



cutting through complexity™

CTW, Blayney Shire Council and Cabonne Council

Public Report from High-Level Analysis Shared Service Delivery

Management Consulting

May 2014

Inherent Limitations

This report has been prepared as outlined in the Introduction and Scope Section. The services provided in connection with this engagement comprise an advisory engagement, which is not subject to assurance or other standards issued by the Australian Auditing and Assurance Standards Board and, consequently no opinions or conclusions intended to convey assurance have been expressed.

No warranty of completeness, accuracy or reliability is given in relation to the statements and representations made by, and the information and documentation provided by, Central Tablelands Water, Blayney Shire Council and Cabonne Council management and personnel consulted as part of the process.

KPMG have indicated within this report the sources of the information provided. We have not sought to independently verify those sources unless otherwise noted within the report.

KPMG is under no obligation in any circumstance to update this report, in either oral or written form, for events occurring after the report has been issued in final form.

The findings in this report have been formed on the above basis.

Third Party Reliance

This report is solely for the purpose set out in the Introduction and Scope Section and for Central Tablelands Water, Blayney Shire Council and Cabonne Council's information.

This report has been prepared at the request of Central Tablelands Water, Blayney Shire Council and Cabonne Council in accordance with the terms of KPMG's engagement letter dated 23 January 2014. Other than our responsibility to Central Tablelands Water, Blayney Shire Council and Cabonne Council, neither KPMG nor any member or employee of KPMG undertakes responsibility arising in any way from reliance placed by a third party on this report. Any reliance placed is that party's sole responsibility.

This KPMG report was produced solely for the use and benefit of Central Tablelands Water, Blayney Shire Council and Cabonne Council and cannot be relied on or distributed, in whole or in part, in any format by any other party. This draft report is dated 16 April 2014 and KPMG accepts no liability for and has not undertaken work in respect of any event subsequent to that date which may affect the report.

Any redistribution of this report requires the prior written approval of KPMG and in any event is to be complete and unaltered version of the report and accompanied only by such other materials as KPMG may agree.

Responsibility for the security of any electronic distribution of this report remains the responsibility of Central Tablelands Water, Blayney Shire Council and Cabonne Council and KPMG accepts no liability if the report is or has been altered in any way by any person.

**The contacts at KPMG
in connection with this
document:**

Rob Roberts

Associate Director
Management Consultant
KPMG Australia

Tel: 02 9335 7145

rroberts1@kpmg.com.au

Executive summary	3
Introduction and scope	4
Local government reform	5
Project approach	9
Phase 1: Vision for Shared Services	10
Phase 2: Data request breakdown	12
High-level assessment	14
Organisation profiles	19
Service Group 1: Strategic and support services	27
Service Group 2: Specialist services	33
Service Group 3: Direct field services	39
Next steps and recommendations	47

WBC Strategic Alliance invited support to develop a business case for the provision of shared services

KPMG was appointed in January 2014 to deliver the first two of three work packages:

- Phase 1
 - Develop scope and future state operating model for shared services entity
- Phase 2
 - Develop methodology for services to be shared; and
 - Develop high-level assessment of options, costs and benefits of implementing shared services model

The WBC Alliance is a voluntary cooperative model, consisting of Wellington, Blayney and Cabonne Shire Councils, and Central Tablelands Water County Council (CTW). It was formed in 2003 to promote collaborative working and improve service delivery, reducing costs through shared, innovative and efficient practices.

Collectively the councils represent over 15,000 ratepayers, cover 11,500 square kilometres and employ 400 staff. CTW is a Local Water Utility with 6,000 customers within Blayney, Cabonne and Weddin local government boundaries.

In 2010 the Alliance commenced a project to fully examine and understand the benefits and alternative models from shared service arrangements, and commercial business units. With support from the Australian Centre of Excellence for Local Government (ACELG) and the NSW Division of Local Government (DLG) a recommendation was made to move the Alliance to a legal entity, using a county council model, for the delivery of a range of shared services.

Local governments in Australia, and particularly in NSW, are facing one of the biggest reform opportunities in a generation. Following the sector's recognition of the need for reform, through the Destination 2036 initiative, the NSW Government commissioned an independent report on the role, sustainability and future operations of local government in NSW. The final report set out proposals for reform aimed at improving councils' financial sustainability, reducing infrastructure backlogs, and promoting better governance, and included proposals for council amalgamations and joint organisations of councils to achieve these outcomes.

In May 2013 the WBC commenced work to design a legal entity model for the delivery of shared services across Blayney Council (Blayney), Cabonne Council (Cabonne) and CTW, the 'Participating Councils'. Wellington Council had declined to participate in this study as it considered it was better aligned to the Orana region of Councils.

In November 2013 WBC issued an invitation for Expressions of Interest to develop the methodology and business case for selection and analysis of functions suitable for delivery from the shared service entity.

KPMG was appointed as the successful tenderer, and commenced work in January 2014.

Despite a series of structural changes in the Australian economy over time, the structure and functions of local government have largely remained static.

Today, many councils in NSW have been determined to be financially unsustainable, including through analysis by the NSW Treasury Corporation (TCorp) and the ILGRP.

Further to these structural considerations at the council level, there are external challenges associated with population and economic growth that will continue to increase pressure on limited resources.

Destination 2036

In August 2011, representatives from each council in NSW gathered in a process known as *Destination 2036*, with a key purpose being to discuss strategies to enhance the financial viability and service delivery capability of local governments.

