

Shire of Roebourne - Report on Cost Benefits of City Status

To ascertain cost benefits of achieving city status, research was carried out in respect to case studies of municipalities that have recently made the transition. The three most recent municipalities in WA to transition to city status were Busselton, Kwinana and Vincent. The most recent city in Victoria has been the city of Melton. Communication with these municipalities was undertaken to request feedback as to whether those cost benefit claims made in their respective Council submissions for City Status have come to fruition.

1. City of Busselton (2012)

Busselton Rationale for Change to City Status

- A change in status from 'Shire' to 'City' reflects the high population growth occurring in the municipality and elevation in status as the most populous in the region
- City status brings Federal/State recognition – not just in terms of funding but also in decision-making in the form of greater 'political clout', particularly dealing with government agencies.
- City status could be a significant opportunity for rebranding to assist tourism and development
- There is real potential to attract regional investment opportunities in the form of regional infrastructure (such as government offices/agencies), funding towards a regional airport, higher education facility and regional health campus.
- In the final report to Council, attaining City status was regarded as a potential mechanism to achieve more significant economic development outcomes for the District such as increased funding opportunities, economic growth and external investment, ultimately contributing to a favourable cost/benefit outcome.

Busselton Commentary post City Status

- Council felt the change to City status, which was backed by extensive community consultation and input, was strategically important to ensure the municipality's long-term sustainability. The transition has been smooth and inexpensive.
- Having become a City, our municipality is enjoying a significantly elevated profile when in Canberra.
- Additionally we are now recognised as a Regional Centre in the State's Draft Planning Strategy – arguably this is the single most important outcome post transition.
- The City has been looking at attracting international investment – particularly aimed at the China and the Asian market. Being able to promote ourselves internationally as a City (as opposed to a local Shire) has provided a global edge and a more level playing field in discussions both here and abroad.
- The City of Busselton has attracted several new events since change of status – all of which brings revenue into the local economy and provide a marketing edge. This year we will be doing the first regional City to Surf fun-run; we've attracted Foreshore

Polo; and a major Jazz festival. We are also home to Ironman WA and several large annual festivals.

- The City has also attracted industry interest and investment and recently signed an MOU with Rio Tinto.
- The transition to City status has been pivotal in the push to expand the Busselton Regional Airport. City status, projected growth and population estimates are an important justification in the business case currently being prepared by the SWDC for State funding to support the expansion.
- The City of Busselton has done well from the Royalties for Regions funding scheme. The injection of these funds has helped set our City up for population growth projected over the next 50 years. Whether funding injections are the result of our change to City Status is difficult to qualify. However, anecdotally the municipality is enjoying a higher level of State government interest since the transition to City Status.
- The State government has pledged funding support to the tune of \$28.15m to finance the groyne reconfiguration at Port Geographe Busselton – City status may have been beneficial in this determination.

Source: Meredith Dixon, Public Relations Officer, City of Busselton May 2013

City of Busselton Budget Implications

No formal budget investigations were carried out. Council reports identified signage and materials, vehicles and stationery, rebranding costs etc at approximately \$70,000+ however the costs were not considered significant in the context of the overall Council budget and in view of the potential benefits of increased funding opportunities, economic growth and external investment ultimately contributing to a favorable cost/benefit outcome.

2. City of Kwinana (2012)

Kwinana Rationale for Change to City Status

- A change of designation to City will assist to improve the public perception and heighten understanding that the City is a modern and vibrant centre, a place of great diversity.
- The improved perception of City status will have the ability to further enhance the reputation and profile of this vital industrial district, further growing jobs and business opportunities.
- City status brings Federal and State Government recognition, not just in terms of funding, but also in decision-making in the form of greater influence at both a political level and when dealing with government agencies.

It was considered by Kwinana Town Council, that in the main, the Kwinana community would be advantaged by a change to City status, with greater recognition being evident, a fresh

signal for added positive change, and a further enhanced capacity to influence government policy.

Kwinana Commentary post City Status

Since Kwinana became a City, Council has received positive community feedback on a regular basis in regards to our name change. In the last 8 months however we have also finalised a massive redevelopment of our City Centre and this has probably helped with this level of feedback. Customer comments received include 'so proud of our new City'; 'Congratulations to everyone in Kwinana on becoming a City'; 'Well done and congratulations to all and a massive thank you to our Mayor and all Council representatives' and 'Well Done... It has a great ring to it.. The City of Kwinana.. great news.'

As far as the Government is concerned, it is still too soon to comment on grants etc.

In regards to the Metropolitan Reform, we do not believe our City status has made a difference to us surviving at this point. Despite the fact our population will be around 80,000 in 15 years time the State Government are still looking at amalgamating us with either Rockingham or Cockburn within the coming months.

