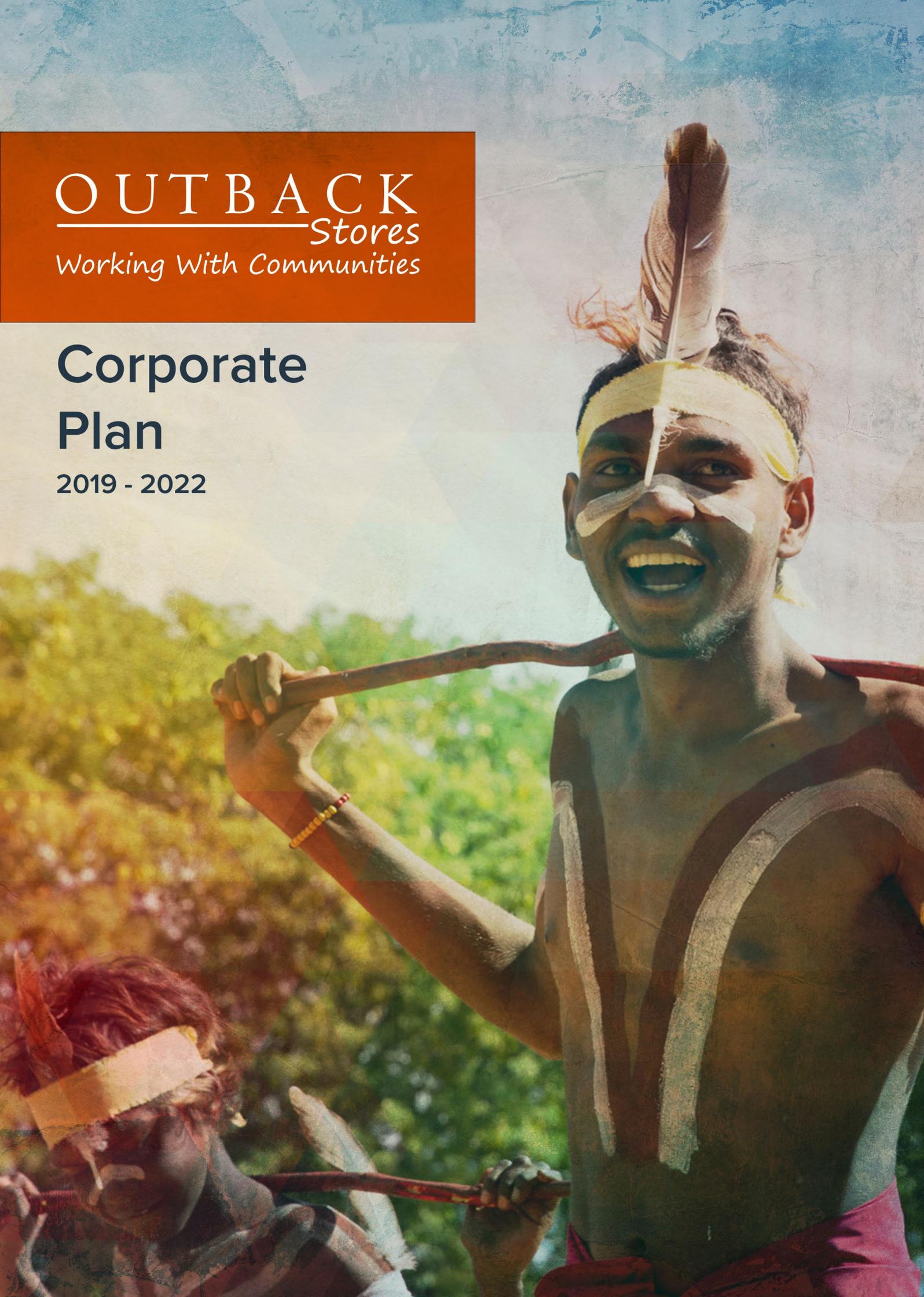


OUTBACK
Stores
Working With Communities

Corporate Plan

2019 - 2022





OUTBACK
Stores
Working With Communities

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INTRODUCTION

This Corporate Plan for Outback Stores Pty Ltd was prepared during 2018-19 and covers through to 2021-22, as required under paragraph 35(1) (b) of the *Public Governance, Performance and Accountability Act 2013*. The Corporate Plan incorporates, and will build upon, Outback Stores' strategic and operational plans.

