CM13.3. Accelerated Service Planning Options Report and Stakeholder Engagement Plan

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Purpose of Report

This report provides the final Opportunities Report from Morrison Low Advisory (MLA) for the Accelerated Service Planning project along with a Stakeholder Engagement Plan for Community Engagement. We are seeking endorsement from Council to progress to the external consultation phase of the project.

Background

The Accelerated Service Planning project is AlburyCity's core Service Excellence initiative for 2025–26, designed to strengthen our financial sustainability and ensure our services align with community expectations. This project builds on our Service Catalogue and introduces a consistent, data-driven approach to assess and plan service levels. Through internal engagement, expert consultation, and strategic planning, we'll develop prioritised opportunities for savings or increased revenue, then assess risks and impacts of implementation.

These opportunities will enable informed internal and community consultation to support decisions about future service delivery. This project forms a key part of AlburyCity's adopted Financial Sustainability Improvement Plan 2024–2028. Actions from this plan include:

- Year 3 (2025/26)
  - Developing an overarching infrastructure strategy.
  - Accelerated service planning project for AlburyCity internal and external service delivery functions.
  - Community engagement on the cost of service delivery models and their willingness to pay.
- Year 4 (2026/27)
  - Community engagement on special Variation to rates, if required, to fund desired service levels.

The project commenced in July 2025 with the appointment of Morrison Low Advisory to provide consultancy services and external support to identify opportunities for operating budget savings or increased revenue. Specifically, they were tasked with identifying ongoing General Fund operating budget improvement options of $20 million. It is projected that AlburyCity needs to implement improvements of $14 million to achieve a break-even operating budget result by 2027/28 to meet the objectives of our Financial Sustainability Improvement Plan 2024-2028.

In the early stages of the project, Morrison Low Advisory engaged with Service and Team Leaders to articulate the scope and objectives. The generation of improvement opportunities was based on engagement with Councillors and Our People, with Morrison Low Advisory including suggestions based on opportunities identified at other councils for whom they have run similar projects over the past 13 years.

The identified opportunities were then refined through analysis by Morrison Low Advisory of potential impact and risks to achieve a list that would most likely provide the required financial benefit within the target timeframe. The refined list of opportunities will enable informed internal and community consultation to support decisions about future service delivery and revenue generating opportunities.

Morrison Low Advisory also included opportunities they identified in their high-level comparison with other councils. Some opportunities present potential levers that require further internal analysis to clearly understand their feasibility and potential cost savings, as the current figures are indicative only gained through Morrison Low Advisory's comparative analysis.

Together with Morrison Low Advisory, some opportunities have been noted as valid but unable to achieve outcomes within the specified timeframes. To maintain transparency in the process, these have been retained for analysis, consultation and consideration. Some identified opportunities have been able to be indicatively costed by through analysis of AlburyCity data. Further work would need to be completed to understand the feasibility of the opportunities should community consultation and council deem these opportunities worthy of investigation.

Issues

Morrison Low Advisory's Opportunities Report provides the refined list of opportunities to an indicative value of $20,500,000 for potential implementation over the 2026/27 and 2027/28 financial years. An overview of the report was provided to Councillors at the Pre-Meeting Briefing Session on 20 October 2025. A copy of the final report is provided at Attachment 1.

These suggested options have the potential to achieve $20 million in operating budget improvements, which at a high level approximately include:

Efficiency improvements $0.8M

- Partial stop work requiring consultants
- Optimising watering, reducing play spaces
- Partnerships to run community facilities

Increases in revenue $1.7M

- Cemetery fees to breakeven
- Increased commercial opportunities at AEC
- Increased revenue from Airport
- Full cost recovery Children's Services
- Commercial leases

New revenue $5.6M
- Parking meters
- Lease parking buildings
- Increase fines

Service level reductions $8.7M
- Stopping all Financial Assistance Grants
- Reduced service levels for all non-core or discretionary services
- Reduction in service levels for internal services

Other $3.7M
- Optimising depreciation
- Water fund dividend subject to meeting regulatory requirements
- Not proceeding with loans, saving in interest cost
- Reducing AEC scope, saving in interest

Morrison Low Advisory have provided high level engagement planning which has been used to inform AlburyCity's detailed planning for internal and community engagement. The Community Stakeholder Engagement Plan in AlburyCity format is provided at Attachment 2.

The analysis and evaluation phase of the Accelerated Service Planning project will include:

- Internal evaluation of individual opportunities to be conducted between end October and early December 2025. This evaluation will be undertaken by our Leaders and other subject matter experts and include a detailed analysis of each opportunity to validate likely outcomes and understand the internal and external impacts of implementation.
- Community engagement on externally facing opportunities (services) in November and December 2025 to understand community preference.

In February, outcomes of this evaluation phase will be provided to Council to seek endorsement to progress to a formal Our People consultation phase – required under the Local Government State Award 2023, Clause 42.

Risk

- **Business Risk** – This project is a high-level review conducted within short time frames. There is a risk that implementation costs have not been fully identified and that opportunities identified will not realise the returns that have been costed in this report. There is an additional risk that the suggested options cannot be achieved in the timeframe required or analysed in time for budget build and decisions. Continued analysis throughout the evaluation phase will be used to improve the detail in regard to implementation costs and impacts in the lead up to decision-making.

- **Corporate Risk** – Service Excellence projects seek to ensure that service levels align with community expectations. There is a risk that seeking input to community expectations around services will create negative feedback or polarised sentiment along with media interest. This risk will be minimised by providing contextual information and ensuring engagement strategies are sound and transparent. Media key messaging will also be developed to coincide with the community engagement phase of this project.

- **WHS and Public Risk** – There are no opportunities included in this report where there is a direct risk to public health and safety posed by adjustment to service levels. Some aspects of this project however, will be confronting to Our People as opportunities identified include those that may impact future organisational structures. Ongoing and consistent communication is being carried out with Our People as the project progresses to assist with providing clarity and allow questions and input from Our People.

