

# AGENDA

## Strategic Financial Management Committee

### MEETING OF THE STRATEGIC FINANCIAL MANAGEMENT COMMITTEE

TO BE HELD ON

MEETING DATE



**TUESDAY 7 AUGUST 2007**

commencing at 3.00 pm

in Conference Room 1

JOONDALUP CIVIC CENTRE,  
BOAS AVENUE, JOONDALUP



**GARRY HUNT**  
Chief Executive Officer  
3 August 2007

[www.joondalup.wa.gov.au](http://www.joondalup.wa.gov.au)



City of  
Joondalup

## CITY OF JOONDALUP

Notice is hereby given that a meeting of the **STRATEGIC FINANCIAL MANAGEMENT COMMITTEE** will be held in Conference Room 1, Joondalup Civic Centre, Boas Avenue, Joondalup on **TUESDAY 7 AUGUST 2007** commencing at **3.00 pm**.

GARRY HUNT  
Chief Executive Officer  
3 August 2007

Joondalup  
Western Australia

### AGENDA

#### **Committee Members**

*Cr Michele John* - *Presiding Person*  
*Cr Russel Fishwick* - *Deputy Presiding Person*  
*Mayor Troy Pickard*  
*Cr Tom McLean*  
*Cr Steve Magyar*  
*Cr Geoff Amphlett*  
*Cr Brian Corr*

#### **Terms of Reference**

- 1 *Promote and advocate sound financial management within the City and provide advice to the Council on strategic financial management issues;*
- 2 In particular advise Council on:
  - (a) *How funding can be achieved for any major capital works project before the Council makes a commitment to a project;*
  - (b) *Levels of service delivery — determine:*
    - (i) *which services to be provided;*
    - (ii) *Standards of service. Such standard will be determined with reference to:*
      - *best industry practice standards where applicable;*
      - *internally agreed standards which will be determined with reference to local community expectations;*

- (c) *Preparation of the Plan for the Future with high priority being given to ensure that the Plan is achievable in the long term;*
  - (d) *Alignment of the Plan for the Future to the Council's Strategic Plan;*
  - (e) *Consideration of public submissions to the Plan for the Future;*
  - (f) *Final acceptance of the Plan for the Future;*
- 3 *Policy development and review of policies with financial implications for the City.*

## **DECLARATION OF OPENING**

## **APOLOGIES/LEAVE OF ABSENCE**

## **CONFIRMATION OF MINUTES**

### MINUTES OF THE STRATEGIC FINANCIAL MANAGEMENT COMMITTEE HELD 10 MAY 2007

## **RECOMMENDATION**

**That the minutes of the meeting of the Strategic Financial Management Committee held on 10 May 2007 be confirmed as a true and correct record.**

## **ANNOUNCEMENTS BY THE PRESIDING PERSON WITHOUT DISCUSSION**

## **DECLARATIONS OF INTEREST**

## **IDENTIFICATION OF MATTERS FOR WHICH THE MEETING MAY SIT BEHIND CLOSED DOORS**

## **PETITIONS AND DEPUTATIONS**

## **REPORTS**

- |               |  |               |
|---------------|--|---------------|
| <b>Item 1</b> | <b>Presentation by Pracsys/CBD Development</b> | <b>Page 5</b> |
| <b>Item 2</b> | <b>Workshop Expenditure</b>                    | <b>Page 8</b> |

**MOTIONS OF WHICH PREVIOUS NOTICE HAS BEEN GIVEN**

**REQUESTS FOR REPORTS FOR FUTURE CONSIDERATION**

**CLOSURE**

**ITEM 1 PRESENTATION BY PRACSYS / CBD DEVELOPMENT – [51567]**

**WARD:** All

**RESPONSIBLE DIRECTOR:** Mr Mike Tidy  
Corporate Services

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**PURPOSE**

The purpose of the report is to introduce Pracsys who have been invited to make a presentation to the Committee in relation to economic development and leveraging investment opportunities.

**EXECUTIVE SUMMARY**

Recently a team from Pracsys, who are a firm that specialise in providing advice to private enterprise and government agencies on economic development and in particular leveraging investment opportunities of landholdings, was made to the Executive Management Team. Pracsys focussed on the work that they have done in other places around Perth, which is quite extensive. The Executive Management Team felt it was particularly pertinent to the City of Joondalup's challenge with the development of the Joondalup CBD and that it would be valuable for the Committee to also receive a presentation.