Source: Sharon Rouse, Manager Governance and Marketing, City of Kwinana

City of Kwinana Budget Implications

In their submission to the Minister for Local Government, Kwinana Council provided the following estimation of costs associated with the transition to city status (not including celebratory events expenses):

Item	Estimated Cost	Details
Buildings	\$10,000	Updated signage at Administration Centre and Depot. Other outstations either have separate branding (eg Recquatic and Zone) or are under construction (eg Library)
Parks and Reserves	\$30,000	The Town has been holding off on providing new signage to many of our parks due to the imminent pursual of City status. This will now take place and be paid for out of reserve.
Heavy & Light Fleet	\$5,000	Updating of magnetic door decals on fleet
Entry statements	\$80,000	The Town has been holding off on providing new entry statements due to the imminent pursual of City status. This will now take place and be paid for out of reserve.
Street Name Plates	\$4,000	Existing name plates contain a stick-on label which will be progressively changed by depot staff.
Street and residential Litter Bins	Nil	Existing street bins contain no name. Residential bins will be updated to City of Kwinana but this is at the expense of the contractor and only applies to new bins.
Stationery	\$8,000	New letterhead and business cards etc to be rolled out. Minimal cost for rebrand of website.
Honour boards, civic materials	\$1,000	Gold leafing required at minimal cost
Advertising, including gazetting of local laws etc	\$50,000	Legal requirements of the name change to be addressed
Staff uniform	\$50,000	The Town currently subsidises a \$150 annual contribution to staff uniform (or 50% contribution up to a max \$300)
Total	\$238,000	

3. City of Vincent (2012)

- The change in status to City reflects how Vincent has evolved from an off-shoot of the City of Perth to a prominent and respected local government authority.
- A "City" implies vibrancy, urban, cosmopolitan, cultural, entertaining, progressive and so forth which is more befitting of the high profile of Vincent and its status as an inner city local government and reputation for thoughtful progress.
- Designation as a City reflects the importance and maturity of the local government. Its "City" designation may improve the outcome of future grant applications, as State and Commonwealth Departments prefer to deal with "Cities"

Vincent Commentary post City Status

City of Vincent are happy being a City. It is a status/ perception matter and recognises the maturity of the local government. We cannot identify if it has made a difference in applying for grants investment etc. Perhaps too soon to tell.

Source: John Gorgio CEO, City of Vincent

City of Vincent Budget Implications

In a report to Council, Vincent estimated their costs for transition to city status as below (not including celebratory events):

Item	Estimated Cost	Comment
Buildings	\$30,000	Only the word "Town" will be changed to "City" in the sign wherever possible, thereby saving costs. If it is more cost effective, a new sign will be purchased.
Parks and Reserves	\$15,000	Only the top part of the current timber signage will need to be changed at an approximate cost of \$100-\$150 each, which includes labour.
Heavy Fleet (Trucks, Tractors, Plant, etc)	\$5,000	Door decals will be changed. Large painted signs on rubbish trucks, etc, will be covered with stick-on labels showing the "City of Vincent".
Light Fleet	\$500	Existing decals will be changed, as door decals are small and easily replaceable.
Street Name Plates	Nil	Existing name plates contain a stick-on label, however, these would only be progressively changed as and when replaced.
Street Litter Bins	Nil	Existing street litter bins would not be changed, as these incorporate the "Town of Vincent" into the bin structure. All new bins will be changed as they are ordered.
Miscellaneous Signage	\$5,000	Most parking signage does not include "Town of Vincent" on it. Where possible, stick-on labels will be used, as this will minimise the cost.
Mayoral Chain	\$2,000	A jeweller will need to be engaged to modify the Mayoral chain – which is solid silver with gold plating.
Letterhead and Stationery	\$2,000	Existing stock will be used. New stock will be printed as required.
Miscellaneous	\$3,500	This will be for matters currently not identified.
TOTAL	\$60,000	

4. City of Melton (Victoria) 2012

Melton Rationale for Change to City Status

- Transition to city status reflects the reality of what is a predominantly urban and growing municipality.
- A community survey was carried out which provided 1,109 responses (population 115,000). 37% were in favour of becoming a city whilst 35% wished to remain a Shire.

Melton Commentary post City Status

“The city status acknowledges our fast growth and we continue our advocacy efforts to the state and federal governments for investment in facilities and infrastructure projects that support our ongoing population growth.”

Source: *Mayor Justin Mammarella, City of Melton*

Other benefits in Melton include a change in living experience for residents and an improvement in marketing and positioning of the City feeding into the vision “A proud community growing together”. There has been no evidence at this stage of any increased attraction of government funding however there has been no accurate assessment of progress to date in that area. It may have assisted in the marketability of investment opportunities, particularly in retail, as growth market opportunities are presumably more aligned with cities than shires.