- **Environmental Risk** – Opportunities identified include reduction to environmental service levels where these exceed legislated requirements. This includes reduction in community education programs which may increase risk to the local environment.

- **Four Year Delivery Program or General Program Risk** – There is a risk that opportunities outlined in the report will result in delays to the delivery of planned outcomes. These risks will need to be clearly articulated for the decision-making phase of the project and through the annual budget and forecasting processes.

Engagement

The Accelerated Services Planning process has also drawn from feedback provided by our community in prior consultation. In particular, during the budget build for 2025/26, our community were asked four questions in relation to Council's service delivery, 19 responses were received. These questions included:

1. Are there any services you think we could scale back to improve the sustainability of services delivered by AlburyCity?
2. Which services matter enough that you would be willing to pay a bit more in rates or user fees for them?
3. Is there something Council does now, that you feel we should not be involved in?
4. Consider the Future Projects list below. Are there any projects you would like us to bring forward and deliver, even if it meant paying more in rates or user fees?

In summary, this consultation found our community suggesting scaling back on maintenance of lawns and gardens; art projects and other projects not critical for Albury to function, large scale marketing, high-cost branding, library and pool opening hours, one-off cultural projects and big-ticket economic attraction. Seven of the responses however did not support any scaling back, stating they are all valuable, and scaling back can cause more harm to vulnerable communities.

Services identified as respondents were willing to pay more for included aquatics, environmental works, maintenance of the CBD and critical infrastructure, accessibility improvements, social history, waste, footpath/bike paths and playgrounds.

In addition, our community have been provided with context and preliminary information regarding financial sustainability and the Accelerated Service Planning Project through:

- Public exhibition and information sessions for the 2025/26 financial year budget build which included a focus on financial sustainability.
- Consultation around the Financial Sustainability Improvement Plan (2024–2028).

Council also has the 2024 Community Satisfaction Survey results to consider community importance and satisfaction across the suite of council services. The 2024 results showed the following key drivers of satisfaction with Council:

1. Provision of Council information to the Community
2. Community input into Council decision making
3. Overall condition of the road network
4. Community safety issues
5. Long term planning for Albury
6. Communicating and doing business with Council online

Community feedback about externally facing services will be sought during November and December 2025 as detailed in the Stakeholder Engagement Plan (Attachment 2).

Next steps for engaging our community about the service opportunities identified in the report will further enable AlburyCity and Councillors to make informed decisions on the services and services levels we offer in the future to achieve our financial sustainability plan.

Core engagement is being planned with the support of Micromex through the development of a 'Trade Off Tool'. Micromex are the consultants that undertake the second yearly Community Satisfaction Survey on our behalf. This approach uses specialised survey questions and statistical modelling to establish the value of services to community members and their appetite for adjusting those. Context will be provided to participants, and a range of standard survey questions will precede use of the tool to help to establish this context and collect demographics.

Micromex will be surveying community members via telephone using a robust randomly selected process to ensure a minimum of 250 respondents – this will form a representative sample of the Albury community. This is in addition to the information and survey opportunities provided on the AlburyCity Have your Say webpage, and other engagement methods as identified in the attached Stakeholder Engagement Plan.

The Trade Off Tool is built by Micromex and will utilise the externally facing opportunities identified by MLA and others identified by Our People. Community members will be required to select from the list of external services to identify their 'highest priority' and 'lowest priority'. Through repeated rounds of the trade off tool matrix, a report will be provided by Micromex with the quantitative data detailing community appetite for any reduction in Council services.

Specifically, in line with the Morrison Low Advisory Opportunities list for Service Level Reductions to External Services, the trade off tool will ask the following ranking questions:

- Reduce Library service levels
- Reduce the number of play spaces
- Reduce service levels MAMA
- Reduce or cease general community assistance grants including rate relief
- Reduce watering of green spaces
- Reduce number of events
- Reduce artistic and cultural expense (placemaking)
- Raise fees and charges – could include cemetery crematorium, airport
- Reduce maintenance at sportsgrounds
- Reduce swimming pool opening hours
- Introduce metered timed parking
- Reduce environmental education and advocacy activities.

In order to provide additional information to inform the current Service Excellence project for Children's Services, we will also include:

- Reduce after school care
- Reduce long day care

Additional items not included in the Morrison Low Advisory report will be added to the potential opportunities in the trade off tool:

- Reduce maintenance and cleaning of town centres
- Reduce maintenance of parks and gardens
- Reduce maintenance and repair of roads
- Reduce opening hours of community centres
- Reduce maintenance and provision of footpaths

We also note that the final two items listed in the Service Level Reductions to External Services section of the Morrison Low Advisory report have not been included in this tool. These two items impact service levels to business owners and operators only, so will be directly consulted on separately.

Key community messages are:

- AlburyCity is committed to maintaining essential services while finding sustainable ways to manage costs and deliver value for ratepayers.
- No decisions have been made. We want to hear from you about what matters most and what changes you think Council should consider.
- Community feedback will help guide how services are prioritised and delivered in the years ahead.

In addition, opt-in participation will be encouraged through a range of activities that may include:

- Engaging Albury – Community consultation / public exhibition page, including project information
- In person at ACC events, Retro Cafe, QEII and shopping centres
- Media releases
- All About Albury – e-newsletter
- Promotion via Triple MMM radio
- Social media platforms – links to Engaging Albury page
- Posters at libraries, community centres, shopping centres
- Posters at libraries and community centres
- Feedback received through community engagement will be provided to Council along with evaluation of internal service delivery and impacts.

Internal engagement during the first phase of this project has included:

- Presentation topic in Executive Connect sessions.
- Information provided by Corporate Performance to all Team Leaders through Cluster meetings.
- Awareness campaign by email, the Communique and presentation to team meetings on request.
- Inclusion of project information in the introduction to Service Planning workshops.
- Project updates provided through alby and the Communique.
- Gathering of opportunities and input by Our People, Leader and Councillor surveys.
- Leaders Forum workshop with Morrison Low Advisory.