Outback Stores is a Commonwealth owned company with an independent Board of Directors, providing retail management services to Indigenous owned stores.

VISION

Outback Stores aspires to be the national company of choice by being the most efficient and effective provider of retail services that deliver quality and sustainable retail stores.

MISSION

To make a positive difference in the health, employment, and economy of remote Indigenous communities, by providing quality, sustainable retail stores.

NUTIRION AIM

To improve the health of Indigenous people living in remote communities by improving access to a nutritious and affordable food supply.

I look forward to working with the Outback Stores Board to achieve its Vision, Mission and Nutrition Aim over the coming years.

Michael Borg
Chief Executive Officer

PURPOSE

Outback Stores (OBS) was established in November 2006 and emerged from a need to improve the health of Indigenous people in remote Australia. Our purpose is to improve the health of Indigenous people in remote Australia by addressing nutrition-related health problems and unreliable food supplies.

We provide retail store management and support services on a fee for service basis to Indigenous owned community stores, working with Aboriginal and Torres Strait Islander people in a holistic way to improve health, nutrition, employment, training and economic outcomes for first our Australians.

The company is a shared journey where we work together to enable and empower Aboriginal and Torres Strait Islander people to live healthy and prosperous lives and work towards Closing the Gap.

OBS is a Commonwealth owned company with an independent Board of Directors, operating as best as possible on commercially sustainable principles.

VALUES

INTEGRITY

We are committed to the principles of truth and honesty and we are equitable, ethical and professional.

DIVERSITY

We respect and embrace cultural differences.

HEALTH & SAFETY

Health and safety are fundamental elements in all our activities.

SIMPLICITY

We value and practice simplicity.

