



# Regional Capitals Alliance

WESTERN AUSTRALIA

**Western Australian Regional Capitals Alliance  
Meeting**

# **Minutes**

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# MINUTES

Prior to the commencement of the meeting RCAWA members met with the Hon Rita Saffioti, Minister for Planning Lands and Transports and discussed numerous issues including:

- RCAWA – Background strategic plan and Regional Investment Framework proposal
- City Deals – Highlighting RCAWA support for an Albany City Deal
- State Government Green Paper on Planning Reform
- Regional Airfare inquiry
- Simplifying Land tenure – Kimberley proposal provided to Minister
- Regional Centre Development Plans Stage II – Government plans for expenditure.
- LandCorp/MRA Merger
- Planning changes relating to Bushfire Management
- JDAP/SAT consultation processes
- Regional Taxi Industry review
- Roads of National Importance – Need for WA roads to be included
- Infrastructure Aust & Infrastructure WA – Request RCAWA rep on Infrastructure WA board.
- MRWA Contracts – Government pushing local spend.
- Holiday homes/AirBnB

Dr Lesley Arnott from the Office of Rick Wilson, Member for O'Connor also presented to the group re an opportunity for RCAWA members to be involved with a Friends of WA Parliamentary Event in Mural Hall Parliament House on 15<sup>th</sup> October 2018.

## 1 OFFICIAL OPENING

Meeting was opened at 11.32 am

## 2 RECORD OF ATTENDANCE

**Members:**

Peter Long	Mayor City of Karratha (Chair)
Chris Adams	CEO City of Karratha
Dennis Wellington	Mayor City of Albany
Andrew Sharpe	CEO City of Albany
Harold Tracey	Mayor Shire of Broome
Sam Mastrolembo	CEO Shire of Broome
Grant Henley	Mayor City of Busselton
Mike Archer	CEO City of Busselton
Victoria Brown	Shire President Shire of Esperance
Natalie Bowman	Deputy Shire President Shire of Esperance
Shane van Styn	Mayor City of Greater-Geraldton (Arrived 11.30am)
Ross McKim	CEO City of Greater Geraldton
John Bowler	Mayor City of Kalgoorlie-Boulder
John Walker	CEO City of Kalgoorlie-Boulder
Chris Antonio	Shire President Shire of Northam
Paul Rosair	Executive Officer WARCA

**Dial in:**

Malcolm Osbourne	CEO City of Bunbury
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**Guests:**

Hon Rita Saffioti, Minister for Transport; Planning; Lands  
Catherine Bentley, Policy Advisor to Hon Rita Saffioti  
Dr Lesley Arnott, Office of Rick Wilson, Federal Member for O'Connor

**Apologies:**

Gary Brennan	Mayor City of Bunbury
Camilo Blanco	Mayor Town of Port Hedland
David Pentz	CEO Town of Port Hedland
Jason Whiteaker	CEO Shire of Northam
Matthew Scott	CEO Shire of Esperance

## 3 DECLARATIONS OF INTEREST

Nil

## 4 CONFIRMATION OF MINUTES AND BUSINESS ARISING FROM MINUTES OF PREVIOUS MEETINGS

### RCAWA Resolution

That the Minutes of the Western Australian Regional Capitals Alliance Meeting held on Thursday, 14 June 2018, be confirmed as a true and correct record of proceedings with the following amendments:

*The Draft minutes omitted reference to the presentation and adoption of the RCAWA 2018/19 Budget at the June RCAWA Meeting. The following motion was also put and carried unanimously at the June Meeting:*

- *That the 2018/19 RCAWA Budget (as shown below) be adopted*
- *Note Members note the increase in RCAWA Membership fees for the financial year to \$11,700 per member.*

	2017/18	Proposed 2018/19 Budget	Budget Comments
<b>Income</b>			
Membership fees 2018/19	\$68,000	\$117,000	Membership Contributions - (Contributions increased by \$3,200)
Interest received	\$100	\$100	Interest from cash balances
<b>Total Income</b>	<b>\$68,100</b>	<b>\$117,100</b>	
<b>Expenses</b>			
Accountancy fees	\$1,100	\$1,100	Audit fees
Meetings & Functions	\$2,000	\$2,000	Meeting room fees and catering
Secretariat	\$90,000	\$110,909	NAJA Consulting (7159.09*12=\$85,909) + \$25,000 for minor projects
Travel and Accommodation	\$3,000	\$3,000	Provision of secretariat travel cost associated with WARCA Meetings
<b>Total Expenses</b>	<b>\$96,100</b>	<b>\$117,009</b>	
<b>Profit (loss)</b>	<b>-\$28,000</b>	<b>\$91</b>	

<b>Statement of Cash Flow</b>	<b>Amount</b>	<b>Comments</b>
<b>Current Cash Balance 23/04/2018</b>	<b>\$46,408</b>	
2018/19 Income	\$117,100	
Less		
April, May & June 2018 NAJA expenses (\$90,000/12)*3)	\$22,500	Estimated NAJA Invoices till end of year.
Current Liabilities (Tax Prepayment)	-\$778	Refundable GST as of 23/04/2018
2018/19 Expenses	\$117,009	
<b>Cash at 30th June 2018</b>	<b>\$24,777</b>	

**MOVED**  
**SECONDED**

**Shane van Styn - Mayor City of Greater-Geraldton**  
**Victoria Brown – Shire President Shire of Esperance**

**CARRIED**

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**MOVED:**  
**SECONDED:**

**Chris Antonio - Shire President Shire of Northam**  
**Victoria Brown – Shire President Shire of Esperance**

**CARRIED**

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## 5 TREASURER'S REPORT MAY 2018

<b>Date of Report:</b>	<b>30 June 2018</b>
<b>Report Author:</b>	<b>Mayor – City of Greater Geraldton</b>
<b>Disclosure of Interest:</b>	<b>Nil</b>
<b>Attachment(s)</b>	<b>1. Balance Sheet as at 30 June 2018</b> <b>2. Budgeted Profit and Loss for the period ending 30 06 2018</b>

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### **Purpose**

The following notes are provided as an explanation to the attached statements:

1. Membership Fees: All membership paid up at Balance Sheet date;
2. Executive Support: NAJA invoices received and processed up till May 2018.

### **RCAWA Resolution**

#### **That the Board:**

- 1) **Receive and note the Treasurer's Report for the period ending 30 June 2018 and the accompanying financial statements.**
- 2) **Request that the Treasurer submit to June 30<sup>th</sup> 2018 to an external auditor for review/audit opinion.**

**MOVED:** Harold Tracey – Shire President Shire of Broome  
**SECONDED:** John Bowler - Mayor City of Kalgoorlie-Boulder

**CARRIED**

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**WARCA Inc**  
**Balance Sheet**  
As of June 30, 2018

	<u>Jun 30, 18</u>
<b>ASSETS</b>	
<b>Current Assets</b>	
<b>Chequing/Savings</b>	
WARCA Cheque Account	100.54
WARCA Savings Account	29,572.15
<b>Total Chequing/Savings</b>	<u>29,672.69</u>
<b>Total Current Assets</b>	<u>29,672.69</u>
<b>TOTAL ASSETS</b>	<u><b>29,672.69</b></u>
<b>LIABILITIES</b>	
<b>Current Liabilities</b>	
<b>Other Current Liabilities</b>	
Tax Payable	-2,300.45
<b>Total Other Current Liabilities</b>	<u>-2,300.45</u>
<b>Total Current Liabilities</b>	<u>-2,300.45</u>
<b>TOTAL LIABILITIES</b>	<u>-2,300.45</u>
<b>NET ASSETS</b>	<u><b>31,973.14</b></u>
<b>EQUITY</b>	
Opening Bal Equity	136,570.00
Retained Earnings	-101,968.85
Net Income	-2,628.01
<b>TOTAL EQUITY</b>	<u><b>31,973.14</b></u>



**WARCA Inc**  
**Profit & Loss Budget vs. Actual**  
July 2017 through June 2018

	<u>Jul 17 - Jun 18</u>	<u>Budget</u>	<u>\$ Over Budget</u>
<b>Ordinary Income/Expense</b>			
<b>Income</b>			
Interest received	107.43	100.00	7.43
Memberships 2017/2018	85,000.00	68,000.00	17,000.00
<b>Total Income</b>	<u>85,107.43</u>	<u>68,100.00</u>	<u>17,007.43</u>
<b>Gross Profit</b>	85,107.43	68,100.00	17,007.43
<b>Expense</b>			
Accountancy fees	400.00	1,100.00	-700.00
Executive Support	73,373.79	90,000.00	-16,626.21
General expenses	220.00		
Interest expense	66.05		
Meetings & Functions	1,585.82	2,000.00	-414.18
Miscellaneous/ Sundry	220.23		
<b>Supplies</b>			
Marketing	11,869.55	0.00	11,869.55
<b>Total Supplies</b>	<u>11,869.55</u>	<u>0.00</u>	<u>11,869.55</u>
Travelling expenses	0.00	3,000.00	-3,000.00
<b>Total Expense</b>	<u>87,735.44</u>	<u>96,100.00</u>	<u>-8,364.56</u>
<b>Net Ordinary Income</b>	<u>-2,628.01</u>	<u>-28,000.00</u>	<u>25,371.99</u>
<b>Net Income</b>	<u><u>-2,628.01</u></u>	<u><u>-28,000.00</u></u>	<u><u>25,371.99</u></u>

## 6 EXECUTIVE OFFICER BI MONTHLY REPORT (JUNE-JULY 2018)

<b>Date of Report:</b>	<b>1 August 2018</b>
<b>Report Author:</b>	<b>EO – Paul Rosair</b>
<b>Disclosure of Interest:</b>	<b>Nil</b>
<b>Attachment(s):</b>	<b>Executive Officer Bi-Monthly Report – June-July 2018</b>

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### **Purpose**

To update RCAWA on the Executive Officer services provided for the period June-July 2018

### **Background**

I have been performing the Executive Officer role for over 17 months and have had further meetings with alliance members (one-on-one and as a group) and key government, industry and political stakeholders. This report provides information about the services provided under the following main headings:

- Summary of bi-monthly actions
- Stakeholder engagement
- Issues and Opportunities
- Time Allocation

### **Discussion**

As required.

### **Link to Strategic Directions**

Advocacy and policy Influence  
Partnership and collaboration  
Representation

### **Budget Implications**

As per 2017/18 approved RCAWA budget.