**BACKGROUND**

The Pracsys group have been involved in quite a number of different projects both through private enterprise and government agencies. Some of these projects include developments around railway stations at Guildford, Bassendean, Bayswater and Maylands, involvement with the East Perth Redevelopment Authority, particularly with development near the Causeway, with the Subiaco Redevelopment Authority and also with the Town of Vincent in providing advice on the major development of the Leederville commercial centre around the Leederville train station.

It is felt that the experience of Pracsys could assist the Elected Members to better appreciate the scope and complexity of the issues associated with developing the Joondalup CBD.

**DETAILS**

**Issues and options considered:**

Not applicable.

**Link to Strategic Plan:**

Key Focus Area 3 - City Development 3.1

The City of Joondalup has well maintained assets and built environment.

Key Focus Area 4 - Organisational Development 4.1

The City of Joondalup is a sustainable and accountable business.

**Legislation – Statutory Provisions:**

Not applicable.

**Risk Management considerations:**

Not applicable.

**Financial/Budget Implications:**

Not applicable.

**Policy implications:**

Not applicable.

**Regional Significance:**

While this particular presentation is not of regional significance clearly the development of the Joondalup CBD is a significant regional issue. Some of the projects that Pracsys has had experience with in the past have also been regional developments.

**Sustainability implications:**

The development of the Joondalup CBD is a critical element of not only the financial sustainability of the City of Joondalup but also the economic and environmental sustainability of the community.

**Consultation:**

The Chair of the Strategic Financial Management Committee was consulted in relation to inviting Pracsys to make the presentation.

**COMMENT**

It needs to be emphasised that it is not intended to promote Pracsys as the only organisation capable of doing these undertakings or that the City of Joondalup should engage Pracsys. It is simply a case of this group having been involved in a number of projects that have many similarities to what the City of Joondalup is trying to achieve with its own CBD and the City tapping into these experiences.

**ATTACHMENTS**

Nil.

**VOTING REQUIREMENTS**

Simple majority.

**RECOMMENDATION**

**That the presentation be received.**

## **ITEM 2            WORKSHOP EXPENDITURE – [51567, 56593]**

**WARD:**            All

**RESPONSIBLE**    Mr Mike Tidy  
**DIRECTOR:**        Corporate Services

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### **PURPOSE**

The purpose of this report is for the committee to workshop expenditure and explore any opportunities that may be presented.

### **EXECUTIVE SUMMARY**

The Strategic Financial Management Committee at its meeting on 18 April 2007 resolved to work through a number of financial issues that had been previously identified for consideration by the Committee. The second of these is expenditure.

*It is recommended that the outcomes of the workshop of expenditure be NOTED.*

### **BACKGROUND**

At its meeting of 4 July 2006 the Strategic Financial Management Committee carried the following motion:

*That it be recommended that Council requests a further report be submitted to the next meeting of the Strategic Financial Management Committee on:*

- 1     *options and potential role of the City in the development of the Joondalup Central Business District;*
- 2     *a framework and work plan for:*
  - *Alternative Revenue Streams;*
  - *Asset Management;*
  - *Portfolio;*
  - *Expenditure;*
  - *Strategic Financial Management Plan (Plan for the Future).*

A report was considered at the Committee's meeting of 12 September 2006 but deferred and reconsidered at its meeting of 18 April 2007.

It was felt that the best approach was for the Committee to workshop the issues rather than just receive reports for discussion. Alternative revenue streams was nominated as the first issue to be workshopped which was done at the committee meeting of the 10 May 2007. The second issue is expenditure.



## **DETAILS**

### **Issues and options considered:**

Expenditure will be workshopped at the meeting.

### **Link to Strategic Plan:**

Key Focus Area 3 - City Development 3.1

The City of Joondalup has well maintained assets and built environment.

Key Focus Area 4 - Organisational Development 4.1

The City of Joondalup is a sustainable and accountable business.

### **Legislation – Statutory Provisions:**

Not Applicable.

### **Risk Management considerations:**

Not applicable

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

Not applicable

### **Policy implications:**

Not Applicable.

### **Regional Significance:**

Not Applicable.

