

levels of government, ongoing operating costs associated with capital grants, an ageing asset base, and the need to sustainably deliver the Community Strategic Plan. The Plan's implementation road map also identifies community engagement on an SRV in 2026/27, if required to fund desired service levels, recognising the importance of early preparation and consultation should Council decide to pursue this option.

Importantly, consideration of an SRV is not occurring in isolation. Council has already undertaken extensive work to improve financial sustainability, including service planning and reviews, community consultation on service priorities and willingness to pay, a review of the Four Year Delivery Program, detailed budget planning, independent financial analysis, development of a Property Strategy, a Service Model Health Check, adoption of the Interim Albury Infrastructure Contributions Plan 2025 and a renewed Advocacy Strategy focused on financial sustainability.

Together, this work demonstrates Council's commitment to first pursue efficiencies, service reviews and alternative funding options. Any consideration of an SRV is therefore part of a broader, evidence-based response to long-term financial pressures, aimed at ensuring Council can continue to deliver services, maintain assets and meet community expectations in a financially sustainable way.

If approval to proceed is given, as work associated with the SRV progresses, a clearer understanding of related costs will emerge, and a quarterly budget adjustment may be required.

Types of Special Variations

An SRV may apply for a single year or over multiple years (between two and seven), with multiyear SRVs allowing increases to be phased in over time. An SRV may also be temporary or permanent. A temporary SRV requires Council's general income to return to the level that would have applied without the SRV at the end of the approved period (Figure 1). A permanent SRV is retained in the rate base on an ongoing basis, with future rate peg increases applying to the higher income level (Figure 2).

Accordingly, Council can decide between four different SRV pathways as follows:

1. Single year, temporary
2. Single year permanent
3. Multi-year, temporary
4. Multi-year permanent

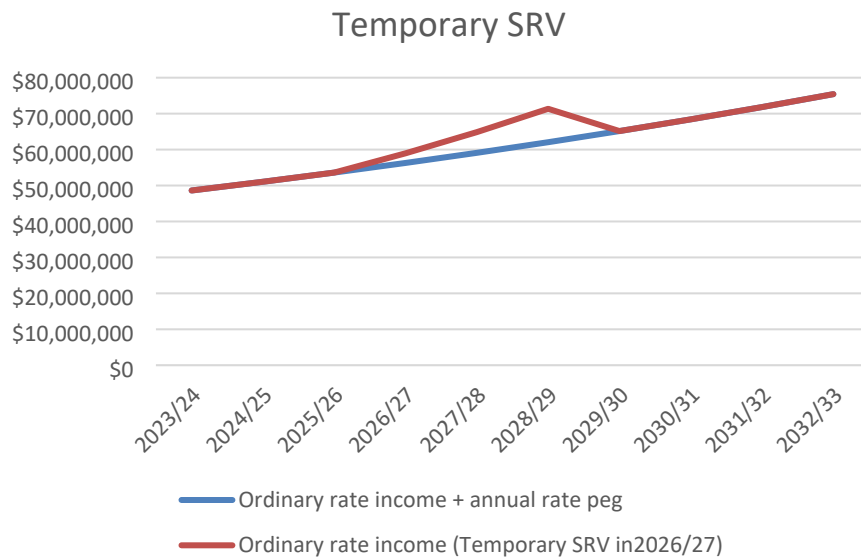


Figure 1 highlights an example of a temporary SRV increasing general income for a defined period, after which income returns to the level that would have applied without the SRV.

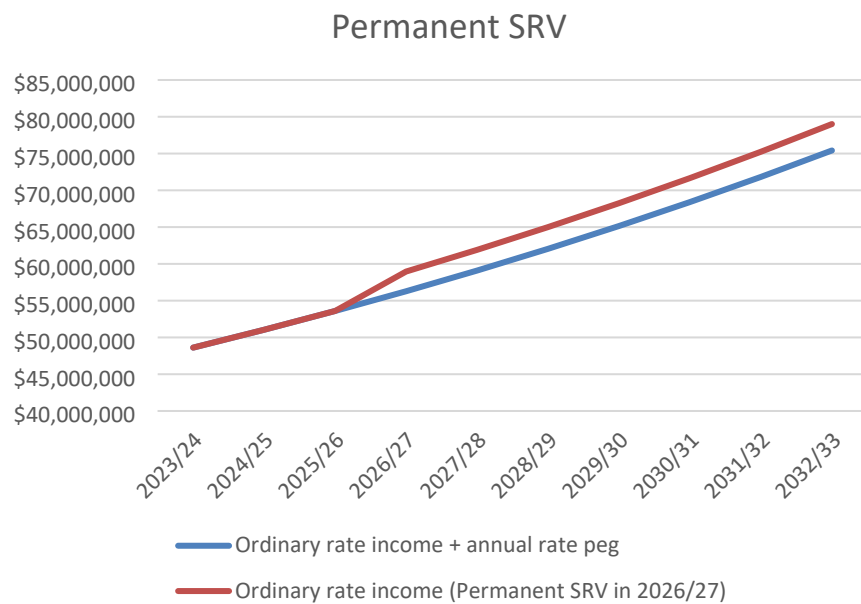


Figure 2 highlights an example of a permanent SRV with the additional income generated being retained in the rate base and rate peg increases applying thereafter.

An SRV increases the total general income that a council is able to raise, but the distribution of the rate burden amongst ratepayers is a decision for the council. That is, councils can choose to collect the proposed increase from different rating categories (i.e. business, farmland and residential) to achieve a specific objective.

Community Engagement

A key requirement of an SRV application is demonstrating that the community understands both the need for and impact of a proposed rate increase. Councils must clearly explain the total cumulative increase, in both percentage and dollar terms, for the average ratepayer in each rating category.

IPART expects councils to undertake targeted and meaningful community engagement and to clearly communicate whether the SRV is temporary or permanent, what it would fund, and how efficiency measures are being addressed. Councils must also use a range of engagement methods to ensure the community is informed and able to provide feedback.

