

CITY OF ARMADALE

A G E N D A

**OF CITY STRATEGY COMMITTEE TO BE HELD IN THE COMMITTEE ROOM,
ADMINISTRATION CENTRE, 7 ORCHARD AVENUE, ARMADALE ON TUESDAY,
12 NOVEMBER 2002, AT 7.00 PM.**

Meal to be served at 6.15pm

PRESENT:

APOLOGIES:

OBSERVERS:

IN ATTENDANCE:

DISCLAIMER

The Disclaimer for protecting Councillors and staff from liability of information and advice given at Committee meetings to be read by the Chairman.

DECLARATION OF MEMBERS' INTERESTS

QUESTION TIME

DEPUTATION

Nil

CONFIRMATION OF MINUTES

RESOLVED

Minutes of the City Strategy Committee Meeting held on 15 October 2002, be confirmed.

ITEMS REFERRED FROM INFORMATION BULLETIN

INFORMATION BULLETIN – ISSUE NO.21/2002.

The following items were included for information in the “City Strategy section”

- Progress Report on Contingency, Operational and Strategic Projects
- Report on Outstanding Matters
- Unconfirmed minutes of the CCLC meeting held in September 2002

If any of the items listed above requires clarification or a report for a decision of Council, this item to raised for discussion at this juncture.

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CITY STRATEGY COMMITTEE

12 NOVEMBER 2002

FINANCIAL & CORPORATE

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CITY'S FUTURE ACCOMMODATION NEEDS

WARD All
FILE REF: STF/23
DATE 26 September 2002
REF GD
RESPONSIBLE MANAGER EDTS

In Brief:

- Advises of the establishment of forward staffing projections on which options for future staffing accommodation will be based.

Recommend

- That the proposed staffing levels to be used as the basis for assessment in the future staff accommodation project be as shown in Figure 4 of this report.

Tabled Items

Nil.

Officer Interest Declaration

Nil.

Strategic Implications

To foster an effective professional environment for the governance and administration of the City's services.

To achieve maximum community benefit from effective use of resources (staff, finances and information technology).

To create a workplace where staff are innovative, confident and continue to learn.

Legislation Implications

Assessment of legislation indicates that the following regulations apply:

Local Government Act.

Council Policy/Local Law Implications

General assessment has not revealed any applicable Policies/Local Laws.

Budget/Financial Implications

Nil.

Consultation

All Directorates.

BACKGROUND

At its Ordinary Meeting on 16th September 2002, Council resolved (CS78/02) as follows:

"That Council:

- note the formation of a Project Team to assess future accommodation options to meet the City's staff requirements;*
- support the matter of Future Accommodation Needs being considered for inclusion when developing the 5 Year Plan this year;*

Figure 1.

STAFF & POPULATION COMPARISONS WITH OTHER LOCAL COUNCILS

Council	No. of Internal Staff	Total No. of Staff	Population	Ratio Total Staff/Pop 1/---	Ratio Internal Staff/Pop 1/---
City of Albany		202	29,622	147	-
City of Armadale	115	205	54,500	265	474
City of Bayswater	93	217	56,160	258	603
City of Belmont		171	30,400	178	-
City of Bunbury		201	30,801	153	-
City of Canning	98	395	74,016	187	755
City of Cockburn	218	320	67,700	211	310
City of Fremantle		413	25,741	62	-
City of Geraldton		147	21,451	146	-
City of Gosnells	127	296	79,372	268	624
City of Joondalup	260	450	157,431	349	605
City of Kalgoorlie-Boulder		171	31,222	183	-
City of Mandurah		270	47,000	174	-
City of Melville	222	381	96,700	253	435
City of Nedlands		123	21,741	177	-
City of Rockingham	171	270	72,000	266	421
City of South Perth		177	37,684	213	-
City of Stirling		700	175,569	250	-
City of Subiaco		107	15,076	141	-
City of Swan		373	87,900	236	-
City of Wanneroo		404	75,000	185	-
Town of Bassendean		104	13,230	127	-
Town of Cambridge		140	24,047	172	-
Town of Kwinana		93	20,158	217	-
Town of Port Hedland		95	15,000	158	-
Town of Victoria Park		103	27,499	267	-
Town of Vincent		171	25,795	151	-
		6,699	1,412,815	200	528

- c. *recommit the matter of Future Accommodation Needs with an interim report being submitted to the December 2002 City Strategy Committee meeting and a further report submitted to the March 2003 City Strategy Committee; and*
- d. *request that the further report consider options other than housing city staff at current sites.*

As a first step to this project it is essential that some model (or models) of forward projections of staff numbers be accepted. This report details the methodology recommended for formulation of these forward predictions. It should be noted however that the figures included in the report to date are based on staffing levels at other similar Councils and not on actual predictions of the staff required at the City of Armadale. Of course, actual staff increases will all be subject to individual report and Council approval, as and when, they are proposed.

