



# FINANCIAL SUSTAINABILITY A FOCUS FOR COUNCIL

A draft independent review into Dubbo Regional Council's (DRC) current financial position will be presented to Council tonight following a series of workshops with Councillors and senior DRC staff.

The report outlines the outcomes of the review and provides two recommendations. One being the AEC Group's recommendation and the second alternate recommendation that requests greater analysis of Council's financial situation, asset renewal program and the opportunities to find cost savings and service efficiencies over the coming 12 months.

In the workshops held with all Councillors by the AEC Group, Councillors were keenly aware of the financial pressures faced by Council but are also mindful of the increasing pressures on the cost of living.

"Dubbo Regional Council will always remain committed to finding service efficiencies, but Council is not immune to rising costs, cost shifting from other levels of government, varying economic and market challenges," DRC CEO Murray Wood said.

“As the cost of items such as fuel, electricity, insurance and materials for asset renewals continues to rise with no sign they will come back down, Council needs to act proactively to ensure we secure financial sustainability for the future.”

As outlined in the report from the AEC Group, without additional generation of cash, the enhanced asset renewals can only be funded to 2024/2025 from existing cash held by Council. An additional \$239.1 million is required to be invested in asset renewals such as roads, facilities and water and sewerage infrastructure over the next 10 years to maintain Council's infrastructure.

“We want to build a financially sustainable future but also work to undertake genuine ethical community engagement with our local residents to inform the community on Council's current economic position and look at opportunities to make cost savings across the organisation.”

“Council aims to do the best we can for the community, and it is only by being open and transparent about these challenges that we can then make hard decisions, but we make them knowing they are well informed decisions with the evidence to support them,” said Mr Wood.

Information about the independent financial review by the AEC Group can be found on DRC's community engagement platform here: <https://yoursay.dubbo.nsw.gov.au/dubbo-region-financial-sustainability-review>.

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