Community feedback is an important input into Council's final decision on whether to apply for an SRV. Based on this feedback, Council may adjust proposed service levels, spending priorities or the size of the SRV before deciding whether to proceed with an application to IPART.

OLG Guidelines and IPART Assessment Criteria

IPART assesses each SRV application against the following criteria set by the Office of Local Government:

1. **Clear Need and Purpose**

Council must clearly explain why a different revenue path is needed and what the SRV would fund. This must be reflected in Council's adopted IP&R documents, particularly the Delivery Program, Long Term Financial Plan and, where relevant, the Asset Management Plan. The Long Term Financial Plan must show:

- a baseline scenario (business as usual, without the SRV), and
- an SRV scenario showing the impact of the proposed increase and how the additional income would be used.

2. **Community Awareness and Engagement**

Council must demonstrate that the community understands the need for, and impact of, the proposed rate increase. This includes clearly communicating the total increase in both percentage and dollar terms for the average ratepayer, by rating category, and using a range of engagement methods to encourage feedback.

3. **Reasonable Impact on Ratepayers**

Council must show that the proposed increase is reasonable and affordable by:

- clearly outlining the impact on ratepayers,
- considering the community's capacity and willingness to pay, and
- demonstrating that the increase is affordable for the community.

4. **Efficiency and Cost Control**

Council must explain its productivity improvements and cost containment measures, and show how these ongoing efficiency efforts are reflected in the Long Term Financial Plan.

5. **Compliance with IP&R Requirements**

Council must demonstrate that all relevant IP&R documents have been properly exhibited (where required), approved and adopted before applying to IPART.

6. **Other Relevant Matters**

IPART may consider any other matters it considers relevant when assessing the application.

Risk

- **Business Risk** – Council needs to make a timely decision as to whether it will consider seeking approval from IPART for an SRV to General Income. Failure to make a decision at this time may lead to insufficient time to prepare the significant body of work and undertake the necessary community consultation to satisfy the OLG Guidelines and meet IPART’s timeframes. This in turn may put Council’s financial sustainability at further risk, or force Council to reduce service levels.
- **Corporate Risk** – Any decision relating to an SRV will be informed by the community feedback received from the “What’s Important to You” community survey and the proposed community engagement activities as well as the Council’s Accelerated Service Planning and Financial Sustainability initiatives. Any application for an SRV will also be required to comply with the OLG Guidelines.
- **WHS and Public Risk** – There were no risks identified.
- **Environmental Risk** – There were no risks identified.
- **Four Year Delivery Program Risk and General Program Risk** – Council needs to make a timely decision as to whether it will consider seeking approval from IPART for an SRV to General Income. Failure to make a decision at this time may lead to insufficient time to prepare the significant body of work and undertake the necessary community consultation to satisfy the OLG Guidelines and meet IPART’s timeframes. If the timeframes aren’t met Council will not be able to deliver on a key implementation action of the Financial Sustainability Improvement Plan.

Engagement

A key requirement of any SRV application is demonstrating that the community understands both the need for and the impact of a proposed rate increase. This includes clearly explaining the total cumulative increase in both percentage and dollar terms for the average ratepayer, by rating category. IPART expects councils to undertake targeted and meaningful engagement that clearly outlines whether an SRV would be temporary or permanent, what it would fund, and how Council is addressing efficiency and cost containment measures.

In accordance with AlburyCity’s engagement requirements, a stakeholder engagement plan will be prepared and endorsed by Council prior to commencing community consultation. Community feedback will be a critical input into Council’s decision-making process, and Council may adjust service levels, spending priorities or the scale of any proposed SRV in response to feedback before deciding whether to proceed with an application to IPART.

Strategic Alignment

Towards Albury 2050 Community Strategic Plan

This project aligns with the following outcomes from the Towards Albury 2050 Community Strategic Plan:

Theme Four – A Leading Community.

4.4 Albury has open and collaborative leadership.

4.4.2 Government business is conducted with good governance, accountability and transparency.

Options

1. That Council approve the formulation of an SRV proposal and a community engagement plan for implementation in accordance with the timeframe outlined in this report.

Recommended.

This option is recommended because if it is determined that an SRV is required, a decision at this time will enable Council to meet the necessary timeframes.

2. Defer a decision as to whether an SRV proposal should be considered.

Not Recommended.

This option is not recommended because if an SRV is deemed necessary it will not allow sufficient time to undertake the necessary work and community consultation to comply with the OLG Guidelines and IPART’s timeframes. An SRV would then have to be applied for in relation to the 2028/29 financial year, potentially requiring Council to further review service levels.

File ref.	FIL25/03458
Reporting team	Strategy & Performance
Attachments	Nil

CM14.4. Financial Sustainability Project

-Purpose

This report provides information about the analysis and planning for opportunities to improve financial sustainability as provided by Morrison Low Advisory (MLA) and presented to Council in November 2025. The report also provides current plans for the future progress of these opportunities within the broader context of the current Financial Sustainability project.

To enhance understanding of the internal analysis of these opportunities, the final outcomes provided for the Community Engagement "AlburyCity Services - What's Important to You" now incorporates data from the opt-in component of the survey.

Council is asked to consider proposed minor adjustments to external service levels and to note the current status of all identified opportunities. The report focuses specifically on the MLA-related components of the Financial Sustainability project and does not cover other initiatives such as value management of the Four Year Delivery Program or changes to fees and charges.

We continue to identify and assess additional opportunities to those provided in the MLA report. In some instances, opportunities are to further reduce service levels where minor reductions have already been proposed. Where opportunities have an impact on external service levels, community consultation and presentation to Council will be undertaken.