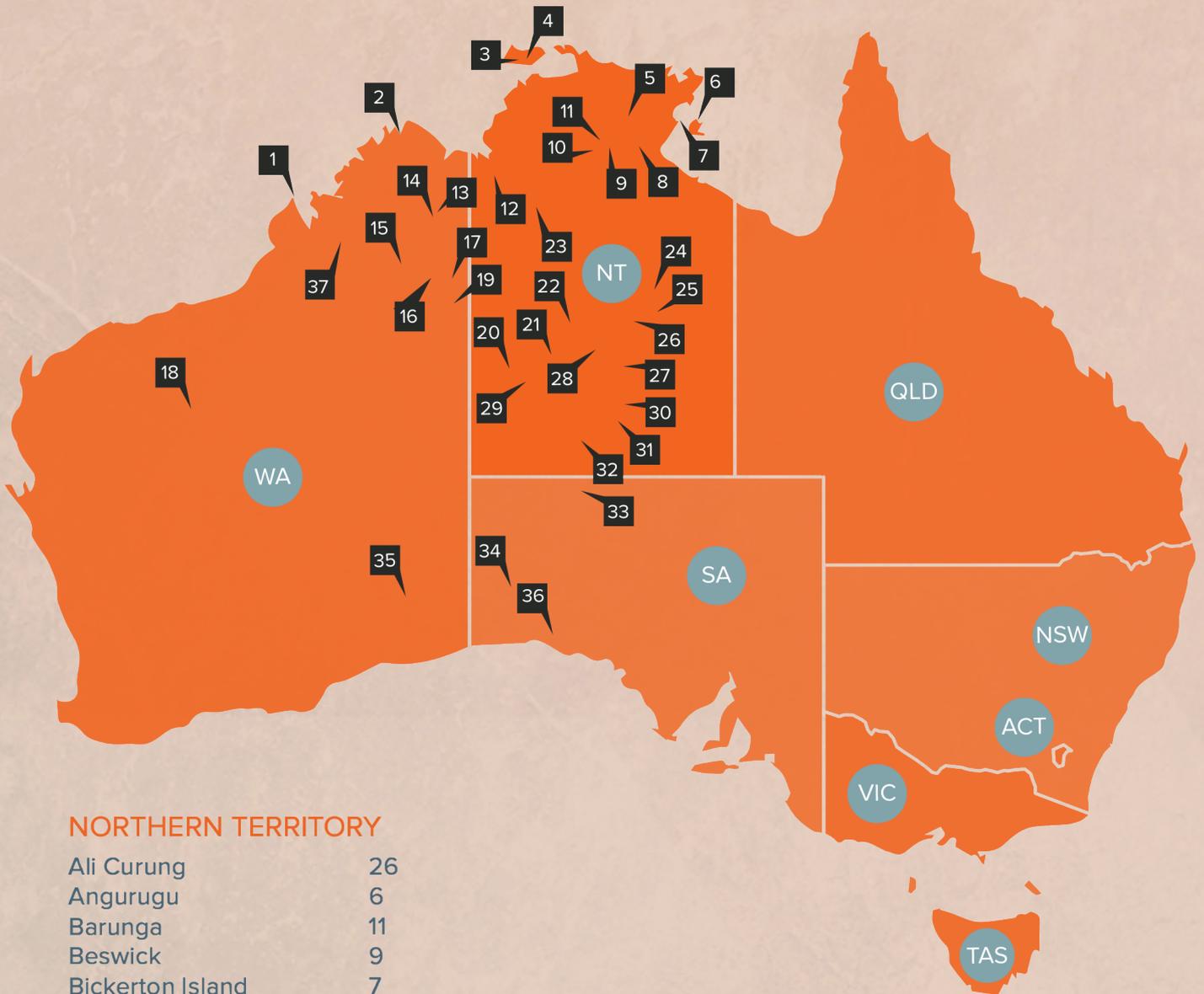
QUALITY

We work to the highest standards, believing that Indigenous people deserve the best.

ACCOUNTABILITY

We are transparent and accountable to our organisation, stakeholders and each other and we do what we say we are going to do.

STORE LOCATIONS



NORTHERN TERRITORY

Ali Curung	26
Angurugu	6
Barunga	11
Beswick	9
Bickerton Island	7
Bulman	5
Canteen Creek	25
Engawala	27
Epenarra	24
Imanpa	32
Jilkminggan	10
Mt. Liebig	29
Ngukurr	8
Nyirripi	20
Pigeon Hole	23
Santa Teresa	30
Titjikala	31
Ti Tree	28
Timber Creek	12
Willowra	22
Wurrumiyanga (Nguiu)	3
Wurrumiyanga (Nguiu Club)	4
Yuendumu	21

WESTERN AUSTRALIA

Balgo	19
Beagle Bay	1
Jigalong	18
Kalumburu	2
Mulan	16
Ringer Soak	17
Tjuntjuntjara	35
Wungkul (Store)	14
Warmun (Road House)	13
Yiyili	15
Yungngora	37

SOUTH AUSTRALIA

Mimili	33
Oak Valley	34
Yalata	36

ENVIRONMENT

Outback Stores operates in unique, complex and remote environments, these provide significant internal and external environmental challenges.

The business operates in thirty - seven locations in across Australia including the Northern Territory, South Australia and Western Australia. More detail can be found on page 6. These locations are supported by two offices located in Darwin and Alice Springs.

KEY INTERNAL ENVIRONMENTAL CHALLENGES

Outback Stores works with wide array of key stakeholders to perpetually enhance the delivery of services to the communities that we work with. These include but are not limited to: Australian Government, State Governments, service providers, suppliers, not for profit organisations, store directors and our customers in remote communities.

Managing expectations of such a diverse group of stakeholders is complex and requires expert skills and knowledge of a specialised industry.

KEY EXTERNAL ENVIRONMENTAL CHALLENGES

The Indigenous communities Outback Stores works with are some of the most remote in Australia, the closest regional centres are generally hundreds of kilometres away.

Ensuring communities have access to fresh and affordable food presents many challenges, including long distance and perishability of produce and extreme weather conditions including, heat, drought, cyclones and rainfall.

It is not uncommon for communities to be inaccessible by road for weeks or months at a time. Stock is required to be flown in by light plane or helicopter. In these environments community stores are generally the only way to access fresh and healthy options.

Australian Aboriginal culture is very strong in these remote communities. Traditional life is very different to mainstream Australia. Working in a cross-cultural environment where values, obligations and priorities differ greatly can present many challenges.

Communities have comparatively small populations and can be transient in nature. Seasonal weather along with cultural commitments such as sorry business and traditional ceremony and take priority which can create significant population shifts.

