



Shire of Dardanup

MINUTES

INTEGRATED PLANNING COMMITTEE MEETING

Held

19th April 2023

At

Shire of Dardanup
ADMINISTRATION CENTRE EATON
1 Council Drive - EATON

This document is available in alternative formats such as:

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VISION STATEMENT

“Provide effective leadership in encouraging balanced growth and development of the Shire while recognizing the diverse needs of our communities.”

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Members of Integrated Planning Committee

- Cr MT Bennett
- Cr PS Robinson
- Cr LW Davies
- Cr TG Gardiner
- Cr EP Lilly
- Cr PR Perks
- Cr SL Gillespie
- Cr MR Hutchinson

Terms of Reference

The Terms of Reference for this Committee are located in the Tardis records system – refer to the following link:
[2021 - ToR Integrated Planning Committee](#)

COUNCIL ROLE

Advocacy	When Council advocates on its own behalf or on behalf of its community to another level of government / body /agency.
Executive/Strategic	The substantial direction setting and oversight role of the Council e.g. Adopting plans and reports, accepting tenders, directing operations, setting and amending budgets.
Legislative	Includes adopting local laws, town planning schemes and policies.
Review	When Council reviews decisions made by Officers.
Quasi-Judicial	When Council determines an application/matter that directly affects a person's rights and interests. The Judicial character arises from the obligations to abide by the principles of natural justice. Examples of Quasi-Judicial authority include town planning applications, building licences, applications for other permits/licences (eg: under Health Act, Dog Act or Local Laws) and other decisions that may be appealable to the State Administrative Tribunal.

DISCLAIMER

“Any statement, comment or decision made at a Council or Committee meeting regarding any application for an approval, consent or licence, including a resolution of approval, is not effective as an approval of any application and must not be relied upon as such.

Any person or entity that has an application before the Shire must obtain, and should only rely on, written notice of the Shire's decision and any conditions attaching to the decision, and cannot treat as an approval anything said or done at a Council or Committee meeting.

Any advice provided by an employee of the Shire on the operation of a written law, or the performance of a function by the Shire, is provided in the capacity of an employee, and to the best of that person's knowledge and ability. It does not constitute, and should not be relied upon, as a legal advice or representation by the Shire. Any advice on a matter of law, or anything sought to be relied upon as a representation by the Shire should be sought in writing and should make clear the purpose of the request.”

RISK ASSESSMENT

Inherent Risk	The level of risk in place in order to achieve the objectives of the Council and before actions are taken to alter the risk's impact or likelihood.
Residual Risk	The remaining level of risk following the development and implementation of Council's response.
Strategic Context	These risks are associated with achieving Council's long term objectives.
Operational Context	These risks are associated with the day-to-day activities of the Council.
Project Context	Project risk has two main components: <ul style="list-style-type: none"> • Direct refers to the risks that may arise as a result of project, which may prevent the Council from meeting its objectives. • Indirect refers to the risks which threaten the delivery of project outcomes.

SHIRE OF DARDANUP**MINUTES FOR THE SHIRE OF DARDANUP INTEGRATED PLANNING COMMITTEE MEETING HELD ON WEDNESDAY, 19TH OF APRIL 2023, AT SHIRE OF DARDANUP - ADMINISTRATION CENTRE EATON, COMMENCING AT 12.30PM.****1 DECLARATION OF OPENING/ANNOUNCEMENTS OF VISITORS**

The Chairperson, Cr Michael Bennett declared the meeting open at 12.44pm, welcomed those in attendance and referred to the Disclaimer, Acknowledgement of Country, Emergency Procedure and the Affirmation of Civic Duty and Responsibility on behalf of Councillors and Officers

Acknowledgement of Country

The Shire of Dardanup wishes to acknowledge that this meeting is being held on the traditional lands of the Noongar people. In doing this, we recognise and respect their continuing culture and the contribution they make to the life of this region and pay our respects to their elders, past, present and emerging. The Shire of Dardanup also respects and celebrates all cultures of all our residents and those visitors to our Shire.

Affirmation of Civic Duty and Responsibility

Councillors and Officers of the Shire of Dardanup collectively declare that we will duly, faithfully, honestly and with integrity fulfil the duties of our respective office and positions for all the people in the district according to the best of our judgement and ability. We will observe the Shire's Code of Conduct and Standing Orders to ensure efficient, effective and orderly decision making within this forum.

Committee members acknowledge that only the Chief Executive Officer or a member of the Shire of Dardanup staff appointed by the Chief Executive Officer is to have contact with consultants and suppliers that are appointed under contract to undertake the development and implementation of projects.

The exception to this Policy is when there is a meeting of the committee or working group with the consultant and the Chief Executive Officer or the Chief Executive Officer's representative is present.

Members of committees acknowledge that a breach of this Policy may result in a request to Council to have them removed from the committee.

Emergency Procedure

In the event of an emergency, please follow the instructions of the Chairperson who will direct you to the safest exit route. Once outside, please proceed to the muster point located at the front of the building where we will meet (and complete a roll call).

2 RECORD OF ATTENDANCE/APOLOGIES

2.1 Attendance

Cr. Michael Bennett	-	Shire President
Cr. Peter Robinson	-	Deputy Shire President [Via Teams]
Cr. Tyrrell Gardiner	-	Elected Member
Cr. Ellen Lilly	-	Elected Member
Cr Patricia Perks	-	Elected Member
Mr André Schönfeldt	-	Chief Executive Officer
Mr Phil Anastasakis	-	Deputy Chief Executive Officer
Ms Susan Oosthuizen	-	Director Sustainable Development
Mr Theo Naudé	-	Director Infrastructure
Mr Kristin McKeachie	-	Manager Assets
Mrs Natalie Hopkins	-	Manager Financial Services
Mrs Joy Welshman	-	Manager Operations
Mrs Donna Bailye	-	Governance Coordinator
Mrs Rebecca Hobby	-	PA, Deputy Chief Executive Officer

2.2 Apologies

Cr. Stacey Gillespie	-	Elected Member
Cr Luke Davies	-	Elected Member
Cr. Mark Hutchinson	-	Elected Member

3 PRESENTATIONS

None.

4 CONFIRMATION OF MINUTES OF PREVIOUS MEETING

4.1 Integrated Planning Committee Meeting Held 8th of March 2023

INTEGRATED PLANNING COMMITTEE RESOLUTION

IPC 15-23 MOVED - Cr T Gardiner SECONDED- Cr P Perks

THAT the Minutes of the Integrated Planning Committee Meeting held on the 8th of March 2023, be confirmed as true and correct.

CARRIED
5/0

5 ANNOUNCEMENTS OF MATTERS FOR WHICH MEETING MAY BE CLOSED

None.

6 QUESTIONS BY MEMBERS OF WHICH DUE NOTICE HAS BEEN GIVEN

None.

7 DECLARATION OF INTEREST

“Committee Members should fill in Disclosure of Interest forms for items in which they have a financial, proximity or impartiality interest and forward these to the Presiding Member before the meeting commences.”

Key Management Personnel (which includes Elected Members, CEO and Directors) are reminded of their requirement to disclose biannually transactions between Council and related parties in accordance with Council Policy CP039.

Discussion:

Chairperson, Cr. M Bennett asked the Committee members if there were any Declarations of Interest to be made.

There were no Declarations of Interest made.

8 REPORTS OF OFFICERS

8.1 Title: Councillor / Staff Budget Requests 2023/24

Reporting Department	<i>Corporate & Governance Directorate</i>
Responsible Officer	<i>Mr Phil Anastasakis - Deputy CEO</i>
Reporting Officer	<i>Mr Phil Anastasakis - Deputy CEO</i>
Legislation	<i>Local Government (Financial Management) Regulations 1996</i>
Council Role	<i>Executive/Strategic.</i>
Voting Requirement	<i>Simple Majority.</i>
Attachments	<i>Appendix IPC: 8.1 – Risk Assessment Tool</i>

Overview

This report summarises the 2023/24 budget requests that have been received from elected members and staff.

At the Integrated Planning Committee meeting held on the 8th of March 2023, Council resolved to defer consideration of the Councillor and staff budget requests to the 19th April 2023 Integrated Planning Committee meeting.

The Integrated Planning Committee is tasked with considering these requests and recommending the inclusion of specific items in the 2023/24 budget and Long Term Financial Plan.

INTEGRATED PLANNING COMMITTEE RESOLUTION

IPC 16-23 MOVED – Cr P Perks SECONDED – EP Lilly

THAT the Integrated Planning Committee recommends that Council endorses the following projects be included for consideration in the Draft LTFP, Draft Corporate Business Plan and Draft 2023/24 Budget:

1. Councillor Budget Requests:

No Items Requested

2. Staff Budget Requests:

- a. **Reconciliation Action Plan - \$15,000 in 23/24;**
- b. **Library RFID Equipment & Maintenance - \$5,000 per annum and ongoing;**
- c. **Bushland Reserves – Annual Firebreak Clearing - \$22,000 per annum and ongoing;**
- d. **Vehicle for Senior Projects Officer/PACE (Designated as a Pool Car to be stored at the Shire Depot) - \$40,000 in 23/24 with the future replacement added to Executive & Compliance Vehicle Asset Management Plan.**

CARRIED
5/0

Change to Officer Recommendation - No Change.**Background**

Each year as part of the annual budget development process, elected members, community members and staff are invited to put forward requests for consideration in the draft budget. The requests are considered well before the budget is drafted, to avoid any late changes which may cause delays in the annual budget adoption process.

Requests from elected members, community members and staff were received up to 17th February 2023. Community budget requests are considered as part of a separate Integrated Planning Committee Agenda report. The elected member requests, and staff requests endorsed by the Executive Management Team, are outlined under the section “Budget Implications” below, with the Executive Management Team’s comment and recommendation provided for each item.

At the Integrated Planning Committee meeting held on the 8th of March 2023, Council resolved to defer consideration of the Councillor and staff budget requests to the 19th April 2023 Integrated Planning Committee meeting.

Legal Implications

Local Government Act 1995

Local Government (Financial Management) 1996

Section 6.2 (4) of the *Local Government Act 1995* states:

6.2. *Local government to prepare annual budget*

(4) *The annual budget is to incorporate —*

(a) *particulars of the estimated expenditure proposed to be incurred by the local government;*

Part 2, Regulation 5 (1) (g) of the *Local Government (Financial Management) 1996* Regulation states:

5. *CEO’s duties as to financial management*

(1) *Efficient systems and procedures are to be established by the CEO of a local government —*

(g) *to assist in the preparation of budgets, budget reviews, accounts and reports required by the Act or these regulations.*

Council Plan

13.1 - Adopt best practice governance.

13.2 - Manage the Shire’s resources responsibly.

Environment - None.

Precedents

Each year as part of the budget / LTFP development process Councillors, community and staff are provided the opportunity to put forward budget requests for consideration.

Budget Implications

Please refer to the following tables: Table 1 – Councillor Budget Requests; and Table 2 – Staff Budget Requests.