The motivations for *Destination 2036* were:

- discrepancies between the local government landscape in NSW relative to other Australian jurisdictions
- recognition of structural population, technological, and economic changes in NSW and Australia more broadly, and the potential impacts of these trends over the medium and long term

Participants at *Destination 2036* discussed a broad range of issues, including challenges and opportunities for local councils in the future. The top three challenges for local councils were:

- infrastructure and asset issues (27 per cent);
- financial sustainability (26 per cent); and
- population and demographic changes (19 per cent).

The workshop resulted in the development of proposed priority actions in the following areas:

- **governance** – a review of the Local Government Act;
- **structure** – review of the current model and involvement of Regional Organisation of Councils in the development of major strategies and infrastructure issues;
- **functions** – service review to identify the needs and wants of the community and decide what bodies should be responsible for providing these services;
- **finance** – establish a working group to review local government finances and develop a new financing formula; and
- **capacity** – simplify and determine corporate governance arrangements between, and in partnership with, the three levels of governance.

Sources: Elton Consulting 2011, 'Destination 2036: A Path Together', Outcomes Report, Prepared for the Division of Local Government, Sydney. NSW Independent Local Government Review Panel 2013, Revitalising Local Government, Final Report, Sydney, October. Treasury Corporation 2013, 'Financial Sustainability of the New South Wales Local Government Sector: Findings, Recommendations and Analysis', Prepared for the Independent Local Government Review Panel, April, Sydney.

Independent Local Government Review Panel

A key outcome of *Destination 2036* was the establishment of the NSW ILGRP, which was appointed to develop options to improve the strength and effectiveness of local government in NSW. Within its terms of reference, the ILGRP was tasked with investigating and identifying options for governance models, structural arrangements, and boundary changes. To date, this work has been informed by research reports, survey data, and community consultations.

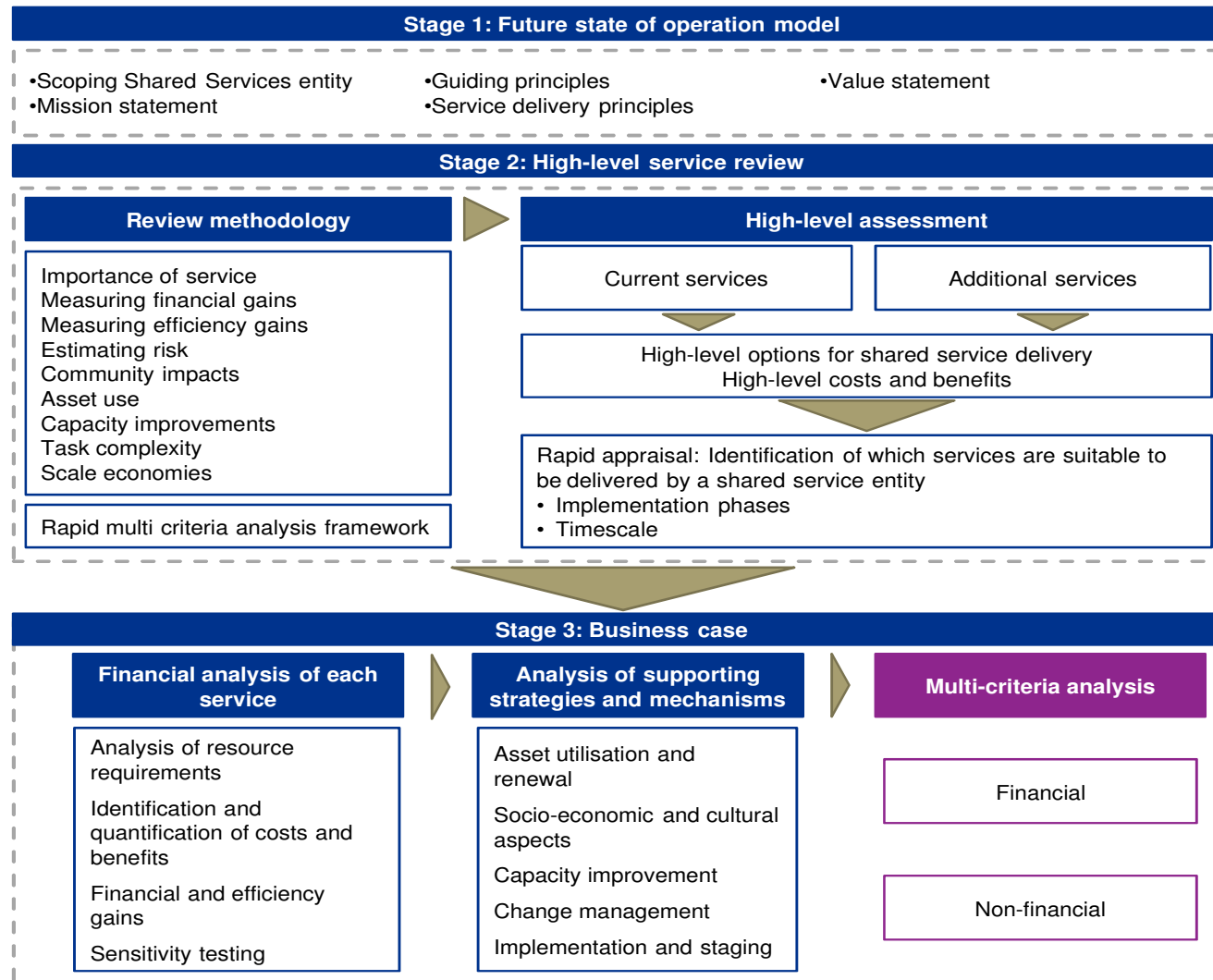
The final ILGRP report, *Revitalising Local Government*, was released in early January 2014. The report highlights the case that there is a need for reform of local government in NSW, arguing that the current number of councils is unsustainable and that consolidation is required. The case for change is driven by the following factors:

- financial sustainability;
- infrastructure management and backlog; and
- projected increases in the population of NSW.

