CITY OF ARMADALE

MINUTES

OF **CITY STRATEGY COMMITTEE** HELD IN THE **COMMITTEE ROOM**, ADMINISTRATION CENTRE, 7 ORCHARD AVENUE, ARMADALE ON **TUESDAY, 15 JUNE 2004**, AT **7.00 PM.**

PRESENT:	Cr L Reynolds JP	Chair
	Cr V L Clowes-Hollins	
	Cr A L Cominelli JP	
	Cr J H Munn JP CMC	
	Cr H A Zelones JP	
	Cr R J Tizard	Deputy for Cr Hodges
	Cr P J Hart	Deputy for Cr Hopper
APOLOGIES:	Cr D L Hopper JP	Leave of absence
	Cr G M Hodges	Leave of absence
OBSERVERS:	Cr G T Wallace	
	Cr J Everts	(7pm – 8.45pm)

IN ATTENDANCE:	Mr R S Tame	-	Chief Executive Officer
	Mr A F Maxwell	-	Executive Director Corporate Services
	Mr I MacRae	-	Executive Director Development Services
	Mr A Bruce	-	Executive Director Technical Services
	Mr C Askew	-	Director Community Services
	Mr A Duggleby	-	Manager Admin. & Governance
	Mrs S D'Souza	-	CEO's Executive Assistant

Public - Nil

ELECTION OF CHAIR:

Chief Executive Officer called for nominations of Chair.
Cr Clowes-Hollins nominated Cr Reynolds. Cr Reynolds. accepted the nomination.
There being no further nominations Cr Reynolds was declared elected.

DISCLAIMER

The Disclaimer for protecting Councillors and staff from liability of information and advice given at Committee meetings was not read by the Chairman, given no members of the public were present at the meeting.

DECLARATION OF MEMBERS' INTERESTS

Page 48	CS32/6/04	Mr Askew	Retitle of Executive Position

QUESTION TIME

Nil

DEPUTATION

Nil

CONFIRMATION OF MINUTES

RESOLVED
Minutes of the Special City Strategy Committee Meeting held on 4 May 2004, be confirmed.

Minutes of the City Strategy Committee Meeting held on 11 May 2004, be confirmed.

ITEMS REFERRED FROM INFORMATION BULLETIN

INFORMATION BULLETIN – ISSUE NO.11/2004

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

- Progress Report on the Replacement of IT Core Systems Project
- Progress Report on Contingency, Operational and Strategic Projects
- Report on Outstanding Matters
- Minutes of the South East Regional Energy Group Meeting
- Minutes of the Local Government Working Group Meeting

Committee noted the information. No items were raised for further report. However, it was requested that a review of those items outstanding since 2000 be undertaken.

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STAFF ESTABLISHMENT LEVELS

WARD	:	All
FILE REF	:	STF/23
DATE	:	9 Jun 2004
REF	:	RST
RESPONSIBLE MANAGER	:	CEO

In Brief:-

- The Staff Establishment level is a "snapshot" of the City's number of full-time employees (FTEs) at any point in time.
- Report shows trends over past years and compares wages/salary costs to expenditure levels.
- Number of FTEs per capita (population) is compared to other Local Governments, and a regional and State average.
- The City is below metro and State "average" for staff, reflecting constraints and close assessment of all resource demands.
- Staff establishment indicators closely reflect Armadale's limited revenue capacity.
- Recommend that the report be received.

Tabled Items

Nil

Officer Interest Declaration

Nil

Strategic Implications

Strategic Plan:

- 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

Local Government Act 1995:

- Sect. 2. 7(2)(a):
  "The role of the council:
  (2) Without limited subsection (1), the council is to:-
  (a) oversee the allocation of the local government's finances and resources.

- Sect. 5.51(a)&(g):
  "The CEO's functions are to:
  (a) advise the council in relation to the functions of a local government under this Act and other written laws:
  (g) be responsible for the employment, management supervision, direction and dismissal of other employees (subject to 5.37(2) in relation to senior employees);

Council Policy / Local Law Implications

Council's Policy ADM-5 – Staff Establishment Levels

Budget / Financial Implications

The City's Budget includes funding for full-time staff, part-time and casual staff, as well as contract employees both short and long term, for the implementation of the City's funded programmes. In any annual Budget the use of permanent positions and contract employment may be interchangeable. This report provides a snapshot of the current situation with regard to full-time employees, compared to other points in time, and to other Authorities.

BACKGROUND

This report is presented in accordance with Council Policy ADM-5 which states:

> *"Staff Establishment Levels are to be reported annually, as part of the budgetary process"*

Since adopting Budget 2003/04, Council has considered in detail its Strategic Plan, Future Accommodation Levels and Fifteen Year Forward Plan. In considering the latter two items through a series of workshops and Committee discussions, Council was advised that:-

- Staff growth rate approximately 5 per annum
- Occasional fluctuation between contract/FTEs
- Forward accommodation plans allow 4 per annum tapering to 32 over 11 years.

COMMENT

From an internal perspective, 3.6 new positions were created during 2003/04. Of these, 2 were identified as new positions in Budget 2003/04, while 1.6 were funded but not designated as FTEs at the time of adoption:-

1. Environmental Health Officer
2. Records Officer
3. Public Relations Coordinator
4. Executive Assistant – Systems Implementation (0.6 – Part-time)

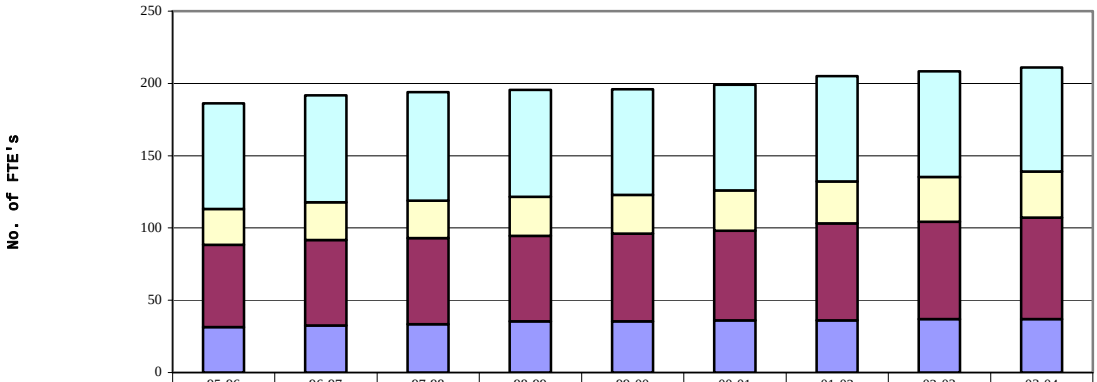
The position of PR Coordinator is funded from Council's allocation to Marketing PR and the part-time position of Executive Assistant in the area of Finance/I.T. was funded as an essential part of the Business Systems Implementation.

There are no new FTEs proposed for Budget 2004/05.

Internal Perspective

Chart-1

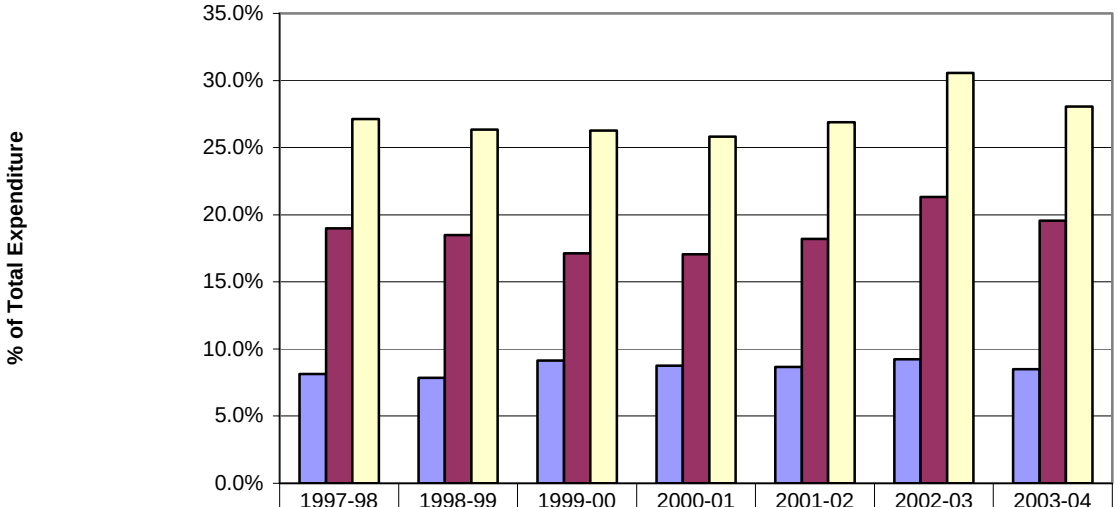
Staff Establishment Levels - FTE's



	95-96	96-97	97-98	98-99	99-00	00-01	01-02	02-03	03-04
Wages Staff	73	74	75	74	73	73	73	73	72
Development Svces	25	26	26	27	27	28	29	31	31.8
Comm & Corp Svces	56.75	59.25	59.5	59	60.5	62.1	67.1	67.4	70.23
Technical Svces	31.5	32.5	33.5	35.5	35.5	36	36	37	37

Chart-2

Salaries & Wages Paid Expressed as a % of Total Budgeted Expenditure



	1997-98	1998-99	1999-00	2000-01	2001-02	2002-03	2003-04
Wages % Tot Exp	8.1%	7.8%	9.1%	8.7%	8.7%	9.2%	8.5%
Sals % Tot Exp	19.0%	18.5%	17.1%	17.1%	18.2%	21.3%	19.6%
Sal & Wag % Tot Exp	27.1%	26.3%	26.3%	25.8%	26.9%	30.6%	28.1%

■

External/Comparative Perspective

Note: The source information for the following series of charts is from the WALGA 2003-04 Directory – metropolitan local governments only.

Chart-3

FTE's as compared to Population

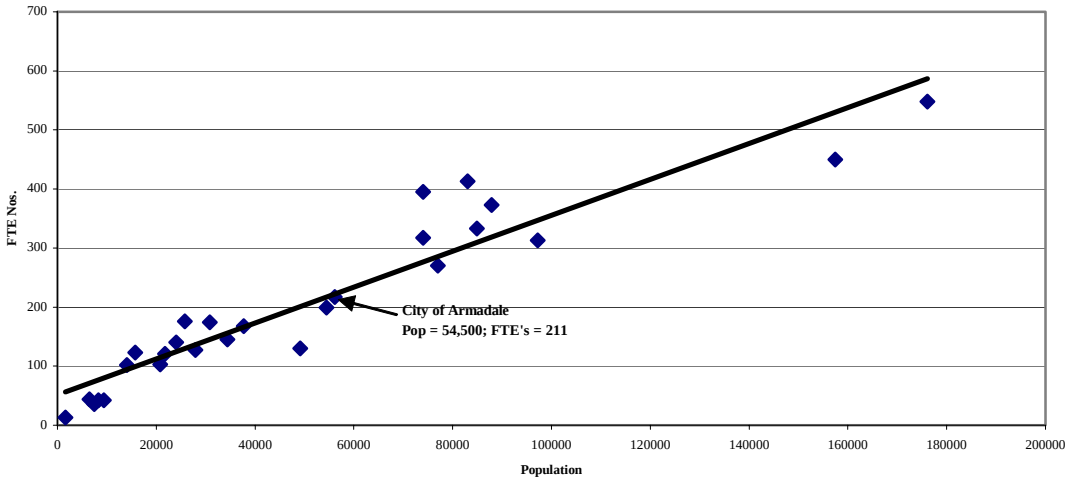
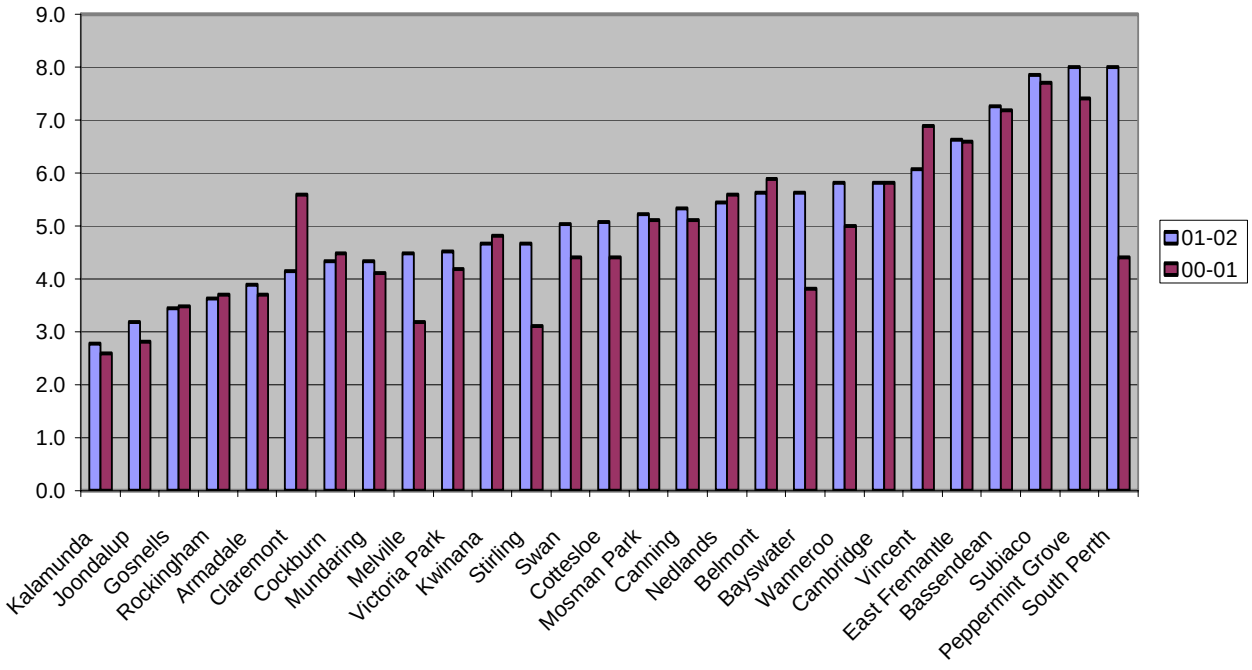


Chart-4

FTE's per1000 Population - 2000-01 versus 2001-02



Note: The City's current staff resource is 3.9 per 1000 population, considerably less than the Region figure of 4.6, and State average of 5.8

If the City were at the Regional average of 4.6, it would have 248 FTEs.

It is also fair to say that our City is under populated as a Strategic Centre and demands services in excess of population. This has frequently been acknowledged in discussion on Strategic Planning.

While the future accommodation projection considered growth of 4 staff per annum, the first 5 years of the 15 Year Plan remains well within that figure, due to financial constraint.

It had been anticipated the Council might fund 2 new positions per year, with an additional 2 per year emanating from other funding/revenue sources.

CS26/6/04 RECOMMEND

That the Staff Establishment Report be received.

Moved Cr Zelones
Motion carried (7-0)

2004-2005 COUNCIL DRAFT BUDGET

WARD	All
FILE REF:	FIN/7
DATE	23 June 2004
REF	TM
RESPONSIBLE MANAGER	Executive Director Corporate Services

In Brief:

- This report presents the consolidated 2004-05 Draft Annual Budget following consideration and recommendation by the (3) Standing Committees and the Rating Review Working Party's recommendation on the proposed rates for 2004-05.
- The report Recommendation is that the 2004-05 Draft Budget and Proposed Rates as presented be approved and advertised for public comment and that a Special Meeting of the City Strategy Committee be held on 20th July 2004 to make final recommendation on the 2004-05 Annual Budget for consideration and adoption at the Council Meeting to be held on 2nd August 2004.

