



## **NOTICE OF SPECIAL MEETING**

To:  
All Councillors

PLEASE TAKE NOTICE that a **SPECIAL MEETING OF THE CITY STRATEGY COMMITTEE** will be held in the **Committee Room**, Orchard Avenue, Armadale commencing at **7.00 pm**.

TUESDAY, 29 JUNE 2010

**R S TAME**  
**CHIEF EXECUTIVE OFFICER**

25 June, 2010

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### **BUSINESS OF THE MEETING**

**DRAFT PLAN FOR THE FUTURE 2011-2025**

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# CITY OF ARMADALE

## **A G E N D A**

**OF SPECIAL CITY STRATEGY COMMITTEE TO BE HELD IN THE COMMITTEE ROOM, ADMINISTRATION CENTRE, 7 ORCHARD AVENUE, ARMADALE ON TUESDAY, 29 JUNE 2010, AT 7.00 PM.**

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**All Councillors are invited to attend**

**Meal to be served at 6.15pm – Non-members of City Strategy Committee please RSVP if you require a meal**

**PRESENT:**

**APOLOGIES:**

**OBSERVERS:**

**IN ATTENDANCE:**

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**DISCLAIMER**

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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**

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**QUESTION TIME**

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**BUSINESS OF THE MEETING**

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**DRAFT PLAN FOR THE FUTURE 2011-2025**

# **I N D E X**

## **SPECIAL CITY STRATEGY COMMITTEE**

**29 JUNE 2010**

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### **FINANCIAL MANAGEMENT & PLANNING**

DRAFT PLAN FOR THE FUTURE 2011-2025 .....4

***DRAFT 2011-2025 PLAN FOR THE FUTURE***

WARD All  
DATE 22<sup>nd</sup> June 2010  
REF AFM  
RESPONSIBLE ED CorpS  
MANAGER

**In Brief:**

- This report presents the Draft ***2011-2025 Plan for the Future*** as prepared on the basis of the City's Strategic Plan which was updated earlier this calendar year, the many studies and plans that the City has undertaken in recent years and more recently the considerations and outcomes from Councillor Workshops;
- The Report resolution is that the Draft ***Plan for the Future*** as presented be approved thereby enabling it to be advertised for public comment prior to when, at the Special Meeting of the City Strategy Committee scheduled for 27<sup>th</sup> July 2010, the Draft Plan together with the 2010-11 Annual Budget will be considered and recommended to Council for adoption.

**Tabled Items**

Nil

**Officer Interest Declaration**

Nil

**Strategic Implications**

4.2.1 – Develop, implement and report on Council's Strategic and Business Plans;

4.6.3 – Develop and maintain long term financial planning management and reporting to ensure resources are provided to deliver services and manage Council's assets.

**Legislation Implications**

***Local Government Act 1995 – section 5.56. Planning for the future***

(1) A local government is to plan for the future of the district.

(2) A local government is to ensure that plans made under subsection (1) are in accordance with any regulations made about planning for the future of the district.

***Local Government (Administration) Regulations – clause 19C. Planning for the future — s. 5.56***

(1) In this regulation and regulation 19D — “**plan for the future**” means a plan made under section 5.56.

(2) A local government is to make a plan for the future of its district in respect of the period specified in the plan (being at least 2 financial years).

(3) A plan for the future of a district is to set out the broad objectives of the local government for the period specified in the plan.

(4) A local government is to review its current plan for the future of its district every 2 years and may modify the plan, including extending the period the plan is made in respect of.

(5) A council is to consider a plan, or modifications, submitted to it and is to determine\* whether or not to adopt the plan, or the modifications, as is relevant.

\*Absolute majority required.

- (6) If a plan, or modified plan, is adopted by the council then the plan or modified plan is to apply to the district for the period of time specified in the plan.
- (7) A local government is to ensure that the electors and ratepayers of its district are consulted during the development of a plan for the future of the district, and when preparing any modifications of a plan.
- (8) A plan for the future of a district is to contain a description of the involvement by the electors and ratepayers in the development of the plan, and any modifications of the plan.
- (9) A local government is to ensure that a plan for the future made in accordance with this regulation applies in respect of each financial year after the financial year ending 30 June 2006.

#### **19D. Notice of plan to be given**

- (1) After a plan for the future, or modifications to a plan, are adopted under regulation 19C the local government is to give local public notice in accordance with subsection (2).
- (2) The local public notice is to contain —
  - (a) notification that —
    - (i) a plan for the future of the district has been adopted by the council and is to apply to the district for the period specified in the plan; and
    - (ii) details of where and when the plan may be inspected;
  - or
  - (b) where a plan for the future of the district has been modified —
    - (i) notification that the modifications to the plan have been adopted by the council and the plan as modified is to apply to the district for a the period specified in the plan; and
    - (ii) details of where and when the modified plan may be inspected.

#### **Council Policy/Local Law Implications**

Nil

#### **Budget/Financial Implications**

In accordance with the 2010-11 Budget Timetable, this Report serves to present the Draft *2011-2025 Plan for the Future* for Committee's consideration and determination.