In developing the approach, we used our experience in local government reform, shared services, and financial and economic analysis.

Our evidence based approach is underpinned by detailed financial analysis, tested with stakeholders, and complemented by consideration of broader strategic and operational factors:

- scoping the entity
- high-level scan of options
- developing a business case, building on
- financial and economic analysis of options
- analysis of asset utilisation and relationship to service delivery
- an implementation roadmap



KPMG's initial approach included working with the Council General Managers and project team to develop and agree a vision, purpose and strategy to guide establishment of a shared services entity.

These vision and purpose statements, and the supporting strategy, were developed in a workshop on 23 January 2014.

In addition the challenges and opportunities were reviewed.

Vision: Enhance the capability and capacity of participant organisations to deliver efficient, effective public services

Purpose: Deliver sustainable, cost effective, quality public and support services through a commercially focused co-operative business model

Strategic objectives

1. Release operational efficiencies through formal collaboration on service delivery

3. Attract, retain and develop employees to meet key skills areas

2. Release operational efficiencies by leveraging operational assets, fleet and machinery

4. Re-use operational efficiencies to meet identified gaps in provision

Strategy:

1. Implement a joint venture company to deliver services on behalf of Cabonne Council, Blayney Council and Central Tablelands Water, as a sector leading reform initiative
2. Prioritise and progressively transition selected services to the joint venture company from July 2014

To help guide service selection for the initial analysis, we developed and then prioritised nine design principles based on relative importance.

This weighted information was then used against some high-level organisation information to select services for further analysis.

Design principles are also used to help refine thinking, assess opportunities and prioritise implementation decisions.

Organisational Design Principles		What they mean for the Shared Services Operating Model
1. Cost benefit analysis establishes case for change		Selection and prioritisation of services to transition for sharing is based primarily on a cost benefit analysis
2. Meets identified capability and capacity gaps		Creating a single provider of services will address existing or forecast capability and capacity gaps within one or more Councils
3. Enhances ability to attract and retain key skills		Establishing greater specialist teams will create career opportunities and help to attract and retain the scarce key skills required
4. Utilises standard systems / processes		Existing services that have simplified, standardised systems and processes across the Councils can be transitioned rapidly to a single provider
5. Operations and benefits can be leveraged further through increased scale and scope		There is opportunity to develop markets, or enter existing markets, beyond participating Councils to exploit the benefits from a single provider through leveraging scale and scope of operations
6. There are existing, established shared arrangements		Current formal or informal arrangements to share services across Councils can be delivered more efficiently and effectively through a single provider
7. There is limited consequential impact on other services		There are consequential benefits to other services by creating a single provider, or the negative impact can be limited and does not outweigh the benefits
8. Preserves community employment in key areas		Community employment, where the services represent a major local employer, can be maintained or enhanced
9. Service delivery is an established political priority		Councillors have determined that the policy for and delivery of services should be based locally

- **The Participating Councils supplied organisational, financial and operational data for services in scope**

- KPMGs conducted a structured approach to the development of observations and analyses, providing a view of scale and opportunity at four levels across the organisations:

- Consolidated organisational view
- Service Group 1: Strategic and support functions
- Service Group 2: Specialist services
- Service Group 3: Direct field services

A structured approach was taken to the development of observations and analyses.

1. An initial consolidated view of organisational data was developed, which provides:
 - The comparison of all three organisations at the highest level
 - Council profiling in terms of services, staff, scope and scale
2. Three (3) service group areas to cluster the main groups of opportunity
 - Service Group 1: 'Strategic and support services'
 - Financial management and corporate accountancy
 - Accounts payable and receivable
 - Payroll
 - HR advice, recruitment and selection
 - ICT desktop support
 - ICT infrastructure, hardware and software
 - Asset management
 - Plant, property and equipment, including fleet management
 - Contract management, including tender management
 - Service Group 2: 'Specialist services'
 - Development assessment
 - Principal certifying authority
 - Public health, including food inspections
 - Design
 - Service Group 3: 'Direct field services'
 - Water supply, including water treatment (sewerage)
 - Roads construction and maintenance

Potential opportunities totalling in excess of \$1m annually have been identified from the implementation of a shared services model for the selected services.

The potential opportunities are indicative only and based on preliminary analysis of the 20 individual services prioritised for review as representative of the wider Council service listing (over 100 individual services). The Service Groups have been developed to illustrate the potential opportunities applicable across Council services.

Realisation of the potential opportunities depends on how a shared services entity is implemented, including transitional timescales.

The below table provides a summary of the potential opportunities for the focus areas considered in the analysis.