Tabled Items
Nil

Officer Interest Declaration
Nil

Strategic Implications
Corporate Services - The sound financial management of Council will be measured by:-

- Level of excellence in financial audit reports;
- Level of contribution of rates to total revenue;
- Affordability of rating levels;
- The Council's debt ratio;
- The long term financial viability of Council, and
- Adequate funding of City facilities and services.

Legislation Implications
Section 6.2 of the Local Government Act 1995
Part-3, Regulations 22 to 33 of the Local Government (Financial Management) Regulations 1996

Council Policy/Local Law Implications
Nil

Budget/Financial Implications
In accordance with the 2004-05 Budget Timetable, this report serves to make a recommendation to Council on the adoption of the 2004-05 Draft Annual Budget.

Consultation
The Budget has been subject of extensive internal consultation.
The Fifteen Year Forward Financial Plan has been approved.
The Proposed Principal Activities Plan has been approved and advertised for public comment.
The Rating Review Working Party (RRWP) has made recommendation on the proposed rates, and
The Standing Committees have made recommendation on their respective Draft Budgets.

INTRODUCTION

The purpose of this report is to provide Committee with an overview of the consolidated 2004-05 Draft Budget thereby enabling Committee to recommend to Council, approval of the Draft Council Budget and Proposed Rates for public comment purposes.

Presented in this report are details of the proposed member fees and allowances, the proposed rates as recommended by the Rating Review Working Party and the proposed directorate draft budgets as resolved by the Standing Committees.

Final consideration of the Budget will occur at the Special City Strategy Committee meeting tentatively scheduled for Tuesday 20th July 2004 from which final recommendation will be made to the August 2nd Council Meeting. Matters to be reported at this special meeting will include the public comment received on the proposed Principal Activities Plan, the proposed rates and the draft budget, the 30th June 2004 year end position inclusive of the recommended carry forwards and any other budgetary matters arising. Advertising of the Proposed Principal Activities Plan and Proposed Rates will have been completed by the week ending 16th July 2004.

BACKGROUND

The Budget Process to Date

The Draft Budget as presented in this report brings together the following prior deliberations of Council and Committees:

- Workshops for councillors held on 6th March, 13th March and 5th April 2004 regarding the Strategic Plan and Fifteen Year Forward Plan;

- The Special Meeting of the City Strategy Committee held on 4th May 2004 and the ordinary Meeting of City Strategy held on 11th May 2004 at which the Fifteen Year Forward Plan was approved and the Proposed Principal Activities Plan was also approved for public comment purposes;

- The Meeting of the Rating Review Working Party held on 18th May 2004 which amongst other rating matters, made recommendation on the proposed rates for 2004-05, and

- In May, using the 2004-05 directorate funding allocations from the approved Fifteen Year Forward Plan, the Community and Technical Services Committees (the Development Services Committee will consider their Draft Budget on 14th June 2004) considered and resolved their respective draft budgets. The draft budget resolutions/outcomes from each of the Standing Committees are presented and explained later in this report.

(A) MEMBER FEES AND ALLOWANCES

Pursuant to the requirements of the Act and Regulations, Council as part of its annual Budget process, is to:

- determine and set the level of member fee and allowance payments, and
- separately disclose such payment information in the Budget document.

Considerations and Comments

The Local Government Act 1995 provides a range of fees, allowances and expense reimbursements for Councillors in recognition of the need to:

- Fairly and reasonably recompense Councillors for known and accepted costs incurred in the performance of their duties as a councillor and not have the cost factor serve as an impediment or disincentive for persons wishing to become a councillor, and
- Enable councillors to perform their role in an effective and efficient manner;

Quite separate to the fees, allowances and expense reimbursements referred to in the Act, Councils can opt to provide councillors with other support for their role and indeed many do and some examples are as follows:

- Training and development – an allocation per councillor per annum;
- Provision of computer hardware and software to facilitate improved communications,
- Access to a vehicle;
- A corporate wardrobe, and
- Home office supplies, eg. furniture, stationery.

The current fee and allowance levels as prescribed together with the levels currently payable are as follows:

Particulars	**Amount Prescribed by Regulation**		**Amount Currently Payable**
	Minimum	**Maximum**	
Annual Local Government Allowance			
• Mayor	$500	$10,000 OR 0.002 of the local govt's operating revenue whichever is the greater up to a maximum of $60,000. (Armadale's operating revenue for 2002-03 was $30.4m and as such the maximum of $60k is applicable)	$26,200
• Deputy Mayor	Not Applicable	up to 25% of the amount paid to the Mayor.	$6,550
Annual (Meeting) Attendance Fee			
• Mayor	$5,000	$12,000	$12,000
• Councillors	$2,000	$6,000	$6,000
Telecommunications Allowance			
• Councillors	$0	$2,000	$800

In terms of the 2004-05 draft budget, the following member fee and allowance estimates (totalling $190,400) have been provided:

- A Mayor's local government allowance of $30,400 calculated at 0.01 (which is 50% of the prescribed percentage) of the City's ordinary revenue of $30.4m;

- A Deputy Mayor's local government allowance of $7,600 calculated at 25% of the mayor's allowance;

- An annual meeting attendance fee of $12,000 for the mayor and $6,000 for councillors – total estimate of $90,000;

- A telecommunications allowance of $800 per annum per councillor – total estimate of $11,200;

- A travelling/mileage expense reimbursement estimate totalling $9,000 – relates to councillors vehicle travel costs in attending council and committee meetings and other meetings, forums, etc attended on council's behalf and is paid on the basis of kilometres travelled at current mileage rates applying to the Local Government Officers' (WA) Award;

- A communications allowance estimate of $3,200 being council's policy to equip councillors with suitable communication capabilities – the estimate is based on a "one-off" $800 allowance for newly elected councillors;

- A $25,000 allocation for councillor training and development, and

- A $14,000 provision ($1,000 per councillor) in anticipation of the Act/Regulations being amended to include a new Information Technology Allowance which was first proposed now over 15 months ago.

Also included in the 2004-05 estimates (but separate to the above estimates) is a $50,000 allocation to provide a capacity to respond to possible increases in current fee and allowance levels, which have in the main remained unchanged since 1995. Recently for example, WALGA considered a proposal to increase all member fees and allowances by 20% and further that consideration be given to amending the Act such that local governments can in the future, set their own fee levels up to a total maximum of say, 0.5% of operating income.

Over the last (12) months and in some instances longer, various suggestions have been advanced as to alternatives for either recompensing councillors more reasonably and/or better enabling councillors in the performance of their duties and these have included:

- the provision of broadband internet connections and the payment of associated monthly ISP costs,
- council provided information technology hardware and software, eg. laptops with current version software compatible with systems used by council's administration,
- a fairer system and/or level of vehicle travel cost reimbursement, ie. the lag that usually occurs between increases in fuel costs and adjustments to the mileage rates,
- provision of and/or access to a council vehicle for official councillor duties,

In recognition of the greater and growing time commitment required of councillors in the performance of their duties occasioned in the main by increased requirements of responsibility, accountability and complexity of task imposed by not only other levels of government but also the community, **it is proposed that that the following fees, allowances, cost reimbursements be set for the 2004-05 year,** ie.

- Mayor's Annual Local Government Allowance - $30,400 (0.001 of ordinary revenue of $30.4m)
- Deputy Mayor's Annual Local Government Allowance - $7,600, (25% of the Mayor's allowance),
- an annual meeting attendance fee of $12,000 and $6,000 for the mayor and councillors respectively,
- a telecommunications allowance of $1,200 per councillor (an increase of $400 per councillor),
- a communications reimbursement up to a maximum of $800 per annum per councillor for the purposes of improved communications which amongst other matters can include broadband connection, ISP monthly fees, computer software and hardware.

  As well, **it is proposed that the current Councillors' Training and Development Budget of $25,000 be increased by $10,000.**

It is further proposed that the above increases be funded from the $50,000 allocation which if agreed would leave a balance of $23,200 ($50,000 less the increase in the telecommunications allowance of $5,600: less the increase in council's own communications reimbursement policy of $11,200; less the increase in training and development of $10,000). Further, with the balance of $23,200, it is proposed that allocation of this amount towards more specific purposes be revisited, say in October/November 2004, by which time it is hoped there may be a clearer indication from the state government as to the likely increases in the prescribed fees and allowances.

Committee Discussion on item (A) – Members Fees & Allowances

Committee sought clarification of the various communication allowances/reimbursements referred to in the report. The Executive Director Corporate Services (EDCS) advised that the Telecommunications Allowance was a prescribed allowance/expense pursuant to the Act referring specifically to telephone and facsimile costs whereas the proposed Communications Reimbursement is intended to meet other information technology communication costs. The EDCS also commented that should the State Government's proposed Information Technology Allowance be introduced during the year, then Council may at that time wish to re-consider the ongoing appropriateness of its proposed Communications Reimbursement.

Other matters discussed by Committee included:

- *The proposed increase in the members' training and development budget - agreed,*
- *The mayoral allowance and the related aspect/option of a vehicle being provided for mayoral/council purposes in lieu of part of that allowance - noted,*
- *The proposed budget allocation of $23,200 to meet anticipated increases in prescribed annual attendance fee levels - agreed.*

Committee agreed to the recommendation as presented.

(B) PROPOSED RATES

The relevant requirements of the Act as relating to the imposition of differential rates and minimum payments (which Council has for several years used and which is again proposed for the 2004-05 year), are as follows:

6.33. Differential general rates

(1) A local government may impose differential general rates according to any, or a combination, of the following characteristics —

(a) the purpose for which the land is zoned under a town planning scheme in force under the Town Planning and Development Act 1928;

(b) the predominant purpose for which the land is held or used as determined by the local government;

(c) whether or not the land is vacant land; or

(d) any other characteristic or combination of characteristics prescribed.

(3) In imposing a differential general rate a local government is not to, without the approval of the Minister, impose a differential general rate which is more than twice the lowest differential general rate imposed by it.

6.35. Minimum payment

(1) Subject to this section, a local government may impose on any rateable land in its district a minimum payment which is greater than the general rate which would otherwise be payable on that land.

(2) A minimum payment is to be a general minimum but, subject to subsection (3), a lesser minimum may be imposed in respect of any portion of the district.

(3) In applying subsection (2) the local government is to ensure the general minimum is imposed on not less than 50% of the number of separately rated properties in the district on which a minimum payment is imposed.

(4) A minimum payment is not to be imposed on more than the prescribed percentage of the number of separately rated properties in the district unless the general minimum does not exceed the prescribed amount.

(5) If a local government imposes a differential general rate on any land on the basis that the land is vacant land it may, with the approval of the Minister, impose a minimum payment in a manner that does not comply with subsections (2), (3) and (4) for that land.

(6) For the purposes of this section a minimum payment may be applied separately, in accordance with the principles set forth in subsections (2), (3) and (4) —

(a) to land rated on gross rental value;

(b) to land rated on unimproved value; and

(c) to each differential rating category where a differential general rate is imposed.

6.36. Local government to give notice of certain rates

(1) Before imposing any differential general rates or a minimum payment applying to a differential rate category under section 6.35(6)(c) a local government is to give local public notice of its intention to do so.

(2) A local government is required to ensure that a notice referred to in subsection (1) is published in sufficient time to allow compliance with the requirements specified in this section and section 6.2(1).

(3) A notice referred to in subsection (1) —

(a) may be published within the period of 2 months preceding the commencement of the financial year to which the proposed rates are to apply on the basis of the local government's estimate of the budget deficiency;

(b) is to contain —

(i) details of each rate or minimum payment the local government intends to impose;

(ii) an invitation for submissions to be made by an elector or a ratepayer in respect of the proposed rate or minimum payment and any related matters within 21 days (or such longer period as is specified in the notice) of the notice; and

(iii) any further information in relation to the matters specified in subparagraphs (i) and (ii) which may be prescribed;

and

(c) is to advise electors and ratepayers of the time and place where a document describing the objects of, and reasons for, each proposed rate and minimum payment may be inspected.

(4) The local government is required to consider any submissions received before imposing the proposed rate or minimum payment with or without modification.

A meeting of the Rating Review Working Party (RRWP) was held on 18th May 2004 (attended by Crs Hart, Munn, Reynolds (Chair), Tizard and Zelones) to consider a range of issues relating to the proposed rates for the 2004-05 year, eg. register of non-rateable land; rate payment methods and options; 2003-04 local government rates

That part of the RRWP Minutes which is particularly relevant to this report, is the item commencing on page 17 titled "Proposed Rates for 2004-05". Hereunder is that report and recommendation:

Extract from the RRWP Minutes of 18th May 2004

6. Proposed Rates for 2004-05

(a) Differential Rating Principles – Future Directions

It has been several years since the principles underpinning Council's differential rating system were last reviewed in a strategic manner during which time there have been a number of decisions made which impact upon those principles. This factor combined with:

- the significant rating changes to occur in 2005-06, namely the GRV revaluation and new town planning scheme, and

- the recent discussions in the context of the Forward Financial Plan to possibly discontinue the Residential Rural rate differential on equity grounds (currently the Forward Financial Plan has this differential being phased out over a (3) year period commencing in year 5 and at the Special Meeting of the City Strategy Committee held on 4th May 2004, it was agreed that the matter of the Residential Rural Rates be referred to the Working Party for further consideration in the context of the proposed rates),

suggests that it is timely, to more formally review the principles prior to setting the coming year's rates.

The decisions made in the last few years impacting on the differential rating principles include:

- the decision taken several years ago to create (2) Residential Rural rate groups, which were then subsequently "rolled-up" into one group being the current residential rural rate group;

- the decision 2-3 years ago to remove the "rates freeze" that had been applied to the General Rural Rate Group for a number of years prior. The objective of the "rates freeze" was to lower the rating level/effort to a level more commensurate with other rate group levels;

- the decision taken last year to move a considerable number (approximately 450) of residential rural type properties from the UV area to the GRV area on the basis that they are being used predominantly for non-rural purposes;

- the decision taken again last year to align the Business rate in the $ with the rate applying to the General Residential rate group (previously the Business rates in the $ were at a lower level the rationale being to promote and encourage much needed business development within the City).

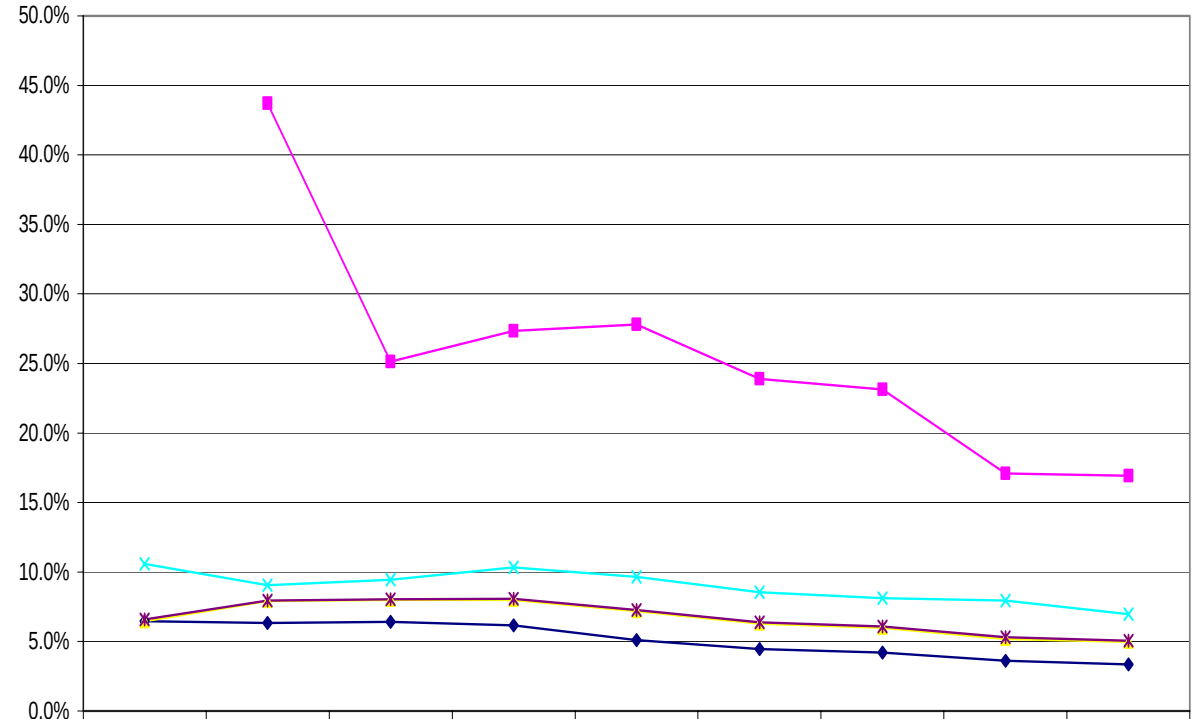
Of the various differential rating principles originally introduced more than 10 years ago, the only two that remain today are:

- the rating of vacant properties in all groups at a higher minimum payment level than improved properties, the rationale being to promote development of vacant land and to reduce the likelihood of speculative land dealings, and

- the higher differential rate applying to Residential Rural properties with the rationale being the higher cost to service these properties due to factors such as terrain, topography and distance.