Applying a People-Centred Implementation (PCI) approach, an update on project progress has been provided to Our People according to our internal engagement plan providing context around the identified opportunities and processes going forward. Further internal engagement is planned throughout the analysis and evaluation stage.

Options

1. That Council acknowledge the Opportunities Report provided by Morrison Low Advisory and endorse the Stakeholder Engagement Plan (Attachment 2) to progress the Accelerated Service Planning community engagement to consider externally facing services. **Recommended.**

   This will enable community engagement prior to the Christmas period and inclusion of their feedback in evaluation of external opportunities to report to Council in February 2026.

2. That Council acknowledge the Opportunities Report provided by Morrison Low Advisory and request adjustments to the Stakeholder Engagement Plan (Attachment 2). **Not Recommended.**

   This will delay the engagement period and result in community engagement over the Christmas and January period.

3. That Council acknowledge the Opportunities Report provided by Morrison Low Advisory and do not endorse commencing external engagement, requesting further consideration of opportunities to adjust service levels to enhance financial sustainability. **Not Recommended.**

Identification of alternative opportunities prior to community engagement about external service levels will affect capacity to achieve the planned budget savings for 2026/27.

Conclusion

The Accelerated Service Planning project is AlburyCity's core Service Excellence initiative for 2025–26 and a key part of the Financial Sustainability Improvement Plan (2024–2028). The project is designed to strengthen our financial sustainability and ensure our services align with community expectations. It builds on the use of Service Planning and the development of our Service Catalogue to provide a consistent, data-driven approach to assessing and planning service levels.

Morrison Low Advisory have supported initial project phases and provided a draft final report that identifies opportunities to either increase revenue or reduce expenditure.

The next phase of this project includes internal evaluation of identified opportunities in addition to community engagement about externally provided services. A summary of findings from this next body of work will be provided to Council in February 2026.

Recommendation

That Council:

a. Acknowledge the Opportunities Report provided by Morrison Low Advisory; and

b. Endorse the Stakeholder Engagement Plan to progress the Accelerated Service Planning community engagement to consider externally facing services.

Attachments

1. Accelerated Service Planning Opportunities Report - MLA (DOC25/271101).
2. Accelerated Service Planning Community Engagement Plan (DOC25/283623).

Morrison Low Advisory

AlburyCity

Accelerated Service Planning

Albury City Council

OCTOBER 2025

Contents

Tables

Figures

Executive summary

Summary

Albury City Council ('Council') has engaged Morrison Low Advisory to conduct an Accelerated Service Planning Project, which forms a central component of Council's comprehensive Service Excellence Program and its drive for financial sustainability. The principal objective of this initiative is to identify opportunities to enhance revenue, modify service levels, and realise substantial cost reductions. Council has set a target to achieve operational budget improvements in the General Fund amounting to $20 million by the 2027/28 financial year, with the intention for these efficiencies to be sustained as permanent enhancements.

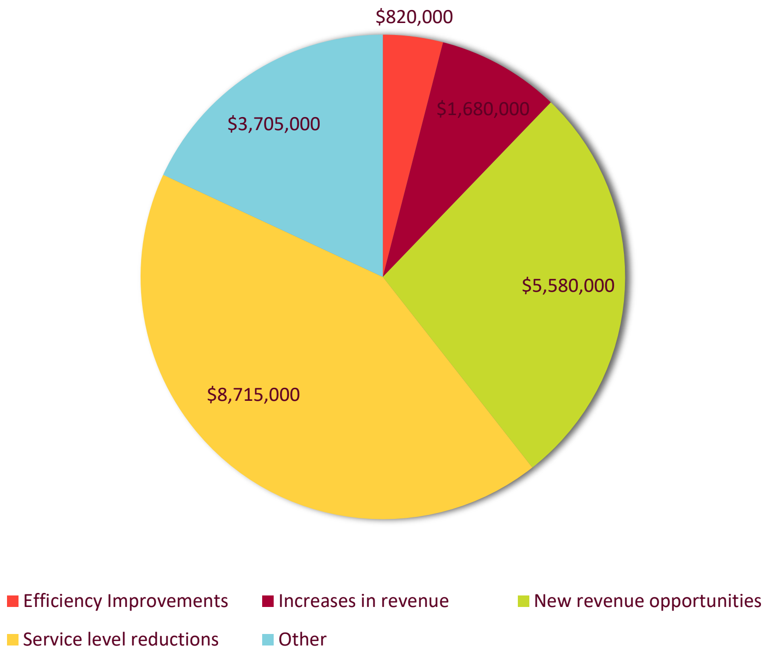
The Council's approach is underpinned by the Integrated Planning and Reporting (IP&R) framework mandated by the *Local Government Act 1993*. This framework provides structured guidance for local councils to establish service levels, monitor performance, and drive ongoing improvements in service delivery. In accordance with the IP&R Guidelines, each council must articulate within its Delivery Program the service areas scheduled for review during the council term and outline the engagement process for community and key stakeholders to determine service level expectations and appropriate performance measures.

Albury City Council is committed to continuous improvement and elevating customer satisfaction, but it needs to do this in a prudent and financially sustainable manner. Through the Service Excellence Program, Council directly supports the implementation of its Community Strategic Plan by delivering a series of structured Service Excellence Projects annually across selected service areas. These projects are designed to ensure that Council services remain:

- **Appropriate** – Services are responsive to current community needs and aspirations and can be adapted to address future requirements.
- **Effective** – Council delivers targeted, higher quality services, exploring innovative or alternative delivery methods.
- **Efficient** – Council optimises resource use to facilitate the funding of new or expanded services.
- **Applicable** – services that Council is best placed to deliver or cannot be delivered by other providers.

The Accelerated Service Planning Project was conducted over August and September, reducing over 250 initial improvement opportunities down to 54 with an estimate combined value of over $20.5 million. These opportunities for improvement included increased revenue for fees and charges services or lease of assets, new revenue opportunities primarily from introducing paid parking, general efficiencies, with the balance being achieved through service level changes. The proportion of savings by type are shown in the chart below.

