

**6.1: PROPOSED FEES AND CHARGES FOR COMMUNITY SERVICES
BUSINESS UNITS FOR 2012-13**

Responsible Officer(s) : Executive Director Community Services (L Hill)
Attachment : Proposed Fees and Charges

IN BRIEF

- As part of the City of Albany budget preparation process, Council is requested to determine the following:
 - Community Services Directorate Fees and Charges for 2012-13 financial year

RECOMMENDATION

**ITEM 6.1: RESPONSIBLE OFFICER RECOMMENDATION
VOTING REQUIREMENT: ABSOLUTE MAJORITY**

- 1. THAT Council NOTE that many community organisations are currently preparing their 2012-13 budget and require certainty regarding fees and charges which such organisations will have to bear and possibly charge their members for.**
- 2. THAT Council ENDORSE the fees and charges for Community Services Business Units as detailed in Attachment 1, for the period of 1 July 2012 to 30 June 2013.**

BACKGROUND

1. For several weeks now, Council members have met with City Executive staff in Council budget workshops to consider and prepare the City of Albany budget for 2012-13.
2. At those Councillor budget workshops, Council Members were presented with proposed fees and charges revenue regarding Community Services Directorate business units.
3. These proposed fees and charges were considered at the Ordinary Council Meeting held on 15 May 2012. Council required further consideration of the proposed fees and charges.

DISCUSSION

4. In order for business units across the City to impose fees and charges within the 2012-13 financial year, it is necessary for Council to endorse those fees and charges. Some of the fees and charges for services which users and community groups utilise may need to be collected (from their members by those community groups), prior to 1 July 2012. For service provision effective from 1 July 2012.
5. While most fees and charges proposed for the 2012-13 financial year in the Community Services directorate have increased from those charged in 2011-12, the increases represent commensurate increases in the costs of providing those services.

6. Fees and charges changes of note within the Community Services directorate are:

Albany Visitor Centre:

- Introduction of a key charge to cover some of the cost that the Centre incurs acting as the 'on-site' manager for many accommodation operators.

Albany Leisure and Aquatic Centre (ALAC):

- Most fees charged are below that of other like recreation centres in regional Western Australia. Membership fees as a whole have increased on average 8% but are still less expensive than other benchmarked centres.
- Casual gym and fitness classes will increase from 10%. In context, a casual visit to the gym for a non concession adult will rise from \$10.00 to \$12.00.
- ALAC has the largest swim school outside the metropolitan area but the current charge is 25% less than Bunbury for the same nationally recognised and endorsed program. Albany, in comparison to Bunbury, has higher energy and staff costs. The swim school increase for 2012-13 will be 16%.

GOVERNMENT CONSULTATION

7. In the review of the City's budgeted fees and charges, there is no requirement for formal government consultation. However, information was obtained from other local governments and comparable business units, to determine comparable fee structures.

PUBLIC CONSULTATION / ENGAGEMENT

8. Once fees and charges are endorsed by Council, the financial year 2012-13 fees and charges for each Community Service business unit will be provided on the City of Albany web site and also available for the information of stakeholders at each business unit.

STATUTORY IMPLICATIONS

9. Budget processes and endorsement are strictly regulated by the *Local Government Act 1995* and its Regulations.

STRATEGIC IMPLICATIONS

10. **Strategic Implications**

This item relates directly to the following elements of the City of Albany Strategic Plan (2011-2021):

Key Focus Area

Organisational Performance

Community Priority

Policy and procedures

Proposed Strategies

Regularly review all policies in consultation with community and key stakeholders.

POLICY IMPLICATIONS

11. There are no Policy implications in relation to the proposed fees and charges structure.

RISK IDENTIFICATION & MITIGATION

12. The risk identification and categorisation relies on the City's Risk Management Framework.

| Risk | Likelihood | Consequence | Risk Analysis | Mitigation |
|--|-------------------|--------------------|----------------------|---|
| <i>Revenue projections within the draft City of Albany 2012-13 budget are not endorsed by Council, leading to budget deficit and cashflow difficulties</i> | <i>Possible</i> | <i>Significant</i> | <i>High</i> | <i>Mitigation entirely within Council control, regarding budget preparation and endorsement</i> |
| <i>Proposed Community Service fees and charges not endorsed until 1 July does not allow Community Service Business units to charge now for activities post 1 July. This would impact on revenue for 12-13.</i> | <i>Unlikely</i> | <i>Moderate</i> | <i>Medium</i> | <i>Endorse fees and charges and communicate to community</i> |

FINANCIAL IMPLICATIONS

13. From a Community Services perspective, fees and charges for upcoming programs (starting July 2012) need to be confirmed well before 1 July 2012, so that these fees and charges can be clearly communicated to the community and stakeholders who may be impacted by those fees and charges. For example, enrolments for the ALAC Swim School will open shortly, and fees to be paid, for programs being held in July 2012.
14. Proposed amendments to the City's fees and charges for financial year 2012-13 more adequately reflects the range, and cost of providing, services by the individual business units of the City.

LEGAL IMPLICATIONS

15. Nil.

ALTERNATE OPTIONS

16. The Council can determine to impose alternate fees and charges, or different revenue structures. However, any change in proposed revenue may have significant financial implications, including cash flow implications, for the City.

SUMMARY CONCLUSION

17. The proposed amendments to the City of Albany fees and charges more adequately reflects the range, and cost of providing, services provided by the individual business units of the directorate.
18. It is important that those fees and charges are endorsed in a timely manner, and information provided to relevant stakeholders that may be impacted by those changes.