COUNCIL BUDGET ADOPTION AND CONSIDERATION ITEMS

PROJECTS		ESTIMATED COST
1.		\$0

COUNCILLOR BUDGET REQUESTS

Cr Mick Bennett – NO ITEMS REQUESTED
Cr Luke Davies – NO ITEMS REQUESTED
Cr Janice Dow – NO ITEMS REQUESTED
Cr Mark Hutchinson – NO ITEMS REQUESTED
Cr Patricia Perks – NO ITEMS REQUESTED
Cr Tyrrell Gardiner – NO ITEMS REQUESTED
Cr Peter Robinson – NO ITEMS REQUESTED
Cr Stacey Gillespie – NO ITEMS REQUESTED
Cr Ellen Lilley – NO ITEMS REQUESTED

STAFF BUDGET REQUESTS

EXECUTIVE SERVICES DIRECTORATE		
PROJECT	AMOUNT	NET BUDGET IMPACT 2023/34
TOTAL	\$0	\$0

CORPORATE & GOVERNANCE DIRECTORATE		
PROJECT	AMOUNT	NET BUDGET IMPACT 2023/24
TOTAL	\$0	\$0

SUSTAINABLE DEVELOPMENT DIRECTORATE		
PROJECT	AMOUNT	A NET BUDGET IMPACT 2023/24
<p><u>Motor Vehicle – Ranger Canopy –ADD AS 23/24 ASSET IN LTFP</u></p> <p>Ranger services have previously undergone manual handling training where it was highlighted that the current vehicle canopy set up that is used for ranger storage and the transportation of animals is not industry standard and does not meet all the requirements highlighted in the Standards and Guidelines – Health and Welfare of Dogs in Western Australia as issued by Department of Primary Industries and Regional Development (DPIRD) in February 2020.</p> <p>As part of forward planning for the changeover of ranger vehicles, it is requested that the budget include an upgrade of the current canopy to a ‘fit for purpose’ industry standard canopy to mitigate identified risks to the Shire. The new ‘fit for purpose’ canopy can be modified and transferred with future vehicle changeovers.</p> <p>PLEASE NOTE: This budget request is for when the next ranger vehicle is due for replacement in 2023/24 and would be included as an additional cost in the changeover vehicle expenses.</p> <p>Finance - This item would be treated as an asset due to its ongoing life. The utility would need to be changed from a dual cab utility to a single cab utility. Vehicle Cost - \$47,971.27 + GST (current cost of the dual cab Ranger vehicle in the ECV AMP is \$43,344 plus GST); POD Cost - \$33,564.13 + GST; Cost to install/transfer POD - \$3,500 + GST. While adequate funds exist in the Executive & Compliance Vehicle (ECV) Reserve in 2023/24, there is not adequate funds in future years. Additional Reserve funding would be required to fund this initial purchase and ongoing replacement.</p>	<p>\$33,564 POD</p> <p>Plus</p> <p>\$4,627 vehicle upgrade cost</p> <p>plus</p> <p>installation \$3,500</p> <p>Total = \$41,691</p>	<p>\$41,691 in 23/24 with additional funds required in future years when a vehicle changeover occurs.</p>
<p><u>Reconciliation Action Plan actions</u></p> <p>Per Council Plan, Shire Specific Reconciliation Action Plan is to be developed in the 23/24 financial year. Further, the Native title settlement is nearing formalization. Request \$15,000 to allow costs associated with developing Shire RAP plan, providing cultural awareness training to Staff and council and engagement / consultations with the local Aboriginal and Torres Strait Island Community and Elders.</p>	<p>\$15,000</p>	<p>\$15,000</p>
<p><u>Library RFID Equipment & Maintenance</u></p> <p>Increase of costs associated with the administration of the One Library Consortium who administers the Sirsi Dynix system and support systems for the Libraries within the consortium. Consortium requests to increase FTE of the Admin assistant increase of this would cost each consortium member \$5,000.</p>	<p>\$5,000</p>	<p>\$5,000</p>
TOTAL	\$61,691	\$61,691

INFRASTRUCTURE SERVICES DIRECTORATE		
PROJECT	AMOUNT	A NET BUDGET IMPACT 2023/24
<p><u>Bushland Reserves – Annual Firebreak Clearing</u></p> <p>There are 26 reserves (see below) have been identified for contractor slashing which will (overall) cost in the order of \$22k per year.</p> <p>This proposal will greatly assist P&E in reduction of Fusion cases due to customer complaint regarding perceived fire hazards on Shire land. This proposal will also allow P & E crew to remain on their current maintenance schedule which otherwise goes on hold in order to attend to complaints.</p> <p>The P&E team does not have sufficient capacity to undertake this work in-house and therefore propose to appoint a contractor for these works.</p>	\$22,000	\$22,000
<p><u>Vehicle for Senior Projects Officer/ PACE</u></p> <p>The Senior Project Officer (SPO) occupies an important role in the Shire's Operations Services (Ops), but is encumbered by immobility when delivering projects and services. The role covers a broad range of services, including, but not limited to:</p> <ul style="list-style-type: none"> • Planning, programming and delivery of complex and simple projects; • Building maintenance and servicing; • Direct supervision of the Cleaners; and • Frequent undefined internal customer requests. <p>The delivery of these portfolio service areas, necessarily involves the following movements:</p> <ul style="list-style-type: none"> • Pre-project site inspections; • Contract site meetings; • Project defect inspections and close out meetings; • On-site project and maintenance meetings with Supervisors; • Task instructions for contractors e.g. electricians, plumbers, builders, cleaning specialists; • On site direction and instruction for Shire cleaners; • Trouble shooting for undefined internal customer requests; • Asset condition inspections and reporting e.g. bridges, paths and playgrounds; and • Afterhours and weekend call outs (e.g. public toilets) and contractor set-up (e.g. Test & Tag). <p>The broad range of site inspections / meetings requires the SPO to be mobile every day, often multiple times in a single day, and often weekends to support contractor timelines. The role is currently not assigned with a workplace vehicle which results in either:</p> <ul style="list-style-type: none"> • The Officer either using her own vehicle and charging mileage for up to 200km per week; 	<p>\$40,000 vehicle acquisition cost</p> <p>Pricing based on Ford Custom 340L Van with govt discount</p>	<p>\$40,000 in 23/24 with additional funds required in future years when a vehicle changeover occurs.</p>

<ul style="list-style-type: none"> • Accessing the Manager Operations (MO) vehicle (DA 955); or • Rescheduling meetings / on-site inspections until a vehicle is available. <p>The position was previously assigned a service vehicle, but this has since been reassigned to the Development Engineer position. Further, the purchase of a van could be a multi-purpose vehicle for the Shire mitigating issues with vehicle allocations for the PACE and Events Team who are often without a vehicle for events.</p> <ul style="list-style-type: none"> • Manager cannot attend all events and the car is often in use during set-up / pack down. • Contract for private use. Unable to get home if left in Eaton for weekend (lives in Busselton) or unavailable if MPCE is unwell / not at work. • MPCE Car is often not big enough for all the equipment many events require 2 cars. • Per policy, wherever possible staff should utilise a Council vehicle as a first preference. • Option 3 of Policy is - Motor Vehicle allowance means - Vehicles should be limited in their age and have acceptable ANCAP and Co2 emission ratings. (Event Staff's Car not suitable) • The establishment of "Grey fleet" per policy is undertaken through a formal application process to ensure any 'Grey Fleet' use is approved in advance based on established safety assessments, Policy requirements, and employee declarations. • Private vehicles have been used in past and claimed kms, however does not cover damage to private vehicles from large equipment. Staff not willing to use own vehicle. 		
<p><u>Restricted Private use of vehicles for works staff required to be on-call</u></p> <p>During a recent review of the Shire's processes related to works staff being required to be on-call or called out after hours to attend emergency or urgent maintenance requests, the relevant staff requested restricted private use of the vehicles to allow them more flexibility and to provide additional benefit for them to take on the responsibility of being on-call.</p> <p>Should the relevant staff not agree to be on-call, the Shire may have to seek contractors to undertake the works. It is likely that such costs would exceed the additional expenditure considered as per this request.</p>	<p>\$25,000</p>	<p>\$25,000</p>
<p>TOTAL</p>	<p>\$87,000</p>	<p>\$87,000</p>

The Net impact of Staff and Councillor Budget Requests for 2023/24 total \$148,691.

Budget – Whole of Life Cost

Subject to the projects and timeframes, each would be incorporated in future budgets if approved.

Council Policy Compliance

The budget is based on the principles contained in the Strategic Community Plan and Corporate Business Plan. *Policy CnG CP018 – Corporate Business Plan & Long Term Financial Plan* applies.

All requests from community groups, elected members and staff to be included in the annual Corporate Business Plan shall be lodged with the Chief Executive Officer no later than the 31 March in each year.

Risk Assessment

The Risk Management Governance Framework has been considered in arriving at the officer recommendation. Please refer to (Appendix IPC: 8.1) for full assessment document.

Tier 2 – ‘Low’ or ‘Moderate’ Inherent Risk.		
Risk Event	Councillor / Staff Budget Requests 2023/24	
Inherent Risk Rating (prior to treatment or control)	Moderate (5 - 11)	
Risk Action Plan (treatment or controls proposed)	As the Inherent Risk Rating is below 12, this is not applicable.	
Residual Risk Rating (after treatment or controls)	As the Inherent Risk Rating is below 12, this is not applicable.	
Risk Category Assessed Against	Financial Legal and Compliance	Elected Member & Staff Budget requests form part of the Annual Budget Process Failure to comply with Council policy <i>CP 018 – Corporate Business Plan & Long Term Financial Plan</i> could result in non-compliance

Officer Comment

Refer to the Executive Management Team comments provided above.

END REPORT

8.2 Title: Pathway Asset Management Plan 2023/24 – 2032/33

Reporting Department	Corporate & Governance Directorate
Responsible Officer	Mr Phil Anastasakis - Deputy CEO
Reporting Officer	Mr Kristin McKeachie - Manager Assets Mr Theo Naudé - Director Infrastructure
Legislation	Local Government Act 1995 Local Government (Function & General) Regulations 1996
Council Role	Executive/Strategic.
Voting Requirement	Simple Majority.
Attachments	Appendix IPC: 8.2A – Pathways Asset Management Plan 2023/24 – 2032/33: Appendix IPC 8.2B – Risk Assessment

Overview

The Committee is requested to consider and endorse the Annual Transfer to Reserve for the Pathways Works Program 2023/24 – 2032/33, together with the Pathways Asset Management Plan 2023/24 – 2032/33 which has been updated as part of the annual review of the Long Term Financial Plan and Corporate Business Plan.

Having the PAMP updated and endorsed by Council will provide staff the opportunity to plan and schedule the 10 Year Pathways Works Program in conjunction with other infrastructure works.

This matter was initially considered at the 8th March 2023 Integrated Planning Committee meeting, with Council deferring the matter to the 19th April 2023 Integrated Planning Committee meeting.