Design Periods

Immediate	5 years
Refurbishment	10 years
New Facility	40 years

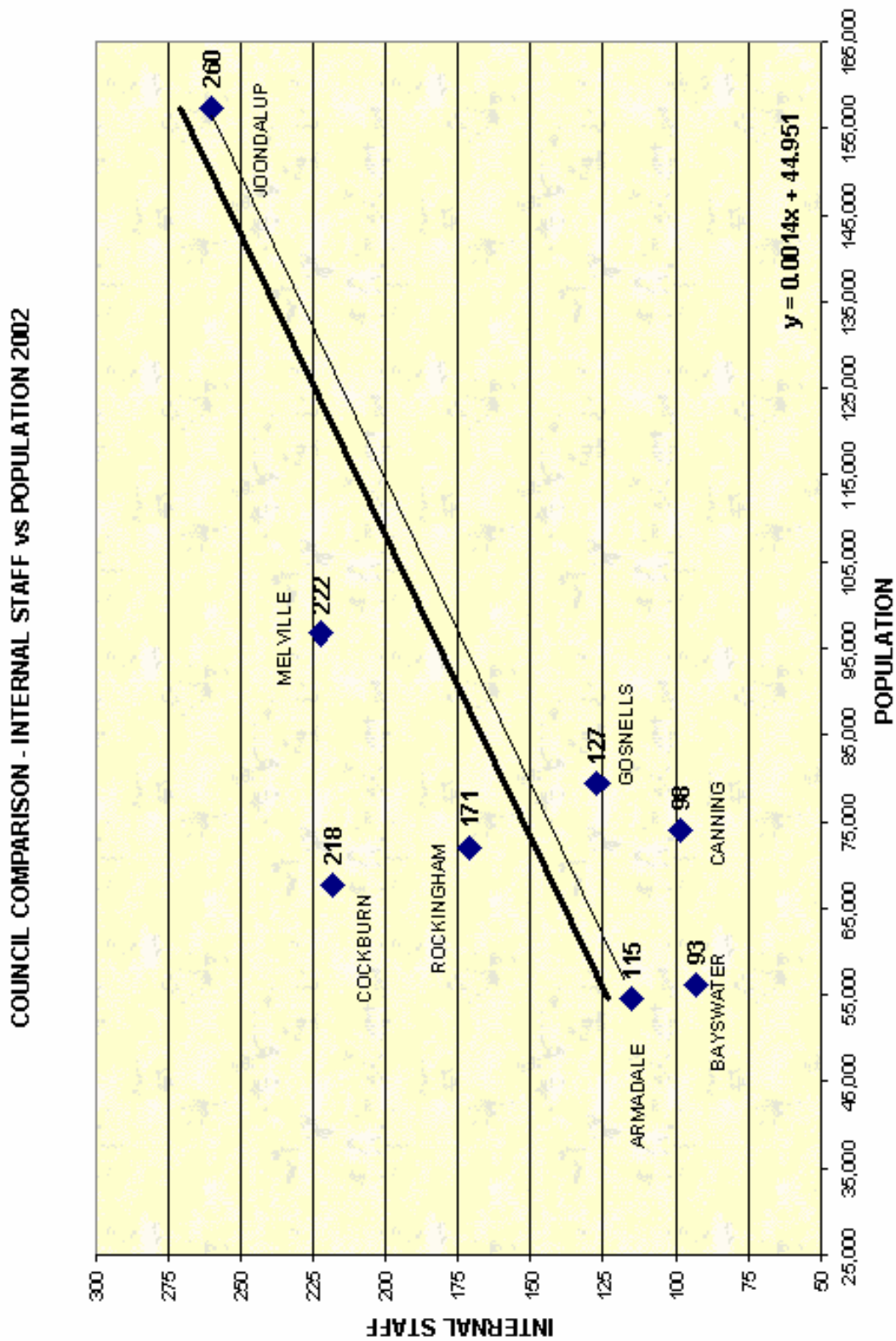
STAFFING PREDICTIONS

In order to predict staffing levels up to forty years ahead it was considered that the only reasonable criteria on which to base the future figures were the population of the City and budgeted expenditure, either jointly or singly. Whilst the Corporate Financial Plan predicts budgeted expenditure during the next five years it was considered that any predictions further ahead than this would be very difficult. On the other hand predicted population figures are available from the Department of Planning and Infrastructure and these extend for the next 24 years. It was therefore decided to base staffing predictions on future population expectations for the City.

Having decided to base future staffing levels on anticipated population growth it was then necessary to formulate a link between staff numbers and population. The following statistics were available:

1. Statistics provided in a report to the July 2002 City Strategy Committee meeting which indicated that the average number of total staff for a group of identified major metropolitan and country urban Councils was 5 per 1,000.
2. Statistics provided by WALGA which indicated that, across WA, the average ratio of total staff to population was 4 per 1,000 (see Figure 1 opposite).
3. Statistics provided from a survey of seven other metropolitan Councils (see Figure 1) which indicated that the average ratio of internal staff was 1.4 per 1,000 plus 45 (see Figure 2 overleaf)

Figure 2.



4. From analysis of the statistics in item 3 above it became clear that Armadale's level of internal staff was approximately 5.5% less than the other Councils therefore an alternative prediction could be based on the staffing ratio from 3 above x 94.5%.

After consideration it was decided to include Options 2, 3 and 4 above in the analysis. Option 1, being the highest level of staff prediction, was not included.

In addition to considering different possible staff : population ratios, the figures for anticipated population from DPI provided the opportunity to allow for a high rate of population growth or a low rate of population growth. The DPI figures provided five-yearly population predictions based on both of these two alternatives.

ANALYSIS OF STAFF POPULATION RATIOS

Based upon the above information it was possible to provide six different projections of staff growth rates, ie. a high and low population growth rate figure for each of Options 2, 3 and 4. A graph showing the highest and lowest of these predictions is included as Figure 3 (overleaf) with a tabulation of these figures being shown in Figure 4 (overleaf).

In interpreting the projections, and making a decision as to which of them should be used for the basis of the future staffing project, the following issues were considered:

- Even the "high" population growth figures provided by DPI do not take account of extra growth in the Armadale area which is anticipated as a result of the establishment of the Armadale Redevelopment Authority.
- The highest level of predicted staff numbers would result in an increase of approximately 109 staff during the next 40 years. This equates to an average of 2.7 per year.
- An average of the highest and lowest level of predicted staff numbers would result in an increase of 71 staff during the next 40 years. This equates to an average of approximately 2 per year.
- Actual staff increases over the period 1998 to 2002 totalled ten staff. This equates to an average of 2.5 per year.
- The staff : population trends are based on services presently provided by typical metropolitan Councils. They take no account of possible increase in areas of service provision over the next 40 years.
- The staff : population trends are based on existing levels and methods of service provision and usage of information technology. They take no account of possible reductions which may eventuate as a result of improved information technology and operational changes such as contracting out.

