

**3.1: ALBANY LEISURE AND AQUATIC CENTRE-RESPONSIBLE OFFICER COMMENTS****ALTERNATE MOTIONS BY COUNCILLOR LEAVESLEY**

*Councillor Leavesley has requested that the Alternate Motions are not presented en bloc.*

**ITEM 3.1: ALTERNATE MOTION 1 BY COUNCILLOR LEAVESLEY  
VOTING REQUIREMENT: SIMPLE MAJORITY**

**That Council directs the CEO that:**

- (a) Whatever changes in operations may be deemed appropriate at ALAC in the future, the highest priority is always to be given to the safety/wellbeing of the public and members of staff; and**
- (b) No matter what financial savings can be achieved this priority cannot be compromised.**

**Reason:** I believe council's endorsement of this priority needs to be on the record.

**Responsible Officer's Comment (F James)**

The City has a legislative obligation to ensure the health and safety of all occupiers (staff and others) of its buildings. It also has a legislative and common law obligation in the operation of all its "business" enterprises to ensure fair, safe trading in accordance with representations made by the operator of those enterprises.

While Council could make a formal motion reaffirming the law, the City and the CEO are very aware of the City's obligations at law. Further, the City is assumed at law to be aware of its obligations and thus the Motion is unnecessary.

However, should Council determine to support the Motion, it is recommended that ALAC not be singled out, but the statement be applied to all Council operations.

**ITEM 3.1: ALTERNATE MOTION 2 BY COUNCILLOR LEAVESLEY  
VOTING REQUIREMENT: SIMPLE MAJORITY**

**That Council directs the CEO to undertake an immediate efficiency audit and cost benefit analysis of all the ALAC operations and report back to council by the June 2011 OCM with proposals that may impact on membership structure and fees, opening hours etc.**

**Reason:** As elected members I believe it is our responsibility to set the membership/ opening hour's conditions etc. and we should not delegate this responsibility.

**Responsible Officer's Comment (F James)**

An energy efficiency audit is already underway (see page 2 of the report, point 7 of the Responsible Officer Recommendation).

17/05/2011

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The CEO has recommended a full business analysis of ALAC be undertaken (points B and C of the Responsible Officer Recommendation).

The City does NOT have the internal HR capacity to complete that business analysis before at least September 2011. To expect staff to do so would require significant reprioritisation and delay of other work (work that has been promised to the Minister for Local Government for completion within certain timeframes), or be an occupational health risk in expecting staff to work excessive hours.

If Council wishes the analysis to be completed by 30 June 2011 then the City will need to engage consultants. Given the CEO's previous experience of similar situations, it would be prudent to allow an amount of at least \$250,000 (given the timelines that will be expected of the consultants for completion of this work, it is likely a premium will need to be paid by the City). There is no budget in 2010/11 for such consultancy.

The City has planned, within its existing resources, to undertake the analysis "in house", with a report provided to Council early in the fourth quarter of this calendar year.

**ITEM 3.1: ALTERNATE MOTION 3 BY COUNCILLOR LEAVESLEY  
VOTING REQUIREMENT: SIMPLE MAJORITY**

**That Council directs the CEO to undertake the development of a three year business plan for the ALAC fitness centre. This business plan should be prepared with the understanding that the centre will be run to its full potential without competitive restrictions but competing fairly in the market place. This business plan is to be completed before the July 2011 OCM.**

**Reason:** It is my opinion that the fitness centre presents a real commercial opportunity to provide income to the ALAC centre and we need to be sure we operate it to its full potential. Operating without competitive restrictions will be a new undertaking for the fitness centre and we need an appropriate business plan to work to.

**Responsible Officer's Comment (F James)**

The CEO has recommended a full business analysis be undertaken (see page 2 of the Report, points B and D of the Responsible Officer Recommendation).

It is envisaged that the business analysis of ALAC would be holistic, considering all aspects of operations (including the fitness centre). To consider the fitness centre in isolation would not capture the potential operational efficiencies and cost synergies that could be realised across the whole of ALAC.

The City does NOT have the internal HR capacity to complete a separate business analysis of the ALAC fitness centre before at least September 2011 (as part of the ALAC business plan). To expect staff to do so would require significant reprioritisation and delay of other work (work that has been promised to the Minister for Local Government for completion within certain timeframes), or be an occupational health risk in expecting staff to work excessive hours.

If Council wishes the analysis to be completed before the July 2011 OCM, then the City will need to engage consultants. A separate analysis for the ALAC fitness centre would need to be undertaken (given the timelines that will be expected of the consultants for completion of this work, it is likely a premium will need to be paid by the City). There is no budget in 2010/11 for such consultancy.

17/05/2011

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The City has planned, within its existing resources, to undertake the analysis “in house”, with a report provided to Council early in the fourth quarter of this calendar year.

**ITEM 3.1: ALTERNATE MOTION 4 BY COUNCILLOR LEAVESLEY****VOTING REQUIREMENT: SIMPLE MAJORITY**

**That Council directs the CEO in line with the RSM Bird Cameron Financial Business Plan for ALAC Café October 2010 to adopt recommendation two of the Plan and for the City to continue (for a minimum of two years) the operation of the Timeout Café.**

**Reason:** The rate payers have spent \$8,450.00 on the RSM Bird Cameron Report. The report clearly identifies that of the three options a sub-lease gives the lowest return to the City over 5 years. The projected deficit for the café this financial year is \$30,000 this represents 2.5% of the total deficit for ALAC of \$1.2m

**Responsible Officer’s Comment (F James)**

If Council wishes to continue to operate the Cafe at a potential deficit for the next two years then it should support the Alternate Motion and provide the CEO with guidance on what maximum amount of deficit should be allowed in the City’s budgets for 2011/12 and 2012/13 financial years.

As stated at page 7 of the Report, some of the assumptions stated in the RSM Bird Cameron Report are flawed. This is NOT criticism of the work of RSM Bird Cameron but goes to the (lack of) adequacy of the City’s instructions to RSM Bird Cameron.

The CEO recommends that the City seek Expressions of Interest for the operation of the ALAC Cafe, (as stated at point E of the Responsible Officer Recommendation) and those Expressions of Interest be considered as part of the holistic ALAC business analysis.