**RCAWA Resolution**

**That:**

- 1) The EO report information be received.
- 2) The EO draft a letter for the RCAWA President signature to the Premier and Minister for Planning, Lands and Transport seeking RCAWA representation on the board of the Infrastructure WA.
- 3) The EO undertake investigations regarding the application and approvals process associated with the State's *"Innovation Fund to Drive Regional Jobs."*

**MOVED:** Victoria Brown – Shire President Shire of Esperance

**SECONDED:** Chris Antonio - Shire President Shire of Northam

**CARRIED**

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# Bi-Monthly Update

## WARCA Executive Officer Services

Prepared for WA Regional Capitals Alliance

June-July 2018



*Business Consulting Services*

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### Summary of Bi-Monthly Actions

I have been performing the Executive Officer role for over 15 months and have had further meetings with alliance members (one-on-one and as a group) and key government, industry and political stakeholders. On behalf of the group, I have been working on the following submissions:

- Submission on behalf of Alliance to the Senate Economics References Committee - Inquiry into the Indicators of, and Impact of Regional Inequality in Australia
- Developed a process and documentation for the selection of one RCAWA member to be nominated for the Federal Government Cities Deal program (selected on 14 June 2018). Working on submitting RCAWA's nominee to the Premier for inclusion in the Federal City Deals program.
- Review of Local Government Act 1995 – continuing to develop a coordinated response advocating for a position on any Local Government Act Review Reference Panel and for a review that is less prescriptive and regulatory
- Service Priority Review – continuing to prepare a submission focusing on Recommendation 5 (Improve the coordination of service delivery in the regions) Theme 1 - Building a public sector on community needs
- Investment Framework Strategy – prepared letter to the Premier and other relevant Ministers and stakeholders, promoting the Alliance's stance on regional investment. EO has spoken to WALGA President and staff and they are keen to understand and support the approach.
- Strategic Plan Implementation Strategy – continuing to work on Action Plan 2018, adopted at the meeting in February 2018.
- Communications Plan – continuing to work on progressing actions from the plan, which was tabled and adopted at the meeting in December 2017.
- Continuing to align the RCAWA Investment Framework with the State's Innovation Fund to Drive Regional Jobs (*a \$16.7 million fund over four years that will support and accelerate new and emerging businesses to diversify the Western Australian economy and create new WA jobs and industries*):
  - \$4.5 million regional New Industries Fund to supercharge innovation across regional Western Australia
  - Up to \$300,000 available for projects in each region to drive job creation and innovation
  - \$1.4 million available for inter-regional innovation projects



KEY OBJECTIVES		OVERVIEW OF MONTHLY ACTIONS
ADVOCACY & POLICY INFLUENCE	Engagement with Relevant Political Leaders and Senior Government Executive	Refer Section 2
	Preparation of Submissions and Delegations	Currently working on: <ul style="list-style-type: none"><li>• Green Paper for Planning Reform</li><li>• Alternate Energy Strategy</li><li>• LG Professionals Benchmarking Project</li><li>• Most Accessible Community in Western Australia (MACWA)</li><li>• Service Priority Review</li><li>• Investment Framework</li><li>• Local Government Act</li><li>• Heritage Act Review</li></ul>
	Advocacy on Key Issues	Continuing to contact relevant stakeholders to further the work being done by RCAWA on all key issues.  Secured the attendance of the following at upcoming meetings: <ul style="list-style-type: none"><li>• <b>Rita Saffioti (Minister for Transport, Planning and Lands)</b> at the RCAWA meeting on 1 August 2018</li><li>• <b>Hon. Ben Wyatt (Treasurer; Minister for Finance; Energy; Aboriginal Affairs)</b> to attend meeting in November. Might attend meeting in June.</li><li>• <b>Lynn Craigie (President WALGA)</b> date to be confirmed.</li><li>• <b>Mike Rowe (DG Department of Water)</b> date to be confirmed.</li><li>• <b>Hon. Michael (Mick) Philip Murray MLA (Minister for Seniors and Ageing; Volunteering; Sport and Recreation)</b> date to be confirmed</li><li>• <b>Hon Paul Papalia (Minister for Tourism; Racing and Gaming; Small Business; Defence Issues; Citizenship and Multicultural Interests)</b> date to be confirmed</li><li>• <b>Zaen Khan (Director Energy Coordination – Public Utilities Office)</b> date to be confirmed.</li></ul>



KEY OBJECTIVES		OVERVIEW OF MONTHLY ACTIONS
ADVOCACY & POLICY INFLUENCE	Development of Policy Position Papers	<ul style="list-style-type: none"> <li>Developing a submission to a Green Paper on Modernising Western Australia's planning system.</li> <li>Completed position paper for submission on behalf of Alliance to the Senate Economics References Committee - Inquiry into the Indicators of, and Impact of Regional Inequality in Australia.</li> </ul>
	Insurance Services	No further action at this stage.
PARTNERSHIP & COLLABORATION	Development of <i>WA Regional Capitals Platform</i>	In the 2018-19 Stage Budget (Page 189) there is a budget allocation of \$4.5m for Regional Centres Development Plans – Stage 2. This was carried forward from the 2017-18 budget. There is little clarity around the purpose of this fund and the process for applying. With the Regional Investment Framework / Growth Planning paper now complete. The EO is looking at how this budget allocation may be best applied in light of the RCAWA adopted investment framework.
	Development of Bids	Similarly, the EO is looking at opportunities to develop bids for accessing the Innovation Fund to Drive Regional Jobs ( <i>a \$16.7 million fund over four years that will support and accelerate new and emerging businesses to diversify the Western Australian economy and create new WA jobs and industries</i> )
	Federal Government – City Deals and Smart Cities	Developed an assessment model and selection process. Continuing to work on submitting details of the selected LGA to the Premier (Refer item in this agenda).
GOVERNANCE	Establishment of Not-For-Profit Inc. Association	Election of new office bearers was held at the meeting on 8 February 2018.
	Communications Support	The RCAWA members have received and endorsed the Communications Plan at the December 2017 meeting. EO, Secretary and EA are now implementing actions contained within.
	Meetings and Reporting	<ul style="list-style-type: none"> <li>RCAWA CEO teleconference – 18 July 2018</li> <li>RCAWA Alliance Meeting (Perth) – 14 June 2018</li> </ul>
	Development of Strategic Plan	<ul style="list-style-type: none"> <li>Strategic Plan completed – copies have been distributed to all Alliance members.</li> </ul>



## Stakeholder Engagement

Stakeholder representatives	Meeting Date	Key Meeting Outcomes
<b>Tony Brown</b> <i>Executive Manager Governance &amp; Strategy - WALGA</i>	19 June 2018	Discussion and update on MACWA Award
<b>James Guillion</b> <i>Manager – Synergy</i> <b>James Birkmanis</b> <i>Manager – Western Power</i> <b>Matt Keogh</b> <i>Manager – Horizon Power</i>	26 June 2018	Discussed workshop outcomes and opportunities arising. Committed to meet and action.
<b>Matthew Scott</b> <i>CEO – Shire of Esperance</i>	26 June 2018	Discussed the concept of an Energy MOU.
<b>Andrew Sharpe</b> <i>CEO – City of Albany</i>	26 June 2018	Discussed LG Pro Benchmarking Project and Federal Cities Deal project.
<b>Peter Schneider</b> <i>CEO – Eastern Metropolitan Regional Council</i>	9 July 2018	Discussed EMRC’s Federal Cities Deal submission and process.
<b>Candy Choo</b> <i>CEO LG Professionals WA</i> <b>Andrew Sharpe</b> <i>CEO City of Albany</i> <b>Michael Cole</b> <i>ED Corporate Services City of Albany</i>	16 July 2018	Discussed LG Pro Benchmarking  In a separate meeting, discussed Federal Cities Deal with Andrew Sharpe and Michael Cole
<b>Zaen Khan</b> <i>Director Energy Coordination Public Utilities Office</i> <b>Aden Barker</b> <i>A/Director - Public Utilities Office</i>	18 July 2018	Discussed alternative energy strategy for the RCAWA group.
<b>RCAWA Members</b>	Regularly	General discussions around RCAWA issues





## Issues and Opportunities

Overview of Issue/Opportunity	Recommendations
Regionalising Government Services	<p>Premier Mark McGowan has commenced the process for establishing Infrastructure WA, an independent advisory body that will provide expert advice to Government on the infrastructure needs and priorities to support WA's growth. EO will closely monitor this initiative to ensure the Alliance is informed about any processes and opportunities to pursue their infrastructure needs.</p> <p>Continuing to participate in State Government's Service Priority review by regular contact with Michelle Andrews (Deputy DG – DPC) to keep abreast of the review and monitor opportunities to participate further.</p>
Marketing and Communications	<p>Website maintenance arrangements, set up of new domain and redirection of old website and email addresses were completed.</p> <p>The EO is working with the Secretary and EA on ways to commence implementation of the Communications plan endorsed at the meeting on 6 December 2018.</p>
Strategic Planning	<p>The final Strategic Plan has been distributed to nearly all Alliance members.</p> <p>An Action Plan 2018 for implementing the Strategic Plan was tabled at the meeting on 6 December 2017. EO, Secretary and EA are now implementing actions contained within.</p>
Administrative Support	<p>Provision of administrative support as per agreed contract.</p>

## Time allocation summary

Allocated total annual hrs	Total hrs billed	YTD hrs
May 2018 – April 2019 400 hrs	Total hrs for June-July 2018 70 hrs billed (74 ½ hrs actual)	2018-19 105 hrs billed (117 ½ hrs actual)

## 7 FEDERAL CITY DEALS SELECTION

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<b>Date of Report:</b>	<b>1 August 2018</b>
<b>Report Author:</b>	<b>EO – Paul Rosair</b>
<b>Disclosure of Interest:</b>	<b>Nil</b>
<b>Attachment(s):</b>	<b>Letter to Premier of Western Australia seeking the State's support to progress the Alliance's nomination for the Federal City Deal</b>

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### **Purpose**

To brief members on the next step in the process of the Federal Cities Deal.

### **Background**

On 27 April 2018, the Australian and Western Australian governments signed a memorandum of understanding to negotiate a City deal with the city of Perth. The Australian and Western Australian governments will now work together to negotiate the Perth City Deal.

At the meeting on 12 April 2018, it was resolved that the EO develop a process for selection of an Alliance member for submission to the Premier as a West Australian regional city/capital, who would then submit a nomination to the Federal Government with the support of all Alliance members and State Government.

On 1 August 2018, the City of Albany was selected by the Alliance for submission to the Premier as a West Australian regional city/capital, who would then submit a nomination to the Federal Government with the support of all Alliance members and State Government. This paper is to discuss and inform members of the next phases in the process.

The Executive Officer (EO) met with the CEO and a senior staff member from the City of Albany on Monday 16th July to discuss the approach to initiating Cities Deal for the City. Subsequently the EO has contacted the Department of Infrastructure, Regional Development and Cities seeking guidance in relation to the next steps (see below).

There may be some reluctance for the State to support this nomination, having signed a City Deal MOU with the City of Perth. However, given the Alliance's collaborative approach to the Albany proposal and the timeframes involved in the process for establishing a Cities Deal the State may support the process commencing so that it will be in a position in 2019 to support the State's first regional city proposal to the Commonwealth.

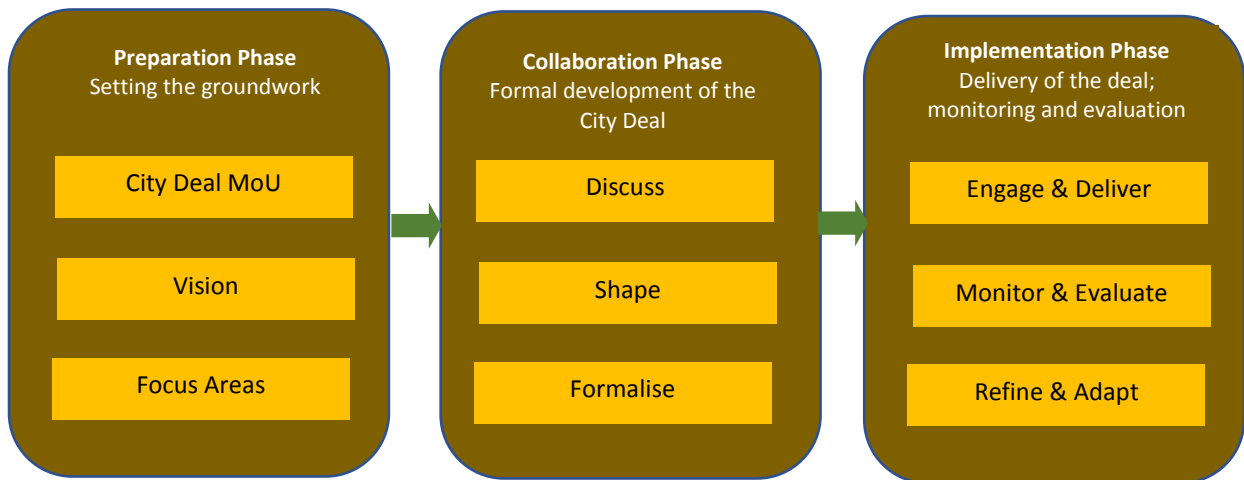
Progressing this deal will however require considerable advocacy work with the local State member of Albany Peter Watson and the Federal member for O'Connor Rick Wilson to secure the State Government support for the proposal.