In relation to the higher minimum payments applying to vacant land, history shows as per the following chart (which plots vacant lot numbers expressed as a percentage of total properties by rate groups and as a whole, over time) that vacant lot numbers have generally remained unchanged which indicates that this principle has not achieved its objective to the extent perhaps as originally proposed.

Number of Vacant Properties Expessed as a % of Total Properties



	1996-97	1997-98	1998-99	1999-00	2000-01	2001-02	2002-03	2003-04	2004-05
Residential	6.5%	6.3%	6.4%	6.2%	5.1%	4.5%	4.2%	3.6%	3.4%
Res Rural		43.7%	25.1%	27.4%	27.8%	23.9%	23.1%	17.1%	16.9%
All Residential	6.5%	7.9%	8.0%	8.0%	7.2%	6.3%	6.0%	5.2%	5.0%
Business	10.6%	9.1%	9.4%	10.3%	9.6%	8.5%	8.1%	7.9%	7.0%
All Properties	6.6%	8.0%	8.0%	8.1%	7.3%	6.4%	6.1%	5.3%	5.1%

In relation to the other remaining principle, that being the higher differential rate applying to Residential Rural properties, there are differing points of view as to the equity and appropriateness of this differential. From an officer perspective dealing with ratepayer enquiries, by far the greatest number of enquiries received each year relate to the reasoning for the higher differential applying to Residential Rural properties, a matter which gained greater focus last year when dealing with ratepayers whose properties were moved from the UV to GRV area. Whether valuations alone provide a fair and equitable basis upon which to levy council rates given differing property sizes, zonings, locations and uses has been a vexed issue for many years and will in all probability continue to be so given there is no "ideal" solution. The issue also not likely to change is the ongoing questioning of the rationale for the Residential Rural differential and for this reason, a Council position on the matter which provides future direction for at least the short to medium term is advisable, for if there is to be a change in direction, then better that change process be planned and managed in the context of other rating principles and Council's Forward Financial Plan. If the view of Council is to remove this differential, then the suggested opportune time for this to happen is in 2005-06 to coincide with the GRV revaluation.

Therefore in terms of setting differential rating principles and rating directions for the future, the following proposed strategy is submitted for the Working Party's deliberation,

Vacant Land Differentials

That the current vacant land differentials be phased out over the next 3 years on the basis that:

- the objectives of the current differential have not been achieved to the degree originally proposed;
- with pending new residential developments critical to the City's Forward Financial Plan, to continue this differential is likely to act as a disincentive to new development thereby impacting negatively on Council's Forward Financial Plan, and
- the trend within local government over recent years to not use vacant land differentials.

Residential Rural Differential

That the current +7.7% differential applying to the Residential Rural rate group be discontinued as from the 2005-06 rating year on the basis that the valuation system which has regard for factors such as property size, location, zoning and use, provides for a fair and equitable distribution of rates amongst all properties.

(b) Rating Models

The discussions to date on the Fifteen Year (2004-19) Forward Financial Plan propose a rates increase of +4.8% for the 2004-05 year, ie. a real rates increase of +3% PLUS an inflationary factor of +1.8%.

Having regard for the above proposed rating strategy, the RRWP was presented with various rate models, the details of which are summarised as follows:

1. To discontinue the vacant differentials in each of the Rate Groups, results in revenue losses (by comparison to the "base model") as follows:

Residential	$44,700
Residential Rural	$24,600
Business 1	$5,500
Business 2	$600
Total	**$75,400**

2. To combine the (2) Residential Rate Groups and the (2) Business Rate Groups but maintain for the time being the vacant differentials, results in revenue losses (by comparison to the "base model") as follows:

Residential	$0
Residential Rural	$198,800
Business 1	$0
Business 2	$7,800
Total	**$206,600**

3. To combine the (2) Residential Rate Groups and the (2) Business Rate Groups and discontinue the vacant differentials (in effect establishing (1) general rate and (1) minimum payment for all GRV properties), results in revenue losses (and again as compared to the "base model") as follows:

Residential	$44,700
Residential Rural	$223,700
Business 1	$5,500
Business 2	$8,400
Total	**$282,300**

Having regard for the rating strategy as proposed and the rate models as presented, the RRWP made the following recommendation:

RRWP RECOMMENDATION

1. That Council approve the following future rating principles and directions, namely:

   Vacant Land Differentials

   That the current use of vacant land differentials be phased out within the next 3 years on the basis that:
   - *the objectives of the current differential have not been achieved to the extent as originally proposed,*
   - *with pending new residential developments critical to the City's Forward Financial Plan, to continue this differential is likely to act as disincentive to new development and therefore potentially compromise the City's Forward Financial Plan, and*
   - *the trend within local government over recent years to not use vacant land differentials.*

   Residential Rural Differential

   That in principle support be given to the possibility of discontinuing the current +7.7% differential applying to the Residential Rural rate group effective from the 2005-06 rating year on the basis that the valuation system, which has regard for factors such as property size, location, zoning and use, provides for a fair and equitable distribution of rates amongst all properties.

2. That Council, in line with the future rating principles and directions as explained in part (1) of this recommendation, approve the following Schedule of Proposed Rates for 2004-05, noting that the Schedule includes the proposal to combine the (2) Business Rate Groups into one group and discontinue the Business vacant differential which results in an estimated revenue loss (as compared to base model) of approximately $14,000 per annum.

2004-05 Schedule of Proposed Rates								**Total**
Particulars	**Residential**		**Residential Rural**		**Business 1**	**Business 2**	**Rural**	
	Vacant	**Improved**	**Vacant**	**Improved**				
Rate in $ (cents)	11.000	10.6144	11.8855	11.4355	10.6146	10.6146	0.577	
Minimum Rate	630	550	753	683	873	873	678	
Rates Levied	388,533	11,380,225	337,347	1,975,419	1,731,998	1,130,730	593,754	17,538,004
Average rates per assessment	673.37	685.43	851.89	1016.69	2780.09	10567.566	2319.35	
% of total rates	2.2%	64.9%	1.9%	11.3%	9.9%	6.4%	3.4%	
Total no. of assessments	577	16,603	396	1,943	623	107	256	20,505
no. of assessments on min rate	543	1,747	297	239	281	29	26	3,162
% of assessments on min rate	94.1%	10.5%	75.0%	12.3%	45.1%	27.1%	10.2%	15.4%

Committee Discussion on item (B) - Proposed Rates

The Chair spoke to and explained the recommendation from the Rating Review Working Party.

Matters discussed by Committee included:

- *the need when considering future rating principles and directions to have regard for the option of specified area rating where appropriate and applicable,*
- *the implications of moving towards a rating system that places a lesser reliance upon the differential rating provisions of the Act, eg. the equity and revenue impact aspects,*

Committee agreed to the recommendation as presented.

(C) DRAFT BUDGET

The (4) directorate operational budgets have been resolved by the Standing Committees with each reporting draft budgets equal to the funding allocations as detailed in year 1 of the approved Fifteen Year Forward Financial Plan. In the process of resolving their draft budgets, the Standing Committees have identified, in priority order, a number of currently "unfunded proposals" for possible inclusion in the draft budget subject to additional funding being identified in the subsequent stages of the Draft Budget process. These "unfunded proposals" together with MANEX's recommendations, are detailed as follows:

Technical Services Committee – Unfunded Proposals

• Water Management Plan	$10,000
• Minnawarra Footbridge Repairs	$70,000
• Tree management & streetscapes	$58,000
• Street Lighting	$35,000
• Business Systems Implementation	$30,000
• Legal Expenses (additional)	$18,000

Community Services Committee – Unfunded Proposals

Staff Resources

- Recreation/Events Officer
- Ranger

Other Proposals

• Local History Project	$15,000
• Community Grants Program	$10,000 pa
• Westfield Oral History Project	$10,000
• Palomino Park Equestrian Centre(*)	$10,000
• Armadale Home Help – disabled toilet	$10,000
• Armadale Arena Car Park	$75,000

* The budget consolidation process has confirmed this project to be already included in the property development Draft Budget.

Development Services Committee – Unfunded Proposals

Staff Resources
- Additional Statutory Planner
- Conversion of part time to full time Senior GIS and GIS officer
- Additional Building Surveyor
- Additional Strategic Planner

Other Proposals

• Additional vehicle – Planning Department	$25,000
• Environmental projects (Cities for Climate Protection & Fire Mgmt Plans)	$20,000

The Community Services Committee also resolved that the following funded proposals be brought forward to the 2004-05 year, ie.

- Kelmscott Library Relocation
- Rushton Park Redevelopment – bring forward loan arrangements to 2004-2005 and 2005-2006.

Details of the above (2) funded proposals and the financial implications of an earlier implementation are explained as follows:

Kelmscott Library Relocation Proposal

This proposal is currently scheduled to occur in year 4 of the Plan. The total cost of this proposal over the life of the Plan is $840k and the annual cost is $75k with $60k being lease rental and $15k being loan repayments on a $100k loan to fit-out the leased premises.

From the discussions had at Community Services, bringing this proposal forward to year 1 is seen as an imperative given the short term nature of the current lease and the building being too small and in need of considerable repair.

To bring this proposal forward to year 1 of the Plan (2004-05) will add $210k expenditure over the life of the Plan (total cost $1,050k) with the majority of the added cost ($225k) occurring in the 1st 5 years.

MANEX recommends that the Kelmscott Library Relocation Proposal (as currently scheduled in the Plan to occur in year 4) be brought forward to year 1 of the Plan and that the consequential added cost of $210k over the life of the Plan, be met from a commensurate increase in deficit funding.

Rushton Park Re-development Proposal

This proposal is currently scheduled in the Plan to occur over a 3 yr period, starting in year 1 with a $100k expense fully funded from POS funds. The total cost of this proposal over the life of the Plan is $482k. The annual cost is $48.2k being the loan repayments on total loans raised of $320k over years 2 and 3 of the Plan.

Again from the discussions had at Community Services, bringing this proposal forward to years 1 and 2 of the Plan is seen as an imperative given the need to develop the area following the decommissioning of the pool, the nominal added cost ($48.2k over the first 5 years of the

Plan) and the fact that the majority of the POS funding (from sale of reserves) will not be forthcoming until year 2.

To bring this proposal forward does not alter the overall total cost but what does happen is that costs increase by $48.2 over the initial 5 years with a corresponding reduction in the last 5 years.

MANEX recommends that the Rushton Park Redevelopment Proposal (as currently scheduled in the Plan over years 1-3) be brought forward to years 1 and 2 of the Plan and that the consequential funding variation over the life of the Plan, be met from a commensurate variation in deficit funding.

In relation to the additional staffing resolved by the Community and Development Services Committees, **MANEX recommends that the additional staffing estimates as per the Plan remain unchanged (the Plan currently makes provision for 2 additional FTE's per annum over an 8 year period commencing in year 2 of the Plan).** The additional staffing provision in the Plan is such that council/management could, should the need arise, bring forward necessary additional resources without affecting the overall cost to the Plan, eg. (2) FTE's could be brought forward to year 1 provided of course numbers planned in subsequent years are commensurately reduced. It is proposed that staff resource levels commensurate with needs, be the subject of management/council review in December 2004 and that any consequential changes in staffing levels be contained to the provisions made in the first 5 years of the Plan.

In relation to the other "unfunded proposals" resolved by the Standing Committees for inclusion in the draft budget subject to additional funding being identified in the subsequent stages of the Draft Budget process, **those recommended by MANEX in priority order and for the reasons as explained, are listed hereunder**. It is further recommended as a matter of principle, that –

3. the unfunded proposals selected by Committee be of a "one-off" expense nature on the basis that should additional funds be identified in the subsequent stages of the budget process, they too will, in all probability, be of a "one-off" nature; and

(ii) in the event of the year end (30 June 2004) financial position being better than budget by an amount greater than the following unfunded proposals then that remaining amount be used to reduce the deficit.

Water Management Plan - $10,000 – refers to the Southern River/Wungong/Brookdale areas and is considered essential for the City's development strategy. Failure to support this proposal is likely to compromise the City's role as a major player in the Plan and may lead to a lack of urgency on the part of the many other state agencies whose involvement and commitment is imperative. It is on this basis and the amount being relatively minor that this proposal is recommended for inclusion in the draft budget.

Minnawarra Footbridge - $70,000 - the bridge is structurally safe however the handrail is vulnerable to deliberate heavy misuse and its current state is unsightly. Therefore, given the high public profile of the park and footbridge, particularly during events hosted by Council, **it is recommended that this proposal be included in the draft budget.**

In summary, the recommended amendments to the Draft 2004-05 Budget for Committee's consideration, are therefore as follows:

Recommended Amendments to the 2004-05 Draft Budget

1. That the Kelmscott Library Relocation Proposal (as currently scheduled in the Plan to occur in year 4) be brought forward to year 1 of the Plan and that the consequential added cost of $210k over the life of the Plan, be met from a commensurate increase in deficit funding.

2. That the Rushton Park Redevelopment Proposal (as currently scheduled in the Plan over years 1-3) be brought forward to years 1 and 2 of the Plan and that the consequential funding variation over the life of the Plan, be met from a commensurate variation in deficit funding.

3. Subject to additional funding being identified in the subsequent stages of the Draft Budget process, the following currently "unfunded proposals" be included in the 2004-05 Draft Budget

    - Water Management Plan - $10,000
    - Minnawarra Footbridge - $70,000

Presented at **Attachment A-1** to this report, is the Fifteen Year Forward Financial Plan as amended in respect to the Kelmscott Library Relocation Proposal and the Rushton Park Redevelopment Proposal, the first year of which represents the 2004-05 Draft Budget.

(C) Draft Budget – 2004/05

The Chief Executive Officer recapped on the budget principles and steps taken in developing and approving the Fifteen Year Financial Plan, the first year of which has served as the principal guide to Standing Committees and Directorates in preparing their detailed 2004-05 draft budgets.

Committee Discussion

Committee agreed to include in the 2004-05 draft budget the following budget proposals on a deficit funded basis, ie.

- *the Kelmscott Library Relocation Proposal,*
- *the Rushton Park Redevelopment Proposal, and*
- *the Water Management Plan Proposal.*

Of the other reported currently "unfunded proposals", the Minnawarra Bridge budget proposal was confirmed as being the next highest funding priority and hence its listing in part 5 of the recommendation for consideration, funds permitting, of inclusion in the draft budget,

In response to a query on the proposed limit on staff/resources the CEO advised that there were many programmes/projects that could not yet be funded. Currently there was no available space to accommodate extra staff and any consideration of such should be as part of programmed priorities. The matter of unfunded projects/programmes could be

reconsidered later in the calendar year when related aspects such as comparative needs, accommodation issues and organisational priorities can be more thoroughly assessed and evaluated.