### **Sustainability implications:**

Financial sustainability is absolutely critical to the future growth and development of the City of Joondalup. Maintaining control over expenditure is essential to the long-term financial sustainability of the City.

### **Consultation:**

Not Applicable.

## **COMMENT**

Attached is some statistical information in relation to the City's current breakdown of expenditure to help set the scene for the workshop. The figures used are the 2006/07 financial year revised budget figures as loading of the 2007/08 budget figures was not complete at the time of preparing the report and for comparatives to other Councils this is the latest comparative data available.

**ATTACHMENTS**

Attachment 1 Statistical Information - Expenditure

**VOTING REQUIREMENTS**

Simple Majority

**RECOMMENDATION**

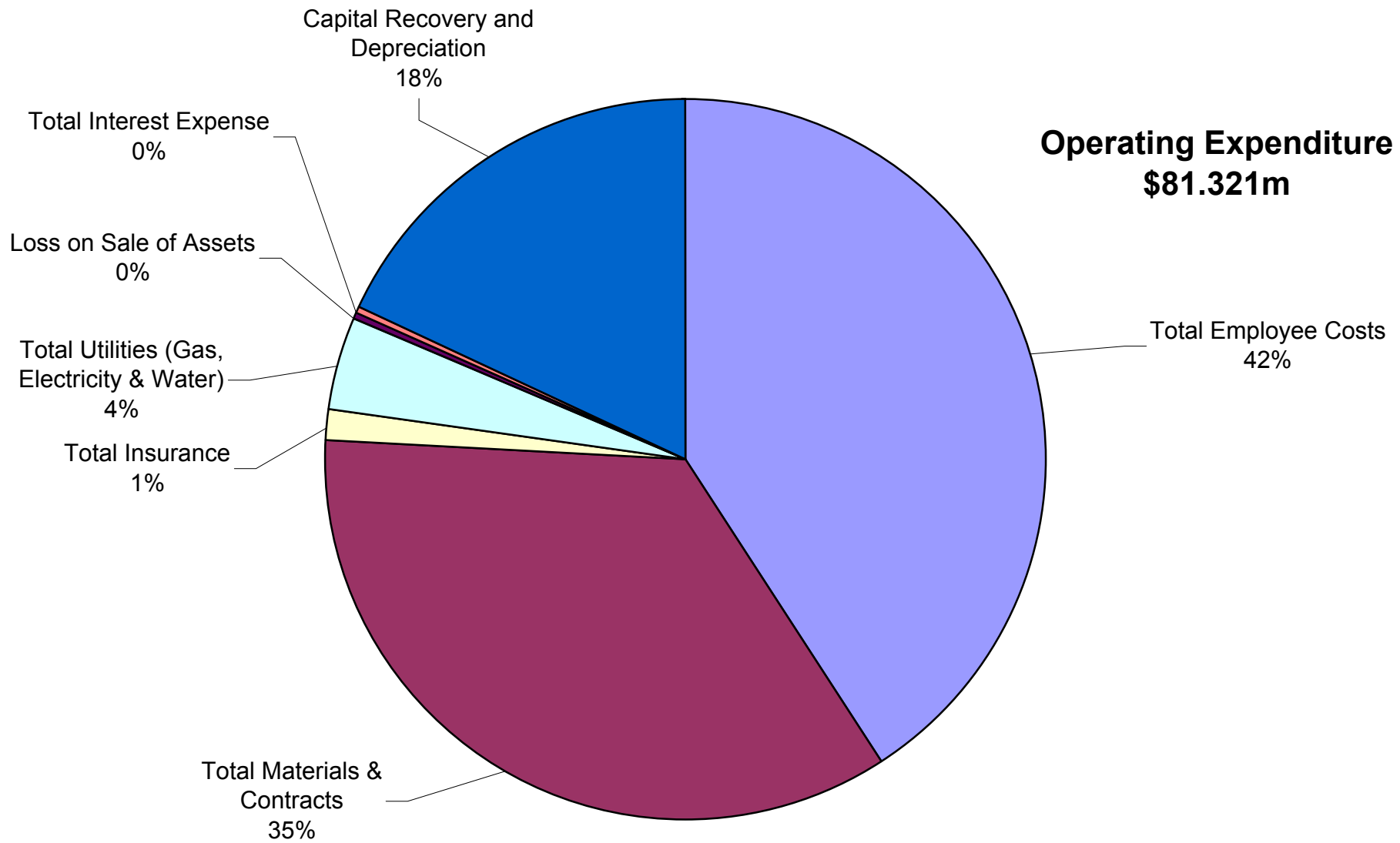
**That the outcomes of the workshop of expenditure be NOTED.**