Figure 3.

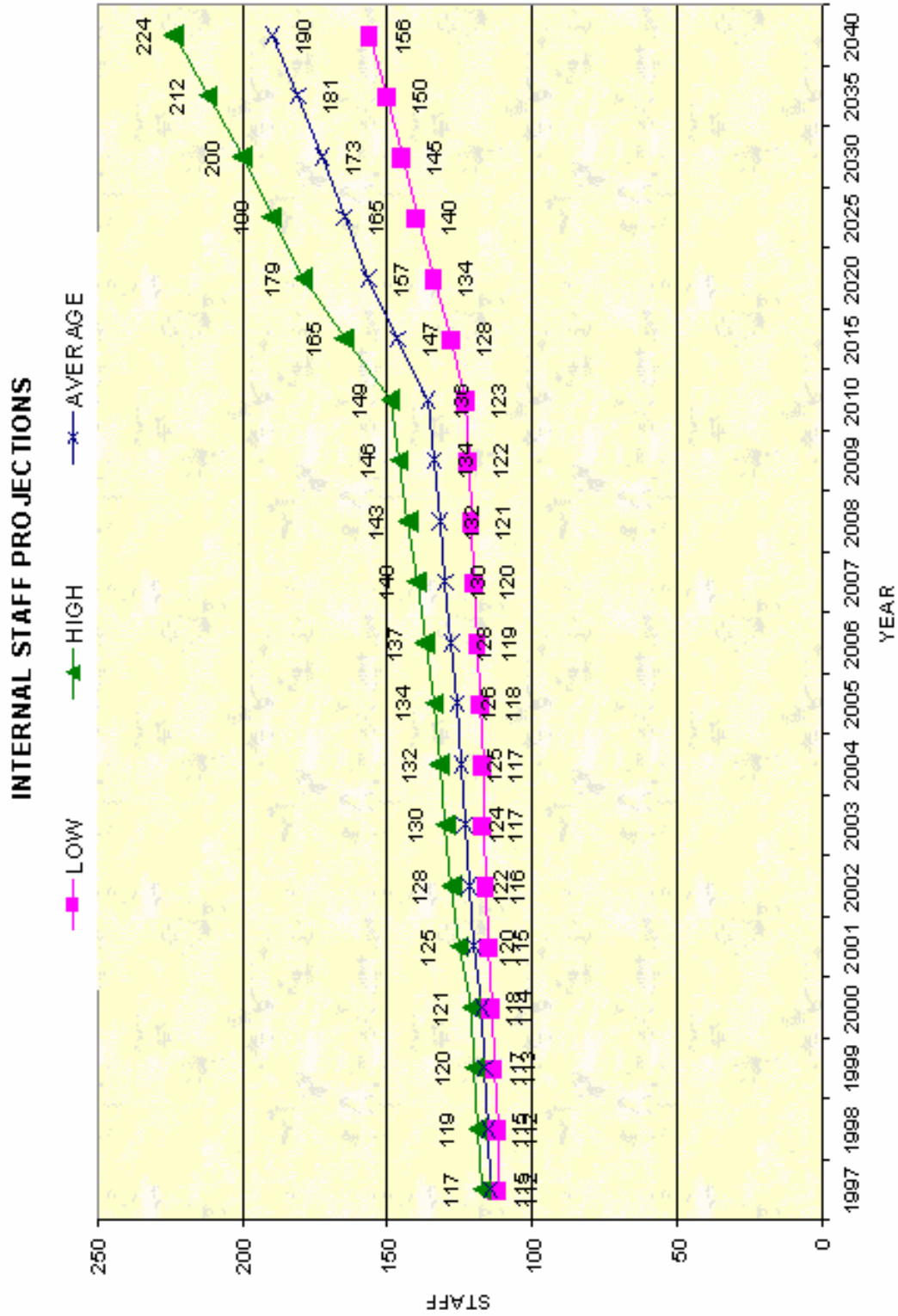


Figure 4

Year	Lowest projection	Highest Projection	Average	Proposed Base for Assessment
1997	112	117	115	109
1998	112	119	115	109
1999	113	120	117	111
2000	114	121	118	113
2001	115	125	120	115
2002	116	128	122	119
2003	117	130	124	122
2004	117	132	125	125
2005	118	134	126	128
2006	119	137	128	131
2007	120	140	130	135
2008	121	143	132	139
2009	122	146	134	144
2010	123	149	136	149
2015	128	165	147	165
2020	134	179	157	175
2025	140	190	165	190
2030	145	200	173	200
2035	150	212	181	212
2040	156	224	190	224

After giving due consideration to all of the above issues and possible variables it was felt that future staffing predictions should be based on the “high” trend line. In making this decision the following factors were acknowledged:

- The ratio was to be used only as a guide for assessing future staffing accommodation options.
- It is anticipated that any solution finally adopted will result in providing extra accommodation on a staged basis and as such if eventual staff growth proves to be less than the predicted figure this will simply result in a delay to implementation of later stages.
- An important outcome of the study would be the opportunity for Council to incorporate financial planning for future accommodation in the Corporate Five Year Plan. In this regard it is better that initial predictions are not underestimated.

Having confirmed the proposed usage of the “high” trend for future staffing numbers it was then necessary to develop a system to accommodate the change from existing staff levels to this “high” trend. This was done by assuming that staffing levels would match the “high” trend by 2010. The increase between the existing figures and the “high” figures was then graded out over this period. This gave the final staffing levels to be used for the project as shown in Figure 4 “Proposed Base for Assessment”.