Summary of Improvement Opportunities



Once Council has considered the opportunities, a community engagement phase will be undertaken early in the 2026 to seek community feedback on its willingness to accept the changes proposed.

In summary, this strategic initiative reflects Albury City Council's dedication to prudent financial management, robust governance, and the delivery of high-quality services that align with the evolving needs and expectations of the community.

1. Introduction and context

1.1. Introduction

Albury City Council ('Council') has engaged Morrison Low Advisory to undertake an Accelerated Service Planning Project across the whole organisation as part of its broader Service Excellence Program. The Accelerated Service Planning initiative is seeking to identify opportunities to increase revenue, change service levels and reduce costs. Specifically, Council wants to reduce costs representing $20 million of operational budget improvements to the General Fund that can be achieved by 2027/28 and remain as permanent improvements.

1.2. Context

The Integrated Planning and Reporting (IP&R) framework legislated under the *Local Government Act 1993* (LG Act) supports local councils in establishing service levels, monitoring service performance and improving service delivery. Under the IP&R Guidelines issued by the Office of Local Government, all councils must specify in their Delivery Program (DP) the service areas that will be reviewed over the council term, and how community and other stakeholders will be engaged in that process to determine service level expectations and appropriate measures.

Albury City Council is committed to continuous improvement and increased customer satisfaction. Council's Service Excellence Program supports the delivery of the Council's Community Strategic Plan (CSP). Council undertakes a structured program, Service Excellence Projects, each year across selected service areas to ensure Council services are:

- **Appropriate** – services meet current community needs and wants and can be adapted for the future.
- **Effective** – Council delivers targeted and better-quality services in new or different ways.
- **Efficient** – Council improves its use of resources to fund new or expanded services.
- **Applicable** – services that Council is best placed to deliver or cannot be delivered by other providers.

The Accelerated Service Planning Project is a related activity under the Service Excellence Program.

1.3. Impact of project

The task of identifying $20 million of opportunities that will result in operational budget improvements to the General Fund will have unavoidable impacts on both the community and staff.

It is extremely difficult, if not impossible, to identify this large amount of savings without reducing services to the community and removing the cost of resources involved in the gap between the current level of service and reduced level of service. This may mean lowering service quality, so instead of pursuing service excellence, AlburyCity settles for good or adequate as a service delivery goal.

Many initiatives may be unpopular or involve Council accepting a higher level of risk within its service delivery model. The community is accustomed to receiving a high level of service from Council and any attempt to reduce this is usually met with some resistance. Service level reductions may even impact the ability of the administrative arm of Council to service councillors and itself to the same standards as everyone is accustomed.

This project is not undertaken lightly. It is a necessary part of the financial sustainability process but there is an acute awareness that many initiatives will impact local people's daily lives in some form.

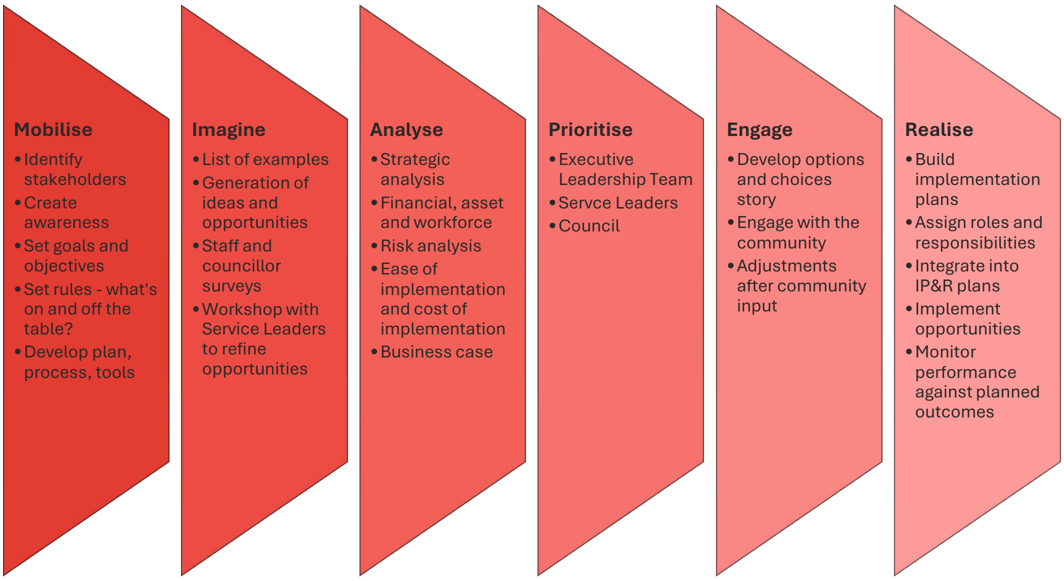
2. Methodology

Morrison Low Advisory undertook this project using a framework consisting of six stages:

- Mobilise.
- Imagine.
- Analyse.
- Prioritise.
- Engage.
- Realise.

The framework is illustrated in the figure below. We are currently at the Prioritise stage.

Figure 1 Accelerated Service Planning Project Framework



This methodology relied on a collaborative approach to gaining the best of internal knowledge and external experience engaging AlburyCity People to maximise buy-in to and understanding of the process from those who would be ultimately implementing the final opportunities.

