

2017/18 Operational Result Improvement Strategies - Executive Recommendations
(Post Exhibition)

2017/18 FTE Impact	2017/18 Amount	2018/19 Amount	2019/20 Amount	2020/21 Amount	Total
27.00	3,794,870	2,125,787	1,383,256	1,294,480	8,598,393

2017/18 Operational Result Improvement Strategies Value (detailed below)

#	Strategy	Action	Service	Sub-Service	#FTE Impacted	2017/18 Amount	2018/19 Amount	2019/20 Amount	2020/21 Amount	Total	Other
1	Depot - Projected efficiency savings from AEC report of total FTE reduction of 10. Savings have been updated per CM 13.001/17 Plus further improvement savings through the depot rationalisation above those in the AEC report based on project experience savings generally in the order of 10-15% of staff costs located at the depot. Say 12% - estimated additional saving based on 155 staff.	Service Review	3100 - 3121 - All Civil Services Services	All Sub-Services	5.0	401,897	244,858	-	270,171	916,927	per ITEM 13.011/17
2	Payment Options Review - Council currently contracts Australia Post at the annual rate of approximately \$70,000 pa to act as an agent for the receipt of payments. This contract is due to expire around the end of September 2017. With improvements to online payment options being anticipated it is considered that this contract should not be renewed. Assuming this occurs, the efficiency gain is expected to be \$52,500 in 2017/18 and then \$70,000 pa for each year thereafter.	Cost Reduction	2100 - Finance & Supply	714 - Revenue Management		52,500	17,500	1,750	1,794	73,544	per ITEM 13.011/17
3	Infrastructure Services Review - Review of services and levels for Roads, Bridges, Internal Roads Services, Civil and Works Admin, Bus Shelters, Footpaths, Public Amenities. Director Works & Civil comment: Undertake service review to establish improvements to the way we undertake activities. Service levels can not be reduced as they are fairly low now, however improvement can be gained from the way work is undertaken. For Parks & Open Spaces an efficiency gain of approximately 10% will be achieved through the outsourcing of some maintenance components of this function. The introduction of these changes is not anticipated however until 2018/19 following the construction of the new depot which will allow for consolidation of the various work groups that are currently split over several work locations.	Change in Service Delivery	3100 - 3121 - All Civil Services Services	3101 - 3121 - All Civil Services Sub Services		52,583	496,788	200,790	18,754	768,915	per ITEM 13.011/17
4	Cemeteries - Fees and charges have been increasing for cemetery operations to achieve full costs recovery. Immediate action is to continue to raise fees and charges to increase revenue (approx. \$22,000 in 2017-18) and consider a commercial activity. Or in 2017-18 review operations with a view to outsource (financial implications not known with staff impacts and redundancies likely). Strategic Plans have been completed for Maclean and Grafton Lawn cemeteries to guide future development. The estimated savings will need to be assessed through a cost/benefit process.	Additional Revenue / Change in Service Delivery	3203 - Cemeteries	848 - Cemeteries		-	90,000	92,910	149,935	332,845	per ITEM 13.011/17
5	Buildings, Properties & Leases - It is proposed to dispose of some halls and surplus buildings; the costs noted are only the annual operational and maintenance costs. This process is scheduled to occur by 2018/19.	Cost Reduction	3210 - Buildings, Properties & Leases	863 - Public Halls		-	55,000	1,375	1,409	57,784	per ITEM 13.011/17
6	Regulatory Services - cleaning contractors saving as work being done by Council staff	Cost Reduction	4120 - Development & Environmental Services	921 - Planning & Assessment Services		30,000	750	769	788	32,307	per ITEM 13.011/17
7	Full Cost Recovery of Airport - Explore options to make the airport cost neutral, such as leasing out to a private provider, increasing user fees, selling or closing. Refer to comment in legacy issues below. Investigation needs to be with regard to Council's operating costs and the way we manage the airport. This investigation needs to establish suitable methods and contract. Additionally, discussions need to be held with the air service provider regarding landing fees. These have been stagnant for some time and could be increased.	Additional Revenue	3114 - Airport	817 - Regional Airport		51,850	134,477	126,484	9,859	322,669	per ITEM 13.011/17
8	Increase User Charges (Sporting Fields) - Increase user charges for sporting field ground usage fees	Additional Revenue	3201 - Sporting Facilities	841 - Sporting Facilities		-	20,620	639	659	21,918	per ITEM 13.011/17
9	Saleyards Cost Recovery - Commercial operation should be making a surplus -Increase user fees to recoup net loss. Consider an agent access fee or increase per head fee. Council resolution from Aug 16 to discuss fee structure with agents.	Additional Revenue	3231 - Saleyards	883 - Saleyards		-	19,125	29,045	2,548	50,718	per ITEM 13.011/17
10	Development & Environmental Services (DMU Charges) - Increase fees per meeting from \$179 to \$300 (increase of 62%). Benchmarks better against other Councils and better reflects true cost. Cost per Meeting to Council to provide very conservatively valued at \$520. Other North Coast Council's comparative fee varies between \$315 to \$534. Would need to be matched by a service guarantee (10 days suggested).	Additional Revenue	4120 - Development & Environmental Services	920 - Planning & Assessment Services		21,651	671	692	713	23,728	per ITEM 13.011/17
11	Full Time Parking officer, Footpath dining and Dog Registrations Officer - Council is currently missing out on significant income from unpaid footpath dining payments. We recently put on as a trial a parking officer and animal registrations officer. While this position is working reasonably well it is only casual and as such misses out on required training etc. to complete the range of activities needed.	Additional Revenue	4110 - Regulatory Services	917 - Parking Compliance		62,220	12,927	1,879	1,926	78,952	per ITEM 13.011/17