INTEGRATED PLANNING COMMITTEE RESOLUTION

IPC 17-23 MOVED – Cr T Gardiner SECONDED – Cr P Robinson

THAT the Integrated Planning Committee recommends that Council:

- Adopts the following Annual Transfers to the Pathways Reserve for the delivery of the 10 Year Pathways Works Program:**

	23-24	24-25	25-26	26-27	27-28	28-29	29-30	30-31	31-32	32-33
	Annual Transfer (x \$1,000)									
2023/2024 Draft LTFP	100	150	150	200	200	200	200	200	200	250

- Endorses the 10 year Pathways Asset Management Plan 2023/24-2032/33 Pathways Works Program (Appendix IPC: 8.2A).**

CARRIED
5/0

Change to Officer Recommendation - No Change

Background

The Pathway Asset Management Plan (PAMP) provides a comprehensive plan for the improvement, expansion, renewal and maintenance of the Shire's pathway network. The PAMP looks at the existing network, determines standards and processes for determining an overall master plan of pathways for

the Shire and recommends a program of works for the improvement, expansion and renewal of the pathway network. The PAMP is reviewed annually to take into consideration any changes resulting from traffic, development and subdivisions, newly constructed pathways together with financial constraints.

The PAMP is written in consideration of the Shire of Dardanup Shire of Dardanup Council Plan (CP) and the subsequent 10 Year program is produced for the 2023/2024 Long Term Financial Plan and Corporate Business Plan.

Legal Implications

Local governments are required by legislation to adopt an integrated strategic planning approach to financial management.

Local Government (Administration) Regulations 2011

19DA. *Corporate business plans, requirements for (Act s. 5.56)*

- (3) *A corporate business plan for a district is to —*
- (a) *set out, consistently with any relevant priorities set out in the strategic community plan for the district, a local government's priorities for dealing with the objectives and aspirations of the community in the district; and*
 - (b) *govern a local government's internal business planning by expressing a local government's priorities by reference to operations that are within the capacity of the local government's resources; and*
 - (c) *develop and integrate matters relating to resources, including asset management, workforce planning and long-term financial planning.*

Council Plan

13.1 - Adopt best practice governance.

13.2 - Manage the Shire's resources responsibly.

Environment - None.

Precedents

Council reviews and adopts the 10 Year Works Program annually and the PAMP as and when amendments are made.

Budget Implications

The information contained in the 10 Year Works Program will be used annually to develop the Shire of Dardanup Corporate Business Plan.

The following summary tables from the proposed 2023/24 Pathways 10 Year Asset Management Plan are provided with the agenda and indicate the projected expenditure and income for the next ten years (Appendix IPC: 8.2A):

- Pathways Expenditure Summary; and
- Pathways Reserve Fund Balance.

Annual Transfer (x \$1,000)	Current Year 22/23	23-24	24-25	25-26	26-27	27-28	28-29	29-30	30-31	31-32	32-33
Expenditure	115	172	225	120	134	131	364	230	146	254	249
Reserve Fund Balance	192	122	49	81	148	222	65	36	91	40	41

A complete copy of the Pathways 10 Year Asset Management Plan Works Program is attached (Appendix IPC: 8.2A).

The proposed annual reserve transfer for pathways has not changed from that adopted in the Long Term Financial Plan (LTFP) of 2022-2023. The following table shows the proposed annual transfers compared to the previous year adopted amounts:

	Current Year 22/23	23-24	24-25	25-26	26-27	27-28	28-29	29-30	30-31	31-32	32-33
	Annual Transfer (x \$1,000)										
2022/2023 LTFP	100	100	150	150	200	200	200	200	200	200	250
Draft 2023/2024 LTFP		100	150	150	200	200	200	200	200	200	250

Budget – Whole of Life Cost

The purpose of the PAMP is to plan for the expansion, upgrade, renewal and maintenance of the Shire’s pathway network and is essentially dealing with the full life cycle requirements of pathway infrastructure.

A recent condition inspection of the Shire’s pathway network has established that the majority of the paths are in good to fair condition. There is however a significant part of the network showing aging and also requiring work relating to cracks and trip hazards caused by other factors than aging. Some of these repairs require redesigns and significant replacements. There has also been some improvements identified to improve pedestrian and cyclist safety especially surrounding schools.

Council Policy Compliance

Council Policy CnG CP018 – *Corporate Business Plan & Long Term Financial Plan* outlines the objective and requirements to enable the annual budget to be adopted by the end of June each year. This incorporates the annual review and updating of Asset Management Plans.

Risk Assessment

The Risk Management Governance Framework has been considered in arriving at the officer recommendation. Please refer to (Appendix IPC: 8.2B) for the full assessment document.

Tier 2 – ‘Low’ or ‘Moderate’ Inherent Risk.	
Risk Event	Pathway Asset Management Plan 2023/24 – 2032/33
Inherent Risk Rating (prior to treatment or control)	Moderate (5 - 11)
Risk Action Plan (treatment or controls proposed)	As the Inherent Risk Rating is below 12, this is not applicable.
Residual Risk Rating (after treatment or controls)	As the Inherent Risk Rating is below 12, this is not applicable.

Tier 2 – ‘Low’ or ‘Moderate’ Inherent Risk.		
Risk Category Assessed Against	Financial	Risk that assets are not renewed at the end of their useful lives.
		Risk that assets are not upgraded or created to meet demand.
	Reputational	Risk that customer levels of service are reduced or maintained to meet public expectation.

Officer Comment

Works Program planning and delivery involves a holistic and team approach as it considers not only strategic, asset management and financial decisions but also infrastructure planning and delivery while considering contractual, funding providers and community expectations.

- *Review of Cost Estimates for Proposed Projects*

As part of the Revaluation of Infrastructure Assets in 2022, the Shire of Dardanup undertook a review of the Unit Rates used for the preparation of Costs Estimates for future works on paths. These Unit Rates were provided by the Shire’s third party Valuation Consultant (TALIS Pty Ltd) and were reviewed by the Shire’s external auditors as part of the 2020 Financial Accounting Audit.

In order to reduce the potential for budget overruns or contract shortfalls, it is considered imperative that estimated budgets for future Works are as accurate as possible and are based upon the best information available. The estimated costs of all proposed Works in the proposed 2023/24 Works Program have therefore been re-calculated based upon the 2022 audited Unit Rates.

In addition, the escalation factors used to forecast future costs for Works beyond Year 1 of the Program have been re-calculated based upon the most recent inflation forecast data available from the Australian Bureau of Statistics (ABS).

Based upon the above recalculations, the cost estimates for proposed projects have generally increased by (in the order of) 25% to 30%. This growth is in line with reported cost increases industry-wide, and is driven by inflationary effects on raw materials (primarily as a combined result of the COVID19 emergency and the war in Ukraine).

In order for such large cost escalations to be absorbed within the proposed 2023/24 Works Program and to minimise the impact of these changes on the Shire’s overall fiscal position, the timing of many of the future projects has been adjusted where possible (i.e. some projects have been deferred by up to three years). This is considered both necessary and fiscally responsible.

As a result of the rescheduling of projects noted above, proposed Reserve Transfers for the 2023/24 Works Program have been maintained at the same levels as the previous Program.

A financial summary of the Draft 10 Year Pathways Asset Management Plan is provided for in (Appendix IPC: 8.2A).

To enable staff to continue the development of the 10 year works programs, the Committee is requested to consider the proposed reserve transfers for adoption:

23-24	24-25	25-26	26-27	27-28	28-29	29-30	30-31	31-32	32-33	Total
(x \$1,000)										
100	150	150	200	200	200	200	200	200	250	2,289

In summary, the proposed draft 2023-24 Works Program is considered a reasonable programme balancing Council's project priorities and funding resources. The scheduling of these projects will be presented to the Committee over the coming weeks to improve the program even further.

Future improvements will also consider these programs are supported by monitoring service levels and whole of life implications to improve suitability and affordability into the future.

END REPORT

8.3 Title: Parks & Reserves (Open Space) Asset Management Plan 2023/24 – 2032/33

Reporting Department	<i>Corporate & Governance Directorate</i>
Responsible Officer	<i>Mr Phil Anastasakis - Deputy CEO</i>
Reporting Officer	<i>Mr Theo Naudé - Director Infrastructure</i> <i>Mr Kristin McKeachie - Manager Assets</i>
Legislation	<i>Local Government Act 1995</i> <i>Local Government (Function & General) Regulations 1996</i>
Council Role	<i>Executive/Strategic.</i>
Voting Requirement	<i>Simple Majority.</i>
Attachments	<i>Appendix IPC 8.3A – Parks & Reserves Asset Management Plan 2023/24 – 2032/33</i> <i>Appendix IPC 8.3B - Risk Assessment</i>

Overview

The Committee is requested to consider and endorse the Annual Transfer to Reserve for the Parks and Reserves Works Program 2023/24 – 2032/33, together with the Parks and Reserves Asset Management Plan 2023/24 – 2032/33 which has been updated as part of the annual review of the Long Term Financial Plan and Corporate Business Plan.

Having the PRAMP updated and endorsed by Council will provide staff the opportunity to plan and schedule the 10 Year Parks and Reserves Works Program in conjunction with other infrastructure works.

This matter was not considered at the 8th March 2023 Integrated Planning Committee meeting, which enabled further planning and analysis to occur before consideration of the item at the 19th April 2023 Integrated Planning Committee meeting.

Note: Cr P Robinson left the room at 2.03pm and returned at 2.04pm.

OFFICER RECOMMENDED RESOLUTION

THAT the Integrated Planning Committee recommends that Council:

- Adopts the following Annual Transfers to the Parks & Reserves Upgrades Reserve for the delivery of the 10 Year Parks and Reserves Works Program:

	23-24	24-25	25-26	26-27	27-28	28-29	29-30	30-31	31-32	32-33
	Annual Transfer (x \$1,000)									
2023/2024 Draft LTFP	250	250	250	300	150	150	150	150	150	150

- Endorses the 10 year Parks & Reserves Asset Management Plan 2023/24-2032/33 Road Works Program (Appendix IPC: 8.3A), based on capital works on the Eaton Foreshore and Eaton ovals being funded in part or total from the Eaton Landscaping Specified Area Rate.

Change to Officer Recommendation

As per *Local Government (Administration) Regulations 1996 11(da)* Council records the following reasons for amending the Officer Recommended Resolution:

- *The Committee wish to workshop further the detailed works in the Parks and Reserves Program before adoption of the Parks & Reserve Asset Management Plan.*

OFFICER RECOMMENDED RESOLUTION

IPC 18-23 MOVED- Cr M Bennett SECONDED- Cr E Lilly

THAT the Integrated Planning Committee recommends that Council adopts the following Annual Transfers to the Parks & Reserves Upgrades Reserve for the delivery of the 10 Year Parks and Reserves Works Program:

	23-24	24-25	25-26	26-27	27-28	28-29	29-30	30-31	31-32	32-33
	Annual Transfer (x \$1,000)									
2023/2024 Draft LTFP	250	250	250	300	150	150	150	150	150	150

CARRIED
5/0

Background

The Parks & Reserves Asset Management Plan (PRAMP) provides a comprehensive plan for the improvement, expansion, renewal and maintenance of the Council's parks and reserves assets.