LOCATION OF STAFF AT OTHER SITES

The possible housing of staff at locations other than the current site has not been assessed at this stage. Once an agreed model for staff growth and a medium term (say five to seven years) expected staffing range is settled upon, the suitability of existing sites can be examined. Such issues as size, communication facilities, occupational health and safety, security, capacity for short term expansion or contraction, appropriate fit out and, if owned by others, lease terms and conditions, are dependent on the rate of staff growth and the appropriate mix of staff for that site.

RECOMMEND

That the proposed staffing projections to be used as the basis for assessment in the future staff accommodation project be as shown in Figure 4 of this report.

Moved Cr

Motion Carried/Lost (...)

2002 ARMADALE/GOSNELLS BUSINESS AWARDS – SPONSORSHIP PROPOSAL

WARD ALL
FILE REF: DON/1
DATE 5th November 2002
REF AFM
RESPONSIBLE Executive Director
MANAGER Community &
Corporate Services

In Brief:

- Proposal from South Central Metro Chambers of Commerce & Industry for Council to sponsor the 2002 Armadale/Gosnells Business Awards.
- Report recommendation is that Council agree to be a “major award sponsor” at a cost of \$2,200.

Tabled Items

Nil

Officer Interest Declaration

Nil

Strategic Implications

- Promote the investment potential of Armadale as a regional centre.
- Promote and market the City, its opportunities and potential – outside the City and within.

Legislation Implications

Nil

Council Policy/Local Law Implications

Nil

Budget/Financial Implications

In 2001/02 this contribution was considered an appropriate support of local business and funded from the City’s Economic Development Budget Allocation. The proposed expense (\$2200) can be accommodated within the 2002/03 allocation of \$72,000.

Consultation

- Applicant

BACKGROUND

Council favourably considered a like request from the Chamber last year by resolving to be a major award sponsor at a sponsorship cost of \$2,200.

DETAILS OF PROPOSAL

The Chamber’s proposal reads in part as follows:

“Following your valued support of the ‘Awards presentation section’ last year and the attendance of City of Armadale guests, we would appreciate it if you would also be a major sponsor of the Awards as you were last year.”

This year's event is to be held in a magical setting under the stars at 7.30 pm, Friday 13th December (Jull Street Mall). Bringing together business people and community leaders at an entertaining evening in the presence of local and state public figures, the highlights include the presentation of the Local Chambers of Commerce and Industry awards for Armadale and Gosnells business achievers, fabulous entertainment and great prizes.

We believe this will provide a real focus for the business and retail heart of Armadale and promote the Armadale Redevelopment Authority as well as generating a great deal of interest and comment in the community.

We look forward to your continued Armadale awards sponsor support of \$2,200 which will be a major contributing factor (it would certainly be difficult to run these awards without your support) to the success of these awards."

The Major Award Sponsor benefits are as follows:

- Major Sponsor recognition Armadale Business Awards 2002.
- Direct exposure to 1,000 businesses in the Armadale Gosnells region.
- Recognition in Awards, mail, certificates and award plaques.
- Option to include promotional material in awards mail estimated at 1,500 articles.
- Opportunity to present the City of Armadale Award at the prestigious Gala Event and Awards night on 13th December 2002.
- Recognition on www.localchambers.com business awards page with the City of Armadale logo linked to the City's website.
- Display of banners and promotional material at the dinner.
- Showcase group of 12 at the event.
- Presentation of quality framed certificate and solid silver coin for City of Armadale as a major sponsor.
- Complimentary photograph of the official presentation of your award, for promotional use following the event.

COMMENT

Analysis

Council's sponsorship of the 2002 Business Awards is considered a pro-active way of demonstrating its commitment to promoting both the development of the local business sector and the image of the City as a major sub-regional centre offering great potential and opportunity for both private and public investment. As well and importantly, such sponsorship serves to complement and support many of the City's current key economic development initiatives including, for example, the Armadale Redevelopment Authority and its revitalisation of the Armadale CBD, Forrestdale Business Park, extensions of the Tonkin Highway and proposed cinema development.

Options

1. Accept the \$2,200 Major Award Sponsor offer.
2. Agree to a lesser level of sponsorship with commensurately lesser sponsor benefits.
3. Decline the sponsorship proposal.

Conclusion

Support of the 2002 Business Awards by being a Major Award Sponsor would serve to demonstrate Council's commitment to:

- promoting the growth of Armadale as a major regional centre, strong in opportunity, interest and vitality, and
- progressing a number of key projects which are essential to the future growth, prosperity and revitalisation of the City.

RECOMMEND

That Council sponsor the 2002 Armadale/Gosnells Business Awards and that this sponsorship be at the Major Award Sponsor level at a cost of \$2,200 (including 10% GST).

Moved _____
Motion Carried/Lost ()

KUHL PARK REDEVELOPMENT - ADOPTION OF CONCEPT PLAN AND IMPLEMENTATION PLAN

WARD : Westfield
FILE REF : A183927
DATE : 17 Sep 2002
REF : RVD

RESPONSIBLE : EDTS
MANAGER

In Brief:-

- Council at its meeting on 21st October 2002 adopted the concept plan subject to normal budget processes, conditional to only aged persons development occurring on Lot 651 Westfield Road. In this regard, Council agreed to sell Lot 651 by private treaty.
- Recommendation CS88/02 (part 5) incorrectly identified the property as Lot 651 Shrike Court instead of Lot 651 Westfield Road.
- A rescission motion is now required to correct this anomaly.

Tabled Items

Nil

Officer Interest Declaration

Nil.