These opportunities form part of a structured, evidence-based program aimed at securing long-term financial stability while maintaining essential services and infrastructure in the face of rising costs, population growth, ageing assets and ongoing structural budget pressures. The transition of the Accelerated Service Planning projects into the broader Financial Sustainability program will further support a coordinated and values-led approach, ensuring staff, Councillors and the community remain informed, engaged and supported throughout this process.

Summary

Undertaken in 2025, the Accelerated Service Planning project (with the support of Morrison Low Advisory) reviewed how we deliver services internally and to the community. Its purpose was to identify opportunities to strengthen our financial sustainability while ensuring services align with community expectations.

The broader Financial Sustainability project has expanded on the scope of the Accelerated Service Planning project and many opportunities from the original report overlap with other work underway in the broader project.

The project objective is to achieve long-term budget balance without compromising core services and community wellbeing. Project implementation is guided by our AlburyCity values, ensuring that Our People, Council and the community are informed, involved and supported throughout.

The component parts of the Financial Sustainability project now include:

- Accelerated Service Planning (Morrison Low Advisory)

- Four Year Delivery Program
- Operating Budget including Grants
- Service Planning & Fees & Charges
- Property & Leasing Strategy

Further work will be required to achieve the savings necessary to reduce operational expenses over the coming years and prevent ongoing deficits and debt accrual. While the component parts identified above are expected to contribute toward the intended outcomes, additional measures such as Workforce Considerations and/or a Special Rate Variation may be required if these outcomes are not fully realised. These component parts are reflected in Diagram 1.



Diagram 1 – Component Parts of the Financial Sustainability Project.

Opportunities identified with the support of Morrison Low Advisory (industry consultants) were presented to Council in November 2025 (Attachment 1 – Accelerated Service Planning Opportunities Report – MLA).

The opportunities were provided in sets for:

- Service Level Reductions – External Services,
- Service Level Reductions – Corporate Services,
- New Revenue Opportunities,
- Increases in Revenue,
- Efficiency Improvements, and
- Other

Community Research – AlburyCity Services. What’s Important to You?

With a focus on the ‘Service Level Reductions – External Services’ opportunities identified in the Morrison Low Advisory report, community engagement was conducted between November 2025 and January 2026. AlburyCity engaged Micromex Research (external communications consultant) to undertake this research on our behalf. Micromex’s findings are supported by Community Satisfaction Benchmarks drawn from more than 80 councils, over 200 surveys and more than 100,000 interviews conducted since 2012.

Participation was through two approaches to engagement:

- **Representative Sample:** Micromex phone and online contact to a randomised sample of community members; and
- **Opt-In Sample:** Voluntary completion of the survey promoted and provided according to our Stakeholder Engagement Plan as an opt-in opportunity for all community members to participate.

This survey aimed to:

- Identify community priorities for the Albury LGA,
- Identify the community’s overall level of satisfaction with the performance of Council,
- Explore community usage/visitation of Council facilities, and
- Evaluate resident attitudes toward service level provision, including community support for retaining/reducing service delivery and exploring support for alternate revenue streams and paying more for maintaining service levels.

Results from the representative survey sample were provided to Council in February 2026, noting the responses from 275 participants (Attachment 2 – Micromex Report – Service Level Research Representative Survey).

Further to this, a comparative report that describes the responses received through the opt-in survey is now included at Attachment 3.

A total of 887 community members opted to complete the Micromex survey and Trade Off Allocator through Have Your Say on Engaging Albury. Participation was encouraged through media and social media and supported through pop-up engagements across the city.

Key points from the report comparing opt-in results with the representative survey results (Attachment 3 – Micromex Report - Service Level Research Opt-In vs Representative Findings) are:

- There is consistency of resident feedback that essential infrastructure, particularly roads and footpaths, should be prioritised by Council.
- Whilst the representative survey noted ‘Places and Spaces’ as a strong theme, the opt-in survey demonstrated a higher preference for ‘Services and Programs’.

Micromex note that the '...Opt-in survey captures the voices of community members who chose to participate.... For insights that represent all AlburyCity residents, refer to the Representative survey. This opt-in data is most useful for understanding what active participants are saying and what issues matter to them.'

The representative sample is noted as statistically significant in its alignment with key demographics of age and gender according to our most recent census data. Micromex note that:

A sample size of 275 residents provides a maximum sampling error of plus or minus 4.5% at 95% confidence. This means that if the survey was replicated with a new universe of N=275 residents, 19 times out of 20 we would expect to see the same results, i.e. +/- 5.9%. For example, that an answer such as 'yes' (50%) to a question could vary from 44.1% to 55.9%.'

Internal assessment of Morrison Low Advisory Opportunities

Alongside community engagement, a detailed analysis of each of the high-level opportunities provided in the Accelerated Service Planning Opportunities Report – MLA (Attachment 1) has been undertaken. These assessments have scoped the detail of what these opportunities might look like for AlburyCity, considering options and detailing the expected outcomes and the risks and impacts of implementation.

A full status summary for all opportunities in the MLA report is provided in Attachment 4 – Opportunity Status Summary. This report focuses on opportunities with potential impact on external service levels.

Understanding each of the opportunities in detail enables us to align those that relate to adjusting levels of service to our community with the outcomes of community engagement for recommendations to be made about next steps.

Workforce Considerations

Proposed changes to Services and Service Levels (internal and external), the Operating Budget and/or Four Year Delivery Program may involve consideration of impacts on workforce and associated Award requirements.

Our commitment to staff has been and continues to be:

- Communicate early and engage often noting that not all areas of change will be known.
- Meet or exceed our Award and Industrial Relations obligations.

Clause 42 of the Local Government State Award 2023 (the Award) requires for consultation processes to be observed when developing options for proposed workplace change. AlburyCity Leadership have commenced consultation with potentially impacted employees and their Unions in line with the pre proposal stage of Clause 42 and will continue to consult in accordance with obligations under the Award as Council consider opportunities for change as presented.