#### **Consultation**

The Draft Plan for the Future as attached to this Report has been guided and informed having regard for the following major inputs:

- the last adopted 2008-2023 Plan for the Future;
- the work done with the community (which included several community based focus groups) earlier this calendar year in reviewing and updating the City's Strategic Plan;
- the many studies and plans that the City has undertaken in recent years, and
- the Councillor Workshops held over the last few weeks.

## **BACKGROUND**

Since 1998 the City has ensured all of its decision-making is predicated on the Strategic Plan and the objective that strong economic and population growth is essential to the Armadale community's future sustainability.

In the last few weeks, Councillors have participated in several workshops, aimed at delivering information, reflecting on previous Plan decisions, exploring concepts and clarifying options prior to reaching formal decisions through the Committee process.

This Report will reflect on those workshop discussions and lead City Strategy Committee to the decisions necessary to advertise a Draft Plan for the Future, the first year of which will serve to guide the 2010-11 annual budget deliberations of the standing committees of Council who will meet during the month of July 2010 to develop and make recommendation to the City Strategy Committee, on their proposed works and programs.

This Report is also presented in accordance with the following recent resolution (CS56/6/10 refers) from the Council Meeting held on 28<sup>th</sup> June 2010, ie.

*That Council, pursuant to Sections 5.16 and 5.17 of the Local Government Act 1995, delegate to the City Strategy Committee at its special meeting to be held on 29<sup>th</sup> June 2010, the authority to resolve the Draft Plan for the Future for the Future, thereby enabling:*

*(a) the Draft Plan to be advertised for public comment purposes prior to final recommendations being made on the 2010-11 Annual Budget at the proposed Special Meeting of the City Strategy Committee to be held on 27<sup>th</sup> July 2010, and*

*(b) the adoption of the 2010-11 Annual Budget and Plan for the Future at the ordinary Council Meeting to be held on the 9<sup>th</sup> August 2010.*

*(ABSOLUTE MAJORITY RESOLUTION REQUIRED)*

## **DETAILS OF PROPOSAL AND COMMENT**

In accordance with the 2010-11 Budget Timetable, the purpose of this Report is to provide Committee with a Draft Plan for the Future thereby enabling public advertising and comment on the Plan prior to adoption of the 2010-11 Annual Budget.

Final consideration of the Annual Budget and the Plan for the Future is planned to occur at the July 27<sup>th</sup> Special City Strategy Committee meeting. At that meeting, having regard for the following matters, Committee will make final recommendation on the 2010-11 Annual Budget to the August 9<sup>th</sup> Ordinary Council Meeting, ie.

- Public comment received on the Draft 2011-2025 Plan for the Future;

- Resolutions from each of the Standing Committees having considered and developed the works programs commensurate with the first year estimates of the Draft Plan for the Future;
- The June 30<sup>th</sup> 2010 year-end financial position inclusive of proposed carry forwards relating to works and programs in progress;
- the CEO's Annual Staff Establishment Report, and
- any other budgetary matters arising between now and then requiring consideration in the context of the Annual Budget.

### **Draft Plan for the Future (2011-2025)**

Presented at **Attachment A-1** to this Report for Committee's consideration and approval is the Draft Plan for the Future.

The Draft Plan for the Future has been compiled having regard for the consensus views, directions and comments expressed at the recent Councillor Workshops.

The key elements of the Draft Plan for the Future are summarized follows, ie.

- (a) The Plan has been prepared on the basis of each year of the Plan returning a balanced year-end financial position, ie. the sum of the revenues = sum of the expenditures;
- (b) a rates growth factor of +1% for every year of the Plan. The rates growth factor is intended to fund
  - (i) new expenditure initiatives and infrastructure renewal considered essential to the City's future economic prosperity and sustainability, and
  - (ii) the shortfall in day-to-day actual cost increases that are not adequately met by the Local Government Cost Index (LGCI) factor;  
*NB: for the 2010-11 year, the proposed rates increase is +5.9%, the components of which are:*  
*+3.8% = the forecast Local Government Cost Index (LGCI) for the 2010-11 financial year;*  
*+1.0% = City's "growth" factor to assist in funding new initiatives and infrastructure renewal, and*  
*+1.1% = state government utility cost increases which are greater than the LGCI*
- (c) A Managed Loan Borrowing program which restricts loan borrowings to purposes of asset/infrastructure creation and contains loan repayments expressed as a percentage of ordinary revenue (debt service ratio) to not more than 10%;
- (d) Recognition of future rate revenues arising from new residential developments to occur across the City, ie. over the life of the Plan, it is estimated that 15,000 (1,000 pa) new residential lots will be developed;
- (e) A continuation of the City's Freehold Land Sales & Investment Strategy that was first initiated in 2007-08. The strategy seeks to more effectively manage the City's Land assets by maximizing returns, disposing and investing in new assets where appropriate, and allocating funds to strategic capital works. It is proposed that 70% of the proceeds from proposed land sales be re-invested in income producing assets yielding a higher investment return with the remainder, 30%, being applied to major asset/capital creation programs. The key estimates for this strategy are:

