

Group Source Procurement

FY19 Results to End of September

What we've achieved so far: Group Source FY19

Targets

Group Hard Opex in year Target :\$12.5M



AC: \$5M
AT: \$5M
Watercare: \$2.5M



Forecasting Group Procurement Benefits of \$123.5M



Current State

AT Confirmed Benefits: \$7.4M (\$721k in year savings)



AC Confirmed Benefits: \$12.1M (\$208k in year savings)

Watercare Confirmed Benefits: \$988k (\$895k in year savings)

Type of Benefits

\$1.5M Hard Opex in year savings

Decrease in expenditure for:

- internet infrastructure
- Manned Security Services
- Chemical Rebates

\$17.9M Cost Avoidance

- Controlled Area Notice Officers (Kauri Dieback Disease)
- Procurement of LED lights for street lights (Stage 2)
- Hayman Park



\$71k Productivity Improvements

- Mobiles
- Penetration Services and Code Review Services