The Parks and Reserves 10 Year Programs are documents that summarise all maintenance, renewal, upgrade and expansion works programmed for the Council's existing and proposed Parks and Reserves Assets. The document contains estimates of expenditure and revenue, together with recommended Reserve transfers to fund the works. The 10 Year Program is derived from the PRAMP and is produced for the 2023/2024 Long Term Financial Plan and Corporate Business Plan process and is provided for Council consideration and adoption.

The adoption of the 10 Year Program is also useful for seeking external funding for parks and reserves projects as it clearly demonstrates that the Council has identified the project in a forward capital works plan and its relevance to the Council.

Legal Implications

Local governments are required by legislation to adopt an integrated strategic planning approach to financial management.

Local Government (Administration) Regulations 2011

19DA. Corporate business plans, requirements for (Act s. 5.56)

- (3) *A corporate business plan for a district is to —*
- (a) *set out, consistently with any relevant priorities set out in the strategic community plan for the district, a local government's priorities for dealing with the objectives and aspirations of the community in the district; and*

- (b) *govern a local government's internal business planning by expressing a local government's priorities by reference to operations that are within the capacity of the local government's resources; and*
- (c) *develop and integrate matters relating to resources, including asset management, workforce planning and long-term financial planning.*

6.37. Specified area rates

- (1) *A local government may impose a specified area rate on rateable land within a portion of its district for the purpose of meeting the cost of the provision by it of a specific work, service or facility if the local government considers that the ratepayers or residents within that area —*
 - (a) *have benefited or will benefit from; or*
 - (b) *have access to or will have access to; or*
 - (c) *have contributed or will contribute to the need for,*
that work, service or facility.
- (2) *A local government is required to —*
 - (a) *use the money from a specified area rate for the purpose for which the rate is imposed in the financial year in which the rate is imposed; or*
 - (b) *to place it in a reserve account established under section 6.11 for that purpose.*
- (3) *Where money has been placed in a reserve account under subsection (2)(b), the local government is not to —*
 - (a) *change the purpose of the reserve account; or*
 - (b) *use the money in the reserve account for a purpose other than the service for which the specified area rate was imposed,*
and section 6.11(2), (3) and (4) do not apply to such a reserve account.
- (4) *A local government may only use the money raised from a specified area rate —*
 - (a) *to meet the cost of providing the specific work, service or facility for which the rate was imposed; or*
 - (b) *to repay money borrowed for anything referred to in paragraph (a) and interest on that money.*
- (5) *If a local government receives more money than it requires from a specified area rate on any land or if the money received from the rate is no longer required for the work, service or facility the local government —*
 - (a) *may, and if so requested by the owner of the land is required to, make a refund to that owner which is proportionate to the contributions received by the local government; or*
 - (b) *is required to allow a credit of an amount proportionate to the contribution received by the local government in relation to the land on which the rate was imposed against future liabilities for rates or service charges in respect of that land.*

Council Plan

13.1 - Adopt best practice governance.

13.2 - Manage the Shire's resources responsibly.

Environment - None.

Precedents

Council reviews and adopts the 10 Year Works Program annually and the PRAMP as and when amendments are made.

Budget Implications

The information contained in the Parks and Reserves 10 Year Program will be used annually to develop the Council's Long Term Financial Plan and Corporate Business Plan.

The following summary tables from the proposed 2023/24 Parks & Reserves 10 Year Asset Management Plan are provided within the agenda and indicate the projected expenditure and income for the next ten years (Appendix IPC: 8.3A):

- Parks & Reserves Expenditure Summary; and
- Parks & Reserves Upgrades Reserve Fund Balance.

Annual Transfer (x \$1,000)	Current Year 22/23	23-24	24-25	25-26	26-27	27-28	28-29	29-30	30-31	31-32	32-33
Expenditure	1,011	524	405	492	412	131	252	197	202	207	79
Reserve Fund Balance	184	287	234	137	126	159	158	212	261	306	379

A complete copy of the Parks & Reserves Upgrades 10 Year Asset Management Plan is attached (Appendix IPC: 8.3A).

The proposed annual reserve transfer for Parks and Reserves has changed from that adopted in the Long Term Financial Plan (LTFP) of 2022-2023. The reasons for the changes are discussed in the Officer Comments section of this report. The following shows the proposed annual transfer compared to the previous year adopted amounts.

	Current Year 22/23	23-24	24-25	25-26	26-27	27-28	28-29	29-30	30-31	31-32	32-33
	Annual Transfer (x \$1,000)										
2022/2023 LTFP	200	200	150	250	300	300	300	300	300	300	300
Draft 2023/2024 LTFP		250	250	250	300	150	150	150	150	150	150

Eaton Landscaping Specified Area Rate

The Specified Area Rate (SAR) for "Eaton Landscaping" is levied on properties within Eaton and Millbridge. The broad purpose and application of the SAR is to allow for the maintenance of Millbridge Estate parks and reserves to a higher standard than elsewhere in the Shire, and to fund the capital costs of upgrading parks and reserves in Eaton.

The Eaton Landscaping SAR was the subject of a report to Council in May 2019, where an overview of the funds raised and expenditure incurred since its inception in 2009/10 was provided. The report detailed specific capital works nominated as part of previous annual budget processes, on which the capital portion for upgrading parks and reserves in Eaton was spent. Previous expenditure included projects related to upgrades at the Eaton Foreshore, Eaton Drive Verges, Eaton Oval Upgrades and Irrigation Systems Designs.

At the May 2019 OCM, [OCM Res 134-19] Council resolved that the Chief Executive Officer undertake a review of the Parks and Reserves Asset Management Plan to consider a consistent level of service across the shire is applied to parks and reserves. The resolution also required the Chief Executive Officer to review how the Eaton Landscaping SAR was applied. The review of the SAR was to be based on the ovals and Eaton Foreshore being considered as Regional Open Space, with improvements and maintenance of Regional Open Space to be funded out of general revenue.

134-19 *MOVED -* *Cr P S Robinson* *Seconded -* *Cr L Davies*

THAT Council:

1. *Endorses the 10 year Parks & Reserves Asset Management Plan 2019/20-2028/29 program of works presented to the Strategic Planning Committee on 1 May 2019 – (Records System Link R0000632926 & (Electronic Appendix ORD: 12.14E).*
2. *Requests the Chief Executive Officer to undertake a review of how the Eaton Landscaping Specified Area Rate is applied based on the ovals and Eaton Foreshore being considered as regional open space, with improvements and maintenance of regional open space to be funded out of General Revenue.*
3. *Requests the Chief Executive Officer to include consideration of the Eaton Landscaping Specified Area Rate in the 2019/20 Rating Strategy Review, with this review process to include community engagement prior to the final report being presented to Council for consideration.*
4. *Request the Chief Executive Officer to review the Parks and Gardens Asset Management Plan with an intent to ensure a consistent standard throughout the Shire.*

CARRIED
7/0

Council subsequently considered a “Differential Rate and Specified Area Rate Review” report at the 29th January 2020 Ordinary Council meeting, which included an Officer Recommendation to reduce the Eaton Landscaping Specified Area Rate to reflect only additional maintenance costs. Council resolved [OCM Res: 04-20] to receive the Report and workshop the concept further seeking to get closer to a consensus and return the item to the May 2020 Council meeting.

In February 2020, two Asset Management workshops were held with Council in which the application of technical levels of services and standards were discussed. Officers presented to Council the updated asset management plans at a workshop on 19 February 2020, which included a presentation on the Parks and Reserves Asset Management Plan (PRAMP).

In March 2020, Council resolved to continue with the Status Quo in regard to the SAR as follows:

THAT Council continues with the Eaton Landscaping Specified Area Rate as per the current financial year. [OCM Res: 61-20].

Therefore, even though Council requested a review of how the SAR is applied, in March 2020, Council resolved for the application to continue as was adopted previously. In April 2020, Council endorsed revised priorities for capital work projects within the PRAMP [OCM Res 107-20], based on the outcomes of the Integrated Planning Committee meeting held earlier that month. The updated PRAMP was finally adopted by Council in May 2020 [OCM Res 143-20].

Council subsequently endorsed the continuation of the Eaton Landscaping SAR as part of the 2020/21, 2021/22 and 2022/23 Annual Budgets. However, in none of these years were specific capital work projects identified for the capital works components of the SAR to be applied to. As a consequence, the Unspent Eaton Landscaping SAR Reserve has a forecast balance of \$340,828 at 30th June 2023.

Based on the premise that Council has not specifically resolved to exclude capital works on the Eaton Foreshore and ovals from being funded from the Eaton Landscaping SAR, the PRAMP presented to Council includes projects on the Eaton Foreshore that are intended to be funded from the Eaton Landscaping SAR and Unspent SAR Reserve.

Budget – Whole of Life Cost

The purpose of the PRAMP is to plan for the upgrade, renewal and maintenance of the Council's parks and reserves and is essentially dealing with the full life cycle requirements of parks furniture, equipment and treatments.

Council Policy Compliance

Council Policy CP018 – *Corporate Business Plan & Long Term Financial Plan* outlines the objective and requirements to enable the annual budget to be adopted by the end of June each year. This incorporates the annual review and updating of Asset Management Plans.

Risk Assessment

The Risk Management Governance Framework has been considered in arriving at the officer recommendation. Please refer to (Appendix IPC: 8.3B) for full assessment document.

Tier 2 – 'Low' or 'Moderate' Inherent Risk.	
Risk Event	Parks & Reserves Asset Management Plan 2023/24 – 2032/33
Inherent Risk Rating (prior to treatment or control)	Moderate (5 - 11)
Risk Action Plan (treatment or controls proposed)	As the Inherent Risk Rating is below 12, this is not applicable.
Residual Risk Rating (after treatment or controls)	As the Inherent Risk Rating is below 12, this is not applicable.
Risk Category Assessed Against	<p>Financial Risk that assets are not renewed at the end of their useful lives.</p> <p>Financial Risk that assets are not upgraded or created to meet demand.</p> <p>Reputational Risk that customer levels of service are reduced or maintained to meet public expectation.</p>

Officer Comment

The proposed 2023/33 10 Year Parks and Reserves Renewal Program continues the work undertaken in preparation of the previously adopted 2022/23 Program.

The main aim of the works program review this year includes:

- Addressing Council's priorities for new and improved assets balanced with renewal of assets;
- Providing for existing grant commitments;
- Maximising future grant commitments; and
- Ensuring project scheduling has given detail consideration to project scope and costing.