Working closely and building strong relationships with communities is vital to ensuring engagement with employment and training whilst balancing cultural obligations.

These challenges will remain over the duration of this plan. Through good governance, effective risk mitigation strategies and flexibility in adapting to change positive improvements are expected in the health, nutrition, employment and economy of the communities Outback Stores works with.

Further detail is outlined within our Key Performance Indicators (KPI'S) on page 9.

PERFORMANCE

During the period of the Corporate Plan, Outback Stores will manage a network of stores that delivers food security to remote Indigenous communities. We will continue to improve the performance of stores through offering sound financial management, Indigenous employment & training and a focus on the sale of healthy foods.

Together the Senior Leadership Team and Board of Directors have determined which measurements provide an accurate assessment of the performance of the Outback Stores business.

Our Strategic Priorities, KPI'S and Goals align closely with our Mission and the Australian Government's plan to improve the lives of Indigenous Australians.

We will deliver these objectives by working closely with our stakeholders, understanding the environments we work in whilst empowering others to achieve better outcomes. The performance criteria in this Corporate Plan will be reported upon in Outback Stores' Annual Report for 2017-18.

STRATEGIC PRIORITIES

Discussions between the Board of Directors and the Senior Leadership Team have identified the following seven strategic priorities as a focus for the duration of this plan:

1. We exceed our stakeholders expectations
2. We are recognised as a trusted reliable retail provider
3. We have strong partnerships with current and potential store owners
4. We have an effective healthy food strategy
5. We are an employer of choice
6. We are the most innovative retailer in our market
7. We make a surplus before interest

KEY PERFORMANCE INDICATORS

Our approach to improving employment and training outcomes whilst supporting closing in the gap in health and life expectancy for Indigenous Australians is one of a sustainable and long term nature. Key environmental challenges listed on page 9 will remain constant throughout the duration of this plan.

Operating in unique, diverse and unpredictable environments often produces extraordinary events, impacting on results significantly. These variables provide challenges in accurately forecasting future results. The Senior Leadership Team and Board of Directors have carefully formulated the most relevant and realistic objectives that align with both our mission and the Australian Governments priorities.

Our KPI'S reflect our approach of making ethical and sustainable long term change. There may be times where results vary against projection, analysis will continue be undertaken to understand impacts and ensure targets remain realistic. This will include revision of KPI's as necessary.

We are committed to a collective focus and a collaborative approach to achieving our most important tangible measures.

EMPLOYMENT & TRAINING				
	2018-19	2019-20	2020-21	2021-22
Indigenous remote retail outlet employees (% of employees in all outlets)	83%	87%	90%	90%
Indigenous Outback Stores support office employees and Store Management (Headcount)	6	9	12	15
Permanent Indigenous employees enrolled in accredited training programs	60%	60%	60%	60%

HEALTH & NUTRITION				
	2018-19	2019-20	2020-21	2021-22
Increase fruit & vegetables tonnage (Kg)	2.5%	2.5%	2.5%	2.5%
Reduce full sugar soft drink sales as a % of total drink sales by	1%	1%	1%	1%

EXPAND THE NETWORK OF STORES				
	2018-19	2019-20	2020-21	2021-22
Increase the number of stores by	2	2	2	2

GOALS

To support achieving our Vision we have translated our seven strategic priorities into seven actionable goals. These Goals are used to solidify strategy, support us achieving our objectives whilst growing as a organisation.

Outback Stores' operations always relate directly back to these goals, ensuring effective and efficient practices of working towards achieving our Mission.

GOAL 1

We exceed our stakeholders expectations

Action

- Meet the financial and social objectives that the Commonwealth Minister has set
- Align Outback Stores' operations with broader Commonwealth Government policies and programs
- We will ensure our employees respect traditional and cultural objectives and values of the communities with whom we engage

GOAL 2

We are recognised as a trusted retail provider

Action

- Increase store sales
- Maintain positive relationships with potential clients
- Ensure clear understanding of what Outback Stores stands for with all key stakeholders
- Establish mechanisms to effectively capture customer feedback
- Have the best retail offer in the market
- Circulate positive media stories