MLA Opportunities (Service Level Reductions – External Services)

The Morrison Low Advisory report identified 15 opportunities to consider adjustments to external services and the level of service provided. Internal assessment of these opportunities has verified the MLA findings on the basis on which these potential savings can be achieved. The opportunities have also been aligned with the results of the Micromex Research. Progress towards achieving outcomes is noted with this context.

Please note, the decision to implement any of the opportunities for savings identified by MLA will be dependent upon undertaking a consultation process with Our People and their unions. Each opportunity will need to be developed into a firm proposal to be presented to potentially impacted employees and their unions as part of the process of consultation consistent with Clause 42. The final decision that will be made will include consideration of the feedback from the impacted staff and their unions regarding the nature and extent of the proposed change.

These 15 opportunities are grouped below to indicate whether internal assessments are indicating potential value through reducing external service levels.

TABLE 1: NO SERVICE LEVEL CHANGES

Opportunity	Description (MLA)	Anticipated Saving	Additional Notes
11. Reduce watering of green spaces.	Reduce water use by 20%.	\$93,000	Rather than reducing watering, Council is exploring options to reactivate river pumps and the Botanic Gardens bore pump to maintain current service standards while reducing reliance on town water.
12. Finance service level change consistent with removing grants.	Remove rate relief for NFP organisations.	\$0	Legislatively, we cannot charge full rates to organisations with exemptions.

TABLE 2: CONSIDERATION PROGRESSING THROUGH OPERATING BUDGET INCLUDING GRANTS

Opportunity	Description (MLA)	Anticipated Saving	Additional Notes
3. Reduce or cease general community assistance grants.	Reduce by 50%, 85% or 100%.	\$92,000	Pausing Financial Assistance grants

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.	\$100,000	Pausing Financial Assistance grants - LMIP
9. Natural Areas.	Service level change. Remove grants.	\$20,000	Pausing Financial Assistance grants
10. Sport and Recreation.	Service level change. Remove grants.	\$30,000	Pausing Financial Assistance grants
14. Reduce service levels for economic development by 30%.	Alternatively increase revenue. Reduce programs. Reduce support to businesses. Reduced promotional campaigns - reduce budget for Invest AlburyWodonga.	\$93,000	Budget adjustments

TABLE 3: CONSIDERATION PROGRESSING THROUGH PROPERTY AND LEASING STRATEGY

Opportunity	Description (MLA)	Anticipated Saving	Additional Notes
13. Reduce the number of play spaces in the community.	Currently 87. Reduction in number of play spaces by 20%.	\$75,924	A review of smaller Play Spaces is underway through the Play Space Strategy, which is currently being drafted following a recent community 'Have Your Say' engagement. Outcomes are aligned to the Social Infrastructure Strategy and will include steps executed through the Property Strategy. It is noted that a reduction in play spaces is unlikely to have a significant impact on ongoing operational expenses but will provide once off benefit in years beyond 2027/28.

TABLE 4: MINOR CHANGES TO SERVICE LEVELS

Opportunity	Description (MLA)	Anticipated Saving	Additional Notes
1. Change Library service levels to provide a spend equivalent of	Reducing library hours, programs and projects. Review Museum services.	\$143,500	A reduction in operating hours and programs at both libraries will achieve effective financial outcomes without significant change to service levels.

<p>the State average.</p>			<p>Community Survey outcomes show the library as within the top three accessed services across both the representative and the opt in survey. There were mixed perspectives on the need to retain current service levels with the opt in survey showing a higher need to retain current service levels than the representative survey (6th out of 16 vs 11th out of 16). This is in line with overall comparative results showing a higher preference for 'Services and Programs' in the opt in survey and a higher preference for 'Places and Spaces' in the representative survey. Preference Share for library in the Trade Off Allocator is 5% through the representative survey and 11% through opt in.</p>
<p>2. MAMA Reduce Service Levels.</p>	<p>Reduced operating grant. Reduced opening hours. Rationalise collection and storage demand. Review staffing model. Review cleaning contract arrangements.</p>	<p>\$285,360</p>	<p>A reduction in operating hours and programs through MAMA will achieve effective financial outcomes without significant change to services. These minor adjustments include adjusting operating hours based on low attendance periods.</p> <p>Community Survey outcomes show MAMA as moderately accessed in both the representative and the opt in survey. Both datasets show low priority for retaining current service levels. Preference Share for MAMA in the Trade Off Allocator is 1% through the representative survey and 3% through opt in.</p>
<p>5. Reduce events service levels by 20%.</p>	<p>Reduce grants for events service level change to be determined.</p>	<p>\$199,000</p>	<p>The Events Team have carefully reviewed demand and financial impact of the full events schedule and proposed reductions to the schedule. These are reflected in forward planning and work has commenced to explore sponsorship opportunities to rebuild the Events calendar in a financially sustainable manner into the future.</p>

			<p>There was stronger community support for retaining current Events service levels in the representative survey than in the opt in (62% vs 46%). The reductions have been carefully assessed using attendance levels as a strong indicator of community support to understand where reductions will have the least impact.</p>
<p>6. Reduce service levels for cultural activation and community development by 20%.</p>	<p>Closure of wood fire oven and pumphouse project, reduced placemaking activities, programs and services. Remove or reduce grants.</p>	\$193,251	<p>A reduction in staffed hours and programs through Pumphouse will achieve effective financial outcomes without significant change to service levels. These minor adjustments include deferring the Artist in Residence program.</p> <p>Placemaking activities are being carefully reviewed to ensure maximum value in the current environment.</p> <p>Results from both the representative and opt-in surveys show that the community places a lower priority on retaining current service levels for placemaking. The Trade Off Allocator preference share for current artistic and cultural experience (placemaking) was 2% in the representative survey (less in opt in).</p>
<p>7. Reduce Communities service levels by 25%.</p>	<p>Reduce Communities service levels by 25%. 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 AlburyCity. Reduce food programs. Reduce</p>	\$270,030	<p>Grants are separately addressed in Opportunity 3. Internal assessment of current costs for centres governed by a committee of management indicates that there are unlikely to be cost savings by shifting currently internal centres to model. External funding would be significantly reduced if food programs were discontinued.</p> <p>A reduction in staffed hours at Glenecho and Mirambeena will achieve effective financial outcomes without significant change to service levels.</p> <p>It is noted that a significantly larger portion (26%) of respondents to the Opt-in survey have recently used community</p>

	community centre staffed hours.		centres than was indicated by the representative survey. The Trade Off Allocator reflects this difference in cohorts with a ranking of 12% in the Opt-in survey and less than 1% in representative.
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TABLE 5: RECOMMENDED SERVICE LEVEL REDUCTION