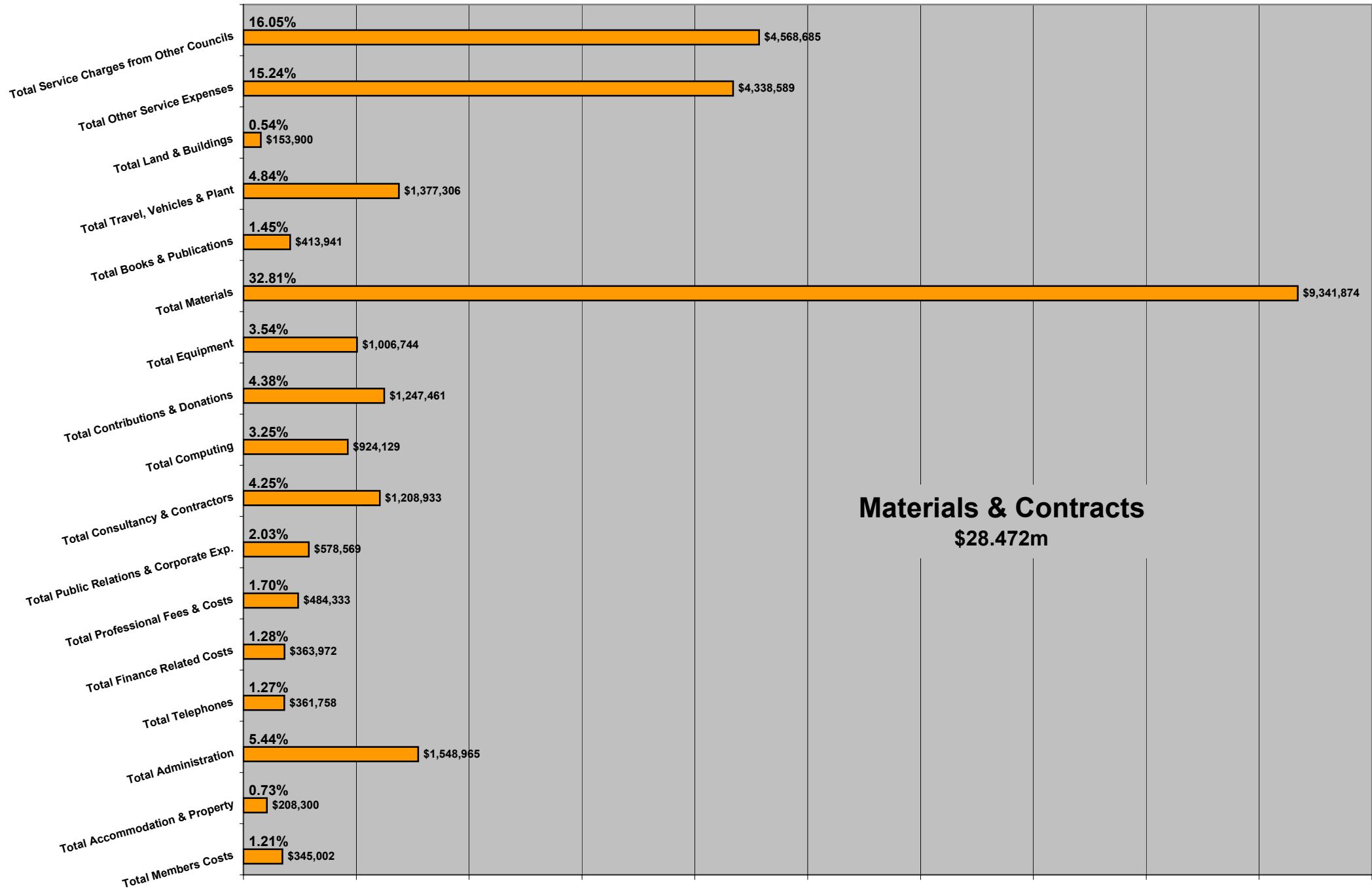
Appendix 1 refers.