GOAL 3

We have strong relationships with current and potential store owners

Action

- Improve the frequency and effectiveness of store board meetings
- Increase attendance at store board meetings by improving communication and engagement with key community stakeholders
- Ensure we have strong engagement with all traditional land owners and community leaders

GOAL 4

We have an effective healthy food strategy

Action

- The Health and Nutrition Policy implemented in all stores
- Increase the overall turnover of fruit and vegetables
- Support community, research and legislative initiatives to reduce the use of tobacco in communities
- Decrease the overall turnover of sugar sweetened soft drinks
- Increase the relative affordability of a broad range of healthy foods

GOAL 5

We are an employer of choice

Action

- Offer the opportunity for all employees to enroll in accredited training programs
- Increase staff retention
- Measure employee potential and provide clear career pathways

GOAL 6

We are the most innovative retailer in our market

Action

- Reduce the cost of doing business
- Create an environment that nurtures creativity and new ideas
- Deliver on our promises

GOAL 7

We make a surplus before interest

Action

- Increase the number of stores managed by us
- Develop an income from investments to assist in funding unviable stores
- Reduce the cost of existing stores' operational underpinning
- Reduce the costs to run Outback Stores
- Maximise viable stores and their return to community
- Create flexible management models to support smaller remote communities



Good Tucker



Long Life!



OUTBACK
Building with Communities

THUNDER
GAZALYS
PALMERSTON CLUB



CAPABILITY

To successfully deliver the Outback Stores' Vision and Mission, a diverse, skilled, talented and highly engaged team is required to drive the strategic direction of the business.

We attract, recruit and retain high calibre people to our business with the emphasis on attitude, experience and cultural fit within the existing team.

Our team is committed to knowledge-sharing and continuous improvement, learning from our mistakes as well as our successes. It's an approach that flows through to the way we do business, the way we treat our stakeholders and stay solution focused.

We have strong relationships with industry leaders including Menzies School of Health Research, Griffith and Monash Universities and the Northern Territory Government, providing our team with exposure to industry best case practice and innovative ways of working.

We pride ourselves on our collaborative approach with the community, we partner with AFL Northern Territory, The Jimmy Little Foundation, Skinnyfish Music and the Barunga Festival to support and build sustainable relationships with the community and identify talented individuals and potential future team members.

This approach has enabled us to develop specialist capabilities offering market leading expertise in retail operations, health and nutrition, Indigenous employment and training, human resources, finance, information and technology and administration.

Outback Stores is committed to providing the best retail management services to remote Indigenous communities whilst supporting the Department of Prime Minister and Cabinet by working towards closing the health and life expectancy gap between Aboriginal and Torres Strait Islander peoples and non-Indigenous Australians within a generation.



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RISK MANAGEMENT

Outback Stores undertakes business activities in a vast array of environments including remote communities and with a broad group of key stakeholders. Working with such a diverse demographic presents inherent risks to our service delivery and operational outcomes.

Our challenge lies within incorporating effective risk mitigation strategies to protect the business, the Australian Government, the Department of the Prime Minister and Cabinet and Minister for Indigenous Affairs from unreasonable risk whilst growing the business and delivering our mission.

Our risk register categorises the company's strategic risks into high, medium and low, and documents actions to mitigate these risks and are referred to when determining the strategic and operational plans.

The business generally manages to a medium level of risk or lower. Risks rated higher than medium are treated and controls strengthened accordingly, there are at times circumstances where higher risk is acceptable if it offers significant benefits or is unavoidable in the delivery of our service.

All risks with a rating of "high" identified throughout these processes are escalated by the Senior Leadership Team to the Audit and Risk Committee for detailed analysis.

Key internal controls for major risk include:

- Initial Risk Assessment
- Ongoing Risk Assessment
- Audit & Risk Committee
- Business Continuity Management
- Incident Management
- Fraud Incident Management
- Workplace Health & Safety Management

The risk profile of the business is reviewed quarterly by the Senior Leadership Team and The Audit and Risk Committee. The Committee provides independent expert advice and assistance to the Chief Executive Officer and the Board of Directors of any potential risk and internal controls required.

By integrating risk management priorities in this way, the Outback Stores Senior Leadership Team and the Board of Directors can ensure the company's efforts are being put to actions that ensure the company's longevity moving forward.



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