Committee also discussed the need for council and management to regularly monitor the corporate budget position to ensure the 2004-05 budget remains responsive to needs and priorities as arising during the year.

CS27/6/04 RECOMMEND

That Council:

1. Include for consideration in the 2004-05 draft budget, the following schedule of Councillor payments.

Particulars	Proposed 2004-05 Budget Estimate - $	Current Year Budget 2003-04 - $
Annual Local Government Allowance • Mayor - $30,400 (0.001 of $30.4m) • Deputy Mayor - $7,600 – (25% of Mayor's allowance)	**38,000**	32,750
Annual Meeting Attendance Fees • Mayor - $12,000 pa • Councillors - $6,000 pa	**90,000**	90,000
Telecommunications Allowance • Councillors - $1,200 pa	**16,800**	11,200
Travel Expenses	**9,000**	9,000
Communications Reimbursement • Councillors - $800 pa	**11,200**	Nil
Information Technology Allowance (subject to pending legislation changes – see note below) • Councillors - $1,000 pa	**14,000**	7,000 *(6 mth provision)*

NOTES:
- *the 0.001 factor used for calculating the Annual Local Government Allowance represents 50% of the maximum factor prescribed by Regulation,*
- *the "operating revenue" figure of $30.4m used for the purposes of calculating the Annual Local Government Allowance is taken directly from the City's audited Annual Financial Report for the year ended 30th June 2003,*
- *the travel expenses figure of $9,000 represents the total estimated payments payable to Councillors on a reimbursement basis pursuant to Council Policy,*
- *the communications reimbursement refers to the provisions of Council Policy which is to be amended to provide for a reimbursement of up to a maximum of $800 per councillor per annum to facilitate improved communications which amongst other matters can include broadband connection, ISP monthly fees, computer software and hardware.*
- *the Information Technology Allowance estimate represents a "provision only" given the proposal to introduce this new allowance has yet to be legislated.*

2. Approve the 2004-05 Draft Council Budget as presented to and amended by the City Strategy Committee – the following dot points refer to the agreed amendments by Committee – and that it be advertised for public comment for a period commensurate with the public advertising of the proposed schedule of rates.

Include in the Draft Budget:

- **that the Kelmscott Relocation Proposal (as currently scheduled in the Plan to occur in year 4) be brought forward to year 1 of the Plan (2004-05) and that the consequential added cost of $210k over the life of the Plan ($67,500 in year 2004-05), be met from an increase in deficit funding.**
- **that the Rushton Park Redevelopment Proposal (as currently scheduled in the Plan over years 1-3) be brought forward to years 1 and 2 of the Plan (2004-06) and that the consequential funding variation over the life of the Plan ($12,800 in year 2004-05), be met from an increase in deficit funding.**
- **that the Water Management Plan Proposal at a cost of $10,000 be included in the 2004-05 Draft Budget and be funded from an increase in deficit funding.**

3. Approve the following future rating principles and directions, namely:

Vacant Land Differentials

That the current use of vacant land differentials be phased out within the next 3 years on the basis that:

- ***The objectives of the current differential have not been achieved to the extent as originally proposed,***
- ***With pending new residential developments critical to the City's Forward Financial Plan, to continue this differential is likely to act as disincentive to new development and therefore potentially compromise the City's Forward Financial Plan, and***
- ***The trend within local government over recent years to not use vacant land differentials.***

Residential Rural Differential

That in principle support be given to the possibility of discontinuing the current +7.7% differential applying to the Residential Rural rate group effective from the 2005-06 rating year on the basis that the valuation system, which has regard for factors such as property size, location, zoning and use, provides for a fair and equitable distribution of rates amongst all properties.

4. In line with the future rating principles and directions as explained in part (3) of this recommendation and pursuant to Section 6.36 of the Local Government Act 1995, approve the following Schedule of Proposed Rates for 2004-05, noting that the Schedule includes the proposal to combine the (2) Business Rate Groups into one group and discontinue the Business vacant differential which results in an estimated revenue loss (as compared to base model) of approximately $14,000 per annum.

RATE GROUP	Proposed 2004-05		Current 2003-04	
	Rate in $ (cents)	Min. Rate $	Rate in $ (cents)	Min. Rate $
Gross Rental Value Area				
Residential Improved	**10.6144**	**550.00**	**10.1283**	**525.00**
Residential Vacant	**11.0000**	**630.00**	**10.1284**	**606.00**
Residential Rural Improved	**11.4355**	**683.00**	**10.9118**	**652.00**
Residential Rural Vacant	**11.8855**	**753.00**	**10.9119**	**732.00**
Business 1 Improved	**10.6146**	**873.00**	**10.1285**	**833.00**
Business 1 Vacant	**10.6146**	**873.00**	**10.1286**	**983.00**
Business 2 Improved	**10.6146**	**873.00**	**10.1287**	**1059.00**
Business 2 Vacant	**10.6146**	**873.00**	**10.1288**	**1212.00**
Unimproved Value Area				
Rural General	**0.577**	**678.00**	**0.6011**	**647.00**

5. Recommit the matter of the 2004-05 Draft Budget to the Special Meeting of the City Strategy Committee to be held on Monday 27th July 2004 at 6pm for recommendation to Council following consideration of:

- **Public submissions received on the Principal Activities Plan;**
- **Public submissions received on the 2004-05 Draft Budget;**
- **Public submissions received on the Proposed Rates;**
- **Council's 30th June 2004 Year End position inclusive of proposed carry forwards;**
- **The following "unfunded proposal" being included in the draft budget subject to additional funding being identified, ie.**
  - ***Minnawarra Footbridge - $70,000,***
- **Any other matters subsequently arising having budgetary implications.**

Moved Cr Zelones
Motion Carried (7-0)

*****WARD SYSTEM REVIEW***

WARD	All
FILE REF:	BND/3
DATE	17 May 2004
REF	AWD
RESPONSIBLE MANAGER	Executive Director Corporate Services

In Brief:

- A Discussion Paper has been made available as part of the public consultation process.
- The statutory period for public submissions ended 20 May 2004.
- The following report offers a summary of the public submissions, assesses the options and makes recommendations regarding ward boundaries, number of wards, Councillor representation, ward names and date for next review.

Tabled Items
Nil

Officer Interest Declaration
Nil

Strategic Implications
To foster an effective professional environment for the governance and administration of the City.

Legislation Implications
Sections 2.2, 2.3 and 2.18, and clauses 5 and 6 of Schedule 2.2 of the Local Government Act 1995 refer.

Council Policy/Local Law Implications
Nil

Budget/Financial Implications
The majority of the cost of conducting the review will be in staff resource time, however, there has been some expenditure for advertising during the public consultation stage. Adequate funding has been provided within the 2003/04 adopted Budget.

Consultation
Local Government Advisory Board
City of Armadale Elected Members
Members of the Local community
Senior Officers of the City

BACKGROUND

Council last reviewed its ward boundaries and number of offices of Councillor in 1996/97 with the Order determining the current (7) wards, with each ward having (2) member representatives, being gazetted on 17 January 1997. This review was instigated by a "Councillor Item" at the Co-ordinating & Review Committee Meeting in August 1995 which recommended that, inter alia:

"City Manager commence investigation into a Council Ward restructure with the following two possibilities being examined:

- *retain the current structure*
- *(7) Wards with (2) members in each*

Councillors be invited to submit their written views to the City Manager to assist in the compilation of a comprehensive report."

The previous ward system (adopted in 1987) consisted of (5) wards with (4) having (3) elected members and (1) having (2).

REVIEW PROCESS

Subsequent to Council's decision on 17 November 2003 to undertake a review of the City's ward boundaries and number of offices of councillor for each ward, the following review processes have occurred:

- A Local Government Advisory Board briefing was provided for Councillors on 15 December 2003;
- Councillors were provided with a Ward System Review Information Package and asked to provide comments/feedback to help officers in the development of ward system models;
- A Councillors' Workshop was held on 9 March 2004 to consider various models which had been created by officers to assist in the review process, and to agree on which models might be included in a (public) discussion paper;
- A Special City Strategy Meeting was held on 23 March 2004 to consider and endorse a Discussion Paper for release to the community;
- display advertisements giving public notice that a review is to be carried out, inviting public submissions and advising of the availability of a Discussion Paper were placed in the Armadale Examiner (8 April) and the Comment News (13 April and 4 May).
- The display advertisement, in poster format, was placed on the public notice boards at the City's Administration Centre and the Armadale, Kelmscott and Westfield Libraries;
- In addition to the 'paid' advertisements, articles have appeared on the Ward System Review in the City's public newsletter 'City News' (8 April) and the Armadale Examiner (15 April);
- The period for public submissions opened on 8 April and closed on Thursday, 20 May 2004.

PUBLIC SUBMISSIONS

Two (2) submissions were received during the statutory advertising period. (Refer to **Attachment A-2** as circulated with the Agenda).

Submission 1: was received from the West Armadale Progress Association Inc. and in summary asserted that:

- *A 7 ward system with 2 Councillors per ward (7 x 2 system) should be maintained.*
  Comment Nil

- *The current 7 x 2 system works well – "if it is not broken, why fix it?".*
  Comment It is agreed that the current system has worked well.

- *To reduce the number of Councillors would result in an unfair burden on the remaining Councillors and would inevitably result in some important committees being cancelled.*
  Comment A reduction in number of Councillors would place a heavier workload on the remaining Members, whether it could be considered to be an unfair burden is debatable. The cancellation of some important committees would not necessarily be an inevitable outcome of a modest reduction in numbers of Councillors.

- *The name Minnawarra should remain a unique reference to the lake and park and is strongly opposed as a possible name for a revised or new ward.*
  Comment Nil

- *As the proposed redistribution for the 7 x 2 system incorporates the CBD and environs (ward D), the new name should simply be 'Armadale'.*
  Comment Naming a new ward "Armadale" could lead to confusion with the old Armadale ward which has significantly different boundaries as well as the postal locality which is different again.

Submission 2: was received from a resident of Roleystone. The main body of the submission follows:

> *"Suggest that the Review of Ward representation take into account Land Use Zoning. For example: 2 Councillors from Commercial 2 from Residential etc.*
>
> *My suggestion ties in to some extent with option 4, however it provides some structure to that option to ensure that there is a safeguard to ensure the diverse range of interests and issues across the Council have some representation.*
>
> *The present Ward system and other proposals weight the representation towards residential issues by the nature of the electorate being predominantly residential by numbers. Option 4 without some underlying structure and depending on the issues at the time, could further weight representation towards a particular interest group. With option 4 as it is, it is conceivable that a particular interest group could nominate and, due to the general apathy of the balance of the electorate, elect a number of Ward Councillors to represent those interests, not the broader interests of the community.*

My suggestion takes option 4 and ties it in with some of the other factors to be considered such as Communities of Interest and Economic factors and also seeks to tie in with the recognized Development Zones within the Council.

The example I have given below is somewhat simplistic but illustrates the general principle. I recognise that the size of the electorates under my proposal would vary and hence the number of councillors will still be weighted towards residential representation. However it does recognise the diversities with the Council and the different aspirations and needs that come with that diversity."

Comment: Option 4 in the Discussion Paper is the 'no ward' option – it is assumed from the thrust of this submission that the author, when referring to Option 4, is actually relating to the 4 ward system presented in the Discussion Paper as Option 2. The basic principle of using land use zoning to guide determination of ward boundaries, as advocated in the submission, has strong merit and represents a fairly idealistic approach to creating a ward system. The author's concern that other boundary options provide the potential for particular interest groups to gain representation is not necessarily mitigated by the suggestion contained in the submission. In practical terms, as is partially acknowledged in the submission, the advantages offered by determination of ward boundaries by land use zonings would be substantially nullified by the requirement (not negotiable) to have similar ratios (±10%) of electors to councillors across the wards of the district. Given the make up of the City, all ward system options will inevitably be weighted towards residential representation and perhaps, therefore, favour particular interest groups.

FEATURES OF THE DISTRICT

Community of Interest

Armadale and Kelmscott are the service and commercial centres of the District and the residents of the City use both centres. The smaller but distinct centre of Roleystone offers limited service and commercial facilities for its population who will usually carry out the majority of their business activities in the other two centres. All three centres have a high school, primary schools, shopping facilities and a range of recreational/sporting facilities. Outside the above main centres are communities of interest of broad acre rural flats, foothill and hills rural and semi rural lifestyles as well as orchard activities.

Physical & topographic features

The local government has four arterial roads:

- Albany Highway, which bisects the District;
- Brookton Highway, which runs from the east to Albany Highway;
- South Western Highway, which runs from the south to Albany Highway; and
- Armadale Road, which runs from the west to Albany Highway.

The Perth to Bunbury railway line also bisects the District, running north to south.

A significant natural feature is the Canning River which bisects Kelmscott in the north east sector of the District. The Albany Highway, extended in a southerly direction into the South Western Highway effectively marks the interchange from flat coastal plains in the west and foothills/hills of the Darling Range to the east of the District.

Demographic trends

The main urban centres of Armadale, Kelmscott and Roleystone have virtually static populations, except for a small pocket in the north western portion of Armadale. The western part of the District is experiencing a growth in population which will continue at an accelerating rate.

Economic factors

Extension of the Tonkin Highway through the western part of the District to Armadale Road will provide direct access to the planned Forrestdale Business Park which is now ready for development and expected, eventually, to accommodate in excess of 4,000 jobs. Structure plans developed, also for the western parts, provide a clear framework for urban development which envisages housing for up to 17,000 people in the locality of Forrestdale and 23,000 in the locality of Brookdale.

The development of the Champion Lakes regional water-based recreational facility in the north of the District will serve to attract a significant number of visitors to the City, thereby providing a commensurate boost to the local economy.

Ratio of Councillors to Electors

The current situation is as follows:

Ward	Number of Electors	Number of Councillors	Councillor: Elector Ratio	% Ratio Deviation
Westfield	5,065	2	1:2532	+8.2
Kelmscott	5,302	2	1:2651	+13.3
Seville	3,673	2	1:1836	-21.6
West Armadale	4,972	2	1:2486	+6.2
Armadale	6,034	2	1:3017	+28.9
Forrest	3,284	2	1:1642	-29.9
Roleystone	4,446	2	1:2223	-5.0
Total		**14**	**Ave. 1:2340**	

The % ratio deviation gives a clear indication of the % difference between the average councillor/elector ratio for the whole local government and the councillor/elector ratio for each ward.

It can be seen that there is an imbalance in representation across the City with the Armadale and Kelmscott Wards being under-represented and the Forrest and Seville Wards being over-represented. A balanced representation would be reflected in the % ratio deviation being within plus or minus 10%.

Clearly, given the substantial imbalance in representation in four wards out of the seven, **continuing with the current wards and representation is not a viable option.**

OPTIONS

In developing options for consideration, computer modelling was used to ensure that the councillor:elector ratio was balanced across all wards to within ± 10% deviation. This approach was taken in consideration of the fact that this criterion is not negotiable. One result of this approach is that generally, the ability for boundaries to follow main roads, rivers, topography and the like was effectively negated.

Option 1: Maintain current 7 ward system with adjusted boundaries
(refer to Map-1 at separate attachment)

The following is an assessment of this option against the factors:

Community of Interest

There are communities of interest for town residents (Ward A – Westfield, Ward B – Kelmscott, Ward D – Armadale), rural/semi rural residents with a focus on Roleystone (Ward F) and for those living in the areas of major development activity (Wards C and E). Ward G has no obvious community of interest, having a split Armadale urban and Bedfordale rural focus.