Opportunity	Description (MLA)	Anticipated Saving	Additional Notes
8. Leisure facilities.	Review service levels at the sports centre, sportsgrounds and aquatic facilities, reduce winter pool hours.	\$187,000	<p>There have been cost reductions and revenue increases built into draft budgets to the value of \$200,000 for Lauren Jackson Sports Centre following completion of works.</p> <p>Analysis of winter operating hours of Albury Swim Centre indicates a cost to operate from May to August of \$187K in 2026/27, with an average of 84 entries per day in the 2025 season. Given this cost, and the relatively low level of use, closure of the pool for the winter season is recommended. There are minimum notice periods to Aligned Leisure for a contract variation following decision.</p> <p>Retention of current operating hours of swimming pools is seen as of moderate importance (8th out of 16) across both the representative and opt in surveys. Whilst the Trade Off Allocator shows a higher preference share from the opt in survey (8% as opposed to 3%), there is also a slightly higher percentage of opt in respondents who have recently used swimming pools.</p>

TABLE 6: VISITOR ECONOMY AND TOURISM SERVICES

Opportunity	Description	Anticipated Saving	Additional Notes
15. Visitor Economy, Experience and Tourism.	Reduce service levels for visitor economy and experience, including program reductions.	\$221,780	A review of face-to-face services at the Visitor Information Centre is underway to identify a more financially sustainable operating model. Council remains committed to obligations under the Albury Wodonga Tourism Partnership Agreement and to achieving the <i>Towards Albury 2050</i> goal of supporting diverse and evolving tourism experiences. Community engagement indicated low priority for Visitor Information Centre services among residents, noting this may not reflect visitor needs.

Solutions for addressing the following opportunities are being progressed. Separate reports will be provided to Council to inform decisions about potential service level adjustments.

TABLE 7: SERVICE MODEL ADJUSTMENTS AND OUTSOURCING

Opportunity	Description (MLA)	Anticipated Saving	Additional Notes
1. (Additional to above) Retro Lane Café Outsourcing.	Savings generated through outsourcing the operation of Retro Lane Café.	\$190,000	Currently progressing through tender processes.

TABLE 8: YOUTH SERVICES

Opportunity	Description (MLA)	Anticipated Saving	Additional Notes
7. (Additional to above) Youth Services and Events.	Reduce AlburyCity's direct role in youth programs and events.	\$377,223	Opportunities are being explored to shift delivery through partnerships or alternative providers to maintain service outcomes with reduced internal involvement.

MLA Opportunities (Other Sections, but impacting external service levels)

Three of the New Revenue opportunities related to **parking** in the CBD. These were considered holistically as implementing one would impact the success of others. Some of the options were deemed not viable through the internal assessment, as we would be unable to offset implementation costs within the two-year timeframe, and due to a lack of alignment with current agreements with Albury businesses.

It is noted that community engagement provided a strong indication that the introduction of paid parking in the CBD is not a preferred option for improving financial sustainability.

An overall plan for increasing parking revenue without impact to current restrictions is being considered. Once the data on impacts and risks is fully documented, this will be presented internally for decision and, if applicable, implementation.

In addition, the Service Excellence project for Children's Services is being finalised and will be separately presented to Council for decision.

TABLE 9: CHILDREN'S SERVICES

Opportunity	Description	Anticipated Saving / Revenue	Additional Notes
36. Children's Services (Full Cost Recovery).	Move Children's Services toward a full cost-recovery operating model.	\$570,000	<p>It is noted that Children's Services are separately seeking increases to fees and charges through 'Service Planning & Fees and Charges'.</p> <p>The final report for the Service Excellence project has been presented to Executive, with further information being gathered to confirm next steps. Outcomes will be presented to Council separately.</p>

Three opportunities with impact on external services or service levels are now being addressed through the '**Operating Budget Including Grants**' or '**Service Planning & Fees and Charges**' levers of the Financial Sustainability project. Existing processes for progress of changes include further community consultation.

TABLE 10: REVENUE OPPORTUNITIES – CEMETERIES AND AIRPORT

Opportunity	Description (MLA)	Anticipated Saving / Revenue	Additional Notes
34. Cemeteries (Break-Even Charges).	Adjust cemetery charges to achieve full cost recovery by Year 2. No change to service levels.	Increased revenue \$150,000	<p>Identified by Morrison Low Advisory under <i>New Revenue Opportunities</i>. Implementation will involve increases to fees and charges.</p> <p>Additional efficiencies without impact on service levels to the</p>

			potential value of \$234,000 are also being scoped.
35. Airport Revenue.	Increase airport revenues through updated fees and charges or alternative commercial models (including leasing options).	Increased revenue \$465,000	Also identified in the <i>New Revenue Opportunities</i> section. Plans include increases and additions to existing fees and charges.

TABLE 11: CORPORATE AND FINANCIAL MANAGEMENT

Opportunity	Description (MLA)	Anticipated Saving / Revenue	Additional Notes
22. Financial Management (10% Service Level Reduction).	Reduce internal financial management support to clusters by 10% and increase risk tolerance.	Savings (TBD)	Although listed under <i>Service Level Reduction – Corporate Services</i> , elements may affect external service levels. Work is underway to assess the impacts of removing discounts for up-front rates payments, with outcomes to be presented through a separate report and recommendation.