Strategic Implications

Social Infrastructure

To foster ownership, pride, and a supportive and caring community;

Physical Infrastructure New Initiative 4 *Enhance townscapes and parkland to complement our natural environment and bushland reserves - 4.1 Develop parkland improvements to enhance the distinctive character of the City.*

Legislation Implications

Local Government Act (Sale of Lot 651)
Town Planning and Development Act

Council Policy / Local Law Implications

Nil.

Budget / Financial Implications

The proposed budget for implementation of the Kuhl Park Concept Plan was report to the 15 October City Strategy Committee meeting. In summary, expenditure to implement the concept plan matches the probable income from the sale of land except for a Council contribution of \$15,400 of capital expenditure for typical tree planting and basic park development work. Replacement of the irrigation system has not been included in the estimates.

BACKGROUND

Council at its meeting on 21 October 2002 adopted the Kuhl Park Concept Plan and Implementation Plan: (Recommendation CS88/02 and Council resolution 424/2002 refers)

COMMENT

In Part (5) of the above resolution the property for sale was incorrectly identified as Lot 651 Shrike Court. A check of the title documents indicate that this should be Lot 651 Westfield Road. Accordingly, Council's resolution of 21 October 2002 requires to be rescinded and a new recommendation with part (5) duly corrected is now put forward for adoption.

RECOMMEND

- 1. That Recommendation CS88/02 of 21 October 2002 be rescinded.**
 - (i) *The Council adopt and implement the Kuhl Park Concept Plan, subject to normal budget processes.***
 - (ii) *That prior to Council selling Lot 651 Westfield Rd, Westfield Council lodge a covenant over Lot 651 Westfield Rd, Westfield comprised in Certificate of Title Volume 1477 Folio 631 restricting development of the lot to aged persons dwellings.***
 - (iii) *That the Town Planning Scheme restrict the use of Lot 651 to aged persons dwellings and accordingly a zoning provision to this effect be included in the next local omnibus Amendment to TPS No 2 and the draft Town Planning Scheme No 4.***
 - (iv) *That Council sell Lot 651 Westfield Rd, Westfield comprised in Certificate of Title Volume 1477 Folio 631, by private treaty utilizing the services of a local real estate agent.***
 - (v) *That pursuant to Section 5.43(d) of the Local Government Act 1995, the Chief Executive Officer be given delegated authority to sign the Offer and Acceptance form(s) for an amount no less than \$140,000 and no more than \$400,000 for Lot 651 Shrike Ct (less costs).***
 - (vi) *That upon the Offer and Acceptance forms being signed by all relevant parties, Statewide public notice be given of Council's intent to sell the above properties by private treaty and inviting submissions from the public.***
 - (vii) *That any prospective purchaser be advised of the legislative requirements involved in the sale process, and of the requirement that the lot be developed only for aged persons dwellings in accordance with the R-Codes and Councils Group Housing Development Policy 4.3.13.***

2. **That with regard to the Kuhl Park Concept Plan and Implementation Plan:-**
- (i) **The Council adopt and implement the Kuhl Park Concept Plan, subject to normal budget processes.**
 - (ii) **That prior to Council selling Lot 651 Westfield Rd, Westfield Council lodge a covenant over Lot 651 Westfield Rd, Westfield comprised in Certificate of Title Volume 1477 Folio 631 restricting development of the lot to aged persons dwellings.**
 - (iii) **That the Town Planning Scheme restrict the use of Lot 651 to aged persons dwellings and accordingly a zoning provision to this effect be included in the next local omnibus Amendment to TPS No 2 and the draft Town Planning Scheme No 4.**
 - (iv) **That Council sell Lot 651 Westfield Rd, Westfield comprised in Certificate of Title Volume 1477 Folio 631, by private treaty utilizing the services of a local real estate agent.**
 - (v) **That pursuant to Section 5.43(d) of the Local Government Act 1995, the Chief Executive Officer be given delegated authority to sign the Offer and Acceptance form(s) for an amount no less than \$140,000 and no more than \$400,000 for Lot 651 Shrike Ct (less costs).**
 - (vi) **That upon the Offer and Acceptance forms being signed by all relevant parties, Statewide public notice be given of Council's intent to sell the above properties by private treaty and inviting submissions from the public.**
 - (vii) **That any prospective purchaser be advised of the legislative requirements involved in the sale process, and of the requirement that the lot be developed only for aged persons dwellings in accordance with the R-Codes and Councils Group Housing Development Policy 4.3.13.**

ABSOLUTE MAJORITY RESOLUTION REQUIRED FOR (1) AND (2)

BUDGET REVIEW QUARTER ENDED 30TH SEPTEMBER 2002

WARD ALL
FILE REF: FIN/7
DATE 5th November 2002
REF AFM
RESPONSIBLE Executive Director
MANAGER Community & Corporate
Services

In Brief:

- This report presents:
 - the findings of the September 2002 quarterly budget review projecting a potential Budget shortfall of \$147,200, and
 - a schedule of proposed adjustments to the adopted budget to maintain the budgeted deficit.
 - The review includes \$25,500 required reduction in Budget as resolved by Council on 6 August 2002.

Officer Interest Declaration

Nil

Strategic Implications

to achieve maximum community benefit from effective use of resources (staff, finances and information technology)

Legislation Implications

Local Government Act 1995 Part 6 – Financial Management – Sections 6.1.to 6.4 – Annual Budgets and Financial Reports

Council Policy/Local Law Implications

Nil

Budget/Financial Implications

This report presents the findings of the September 2002 quarterly budget review which shows potential projected variance to the adopted budget of \$147,200 and accordingly recommends early budget adjustments as precaution against these trends.