The EO spoke to the member for O'Connor to provide a brief overview of the situation. He advised of his full support and will assist in navigating the project through the commonwealth processes. He also spoke briefly with the member of Albany to outline the Alliance's stance.

**Discussion**

**The Process to Develop a City Deal**

The three phases of developing and delivering City Deals can be summarised as preparation, collaboration and implementation (see diagram below).



**Preparation**

To establish a framework for City Deal discussions, and shared commitment to the City Deal model, the Prime Minister invited all state and territory governments to sign a City Deals Memorandum of Understanding (MoU).

Once the City Deal MoU has been signed, the Commonwealth's Cities Division works closely with their state and territory counterparts to consider city deal opportunities in line with the principles outlined.

The preparation phase helps local governments and stakeholders prepare and set the groundwork for a City Deal in their community.

While only a small number of City Deals will be initiated at any one time, all cities can benefit from engaging in the preparation phase. It may help communities to identify and act upon opportunities in their local area – for example strengthening ties with the private sector and other communities with similar challenges – or enhance engagement with policy and funding processes, such as grants or other investments from local, state or Australian Government programs, business investors or philanthropic organisations.

Online data and guidance will support local governments and other interested users, to establish a baseline for their city, develop a vision for the future, and identify focus areas to be explored through a City Deal.

Engaging the local community to identify priorities and opportunities is important throughout the process.

### **Collaboration**

The collaboration phase is about the formal development of the deal. This phase begins once all three levels of government have agreed to develop a City Deal. During this phase, the Australian Government, state or territory and local governments work together with the community and private sector to identify priorities and commit to delivering key outcomes for the city.

Although each deal is unique, the Australian Government has developed some guidance for this stage, including templates, timeframes and protocols, which are shared with the parties to the City Deal.

In the first instance, we discuss objectives for the City Deal, identify decision-making requirements and develop appropriate governance arrangements for the deal.

A successful City Deal relies upon parties having mutual goals and finding where there's a genuine need for collaboration between governments. Coordination across governments, ongoing consultation with the community and key stakeholders, along with detailed workshops, and specialist advice helps to shape the scope of the City Deal and identify potential delivery partners.

We explore various options to address priority issues for the city. Once there's agreement about initiatives that will enable success, we formalise and agree to the City Deal. The deal includes the commitments of each level of government, and other key partners.

### **Implementation**

The implementation phase commences once the City Deal is agreed. Over the life of each City Deal, monitoring and evaluating performance and keeping the community up to date about progress is important. We want to ensure that the City Deal is making a difference and share lessons.

Following signing of the City Deal, we engage with the community and with other interested parties to deliver the various commitments under the City Deal.

An Executive Board (established for each City Deal to oversee implementation) will monitor and evaluate progress on the delivery of commitments. This Board will report annually on the progress.

Over time, we will refine and adapt each City Deal as necessary. As milestones are achieved, we will determine next steps for each commitment. We also look at emerging trends, opportunities and risks and consider whether commitments under the City Deal need to be refined. We will consider altering a deal after its formal review, which typically occurs after 3 years.

**Link to Strategic Directions**

Partnership and collaboration.

Advocacy and policy influence.

Representation.

Providing engagement at national and state level.

**Budget Implications**

Nil

**RCAWA Resolution****That:**

- **The information be received.**
- **That the Alliance confirm the nomination and support for the City of Albany to be its City Deals nominee**
- **The attached letter be sent to the Premier of Western Australia notifying him of the Alliance position and seeking the State's support to progress the Alliance's nomination to the next stage of the process.**
- **The EO request a meeting with the Premier (with a delegation from RCAWA) to discuss the City Deal proposal.**

**MOVED: Chris Adams - CEO City of Karratha**

**SECONDED: John Walker - CEO City of Kalgoorlie-Boulder**

**CARRIED**

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Our Ref: [Our reference no]  
Enquiries: [Persons name for enquiries]

Hon Mark McGowan  
Premier of Western Australia  
5th Floor, Dumas House  
2 Havelock Street  
WEST PERTH WA 6005

Dear Premier

## **FEDERAL CITIES DEAL**

I am contacting you on behalf of the Regional Capitals Alliance of Western Australia (RCAWA). As you are aware, this Alliance consists of ten local government authorities:

- Cities of Albany, Bunbury, Greater Geraldton, Kalgoorlie-Boulder, Busselton and Karratha
- Shires of Esperance, Northam and Broome
- Town of Port Hedland.

We are aware that on 27 April 2018, the Australian and Western Australian governments signed a memorandum of understanding to negotiate a City deal with the city of Perth.

Notwithstanding that commitment, at a meeting of the Alliance on 14 June 2018, the Alliance went through a process to select one of its members and agreed to support the nominee submitting a proposal to the Federal Government (through the West Australian Premier) as a West Australian regional city/capital

We now hereby request your support in submitting the City of Albany's nomination to the Federal Government, in what is the State's first regional city nominee.

An information sheet on the process is **attached**.

We look forward to working with the State Government and relevant agencies in bringing this initiative to fruition. We would welcome an opportunity to discuss this approach with you at one of our Alliance meetings in the near future. We will contact your office directly to endeavour to arrange a suitable time.

Yours faithfully

Peter Long  
Chair Regional Capitals Alliance WA

[Click **here** and type DATE]

# DELIVERING

## City Deals

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City Deals are a new approach in Australia to bring together the three levels of government, the community and the private sector. The partnership focuses on aligning planning, investment and governance to accelerate growth and job creation, stimulate urban renewal and drive economic reforms to secure the future prosperity and liveability of our cities.

### Our Focus Areas

The uniqueness and diversity of Australia's cities means that it is necessary to tailor the approach to designing and delivering Australian City Deals. The approach draws from our experience developing the first three City Deals in Townsville, Launceston and Western Sydney, as well as lessons from overseas.

Depending on the city's priorities, a City Deal might include investment, planning, policy and regulatory changes in relation to:

- Jobs and skills
- infrastructure and investment
- liveability and sustainability
- innovation and digital opportunities
- governance, planning and regulation and
- housing

### City Deal Principles

These principles will guide the development, consideration and selection of City Deals.

#### A shared vision for growth, reform and improvement

The commitment to a City Deal reflects a serious and shared ambition from federal, state or territory and local leaders to improve their city. The process of agreeing and implementing the City Deal provides an impetus for major reforms and co-investments that can jump-start economic growth and improve liveability.

#### A negotiated and customised approach, across the whole of government

City Deals focus on leveraging cities' unique strengths and responding to their specific needs. Instead of national and state policies and programs delivered locally by different departments, working with local

governments and stakeholders produces a unified deal that addresses a city's priorities.

#### Transformative investment

Investment delivered as part of a City Deal is focused on a long-term vision for the city, not immediate business-as-usual needs. This longer term and broader approach makes City Deal investment transformative, rather than reactive.

#### Institutional and governance reforms for sustained improvement

For sustained improvement, institutional reforms and investments may also be necessary to improve local capacity for whole-of-city governance and reform. This could include creating new bodies for planning, collaboration, governance and investment to ensure progressive improvement.

#### Innovative financing and value capture

City Deals should, where possible, use innovative financing and funding methods to deliver greater investment than could otherwise be provided. Since the deals aim to integrate transport, housing and land use policies, they create the opportunity for coordinated action to maximise and capture the value of investment.



# DELIVERING

## City Deals

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### Conditions for success

Meeting the following three criteria gives the best chance for a successful City Deal:

#### Willing and capable partners

The jurisdictions involved need to be willing and able to negotiate and deliver a City Deal. All levels of government must dedicate the resources needed for effective negotiation and implementation, as well as the political capital to drive difficult reforms and investments in the long-term interest of the City.

#### Opportunities to unlock economic potential and transform the City

There must be real opportunities to unlock economic potential in the City. City Deals are best suited to improving larger complex economic systems rather than simply providing an area assistance package.

#### Alignment with broader investment and policy priorities

City Deals should leverage government investment to further national policy goals, such as economic reform, rather than simply improving one location.

### The process to develop a City Deal

The three phases of developing and delivering City Deals can be summarised as preparation, collaboration and implementation (see diagram below).

#### Preparation

To establish a framework for City Deal discussions, and shared commitment to the City Deal model, the Prime Minister invited all state and territory governments to sign a City Deals Memorandum of Understanding (MoU).

Once the City Deal MoU has been signed, the Commonwealth's Cities Division works closely with their state and territory counterparts to consider city deal opportunities in line with the principles outlined on page one.

The preparation phase helps local governments and stakeholders prepare and set the groundwork for a City Deal in their community.

While only a small number of City Deals will be initiated at any one time, all cities can benefit from engaging in the preparation phase. It may help communities to identify and act upon opportunities in their local area – for example strengthening ties with the private sector and other communities with similar challenges – or enhance engagement with policy and funding processes, such as grants or other investments from local, state or Australian Government programs, business investors or philanthropic organisations.

Online data and guidance will support local governments and other interested users, to establish a **baseline** for their city, develop a **vision** for the future, and identify **focus areas** to be explored through a City Deal.

Engaging the local community to identify priorities and opportunities is important throughout the process.

#### Collaboration

The collaboration phase is about the formal development of the deal. This phase begins once all three levels of government have agreed to develop a City Deal. During this phase, the Australian Government, state or territory and local governments work together with the community and private sector to identify priorities and commit to delivering key outcomes for the city.

Although each deal is unique, the Australian Government has developed some guidance for this stage, including templates, timeframes and protocols, which are shared with the parties to the City Deal.

In the first instance, we **discuss** objectives for the City Deal, identify decision-making requirements and develop appropriate governance arrangements for the deal.

A successful City Deal relies upon parties having mutual goals and finding where there's a genuine need for collaboration between governments. Coordination across governments, ongoing consultation with the community and key stakeholders, along with detailed workshops, and specialist advice helps to **shape** the scope of the City Deal and identify potential delivery partners.

We explore various options to address priority issues for the city. Once there's agreement about initiatives that will enable success, we formalise and agree to the City





# DELIVERING

## City Deals

Deal. The deal includes the commitments of each level of government, and other key partners.

