to maintain a positive result in each of the main sustainability ratios used to measure sustainability.

Council expects to maintain or improve the current level of services being provided to the community.

3.1 Sustainability

Outline your strategies and outcomes in the table below.

3.1 Sustainability

Objective	Strategies	Key milestones	Outcome	Impact on other measures
1. Responsible financial management	<ul style="list-style-type: none"> • Set appropriate and sufficient fees and charges via annual revenue policy • Regular reviews to control costs • Collect revenue on a timely basis • Obtain targeted grant funding 	<ul style="list-style-type: none"> • Annual revenue policy adopted by 30 June • Prepare a balanced / surplus budget year on year • Monthly grants reporting 	<ul style="list-style-type: none"> • A robust 10 year LTFP reviewed annually • Positive Operating Performance Ratio • Balanced/surplus result by fund • Financial Sustainability 	<ul style="list-style-type: none"> • Increase in cash reserves annually • Control on employee leave entitlements
2. High quality, efficient service delivery	<ul style="list-style-type: none"> • Review services and service levels • Asset rationalisation 	<ul style="list-style-type: none"> • Complete operational reviews for each key service area • Review cost of each service provided 	<ul style="list-style-type: none"> • Enhanced community satisfaction • Meet the needs of the community • Maximise the use of revenues 	<ul style="list-style-type: none"> • Growth • Economic development • Affordable rates and charges

3.2 Infrastructure and Service Management

Summarise your council's key strategies to improve performance against the Infrastructure and service management benchmarks in the 2016-20 period, including the outcomes you expect to achieve.

Explain the key assumptions that underpin your strategies and expected outcomes.

Infrastructure Backlog Ratio (benchmark less than 2%)

Councils 2013/14 percentage is 1.39% and the 2016/17 forecast is 1.69%.

Asset Maintenance Ratio (greater than 100% average over 3 years)

Council achieved a performance in 2013/14 of 102.6% and is forecast to achieve a result of 114.9% for 2016/17.

Debt Service Ratio (greater than 0% and less than or equal to 20% average over 3 years)

Councils 2013/14 percentage is 5.41% and the 2016/17 forecast is 3.72%.

Griffith City Council achieves each of the Fit for the Future benchmarks both currently and on a forecast basis over the 4 years to 2016. Council has a number of areas that it will look to focus on to ensure ongoing satisfactory compliance with achieving the benchmarks into the future.

- Implementation of a new Asset Management System, extensive data capture and condition assessment program including predictive modelling capabilities to validate and update infrastructure backlog data
- Ongoing program of high priority Best Value Reviews commenced. Griffith Regional Aquatic Leisure Centre and Customer Focus Reviews completed, currently completing Road Services Review

- Implementation of a cash reserve strategy to build internal infrastructure reserves
- Strategic approach to the use of loan funds on high priority infrastructure projects ie Griffith Water Reclamation Plant, new landfill cell and transfer station construction, major drainage works in CBD

3.2 Infrastructure and Service Management

Outline your strategies and outcomes in the table below.

3.2 Infrastructure and service management

Objective	Strategies	Key milestones	Outcome	Impact on other measures
1. Minimal Infrastructure Backlog	<ul style="list-style-type: none"> • Prepare robust Asset Management Plans • Ensure appropriate Internal Reserves maintained • Strategic borrowings utilised 	<ul style="list-style-type: none"> • Complete an Asset Management Plan for each class of assets • Allocate annual amounts to reserves 	<ul style="list-style-type: none"> • Best practice asset management • Minimal infrastructure backlog • Higher community satisfaction 	<ul style="list-style-type: none"> • Increase in cash reserves
2. Efficient, appropriate and cost effective service provision	<ul style="list-style-type: none"> • Prepare agreed service level agreements 	<ul style="list-style-type: none"> • Complete service level agreements by 30 June 2016 	<ul style="list-style-type: none"> • Community ownership on service levels 	<ul style="list-style-type: none"> • Growth • Affordable rates & charges

3.3 Efficiency

Summarise your council's key strategies to improve performance against the Efficiency measures in the 2016-20 period, including the outcomes you expect to achieve.

Explain the key assumptions that underpin your strategies and expected outcomes.

Real Operating Expenditure per capita (a decrease in Real Operating Expenditure per capita over time)

Council achieved a reduction from \$1,179 in 2009/10 to \$1,058 in 2013/14 thereby meeting to FFTF benchmark. The forecast as at 2016/17 indicates \$1,092 which is still comfortably below the initial starting point in 2009/10 (see attached worksheet for calculations year on year).

GCC is progressively undertaking a program of highest priority Best Value Reviews across the organisation to ensure it can continue to provide the most efficient and cost effective facilities and services to the community. A Customer Focus Review has been completed in 2014/15 with a Road Services Review to be completed by 30 June 2015. The expectation is that these reviews and continued focus on areas such as management of employee leave entitlements will provide Council with the opportunity to hold or reduce real operating expenditure into the future.

Some dot points on current efficiency measures are provided as follows;

- Organisation restructure in 2011/12 to reduce 18 FTE
- Active monitoring and management of Employee Leave Entitlements
- Ongoing program of high priority Best Value Reviews implemented. Griffith Regional Aquatic Leisure Centre and Customer Focus Reviews completed, currently completing Road Services Review
- Active management of Workers Compensation claims and WH&S systems to reduce premium impacts

- Market testing for maintenance of selected plant items
- Expression of Interest process to lease gymnasium facility as a means of further market testing this service
- Rationalisation of council committee structure, reduced from 43 to 13.
- Ongoing technological updates ie new or updated software implemented; Authority (operating system), TRIM (document management), CRM (Customer Request Manager), Pulse (IPRF reporting tool), ASSETIC (Asset Management System)
- Second fastest Development Application assessment performance of Group 4 Councils in 2013/14

3.3 Efficiency

Outline your strategies and outcomes in the table below.