Physical and Topographic Features

Wards A, C, D and E are located in flat terrain, Ward B is generally foothills, Ward F is hills terrain and Ward G contains both foothills and hills. Parts of some ward boundaries follow main roads or railway line.

Demographic trends

Wards B, D, F & G take in areas of basically stable population with only minimal growth potential. Ward A takes in an area of small growth whilst C and E take in the major growth areas.

Economic Factors

The boundaries generally reflect the economic activities of the district.

Ratio of Councillors to Electors

This option results in the following:

Ward	Number of Electors	Number of Councillors	Councillor: Elector Ratio	% Ratio Deviation
A	4957	2	2478	+6.1
B	4943	2	2471	+5.8
C	4581	2	2290	-1.9
D	4790	2	2395	+2.6
E	4284	2	2142	-8.3
F	4499	2	2249	-3.7
G	4622	14	2311	-1.0
Total			Ave:2335	

An appropriate balance exists across all wards with the highest councillor:elector ratios existing in those wards with the least likelihood of growth.

Option 2. Create 4 wards using broad areas of community of interest and physical/topographical features to influence boundaries

(refer to Map-2 at separate attachment)

The following is an assessment of this option against the factors.

Community of interest

There are communities of interest for all wards in respect to lifestyle choices. Wards A and B are urban areas with A having a Kelmscott focus and B an Armadale focus. Wards C and D are generally rural/semi rural in nature and have similar lifestyle focuses, however, D has an apparent division of interest between the community centres of Roleystone and Bedfordale.

Physical & topographic features

The boundaries of Wards A & B are generally distinguishable by the outer edges of currently built environment and consist mainly of flats with some foothill terrain. Ward C is low lying flat terrain and Ward D is totally a hills environment.

Demographic Trends

Wards B and C take in the major growth areas of the district and Wards A and D take in the minimal growth or stable areas.

Economic Factors

The boundaries generally reflect the economic activities of the district.

Ratio of Councillors to Electors

This option results in the following:

Ward	Number of Electors	Number of Councillors	Councillor: Elector Ratio	% Ratio Deviation
A	11293	4	2823	-5.3
B	12258	4	3064	+2.8
C	3019	1	3019	+1.3
D	6104	2	3052	+2.4
Total		11	Avg: 2980	

A balance exists across all wards, however, the two wards which will experience major growth (B & C) and those which will experience the least growth (A & D) have undesirable positive and negative deviations.

Option 3. Create 5 wards using areas of broad community of interest and parts of main roads for some boundaries

(refer to Map-3 at separate attachment)

The following is an assessment of this option against the factors.

Community of Interest

There is a community of interest for all wards in respect to lifestyle choices. Wards A, B and C are urban areas with A and B having a Kelmscott focus and C an Armadale focus. Wards D and E are generally rural/semi rural in nature and have similar lifestyle focus, however, E has an apparent division of interest between the community centres of Roleystone and Bedfordale.

Physical and Topographic Features

The boundaries between Wards A and B, and C and E mainly have the Albany Highway as a distinguishing feature and the railway provides a feature in separating Wards D and E. Otherwise, the boundaries are distinguished by the outer edges of the current built environment. Wards A and C feature urban flats, Ward B is urban foothills, Ward D is rural/semi rural flats and Ward E is rural/semi rural hills.

Demographic Trends

Wards C and D take in the major growth areas of the district and Wards A, B and E take in the minimal growth/stable areas.

Economic Factors

The boundaries generally reflect the economic activities of the district.

Ratio of Councillors to Electors

This option results in the following:

Ward	Number of Electors	Number of Councillors	Councillor: Elector Ratio	% Ratio Deviation
A	6499	2	3249	+9
B	5750	2	2875	-3.5
C	11302	4	2825	-5.2
D	3019	1	3019	+1.3
E	6104	2	3052	-2.4
Total		11	Avg: 2980	

A reasonably satisfactory balance exists across all wards.

Option 4. No wards

The following is an assessment of this option against the factors.

Community of interest

Communities of interest are not reflected by the local government boundary.

Physical & Topographic Features

The district boundary does not follow any physical or topographic features.

Demographic Trends

The growth area is in the west of the district and the other areas are stable in population. The district boundary does not reflect these trends.

Economic Factors

The district boundary does not reflect the areas of economic activity.

Ratio of Councillors to Electors

This option results in the following when the current number of Councillors is retained.

Ward	No. Electors	No. Councillors	Councillor:Elector Ratio	% Ratio Deviation
Total	32,776	14	1:2341	0.00%

This option results in balanced representation across the district.

CONSIDERATION OF OPTIONS

To determine which option is the best one for the City, the following simple rating table has been used as a base guide. It involves rating each of the factors in each of the options using a 'yes', 'no' or 'partial' assessment.

Option	Community of Interest	Physical & Topographic Features	Demographic Trends	Economic Factors	Ratio Councillor:Elector
1. Seven Wards	Partial	Yes	Yes	Yes	Yes
2. Four Wards	Partial	Partial	Yes	Yes	Yes
3. Five Wards	Partial	Partial	Yes	Yes	Yes
3. No Wards	No	No	No	No	Yes

As indicated earlier in the report, all option models were developed with a balanced representation across the district. Therefore, in making an assessment, the other four factors will form the basis for making a determination.

From this assessment, Option 1 (seven wards) appears to be the best since it scores 'yes' in more factors than the other options. However, it must be stated that the result from this method of assessment is very marginal and other considerations need to be taken into account before making a final recommendation.

Option 1 provides for seven wards, each with two elected members (total 14 members). Options 2 and 3 provide for four and five wards respectively with each option having eleven elected members and in both cases, one of the wards has only one elected member.

For the last 17 years the City has had 14 elected members representing the community and at the last ward system review in 1997, a seven ward system with 2 elected members per ward was established. It is considered that the well tried 7 x 2 system has served the community very well in the following manner:

- the numbers of both wards and elected members has firmly put the 'local' in local government in the City;
- 2 elected members per ward has been valuable in enabling a 'deputy' system for ward representation on standing committees;
- 14 elected members has provided a good resource to enable the creation and servicing of many important community based committees without over-burdening individual members (reduction in the number of elected members would probably force the demise of several valuable committees); and
- the establishment of the 7 ward system since 1997 has reinforced the communities of interest within the wards.

On balance and particularly after having taken into account the experience of the last 17 years, Option 1 clearly becomes the preferred option.

WARD NAMES

Also under consideration as part of the review process is the naming of wards. The current situation is that many ward names are the same as postal localities although the boundaries of the areas are significantly different. If there is to be adjustment to the boundaries of existing wards, retaining the same names will serve to cause confusion between old ward, new ward and postal boundaries. It is considered that the use of generic names would be more appropriate, perhaps with the name reflecting an important or notable feature within each ward.

The following schedule indicates the suggested new ward names that have been offered during the review process:

Old Ward Name	New Ward Name	Comment
Armadale	Armadale Bungendore Neerigen	No change, may cause confusion. Name of park within the ward boundary. Neerigen Brook bisects the ward.
Forrest	Lake Caladenia	Forestdale Lake is a feature within the ward. Orchid genus endemic to the locality.
Kelmscott	River	Canning River bisects the ward.
Roleystone	Hills Jarrah	Ward is located in the hills of the Darling Range. Endemic tree species and historic forestry activities in the locality.

Old Ward Name	New Ward Name	Comment
Seville	Palomino	Horse activities feature in the area and name of an existing reserve.
West Armadale	Minnawarra	New ward boundary includes the Minnawarra historic precinct.
Westfield	Champion Lake	Champion Lakes recreational complex will be a significant feature of the area.

It is suggested that the names for a revised 7 ward system be:

Neerigen (ex Armadale)
River (ex Kelmscott)
Palomino (ex Seville)
Lake (ex Westfield)
Caladenia (ex Forrest)
Jarrah (ex Roleystone)
Minnawarra (ex West Armadale)

IMPACT OF WARD & REPRESENTATION CHANGES ON COUNCILLOR TERM

Under the preferred Option 1, there are boundary changes to all existing wards which effectively requires all wards to be abolished and new wards created. The Local Government Advisory Board's policy states that it is not necessary for all offices of councillor to be declared vacant in these circumstances. The Minister for Local Government and Regional Development (and his Department) have indicated their support for this policy. The relevant section of the policy is:

> *"If a local government does not wish to declare all offices of councillors vacant, then this must be communicated in a submission to the Board. The local government can recommend the allocation of councillors who still have two years in office to the new wards. The Board requires evidence that the local government has consulted with the continuing councillors and the community about the proposed allocation of councillors to new wards.*
>
> *If the local government request is supported, at the next ordinary elections councillors complete their terms as normal. Continuing councillors would be allocated to the new wards and elections are held for all vacant positions."*

In the proposed revised ward system the Councillors who will still have 2 years in office at the time of the next elections are:

Armadale Ward – Cr Tizard
Kelmscott Ward – Cr Zelones
Seville Ward – Cr Wallace
Westfield Ward – Cr Reynolds
Forrest Ward – Cr Cominelli
Roleystone Ward – Cr Hart
West Armadale Ward – Cr Munn

Elections will be held for all other Councillor positions which will become vacant at the end of their four (4) year terms.

It is suggested that all continuing Councillors (as listed above) be requested to declare their interest in continuing to serve the City under the new ward system by being allocated to the most appropriate new ward – such declarations to be recorded in the Minutes of the Council Meeting at which the declarations are made. This will provide evidence, as required in the policy, that consultation has taken place with continuing Councillors.

Following the above declarations and Council's decision to advise the Local Government Advisory Board of its wish not to declare all offices of Councillor vacant at the next election, an appropriate advertisement be placed in the local newspapers advising the public of Council's intentions and seeking comment. At the closure of the public comment period, a formal submission on the matter be forwarded to the Board.

CONCLUSION

It is recommended that the 7 ward, 2 elected members per ward, Option 1, be selected for recommendation to the Local Government Advisory Board with ward names being as suggested above. A cadastral map of Option 1 (Map-4) is presented as a **separate attachment to this Agenda.**

The ward structure would be as follows:

Ward	No. of Electors	No. Councillors	Councillor:Elector Ratio	% Ratio Deviation
Lake	4957	2	2478	+6.1
River	4943	2	2471	+5.8
Palomino	4581	2	2290	-1.9
Minnawarra	4790	2	2393	+2.6
Caladenia	4284	2	2142	-8.3
Jarrah	4499	2	2249	-3.7
Neerigen	4622	2	2311	-1.0

It should be noted that those wards showing as slightly under-represented are those that are likely to experience a significant increase in population as the City's growth potential is realized.

An assessment of wards and representation will be required in two years' time to check population growth predictions, consider any other relevant factors and evaluate the need for a further formal review of the ward system.

Committee selected Option-1 for referral to the Local Government Advisory Board with the new ward names (those suggested for Westfield and West Armadale were amended) being as follows:-

Neerigen	*(ex Armadale)*	*Lake*	*(ex Forrest)*
River	*(ex Kelmscott)*	*Jarrah*	*(ex Roleystone)*
Palomino	*(ex Seville)*	*Minnawarra*	*(ex West Armadale)*
Ypres	*(ex Westfield)*		

Cr Everts retired from the meeting at 8.45pm.

CS28/6/04 RECOMMEND

That Council:

a. in accordance with Schedule 2.2(9) of the Local Government Act 1995 (the Act), recommend to the Local Government Advisory Board (the Board) that:

i. an order be made under s2.2(1) of the Act to abolish the existing ward boundaries and divide the district into seven (7) new wards with boundaries as detailed in the map attached to and forming part of this report;

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ii. an order be made under s2.3 of the Act to name the seven (7) wards ~~Ypres~~ Heron, River, Palomino, Minnawarra, Lake, Jarrah and Neerigen (as detailed in the map); and

iii. an order be made under s2.18 of the Act to designate the following number of offices of councillor for each ward:

~~Ypres~~ Heron (2), River (2), Palomino (2), Minnawarra (2), Lake (2), Jarrah (2), Neerigen (2).

b. i. advise the Board that it does not wish to declare all offices of councillor vacant as a result of this review; and

ii. consult with continuing Councillors and the community regarding the proposed allocation of Councillors to new wards as follows:

Continuing Councillors	Old Ward	Allocated New Ward
Cr Tizard	Armadale	Neerigen
Cr Cominelli	Forrest	Lake
Cr Zelones	Kelmscott	River
Cr Hart	Roleystone	Jarrah
Cr Wallace	Seville	Palomino
Cr Munn	West Armadale	Minnawarra
Cr Reynolds	Westfield	~~Ypres~~ Heron

iii. consider the results of the consultative process in b(ii) above at the July City Strategy Committee meeting.

c. undertake an assessment of wards and representation in two (2) years time to determine the need for another formal ward system review.

****ABSOLUTE MAJORITY REQUIRED FOR PART (a)**

Moved Cr Zelones
Motion Carried (7-0)

GOSNELLS ARMADALE BUSINESS ENTERPRISE CENTRE

WARD	:	ALL
FILE REF	:	PSC/40
DATE	:	12 May 2004
REF	:	IM
RESPONSIBLE MANAGER	:	CEO

In Brief:-

- GABEC plays an important role in serving the needs of small business in the City.
- Council has contributed to the service for the past two years and it is proposed that a similar allocation be made in the 2004/05 budget.
- Recommend that a $10,600 funding contribution to the Gosnells Armadale Business Enterprise Centre (GABEC) for the 2004-05 year be confirmed.

Tabled Items

Nil.

Officer Interest Declaration

Nil.

Strategic Implications

Promote employment and residential growth, encourage the economic well-being of the community.

Legislation Implications

Nil.

Council Policy / Local Law Implications

Nil.

Budget / Financial Implications

Should Council be supportive of the request, it is recommended that $10,600 funding be from the 2004-05 Economic Development Budget (ie the same budget from which Council's 2002-03 and 2003-04 contribution was funded).

Consultation

- GABEC

BACKGROUND

The Gosnells Armadale Business Development Organisation Inc (GADBO) is a not for profit association that exists to service the small business sector across the south east metropolitan area. Major sponsors include the Small Business Development Corporation ($60,000), the City of Armadale ($10,300) and the City of Gosnells ($14,000).

The purpose of GABDO, which uses the trading name "Gosnells Armadale Business Enterprise Centre" (GABEC), is to facilitate the commencement and development of sustainable small business enterprises across the local community.

Council previously considered contributing to GABEC in April 2002, when a commitment of $10,000 was made for the 2002/03 budget, and in September 2003, when funding of $10,300 for 2003/04 was confirmed and $10,600 was approved for consideration in the 2004/05 draft Budget.

The centre officially opened in November 2002 and since inception has assisted with over 4,000 small business enquiries. In addition to personalised client consultations, the centre offers a range of services to the small business sector including:

- Training and skills development – workshops on how to start a business, tax and small business, marketing, cashflow and retail skills;
- Small business information and services and also make available various library resources and the like;
- Business Incubator management services – see below.

The GABEC office is located on Albany Highway in Gosnells and is staffed by a full time manager/facilitator - Janene Troy and a part time assistant.

A Management Committee oversees the GABEC operation and provides strategic planning direction & ensures corporate governance standards are upheld. Meetings are held at least monthly and the organisation is chaired by Jacquie Hutchinson (local Armadale resident & small business owner) and the committee is composed of representatives from across the small business community and formally includes nominated personnel from the Cities of Armadale and Gosnells.

From the records kept by GABEC it is evident that the Centre serves an important function used by small businesses in the district. There has certainly been a relatively large number of Armadale residents who have used the facility to start up their business. Since the GABEC commenced operations, the majority of client assists and actual business start-ups have originated from within the City of Armadale, and given the growth rate of business activity, this level of activity is expected to continue. Statistics to date indicate that 417 Armadale clients have been assisted by GABEC compared with 397 in Gosnells, and start-ups in Armadale are 31 (Gosnells 19).