Consultation

Management Executive

BACKGROUND

Prior Council Resolutions refer, namely:

6th August 2002

“That the CEO advise Council on appropriate adjustments that may be made to the Schedules in order to contain the deficit to the level foreshadowed in the Five Year Plan”, and

**City of Armadale
Financial Report
For The Quarter Ended 30 September 2002**

Particulars	Adopted	Quarterly	Actuals	Significant Variations	
	Annual Budget	Budget to 30.09.02	to 30.09.02	Full Year Effect	Q/E 30.09.02 Effect
	\$	\$	\$	\$	\$
Operating Expenditures					
Governance	1,478,299	389,575	318,849	(500)	(125)
General Purpose Funding	158,000	39,500	22,486	(17,500)	(4,375)
Law, Order, Public Safety	1,216,856	304,214	302,280	-	-
Health	613,291	153,323	125,868	-	-
Education and Welfare	1,350,250	339,813	188,291	-	-
Community Amenities	5,565,454	1,391,384	1,068,765	-	-
Recreation and Culture	9,603,539	2,400,885	2,200,727	54,000	13,500
Transport	7,306,643	1,828,661	1,347,165	(30,000)	(7,500)
Economic Services	718,155	179,539	126,680	-	-
Other Property and Services	220,364	55,091	219,398	-	-
sub total	28,239,851	7,059,963	5,918,539	6,000	1,500
LESS Operating Revenues					
Governance	25,870	6,488	19,538	2,650	663
General Purpose Funding	19,037,500	4,759,375	16,392,334	(86,800)	(21,700)
Law, Order, Public Safety	376,488	94,122	45,054	-	-
Health	75,313	18,828	42,692	-	-
Education and Welfare	488,197	122,049	85,822	-	-
Community Amenities	4,010,698	1,002,675	3,028,777	-	-
Recreation and Culture	717,777	179,444	30,272	(44,500)	(11,125)
Transport	3,444,619	861,155	61,452	(20,000)	(5,000)
Economic Services	245,572	61,363	77,745	-	-
Other Property and Services	101,950	25,488	40,799	-	-
sub total	28,523,984	7,130,966	19,824,485	(148,650)	(37,163)
Gain in Net Assets from Operations	(284,133)	(71,033)	(13,905,946)	154,650	38,663
PLUS Other Expenses					
Land and Buildings	784,650	196,163	3,976	-	-
Infrastructure Assets	8,480,157	2,120,039	1,111,919	-	-
Plant and Equipment	2,603,312	650,828	231,835	-	-
Office Equipment & Furniture	19,575	4,804	2,592	-	-
Loan Debenture Repayments	652,390	163,068	571,427	-	-
Financial Lease Repayments	4,212	1,053	2,085	-	-
Transfers to Reserve Accounts	1,407,040	351,760	-	-	-
sub total	13,951,336	3,487,834	1,923,834	-	-
LESS Other Income					
Sales of Plant & Equipment	790,890	197,723	128,036	-	-
Self Supporting Loan Repayments	21,083	5,271	9,537	-	-
sub total	811,973	202,993	137,573	-	-
LESS Other Funding Sources					
Reserve Accounts	1,784,772	441,193	-	-	-
Loan Borrowings	-	-	-	-	-
Opening Balance 1 July 2002:					
- Restricted Assets	941,204	235,301	941,204	-	-
- Municipal Funds	2,455,120	613,780	2,444,039	(11,000)	(2,750)
sub total	5,181,096	1,250,274	3,385,243	(11,000)	(2,750)
LESS Non Cash Item Adjustments					
Depreciation on Assets	7,385,045	1,846,261	1,846,261	-	-
Staff Leave Expenses	97,527	24,382	24,382	-	-
Profit on Sale of Assets	(317,834)	(79,459)	(79,459)	-	-
sub total	7,164,738	1,791,185	1,791,184	-	-
Closing Balance 30 June 2003:					
- Restricted Assets	(692,404)	(173,101)	(692,404)	-	-
- Municipal Funds	-	-	-	-	-
Total	1,221,800	305,450	(16,603,708)	165,650	41,413

NOTE: Further Possible Gains and Losses

- 1) \$30,000 saving in salaries across the entire organisation.
- 2) \$50,000 write-off of debts.
- 3) \$25,000 expenditure reduction to maintain deficit budget.
- 4) \$50,000 pool heating gas bill in dispute.

NOTE: The above Projected Deficit as at 30.6.2003 does not include the Adopted Budget Deficit of \$1,221,800.

21st October 2002

“That the Statutory Financial Report for the quarter ended 30th September 2002 be referred to the Community Services Committee for assessment and review and the City Strategy Committee to consider/review the strategic financial implications of the Report.”

DETAILS OF THE PROPOSAL

The Financial Report for the quarter ended 30.9.02 shows that projections of current costs and trends could result in a year end position that exceeds the adopted Budget by \$147,200 - the Financial Report as reported to the October 21, 2002 Council Meeting is presented on the opposite page.

Accordingly, this report seeks to explain the reasons behind this projection and provides for Committee’s consideration of recommended adjustments to maintain a “balanced” budget.

COMMENTS

The September quarterly financial report and Budget review provides a preliminary and often conservative view of Council’s corporate financial/budget position. The majority of the new expenditure programs for 2002/03 have yet to commence.

However, the September figures do provide the opportunity:

- to identify confirmed variations to budget of a corporate nature particularly those “one-off” annual transactions occurring in the first 3 months of the year. Typically, these are confirmation of the year end position for the previous year as per the audit process, the rates billing and annual expenses such as corporate insurances, subscriptions and utility costs, and
- to develop a measured response to confirmed variations to budget in a timely, planned and prudent manner.

Consequently, it is appropriate now to identify and compile a list of budgeted expenditure/revenue adjustments equalling \$147,200.

September Quarter Budget Review Findings

The following table summarises the findings of the quarterly review, ie.