- potential net proceeds from proposed land sales - \$15.6m
- 70% reinvestment in income producing assets/investments - \$10.9m
- allocation to various major initiatives - \$4.7m

(f) A continuation of the City's POS Land Sales Strategy that was first launched in 2007-08, and has as its primary objective a more efficient and effective utilization of public open space lands across the City. The strategy seeks to identify and sell POS lands that are superfluous to current and future requirements with 30% of the net sale proceeds being directed to a Regional Recreation Reserve Account and the balance to be spent on improving those POS lands to be retained. All of this is underpinned by a Precinct methodology which effectively means that the majority of proceeds from POS sales in a particular precinct (of which there are 10) are to be spent on improving the remaining POS's *in that same precinct*. The estimates for this Strategy are summarized as follows:

- potential net proceeds from proposed POS sales - \$7.4m
- 30% reinvestment in regional recreational initiatives - \$2.2m
- new capital works on remaining POS lands - \$5.2m

As with the Freehold Land Sales & Investment Strategy, a self-imposed discipline is that no associated works will commence until the land sale proceeds have been received.

(g) commensurate with the City's forecast population growth, a list of major community infrastructure projects, ie.

- Abbey Road / Railway Avenue Link
- Aquatic Centre Upgrade
- Armadale District Hall Upgrade
- Armadale Youth Activity Area
- Bakers House Refurbishment
- Equestrian Club Facilities (Palomino Park)
- Frye Park Redevelopment (Stage 2)
- Golf Course Redevelopment
- Harrisdale (North) Community and Sporting Facility
- Hilbert District Community Centre
- Hilbert (West) Community Centre
- Indoor Aquatic Facility
- Kelmscott Library Relocation
- Piara Waters (North) Community and Sporting Facility
- Piara Waters (South) Community and Sporting Facility
- Piara Waters (South East) Community and Sporting Facility
- Wungong Regional Recreation Facility

(h) provisionary for the following key strategies over the course of the Plan:-

- Additional Staff Resourcing
- Civic Precinct Provisioning
- Community Sport and Recreation Facilities Fund Initiatives
- Cultural / Performing Arts Provisioning
- Freehold Land Sales and Investment
- Loan Borrowings
- Public Open Space Land Sales
- Recreational Reserves Development

- Specified Area Additional Services - Champion Lakes
- Specified Area Additional Services – Piara Waters/Harrisdale
- Specified Area Additional Services - Wungong

### **Other Matters to be Noted**

The outcome of the following Report resolution will be to give local public notice of the approved Draft Plan for the Future for public comment purposes. The Draft Plan for the Future will be made available for public comment, for the period of 1<sup>st</sup> July 2010 to 21<sup>st</sup> July 2010.

Part (2) of the following Report resolution relates to the final step in the process of developing and adopting the Annual Budget, namely, a referral of all budget matters considered and arising to a Special Meeting of the City Strategy Committee to be held on the 27<sup>th</sup> July 2010. It will be at this Special Meeting that final recommendation on the 2010-11 Annual Budget and Draft Plan for the Future will be made to the Council Meeting to be held on 9<sup>th</sup> August 2010.

The matters that will be reported to the Special City Strategy Committee meeting on 27<sup>th</sup> July 2010 will include:

- public comment received on the Draft Plan for the Future thereby enabling Council to adopt the Draft Plan with or without modification;
- the 30.6.10 year-end surplus position inclusive of carry forwards for works in progress,
- resolutions from each of the Standing Committees/Directorates having considered their respective budget estimates and works programs;
- the CEO’s annual staff establishment report,
- consideration of other budgetary matters arising between now and the Special City Strategy Committee Meeting.

### **RESOLVED**

**That Committee, pursuant to the authority delegated by Council (Resolution CS56/6/10 of 28<sup>th</sup> June 2010 refers),**

- 1. Approve the Draft 2011-2025 Plan for the Future as presented at Attachment A-1 to this Report;**
- 2. Recommit the matters of the Draft 2011-2025 Plan for the Future to the Special Meeting of the City Strategy Committee to be held on 27<sup>th</sup> July 2010 for recommendation to Council, following consideration of:**
  - public comment received on the Draft Plan for the Future;**
  - the 30<sup>th</sup> June 2010 year-end financial position inclusive of the proposed carry-forward budgets for works in progress as at 30<sup>th</sup> June 2010;**

- **resolutions from each of the Standing Committees/Directorates having considered their respective budget estimates and works programs;**
- **the CEO’s Annual Staff Establishment Report;**
- **other matters subsequently arising having budgetary implications.**

Moved Cr \_\_\_\_\_

Motion Carried/Lost ( / )

**MEETING DECLARED CLOSED AT \_\_\_\_\_**

**SPECIAL CITY STRATEGY COMMITTEE**

SUMMARY OF "A" ATTACHMENTS

**29 JUNE 2010**

<b>Attachment No.</b>	<b>Subject</b>	
A-1	DRAFT PLAN FOR THE FUTURE 2011-2025	

**DRAFT**  
**PLAN FOR THE FUTURE**  
**2011 - 2025**