A review of demand and costs to deliver services indicates that **minor changes to service levels** will achieve effective financial outcomes for the following opportunity. These minor adjustments are recommended for endorsement by Council to enable us to progress plans to implement.

TABLE 12: CUSTOMER SERVICE AND EXPERIENCE

Opportunity	Description (MLA)	Anticipated Saving	Additional Notes
17. Customer Service (Service Level Adjustment).	Extend customer service response times, reduce reliance on casual staff, shift customer interactions online and introduce an AI-powered chatbot.	TBD	Listed by Morrison Low Advisory under <i>Service Level Reductions – Corporate Services</i> , though several elements affect external service levels. Scope is being explored for the central Customer Experience Team to take on broader responsibilities to support cost reductions. This may result in longer wait times for both community members and internal staff. The report recommends endorsing minor increases to call wait times, offset by improved quality and breadth of information at first point of contact.

MLA Opportunities (No impact on external service levels)

A summary of the status of all 48 Morrison Low Advisory Opportunities is provided in Diagram 2. Many opportunities with potential impact on external service levels also have efficiencies identified without impact. These are separately progressing to implementation where appropriate.

A full status summary for all opportunities in the MLA report is provided at Attachment 4 – Opportunity Status Summary.

	Potential Impact on External Service Levels (# of Opportunities)	Internal Impact / Efficiency only (# of Opportunities)
Assessed as Not Viable	2	10
Recommended Endorsement of Minor Service Level adjustments	7	0
Progressing to decisions and implementation – Operating Budget Including Grants or Service Planning and Fees & Charges	7	2
Progressing to decisions and implementation – Property & Leasing Strategy	2	2
Progressing to decisions and implementation - Other	5	10
Complete	0	3

Diagram 2 – Opportunity Statuses *nb* Opportunities 1 and 7 are reflected twice in this count due to different aspects having different statuses.

Ongoing Identification and Management of Opportunities for Operational Efficiency and Consideration of Service Levels

We continue to identify, analyse and implement internal service level adjustments and efficiencies. Structures established to assess opportunities identified by Morrison Low Advisory have been reviewed and refined to provide a robust framework for new and future opportunities. As this work progresses, budget may need to be allocated and/or internal resources reallocated to support the effective delivery of these improvements.

In some instances, opportunities are to further reduce service levels where minor reductions have already been proposed. Where opportunities have an impact on external service levels, community consultation and presentation to Council will be undertaken.

Outcomes of all the opportunities will be reported every six months through the Continuous Improvement report.

Recommendation

That Council:

- a. Receive and note the Micromex Report - Service Level Research Opt-In vs Representative Findings (Attachment 3);
- b. Endorse a reduction to external service levels according to Opportunity 8 - Leisure facilities. Review service levels at the sports centre, sportsgrounds and aquatic facilities, reduce winter pool hours – to close Albury Swim Centre for the winter season;
- c. Endorse to proceed with a modification of the approach to visitor services for the purposes of progressing to a consultation process with potentially impacted employees and their union/s as per obligations under Clause 42 of the Award, and;
- d. Endorse to proceed with the following Minor Service Level Adjustments (External) for the purposes of progressing to a consultation process with potentially impacted employees and their union/s as per obligations under Clause 42 of the Award, these minor adjustments being:
 - i. Minor changes to the opening hours and number of programs through libraries and the museum.
 - ii. Minor changes to the opening hours and number of programs through MAMA.
 - iii. Minor reductions to the Events schedule.
 - iv. Minor reductions to the staffed hours at Pumphouse and deferral of the Artist in Residence program.
 - v. Minor reductions to the staffed hours at Mirambeena and Glenecho.
 - vi. Minor increases to call wait times through Customer Service, offset by increased scope for provision of information at first point of contact.

Issues

Staffing and Communication

Actioning changes to delivery of services (internal and external) and to the functions of individuals and teams is likely to require workforce consideration. A communication strategy for all aspects of the Financial Sustainability project has been developed and implemented, providing a cyclical cadence of updates through leaders to teams to ensure that information is provided by trusted sources and opportunities are provided for feedback and to ask questions.

Financial Impact

The Financial Sustainability Project is using a multifaceted approach to reach the goal of achieving long-term budget balance without compromising core services and community wellbeing and includes:

- Opportunities for change identified through the Accelerated Service Planning project (Original from Morrison Low Advisory expanded with ongoing identification and assessment)
- Four Year Delivery Program
- Operating Budget including Grants
- Property and Leasing Strategy
- Fees and Charges
- Workforce Considerations
- Consideration of application for Special Rates Variation (SRV) as required.

The exploration of additional identified opportunities and actions is through:

- Review for potential to reduce internal and external services/service levels for non-critical/non-essential services.
- Realignment of resources to match adjusted services/service levels.
- Applying a commercial mindset to the planning for and delivery of non-critical/non-essential services, including consideration of fees and charges for these services.

As further opportunities and actions are identified, these will be assessed and progressed using the pipeline approach developed for Accelerated Service Planning.