Service Group 1: Strategic and support services	<ul style="list-style-type: none"> Specialisation of key staff on functions (payroll, accounts payable and receivable, financial management and corporate accounting, ICT, procurement and contract management, property and fleet management) enables 'spare' capacity to be utilised more efficiently
Service Group 2: Specialist services	<ul style="list-style-type: none"> Creation of centres of excellence for professional services enables recruitment of in-house specialists, with savings from Savings from creating centres of excellence hiring in-house staff for currently contracted services in food hygiene, Principal Certifying Authority, and public health
Service Group 3: Direct field services	<ul style="list-style-type: none"> Centralised delivery model for Water Supply and Treatment (sewage) under CTW, enables creation of a centre of excellence and specialisation of roles Creation of sub-regional centres of excellence for Roads Construction and Roads Maintenance services will enable utilisation of people and assets to be optimised through improved workforce planning and scheduling

Characteristics

- Strategic and support services are corporate and back office activities (not direct service delivery)
- Task are typically repetitive and generic activities that support the functions of direct service delivery and hence do not have an underlying revenue base
- The group of services include tasks which are frequently outsourced—wholly or partly—to low-wage countries
- Services characterised as non-strategic, rule-based, low-risk, high volume, should be shared according to Simone Valle de Souza and Brian Dollery, 2011, “Shared Services in Australian Local Government: The Brighton Common Service Model”, *Journal of Economic and Social Policy*: Vol. 14: Iss. 2. Article 4.

Definition of services

Financial management and corporate accountancy: Includes budget cycles, management accounting reports, general accounting advice, completion of final accounts. Does not include financial strategy including IP&R reporting, accounts receivables/payables or payroll

Accounts payable and receivable: Raising and collecting water, sewer and general rates and user charges including raising miscellaneous invoices. Processing and paying of all creditor accounts.

Payroll: Payroll processing, timesheet entry, bank transfers, payroll and employee records, leave administration, superannuation and staff enquiries.

ICT Infrastructure, hardware and software: Specification, purchase, installation and maintenance of computer, security and communications infrastructure. Routine maintenance of e-mail, GIS and other server/systems. Mobile communications, smart phones, tablets. Data back-up and disaster recovery. Documentation. Does not include website design or maintenance.

ICT Desktop support: Set-up, training and support for desktop systems. Desktop hardware maintenance and repair. Printer/copier support and maintenance.

HR advice, recruitment and selection: Advertising, selection, package negotiation and induction of new employees. Salary system administration, training, travel and development, industrial relations negotiations, discipline and performance management.

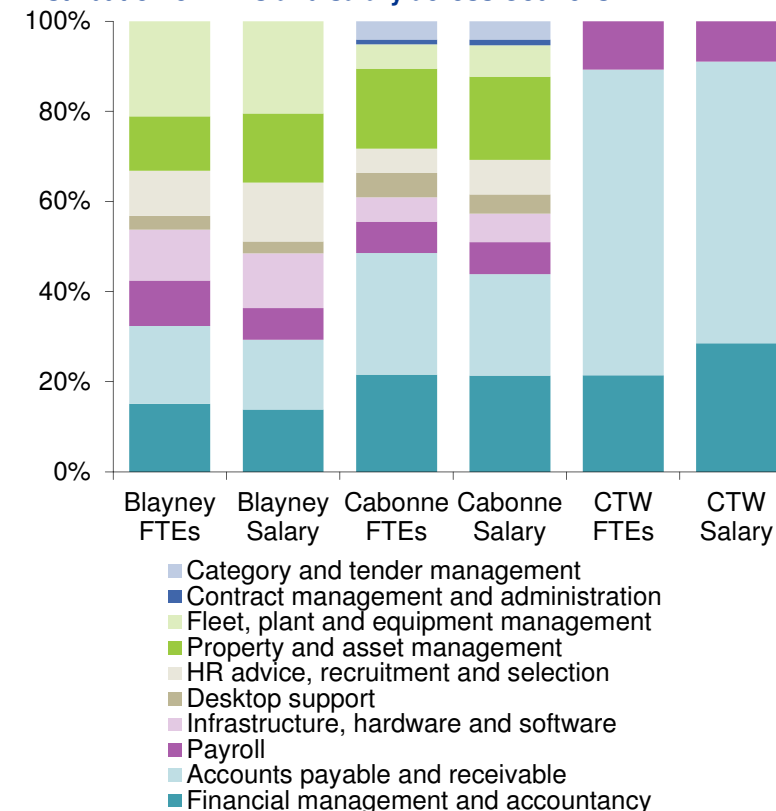
Contract management and administration: Tender process management, contract management, procurement and project management

Property and asset management: Property management including legal, maintenance, disposal and financial. Asset management including the preparation of plans, asset data including the asset register and assessment of assets hierarchy

Fleet, plant and equipment management: Purchase, maintenance, disposal and monitoring of all fleet, plant and equipment including utilisation and financial reporting and maintenance of register.

Category and tender management: Purchasing undertaken for both infrastructure as well as on behalf of the wider organisation. Tender management other than tenders relating to infrastructure services. Identification and grouping of common purchase items.

Distribution of FTEs and salary across Councils



Data sources: Blayney Council, Cabonne Council and Central Tablelands Water Council

Potential opportunity

- Opportunities have been identified to achieve economies of scale and scope through specialisation and centralisation of the functions
- Exchange of best practice, process standardisation, consistency and continuous improvement will deliver further opportunities
- A larger organisation will also be better able to provide a functional back-up

Fleet management

- A total of 3.1 FTE is employed within fleet, plant and equipment management; 2.1 in Blayney and 1 in Cabonne
- Efficiencies released within the asset management services could be focused on undertaking some of the initiatives identified in the recent fleet review by Uniqco