Particulars	Revenues		Expenditures	
	Unders \$	Overs \$	Unders \$	Overs \$
<u>Community & Corporate Services</u>				
M3 Admin & Governance Services				
- WALGA Advertising Rebate		2600		
- Postages				2000
- After Hours Phone Service				2000
- Telephone Services			4500	

Particulars	Revenues		Expenditures	
	Unders \$	Overs \$	Unders \$	Overs \$
M60 Recreation Centre Management Expenses sub total				30000
	0	2600	4500	34000
<u>Development Services</u>				
Nil				
<u>Technical Services</u>				
Nil				
<u>Corporate Revenues & Expenses</u>				
- Year End (30.6.02) position	11000			
- Rates – Prior Year	35000			
- Rates - Current Year	55000			
- Corporate Insurances			17500	
- Property Leases	14500			
- Grants Commission		3200		
- Deficit Adjustment (Council resolution)				25500
sub total	115500	3200	17500	25500
Total	115500	5800	22000	59500
<u>Summary Position</u>				
Revenue Shortfalls		109,700		
PLUS				
Over Expenditures		37,500		
EQUALS				
Estimated Variance to Adopted Budget for the Year		147,200		

Aspects to note about the above table are as follows:

- The variance is largely attributable to estimated revenue shortfalls totalling \$109,700. Unanticipated expenditures total \$37,500,
- The revenue shortfall relates to rates occasioned by amended valuations subsequent to the rates billing (prior period \$35,000 – the bulk of this amount relates to the Melaleuka Stud assessment, subject of a prior report to the Rating Review Working Party) - and current year \$55,000 – includes the recently reported Uniting Church Homes exemption and a

number of reduced valuations resulting from objections relating to business premises). A lesser return from the aquatic centre kiosk (\$14,500) as reported recently to the Community Services Committee, also contributes to the total.

- The major unanticipated expenditure relates to the Armadale Recreation Centre where delays to the negotiated PCYC management arrangement resulted in unbudgeted management costs,
- It is appropriate to include Council’s required \$25,500 reduction in funding here, as it then effectively requires each Directorate to contribute to the reduction.

Recommended Adjustments to Budgeted Expenditures & Revenues

The approach taken in compiling the recommended schedule of budget adjustments has been as follows:

- To identify a “target adjustment” figure for each Directorate based on directorate-specific budget variations PLUS a share of the “corporate” budget variations calculated according to each Directorates total Budget “share”.

Calculation of Directorate Target Adjustment Figures				
Directorate	Directorate Specific Variations	Share of Corporate Variations		Total Target Variation
		%	\$	
Community & Corporate Services	26900	38%	45600	72500
Development Services	0	9%	10800	10800
Technical Services	0	53%	63900	63900
Total	26900	100%	120300	147200

- Directorates then identified budget adjustments approximating their “target adjustment” figure having regard for strategic imperatives and maintaining delivery of service to the community as a priority (this is consistent with the approach taken by Council earlier this year when Budget adjustments were categorised/ranked so that works in the field were last to be impacted).
- The major recommended budget adjustments are explained as follows:
 - **Footpath Tender Savings – \$75,000** – as reported to the October meeting of the Technical Services Committee, the tender for the construction of concrete footpaths has realised a budget saving of \$75,000. This saving could be used to bring forward footpath works from the next year of the Five Year Works Program (indeed this was an option reported to the Technical Services Committee), given that a funding increase in the Footpath Program was ranked (by comparison to other new budget initiatives) as a “medium” new initiative funding priority. However, it is considered reasonable to apply the savings towards the current budget variance. Indeed, it is possible that the reduced tender cost of footpaths could continue through the Five

Year Plan. The December half-yearly budget review offers opportunity to review Footpath funding.

- **Community Services Needs Framework - \$51,500** – the rationale for deferring this project is that it is a new initiative for which funding is no longer available. The adopted budget was determined on the basis of allocating funds in the first instance to recurrent/existing programmes/facilities. The consequences will be to Council's capacity to support more focused and strategic external funding applications.
- **Public Relations - \$12,200** – the rationale for selecting this project is the same as for the Community Services Needs Framework. The consequences of a \$12,200 budget adjustment to this initiative is considered to be minimal given the remaining funds total \$85,560.

Other Budgetary Matters to Note

Other budget matters for Council to note but which have not been included into the recommended schedule of budget adjustments due to their preliminary nature include:

- A claim by AlintaGas for a \$50,000 payment relating to unpaid gas bills during the time that the pools were under management contract. This claim is subject of an unpaid/unsecured creditors claim relating to the liquidation and winding-up arrangements of the RANS Group. Council's position, in accordance with legal advice obtained, is that the claim against the City is invalid as it is more appropriately a claim with the appointed liquidator for the RANS Group,
- Subject to pending reports regarding sporting club debts and Council's determination of same, the allowance made in the budget for bad debts may be exceeded by an amount of up to \$50,000, and
- Potential savings on salaries and wages are estimated to be in the order of \$30,000 – after allowing for:
 - The recent decisions made by Council as relating to the National Wage Decision and Executive Contracts and Salary Levels,
 - Possible lumpsum payments (resignation, terminations, long-service leave); and
 - The likelihood of a further national wage and/or EBA salary/wage increase towards the end of the financial year, which has been estimated at \$50,000.