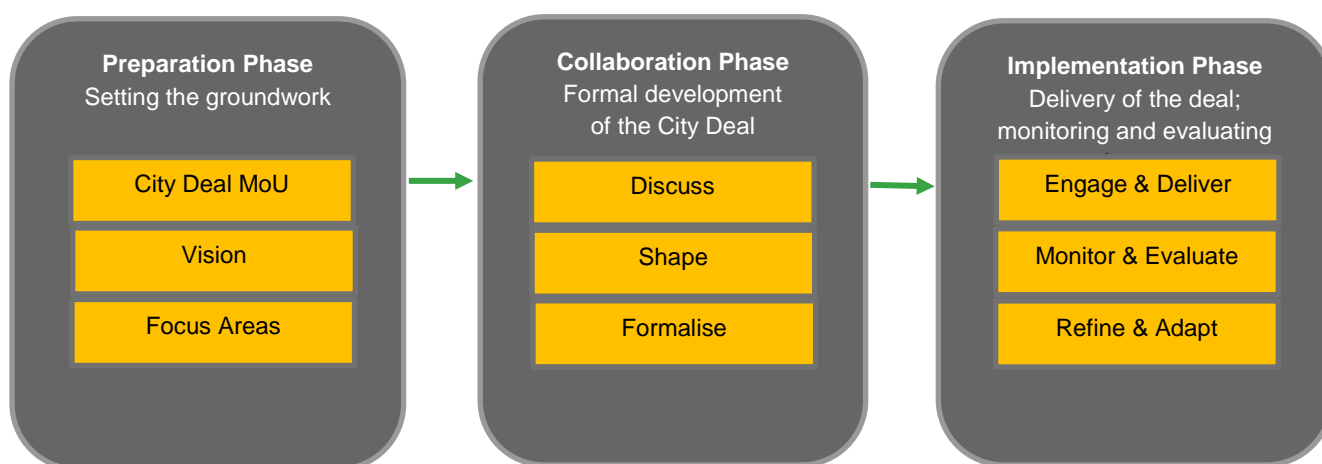
### Implementation

The implementation phase commences once the City Deal is agreed. Over the life of each City Deal, monitoring and evaluating performance and keeping the community up to date about progress is important. We want to ensure that the City Deal is making a difference, and share lessons.

Following signing of the City Deal, we **engage** with the community and with other interested parties to deliver the various commitments under the City Deal.

An Executive Board (established for each City Deal to oversee implementation) will **monitor and evaluate** progress on the delivery of commitments. We will report annually on the progress.

Over time, we will **refine and adapt** each City Deal as necessary. As milestones are achieved, we will determine next steps for each commitment. We also look at emerging trends, opportunities and risks and consider whether commitments under the City Deal need to be refined. We will consider altering a deal after its formal review, which typically occurs after 3 years.



## 8 LG PROFESSIONALS – GROUP DISCOUNT FOR RCAWA MEMBERS

<b>Date of Report:</b>	<b>1 August 2018</b>
<b>Report Author:</b>	<b>EO – Paul Rosair</b>
<b>Disclosure of Interest:</b>	<b>Nil</b>
<b>Attachment(s):</b>	<b>Information on Benchmarking Tool and examples of data extraction</b>

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### **Purpose**

To brief members on the process of securing a group discount for RCAWA Capitals.

### **Background**

At the meeting on 12 April 2018, it was decided that the EO would approach the CEO of LG Professionals to secure a group discount for Alliance members.

The EO has negotiated with the CEO and obtained approval for all 10 councils to have the Early Bird discount (all four years) as well as the 5% discount for FY19 to 21 if they all sign up to the 4-year contract and the Window - particularly as they were in discussions prior to 30 April 2018 (the Early Bird cut off).

Only councils that signed-up to the Program from inception ever receive Foundation Pricing and that is across the board. Those 4 councils in the group who chose to sign up from the beginning of the Program and have remained in the program already receive a savings of \$10,650.00 between them.

The Early Bird discount for all 10 councils will give the group a savings of \$20,000 per year for the 4-year term - plus from FY19 to FY21, they will all receive the additional 5% discount as well.

### **Discussion**

The Executive Officer met with the following group to discuss RCAWA's potential alliance membership:

Andrew Sharpe	Chief Executive Officer, City of Albany
Michael Cole	Executive Director Corporate Services, City of Albany
Candy Choo,	Chief Executive Officer, LG Professionals Australia
Craig Patrick	Coordinator, Corporate Planning & Performance, City of Swan

Membership cost and benefits were discussed. It must be noted that the regional window cost is inclusive of the total cost and is not additional.

It must also be noted that set up costs for a Council can vary due to the technical expertise of staff and the nature of their corporate systems. However, on average councils should be prepared for a minimum of 3 - 5 days effort for a staff member to initially load and transfer data from their corporate (IT, HR and Finance) systems into the benchmarking database. LGPRO and the reference group members have offered to provide direct support (including phone assistance) to councils to undertake this work free of charge.

It is prudent that the Alliance create a reference group from its members at an operational level (with EO oversight) to develop key areas of reporting for the development of an Alliance Regional window for this initiative to be a success.

A level of trust between Alliance members is essential when sharing key corporate data. However, this is already considered a key Alliance trait.

Craig Patrick identified a number of examples where the benchmark data has been used to refine and change business processes to good effect. It was suggested that the benchmark data, unlike WALGAs “My Council Data”, allowed councils better control over its preparation, context and delivery to elected members and ratepayers at large.

Craig Patrick has provided additional information (**attached**) in relation to the use of the Benchmarking tool, as summarised below:

What	Audience	Delivery Method	File Name
Summary of report from PwC report and CCat extracts	Executive / Council	Executive Team Meeting, Councillor Memo	Redacted Executive Summary.docx
Overtime action follow-up from PwC data via filters, with TIL added in from separate extract from our system	Executive / Managers	Email coordinated by my team, responses to Executive for follow-up	OT and TIL alys – Ops.docx
Budget workshop slides from previous summary work	Executive / Council	As part of budget workshop presentation for budget guidance / planning 2018/19	PwC Budget Support.pptx
A3 summary of key areas of interest, drawn from the CCat (and enhanced) with template behind it as shared previously	All Staff	- Emailed - Corporate announcement - Pinned on noticeboards	PWC data display 2016-17 V2.pdf
Presentation on results / focus areas	All Staff	2 x all staff invite lunch time learning sessions	FY17 LGPEP Prez_clean.pptx
Media Releases	Local newspapers / community	2 x media release (1 general, 1 waste specific)	Example: <a href="https://www.swan.wa.gov.au/News-Media/2018/Media-releases/City-of-Swan-recognised-for-efficiency-in-major-survey">https://www.swan.wa.gov.au/News-Media/2018/Media-releases/City-of-Swan-recognised-for-efficiency-in-major-survey</a>
Workforce data analysis (Partially redacted)	Executive	Included as part of Strategic Decision-Making guidance for business planning 2019/20	WF Data Redacted vers.docx
Answering specific detailed Councillors questions related to funding, staffing	Council / Executive	Section 10 response	Not included.

**Link to Strategic Directions**

Partnership and collaboration.

**Budget Implications**

Nil

**RCAWA Resolution**

That:

- The information be received.
- The Alliance members consider and decide on acceptance of this offer within 2 weeks (ie by 15/8/18).
- The EO further this arrangement with the CEO of LG Professionals

**MOVED: Chris Adams - CEO City of Karratha**

**SECONDED: Harold Tracey – Shire President Shire of Broome**

**CARRIED**

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**Attachment 1 (Benchmarking)**

<b>What</b>	<b>Audience</b>	<b>Delivery Method</b>	<b>File Name</b>
Summary of report from PwC report and CCat extracts	Executive / Council	Executive Team Meeting, Councillor Memo	Redacted Executive Summary.docx (Attached)
Overtime action follow-up from PwC data via filters, with TIL added in from separate extract from our system	Executive / Managers	Email coordinated by my team, responses to Executive for follow-up	OT and TIL alys – Ops.docx (Attached)
Budget workshop slides from previous summary work	Executive / Council	As part of budget workshop presentation for budget guidance / planning 2018/19	PwC Budget Support.pptx (Attached)
A3 summary of key areas of interest, drawn from the CCat (and enhanced) with template behind it as shared previously	All Staff	- Emailed - Corporate announcement - Pinned on noticeboards	PWC data display 2016-17 V2.pdf (Attached)
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Media Releases	Local newspapers / community	2 x media release (1 general, 1 waste specific)	Example: (Attached)
Workforce data analysis (Partially redacted)	Executive	Included as part of Strategic Decision-Making guidance for business planning 2019/20	WF Data Redacted vers.docx (Attached)
Answering specific detailed Councillors questions related to funding, staffing	Council / Executive	Section 10 response	Not included.

# **Local Government Performance Excellence Program FY2017**

## **1. Background**

The City currently monitors a range of system performance data to ensure that we are delivering on our goals and objectives as set out in our Strategic Community Plan and Corporate Business Plan. This data is reported to the community through the Annual Report, and to Council and the Executive Management Team through quarterly reporting.

With each iteration of this existing reporting, the organisation is able to compare and analyse current results against previous data, however there is little opportunity to compare our data with that of other organisations.

In 2016, the City was invited to participate in the Australasian Local Government Performance Excellence Program. This program was originally developed by Pricewaterhouse Coopers and Local Government Professionals Australia (LGPA) New South Wales, with participation in Western Australia driven by LGPA WA. The program uses information supplied by each participating local government to create comparative performance reports for a range of service areas. The City has committed to the program for three years (2015/16, 2016/17, 2017/18) which allows us to analyse trend as well as comparative data.

## **2. Report**

The full report entitled, "The Australasian Local Government Performance Excellence Program FY2017", is provided along with this memo and, as with last year's iteration, is tailored to show City of Swan results compared to the average for the other participating local governments from Australia and New Zealand, of which:

- 31 are from WA.
- 27 are considered "large" with a population greater than 100,000.
- 38 are considered metropolitan.
- 19 had revenue greater than \$200 million.

While this provides a reasonable level of comparison for the City, it should still be noted that the operating environments in other states and countries can differ.

Generally speaking, the City rates about average across the suite of measures, with some areas comparing more favourably than others. Variance in results may be indicative of, for example, different types or levels of services offered, different levies or costs imposed by the State Government or different ways that other local governments provided data to Pricewaterhouse Coopers.

Given that this was our second year of the program, the report now includes trend data as well as comparative data, with summaries of each section available below.

### **3. Local Government Performance Excellence Program FY2017 Highlights**

#### **3.1 Workforce (pp. 10-47)(Some data removed)**

- However we are still below the state average for number of FTE per 1000 population, for which we have 5.2 FTE.
- Overtime is still significantly higher than average. See further analysis in Appendix 1.
- Turnover rate significantly increased and is now on par with the WA average of 15%. See further analysis in Appendix 2.
- We continue to be one of the few WA local governments without a formal succession plan, with 87% having one in place.
- Female employment in manager roles and above rose to 30% and is now slightly ahead of the WA average of 29%. The City's workforce is 46% female.
- Remuneration as a percentage of operating expenses continues to be 50%, 10% higher than the WA average. This can probably be attributed to the fact that we insource more services than most local governments, who we could safely assume would spend more on contracts.
- FTE per 1000 residents, employee split by generation and sick leave taken are fairly static and comparable to state averages.

#### **3.2 Finance (pp. 48-61)**

- We continue to spend more time focused on compliance and control tasks than average (26% vs 20% average) and less time on transactional tasks (56% vs 61% average).
- We spend 18% of our time on business insights compared to a 28% average for metropolitan local governments.
- Our user charges as a percentage of revenue are much lower than average, 7% versus 16% for WA.
- The days taken for our budgeting process continue to be high, at 172 days compared to a state average of 118. However we are on par when compared to the seven large WA local governments in the survey.
- Frequency of financial reporting and rates collected on time are fairly static and comparable to state averages.