In specific pursuit of item 4 (project scheduling) above, all major projects within the proposed 2023/24 Works Program have been split into (at least) two 'Phases' (Design and Construction). The first of these

'Phases' comprises a period of 'Scoping, design and preliminaries' at least one year prior to commencement in advance of the physical works.

Timing of some works has been adjusted where necessary in order to provide budget capacity for both the additional Design Year above, and for inclusion of additional works not previously included in the Program.

An example of such works is the inclusion of an annual allowance for firebreak clearing on Shire Bushland reserves. The need for such works has been recognised as a cause of significant concern to the community, with a consequent high level of complaints. Providing for these works as a distinct renewals item will ensure that the works are undertaken in a timely manner.

Please refer to (Appendix IPC: 8.3A) for a copy of the Draft 10 Year Parks and Reserves Renewal Program.

The major proposed changes to the first four years of the Draft 10 Year Parks and Reserves Expansion & Upgrade Program are as follows:

Park Name	Asset Activity	2022-2022 PRAMP		2023-2024 PRAMP		Comments
		Year	Value	Year	Value	
Gardiner Reserve	Upgrade	2025	100,000	2026 2027	9,000 100,000	Timing Change and inclusion of Design Year
Duck Pond Signage	Upgrade	2025	12,500	2026	13,545	Timing Change
Eaton Drive Islands & Verges	Upgrade	2025 2026 2027	100,000 100,000 100,000	2028 2029 2030 2031	52,315 618,500 14,265 162,500	Re-priced works Timing Change, and inclusion of Design Years
Glen Huon Oval Filtration System and storage tanks	Upgrade	2025 2026	50,000 250,000	2025	336,300	Re-priced works for Design & Construct
Eaton Town Centre - Landscaping & Hands Creek	Upgrade	2026	100,000	2026 2027	24,277 276,552	Re-priced works Timing Change, and inclusion of Design Years

END REPORT

8.4 Title: *Building Asset Management Plan 2023/24 – 2032/33*

Reporting Department	<i>Corporate & Governance Directorate</i>
Responsible Officer	<i>Mr Phil Anastasakis - Deputy CEO</i>
Reporting Officer	<i>Mr Kristin McKeachie - Manager Assets</i> <i>Mr Theo Naudé - Director Infrastructure</i>
Legislation	<i>Local Government Act 1995</i> <i>Local Government (Function & General) Regulations 1996</i>
Council Role	<i>Executive/Strategic.</i>
Voting Requirement	<i>Simple Majority/ Absolute Majority.</i>
Attachments	<i>Appendix IPC: 8.4A – Building Asset Management Plan 2023/24 – 2032/33:</i> <i>Appendix IPC 8.4B – Risk Assessment</i>

Overview

The Committee is requested to consider and endorse the Annual Transfer to Reserve for the Building Works Program 2023/24 – 2032/33, together with the Building Asset Management Plan 2023/24 – 2032/33 which has been updated as part of the annual review of the Long Term Financial Plan and Corporate Business Plan.

Having the BAMP updated and endorsed by Council will provide staff the opportunity to plan and schedule the 10 Year Building Works Program in conjunction with infrastructure works.

This matter was not considered at the 8th March 2023 Integrated Planning Committee meeting, which enabled further planning and analysis to occur before consideration of the item at the 19th April 2023 Integrated Planning Committee meeting.

INTEGRATED PLANNING COMMITTEE RESOLUTION

IPC 19-23 MOVED- Cr M Bennett SECONDED – Cr P Perks

THAT the Integrated Planning Committee recommends that Council:

- Adopts the following Annual Transfers to the Building Maintenance Reserve for the delivery of the 10 Year Building Works Program:**

	23-24	24-25	25-26	26-27	27-28	28-29	29-30	30-31	31-32	32-33
	Annual Transfer (x \$1,000)									
2023/2024 Draft LTFP	750	600	500	500	350	450	450	450	450	450

- Endorses the 10 year Building Asset Management Plan 2023/24-2032/33 Building Works Program (Appendix IPC: 8.4A);**
- Approves the reallocation of Capital Building Projects in the 2022-23 Budget, funded from the Building Maintenance Reserve, as follows:**

JOB #	LOCATION	ORIGINAL BUDGET	BUDGET AMENDMENT 22/23
J14321	Dardanup Office	\$25,000	\$25,000
J11708	Dardanup Hall	\$50,000	\$0
J11712	Ferguson Hall	\$15,000	\$20,000
J11714	CWA Hall - Eaton	\$25,000	\$45,244
J11713	Dardanup Community Centre	\$25,000	\$20,000
J11639	Wells Recreation Club Rooms	\$0	\$22,000
		\$140,000	\$132,244

Absolute Majority
CARRIED
5/0

Change to Officer Recommendation - No Change

Background

The document referred to as the BAMP (Building Asset Management Plan) is a 10 Year Program that summarises all renewal, upgrade and new works programmed for the Council's existing and proposed Building Assets. The document contains estimates of expenditure and revenue, together with recommended reserve transfers to fund the works. The 10 Year Building Asset Works Program considers project priorities in line with the Shire of Dardanup Council Plan (CP). The 10 Year Program is derived from the BAMP and is produced for the 2023/2024 Long Term Financial Plan and Corporate Business Plan process and is provided for Council consideration and adoption.

Over the next few years the focus will be to review asset management practices and asset management plans that support a works program that ensures sustainable asset management while meeting the agreed services levels and is affordable to the community.

Legal Implications

Local governments are required by legislation to adopt an integrated strategic planning approach to financial management.

Local Government (Administration) Regulations 2011

19DA. Corporate business plans, requirements for (Act s. 5.56)

- (3) *A corporate business plan for a district is to —*
- (a) *set out, consistently with any relevant priorities set out in the strategic community plan for the district, a local government's priorities for dealing with the objectives and aspirations of the community in the district; and*
 - (b) *govern a local government's internal business planning by expressing a local government's priorities by reference to operations that are within the capacity of the local government's resources; and*
 - (c) *develop and integrate matters relating to resources, including asset management, workforce planning and long-term financial planning.*

Council Plan

- 13.1 - Adopt best practice governance.
13.2 - Manage the Shire's resources responsibly.

Environment - None.

Precedents

Council reviews and adopts the 10 Year Works Program annually and the BAMP as and when amendments are made.

Budget Implications

The information contained in the Buildings 10 Year Works Program will be used annually to develop the Council's Long Term Financial Plan and Corporate Business Plan.

The following summary tables from the proposed 2023/24 Building 10 Year Asset Management Plan are provided within the agenda and indicate the projected expenditure and income for the next ten years (Appendix IPC: 8.4A):

- Building Expenditure Summary; and
- Building Maintenance Reserve Fund Balance.

Annual Transfer (x \$1,000)	Current Year 22/23	23-24	24-25	25-26	26-27	27-28	28-29	29-30	30-31	31-32	32-33
Expenditure	12,302	10,643	357	646	1,365	416	388	1,446	415	299	413
Reserve Fund Balance	8,193	181	655	791	182	377	712	6	327	778	1,132

A complete copy of the Building 10 Year Asset Management Plan is attached (Appendix IPC: 8.4A).

The proposed annual reserve transfer for buildings has changed from that adopted in the Long Term Financial Plan (LTFP) of 2022-2023. The reasons for the changes are discussed in the Officer Comments section of this report. The following shows the proposed annual transfer compared to the previous year adopted amounts.

	Current Year 22/23	23-24	24-25	25-26	26-27	27-28	28-29	29-30	30-31	31-32	32-33
	Annual Transfer (x \$1,000)										
2022/2023 LTFP	6,953	1,000	1,000	1,000	700	700	700	600	600	600	1,000
Draft 2023/2024 LTFP		750	600	500	500	350	450	450	450	450	450

Budget – Whole of Life Cost

The purpose of the BAMP is to plan for the construction of new buildings and the upgrade, renewal, disposal and maintenance of the Council’s existing buildings and is essentially dealing with the whole of life requirements.

The BAMP is being developed to take into consideration functional hierarchy, usage and operational performance of buildings to ensure that the building assets remain viable and sustainable.

Council Policy Compliance

Council Policy *CnP CP018 – Corporate Business Plan & Long Term Financial Plan* outlines the objective and requirements to enable the annual budget to be adopted by the end of June each year. This incorporates the annual review and updating of Asset Management Plans.

Risk Assessment

The Risk Management Governance Framework has been considered in arriving at the officer recommendation. Please refer to (Appendix IPC: 8.4B) for full assessment document.

Tier 2 – ‘Low’ or ‘Moderate’ Inherent Risk.	
Risk Event	Building Asset Management Plan 2023/24 – 2032/33
Inherent Risk Rating (prior to treatment or control)	Moderate (5 - 11)
Risk Action Plan (treatment or controls proposed)	As the Inherent Risk Rating is below 12, this is not applicable.
Residual Risk Rating (after treatment or controls)	As the Inherent Risk Rating is below 12, this is not applicable.
Risk Category Assessed Against	Financial Risk that assets are not renewed at the end of their useful lives.
	Reputational Risk that assets are not upgraded or created to meet demand. Risk that customer levels of service are reduced or maintained to meet public expectation.
	Service Interruption Risk to service for public buildings if assets are not renewed or maintained to an operational standard
	Legal & Compliance Possible damages claims against the Council if there is injury due to buildings not being maintained.

Officer Comment

Works Program planning and delivery involves a holistic and team approach, as it considers not only strategic, asset management and financial decisions but also infrastructure planning and delivery while considering contractual, funding providers and community expectations.

The main aim of the works program review for this year includes:

- Addressing Council’s priorities for new and improved assets balanced with renewal of assets;
- Providing for existing grant commitments;
- Maximising future grant commitments; and

- Ensuring project scheduling has given detail consideration to project scope and costing.

In specific pursuit of item 4 (project scheduling) above, all major projects within the proposed 2023/24 Works Program have been split into (at least) two 'Phases'. The first of these 'Phases' comprises a period of 'Scoping, design and preliminaries' at least one year prior to commencement in advance of the physical works.

Construction of the new *Shire of Dardanup Library, Administration and Community Building* commenced in January 2023. Just under 50% (in the order of \$8.05 Million) of the estimated total construction cost (in the order of \$17.53 Million) will be expended by June 2023. The BAMP allows for completion of these works in the 2023/24 period at a cost in the order of \$9.48 Million.

- *Urgent Repair Works identified in 2022/23*

Urgent repair works were identified at six sites as a result of structural inspections during 2022/23. These works were the subject of a report to Council as part of the 2022/23 Mid Year Review. In order to meet the necessary timeframe for preparation of this Program of Works, and the uncertainty of availability of contracted labour to carry out the works in the immediate term, conduct of these items have been carried over into the 2023/24 Program of Works. The affected sites are:

- Dardanup Hall;
- Dardanup Office;
- Dardanup Community Centre;
- Wells Recreation Centre;
- Ferguson Hall; and
- CWA Hall; and

Shire Officers and Councillors undertook a site visit to the above locations on the 12th of April 2023 to assess the urgent repair works identified above. Following the site inspections, and at the recommendation from Councillors the funds are to be reallocated as provided for in resolution 3 of this report.