FTE analysis by service

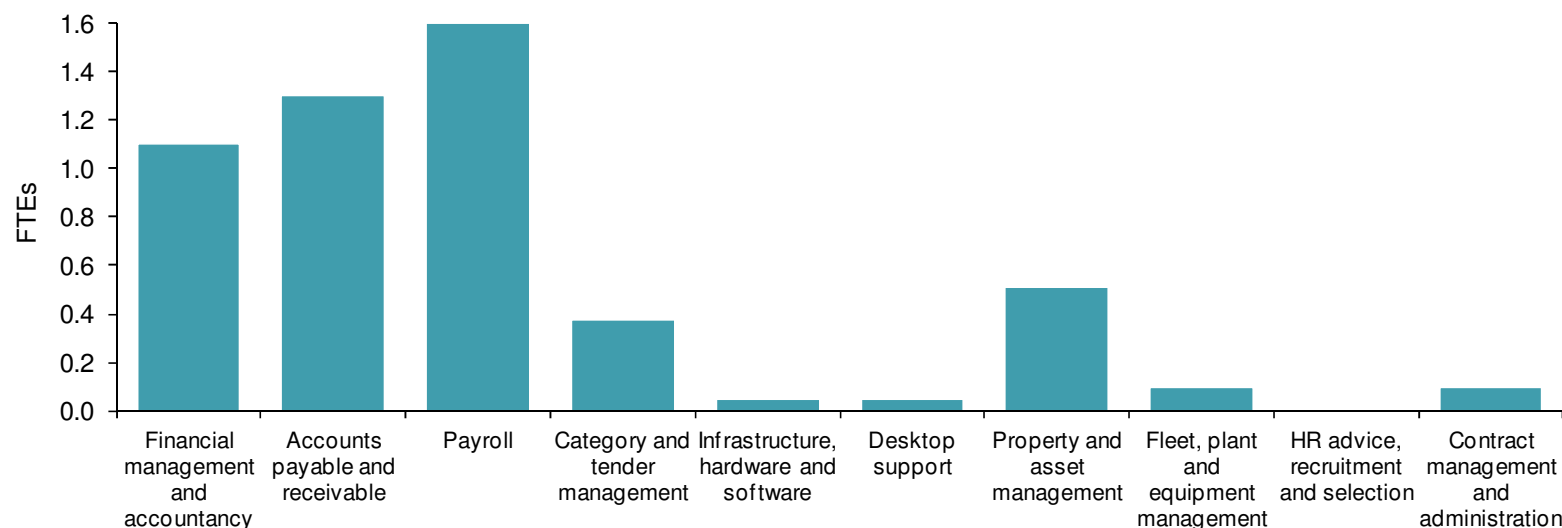
- Sharing of services and knowledge already exists in strategic and support services. Blayney Council undertakes IT and HR tasks for CTW. All three councils have implemented the same financial system and undertaken joint training and ongoing knowledge sharing
- The least specialised services—where the largest potential efficiency gains can be found—are financial management and accountancy, accounts payable and receivable and payroll.

Risks / Considerations

- Careful planning of the transition to the shared services entity
- Management of industrial relations
- Consideration of the best location for the back office functions
- If only some of the examined 10 services are moved into a shared services entity it will reduce the scope for specialisation. The efficiencies depend on the entire group moving to the shared services entity to achieve specialisation

Note: The cost of service provision provided by Blayney to CTW is not specifically identified in the data provided. Similarly the data does not specifically report the revenue Blayney receives for the provision of service.

Number of FTEs not being specialised



Data sources: Blayney Council, Cabonne Council and Central Tablelands Water Council. KPMG analysis

Key observations

- Activities that require a high-degree of subject matter expertise and/or professional judgement
- Specialist service provision to rate payers and the broader community, and have an underlying revenue base (rates, fees and charges)
- CTW has not identified any FTE allocation to specialist services for the purposes of this document (though it is likely that elements of design services are required)
- Services which require expert skills not readily available to councils should be shared according to Simone Valle de Souza and Brian Dollery, 2011, "Shared Services in Australian Local Government: The Brighton Common Service Model", Journal of Economic and Social Policy: Vol. 14: Iss. 2. Article 4.

Definition of services

Development assessment: Pre-lodgement, assessment/determination, compliance/illegal works. Statutory Planning, public consultation, interaction/referral with and to govt agencies and specialist advice.

Principal Certifying Authority: Pre-lodgement advice, DA comment/assessment, consideration and determination of CDC's, CC's, OC's, inspections, compliance/illegal works, pools, fire safety, public interaction/engagement, expert advice/opinion.

Food hygiene: Education, inspection, reporting, DA referrals, complaint investigation and advice and opinion.

Public health: Advice and monitoring of septic tanks, water supply, sharps - hair dressers, skin penetration, etc. Cemeteries, waste, pools, environmental complaints/licensing, compliance, public interaction/engagement

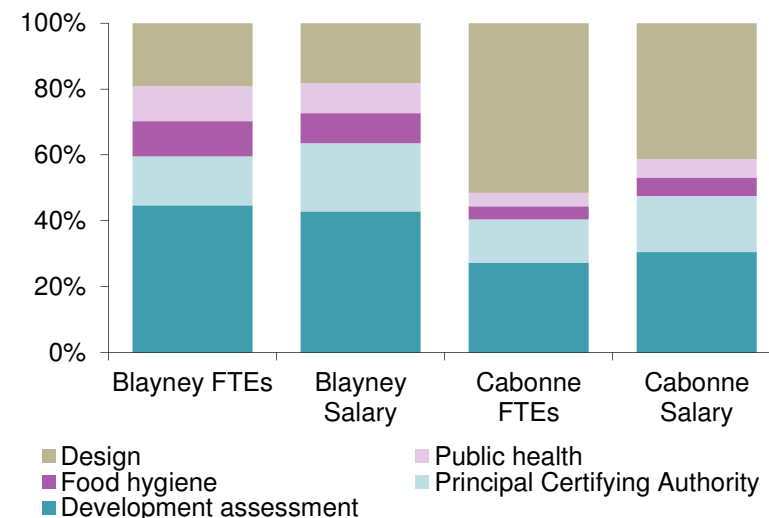
Design: Design of roads and bridges, all telemetry, traffic counts, condition assessment, property and land matters, engineering assessment (developments) and Geotech investigation