Risk

- **Business Risk** – There is a risk that insufficient opportunities will be identified or that sufficient opportunities will not be endorsed to progress in order for us to realise the intended financial outcomes. This will lead to greater debt and borrowings without mitigation. The multi-pronged approach of the Financial Sustainability Project aims to address this risk, with a need for all levers to be carefully considered. Within the ASP lever, we continue to identify, assess and progress additional opportunities to achieve our goals in a structured manner. There is also risk associated with the resources required to implement the changes indicated. We continue to work to identify up front implementation costs and are considering the impact on people resourcing whilst maintaining BAU activity.
- **Corporate Risk** – Any change to service levels provided to our community holds a risk of reputational damage. Care has been taken to engage with our community in a statistically valid manner to be as informed as possible about their needs prior to decision-making. A continued focus on community engagement with regards to financial sustainability aims to maintain that connection and understanding. In addition, the opportunities identified by Morrison Low Advisory have largely resulted in small gains and minor adjustments. In some areas, greater systemic reviews may be required in coming years to realise fundamental efficiency as a business. This may include further reductions to external service levels and further engagement with our community.
- **WHS and Public Risk** – A comprehensive communications plan is in place to ensure that all decisions are communicated in a timely and respectful way, cognisant of the audience and our obligations under Clause 42 of the Award. This will support Our People to adjust to changes and support a continued positive organisational culture.
- **Environmental Risk** – Opportunities identified include consideration of services related to the environment. Upholding strategic objectives identified in this space is considered in impact assessments for individual opportunities.
- **Four Year Delivery Program and General Program Risk** – Limiting capital works programs, as a Financial Sustainability measure through the Four Year Delivery Program planning, may pose a risk to further deterioration of asset conditions.

Engagement

This report provides the outcomes of community engagement around opportunities for service level reductions as conducted between 25 November 2025 and 9 January 2026. The results of that engagement are provided in two datasets:

- Analysis of responses from the representative sample (Attachment 2 - Micromex Report – Service Level Research Representative Survey), and
- Comparison of responses from the Opt-In sample with the representative sample (Attachment 3 - Micromex Report - Service Level Research Opt-In vs Representative Findings).

Strategic Alignment

Towards Albury 2050 Community Strategic Plan

This project aligns with the following outcomes from the Towards Albury 2050 Community Strategic Plan:

Theme Four – A Leading Community.

4.2 Our Community's voice is considered in decision making.

4.2.1 Effectively engage the community on decisions that affect them.

Theme Four – A Leading Community.

4.4 Albury has open and collaborative leadership.

4.4.2 Government business is conducted with good governance, accountability and transparency.

Options

1. That Council receive and note the Financial Sustainability Project Update and **endorse** recommendations to progress opportunities with minor impact on external service levels as noted above **and** the modification of the approach to visitor services **and** the closure of the Albury Swim Centre for the winter season; **Recommended** or
2. That Council receive and note the Financial Sustainability Project Update and **endorse** recommendations to progress opportunities with minor impact on external service levels as noted above **and** the modification of the approach to visitor services and **do not endorse** the closure of the Albury Swim Centre for the winter season. **Not Recommended.**

This will impact the timeframes to achieve financial sustainability and will increase reliance on alternative levers.

3. That Council receive and note the Financial Sustainability Project Update and **endorse** recommendations to progress opportunities with minor impact on external service levels as

noted above only and **do not endorse** the modification of the approach to visitor services **nor** the closure of the Albury Swim Centre for the winter season. **Not Recommended.**

This will impact the timeframes to achieve financial sustainability and will increase reliance on alternative levers.

4. That Council receive and note the Financial Sustainability Project Update and **endorse** the modification of the approach to visitor services **and** the closure of the Albury Swim Centre for the winter season and **do not endorse** recommendations to progress opportunities with minor impact on external service levels as noted above. **Not Recommended.**

This will impact the timeframes to achieve financial sustainability and will increase reliance on alternative levers.

5. That Council receive and note the Financial Sustainability Project Update and **endorse** the closure of the Albury Swim Centre for the winter season and **do not endorse** recommendations to progress opportunities with minor impact on external service levels as noted above **nor** the modification of the approach to visitor services. **Not Recommended.**

This will impact the timeframes to achieve financial sustainability and will increase reliance on alternative levers.

6. That Council receive and note the Financial Sustainability Project Update and **endorse** the closure of the Albury Swim Centre for the winter season **and** recommendations to progress opportunities with minor impact on external service levels as noted above and **do not endorse** the modification of the approach to visitor services. **Not Recommended.**

This will impact the timeframes to achieve financial sustainability and will increase reliance on alternative levers.

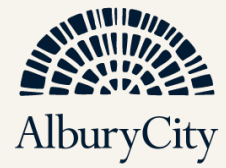
7. That Council receive and note the Financial Sustainability Project Update and **endorse** the modification of the approach to visitor services and **do not endorse** recommendations to progress opportunities with minor impact on external service levels as noted above **nor** closure of the Albury Swim Centre for the winter season. **Not Recommended.**

This will impact the timeframes to achieve financial sustainability and will increase reliance on alternative levers.

8. That Council receive and note the Financial Sustainability Project Update and **do not endorse** recommendations to progress opportunities with minor impact on external service levels as noted above **nor** the modification of the approach to visitor services **nor** closure of the Albury Swim Centre for the winter season, requesting instead that each service level change is separately reported for consideration and endorsement. **Not Recommended.**

This will significantly impact the timeframes to achieve financial sustainability and will increase reliance on alternative levers.

File ref.	FIL25/03234
Reporting team	Strategy & Performance
Attachments	<ol style="list-style-type: none">1. Accelerated Service Planning Opportunities Report - MLA [44 pages] - (DOC25/271101)2. Micromex Report - Service Level Research Representative Survey [33 pages] - (DOC26/20036)3. Micromex Report - Service Level Research Opt In vs Representative Findings [25 pages] - (DOC26/42190)4. MLA - Opportunities Status Information - March 2026 [15 pages] - (DOC26/61701)