Small Business Incubator

The Gosnells Civic Complex is nearing completion, expected to be ready for occupation in August 2004. Within the complex is a library, meeting rooms, Lotteries House, café and 710m2 set aside for a business incubator (in 38 spaces). The City of Gosnells has allocated $45,000 to the running of the incubator over the next year.

The GABDO tendered to provide management services to the Gosnells Centre for Business Development (the incubator) and was recently advised that it had been successful.

It is intended that an additional part-time employee will be taken on to assist with the day to day running of the incubator, and the BEC office will relocate 200 metres down Albany Hwy to this facility. Managing the incubator facility will provide the GABDO with another much needed source of income that over time will impact favourably on the long term viability of the centre. Other benefits expected include a reduction / sharing of overheads brought about by co-location.

There is a risk that the GABDO, with its relocation and focus on the incubator, will become focussed on Gosnells businesses, rather than serving the South East Corridor. This is a matter which will need to be kept under review. However, since its establishment there is evidence that the City of Armadale's residents have benefited particularly from the facilities offered notwithstanding the physical location of the office in Gosnells. Small business inquiries have been particularly strong from the Roleystone locality. In many cases the Manager visits clients at home to provide advice and where training is provided there does not appear to be an impediment to attending in Gosnells.

Council has argued in the past that eventually a BEC should be located in Armadale.

The cost to the City in providing an equivalent service to that offered by GABEC would be far in excess of the $10,000 budgeted by Council and in this respect has provided good value for money in support of the important strategic emphasis on engendering economic development within the City.

Trouble Shooting Service

GABEC intends to trial its Trouble Shooting Service in the Armadale CBD and the Kelmscott strip to provide prompt and reliable advice to small businesses relating to day-to-day problems.

Experience shows that at one time or another most small businesses experience problems relating to:

- Rental agreements for commercial premises
- Disputes involving business partnerships and the setting up of Partnership Agreements
- Recovering debts for goods and services provided
- Matters relating to the purchase and sale of a business
- Warranty obligations in relation to goods and services provided

Whilst these are common problems, the service will also attempt to provide advice and guidance in other matters where there is a pressing need for prompt assistance.

It is envisaged that a suitable flyer will be designed and distributed to a good cross section of small business owners who will be invited to contact the Trouble Shooting Service whenever the need arises.

Ideally this service would be located in Armadale and the Kelmscott strip and initially would be available on specific days and times for telephone and one-on-one consultations by appointment, with a mobile phone contact available on other days and times.

Support from Council, community press and radio is seen as an essential promotional tool to get the service up and running and to keep it in the forefront of the small business community's awareness until established. If successful, the service would be extended to the whole of the Gosnells/Armadale business Community. It is envisaged that some of the services, e.g. extended one-on-one appointments, would attract a fee, payable to the GABEC.

Part of the service would include referral to qualified local professionals as and when necessary, e.g. legal, financial planning etc.

Options

The options available to Council in responding to the GABEC request are:

1. Support the request for funding by agreeing to make a like financial contribution to that provided last year, ie 10,300 plus an inflationary cost factor.
2. Support the request but for a lesser amount; or
3. Decline the request.

CONCLUSION

GABEC has provided an important resource for small businesses starting up in the district. For the City to directly provide such a service would be costly and difficult to manage.

A review of the BECs has been undertaken for State Government. It is possible that State Government funding will be reduced in the future and accordingly the GABEC is investigating opportunities to source other funds – one being the savings that will accrue as a result of its successful bid to manage the Small Business Incubator.

At this stage it is recommended that Council continue to contribute to the operation of the GABEC at past rates plus an inflationary factor.

CS29/6/04 RECOMMEND

That Council:-

1. **note the information regarding the Gosnells Armadale Business Enterprise Centre and its provision of management services to the Gosnells Centre for Business Development and the trial of its Trouble Shooting Service in Armadale and Kelmscott;**
2. **confirm a $10,600 funding contribution to the Gosnells Armadale Business Enterprise Centre (GABEC) for the 2004-05 year from within the Economic Development Account Budget; and**
3. **approve an amount of $10,900 being listed for consideration of funding in the 2005-06 Draft Budget as Council's ongoing funding of the GABEC for the 2005-06 year.**

Moved Cr Clowes-Hollins
Motion Carried (7-0)

CONTRIBUTION TO AUSINDUSTRY – MICRO BIZ PROJECT

WARD : ALL
FILE REF : PSC/40

DATE : 31 May 2004
REF : IM
RESPONSIBLE MANAGER : CEO

In Brief:-

- A request has been received from ECU following their success in receiving funding under the Small Business Enterprise Culture Program for Council to contribute towards the project.
- The project will assist small business operators to develop skills to enhance their business and facilitate business expansion.
- Recommend that Council agree to make a $5,000 funding contribution to the Small Business Enterprise Culture Program for the 2004-05 year from Account 1522420 - Economic Development.

Tabled Items
Nil.

Officer Interest Declaration
Nil.

Strategic Implications

Promote employment and residential growth, encourage the economic well-being of the community.

Legislation Implications
Nil.

Council Policy / Local Law Implications
Nil.

Budget / Financial Implications

Should Council be supportive of the request, it is recommended that $5000 funding be provided from the 2004-05 Economic Development Budget.

Consultation
GABEC, ECU Small and Medium Enterprise Research Centre

BACKGROUND

Edith Cowan University have been successful in their bid to establish a training and mentoring project to benefit small business owners in Gosnells, Armadale and Serpentine-Jarrahdale. The bulk of the funding of the $167,000 project will be provided from a grant from the Australian Government's Small Business Enterprise Culture Program. Federal support is contingent upon contributions from participating local governments – accordingly Council has been requested to contribute $5,000.

DETAILS OF PROPOSAL

The project will involve small local businesses attending a series of workshops and forums on issues related to running and management micro enterprises, including marketing, employment, financial management, entrepreneurship, partnerships, market development and growth strategies. It is envisaged that 60 businesses will participate. These are required to be small (employing no more than five), with aspirations to grow their business, located within the participating local governments and keen to be involved in networking with other operators.

A similar project has recently been successfully completed for the Joondalup/Wanneroo and Swan districts.

It is proposed that six groups of participants will come together for six workshops over the latter part of 2004 to develop their skills. The workshops will be held in Gosnells, Armadale and Serpentine-Jarrahdale. Two of the workshop series will be held in the City of Armadale to provide for Armadale businesses.

Already the City of Gosnells has committed $10,000 and the Shire of Serpentine-Jarrahdale $1,500 for their participation.

Options

1. Council could agree to provide the $5,000 requested funding towards the Micro Biz project.
2. Council could refuse to provide the $5,000 requested funding towards the Micro Biz Project.

CONCLUSION

The purpose of this project is to arm operators who are particularly important to the economy of the region with skills that are often not available to small businesses. It is considered that small business is particularly important to the City and that the relatively small contribution from the City towards the $167,000 project is a sound investment. Accordingly Option 1 is recommended.

CS30/6/04 RECOMMEND

That Council agree to make a $5,000 funding contribution to the Small Business Enterprise Culture Program for the 2004-05 year from Account No. 1522420 - Economic Development.

Moved Cr Tizard
Motion Carried (7-0)

VANDALISM OF COUNCIL BUILDINGS

WARD	ALL
FILE REF:	PTY/1
DATE	31 May 2004
REF	CA
RESPONSIBLE MANAGER	Director Community Services

In Brief:
The report recommends:
- That the issue of vandalism of Council property continue to be monitored and addressed as appropriate.
- That the City continue to build upon its good relationship with the Armadale Police to address issues of vandalism and anti-social behaviour through the Community Safety Advisory Committee.

Tabled Items
Nil

Officer Interest Declaration
Nil

Strategic Implications
- To have in place the range of services to enhance the well being and safety of the community.
- To maintain and improve the physical infrastructure for the economic and physical well being of the local community.

Legislation Implications
Nil

Council Policy/Local Law Implications
Nil

Budget/Financial Implications
The costs associated with vandalism of Council property are difficult to quantify and vary each year. The City does not set aside a specific budget allocation for vandal damage but rather property maintenance costs associated with each facility incorporate funds to cover this matter. In 2003-2004 the City expended approx. $80,000 on vandal-related costs.

Consultation
- OIC Armadale Police
- Manager Property Services

BACKGROUND

At Council's meeting of 6th May 2002, Cr Cominelli referred the matter of vandalism to Council buildings and police response to such issues to the City Strategy Committee.

As a consequence, Council resolved (CS54/02):

(1) That Council recommit the matter of police responses to vandalism of Council property to the June 2002 meeting of the City Strategy Committee and to facilitate further consideration of this recommittal, an officer report presenting suggested strategies be prepared.

(2) That as part of the report, Council be advised of the role that rangers and other staff play in the protection of Council property and in the addressing of anti-social behaviour.

COMMENT

Since this matter was raised in 2002, a number of issues relating to crime, vandalism and the role of the Armadale Police Service have been addressed and/or continue to be monitored. Importantly, the permanent filling of the position of OIC Armadale Police has been resolved and Police services (and results) have improved. Recent crime statistics provided by Armadale Police suggest that over the last 12 months there has been improvement in a number of crime-related areas. Regular meetings with local and Regional Police and the City now take place.

Whilst the issue of vandalism of property (including Council-owned property) remains a concern in the community, there has been improvement in this area since 2002. Although not a matter that can ever be eradicated completely, the outcomes of which are manageable, within resource constraints, through the Technical Services Directorate.

All staff have a corporate responsibility to monitor City facilities, as appropriate, and those officers who are regularly mobile and/or work “in the field” have this focus as part of their activities. However, no City staff, including Rangers, are trained in, nor have the authority to enforce, matters related to vandalism and anti-social behaviour. This remains a Police responsibility and as such the City’s role is to monitor, record and report such matters when required. Whilst the City does not dedicate resources to security patrols or other like services, there is an expectation that staff be aware of safety/vandal issues as they undertake their normal duties.

In 2003, the City developed its Community Safety Plan and in 2004 was one of the first to enter into a partnership with the State Government through the Office of Crime Protection. Part of the focus of this plan is to address issues related to vandalism and anti-social behaviour.

SUMMARY

Analysis/Options

It is appropriate that the City continue to work with Armadale Police and through its Community Safety Advisory Committee (CSAC) address ongoing issues related to protection of Council property and anti-social behaviour.

The Manager Property Services will continue to research and assess security issues related to City facilities as appropriate and when required.

Whilst part of the solution is related to local Police resources, this matter is one that also has a *community responsibility* focus and as such all agencies, community groups and ratepayers have a role in ensuring that these issues are addressed.

CS31/6/04 RECOMMEND

1. That the issue of vandalism of Council property continue to be monitored and where public property is being repaired, its design and operation be reviewed with the objective of reducing future vandalism.

2, That the City continue to build upon its good relationship with the Armadale Police to address issues of vandalism and anti-social behaviour through the Community Safety Advisory Committee.

Moved Cr Zelones
Motion Carried (7-0)

Cr Askew declared an interest in this item on the basis that it relates to his contract of employment and left the meeting at 9.25pm.

RETITLE OF EXECUTIVE POSITION

WARD	All
FILE REF:	Various
DATE	10 Jun 2004
REF	RST
RESPONSIBLE MANAGER	CEO

In Brief:

- In October 2002 Council approved a restructure of the Community & Corporate Services Directorate. Accordingly two separate Directorates were created, i.e. Corporate Services Directorate headed by the Executive Director Corporate Services and the Community Services Directorate headed by the Director for Community Services.
- A five year term contract was negotiated with the Mr Carl Askew as Director of Community Services.
- At the time a two year developmental phase was proposed for Mr Askew culminating in his appointment as Executive Director in October 2004.
- The Community Services Directorate is now operating autonomously and it is recommended that Mr Askew's position as Executive Director be formalised and recognised as a Designated Senior Employee position in accordance with the Local Government Act.

Officer Interest Declaration

Whilst this item relates to title of position only, the Director Community Services has a direct interest in the outcome.

Strategic Implications

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

Legislation Implications

Local Government Act 1995 - Section 2.7 – Role of the Council (i.e. oversee the allocation of local government's finances and resources) and Section 5.37 – Contracts for Senior Employees

Council Policy/Local Law Implications

Nil

Budget/Financial Implications

The costs of the proposals referred to in this report are provided for in both the 2004-05 Draft Annual Budget and the Fifteen Year Forward Plan.

Consultation

Management Executive

BACKGROUND

In October 2002 Council approved a restructure of the Community & Corporate Services Directorate recommended by the Chief Executive Officer, inter alia:-

(i) That Council approve the proposed change to Council's organisational structure as outlined in the CEO's report, creating separate Community Services Directorate and Corporate Services Directorate.

(ii) That the position of Executive Manager Community Services be retitled Director Community Services with an appropriately reviewed Position Description to be drafted.

(iii) That renegotiations be entered into with Mr Carl Askew with a view to offering an alternative contract as Director of Community Services.

Subsequently, the CEO negotiated a five year term of contract with Mr Carl Askew, as the City's Director of Community Services.

The position of Director had been proposed as a developmental position on the Manex team. However, it is now proposed that Mr Askew's position be recognised appropriately as Executive Director.

COMMENT

In recommending the proposed restructure and appointment in 2002, the CEO had recommended an incremental process, allowing Mr Askew to grow into the role. It had also been stressed that the Community Services Directorate should not be perceived as a "junior" Directorate as it retains the challenging and evolving functions of community development, recreation, events, seniors, culture, libraries, safety, emergency services and rangers. However, the developing role of the Director should be acknowledged, noting that it will require the support of all Executive Directors and the CEO. The continued availability of the EDCCS, albeit in a different role, was also critical to the restructure and success of this proposal.

The CEO had proposed a two year developmental phase culminating in Mr Askew's appointment as Executive Director in October 2004.

However, it is now felt that the Community Services Directorate is operating autonomously and Mr Askew's position as Executive Director should now be formalised and recognised as a Designated Senior Employee position in accordance with Section 5.37 of the Local Government Act.

Mr Askew is to be congratulated on his rapid assumption of the role and responsibilities of Executive Director.

CS32/6/04 RECOMMEND

1. That the position of Director Community Services be retitled to Executive Director Community Services.

2. That Mr Carl Askew be appointed to the position of Executive Director Community Services and be designated as a "Senior Employee" position under Section 5.37(1) of the Local Government Act.

3. That Mr Carl Askew be congratulated on his leadership of the Community Services Directorate and development as a full-fledged member of Council's Management Executive (MANEX) team.

Moved Cr Reynolds
Motion Carried (7-0)

Mr Askew returned to the meeting at 9.27pm. Cr Reynolds on behalf of Committee congratulated Mr Askew on his new appointment as Executive Director Community Services.

COUNCILLORS' ITEMS

Nil

Cr Clowes-Hollins expressed her appreciation to the Directors on the well-designed format for the budget documents.

