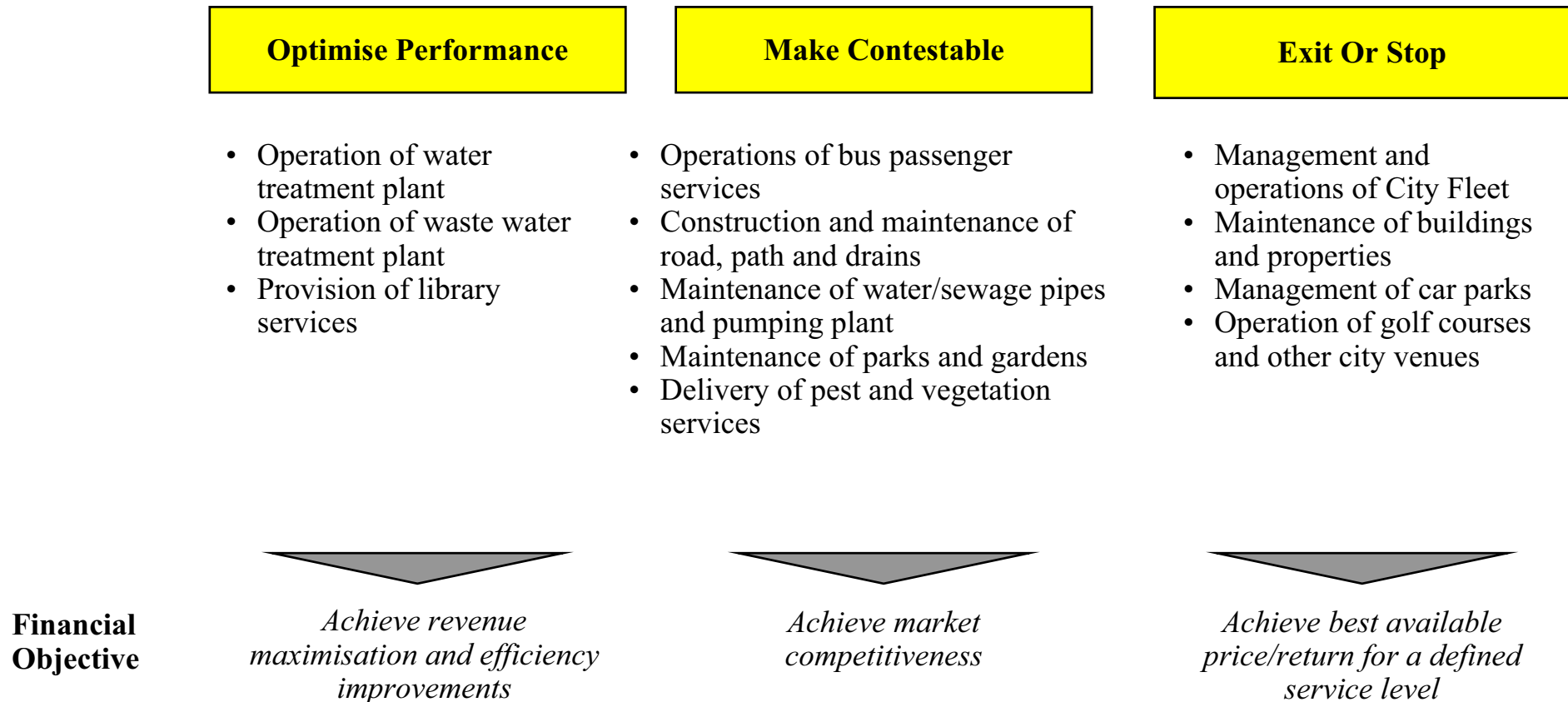


Based on our analysis of activities funded through the Council budget for 2004/5, thirteen initial activities have been identified for improvement action