Who does what

	Specialist Services			
	DA	Principal certifying authority	Public health, incl. food hygiene	Design
CTW				
Blayney	✓	✓	✓	✓
Cabonne	✓	✓	✓	✓

Data sources: Blayney Council, Cabonne Council and Central Tablelands Water Council

Distribution of FTEs and salary across Councils



Number of FTE by service line – FY13

	Blayney	Cabonne
Development assessment	2.1	2.3
Principal Certifying Authority	0.7	1.1
Food hygiene	0.5	0.3
Public health	0.5	0.3
Design	0.9	4.3
Total	4.7	8.2

Key observations

- Staff in specialist services are not highly specialised due to the difficulty in finding qualified staff
- Cabonne Council has identified three services as 'gap' services
 - Food hygiene
 - Public health
 - Principal Certifying Authority
- Gap services are services which the Council would like to deliver but does currently not have the capacity to deliver, therefore relying on external contractors
- The creation of a Centre of Excellence would provide a professional network for specialists, increasing knowledge sharing and efficiencies
- Exchange of best practice and standardisation, consistency and continuous improvement of processes through knowledge transfer

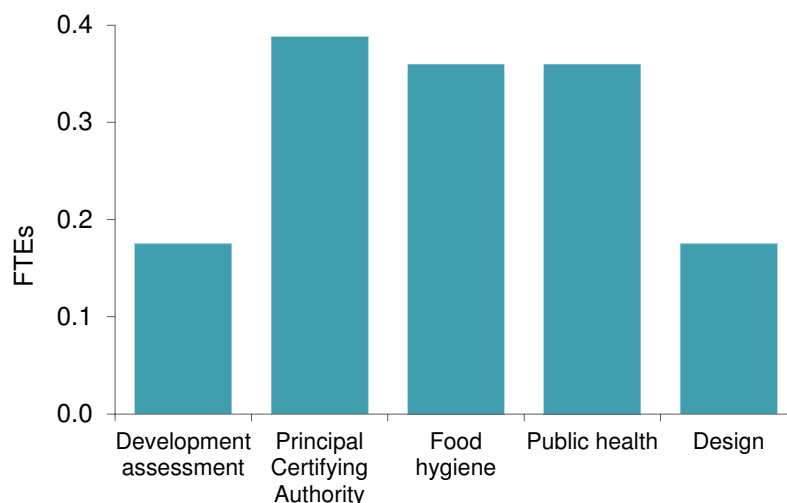
FTE analysis by service

- The largest benefit for specialist services from entering a shared service arrangement will be the ability to attract skills and share knowledge
- Specialist services are not focused on providing one service as both Cabonne Council and Blayney Council provide all five services and staff provide more than one service
- There are high costs associated with engaging contractors to do food inspections, PCAs and public health
- In Cabonne Council public health services are not provided on a systematic basis but is instead responsive to ad hoc needs
- Gains come from two sources—efficiency gains similar to Service Group 1—and net savings from providing services in-house and attracting revenue for certifications and inspections

Risks / Considerations

- The ability to attract expert skills to provide specialist services depend on the attractiveness of working for the shared services entity
- Industrial relations in the transitioning to shared service entity

FTEs not fully specialised – efficiency potential



Data sources: Blayney Council, Cabonne Council and Central Tablelands Water Council. KPMG analysis

Key observations

- Direct field services have a collective staff cost of \$8m across the three Councils
- Roads construction and maintenance activities are the most resource intensive activities delivered by Blayney and Cabonne
- CTW's sole service provision in this focus area is water supply and treatment
- Water treatment is undertaken by all three Councils by 2 FTEs in Blayney, 4.1 FTEs in Cabonne and 3 FTEs in CTW. The average FTE salary within water treatment is highest in CTW, but positions in CTW may be more senior / complex than those in Blayney Shire Council and Cabonne Council.

Definition of services

Water supply: Service installation, reticulation maintenance and renewal, trunk main maintenance and renewal, water mains extension, water treatment, reservoir cleaning, water quality analysis, dam surveillance/inspection, dam operations, environmental flows monitoring and asset maintenance

Water treatment: Service connections, asset condition assessments, sampling, water quality analysis, treatment, sewer main extensions and asset maintenance, effluent reuse schemes

Roads construction: Construction including bulk earthwork, clearing, drainage, pavement wearing surface.