- *Other Major Expansion and Renewal Projects*

In order to free up funds for other purposes and to avoid potential deficits in future Buildings Reserves, all other new construction (i.e. Expansion) works have been deferred beyond the end of the proposed 2023/24 10 Year Program horizon. This is a significant change to the previous endorsed program. Making this change however provides the opportunity for Council to review its priorities for new construction in future Capital Works Programs as budget permits and reserve funds recover.

Two major refurbishments (i.e. Renewal) projects remain within the 10 Year Program horizon. These relate to the Dardanup Hall and the Dardanup Office. Costs for these refurbishments have been allowed for on the basis of 100% funding from the Buildings Reserve (i.e. no grants or contributions are expected to be available for these projects.) Review of the future use and need for retention of these buildings may result in modification or removal of these proposed projects in future Programs of Works.

In summary, the proposed draft 2023-24 Works Program is considered a rational and reasonable programme, balancing Council's building project priorities and funding resources. The program delivers maintenance, upgrades and renewals of existing assets as priorities, while completing the current major expansion project (*Shire of Dardanup Library, Administration and Community Building*).

Future improvements to works programming will ensure that proposals are supported by monitoring service levels and whole of life implications to improve suitability and affordability into the future.

8.5 Title: Road Asset Management Plan 2023/24 – 2032/33

Reporting Department	Corporate & Governance Directorate
Responsible Officer	Mr Phil Anastasakis - Deputy CEO
Reporting Officer	Mr Theo Naudé - Director Infrastructure Mr Kristin McKeachie - Manager Assets
Legislation	Local Government Act 1995 Local Government (Function & General) Regulations 1996
Council Role	Executive/Strategic.
Voting Requirement	Simple Majority.
Attachments	Appendix IPC 8.5A – Road Asset Management Plan 2023/24 – 2032/33 Appendix IPC 8.5B – Risk Assessment

Overview

The Committee is requested to consider and endorse the Annual Transfer to Reserve for the Road Works Program 2023/24 – 2032/33, together with the Road Asset Management Plan 2023/24 – 2032/33 which has been updated as part of the annual review of the Long Term Financial Plan and Corporate Business Plan.

Having the RAMP updated and endorsed by Council will provide staff the opportunity to plan and schedule the 10 Year Road Works Program in conjunction with other infrastructure works.

This matter was not considered at the 8th March 2023 Integrated Planning Committee meeting, which enabled further planning and analysis to occur before consideration of the item at the 19th April 2023 Integrated Planning Committee meeting.

INTEGRATED PLANNING COMMITTEE RESOLUTION

IPC 20-23 MOVED - Cr T Gardiner SECONDED – Cr P Perks

THAT the Integrated Planning Committee recommends that Council:

- Adopts the following Annual Transfers to the Road Construction & Maintenance Reserve for the delivery of the 10 Year Road Works Program:**

	23-24	24-25	25-26	26-27	27-28	28-29	29-30	30-31	31-32	32-33
	Annual Transfer (x \$1,000)									
2023/2024 Draft LTFP	650	600	600	900	1,150	1,150	1,150	1,150	1,250	1,500

- Endorses the 10 year Road Asset Management Plan 2023/24-2032/33 Road Works Program (Appendix IPC: 8.5A).**

CARRIED
5/0

Change to Officer Recommendation - No Change

The document referred to as the RAMP (Road Asset Management Plan) is a 10 Year Program that summarises all renewal, upgrade and new works programmed for the Council's existing and proposed Road Assets. The document contains estimates of expenditure and revenue, together with

recommended reserve transfers to fund the works. The 10 Year Road Asset Works Program considers project priorities in line with the Shire of Dardanup Council Plan (CP). The 10 Year Program is derived from the RAMP and is produced for the 2023/2024 Long Term Financial Plan and Corporate Business Plan process and is provided for Council consideration and adoption.

Over the next few years the focus will be to review asset management practices and asset management plans that support a works program that ensures sustainable asset management while meeting the agreed services levels and is affordable to the community.

Legal Implications

Local governments are required by legislation to adopt an integrated strategic planning approach to financial management.

Local Government (Administration) Regulations 2011

19DA. Corporate business plans, requirements for (Act s. 5.56)

(3) A corporate business plan for a district is to —

(a) set out, consistently with any relevant priorities set out in the strategic community plan for the district, a local government's priorities for dealing with the objectives and aspirations of the community in the district; and

(b) govern a local government's internal business planning by expressing a local government's priorities by reference to operations that are within the capacity of the local government's resources; and

(c) develop and integrate matters relating to resources, including asset management, workforce planning and long-term financial planning.

Council Plan

13.1 - Adopt best practice governance.

13.2 - Manage the Shire's resources responsibly.

Environment

Project costs are reviewed to ensure sufficient funding is available to address environmental approvals and considerations.

Precedents

Council reviews and adopts the 10 Year Works Programs annually and the RAMP as and when amendments are made.

Budget Implications

The information contained in the Road 10 Year Works Programs will be used to develop the 10 year Long Term Financial Plan and Corporate Business Plan.

The following summary tables from the proposed 2023/24 Road 10 Year Asset Management Plan are provided with the agenda and indicate the projected expenditure and income for the next ten years (Appendix IPC: 8.5A):

- Road Expenditure Summary; and
- Road Construction & Maintenance Reserve Fund Balance.

Annual Transfer (x \$1,000)	Current Year 22/23	23-24	24-25	25-26	26-27	27-28	28-29	29-30	30-31	31-32	32-33
Expenditure	3,199	2,239	2,965	1,985	2,382	2,624	2,353	2,304	1,770	2,211	2,326
Reserve Fund Balance	921	791	511	309	417	133	71	86	254	250	78

A complete copy of the Road 10 Year Asset Management Plan is attached (Appendix IPC: 8.5A).

The proposed annual reserve transfer for roads has changed from that adopted in the Long Term Financial Plan (LTFP) of 2022-2023. The reasons for the changes are discussed in the Officer Comments section of this report. The following shows the proposed annual transfer compared to the previous year adopted amounts.

	Current Year 22/23	23-24	24-25	25-26	26-27	27-28	28-29	29-30	30-31	31-32	32-33
	Annual Transfer (x \$1,000)										
2022/2023 LTFP	900	700	600	800	1600	1900	1900	2000	2100	2200	
Draft 2023/2024 LTFP		650	600	600	900	1,150	1,150	1,150	1,150	1,250	1,500

Budget – Whole of Life Cost

The purpose of the Road Asset Management Plan is to plan for the expansion, upgrade, renewal and maintenance of the Shire's asset networks and is essentially dealing with the full life cycle requirements of infrastructure.

Council Policy Compliance

Council Policy CP018 – *Corporate Business Plan & Long Term Financial Plan* outlines the objective and requirements to enable the annual budget to be adopted by the end of June each year. This incorporates the annual review and updating of Asset Management Plans.

Risk Assessment

The Risk Management Governance Framework has been considered in arriving at the officer recommendation. Please refer to (Appendix IPC: 8.5B) for full assessment document.

Tier 2 – 'Low' or 'Moderate' Inherent Risk.	
Risk Event	Roads Asset Management Plan 2023/24 – 2032/33
Inherent Risk Rating (prior to treatment or control)	Moderate (5 - 11)
Risk Action Plan (treatment or controls proposed)	As the Inherent Risk Rating is below 12, this is not applicable.
Residual Risk Rating (after treatment or controls)	As the Inherent Risk Rating is below 12, this is not applicable.
Risk Category Assessed Against	Financial Risk that assets are not renewed at the end of their useful lives.
	Financial Risk that assets are not upgraded or created to meet demand.
	Reputational Risk that customer levels of service are reduced or maintained to meet public expectation.

Officer Comment

Works Program planning and delivery involves a holistic and team approach as it considers not only strategic, asset management and financial decisions but also infrastructure planning and delivery while considering contractual, funding providers and community expectations.

- *Review of Internal Labour Costs (Refocus effort to Maintenance)*

As a result of staff movements, salary increases and the increased need for maintenance of existing assets, it has become necessary to refocus internal labour effort to maintenance of existing assets, rather than construction of new or expanded assets. This has resulted in an overall reduction in the required transfer of Municipal funds to the Road Reserve. It has also resulted in a reduced overall annual budget for Capital Works on Roads with an increase in road maintenance and renewal expenditure.

The refocussing of effort to maintenance of existing assets should result in improved levels of service in areas such as roadside drainage, pothole and edge-break repairs etc. along with the provision of increased capacity for inspection, detection and monitoring of defects (e.g. implementation of road patrolling.)

- *Review of Cost Estimates for Proposed Projects*

As part of the Revaluation of Infrastructure Assets in 2022, the Shire of Dardanup undertook a review of the Unit Rates used for the preparation of Costs Estimates for future works on roads. These Unit Rates were provided by the Shire's third party Valuation Consultant (TALIS Pty Ltd) and were reviewed by the Shire's external auditors as part of the 2021/22 Financial Year Accounting Audit.

In order to reduce the potential for budget overruns or contract shortfalls, it is considered imperative that estimated budgets for future Works are as accurate as possible and are based upon the best information available. The estimated costs of all proposed Works in the proposed 2023/24 Works Program have therefore been re-calculated based upon the 2022 audited Unit Rates.

In addition, the escalation factors used to forecast future costs for Works beyond Year 1 of the Program have been re-calculated based upon the most recent inflation forecast data available from the Australian Bureau of Statistics (ABS).

Based upon the above recalculations, the cost estimates for proposed projects have generally increased by (in the order of) 25% to 30%. This growth is in line with reported cost increases industry-wide and is driven by inflationary effects on raw materials such as sand, gravel and bituminous products (primarily as a combined result of the COVID19 emergency and the war in Ukraine).

In order for such large cost escalations to be absorbed within the proposed 2023/24 Works Program, and to minimise the impact of these changes on the Shire's overall fiscal position, the timing of many of the future projects has been adjusted where possible (i.e. some projects have been deferred by up to three years). This is considered both necessary and fiscally responsible.

Where the Shire is already committed to projects through either prior commencement of the works, or for which Grants have already been secured; the project timing is unchanged.

- *Project Planning*

The main aim of the works program review this year includes:

- Addressing Council's priorities for new and improved assets balanced with renewal of assets;
- Providing for existing grant commitments.
- Maximising future grant commitments; and

- Ensuring project scheduling has given detailed consideration to project scope and costing.

In specific pursuit of item 4 (project scheduling) above, all major projects within the proposed 2023/24 Works Program have been broken into 'Phases' based upon a high-level work breakdown structure. The specific Phases applicable to any given project is dependent on the particular work requirements and complexity of the project. Not all Phases will therefore apply to every project.