Accelerated Service Planning Albury City Council

OCTOBER 2025



Contents

Executive summary	3
Summary	3
1. Introduction and context	5
1.1. Introduction	5
1.2. Context	5
1.3. Impact of project	5
2. Methodology	6
2.1. Qualifications	6
3. Generating improvement opportunities	7
3.1. Project design and engagement	7
3.2. Other considerations	7
3.3. Analysis	8
3.3.1. Councillor survey summary	8
3.3.2. Internal workshop	9
3.4. High level analysis	11
4. Final draft improvement opportunities	12
5. Risks	20
6. Decision making matrices	21
7. Implementation	23
7.1. Preparation and Governance – November and December	23
7.2. Stakeholder Engagement Phase – December to February	23
7.3. Implementation Planning Phase (to be conducted in parallel)	24
7.4. Post Implementation Phase – Monitoring, Evaluation and Continuous Improvement	24
8. Engagement strategy	24
9. Accelerated service planning improvements	24
9.1. Establish a consolidated planning position	25
9.1.1. Recommendation	25
9.2. Service planning framework	25
9.2.1. Recommendations	26
9.3. Service levels and performance measures	26
9.3.1. Recommendations	26
9.4. Service reviews	26
9.4.1. Recommendations	27
9.5. Cross organisational policy and planning team	27
9.5.1. Recommendation	27
Appendix A Decision Matrix	29
Appendix B Engagement Strategy	31



Tables

Table 1	Accelerated Service Planning Opportunities	13
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Figures

Figure 1	Accelerated Service Planning Project Framework	6
Figure 2	Opportunity Subject Areas	10



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.

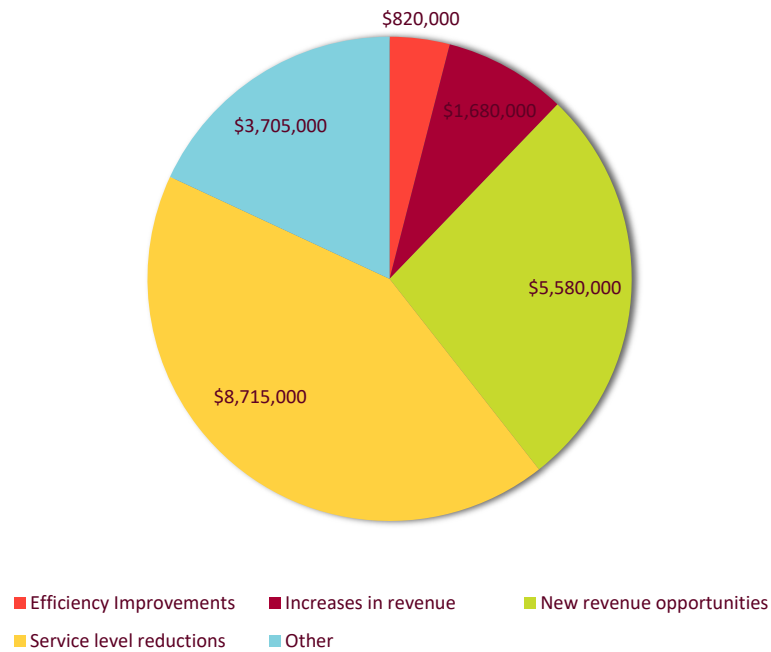
Albury City Council is committed to continuous improvement and elevating customer satisfaction, but it needs to do this in a prudent and financially sustainable manner. Through the Service Excellence Program, Council directly supports the implementation of its Community Strategic Plan by delivering a 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.

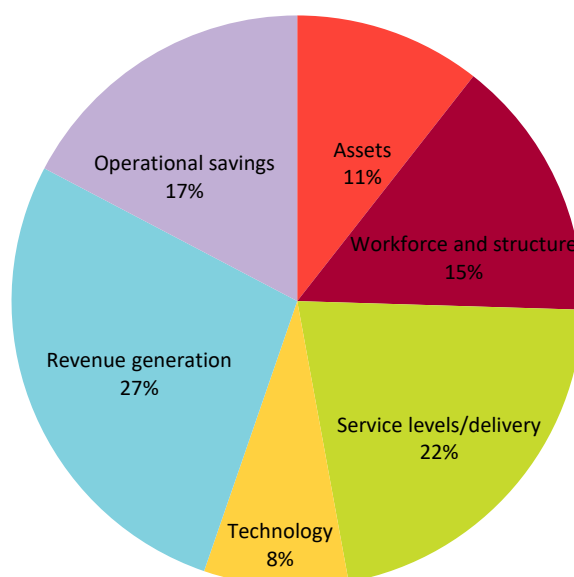
Feedback from Councillors that suggested changes to external services, service levels or fees and charges were referred for investigation. Opportunities that could be quantified and would provide a financial benefit within the target timeframe were incorporated into the pool of opportunities to be analysed.

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.

Summary of Improvements

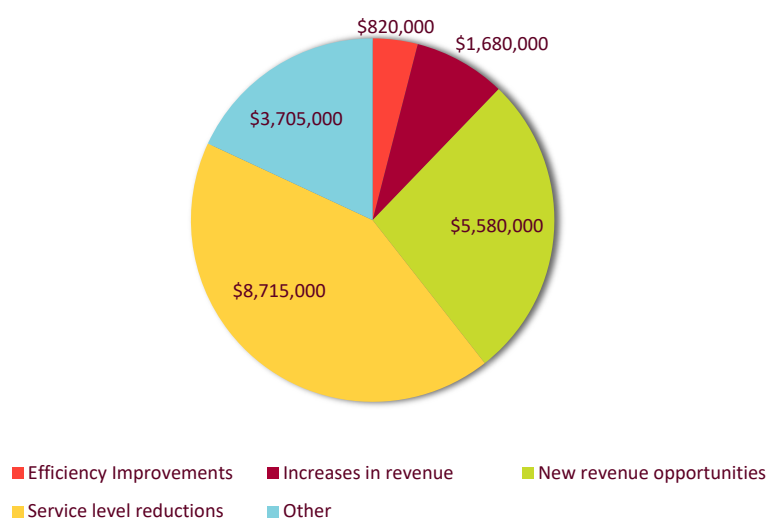


Table 1 Accelerated Service Planning Opportunities

#	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	