RECOMMEND

That Council amend its 2002-03 Budget as per the following schedule of budget adjustments and that these adjustments be re-listed for further consideration during the December 2002 Quarterly Budget Review, i.e.:

Sched No:	Sched Name	Account Details	2002-03 Budget				Expended to 31 Oct	Balance Remaining	Proposed Adjustment	Revised Balance Remaining
			C/Fwd	Recurrent	New Funds	Total				
Community & Corporate Services										
M11	CEO's Office	Public Relations	23760	25000	50000	98760	1000	97760	12200	85560
M57	Community Development	Community Services Needs Framework	0	0	51500	51500	0	51500	51500	0
		<i>sub total</i>	23760	25000	101500	150260	1000	149260	63700	85560
Development Services										
M31	Town Planning	COALA's Landscape Awards	0	650	0	650	0	650	650	0
		Heritage Committee Admin Support	0	1200	0	1200	50	1150	650	500
		Town Planning Studies & Plans	49290	0	0	49290	-1440	50730	700	50030
M32	Building Control	Sundry Office Expenses	0	7750	0	7750	3050	4700	1000	3700
		Office Furniture	0	1000	0	1000	0	1000	1000	0
M34	Health Services	Immunisation Expenses	0	9500	0	9500	620	8880	500	8380
		Pest Control – Other	0	500	0	500	20	480	200	280
		Purchase/Install Sharp Bins	0	1000	0	1000	20	980	300	680
		Works in Default	0	1500	0	1500	0	1500	500	1000
		Office Furniture	0	1000	0	1000	0	1000	500	500
M35	Environmental Services	Sustainable Development Strategy	2510	0	0	2510	0	2510	2500	10
		<i>sub total</i>	51800	24100	0	75900	2320	73580	8500	65080
Technical Services										
M81	Civil Construction	Footpath Construction	101900	0	489450	591350	28690	562660	75000	487660
		<i>sub total</i>	101900	0	489450	591350	28690	562660	75000	487660
		Total	177460	49100	590950	817510	32010	785500	147200	638300

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Motion Carried/Lost ()

CORPORATE LOGO AND STYLE-GUIDE

WARD ALL
FILE REF: COA/
DATE 7 November 2002
REF RST
RESPONSIBLE CEO
MANAGER

In Brief:

- The City's Corporate style-guide has not been reviewed for some years.
- The current guide uses the Council crest as its predominant symbol.
- It is considered appropriate that the City look to a new Corporate logo, retaining the crest for Civic purposes.
- This item considers a logo developed by consultants Key2 Design and presented at a briefing to Councillors on 21st October 2002.
- Features of the style-guide have incorporated comments from the briefing and will be presented at a briefing at 5.45pm prior to the Committee meeting.
- Recommend that the logo be adopted, progress on the style-guide be noted and a launch date for the new logo and style be set.
- Further discussions to be held with elected members on business cards, Mayoral and Councillor stationery.

Tabled Items

Examples of logo and style guide

Officer Interest Declaration

Nil

Strategic Implications

To foster an effective professional environment for the governance and administration of the City's services.

Legislation Implications

Nil

Council Policy/Local Law Implications

Nil

Budget/Financial Implications

The 2002/03 Budget includes funding of Corporate Stationery, letterheads etc. It also includes an allocation of \$85,560 towards Public Relations and promotion. Development of a new style-guide will be funded from these areas.

Consultation

Key2 Design consultants, Management Executive, Council briefing

BACKGROUND

The City's corporate style-guide, including the current letterhead and "City Living, Country Style" slogan has remained largely unchanged for over a decade.

Council has indicated its keenness to move into a more advanced stage of marketing and promoting the City.

An initial and immediate step is the upgrading of the City's Corporate livery, or "style-guide".

Accordingly, consultants Key2 Design were appointed from a range of firms offering services varying from graphic design through to a full marketing strategy (beyond Council's current financial considerations).

Key2 Design provided excellent examples of their corporate work, an understanding of Local Government, an itemised price list at very competitive prices, and some local interest.

The consultants have now worked through a detailed design process, picking up the themes, developed by the City through its strategic planning processes.

Key2 Design presented the outcome of their work to date, at a briefing for all interested members of Council on 21st October 2002.

Following that presentation, comments forwarded regarding the proposed logo and style have been taken into consideration as the consultants prepare the next presentation schedule for 5.45pm on Tuesday, 12 November 2002.

COMMENT

The consultants have retained the integrity of the proposed logo, as shown in the "Logo and Rationale" forwarded on 21 October.

The "clean, business like" style of the Corporate letterhead has been retained, although comments have been taken on board to introduce some "colour and life" to the bottom of the page.

It is believed the new vibrant three coloured logo depicting three arcs leaping forward over the word "Armadale", as outlined in the rationale, is appropriate for adoption by Council.

The latest version of the Corporate Style guide (tabled) indicates the theme to be developed on City stationery.

Use of the Council crest will be restricted to more formal Civic publications and items.

Elected members preferences with regard to business cards (examples tabled), Mayoral and Councillor stationery, will be developed at a workshop/briefing to be arranged.

Once the logo and basic style are adopted, further workshops with organisational teams, (e.g. community development, waste management, parks and gardens) can develop its application throughout the City's operations.

The new logo is recommended to Council for adoption.

It is suggested that a public "launch" of the new logo could coincide with the Civic dinner to be held on 14 December 2002.

RECOMMEND

- 1. That the new City of Armadale logo, as depicted and outlined in the attached "Logo and Rationale" be adopted.**
- 2. That progress on a new City corporate style-guide be noted.**
- 3. That an elected members workshop, facilitated by consultants Key2 Design, be held to develop Councillors business cards, Mayoral and Councillor stationery, incorporating the new themes and style.**
- 4. That a public launch of the new logo be tentatively set to coincide with the 2002 Civic Dinner to be held on 14th December 2002.**

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Motion Carried/Lost (....)

COUNCILLORS' ITEMS

CITY STRATEGY COMMITTEE

SUMMARY OF "A" ATTACHMENTS

12 NOVEMBER 2002

Attachment No.	Subject	Page
A-1		
A-2		
A-3		
A-4		