Phase Sort Order	Phase Name	Project/Task Type
CA	DESIGN	Road Construction
CB	Preseal Repairs	Road Construction
CC	CONSTRUCTION (Stage 1)	Road Construction
CD	CONSTRUCTION (Stage 2)	Road Construction
CE	CONSTRUCTION (Stage 3)	Road Construction
CF	2nd Coat Seal	Road Construction
RA	SPECIAL (Revenue RRG)	Revenue
RB	SPECIAL (Revenue R2R)	Revenue
XA	SPECIAL (Other)	Other Construction

In order to improve the standard of planning and preparation for Works to be carried out, the 'DESIGN' Phase is intended to provide Shire Officers with time and direction to carry out all necessary 'Detailed Design, Statutory Clearances & Scheduling' activities at least one year in advance of the physical works.

- *5 Year Roads Funding Program*

In August 2021 Council endorsed the 2022/23, five year roads program. Regional Road Group (RRG) and Black Spot applications were submitted and preliminary responses have been received on the status of these 2022/23 applications. The following is an update of the RRG five year program with project values (inclusive of one third Shire contributions):

ROAD NAME / SECTION	2023/24	2024/25	2025/26	2026/27	2027/28
Eaton Drive (SLK 0.49 - SLK 1.47)	\$200,000	\$1,350,000	\$0	\$0	\$0
Ferguson Road (SLK 0 - SLK 18.3)	\$450,000	\$0	\$750,000	\$764,580	\$375,822
Hamilton Road (SLK 0.9 - SLK 1.93)	\$0	\$0	\$0	\$0	\$0
Harris Road (SLK 5.76 - SLK 7.44)	\$0	\$0	\$0	\$0	\$0
Henty Road (SLK 2.5 - SLK 11)	\$0	\$0	\$0	\$209,406	\$2,160,176
Moore Road (SLK 0.56 - SLK 1.33)	\$0	\$0	\$181,602	\$1,800,000	\$72,000
Pile Road (SLK 5.66 - SLK 16.94)	\$180,000	\$1,170,000	\$1,542,720	\$1,467,480	\$1,463,520

Further works on Ferguson and Pile Roads have been identified as priorities beyond the five years shown above. Additional projects that are eligible for RRG funding beyond the five year horizon include Henty and Martin Pelusey Roads.

From an operational perspective, the Shire aims to commit to two large construction projects with an optional third project where it is of a lesser scale.

- *Bunbury Outer Ring Road*

The Bunbury Outer Ring Road project will see works being done to the following Shire roads:

Local road name	Works start	Upgrade
Golding Crescent	2021	New roundabout and re-alignment
Martin-Pelusey Road	2022	Upgraded tie-in to Golding Crescent
Harris Road	2022	Upgrade works for BORR
Wireless Road	2022	Upgrade works for BORR
Waterloo Road	2022	Upgrade works for BORR

These upgrades will also impact the timing of other roads in the 10 year works program.

Officers recommend allocating \$50,000 in 2023/2024 and in 2024/2025 respectively for works that might result from the BORR activities or from urgent works required due to the BORR detour roads that will be taking more traffic than they were intended for.

- *In Summary*

The works program for the first four years of the Draft 10 Year program are listed below:

Road	Construction Activity	PHASE	Project Type	Financial Year
BORR - impacted Local Roads	Rural Reseal	SPECIAL (Other)	Renewal	2023/24
Council Drive	Streetscape	SPECIAL (Other)	Upgrade	2023/24
Eaton Drive	Project Preliminaries	DESIGN	Other	2023/24
Ferguson Road	Reconstruct and Seal	CONSTRUCTION (Stage 1)	Renewal	2023/24
Ferguson Road	Widen Seal	CONSTRUCTION (Stage 1)	Upgrade	2023/24
Hayward Street	Urban resurfacing	SPECIAL (Other)	Renewal	2023/24
Pile Road	Widen Seal	CONSTRUCTION (Stage 1)	Upgrade	2023/24
Waterloo Road	Bridge renewal	SPECIAL (Other)	Renewal	2023/24
Banksia Road	Resheet	CONSTRUCTION (Stage 1)	Renewal	2024/25
Banksia Road	Rural Reseal	Preseal Repairs	Renewal	2024/25
BORR - impacted Local Roads	Rural Reseal	SPECIAL (Other)	Renewal	2024/25
Eaton Drive	Intersection	CONSTRUCTION (Stage 1)	Upgrade	2024/25
Ferguson Road	Widen Seal	CONSTRUCTION (Stage 1)	Upgrade	2024/25
Ford Road	Resheet	CONSTRUCTION (Stage 1)	Renewal	2024/25
Joshua Brook Road	Widen Gravel	CONSTRUCTION (Stage 1)	Upgrade	2024/25
Pile Road	Widen Seal	CONSTRUCTION (Stage 1)	Upgrade	2024/25
Banksia Road	Resheet	CONSTRUCTION (Stage 1)	Renewal	2025/26
Banksia Road	Resheet	CONSTRUCTION (Stage 2)	Renewal	2025/26
Banksia Road	Rural Reseal	CONSTRUCTION (Stage 1)	Renewal	2025/26
Ferguson Road	Widen Seal	CONSTRUCTION (Stage 1)	Upgrade	2025/26

Road	Construction Activity	PHASE	Project Type	Financial Year
Ford Road	Resheet	CONSTRUCTION (Stage 2)	Renewal	2025/26
Garvey Road	Project Preliminaries	DESIGN	Other	2025/26
Gravel Pit Road	Resheet	CONSTRUCTION (Stage 1)	Renewal	2025/26
Joshua Brook Road	Resheet	CONSTRUCTION (Stage 1)	Renewal	2025/26
Moore Road	Project Preliminaries	DESIGN	Other	2025/26
Pile Road	Widen Seal	2nd Coat Seal	Upgrade	2025/26
Pile Road	Widen Seal	CONSTRUCTION (Stage 1)	Upgrade	2025/26
Ash Court	Urban resurfacing	Preseal Repairs	Renewal	2026/27
Banksia Road	Resheet	CONSTRUCTION (Stage 1)	Renewal	2026/27
Banksia Road	Resheet	CONSTRUCTION (Stage 2)	Renewal	2026/27
Ferguson Road	Project Preliminaries	DESIGN	Other	2026/27
Ferguson Road	Reconstruct and Seal	CONSTRUCTION (Stage 1)	Renewal	2026/27
Gravel Pit Road	Resheet	CONSTRUCTION (Stage 2)	Renewal	2026/27
Henty Road	Project Preliminaries	DESIGN	Other	2026/27
Moore Road	Reconstruct and Seal	CONSTRUCTION (Stage 1)	Renewal	2026/27
Pile Road	Widen Seal	2nd Coat Seal	Upgrade	2026/27
Pile Road	Widen Seal	CONSTRUCTION (Stage 1)	Upgrade	2026/27

In summary, the program represents a rational and reasonable program that meets the maintenance needs of the network while remaining in line with the Shire's available budget and Long Term Financial Plan. Improvements to the scheduling and breakdown of projects will ensure that adequate pre-planning and preparation for works is carried out and will aid in maximising grant applications (through better understanding of the scope and scale of works to be undertaken).

END REPORT

Legal Implications

Local governments' are required by legislation to adopt an integrated strategic planning approach to financial management.

Local Government (Administration) Regulations 2011

19DA. Corporate business plans, requirements for (Act s. 5.56)

- (1) *A local government is to ensure that a corporate business plan is made for its district in accordance with this regulation in respect of each financial year after the financial year ending 30 June 2013.*
- (2) *A corporate business plan for a district is to cover the period specified in the plan, which is to be at least 4 financial years.*
- (3) *A corporate business plan for a district is to —*
 - (a) *set out, consistently with any relevant priorities set out in the strategic community plan for the district, a local government's priorities for dealing with the objectives and aspirations of the community in the district; and*
 - (b) *govern a local government's internal business planning by expressing a local government's priorities by reference to operations that are within the capacity of the local government's resources; and*
 - (c) *develop and integrate matters relating to resources, including asset management, workforce planning and long-term financial planning.*
- (4) *A local government is to review the current corporate business plan for its district every year.*
- (5) *A local government may modify a corporate business plan, including extending the period the plan is made in respect of and modifying the plan if required because of modification of the local government's strategic community plan.*
- (6) *A council is to consider a corporate business plan, or modifications of such a plan, submitted to it and is to determine* whether or not to adopt the plan or the modifications.*

**Absolute majority required.*

- (7) *If a corporate business plan is, or modifications of a corporate business plan are, adopted by the council, the plan or modified plan applies to the district for the period specified in the plan.*

Council Plan

13.1 - Adopt best practice governance.

13.2 - Manage the Shire's resources responsibly.

Environment - None.

Precedents

The Workforce Plan is reviewed annually to ensure the staff resources are provided to meet the strategic and operational objectives of the Shire.

Budget Implications

The initial draft 2023/24 Workforce Plan was based on the previously adopted 2022/23 Workforce Plan.

Adopted 2022/23 Workforce Plan / Long Term Financial Plan Projections											
	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33
FTE's	120.27	119.47	121.17	121.17	121.37	125.07	126.27	126.97	127.17	127.17	127.17

During 2022/23 there have been a number of reviews undertaken by management of the FTE numbers to improve efficiency in a number of areas, and to ensure staffing resources are optimised across the organisation.

The current draft 2023/24 Workforce Plan is based on the previously adopted 2022/23 Workforce Plan (120.27 FTE), plus the following changes during 22/23 (refer to Officer's Comment for a detailed explanation of these changes):

- Plus 0.2 FTE Infrastructure Assets Officer added to 0.8 FTE
- Plus 0.11 FTE Coordinator - Waste & Environment added to 0.6 FTE
- Plus 1.0 FTE Special Projects Director added from 1 October 2022
- Less 0.4 FTE Development Compliance Officer reallocated to Building Surveyor
- Plus 0.4 FTE Building Surveyor reallocated from Development Compliance Officer

resulting in 121.58 FTE's as at 1st July 2023.

The draft 2023/24 Workforce Plan is based on the 121.58 FTE's, plus the following changes (refer to Officer's Comment for a detailed explanation of these changes):

- Less 1.0 FTE Final Trim Grader Driver (Road Construction Crew)
- Less 1.0 FTE General Hand Works (Road Construction Crew)
- Less 1.0 FTE Special Projects Director from 31 March 2024
- Plus 1.0 FTE for a new role of Manager Governance
- Plus 0.6 FTE for additional Administration Officer – Governance staffing resource
- While the 1.0 FTE position of Manager Development Services has been retained in the Workforce Plan, funding has been removed for the entire 10 years of the Workforce Plan. This position won't be replaced until a Business Case for this position is approved by Council and the LTFP is adjusted to afford this position.
- The 1.0 FTE Engineering Projects Officer position has also been retained in the Workforce Plan, however funding has been removed for the next four (4) years, with funding reinstated from the 1st of July 2027 in the LTFP.

resulting in 120.18 FTE's as at 30th June 2024.