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12	Review of DA and CC Lodgement Procedures - Focus on application receipt procedures in particular accurate estimate of development cost, currently expected to be consistently under valued. A 5% increased yield in DA and 2.5% in CCs expected. Suggested that Planning Admin take on the role of accepting DA's. This is recommended because they have the training and experience with DA's and don't suffer the staff turnover that front counter customer service staff have.	Additional Revenue	4120 - Development & Environmental Services	920 - Planning & Assessment Services		43,302	1,342	1,384	1,427	47,455	per ITEM 13.011/17
13	Improved Procurement Strategies - Identification of opportunities to purchase in bulk & rationalise suppliers.	Cost Reduction	All Services	All Sub-Services		100,000	2,500	2,562	2,627	107,689	per ITEM 13.011/17
14	Water Fund Dividend Payment - Payment of dividend based on the lesser of 50% of surplus operating result or \$27 per assessment.	Additional Revenue	3300 - Water Supply	All Sub-Services		164,000	84,000	95,000	18,000	361,000	per ITEM 13.011/17
15	Sewer Fund Dividend Payment - Payment of dividend based on the lesser of 50% of surplus operating result or \$27 per assessment.	Additional Revenue	3310 - Sewerage Service	All Sub-Services		-	-	299,000	351,000	650,000	per ITEM 13.011/17
16	Phone line audit and true up - The organisation has undergone many changes since amalgamation. The opportunity exists to audit all fixed lines we are currently billed for to see if any lines are no longer required, no longer in use or may be consolidated.	Cost Reduction	All Services	All Sub-Services		30,750	769	788	808	33,114	per ITEM 13.011/17
17	Tourist Information – progressive cost savings - operate new business model (ultimately no building and reduction of 1 vacant position in 17/18 and additional staff in 18/19), plus marketing contributions.	Change in Service Delivery	4310 - Economic Development	967 - Tourism and Destination Development	1.0	167,000	208,880	76,250	76,406	528,536	
18	Community Centres - Revised service delivery model for Community Centres including building leasing strategy	Change in Service Delivery	4212 - Community Centres	950 - Community Centres	1.6	165,150	72,129	73,932	75,780	386,991	
19	Review Environment Planning and Community Directorate Structure	Service Review	4000 - 4400 - All Environment Planning & Community Services	All Sub-Services	5.0	607,432	15,186	15,565	15,955	654,138	
20	Regional Gallery Operations - Increased revenue and cost reductions	Service Review	4211 - Galleries & Museums	945 - Gallery & Historical Services		10,000	30,000	30,000	30,000	100,000	
21	Review Library Operations	Cost Reduction	4210 - Libraries	941 - Public Library Services		60,000	1,500	1,537	1,576	64,613	
22	Review Natural Resource Management Services	Service Reduction	3204 - Natural Resource Management	All Sub-Services	3.8	287,551	7,189	7,368	7,553	309,661	
23	Review Executive Support Services	Service Review	1001 - Executive Support	551 - Executive Support	1.0	76,622	1,916	1,963	2,013	82,514	
24	Review South Grafton Pool Operations with a view to sell or long term lease	Service Reduction	3212 - Aquatic Facilities	871 - Aquatic Facilities		-	370,345	9,259	9,490	389,094	
25	Review Glenreagh Pool Operations with a view to sell or long term lease	Service Reduction	3212 - Aquatic Facilities	871 - Aquatic Facilities		-	-	64,339	1,608	65,947	
26	Street Sweeping Operations review	Service Reduction	3100 - Roads	805 - Urban Roads		108,947	2,724	2,792	2,862	117,324	
27	Graphic Design Position to be fully cost recovered - reduce cost by 1 FTE - 50% in year 1, 75% in year 2 and then 100% funded by year 3	Additional Revenue	4310 - Economic Development	965 - Economic Development		36,014	18,457	18,919	1,939	75,329	
28	Contribution from Domestic Waste to Roads re damage to road infrastructure from garbage trucks	Additional Revenue	3100 - Roads	805 - Urban Roads		180,000	189,000	198,450	208,373	775,823	
29	Community Initiatives Program - reduction in base donation value back to \$100,000	Cost Reduction	4200 - Community Development	930 - Community Development		14,858	371	381	390	16,000	
30	Events & Festivals Contributions - Reduce by \$22,750 return value back to \$90,000	Cost Reduction	4310 - Economic Development	966 - Sponsored Events & Festivals		22,750	569	583	598	24,499	
31	Outright Purchase of new Mapping Solution in 2016/17	Cost Reduction	2200 - Information Services	721 - Information Technology		46,104	1,153	1,181	1,211	49,649	
32	Review General Manager Sub Service	Cost Reduction	1000 - GM Management	550 - Office of General Manager		86,000	2,150	2,204	2,259	92,613	
33	Review Corporate and Organisation Performance & Governance Services	Service Review	1100 - 2300 - All Corporate, Organisation Performance and Governance Services	All Sub-Services	5.6	669,647	16,741	17,160	17,589	721,137	
34	Review Asset Management Sub-Service - remove vacant position	Service Review	3000 - Works & Civil Management	801 - Asset Management	1.0	73,322	1,833	1,879	1,926	78,960	
35	Review Civil & Works Administration Service	Service Review	3121 - Civil & Works Administration	825 - Operational Administration	2.0	100,693	2,517	2,580	2,645	108,435	
36	Review Parks & Open Spaces Service	Service Review	3200 - Parks & Open Spaces	840 - Parks & Open Spaces	1.0	72,028	1,801	1,846	1,892	77,566	