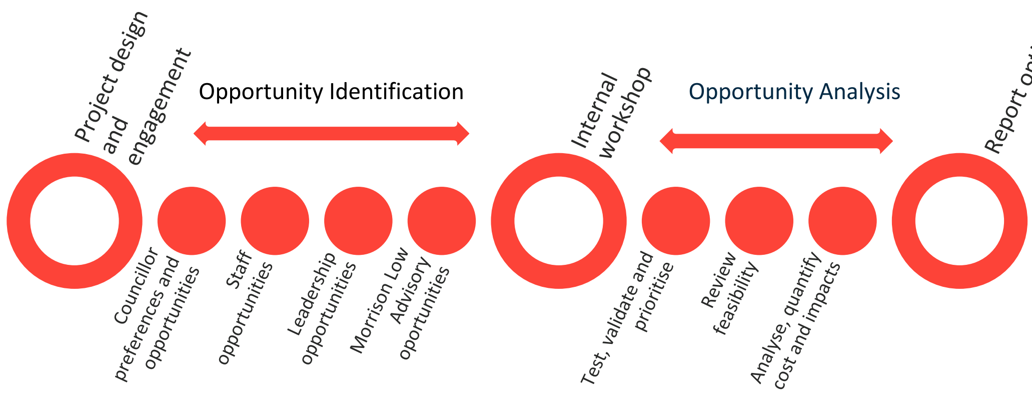
2.1. Qualifications

The process adopted has been constrained by a tight timeframe and available information. The objective is to present Council with a representation of what $20 million of saving could look like, therefore by its very nature it takes a high-level position on service level changes. In many instances this will require staff to analyse any specific changes within a service for Council's consideration, and for community engagement.

3. Generating improvement opportunities

3.1. Project design and engagement

The project commenced with design of the process and a briefing of service and team leaders to articulate the scope and objectives. The generation of improvement opportunities was a combined project between the Councillors, staff and Morrison Low Advisory that followed the steps below.



Our People were tasked with creating opportunities to reach the target savings that were feasible and met the brief of being significant and realisable in the next two financial years. In the knowledge that most opportunities would negatively impact part of the community, staff were asked to put aside any personal preferences and potential impacts to create a broad range of opportunities that Council could consider and test with the community.

Morrison Low Advisory worked with Council staff to prepare surveys for Service Leaders, Council staff and Councillors.

Three different surveys were used to collect ideas aimed at:

- Councillors, to identify ideas, political preferences and focus areas.
- Service and Team Leaders, to leverage their experience and service specific knowledge.
- General staff, to enable all Our People to have input into the processes and capture improvement opportunities based on their general knowledge of Council operations.

These surveys identified an impressive 250 ideas and contributions for further analysis.

3.2. Other considerations

The Council through its 2025/26 budget process had already identified most of the quick wins and adopted these improvements in the final budget. The adopted improvements along with other suggestions were presented to Council in February and this Accelerated Service Planning process has taken these adopted future improvement opportunities into account.

3.3. Analysis

Once the initial opportunities were collected, grouped and analysed, Morrison Low Advisory attended a Service Leaders Group meeting to workshop the ideas further. Through that process, it was agreed to progress a number of the operational opportunities immediately.

Morrison Low Advisory also met with Councillors on 28 August to hear about their views and preferences.

Councillor ideas and those identified by staff have been summarised, analysed and costed.

This section summarises this feedback and key learnings from the opportunity development process.

3.3.1. Councillor survey summary

From the online survey circulated to Councillors, the following opportunities were proposed for further investigation:

- Opportunities that could be explored:
  - Redirect grant funding.
  - Review service and asset utilisation.
  - Improved project scoping and costing.
  - Merging service clusters.
  - Adjustments to non-critical FTEs.
  - Focus on preventative measures to rebalance reactive expenditure.
  - Strategic deferral of lower-priority capital works.
  - Reduced use of consultants.
  - Expand partnerships and sponsorship opportunities for events, facilities, and programs.
  - Review of facilities openings and hours of operation and seasons.
  - The areas/projects that are likely to gain external funding.
  - Lease viable assets to the private sector to operate i.e. the airport.
  - 'Outsource' services that are costly to Council to operate – i.e. AEC once complete.
- Increase fees and charges:
  - Peppercorn leases and licences.
  - Childcare and cemeteries.
  - Development-related application fees where charges are below regional benchmarks.
  - Where there are external suppliers or competitors.
- Decrease service levels:
  - Youth services.
  - Seasonal operating hours.
  - MAMA hours.
  - Frequency of some cosmetic maintenance tasks.
  - A broad range of areas so that there are multiple smaller cuts and multiple areas.

- Reduce service quality:
  - Parks and streetscape maintenance.
  - High spec fitouts in some capital projects.
  - Non-essential amenity upgrades.
  - No changes to the Council Chamber.
- Discontinue services:
  - Any program or facility with consistently low community use.
  - Mowing of low usage areas.
  - Out of season pool hours.
  - Short term trials that have not delivered measurable benefits.
  - Services that are provided by others or the private sector.

Councillors provided a number of other comments, concerns and suggestions concerning:

- Lack of timely information needed for informed decision making
- Communication of key assumptions for projects
- Funding requests out of line with budget finalisation
- Loss of funding for small scale, community activated projects while large scale, undeliverable projects left untouched
- Early engagement, clear budget assumptions and risks, transparency of project prioritisation, evidence-based decisions that are strategically aligned and supported by Councillors and the community.

At the meeting on 28 August 2025, Councillors were invited to identify:

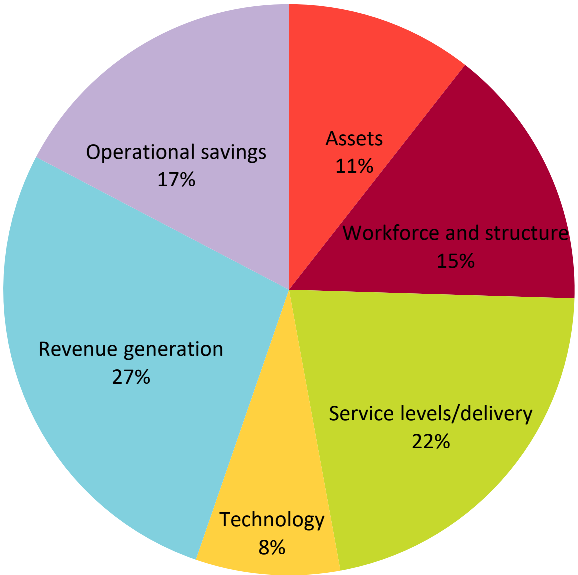
- Further opportunities for investigation
- Which services Councillors would be comfortable in raising fees and charges for
- Which services (if any) Councillors would be comfortable decreasing levels of service
- Which services (if any) Councillors would consider discontinuing.