#### **3.3 Operations (pp. 62-79)**

- We continue to employ fewer staff in corporate services than average, with 9.2 employees per 100 employees compared to a 12.9 per 100 WA average.
- Our customer service FTE per 10,000 residents continues to be low, at 1.1 compared to a 1.7 WA average.
- We are in the minority of local governments who do not have a formal IT strategy in place, however this will change in the coming year.
- Our outsourcing of some corporate services such as legal and IT hosting are common across other local governments. Other areas that are popular to outsource that we currently do in house include recruitment (44%), procurement (40%) and IT helpdesk (30%).

#### **3.4 Service Delivery (pp. 80-102)**

- Our costs to provide the 26 services identified by PwC are generally lower than the WA average, with the exceptions being Drainage and Stormwater Management, Public Order and Safety, Transport (Fleet), Libraries, Street Lighting, Swimming Pools and Town Planning. A further break down of costs is available in Appendix 4.

- From an overall cost of service perspective (which is unaffected by the way PwC categorise individual services), the City's operating costs per resident increased 1% from 2015/16 to 2016/17, compared to an average 6% rise for WA. In terms of comparisons, the City's operating costs per resident are 17% lower than the WA average.

### **3.5 Risk Management (pp. 103-111)**

- Like the majority of local governments, we have a risk management policy in place, report on risks quarterly, co-deliver internal audits with consultant assistance and have an Audit and Risk Committee in Place.
- We are one of only a few local governments in WA that have an independent external member on the Audit and Risk Committee.

### **3.6 Corporate Leadership (pp. 112-122)**

- The number of resolutions passed per Council meeting has increased by 65% and Council meeting duration has decreased by 12%. These positive trends can be attributed to the introduction of Agenda Forums, but still remain slightly higher than the WA average.
- We review our community engagement strategy, publish corporate performance and conduct community satisfactions surveys at the same frequency as the majority of WA local governments.

### **3.7 Asset Management (pp. 123-132)**

- As with most WA local governments, we have dedicated asset management systems and staff to manage assets, report management of assets to Council when required and have asset plans linked to financial plans.

## **4. Executive direction is sought for the following**

- Endorsement of proposed roll-out of information as follows:
  - Memo to Councillors based on this documentation (post Executive meeting)
  - Presentation to Manager's forum (20 February 2018)
  - All staff announcement based on this documentation (March 2018)
  - Presentation(s) to interested staff (March 2018)
- The level to which we are willing to share data with other similar Councils such as Joondalup and Wanneroo and the ongoing identification of improvements to the program to feed back to Pricewaterhouse Coopers.
- Whether a more detailed review of overtime data and potential efficiency improvements should be pursued based on the data in Appendix 1.
- Whether a more detailed review of the reasons behind the spike in turnover should be pursued based on the data in Appendix 2.
- Whether a more detailed review of PDR completion should be pursued based on the data in Appendix 3.



**Appendix 1 – Overtime**

Business unit	Total overtime hours for business unit	Total overtime days for business unit (at 7.6hrs)	FTE equivalent (at 230 work days)	Overtime FTE equivalent as a proportion of total business unit FTE	Number of individuals working overtime	Highest overtime hours for an individual	Highest overtime days for an individual	Average daily hours worked including overtime	% of BU Total	Average overtime hours per FTE that worked overtime	Average overtime days per FTE that worked overtime
Financial Services & Rates											
Human Resources											
Information Services											
Marketing & Public Relations											
Place Management											
Asset Management											
Construction & Maintenance											
Facilities Management											
Fleet & Waste Services											
Project Management											
Governance											
Organisational Planning & Development											
Business & Tourism Services											
Health & Building Services											
Statutory Planning											
Strategic Planning											
Community Safety											
Customer & Library Services											
Leisure Services											
Lifespan Services											
Stakeholder Relations											
Operations											
Office of the CEO											
Planning & Development											
Community Wellbeing											

The above data shows that while overtime is paid by the majority of business units, some business units utilise it to a much greater extent than others. There may be a number of operational reasons for this, with our tendency to insource rather than outsource to contractors making us more likely to pay staff overtime in place of contractors being one of those reasons. Another is where work must be undertaken outside of standard hours due to road or building usage during the day.

From an employee safety perspective, occasionally payroll and OSH review overtime and if there are causes for concern these are followed up with the business unit. The general overtime practice at the City is in accordance with the Local Government Industry Award which requires a 10 hour break between shifts and standard shifts of no more than 10 hours, or 12 hours where an agreement with the employee has been reached.

## Appendix 2 – Turnover

Business unit	Turnover (#)	Turnover (%)
Financial Services & Rates		
Human Resources		
Information Services		
Marketing & Public Relations		
Place Management		
Asset Management		
Construction & Maintenance		
Facilities Management		
Fleet & Waste Services		
Project Management		
Governance		
Organisational Planning & Development		
Business & Tourism Services		
Health & Building Services		
Statutory Planning		
Strategic Planning		
Community Safety		
Customer & Library Services		
Leisure Services		
Lifespan Services		
Stakeholder Relations		
Operations		
Office of the CEO		
Planning & Development		
Community Wellbeing		

The data above breaks down our general turnover into individual business unit turnovers and shows the significant variance across the City. In some cases, a high turnover figure is due to a low total FTE number, which affects the likes of Place Management and OPD due to their low total FTE of seven and eight respectively.

It is however more difficult to determine the root causes of the high turnover figures in other business units such as Facilities Management, Lifespan, Marketing & Public Relations and Governance. It is worth noting that when the employee engagement survey is undertaken it may help to shed some light on the underlying causes for the general increase in staff turnover.

### Appendix 3 - Performance Appraisals

Business unit	PDRs completed	% of business unit
Financial Services & Rates		
Human Resources		
Information Services		
Marketing & Public Relations		
Place Management		
Asset Management		
Construction & Maintenance		
Facilities Management		
Fleet & Waste Services		
Project Management		
Governance		
Organisational Planning & Development		
Business & Tourism Services		
Health & Building Services		
Statutory Planning		
Strategic Planning		
Community Safety		
Customer & Library Services		
Leisure Services		
Lifespan Services		
Stakeholder Relations		
Operations		
Office of the CEO		
Planning & Development		
Community Wellbeing		

Analysis Removed.

## Appendix 4 - Service Cost

PwC service definition	Corresponding City of Swan business units	Cost per resident						
		2015/16 CoS	2016/17 CoS	% change	2015/16 WA	2016/17 WA	% change	2016/17 % difference (CoS vs WA)
Aged persons and disabled	Lifespan Services							
Cultural and community services centres	Asset Management, Leisure Services, Lifespan Services, Marketing & Public Relations, Project Management							
Drainage and stormwater management	Asset Management, Construction & Maintenance, Project Management							
Emergency services, fire levy and protection	Community Safety							
Enforcement of regulations and animal control	Community Safety, Health & Building Services							
Footpaths	Asset Management, Construction & Maintenance, Project Management							
Governance and administration - customer service	Customer & Library Services							
Governance and administration - finance	Financial Services & Rates							
Governance and administration - human resources	Human Resources							
Governance and administration - IT	Information Services							
Governance and administration - other	Governance, Financial Services & Rates, Information Services, Marketing & Public Relations, Organisational Planning & Development							
Health	Health & Building Services							
Other environment	Asset Management, Construction & Maintenance, Strategic Planning							
Other community services and education	Lifespan Services							
Other economic affairs	Business & Tourism Services, Marketing & Public Relations							
Public order and safety	Community Safety, Facilities Management							
Transport	Asset Management, Fleet & Waste Services							
Parks and gardens	Asset Management, Construction & Maintenance, Project Management							
Public libraries	Customer & Library Services, Facilities Management							
Roads and bridges	Asset Management, Construction & Maintenance, Project Management							
Solid waste management	Fleet & Waste Services							
Sporting grounds and venues	Asset Management, Construction & Maintenance, Facilities Management, Leisure Services, Project Management							
Street cleaning	Construction & Maintenance							
Street lighting	Construction & Maintenance							
Swimming pools	Facilities Management, Leisure Services							
Town planning	Asset Management, Health & Building Services, Place Management, Statutory Planning, Strategic Planning							
<b>Total</b>								

As can be seen from the above data, there is significant variance between last year's and this year's data, both for the City and for WA as a whole. This is due mainly to changes in the way that PwC categorise their service codes that each local government must align their services to. There may also be some variance due to the lessons learnt by WA local governments from last year's (i.e. the first iteration) and an attempt to improve accuracy for this year. So, whilst there are some areas where the City performs better than average, and a few where the City performs lower than average based on cost, these should not be relied upon to make decisions. In future it is also hoped that the City and other local governments can convince PwC to include some qualitative data based on, for example, community satisfaction. This will show whether increased expenditure results in better outcomes on average, or where low expenditure still delivers a level of service sufficient to expectations.

Operations Division

Overtime and Time in Lieu Summary for 2016/17

Business Unit	Overtime cost	Overtime hours	Overtime days (assuming 7.6hr days)	Overtime FTE equivalent (assuming 230 work days per year)	Number of individuals paid overtime	Time in lieu hours	Time in lieu days (assuming 7.6hr days)	Time in lieu FTE equivalent (assuming 230 work days per year)	Total FTE equivalent (inc. overtime and time in lieu)
Asset Management	\$X	Y	Z	A	N	Y2	Z2	A2	T
Construction & Maintenance	\$XX	YY	ZZ	AA	NN	YY2	ZZ2	AA2	TT
Facilities Management	\$XXX	YYY	ZZZ	AAA	NNN	YYY2	ZZZ2	AAA2	TTT
Fleet & Waste Services	\$XXXX	YYYY	ZZZZ	AAAA	NNNN	YYYY2	ZZZZ2	AAAA2	TTTT
Project Management	\$XXXXX	YYYYY	ZZZZZ	AAAAA	NNNNN	YYYYY2	ZZZZZ2	AAAAA2	TTTTT

Individuals that worked more than an extra day per week equivalent (i.e. DDDD FTE) during 2016/17

### Construction & Maintenance

Employee ID	Overtime hours	Time in lieu hours	Total hours	Combined FTE equivalent
13169	YY	YY2	ZZ	TT
16315	YY	YY2	ZZ	TT
10408	YY	YY2	ZZ	TT
11315	YY	YY2	ZZ	TT
14764	YY	YY2	ZZ	TT
19549	YY	YY2	ZZ	TT
17241	YY	YY2	ZZ	TT
17443	YY	YY2	ZZ	TT
19329	YY	YY2	ZZ	TT
18844	YY	YY2	ZZ	TT

### Facilities Management

Employee ID	Overtime hours	Time in lieu hours	Total hours	Combined FTE equivalent
19869	XXX	XXX2	ZZZ	TTT
14003	XXX	XXX2	ZZZ	TTT