CHIEF EXECUTIVE OFFICER'S REPORT

Nil

MEETING DECLARED CLOSED AT 9.35 pm

CITY STRATEGY COMMITTEE

SUMMARY OF "A" ATTACHMENTS

15 JUNE 2004

Attachment No.	Subject	Page
A-1	Fifteen Year Forward Financial Plan	52 - 59
A-2		

15 Year (2004-2019) Forward Financial Plan - Detailed Plan

Particulars *NB: estimates include inflationary factor of 1.8%* *NB: (**) = Strategic Projects Previously Agreed*	Year 1 2004/05 PLAN $	Year 2 2005/06 PLAN $	Year 3 2006/07 PLAN $	Year 4 2007/08 PLAN $	Year 5 2008/09 PLAN $	Yrs 1-5 2004/09 PLAN $	Yrs 6-10 2010/14 PLAN $	Yrs 11-15 2015/19 PLAN $	15 Year Total $
Opening Balance	1,195,883	685,163	807,953	570,165	649,143	1,195,883	269,477	(379,311)	1,195,883
PLUS Total Funds Available for Allocation *(refer details below)*	(20,341,564)	(21,240,448)	(22,505,147)	(23,653,475)	(24,755,385)	(112,496,020)	(129,957,627)	(135,386,122)	(377,839,769)
LESS Directorate Operational Funding Allocations *(refer details below)*	18,949,944	20,174,338	20,515,659	20,522,653	20,765,820	100,928,414	103,324,339	103,367,643	307,620,395
= Funding for Strategic Steps to the Future	**(195,737)**	**(380,947)**	**(1,181,535)**	**(2,560,657)**	**(3,340,423)**	**(10,371,723)**	**(26,363,811)**	**(32,397,791)**	**(69,023,491)**
Strategic Steps to the Future									
Step 1 - Planning & Developing our Future									
1.1 Armadale Redevelopment Authority - Various Projects	400,000	400,000	400,000	400,000	400,000	2,000,000	-	-	2,000,000
Loan Borrowing	(400,000)	(400,000)	(400,000)	(400,000)	(400,000)	(2,000,000)	-	-	(2,000,000)
Loan Repayments - 10 yrs at 8.5%	30,000	90,000	150,000	210,000	270,000	750,000	1,500,000	750,000	3,000,000
1.2 **Brookdale/Forrestdale Drainage Study	17,500	17,500	-	-	-	35,000	-	-	35,000
1.3 ** City Centre Cinema Project	150,000	134,000	133,000	106,000	54,000	577,000	27,000	-	604,000
1.4 Water Management Plan	10,000	-	-	-	-	10,000	-	-	10,000
1.5 General Allowance for increased costs/revenue loss	-	-	-	100,000	100,000	200,000	1,000,000	1,000,000	2,200,000
sub total	207,500	241,500	283,000	416,000	424,000	1,572,000	2,527,000	1,750,000	5,849,000
Step 2 - Communicating & Marketing									
2.1 Marketing & Promotions	100,000	100,000	100,000	100,000	100,000	500,000	500,000	500,000	1,500,000
sub total	100,000	100,000	100,000	100,000	100,000	500,000	500,000	500,000	1,500,000
Step 3 - Building our Community									
3.1 Bert Tyler Museum Collection [donation & maintenance]	12,500	12,500	12,500	12,500	12,500	62,500	37,500	37,500	137,500
3.2 Aboriginal Family Spport Service	100,000	100,000	-	-	-	200,000	-	-	200,000

15 Year (2004-2019) Forward Financial Plan - Detailed Plan

Particulars *NB: estimates include inflationary factor of 1.8%* *NB: (**) = Strategic Projects Previously Agreed*	Year 1 2004/05 PLAN $	Year 2 2005/06 PLAN $	Year 3 2006/07 PLAN $	Year 4 2007/08 PLAN $	Year 5 2008/09 PLAN $	Yrs 1-5 2004/09 PLAN $	Yrs 6-10 2010/14 PLAN $	Yrs 11-15 2015/19 PLAN $	15 Year Total $
Grant Funding	(100,000)	(100,000)	-	-	-	(200,000)	-	-	(200,000)
3.3 Volunteer Resource Services	35,000	35,000	40,000	40,000	40,000	190,000	200,000	200,000	590,000
Grant Funding	(17,500)	(17,500)	-	-	-	(35,000)	-	-	(35,000)
3.4 Strategic Library Services Study	25,000	-	-	-	-	25,000	-	-	25,000
3.5 Community Safety Programs and Projects	10,000	10,000	40,000	40,000	40,000	140,000	300,000	300,000	740,000
3.6 Youth Careers Expo	-	15,000	15,000	15,000	15,000	60,000	75,000	75,000	210,000
Fees & subsidies	-	(5,000)	(5,000)	(5,000)	(5,000)	(20,000)	(25,000)	(25,000)	(70,000)
3.7 Aboriginal Interpretative Centre - Contribution	-	-	50,000	50,000	50,000	150,000	250,000	250,000	650,000
3.8 New Forrestdale Community Facility/Service - Contribution	-	-	-	-	-	-	250,000	250,000	500,000
3.9 Armadale Library relocation - lease $300k pa & fitout of $350k	-	-	-	650,000	300,000	950,000	1,500,000	1,500,000	3,950,000
Loan Borrowing for fit out of leased premises	-	-	-	(350,000)	-	(350,000)	-	-	(350,000)
Loan Repayments - 10 years at 8.5%	-	-	-	26,300	52,600	78,900	263,000	184,100	526,000
3.10 Kelmscott Library Relocation - lease $60k pa & fitout of $100k	160,000	60,000	60,000	60,000	60,000	400,000	300,000	300,000	1,000,000
Loan Borrowing for fitout of leased premises	(100,000)	-	-	-	-	(100,000)	-	-	(100,000)
Loan Repayments - 10 yrs at 8.5%	7,500	15,000	15,000	15,000	15,000	67,500	75,000	7,500	150,000
sub total	132,500	125,000	227,500	553,800	580,100	1,618,900	3,225,500	3,079,100	7,923,500
Step 4 - Caring for our Built & Natural Form									
4.1 Temporary Administration Accommodation	400,000	-	-	-	-	400,000	-	-	400,000
Loan Borrowing	(400,000)	-	-	-	-	(400,000)	-	-	(400,000)
Loan Repayments - 5 yrs at 8.5%	50,000	50,000	100,000	100,000	150,000	450,000	50,000	-	500,000
Sale of temporary accommodation	-	-	-	-	(100,000)	(100,000)	-	-	(100,000)
4.2 Armadale Library Refit for Office Accommodation	-	-	-	250,000	-	250,000	-	-	250,000
Loan Borrowing	-	-	-	(250,000)	-	(250,000)	-	-	(250,000)
Loan Repayments - 10 years at 8.5%	-	-	-	18,800	37,600	56,400	188,000	131,600	376,000
4.2 Refurbishment of Administration Building	-	-	-	-	2,500,000	2,500,000	-	-	2,500,000
Loan Borrowing	-	-	-	-	(2,500,000)	(2,500,000)	-	-	(2,500,000)
Loan Repayments - 10 years at 8.5%	-	-	-	-	188,000	188,000	1,880,000	1,692,000	3,760,000

15 Year (2004-2019) Forward Financial Plan - Detailed Plan

Particulars *NB: estimates include inflationary factor of 1.8%* *NB: (**) = Strategic Projects Previously Agreed*	Year 1 2004/05 PLAN $	Year 2 2005/06 PLAN $	Year 3 2006/07 PLAN $	Year 4 2007/08 PLAN $	Year 5 2008/09 PLAN $	Yrs 1-5 2004/09 PLAN $	Yrs 6-10 2010/14 PLAN $	Yrs 11-15 2015/19 PLAN $	15 Year Total $
4.3 Additional Administration Office Floorspace	-	-	-	-	-	-	-	2,000,000	2,000,000
Loan Borrowing	-	-	-	-	-	-	-	(2,000,000)	(2,000,000)
Loan Repayments - 10 years at 8.5%	-	-	-	-	-	-	-	1,350,000	1,350,000
4.4 Armadale Aquatic Centre Enclosure	-	-	3,000,000	-	-	3,000,000	-	-	3,000,000
Additional Operating Costs for all year round operations	-	-	50,000	100,000	100,000	250,000	400,000	-	650,000
Loan Borrowing	-	-	(2,000,000)	-	-	(2,000,000)	-	-	(2,000,000)
CSRFF Grant	-	-	(1,000,000)	-	-	(1,000,000)	-	-	(1,000,000)
Loan Repayments - 12 yrs at 8.5%	-	-	135,000	270,000	270,000	675,000	1,350,000	1,215,000	3,240,000
4.5 New Armadale Recreation/Aquatic Centre	-	-	-	-	-	-	-	15,000,000	15,000,000
Grant and other capital subsidies	-	-	-	-	-	-	-	(5,000,000)	(5,000,000)
Loan Borrowing	-	-	-	-	-	-	-	(10,000,000)	(10,000,000)
Loan Repayment - 20 yrs at 8.5%	-	-	-	-	-	-	-	4,716,000	4,716,000
[NB: assumption is that operation will be cost neutral]									
4.6 Reserve Development	-	-	100,000	100,000	100,000	300,000	950,000	1,000,000	2,250,000
4.7 Property Development	-	-	75,000	75,000	75,000	225,000	975,000	875,000	2,075,000
4.8 Rushton Park Redevelopment	300,000	200,000	-	-	-	500,000	-	-	500,000
Loan Borrowing	(170,000)	(150,000)	-	-	-	(320,000)	-	-	(320,000)
POS Funding	(100,000)	-	-	-	-	(100,000)	-	-	(100,000)
CSRFF Grant	(30,000)	(50,000)	-	-	-	(80,000)	-	-	(80,000)
Loan Repayments - 10 yrs at 8.5%	12,800	36,900	48,200	48,200	48,200	194,300	241,000	46,700	482,000
4.9 Kelmscott Enquiry By Design works	-	-	-	85,000	85,000	170,000	205,000	-	375,000
4.10 **City Centre Works	88,100	215,500	-	-	-	303,600	-	-	303,600
4.11 ** Environmental Projects	40,000	50,000	40,000	50,000	40,000	220,000	230,000	220,000	670,000
4.12 Parks & Reserves Maintenance	-	-	-	100,000	100,000	200,000	1,000,000	1,000,000	2,200,000
4.13 Asset Preservation									
- Buildings	-	-	-	200,000	200,000	400,000	3,150,000	4,300,000	7,850,000
- Parks & Reserves	-	-	-	-	100,000	100,000	800,000	1,000,000	1,900,000
- Building Plant and Furniture Replacement	-	-	-	-	100,000	100,000	800,000	1,000,000	1,900,000

15 Year (2004-2019) Forward Financial Plan - Detailed Plan

Particulars *NB: estimates include inflationary factor of 1.8%* *NB: (**) = Strategic Projects Previously Agreed*	Year 1 2004/05 PLAN $	Year 2 2005/06 PLAN $	Year 3 2006/07 PLAN $	Year 4 2007/08 PLAN $	Year 5 2008/09 PLAN $	Yrs 1-5 2004/09 PLAN $	Yrs 6-10 2010/14 PLAN $	Yrs 11-15 2015/19 PLAN $	15 Year Total $
- New Armadale Library Fit-Out	-	-	-	-	35,000	35,000	175,000	175,000	385,000
- "Former" Armadale Library Building	-	-	-	-	25,000	25,000	125,000	125,000	275,000
- Administration Building	-	-	-	-	250,000	250,000	1,250,000	1,250,000	2,750,000
- New Kelmscott Library Fit-Out	-	-	-	10,000	10,000	20,000	50,000	50,000	120,000
- Expanded Administration Building	-	-	-	-	-	-	-	200,000	200,000
sub total	190,900	352,400	548,200	1,157,000	1,813,800	4,062,300	13,819,000	20,346,300	38,227,600
Step 5 - Developing Our Organisation									
5.1 Additional Staff Resources & Associated Costs									
- (2) FTE positions pa at $55k each up to yr 2012-13	-	110,000	220,000	330,000	440,000	1,100,000	3,740,000	4,400,000	9,240,000
- office furniture, equipment and communications	-	10,000	10,000	10,000	10,000	40,000	40,000	-	80,000
- (1) vehicle every 2 yrs at $25k plus turnover 2 yrly at $8k	-	-	25,000	-	33,000	58,000	90,000	137,000	285,000
- vehicle operating for additional vehicles @ $8k pa/vehicle	-	-	8,000	8,000	16,000	32,000	128,000	200,000	360,000
5.2 Increase in Staff Training and Development	18,000	18,000	18,000	18,000	18,000	90,000	90,000	90,000	270,000
5.3 Long Service Leave Reserve Provisioning	-	-	50,000	50,000	50,000	150,000	400,000	500,000	1,050,000
5.4 ** Core Computer Systems	137,000	137,000	137,000	442,000	-	853,000	-	-	853,000
5.5 Core Computer Systems Reserve Provisioning	-	-	-	-	-	-	800,000	1,000,000	1,800,000
5.6 Internal Audit Services	-	-	30,000	30,000	30,000	90,000	150,000	150,000	390,000
5.7 Salaries Agreement adjustment	45,000	45,000	45,000	45,000	45,000	225,000	225,000	225,000	675,000
5.8 Member fees & Allowances Adjustments Provision	50,000	50,000	50,000	50,000	50,000	250,000	250,000	250,000	750,000
sub total	250,000	370,000	593,000	983,000	692,000	2,888,000	5,913,000	6,952,000	15,753,000
Total Cost	880,900	1,188,900	1,751,700	3,209,800	3,609,900	10,641,200	25,984,500	32,627,400	69,253,100
Closing Balance	**685,163** *(deficit)*	**807,953** *(deficit)*	**570,165** *(deficit)*	**649,143** *(deficit)*	**269,477** *(deficit)*	**269,477** *(deficit)*	**(379,311)** *(surplus)*	**229,609** *(deficit)*	**229,609** *(deficit)*

15 Year (2004-2019) Forward Financial Plan - Detailed Plan

Particulars *NB: estimates include inflationary factor of 1.8%* *NB: (**) = Strategic Projects Previously Agreed*	Year 1 2004/05 PLAN $	Year 2 2005/06 PLAN $	Year 3 2006/07 PLAN $	Year 4 2007/08 PLAN $	Year 5 2008/09 PLAN $	Yrs 1-5 2004/09 PLAN $	Yrs 6-10 2010/14 PLAN $	Yrs 11-15 2015/19 PLAN $	15 Year Total $
SUMMARY TOTALS									
Summary - Steps to the Future									
Step 1 - Planning & Developing our Future	207,500	241,500	283,000	416,000	424,000	1,572,000	2,527,000	1,750,000	5,849,000
Step 2 - Communicating & Marketing	100,000	100,000	100,000	100,000	100,000	500,000	500,000	500,000	1,500,000
Step 3 - Building our Community	132,500	125,000	227,500	553,800	580,100	1,618,900	3,225,500	3,079,100	7,923,500
Step 4 - Caring for our Built & Natural Form	190,900	352,400	548,200	1,157,000	1,813,800	4,062,300	13,819,000	20,346,300	38,227,600
Step 5 - Developing our Organisation	250,000	370,000	593,000	983,000	692,000	2,888,000	5,913,000	6,952,000	15,753,000
	880,900	**1,188,900**	**1,751,700**	**3,209,800**	**3,609,900**	10,641,200	25,984,500	32,627,400	69,253,100
Summary - Funding Totals									
Total Loan Borrowings	(1,070,000)	(550,000)	(2,400,000)	(1,000,000)	(2,900,000)	(7,920,000)	-	(12,000,000)	(19,920,000)
Total Loan Repayments	100,300	191,900	448,200	688,300	1,031,400	2,460,100	5,547,000	10,092,900	18,100,000
Loan Repayments expressed as a % of Total Rates	1.3%	2.1%	2.6%	3.4%	4.8%	2.9%	4.8%	8.3%	5.5%
Debt Service Ratio (based on rates = 80% of total op income)	1.0%	1.7%	2.1%	2.7%	3.8%	2.4%	3.8%	6.6%	4.4%
Total CSRFF & Other Grant Funding	(147,500)	(172,500)	(1,005,000)	(5,000)	(5,000)	(1,335,000)	(25,000)	(5,025,000)	(6,385,000)
Total POS Funding	(100,000)	-	-	-	-	(100,000)	-	-	(100,000)
Total - Sale of Temporary Accommodation	-	-	-	-	(100,000)	(100,000)	-	-	(100,000)
Summary - Reserve Account Provisioning									
Buildings General	-	-	-	200,000	200,000	400,000	3,150,000	4,300,000	7,850,000
Building Plant & Fixtures/Fittings	-	-	-	-	100,000	100,000	800,000	1,000,000	1,900,000
Building Fit-Outs	-	-	-	10,000	320,000	330,000	1,600,000	1,800,000	3,730,000
sub total buildings	-	-	-	210,000	620,000	830,000	5,550,000	7,100,000	13,480,000
Parks & Reserves General	-	-	-	-	100,000	100,000	800,000	1,000,000	1,900,000
Long Service Leave	-	-	50,000	50,000	50,000	150,000	400,000	500,000	1,050,000
Core IT Systems	-	-	-	-	-	-	800,000	1,000,000	1,800,000
sub total Others	-	-	50,000	50,000	150,000	250,000	2,000,000	2,500,000	4,750,000
Total Reserve Provisioning (Annual)	-	-	50,000	260,000	770,000	1,080,000	7,550,000	9,600,000	18,230,000
Total Reserve Provisioning (Accumulated - Life to Date)	-	-	50,000	310,000	1,080,000	1,080,000	8,630,000	18,230,000	-