Feedback from Councillors that suggested changes to external services, service levels or fees and charges were referred for investigation. Opportunities that could be quantified and would provide a financial benefit within the target timeframe were incorporated into the pool of opportunities to be analysed.

3.3.2. Internal workshop

Opportunities received through surveys, supplemented by Morrison Low Advisory were grouped in themes – assets, service levels/delivery improvements, operational savings, revenue generation, technology and workforce and structure – with revenue generation and changes to service levels or delivery process forming almost half the opportunities identified.

Figure 2 Opportunity Subject Areas



The Leaders Forum then workshopped the opportunities in a world café style assessment of opportunities.

The Leaders Forum was tasked with considering each opportunity as if they were a management consultant with an in-depth understanding of AlburyCity and local government in general, and to set aside any feelings and opinions (personal, professional, political, staff and community) they may have had to prioritise savings. Leaders were asked, would the opportunity:

- make a reasonable positive impact on Council's financial sustainability in the 2026/27 and 2027/28 financial years?
- be easy, moderate or hard to implement?
- likely incur a significant implementation cost?
- have an estimated benefit of?
  - > $1M
  - $100k to $999k
  - $10k - $99k
  - <$10k
- could any opportunities impact be enhanced by implementing them differently?
- are there other opportunities that should be considered?

The internal workshop resulted in opportunities being combined and critiqued to develop a short list of 70 realistic opportunities to analyse. Some opportunities provided quick wins, while others required investment to be realised. Some opportunities fell outside of the desired timeframe.

The opportunities fell into two categories:

1. **External** – opportunities whose savings impact the community by changing service levels, service offer, service quality or the fees for services. These opportunities require Council consideration, as they may impact on the policy framework set by Council, and may require engagement with the Albury City community and are the primary opportunities contained within this report.

2. **Internal** – opportunities whose savings will impact Council's way of operating and how it is managed. These opportunities are being considered by management and include organisational efficiencies and design, staff benefit, vehicles and plant type use. Most of these opportunities will only benefit Council's General Fund financial position beyond the initial two-year savings goal.

3.4. High level analysis

The short list opportunities were then subject to a high-level analysis which estimated the financial benefits using comparative data or internal information to place a dollar value on the opportunity. This analysis focused on:

- non-core services (those that Council is not legally obliged to provide).
- opportunities for increased revenue or new revenue.

Firstly, opportunities to maximise revenue were explored to ensure users paid their fair share of the cost of services and full cost recovery for the use of Council's assets where possible. This included maximising financial improvements from internal transfers and charges.

Secondly, opportunities for efficiency improvements where a reduced spend would create saving and less likely to impact the service.

Lastly, the remaining improvement gap was met by service level changes. While not directly identified, decreasing service levels are one of the only ways to fund the remaining financial sustainability gap. Current service levels are identified in Council's Service Catalogue, and service level changes that provide a financial benefit can be defined as:

- Stopping and/or undertaking fewer projects, programs or activities within a service.
- Stopping some projects, programs or activities within a service.
- Reducing the frequency of programs or activities within a service.
- Reducing the quality of the service delivered.
- Changing the method of service delivery (i.e. outsourcing and community delivery where Council is not responsible for direct provision of all or part of a service).
- Ceasing providing some service altogether.

For all service level changes, we compared AlburyCity spend to other similar NSW councils including Dubbo, Bathurst, Orange, Queanbeyan-Palerang and Tamworth Regional Councils. Wagga Wagga City and the Wodonga financial sustainability benchmarking outputs were also used as a source to compare spend on different service expenditures.

It should be noted that comparing services and services spend across local government is fraught with challenges as each community is different, has different priorities, offers different levels of service and has different socio-economic circumstances that have shaped service delivery.

While acknowledging these limitations and qualifications, our analysis found that AlburyCity generally spent above the group averages on its service offerings suggesting residents are receiving a high level of service.

Net cost data was provided by AlburyCity, and this was supplemented by Morrison Low Advisory's analysis and research to identify possible service level reductions.

4. Final draft improvement opportunities

This report summarises service level changes requiring Council's consideration and determination before engagement with the community. In addition, it contains other operational improvements management is addressing and implementing.

Specific Councillor suggestions are included such as:

- Asset rationalisations.
- Deferring or reducing some capital works.
- Rebalancing expenditure on low use programs, services, seasons, and hours of operation.
- Looking for partnership opportunities to operate some assets.
- Reducing some non-essential maintenance.
- Exit, selling or require breakeven for services that are provided commercially by the private sector i.e. childcare.
- Making lots of smaller cuts.
- Opting out of some services that are costly to operate or not core.
- Reducing services that are provided by other agencies or are duplicated.
- Decrease service levels for non-core services.
- Increasing fees - user pays, removing subsidies.
- Charging commercial or market rates.
- Reduce 'free' events.
- Reduce consultancy spend.
- Project management saving.
- Optimising maintenance services.

A summary of improvement opportunities is shown in the chart below.