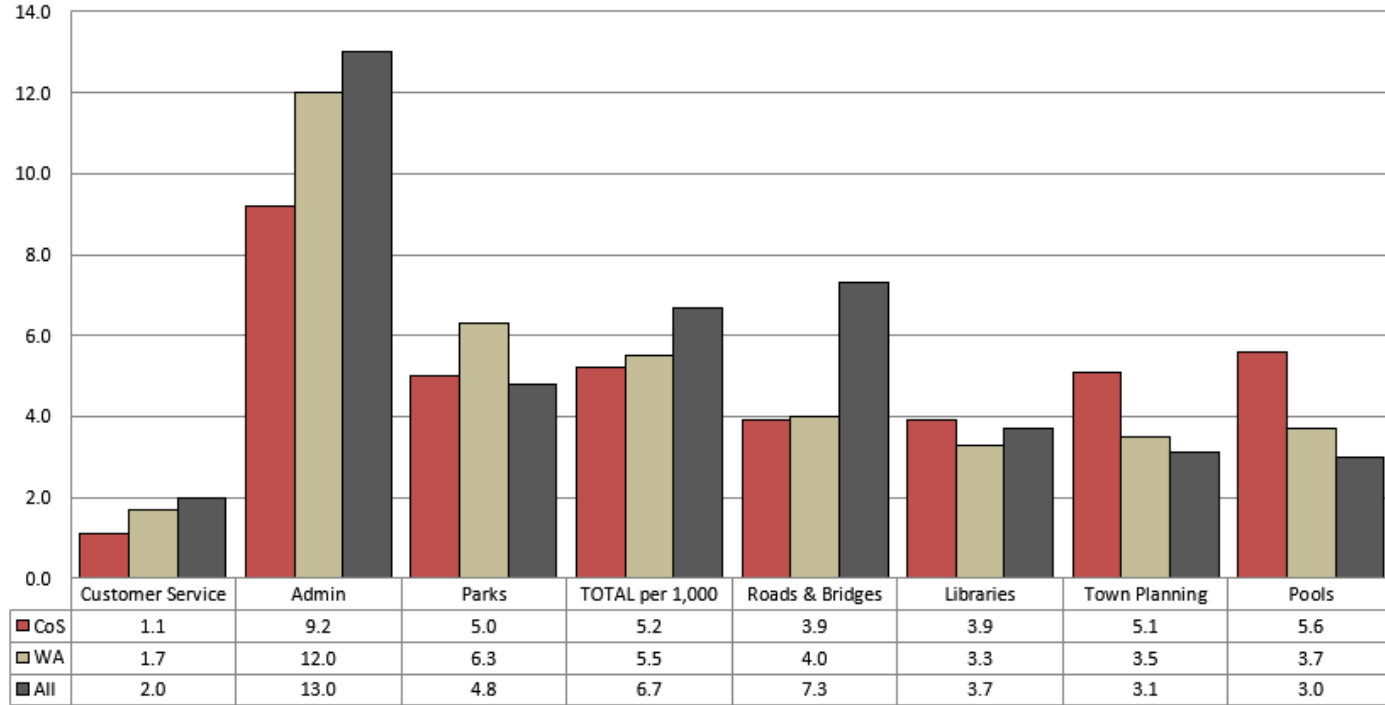
### Fleet & Waste Services

Employee ID	Overtime hours	Time in lieu hours	Total hours	Combined FTE equivalent
14267	XXXX	XXXX2	ZZZZ	TTTT
13305	XXXX	XXXX2	ZZZZ	TTTT
10895	XXXX	XXXX2	ZZZZ	TTTT
12923	XXXX	XXXX2	ZZZZ	TTTT
13657	XXXX	XXXX2	ZZZZ	TTTT
19590	XXXX	XXXX2	ZZZZ	TTTT
17670	XXXX	XXXX2	ZZZZ	TTTT
12154	XXXX	XXXX2	ZZZZ	TTTT
14044	XXXX	XXXX2	ZZZZ	TTTT
13440	XXXX	XXXX2	ZZZZ	TTTT
18762	XXXX	XXXX2	ZZZZ	TTTT
19839	XXXX	XXXX2	ZZZZ	TTTT
19458	XXXX	XXXX2	ZZZZ	TTTT
17163	XXXX	XXXX2	ZZZZ	TTTT

There were an additional AABB staff in the division that accrued between 0.1 and 0.19FTE equivalent in overtime and time in lieu.

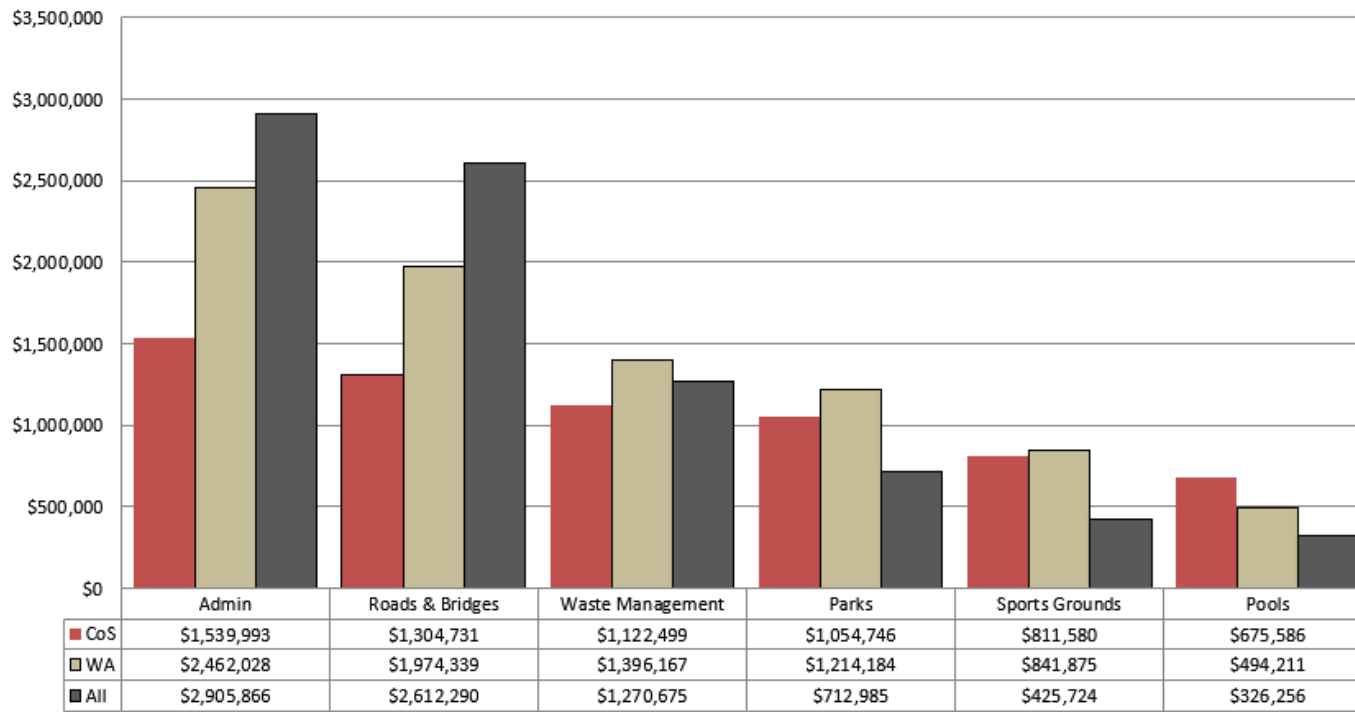
# PWC Budget Support

## FTE per 10,000 Residents



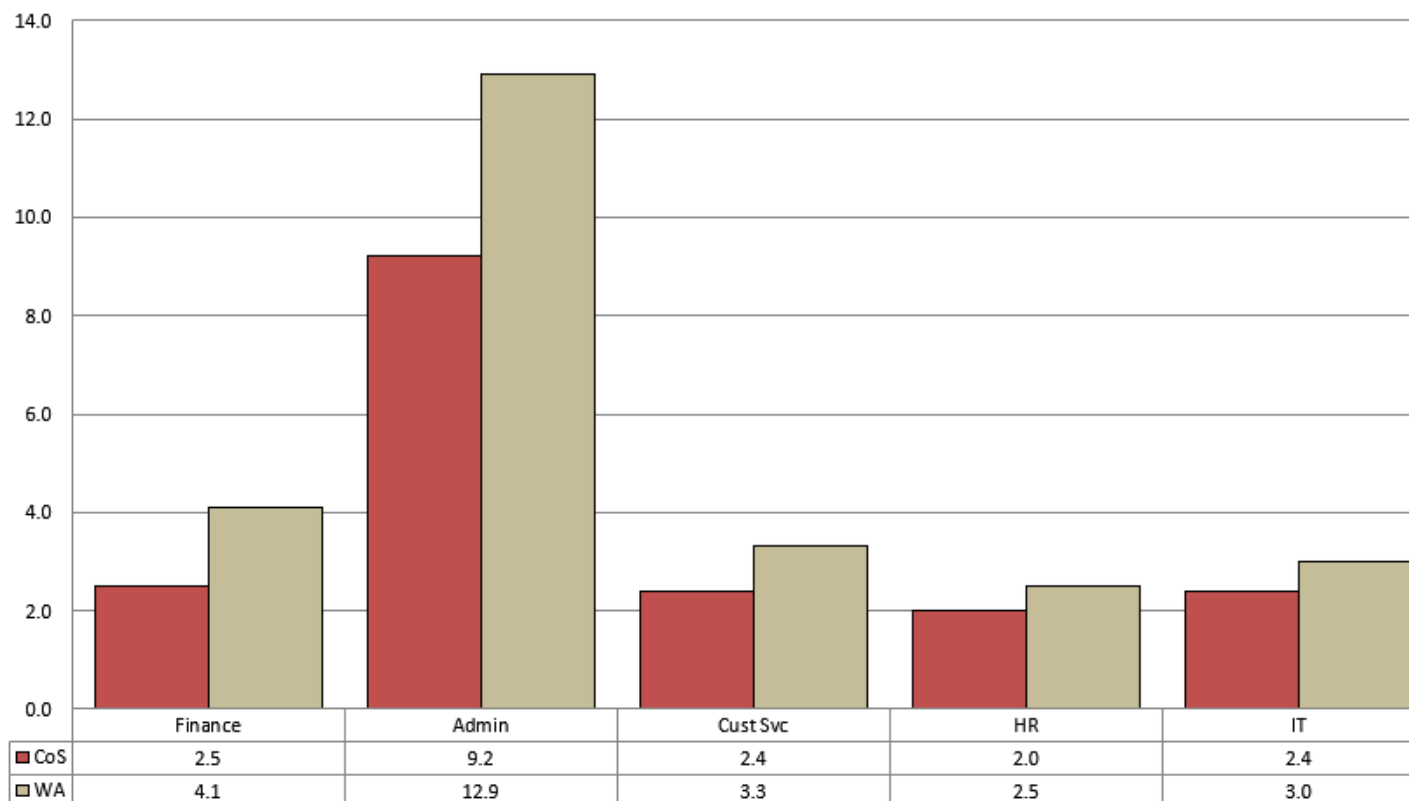
FTE per 10,000 Residents (vs WA / All Participants)