Source: *Daniel Hogan, Customer Engagement Manager, City of Melton, Victoria*

Melton Budget Implications

Estimated costs for the City of Melton were around \$15,000. A staged approach was taken to replacement of logos/signage with only the major ticket items such as building signage replaced at the point of the decision. The rest of the logos, including for vehicles, remained the old logo with just the wording “Shire” replaced with “City”. Cost were further minimised by running down stationary supplies etc.

Shire of Roebourne

Rationale for Change to City Status

Population Growth – Attraction and Retention

The Shire is the most populous of the four Pilbara Shires with an Estimated Residential Population (ERP) of 24,916 (ABS 2012) thus meeting the population requirement to transition to city status under Section 2.4 of the local Government Act 1995. This has been confirmed by the chief statistician as required. The nearest other municipality in terms of population being the Town of Port Hedland with and ERP (2011) of 15,832, Ashburton 10,488 and East Pilbara 12,489. A change in status from “Shire” to “City” reflects this growth

and elevation in status and, in itself, serves in attraction and retention of staff, residents and workers.

City status reflects the growing urban density of the municipality with more than 70% living in the Karratha area. Development of the Mulataga suburb will further cement this trend. With an estimated yield of 2000 dwellings at an average household size of 2.9 (ABS 2011), Karratha is on target to have 20,000 within the next few years.

“Karratha City of the North”

The Shire of Roebourne and the WA Government plan to transform Karratha into a world-class City of the North with a diversified economic base, healthy local community and productive resource sector. There is a real potential for this municipality, as a city, to attract regional investment opportunities in the form of regional infrastructure as part of the Pilbara Cities vision and initiatives. Significant funding is required for the proposed airport expansion, for the regional health campus and to attract a higher education campus. There is a strong case to support the view that arguments for this increased infrastructure and funding would be enhanced when bidding from the position of a city rather than a Shire.

State/Federal Recognition

There is a belief that City status brings Federal/State recognition – not just in terms of funding but also in decision-making in the form of greater “political clout”, particularly dealing with government agencies.

International Relationships

With Council recently approving investigation of an international relationship with a Chinese city, it would be strategic to consider city status with this in mind as evidence suggests that there would be a high degree of expectation by Chinese counterparts.

Pre-empting other Pilbara Towns

With the Town of Port Hedland rapidly expanding and currently claiming to also have 20,000 residents, any delay in the Shire of Roebourne bidding for city status, could result in a lost opportunity to claim first city in the Pilbara title and status.

Shire of Roebourne Budget Implications

There will be a significant financial impost of implementing city status. These include but are not limited to:

- Redesign of logo and corporate image with roll out across the Shire in terms of signage, stationary etc.
- Rebadging/redesign of staff uniforms
- Shire website revamp, domain name registration, other ICT implementation costs
- Acquisition of Mayoral regalia i.e. robes and chain of office
- City Status major event launch, public relations activities and civic celebrations

The approximate total cost is in the vicinity of \$250,000 - \$350,000. Costs could be minimised however through:

- Rebadging an existing Shire event on the calendar as the City Status event (e.g. Karratha Community Celebration)
- Progressively implementing the name change across the City in a systematic way to ensure costs and wastage are minimised.
- Delaying or minimising usual signage replacement due to damage etc (essential signs only) leading up to changeover to minimise costs.

Conclusion

Recent municipalities who have become cities, in their Council submissions, cited a number of benefits through achievement of city status. These include:

Recognition: State/Federal Recognition leading to greater influence at a political level and when dealing with government agencies.

Investment: Attract private investment which will lead to economic benefits, improved facilities and services, more jobs and opportunities for local business.

Civic Pride: Build upon efforts to promote area as a successful, vibrant location and positively alter people's perceptions. A "City" implies vibrancy, urban, cosmopolitan, cultural, entertaining, progressive and so forth.

Population Growth: attraction and retention of workers and families as improvements to public facilities and infrastructure take shape.

Marketing and Promotion: City status could be a significant opportunity for rebranding to assist tourism. Importance when seeking international relationships.

Alignment with Government Policy: Synergy between State initiated regional city initiatives and municipalities' plans and initiatives.

Follow up with the relevant cities post transition has provided the following feedback:

The City of Busselton strongly believe achievement of city status has been most beneficial in seeking investment, attracting major events, establishing credibility when seeking international relationships and a higher profile with government.

The City of Vincent believe it has been important from a status perspective however it has been too early to ascertain if financial benefits have emanated.

The City of Kwinana has had positive feedback from the community in respect to the transition to city status. It has been too early since the transition to ascertain if there has been any benefit in terms of attraction of investment or funding.

The City of Melton (Vic) believe that the transition to city status has been important from a marketing and positioning perspective, from a livability for residents perspective with some benefit in the marketability of investment opportunities, particularly in retail area.