## APPENDICES

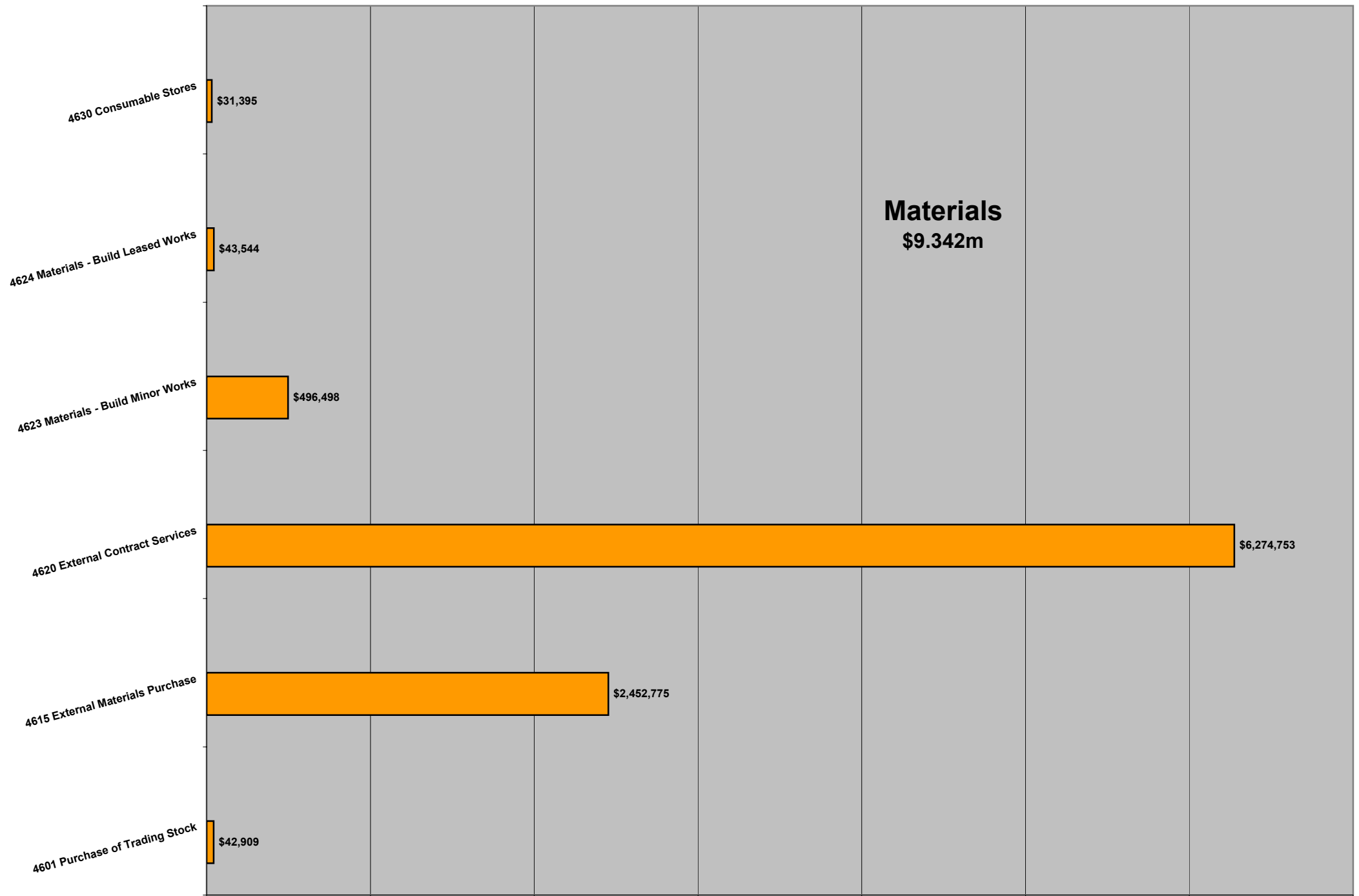
ITEM	TITLE	APPENDIX	PAGE
Item 2	Workshop Expenditure Attachment 1 Statistical Information - Expenditure	1	1