## Cost per 10,000 Residents (Non Service Filtered)



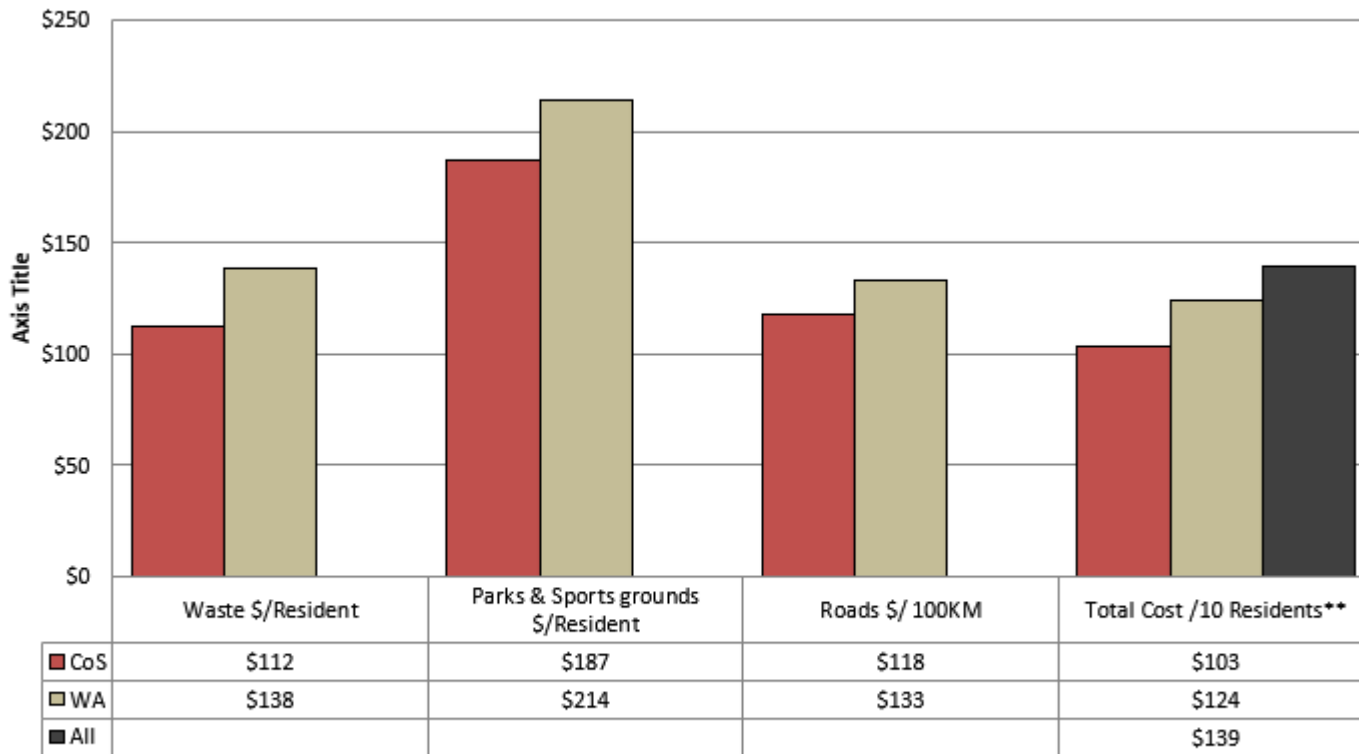
Cost per 10,000 Residents (vs WA / All Participants)

## FTE per 100 Employees



FTE per 100 Employees (vs WA Only)

### Cost Per Resident (Service Filtered)



### Cost Per Resident (vs WA / All Participants)

	CoS	WA	All
<b>Cost per Resident (Service Filtered)</b>			
Waste \$/Resident:	\$112	\$138	-
Parks & Sports grounds \$/Resident:	\$187	\$214	-
Roads \$/ 100KM:	\$118	\$133	-
Total Cost per 10 Residents**:	\$103	\$124	\$139
<b>FTE per 100 Employees</b>			
Finance:	2.5	4.1	-
Admin:	9.2	12.9	-
Cust Svc:	2.4	3.3	-
HR:	2.0	2.5	-
IT:	2.4	3.0	-
<b>Cost per 10,000 Residents</b>			
Admin:	\$1,539,993	\$2,462,028	\$2,905,866
Roads & Bridges:	\$1,304,731	\$1,974,339	\$2,612,290
Waste Management:	\$1,122,499	\$1,396,167	\$1,270,675
Parks:	\$1,054,746	\$1,214,184	\$712,985
Sports Grounds:	\$811,580	\$841,875	\$425,724
Pools:	\$675,586	\$494,211	\$326,256
<b>FTE per 10,000 Residents</b>			
Customer Service	1.1	1.7	2.0
Admin	9.2	12.0	13.0
Parks	5.0	6.3	4.8
TOTAL per 1,000	5.2	5.5	6.7
Roads & Bridges	3.9	4.0	7.3
Libraries	3.9	3.3	3.7
Town Planning	5.1	3.5	3.1
Pools	5.6	3.7	3.0

### Summary



# PWC Data Display – 2016/17

## /// OVERVIEW ///

In 2016 the City joined the Local Government Performance Excellence program, run by PWC, LGPA NSW and supported by LGPA WA. The majority of metropolitan councils in WA took part, as well as a number of country councils. In total, more than 140 councils across WA, SA, NSW and New Zealand took part in the program. The results for 2016/17 show the City are primarily compared to the WA average and also with the trend from the previous year.

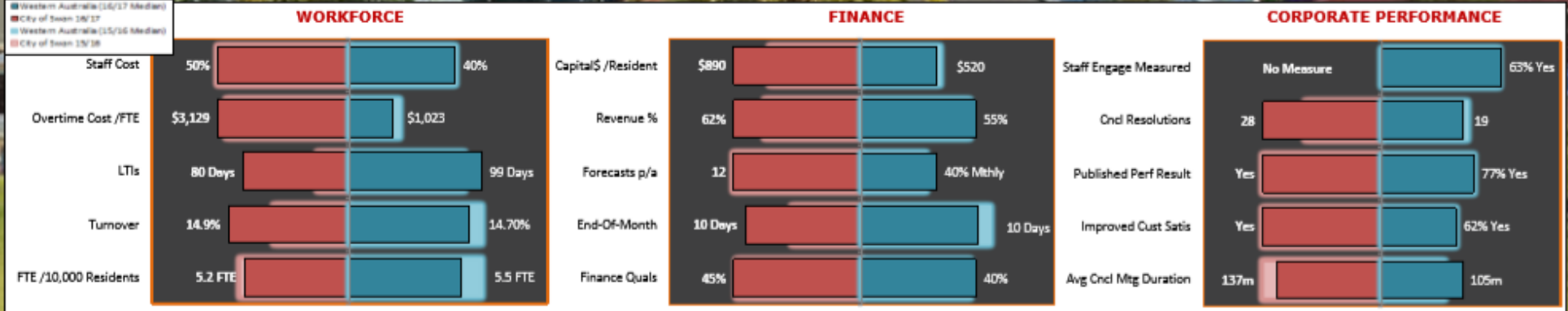
The intent of the program is to allow councils to benchmark their performance over a variety of areas, against other councils, despite variance in what specific services they deliver and how they deliver them. The results are broken down into seven areas; Operations, Service Delivery, Risk Management, Corporate Leadership, Asset Management, Finance and Workforce. The City has committed to participating in the program for three years.

Participation in the program required a range of input data from Finance, Human Resources, Waste Services, Information Systems, Customer & Library Services and Organisational Planning & Development.



## /// CONTEXT ///

The City had **718.49 FTE** (over **1,190 headcount**) and planned capital and operating spending of **\$138m** and **\$156.4m**. **120** people left the city and **109** new employees started for a **14% turnover** rate. There are (per 100 FTE) **2.0 HR FTE**, **2.4 IT FTE**, **2.4 Cust Svc FTE** and **1.9 Finance FTE**.



## /// 2016/17 vs 2015/16 SUMMARY ///

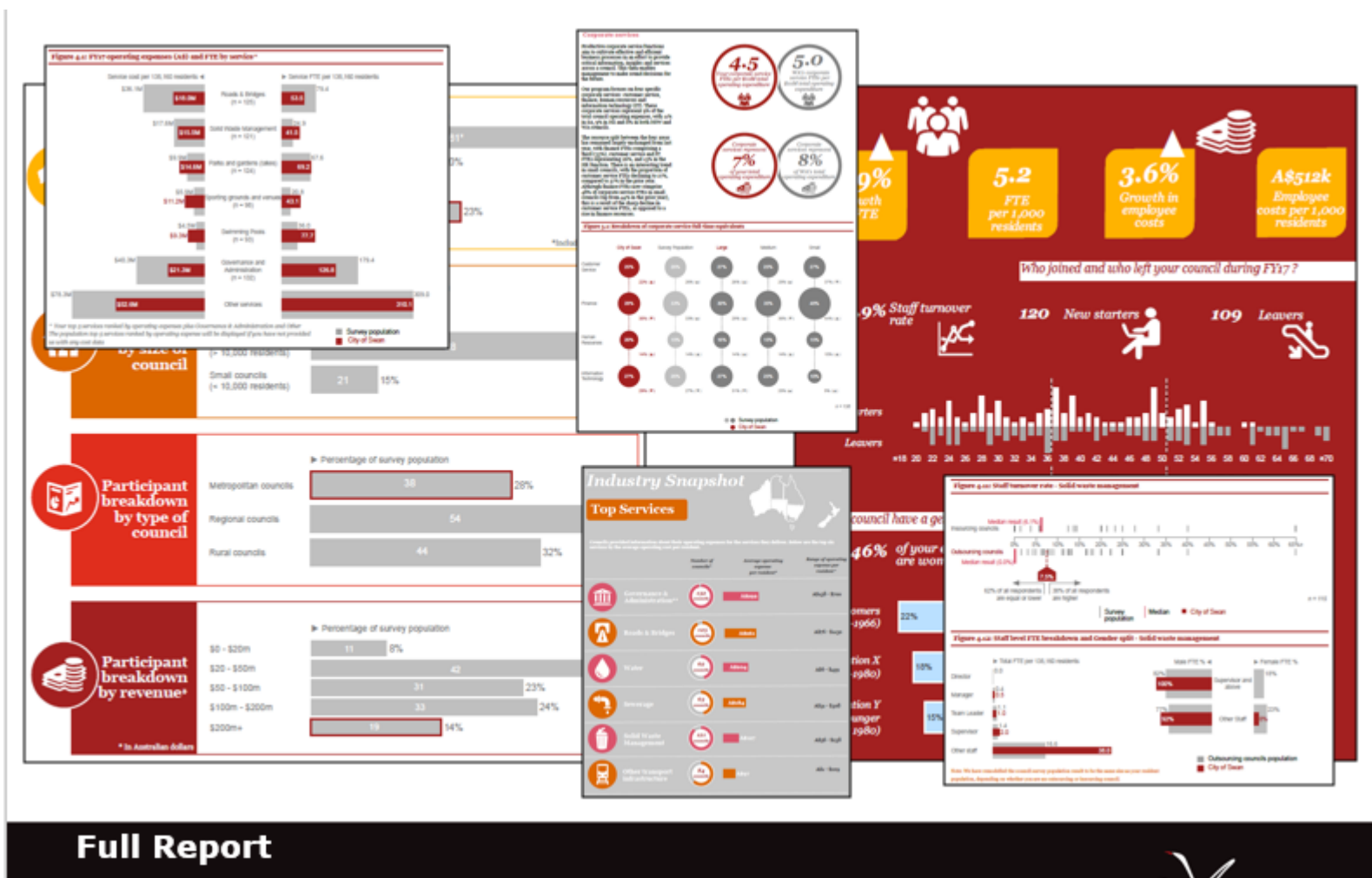
- FTEs grew by **3.9%** and employee costs grew **3.6%** with turnover going from **9%** to **15%**. For generation Y employees the turnover rate doubled from **11%** to **22%**. We remain below the state average for number of FTE per 1000 population and equal to the WA average for turnover. We continue to be one of the few WA local governments without a formal succession plan, with **87%** having one in place. We continue to employ fewer staff in corporate services than average - **9.2 per 100 employees** vs **12.9** per 100 WA average
- Overtime is significantly higher than average @ more than **2.5x** the WA average - 17 of 20 BUS paid overtime in 2016/17. Our user charges revenue are lower than average, **7%** versus **16%** for WA. Costs to provide services are lower than the WA average except for: Drainage and Stormwater Management, Public Order and Safety, Transport (Fleet), Libraries, Street Lighting, Swimming Pools and Town Planning. The City's operating costs per resident increased **1%**, compared to a **6%** rise for WA. The City's operating costs per resident are **17%** lower than the WA average - **\$1031** vs **\$1240**.
- Leave liability decreased with people with more than 8 weeks AL or 12 weeks LSL going from **10%** to **8%** and from **13%** to **8%**. This remains above the WA averages of **8%** and **6%**.
- The City's workforce is **46%** female including **40%** of managers.