15 Year (2004-2019) Forward Financial Plan - Detailed Plan

Particulars *NB: estimates include inflationary factor of 1.8%* *NB: (**) = Strategic Projects Previously Agreed*	Year 1 2004/05 PLAN $	Year 2 2005/06 PLAN $	Year 3 2006/07 PLAN $	Year 4 2007/08 PLAN $	Year 5 2008/09 PLAN $	Yrs 1-5 2004/09 PLAN $	Yrs 6-10 2010/14 PLAN $	Yrs 11-15 2015/19 PLAN $	15 Year Total $
Funding & Directorate Operational Details									
Total Funds Available for Allocation									
M12 Total - Property Leases & Rentals	(145,652)	(146,365)	(147,078)	(147,790)	(147,790)	(734,676)	(738,951)	(738,951)	(2,212,578)
M14 Total - Corporate Revenues & Expenditures	(20,321,412)	(21,299,583)	(22,425,469)	(23,588,585)	(24,730,195)	(112,365,245)	(130,012,675)	(135,402,171)	(377,780,091)
M15 Total - Corporate Debt Servicing	125,500	205,500	67,400	32,900	22,600	453,900	44,000	5,000	502,900
	(20,341,564)	(21,240,448)	(22,505,147)	(23,703,475)	(24,855,385)	(112,646,020)	(130,707,627)	(136,136,122)	(379,489,769)
Less									
Residential Rural Rates - differential to be discontinued	-	-	-	50,000	100,000	150,000	750,000	750,000	1,650,000
	(20,341,564)	(21,240,448)	(22,505,147)	(23,653,475)	(24,755,385)	(112,496,020)	(129,957,627)	(135,386,122)	(377,839,769)
	-	-	-	-	-	-	-	-	-
	(20,341,564)	**(21,240,448)**	**(22,505,147)**	**(23,653,475)**	**(24,755,385)**	(112,496,020)	(129,957,627)	(135,386,122)	(377,839,769)
Directorate Operational Funding									
Community Services Directorate									
M6 Total - Dog Control Services	75,764	77,292	79,450	52,381	52,381	337,268	261,906	294,482	893,656
M7 Total - Stock (Animal) Control Services	59,470	59,370	59,471	61,103	61,103	300,516	305,513	305,513	911,542
M8 Total - Fire Control Services	236,326	234,227	235,245	236,874	237,892	1,180,565	1,189,461	1,189,461	3,559,487
M9 Total - Other Law & Order	79,641	72,209	85,545	77,521	84,545	399,462	422,726	422,726	1,244,914
M10 Total - State Emergency Service	11,707	11,707	11,707	11,707	11,707	58,535	58,535	58,535	175,605
M47 Total - Recreation Administration	193,212	176,806	187,828	175,022	187,442	920,310	924,483	942,298	2,787,091
M48 Total - Active in Armadale	11,402	11,402	11,402	11,402	11,402	57,008	57,008	57,008	171,024
M49 Total - Armadale Aquatic Centre	205,239	217,455	180,502	181,825	187,933	972,955	942,211	952,391	2,867,557
M50 Total - Kelmscott Pool	-	-	-	-	-	-	-	-	-
M51 Total - Armadale Library	377,971	406,373	410,139	413,295	414,619	2,022,397	2,077,267	2,081,441	6,181,104
M52 Total - Kelmscott Library	352,260	363,356	358,673	361,015	362,745	1,798,050	1,815,254	1,815,254	5,428,558
M53 Total - Westfield Library	297,070	297,681	321,807	337,179	303,789	1,557,526	1,518,944	1,518,944	4,595,414
M54 Total - Cultural Events	236,407	253,314	244,967	249,659	265,438	1,249,784	1,274,252	1,287,486	3,811,522
M55 Total - Armadale-Kelmscott Senior Citizens Centre	-	-	-	-	-	-	-	-	-
M56 Total - History House	82,287	95,724	96,844	103,563	88,395	466,813	441,974	441,974	1,350,761
M57 Total - Community Development	471,827	479,055	488,829	487,607	504,099	2,431,416	2,560,704	2,558,159	7,550,279
M59 Total - Community Services Administration	239,193	207,785	238,040	191,249	247,748	1,124,016	1,180,716	1,200,058	3,504,790
M60 Total - Armadale Recreation Centre	52,427	67,697	41,738	36,241	45,810	243,913	229,050	229,050	702,013

15 Year (2004-2019) Forward Financial Plan - Detailed Plan

Particulars *NB: estimates include inflationary factor of 1.8%* *NB: (**) = Strategic Projects Previously Agreed*	Year 1 2004/05 PLAN $	Year 2 2005/06 PLAN $	Year 3 2006/07 PLAN $	Year 4 2007/08 PLAN $	Year 5 2008/09 PLAN $	Yrs 1-5 2004/09 PLAN $	Yrs 6-10 2010/14 PLAN $	Yrs 11-15 2015/19 PLAN $	15 Year Total $
M61 Total - Library Administration	295,142	261,345	272,034	282,825	268,471	1,379,816	1,378,289	1,365,564	4,123,670
total	**3,277,344**	**3,292,797**	**3,324,222**	**3,270,467**	**3,335,518**	**16,500,349**	**16,638,293**	**16,720,344**	**49,858,986**
Corporate Services Directorate									
M1 Total - Members Administration	446,078	387,101	455,214	398,301	466,214	2,152,907	2,185,321	2,277,623	6,615,851
M3 Total - Administration & Governance Services	838,233	848,223	863,685	869,685	873,840	4,293,668	4,369,202	4,369,202	13,032,072
M4 Total - Information System Services	913,043	913,443	925,041	953,527	1,031,503	4,736,558	4,758,474	4,735,052	14,230,084
M5 Total - Human Resources Services	337,058	342,414	342,414	342,414	342,923	1,707,221	1,714,613	1,714,613	5,136,447
M11 Total - Chief Executive Officer	527,180	537,789	527,180	537,789	527,180	2,657,119	2,667,728	2,657,119	7,981,966
M13 Total - Accounting Services	735,205	638,596	643,788	750,780	662,621	3,430,990	3,517,380	3,384,971	10,333,341
M16 Total - Business Services Administration	381,404	415,524	398,014	387,733	373,324	1,956,000	1,727,847	1,743,082	5,426,929
total	**4,178,201**	**4,083,091**	**4,155,336**	**4,240,230**	**4,277,605**	**20,934,463**	**20,940,565**	**20,881,662**	**62,756,691**
Development Services Directorate									
M31 Total - Town Planning	1,045,454	1,058,191	1,081,910	1,042,310	1,062,391	5,290,256	5,314,673	5,311,212	15,916,142
M32 Total - Building Control Services	249,392	248,073	258,869	226,183	190,960	1,173,477	967,323	979,845	3,120,645
M33 Total - Swimming Pool Inspections	15,809	14,791	13,773	14,791	14,791	73,957	73,957	73,957	221,871
M34 Total - Health Services	438,795	476,482	450,136	436,415	449,159	2,250,987	2,212,553	2,223,650	6,687,190
M35 Total - Environmental Services	102,418	104,098	98,698	104,198	115,198	524,609	575,989	575,989	1,676,587
total	**1,851,867**	**1,901,636**	**1,903,386**	**1,823,897**	**1,832,500**	**9,313,286**	**9,144,496**	**9,164,653**	**27,622,435**
Technical Services Directorate									
M81 Total - Civil Construction	2,376,993	3,287,031	3,210,568	3,247,929	3,379,862	15,502,383	16,899,309	16,899,309	49,301,001
M82 Total - Civil Maintenance	1,441,549	1,522,480	1,534,698	1,547,018	1,547,019	7,592,764	7,735,093	7,735,093	23,062,950
M91 Total - Parks & Reserves Development	134,592	165,848	188,547	123,664	123,664	736,316	618,322	618,322	1,972,960
M92 Total - Parks & Reserves Maintenance	2,406,959	2,541,335	2,614,529	2,710,221	2,710,221	12,983,267	13,551,107	13,551,107	40,085,481
M101 Total - Property Development	114,230	108,890	202,167	160,938	160,939	747,164	804,697	804,697	2,356,558
M102 Total - Property Maintenance	1,209,882	1,309,239	1,361,473	1,399,546	1,399,546	6,679,687	6,997,732	6,997,732	20,675,151
M111 Total - Waste Collection	7,126	7,126	7,126	7,330	7,330	36,037	36,648	36,648	109,333
M112 Total - Waste Disposal	(118,902)	(119,819)	(120,837)	(121,753)	(121,753)	(603,063)	(608,764)	(608,764)	(1,820,591)
M113 Total - Waste Minimisation	(43,367)	(43,774)	(44,079)	(44,487)	(44,487)	(220,193)	(222,433)	(222,433)	(665,059)
M119 Total - Waste Management	-	-	-	-	-	-	-	-	-
M121 Total - Vehicles & Plant	-	-	-	-	-	-	-	-	-
M122 Total - Supply Services	65,966	51,511	82,763	42,043	42,043	284,327	210,217	210,217	704,761
M128 Total - Mechanical Services	-	-	-	-	-	-	-	-	-
M133 Total - Crossovers	125,927	126,945	136,005	137,125	137,125	663,125	685,623	685,623	2,034,371
M134 Total - Street Lighting	584,027	592,680	601,434	610,189	610,189	2,998,519	3,050,946	3,050,946	9,100,411
M136 Total - Public Utility Reinstatements	-	-	-	-	-	-	-	-	-

15 Year (2004-2019) Forward Financial Plan - Detailed Plan

Particulars *NB: estimates include inflationary factor of 1.8%* *NB: (**) = Strategic Projects Previously Agreed*	Year 1 2004/05 PLAN $	Year 2 2005/06 PLAN $	Year 3 2006/07 PLAN $	Year 4 2007/08 PLAN $	Year 5 2008/09 PLAN $	Yrs 1-5 2004/09 PLAN $	Yrs 6-10 2010/14 PLAN $	Yrs 11-15 2015/19 PLAN $	15 Year Total $
M137 Total - Private Works	-	-	-	-	-	-	-	-	-
M141 Total - Technical Services Administration	497,293	501,365	505,437	509,509	509,509	2,523,113	2,547,545	2,547,545	7,618,203
M142 Total - Contract Administration & Design	426,746	429,494	432,548	435,195	435,195	2,159,178	2,175,975	2,175,975	6,511,128
M143 Total - Engineering Development	77,368	77,470	78,691	79,200	79,302	392,032	396,511	396,511	1,185,054
M144 Total - Strategic Planning	200,139	201,768	203,396	204,923	205,025	1,015,251	1,025,126	1,025,126	3,065,503
M145 Total - Asset Management	123,789	124,807	125,825	126,843	126,843	628,106	634,214	634,214	1,896,534
M146 Total - Ark Roadwise	12,216	12,420	12,420	12,623	12,623	62,302	63,116	63,116	188,534
total	**9,642,532**	**10,896,814**	**11,132,714**	**11,188,058**	**11,320,197**	**54,180,315**	**56,600,984**	**56,600,984**	**167,382,283**
Total Directorate Operational Funding	**18,949,944**	**20,174,338**	**20,515,659**	**20,522,653**	**20,765,820**	**100,928,414**	**103,324,339**	**103,367,643**	**307,620,395**
Key Revenue Estimates									
RATE REVENUES									
Current Rates									
GRV Rates (03-04 current base figure)	(16,956,155)	(17,447,581)	(17,955,846)	(18,469,664)	(18,967,658)	(89,796,904)	(94,834,128)	(94,834,128)	(279,465,160)
UV Rates (03-04 current base figure)	(593,799)	(611,614)	(629,938)	(648,873)	(668,317)	(3,152,542)	(3,341,585)	(3,341,585)	(9,835,712)
	(17,549,955)	(18,059,195)	(18,585,785)	(19,118,537)	(19,635,975)	(92,949,446)	(98,175,713)	(98,175,713)	(289,300,872)
Proposed (Additional) Rates	-	-	-	-	-	-	-	-	-
New Residential Estates	(110,046)	(388,774)	(827,634)	(1,371,450)	(1,911,804)	(4,609,708)	(15,924,879)	(21,314,375)	(41,848,962)
Regional Shopping Centre	-	(102,614)	(211,337)	(217,648)	(224,265)	(755,865)	(1,121,327)	(1,121,327)	(2,998,519)
Forrestdale Business Park	-	(21,582)	(44,487)	(68,715)	(94,369)	(229,152)	(471,843)	(471,843)	(1,172,838)
Cinema Development	10,180	(30,540)	(30,540)	(40,720)	(40,720)	(132,340)	(203,600)	(203,600)	(539,540)
Interim Rates	(20,360)	(62,912)	(108,010)	(155,754)	(206,247)	(553,283)	(1,031,234)	(1,031,234)	(2,615,751)
	(120,226)	(606,423)	(1,222,007)	(1,854,287)	(2,477,405)	(6,280,347)	(18,752,883)	(24,142,379)	(49,175,610)
Total Rates	**(17,670,180)**	**(18,665,618)**	**(19,807,792)**	**(20,972,824)**	**(22,113,379)**	(99,229,793)	(116,928,596)	(122,318,092)	(338,476,482)
OTHER CORPORATE REVENUES									
Grants Commission	(2,015,700)	(2,015,700)	(2,015,700)	(2,015,700)	(2,015,700)	(10,078,500)	(10,078,500)	(10,078,500)	(30,235,500)
Interest on Investments	(370,450)	(353,144)	(336,856)	(335,940)	(335,940)	(1,732,331)	(1,679,700)	(1,679,700)	(5,091,731)
Instalment Administration Charges	(122,160)	(122,160)	(122,160)	(122,160)	(122,160)	(610,800)	(610,800)	(610,800)	(1,832,400)
Instalment Interest	(91,620)	(91,620)	(91,620)	(91,620)	(91,620)	(458,100)	(458,100)	(458,100)	(1,374,300)
Late Payment Interest Penalty	(76,350)	(76,350)	(76,350)	(76,350)	(76,350)	(381,750)	(381,750)	(381,750)	(1,145,250)
ESL Commission	(51,500)	(51,500)	(51,500)	(51,500)	(51,500)	(257,500)	(257,500)	(257,500)	(772,500)
Interest on Pensioner Deferments	(36,648)	(36,648)	(36,648)	(36,648)	(36,648)	(183,240)	(183,240)	(183,240)	(549,720)
	(2,764,428)	**(2,747,122)**	**(2,730,834)**	**(2,729,918)**	**(2,729,918)**	(13,702,221)	(13,649,590)	(13,649,590)	(41,001,401)
Estimated "New" Residential Lot Numbers	350	500	780	730	680	3,040	2,480	1,000	6,520