Thirteen Initial Activities Assessed for Improvement Action



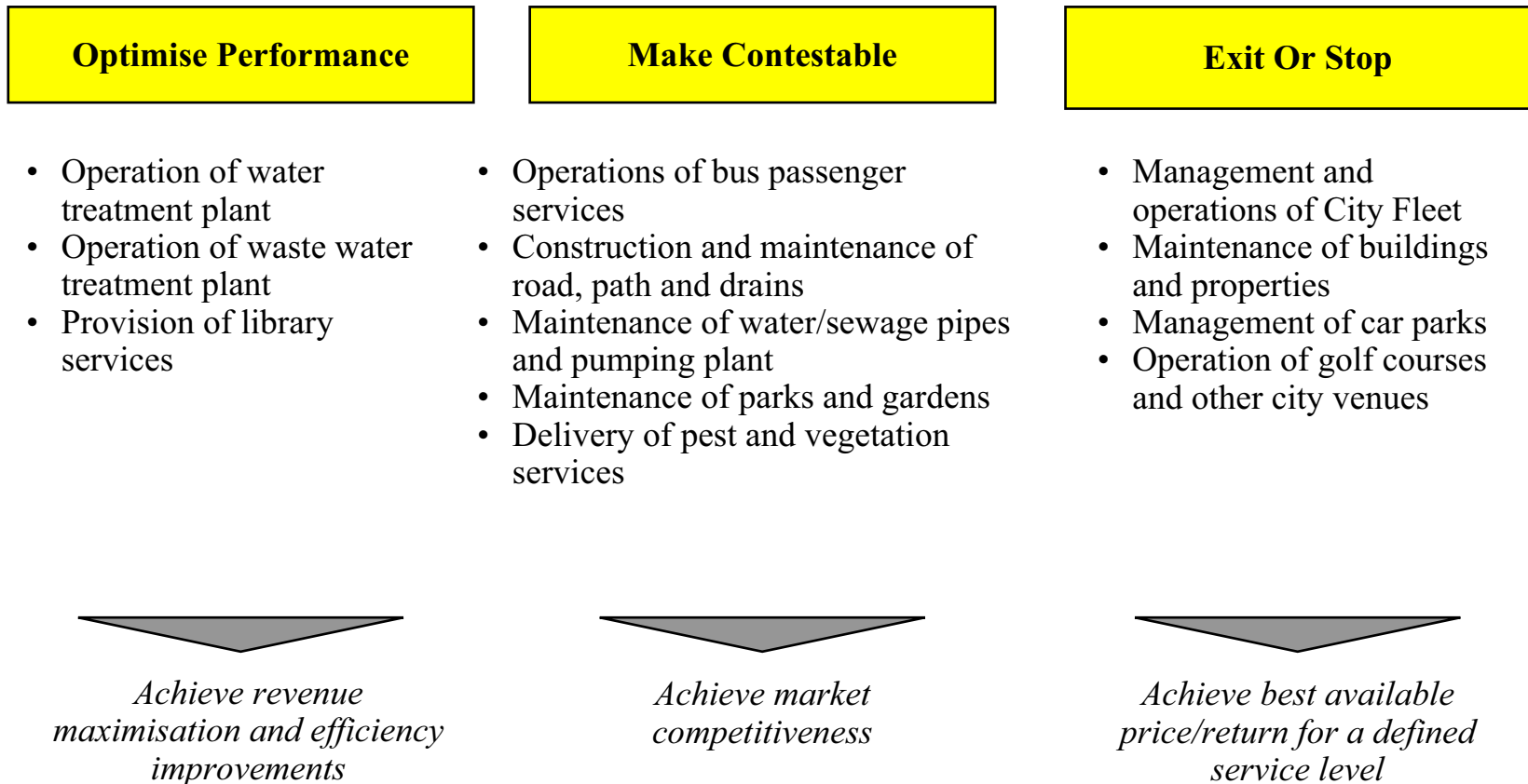
For activities identified for “exit or stop”, the financial objective should be to achieve best available price/return for a defined service level

Summary of Activities for “Exit or Stop”

Activities	External Revenue \$M	Current Cost Base \$M	Estimated Opportunity \$M	Rationale
Management and operations of City Fleet				Activity is peripheral to BCC ratepayers Greater efficiency for BCC can be achieved through exiting the activity and sourcing City Fleet through contestable market
Maintenance of buildings and properties				Outsource activity to professional building/property managers
Management of car parks				Sell asset or outsource operations to commercial operator with future royalty/fee stream
Operation of golf courses and other city venues				Sell asset or outsource operations to commercial operator with future royalty/fee stream

Based on our analysis of activities funded through the Council budget for 2004/5, twelve initial activities have been identified for improvement action

Twelve Initial Activities Assessed for Improvement Action



For activities identified for “exit or stop”, the financial objective should be to achieve best available price/return for a defined service level

Summary of Activities for “Exit or Stop”

Activities	External Revenue \$M	Current Cost Base \$M	Estimated Opportunity \$M	Rationale
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Operation of golf courses and other city venues				Sell asset or outsource operations to commercial operator with future royalty/fee stream

Total: 15 102 7 - 10.2

Note: (1) Does not include one-off benefit of selling the asset as a going concern
Source: Team analysis

An opportunity exists to exit activities associated with the operation of golf courses, the Planetarium, Riverstage and Hibiscus sport centres

Operation Of Golf Courses And Sport Centres

- Provision of golf course facilities, Planetarium and Riverstage are not critical to achieving Council objectives
- Other rationale are conservation of green space in city and flood mitigation strategy - can be achieved through zoning legislation
- Minimal revenue generated - Revenue stream can be capture through either sale of asset or franchise fee from operator



Exit Or Stop

- Sale or lease of assets to private operator

Asset values \$M

Golf Courses	Hibiscus Centre	Planetarium	Riverstage	Total Asset Value
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**Existing Trading Deficits
(exclusive of subsidies, grants & internal rent)
(\$m pa)**

Golf Courses	Hibiscus Centre	Planetarium	Riverstage	Total Deficit pa
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