3.3 Efficiency

Objective	Strategies	Key milestones	Outcome	Impact on other measures
1. Reduce Real Operating Expenditure year on year 2. Maintain a high level of service to the development industry	<ul style="list-style-type: none"> • Best Value Review Program • Active ELE management • Ensure Council DA processes approach best practice 	<ul style="list-style-type: none"> • Complete at least 1 review per year • Acceptable ELE adjustment at 30 June each year • As measured by NSW Planning Performance Monitor 	<ul style="list-style-type: none"> • 0.5% minimum reduction in real operating expenditure year on year • Retain top 3 ranking for DA assessment performance for Group 4 Councils 	<ul style="list-style-type: none"> • Improvement in Operating Performance Ratio • Additional funding available for reserves • Increased economic activity

3.4 Improvement Action Plan

Summarise the key improvement actions that will be achieved in the first year of your plan.

Action plan

Actions

Milestones

Not applicable

* Please attach detailed action plan and supporting financial modelling

Griffith City Council already meets the existing and forecast financial measures / benchmarks and has demonstrated its scale and capacity to be a stand alone Council in its own right and therefore is not including any formal Improvement Action Plan with this Template. Attachments have been provided on Councils 10 year operating and cash flow statements to demonstrate its financial forecasting.

Outline the process that underpinned the development of your Action Plan.

For example, who was involved, any external assistance, consultation or collaboration, and how the council has reviewed and approved the plan.

Whilst Council has not provided a formal Improvement Action Plan the following is a list of the key strategies and actions taken or identified and assessed to be required.

- Organisation restructure in 2011/12 to reduce 18 FTE
- Active monitoring and management of Employee Leave Entitlements

- Implementation of a new Asset Management System, extensive data capture and condition assessment program including predictive modelling capabilities
- Ongoing program of high priority Best Value Reviews implemented. Griffith Regional Aquatic Leisure Centre and Customer Focus Reviews completed, currently completing Road Services Review
- Active management of Workers Compensation claims and WH&S systems to reduce premium impacts
- Market testing for maintenance of selected plant items
- Expression of Interest process to lease gymnasium facility as a means of further market testing this service
- Rationalisation of council committee structure, reduced from 43 to 12
- Ongoing technological updates ie new or updated software implemented; Authority (operating system), TRIM (document management), CRM (Customer Request Manager), Pulse (IPRF reporting tool), ASSETIC (Asset Management System)
- Audit of Crown Reserves in Griffith in conjunction with local Crown Lands Office
- Ongoing staff development initiatives ie participated and won Rural Management Challenge and progressed to Australasian Management Challenge round
- New website developed
- New community engagement strategy implemented with online Community Opinion Group and social media
- Policy review and amendment in key areas such as Leaseback Motor Vehicle provision

Outcomes expected

As a result of the strategies implemented and in the process of being implemented, Council expects to maintain a positive result in each of the main sustainability ratios used to measure sustainability.

Council expects to maintain or improve the current level of services being provided to the community.

3.5 Other actions considered

In preparing your Improvement Action Plan, you may have considered other strategies/actions but decided not to adopt them. Please identify what these strategies/actions were and explain why you chose not to pursue them.

For example, neighbouring council did not want to pursue a merger, unable to increase rates or increase borrowing, changes in policy or service standards.

Council was open to enter meaningful discussions with both Murrumbidgee Shire Council and Carrathool Shire Council on a possible merger basis.

A facilitator was engaged through the Office of Local Government to enable merger discussion with Griffith City Council and Murrumbidgee Shire Council. MSC subsequently resolved not to progress a business case for merger with Griffith.

4. How will your plan improve performance?

4.1 Expected improvement in performance

Measure/ benchmark	2016/17	2017/18	2018/19	2019/20	Achieves FFTF benchmark?
Operating Performance Ratio (Greater than or equal to break-even average over 3 years)	0.001	0.004	0.003	0.005	Yes
Own Source Revenue Ratio (Greater than 60% average over 3 years)	79.2%	79%	79.5%	79.6%	Yes
Building and Infrastructure Asset Renewal Ratio (Greater than 100% average over 3 years)	88.6%	116.0%	107.1%	122.7%	Yes
Infrastructure Backlog Ratio (Greater than 2%)	1.69%	1.72%	1.75%	1.78%	Yes
Asset Maintenance Ratio (Greater than 100% average over 3 years)	114.9%	114.9%	114.9%	116.1%	Yes
Debt Service Ratio (Greater than 0% and less than or equal to 20% average over 3 years)	3.28%	4.38%	4.25%	4.12%	Yes
Real Operating Expenditure per capita A decrease in Real Operating Expenditure per capita over time	\$1,092	\$1,090	\$1,089	\$1,085	Yes

4.1 Expected improvement in performance

If, after implementing your plan, your council may still not achieve all of the Fit for the Future benchmarks, please explain the likely reasons why.

For example, historical constraints, trade-offs between criteria, longer time required.

Not applicable, Griffith City Council does meet all current and forecast Fit for the Future benchmarks.

5. Putting your plan into action

How will your council implement your Improvement Action Plan?

For example, who is responsible, how the council will monitor and report progress against achieving the key strategies listed under Section 3.

Whilst there is no Improvement Action Plan assessed to be required as outlined previously, the various sustainability, infrastructure and efficiency measures outlined in this document will be the subject of regular reporting to both Council and the Senior Management Team of Council to monitor the impacts on the organisation and to ensure they are implemented and effective in meeting the goals of the organisation.