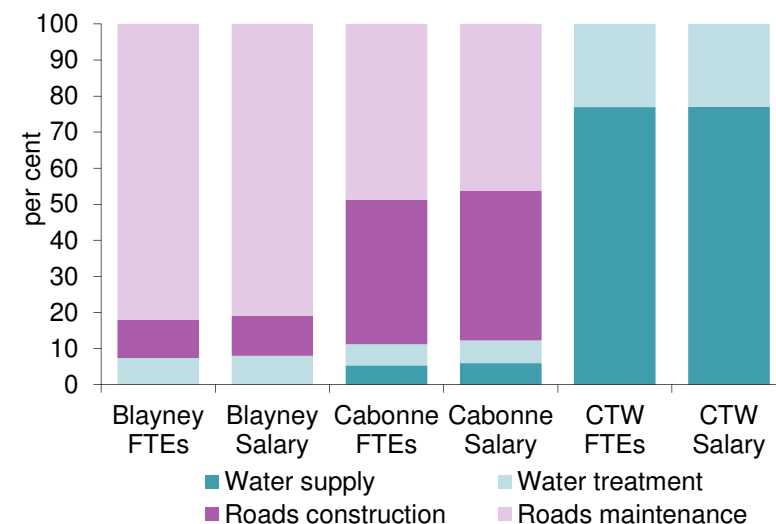
Roads maintenance: Seal maintenance, unsealed maintenance, inspection, roadside furniture maintenance, vegetation maintenance

	Water		Roads	
	Water Supply	Water treatment	Roads construction	Roads maintenance
CTW	✓	✓		
Blayney		✓	✓	✓
Cabonne	✓	✓	✓	✓

Number of FTE by service line – FY13

	CTW	Blayney	Cabonne
Water supply, and water treatment	13	2	8
Roads construction and maintenance	0	25	62.7
Total	13	27	70.7

Distribution of FTEs and salary across Councils



	Blayney	Cabonne	CTW
No. of assets	47	99	18
Water supply and water treatment	4	14	18
Roads construction and maintenance	43	85	
Avg. utilisation, per cent*	64	82	72
Carry value, \$m	1.28	7.03	0.41

Data sources: Blayney Council, Cabonne Council and Central Tablelands Water Council

Key observations

- CTW and Cabonne provide water to the region and perform related treatment activities
- Both Blayney and Cabonne perform roads construction and maintenance and deliver water treatment services to their respective jurisdictions' water supply

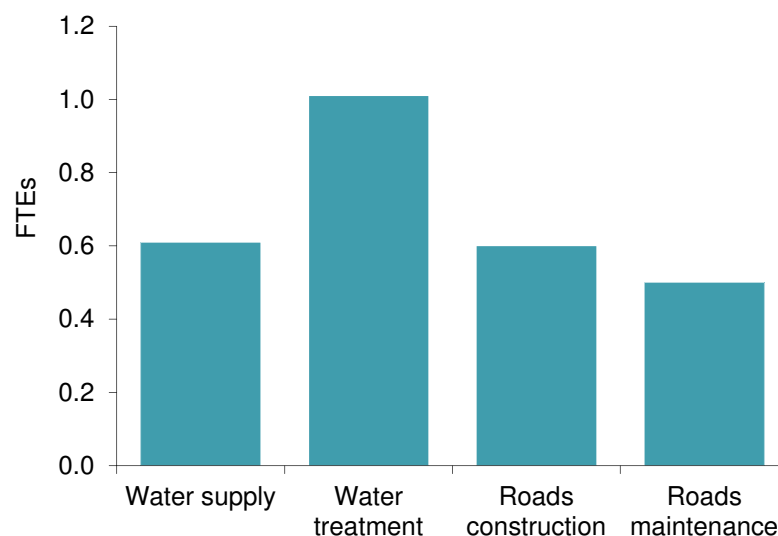
Potential opportunity

- Achieve greater economies of scale (improved productivity) through the creation of a centralised direct field services function
- Rationalisation of under utilised assets and reinvestment in areas of need

FTE analysis by service

- Achieve greater economies of scale (improved productivity) through the creation of a centralised direct field services function
- The key efficiency savings are created by centralising water supply and water treatment under CTW
- There are only limited scope for specialisation relative to the size of the workforce in roads construction and roads maintenance since many staff are specialised in their area already
- The largest efficiency gains can be achieved if process and operation models are improved in the shared services model, particularly from optimising workforce and asset planning, scheduling and optimisation
- The achievement of efficiency gains depends on the implementation and planning of the shared services entity

Number of FTEs not being specialised



Asset analysis by service and asset type

- Under a shared services framework they present an opportunity for the Councils to maximise asset utility through grouping like assets and utilising across the Region rather than in silos
- Rationalisation of under utilised assets and reinvestment in areas of need
- The recording of asset data appears inconsistent; many highly specialised assets appear to be used 100 per cent of the time and the utilisation rates vary between Councils
- Accounting rules inflate the carrying value of assets
- Disregarding assets which are used for emergency purposes and hence have justifiable low utilisation rates, 54 of the 170 assessed assets had a utilisation rate below 75 per cent

Risks / Considerations

- Where should staff be located; consideration of location of depots etc.
- Implementation of new operating model and the ability of staff to upskill to meet the needs of the new organisation
- Better recording of assets data, including identification of similar assets across Councils
- Consideration of location of assets and physical limitations to sharing assets

The analysis highlighted clear opportunities and benefits to Blayney, Cabonne, and Central Tablelands Water Councils from implementing shared services for the three service groups identified.