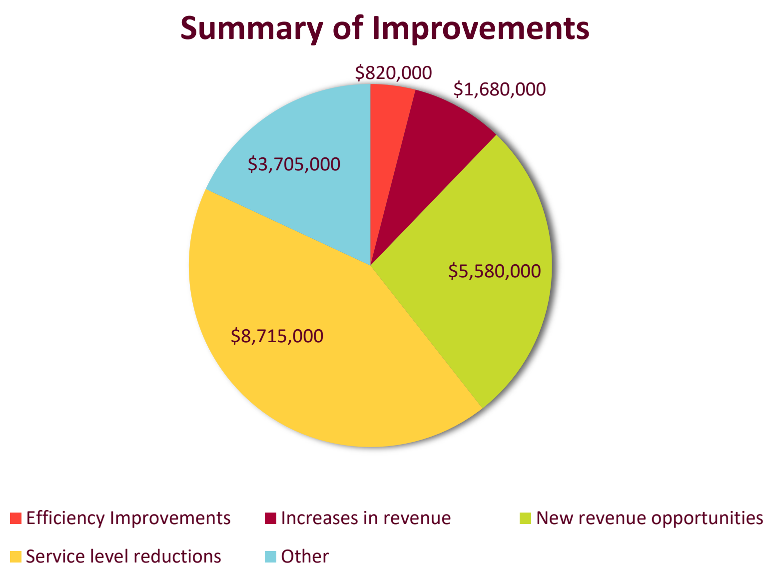


Table 1 Accelerated Service Planning Opportunities

#	The Opportunity - what is it?	Service level change options	The Rationale - why do it?	Short and medium term estimated savings	Implementation cost	Impact on service levels	Impact on our people	Impact on reputation	Impact on compliance	Other risks
Service level reductions										
	External services									
1	Change Library service levels to provide a spend equivalent of the State average.	Options include reducing library hours, programs and projects. Saving from Retro Lane Café operation outsourcing. Review Museum services. Savings in cleaning contract.	Currently Council spends $16 per head of population above the NSW average and well above other regional centres. Council is also higher than other local benchmarks. It is less common for large regional centres to directly operate museum facilities. Budgeted cost of $1.5 million Albury Library, $968K Museum, $728 thousand Lavington Library, Retro Lane Café $232 thousand.	$ 450,000	Low	H	M	M	L	Complying with Visitor Information Centre accreditation requirement
2	MAMA reduce service levels	Reduced operating grant. Reduced opening hours. Rationalise collection and storage demand. Review staffing model. Cleaning contract.	Non-core. Albury costs are far higher than peers in local benchmarking. Budgeted MAMA cost of $2.85M for 2025/26. Prior year actual cost $2.1M, including depreciation.	$ 750,000	Low	M	M	M	L	
3	Reduce or cease general community assistance grants	Reduce by 50%, 85% or 100%	Non-core. Financial Assistance Budget $485K.	$ 485,000	No	H	L	H	L	
4	Reduce service levels within the Environment Service. Focus on core mandated regulatory activities only. Minimise education and advocacy activities.	Remove grants and reduce programs	Consistent with reducing or removing grants. Budget of $1.2 million for 2025/26. $160 thousand Financial Assistance Budget. Reduce other non-essential programs.	$ 200,000	No	M	L	H	L	
5	Reduce events service levels by 20%	Reduce grants for events service level change to be determined	Reduce events team budget $1.2 million by $200,000. Events expenditure varies depending on local priorities. The Wodonga comparative data suggests the average spend is $1 million and this is consistent with other NSW councils researched.	$ 200,000	Low	M	M	M	L	
6	Reduce service levels for cultural activation and community development by 20%	Closure of wood fire oven and pumphouse project, reduced placemaking activities, programs and services. Remove or reduce grants.	Albury costs are far higher than peers in local benchmarking. Budget of $660 thousand for 2025/26. Financial Assistance Budget $485 thousand.	$ 200,000	Low	M	M	M	L	

#	The Opportunity - what is it?	Service level change options	The Rationale - why do it?	Short and medium term estimated savings	Implementation cost	Impact on service levels	Impact on our people	Impact on reputation	Impact on compliance	Other risks
7	Reduce Communities service levels by 25%	Reduce youth services/events. Reduce programs. Stop or reduce community grants. Transfer Glenecho and Mirambeena community centres to be governed by a committee of management and being independent of Albury City. Reduce food programs. Reduce community centre staffed hours.	Albury costs are far higher than peers in local benchmarking. Two community centre budget excluding depreciation $300k p.a. Adopt a comparable model across all centres. Budget of $2.2 million for 2025/26.	$ 800,000	Low	M	M	H	L	
8	Leisure facilities	Review service levels at the sports centre, sportsgrounds and aquatic facilities reduce winter pool hours.	Council's current net spend sporting and aquatic facilities is $3.2 million before depreciation. Other NSW regional centres surveyed spend on average $2 million p.a.	$ 200,000	No	M	L	M	L	
9	Natural areas - service level change	Remove grants	Consistent with reducing or removing grants.	$ 20,000	No	M	L	M	L	
10	Sport and recreation - service level change	Remove grants	Consistent with reducing or removing grants.	$ 60,000	No	M	L	M	L	
11	Reduce watering of green spaces	Reduce water use by 20%	Optimise maintenance and cost. Current cost $1.1 million in water charges.	$ 200,000	No	M	L	M	L	
12	Finance - service level change	Consistent with reducing or removing grants	Remove rate relief for NFP organisations.	$ 150,000	No	M	L	M	L	
13	Reduce the number of play spaces in the community - currently 87	Reduction in number of play spaces by 20%	Council has 1.5 times the industry average per capita, 6 play spaces per 1,000 children.	$ 150,000	Low	H	L	H	L	
14	Reduce service levels for economic development by 30%. Alternatively increase revenue.	Reduce programs. Reduce support to businesses. Reduced promotional campaigns.	Albury spend more on economic development ($1.1 million p.a.) than other larger NSW regional councils who typically spend $400 to $600 thousand p.a. Budget includes $330 thousand Financial Assistance Grants.	$ 600,000	Low	M	H	M	L	