All proposed new, amended and on-hold positions have been incorporated into the draft Long Term Financial Plan 2023/24 - 2032/33 and Corporate Business Plan 2023/24 - 26/27 (refer to Appendix IPC 8.6A):

Draft 2023/24 Workforce Plan / Long Term Financial Plan Projections											
	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33
Growth	1.41%	1.29%	1.45%	1.92%	1.8%	1.91%	1.72%	1.81%	2.22%	2.10%	2.14%
FTE's	121.58	120.18	120.88	120.88	121.08	124.78	125.98	126.68	126.68	126.68	126.68

The LTFP includes a projected minimum wage increase of 3.0% for all staff from the 1st of July 2023 (contract, salaries, wages), with an additional 2.0% incorporated for Employee Value Proposition based

increases and allowances which apply throughout the year, or from the 1st of January 2024 for specific Performance Based increases.

The Workforce Plan currently includes 120.18 Full-Time Equivalent (FTE) staff for 23/24 at a total cost (salaries plus superannuation) of \$11,805,906, including new employees and changes to duties and hours for some positions to cater for the changing demands on staff through growth of the Shire and new services. This compares favourably with last year's LTFP projected total salaries costs for 23/24 (plus superannuation) of \$11,854,611.

Budget – Whole of Life Cost

Employee costs are accounted for in the various Asset Management Plans and the 10 Year Long Term Financial Plan.

Council Policy Compliance

The budget is based on the principles contained in the Strategic Community Plan and Corporate Business Plan. *Policy CnG CP018 – Corporate Business Plan & Long Term Financial Plan* applies.

Risk Assessment

The Risk Management Governance Framework has been considered in arriving at the officer recommendation. Please refer to (Appendix IPC: 8.6B) for full assessment document.

Tier 2 – ‘Low’ or ‘Moderate’ Inherent Risk.	
Risk Event	Draft Workforce Plan 2023/24 – 2032/33
Inherent Risk Rating (prior to treatment or control)	Moderate (5 - 11)
Risk Action Plan (treatment or controls proposed)	As the Inherent Risk Rating is below 12, this is not applicable.
Residual Risk Rating (after treatment or controls)	As the Inherent Risk Rating is below 12, this is not applicable.
Risk Category Assessed Against	Financial Employee costs are a significant proportion of Council's operating expenditure.
	Service Interruption If employee vacancies or new positions are not filled, it can impact on the level of service provided by Council to the community.
	Reputational High employee costs and employee turnover impact the Council's reputation.

Officer Comment

During the 2022/23 financial year there have been some changes to the adopted FTE allocations to adapt to changing staffing needs and to optimise the approved resources. These changes have resulted in a small increase of 1.31 FTE above the total FTE approved by Council for 2022/23 budget of 120.27 FTE's to 121.58 FTE's.

This additional 1.31 FTE relates primarily to:

- the Engineering Assets Officer position increasing from 0.8FTE to 1.0FTE in 22/23, based on the position changing from a Level 7 to Level 5 resulting in an equivalent total cost. This position was noted in the adopted Workforce Plan as increasing from 0.8FTE to 1.0FTE in 23/24.
- the Coordinator - Waste & Environment position increasing from 0.6 FTE to 0.71 FTE to respond to the increased need to manage waste management activities, together with implementing planned environmental management projects.
- The temporary Director Special Projects & Community position was created in response to the need to have dedicated project management oversight of a number of major building construction projects, including the new Council Administration, Library and Community building for a period of time. A specific report was provided to Council on this new position in September 2022 [OCM Res:255-22].

- *Governance and Human Resources:*

The draft 2023/24 Workforce Plan includes a proposed minor restructure within the Corporate and Governance Directorate.

In recent years there has been a significant growth in workload due to increased legislative and human resource management requirements. The work volume associated with staff recruitment, training and induction is significant, and has increased in recent years due to higher staff turnover levels. In addition to this, the new Work Health and Safety legislation includes an obligation for employers to cater for the mental health and well-being of employees, as well as the physical health and safety of staff members. There has also been changes to the Industrial Relations area due to the move away from a Federal Award to a State Award system, which will require increased time in the future including the possible establishment of an Enterprise Based Agreement (EBA).

These increasing Human Resources Management functions have taken an increasing amount of staff resources, and the time available for Governance functions has decreased as a result. This is not foreseen to change in the future. There are significant risks associated with not allocating adequate time to the management and oversight of governance and legislative compliance functions within Council, potentially resulting in legislative non-compliance, errors, omissions or poor service.

- In response to the above, an additional 1.6 FTE staffing resources is requested of Council. This consists of the following:
An additional 0.6 FTE Administration Governance Officer to support day the day operational requirements such as front counter Customer Service, agenda/minute preparation, customer requests, delegations, reporting and policy document updating, correspondence, etc.
- It is proposed to split the current 1.0 FTE Manager Governance & HR role into two separate roles (Manager Human Resources 1.0 FTE and Manager Governance 1.0 FTE) and redistribute functions within the Corporate and Governance Directorate as follows:

FINANCE	GOVERNANCE	HUMAN RESOURCES	INFORMATION SERVICES
Budgets	Elected Members	HR	Information Technology
Annual Report	Agenda/Minutes	Customer Service Charter	Business Solutions
Monthly Financial Reports	Council / Administration Policy Manuals	Performance Management	GIS/Mapping
Grants Register	Elections	Health and Well-being	Cyber Security
Rating / Property	Contract / Lease / Property Management	Work, Health & Safety	ERP Project
Debtors/Creditors	Compliance	Risk Management	Records Management **
Strategic Financial Planning	Delegations	DAMA	
Procurement			
Payroll *			
Current FTE's = 9.1	Current FTE's = 11.5		Current FTE's = 11.4

TOTAL FTE's = 33.0 (including Director)			
	ADD Manager Governance 1.0 FTE	Manager Gov & HR to move into Manager HR role	
	ADD Governance Officer 0.6 FTE		
	** Future consideration for Records Management to Governance	* Future consideration for Payroll to HR	
Proposed FTE's = 9.1	Proposed FTE's = 8.0	Proposed FTE's = 5.1	Proposed FTE's = 11.4
TOTAL FTE's = 34.6 (including Director)			

The additional cost of the above proposed increased 1.6 FTE within the Corporate & Governance Directorate is estimated at \$186,000 per annum. To offset this increased employee cost, cost savings have been identified through the removal of the Manager Development Services and Engineering Projects Officer position funding in the LTFP – refer to Budget Implications section.

- *Road Construction Crew:*

During the last few years, the Shire and wider construction industry experienced a significant increase in construction cost together with plant, material and labour shortages. The flow on effects resulted in contractors escalating prices and unavailability, as they were engaged in other and often larger contracts. This became a huge challenge in delivering road construction projects.

The Shire has also been very successful in accessing State and Federal grant funding in previous years, resulting in a significant number of road upgrades, new road projects and some renewals being completed. With a substantial number of new and upgraded projects in the past, the focus is now shifting to a more maintenance and renewal space, which will enable the Shire roads and associated infrastructure to be maintained and renewed, ensuring improved levels of service. Therefore the focus now needs to shift to a more maintenance orientated workforce that is complimentary to the Draft Road Asset Management Plan 2023/24 – 2032/33.

It is recommended that the Infrastructure Directorate, Operations Teams shift their focus from construction of 'new and upgrading' to 'maintenance and renewal' of roads and infrastructure. This will result in the Workforce Plan being adjusted accordingly and that the current two vacancies of Final Trim Grader Operator and General Hand - Construction be removed from the Workforce Plan. If circumstances change then this matter would be brought back to Council for reconsideration. The Operations teams have been very flexible in terms of doing construction or maintenance on an as needs basis, which means that the three of the remaining five construction workers can be incorporated into maintenance work without any disruption.

The draft 2023/24 Workforce Plan therefore includes a reduction in the number of FTE's (five FTE's) required to undertake road construction work. Three Construction Crew General Hands have been reallocated to Road Maintenance, with the following two Road Construction Crew positions removed:

- 1.0 FTE Final Trim Grader Driver (Road Construction Crew)
- 1.0 FTE General Hand Works (Road Construction Crew)

- *Summary*

The Workforce Plan changes that occurred during 2022/23 have resulted in the FTE numbers for the entire Council workforce increasing from 121.27 FTE's to 121.58 FTE's. The 2023/24 draft Workforce Plan has been adjusted to include changes that have occurred during 2022/23.

The draft 2023/24 Workforce Plan identifies the following additional or amended positions for 2023/24, with some positions requiring additional funding within the draft 2023/24 Long Term Financial Plan. Through employee cost savings identified as a result of reduced FTE numbers in specific areas, the net effect is that all of the recommended changes and additions within the Workforce Plan are funded:

POSITION – 2023/24	COMMENT	Funded or Unfunded in the LTFP	FTE
Total Full-Time Equivalent staffing numbers 1 July 2022			120.27
Infrastructure Assets Officer	0.2 FTE Infrastructure Assets Officer added to 0.8 FTE, making 1.0FTE. Brought forward due to available funding through lower Level classification.	Funded	+0.2
Coordinator - Waste & Environment	0.11 FTE Coordinator - Waste & Environment added to 0.6 FTE	Additional funding sourced	+0.11
Director Special Projects & Community	Added from 1 October 2022 to manage major projects and new Admin building project. Endorsed Council Report.	Funded	+1.0
Development Compliance Officer	Reduced from 1.0 FTE to 0.6 FTE – reallocate 0.4 FTE to Building Surveyor	Funded	-0.4
Building Surveyor	Increased from 0.5 FTE to 0.9 FTE – reallocate 0.4 FTE from Development Compliance Officer	Funded	+0.4
Total Full-Time Equivalent staffing numbers 1 July 2023			121.58
Final Trim Grader Driver (Road Construction Crew)	Existing position currently vacant.	Funded	-1.0
General Hand Works (Road Construction Crew)	Existing position anticipated to be vacant in the near future.	Funded	-1.0
Special Projects Director	Retirement of existing Officer at the end of December 2023, with part-time from January to March 2024 – not anticipating replacement.	Funded	-1.0
Manager Governance	New position created through the splitting of the existing Manager Governance & HR role into 2 roles – Manager HR and Manager Governance. Additional estimated cost = \$140,000	Additional funding sourced	+1.0
Governance Officer	New position created to manage existing Governance work tasks. Additional estimated cost = \$46,000	Additional funding sourced	+0.6
Total 2023/24 Full-Time Equivalent staffing numbers			120.18

The updated draft Workforce Plan for the period 2023/24 to 2032/33 is included in (Appendix IPC: 8.6A).

END REPORT

9 ELECTED MEMBER MOTIONS OF WHICH PREVIOUS NOTICE HAS BEEN GIVEN

None.

10 NEW BUSINESS OF AN URGENT NATURE

None.

11 MATTERS BEHIND CLOSED DOORS

None.

12 CLOSURE OF MEETING

The Chairperson advises that the date of the next Integrated Planning Committee Meeting will be advised.

There being no further business the Chairperson declared the meeting closed at 2.41pm.