The Councils were recommended to commence phase 3 of the project, including:

- Governance and management arrangements for a shared services entity (joint venture company)
- Detailed business plan for the opportunities
- Detailed plans, including operating model, organisational design, business processes, workforce engagement and transition to realise potential efficiencies and opportunities for reinvestment

Service Group 1: Strategic and Support Services		Includes financial management, payroll, HR, ICT, procurement, property, asset management, fleet management
Description:	Create centralised function to deliver services across Participating Councils, through role specialisation, achieving efficiencies of scale and scope, and potentially trade with others	
Considerations:	Operating model and service redesign will identify additional opportunities; Benefits depend on all identified services transitioning together	

Service Group 2: Specialist Services		Includes Development Assessment, Principal Certifying Authority, Health Inspections, Food Inspections
Description:	Create centre of excellence to deliver services across Participating Council's, through role and location specialisation, on a 'cost recovery' model, with some opportunity to trade in the sub-region	
Considerations:	Operating model and service redesign will identify additional opportunities; Additional analysis required to clarify revenue generating opportunities	

Service Group 3: Direct Field Services		Create centres of excellence to deliver services across Participating Councils, to optimise workforce and asset utilisation, and potentially trade with others in the region
Description:	Create centralised function to deliver services across Participating Councils, through role specialisation, achieving efficiencies of scale and scope, and potentially trade with others	
Considerations:	Operating model and service redesign will identify additional opportunities; Further analysis required to clarify asset status and utilisation; Additional analysis required to clarify revenue generating opportunities	

Realising the Benefits from Shared Services

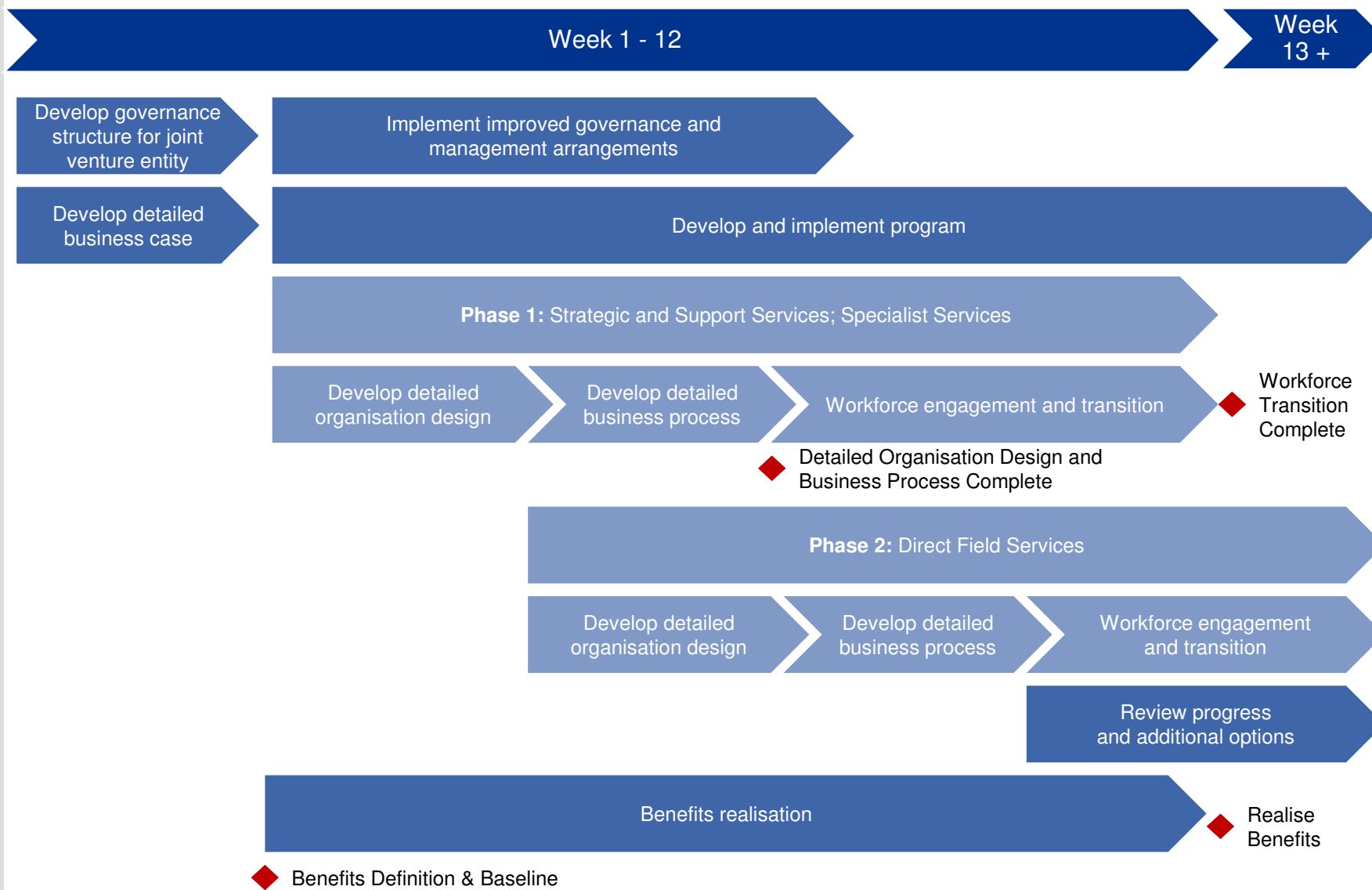
High-level Implementation Plan

This roadmap is based on recommendations to proceed with development of detailed implementation plans for the identified focus areas

Stakeholder engagement to socialise the opportunities and implementation options should precede detailed development, and requires individual Council approval.

Further current state analysis is required to inform development of the future state model, and detailed implementation plans, to ensure that identified opportunities can be achieved.

N.B. Timings are indicative, based on similar engagement with comparable organisations





cutting through complexity™

© 2014 KPMG, an Australian partnership and a member firm of the KPMG network of independent member firms affiliated with KPMG International Cooperative (“KPMG International”), a Swiss entity. All rights reserved.

The KPMG name, logo and ‘cutting through complexity’ are registered trademarks or trademarks of KPMG International Cooperative (KPMG International).