**Operating Expenditure  
\$81.321m**



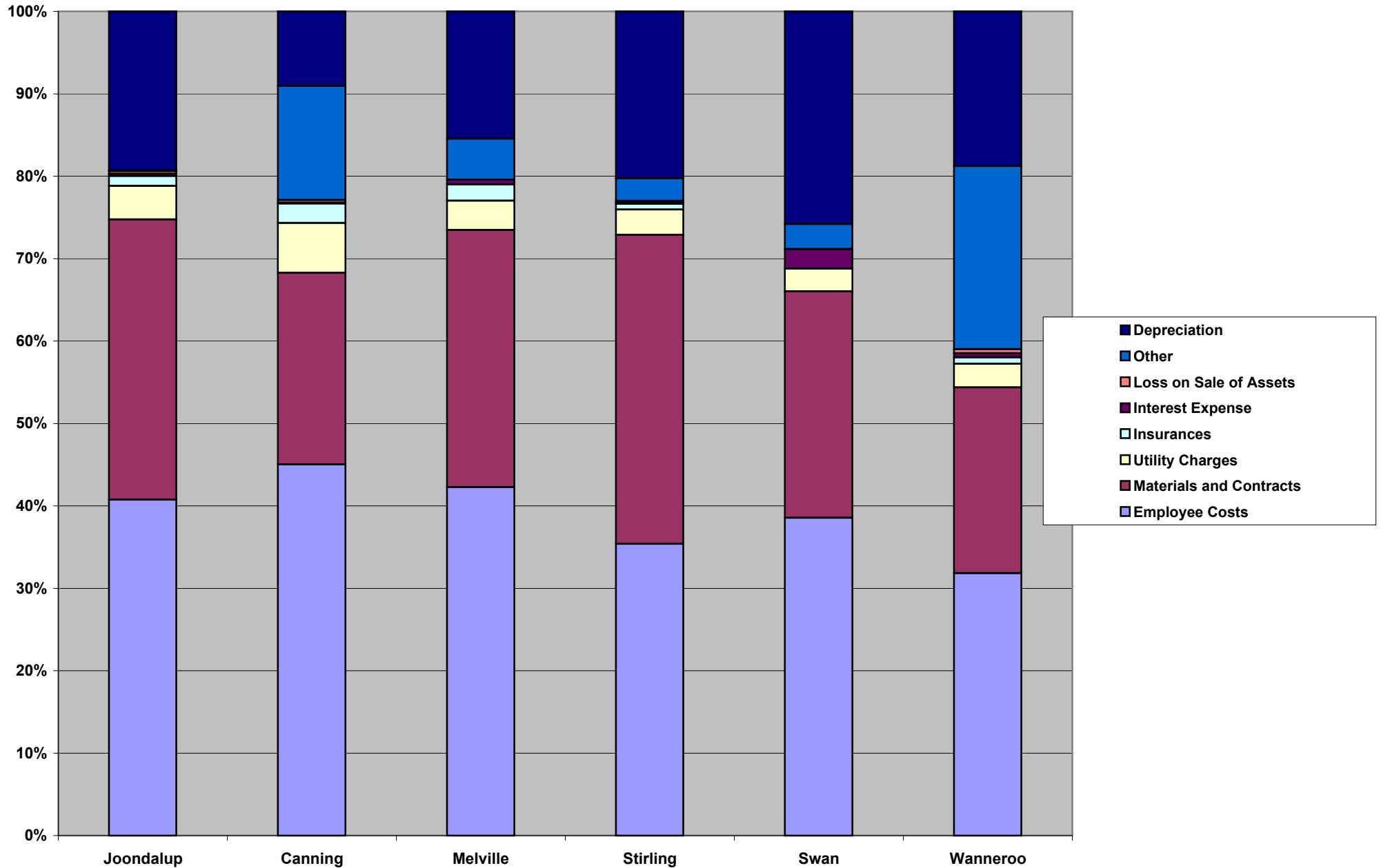


**Materials & Contracts**  
**\$28.472m**



# City Expenditure Comparison by %

(Raw unadjusted other Cities 2006/07 Budget to Joondalup 2006/07 Budget)



# City Expenditure Comparison (excluding depreciation) by %

(Raw unadjusted other Cities 2006/07 Budget to Joondalup 2006/07 Budget)