#	The Opportunity - what is it?	Service level change options	The Rationale - why do it?	Short and medium term estimated savings	Implementation cost	Impact on service levels	Impact on our people	Impact on reputation	Impact on compliance	Other risks
15	Reduce service levels for visitor economy and experience and tourism	Reduce programs	Budget approx. $750 thousand p.a. Budget includes Marketing $150 thousand. Expenditure varies between LGA's. Expenditure on tourism activities varies between $350 thousand-$500 thousand with some higher outliers.	$ 250,000	Low	M	M	M	L	
Service level reductions										
	Corporate services									
16	Reduce Information Management Service Levels by 20%	Service level change to be determined. Remove/cancel underutilised or duplicate software.	Albury costs are far higher than peers in local benchmarking.	$ 2,000,000	Medium	M	H	M	L	
17	Customer service - service levels increase wait times	Extend customer service response times, avoid using casual staff, move customer interactions online and create AI powered chat bot.	Customer service costs compare to the median of other like councils; however, councils are increasing looking to automate contact and enable 24/7 services and use AI tools where possible. Budget of $850 thousand for 2025/26.	$ 100,000	Low	M	M	M	L	May take time and an investment to transition
18	HR and payroll systems - service level reduction by 10%	Change to fortnightly pays. Outsourcing services. Devolving responsibility for minor matters to Service Leaders.	Albury costs are higher than peers in local and NSW benchmarking. Budget of $1.4 million for 2025/26.	$ 150,000	Low	M	M	L	M	
19	Talent management and organisational development - service level reduction by 20%	Devolve responsibility for minor matters to Service Leaders. Simplify and automate recruitment processes.	Albury costs are higher than peers in local and NSW benchmarking given the number of transactions. Typically, 1 HR Business Partner per 100 recruitments. Budget of $983 thousand for 2025/26.	$ 200,000	Low	M	M	L	L	
20	Wellbeing, health and safety - service level reduction by 20%	Reduction in assistance programs. Increased risk tolerances.	As with other back of house service levels reduce - Budget $860 thousand.	$ 200,000	Low	M	M	L	M	
21	Corporate performance - service level reduction by 10%	Review corporate performance framework and risk processes to reduce cost.	As with other back of house service levels reduce - Budget of $2.3 million for 2025/26 including $1.1 million for insurance.	$ 100,000	Low	M	M	L	M	
22	Financial management - service level reduction by 10%	Reduced support to clusters and increase risk tolerance	Although costs on charge to cluster as with other back of house service levels reduce. Budget of $3 million for 2025/26.	$ 300,000	Low	M	M	M	M	

#	The Opportunity - what is it?	Service level change options	The Rationale - why do it?	Short and medium term estimated savings	Implementation cost	Impact on service levels	Impact on our people	Impact on reputation	Impact on compliance	Other risks
23	Project Management Office (PMO) - change in delivery approach and governance	Consider a more decentralised model or alternative general cost saving through applied project management skills reducing project costs by say 5%.	While PMO costs are charged to projects, resources appear higher than peers. All costs are charged to capital projects so may not be realisable in the short term.	$ 350,000	Medium	M	H	L	L	
24	Procurement - change in delivery approach and governance	Revert to a hybrid or decentralised procurement model	Higher costs for procurement than benchmarks with a dedicated procurement function which not all councils have. Budget of $475K for 2025/26.	$ 300,000	Medium	M	H	L	H	
25	Governance and executive support	Reduced support to clusters and increase risk tolerance.	Budget of $1.3 million for 2025/26.	$ 150,000	Low	M	M	L	M	
26	Reduce external communications and engagement service levels by 5% and then 10%.	Reduce social media engagements and newsletter	AlburyCity spends less on communications than its peers, however, as a non-core service and a small reduction in service levels can contribute to organisational savings. Budget of $794 thousand for 2025/26.	$ 100,000	Low	L	M	M	L	
28	Review regional partnerships and innovation services	Devolve regional partnerships into other service areas.	Non-core function. Budget of $400K for 2025/26. Any reduction is likely to mean the service is not viable and may have to close.	$ 400,000	Medium	M	H	L	L	
New revenue opportunities										
28	Lease out multistorey parking to pay & display companies in order to generate income	In conjunction with charging for parking apply a $25 per week revenue per parking space (assumption 80%) for ~850 available spaces. Allows for 100 pre allocated spaces	To optimise rental returns	$ 880,000	Low	M	L	H	L	reduced occupancy of car park

#	The Opportunity - what is it?	Service level change options	The Rationale - why do it?	Short and medium term estimated savings	Implementation cost	Impact on service levels	Impact on our people	Impact on reputation	Impact on compliance	Other risks
29	Introduce metered timed parking and improve enforcement to manage traffic flow, discourage overstaying and raise revenue.	New charge	To optimise income - parking fees are a widely utilised revenue source for councils. North Sydney Council generate over $8 million in revenue from parking meter fees and fines. Shepperton reportedly generates $4 million in fees and fines revenue. Byron Bay Shire Council has parking meters at Brunswick Heads, and 8 Victorian councils have operated paid parking systems with estimated revenue of between $500 thousand and $3 million annually. Parking meters are shown to generate $150-$250 per meter per week. Albury has 3,400 timed spaces and if 1 meter serves 8 parks @$200 = ~ $4 million	$ 4,000,000	High	H	L	H	L	nil
30	Increased revenue from parking fines	If parking meters are implemented, increased parking management will be required.	AlburyCity parking fees/fines income budget $300 thousand 2025/26 compared to $474 thousand received 2023/24. Shepperton Council receives approximately $1million revenue from parking fines.	$ 700,000	Medium	L	M	M	M	May discourage parking in the CBD
Increases in revenue										
31	Increase the commercial opportunities and revenue at the Albury Entertainment Centre	Increase revenue and use. Stop subsidised use.	Major Council-run entertainment centres operating cost varies between councils and most comparable centres run at smaller losses. Saving dependent on decision to proceed with upgrade as may lose revenue over this period. Budget loss of $1.6 million for 2025/26 including depreciation.	$ 500,000	No	L	M	Commercial oppM	L	nil
32	Review Council's rental list and charge commercial rates for leases and licences and to ensure agreements require occupant to pay all costs for annual maintenance and compliance.	No service level change	To optimise rental returns. Leases due for renewal in 2026/27 currently provide $65 thousand of rent.	$ 10,000	No	M	L	M	L	Vacancies arise because of commercial rents
33	Review Council's lease arrangement with the communications tower on Redlight Hill.	No service level change	To charge commercial rental	$ 100,000	No	L	L	L	L	
34	Cemeteries to set charges to break even	Recover cost to break even in year two. No change in service level.	Most peer group cemeteries are close or at breakeven. Budget loss of $566 thousand for 2025/26 including depreciation.	$ 560,000	No	L	M	M	L	
35	Airport increased revenue	Increase revenues or lease out Airport	When compared to other similar regional airports there is capacity to	$ 300,000	Medium	M	L	M	L	