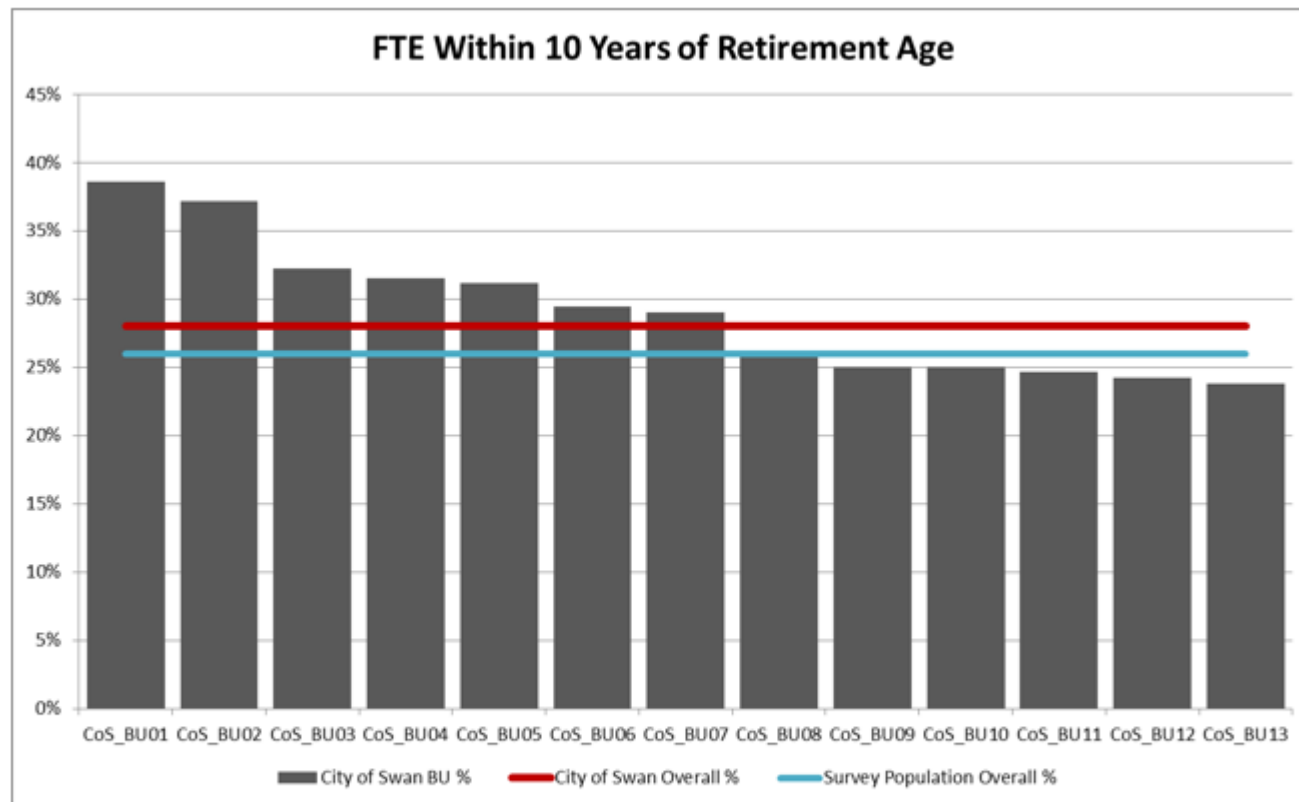


# Local Government Performance Excellence Program 2016/2017

## Background

- Benchmarking program developed by PwC for LGPA NSW.
- Commenced in NSW in 2013, WA joined in 2016.
- 136 Local Governments in 2017, 31 from WA.
- Operating environments vary across states so this must be taken into account
- Data de-identified\*
- Measure internal business processes and compare to similar or different Councils.
- Monitor trends over time – celebrate success, prioritise change.
- \* = Proposed “regional window” will show an identified select group of other LG results - we can then approach them to identify improvement opportunities.

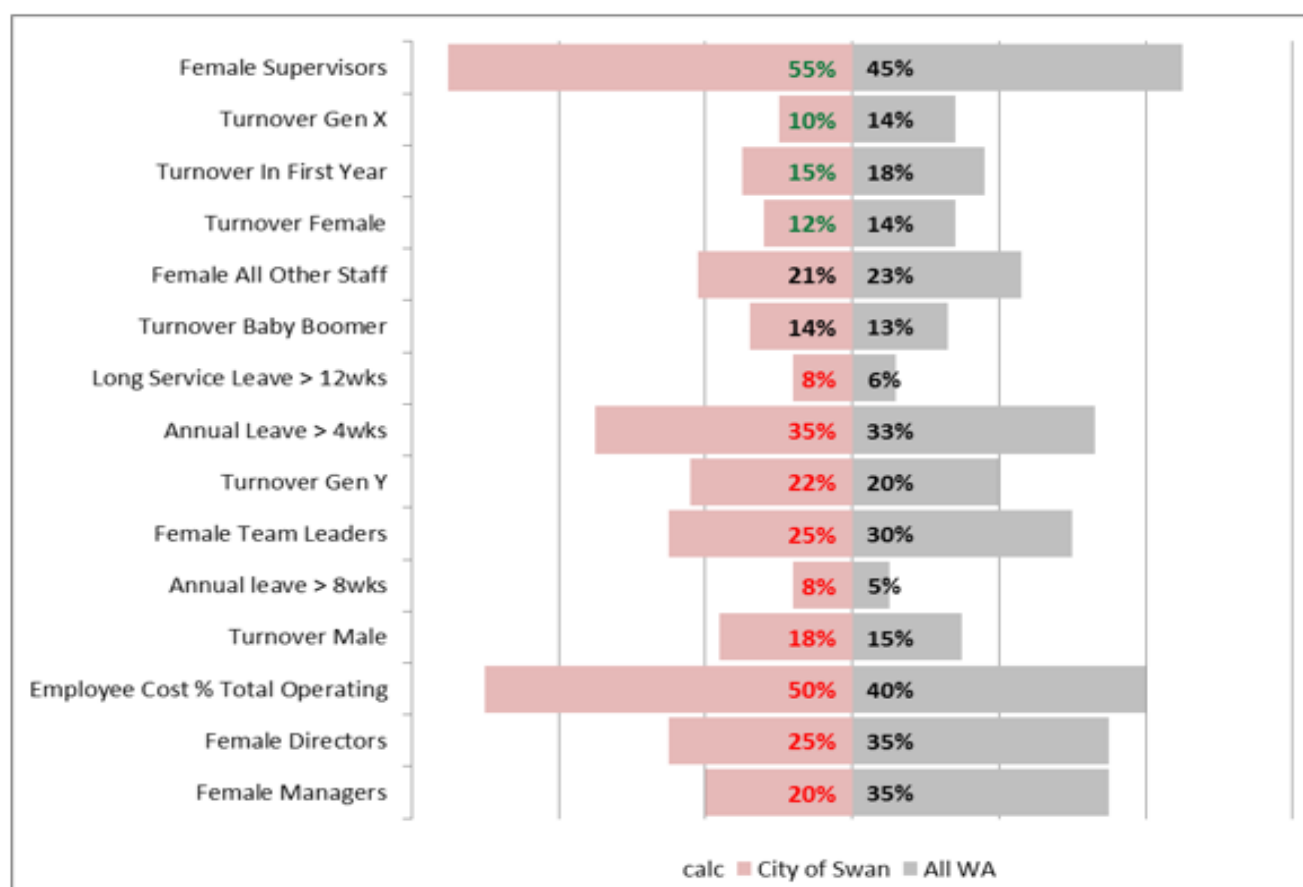




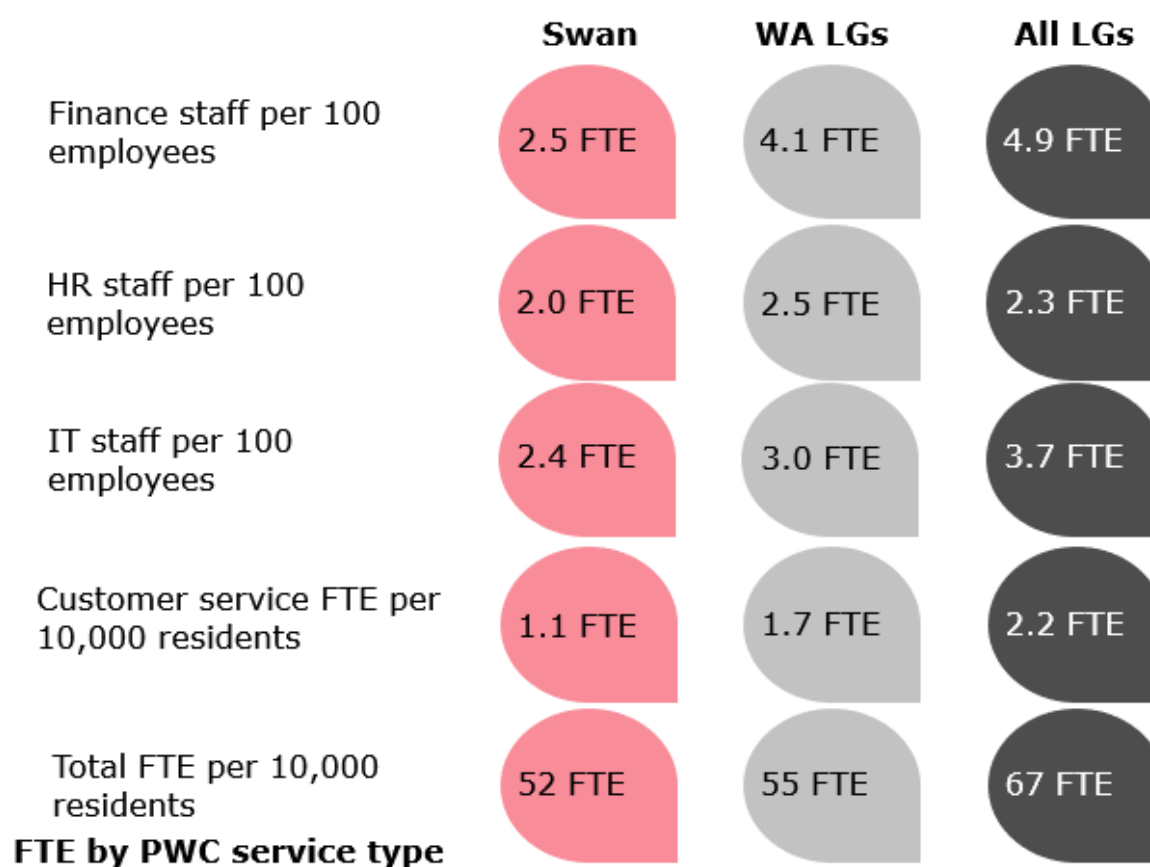
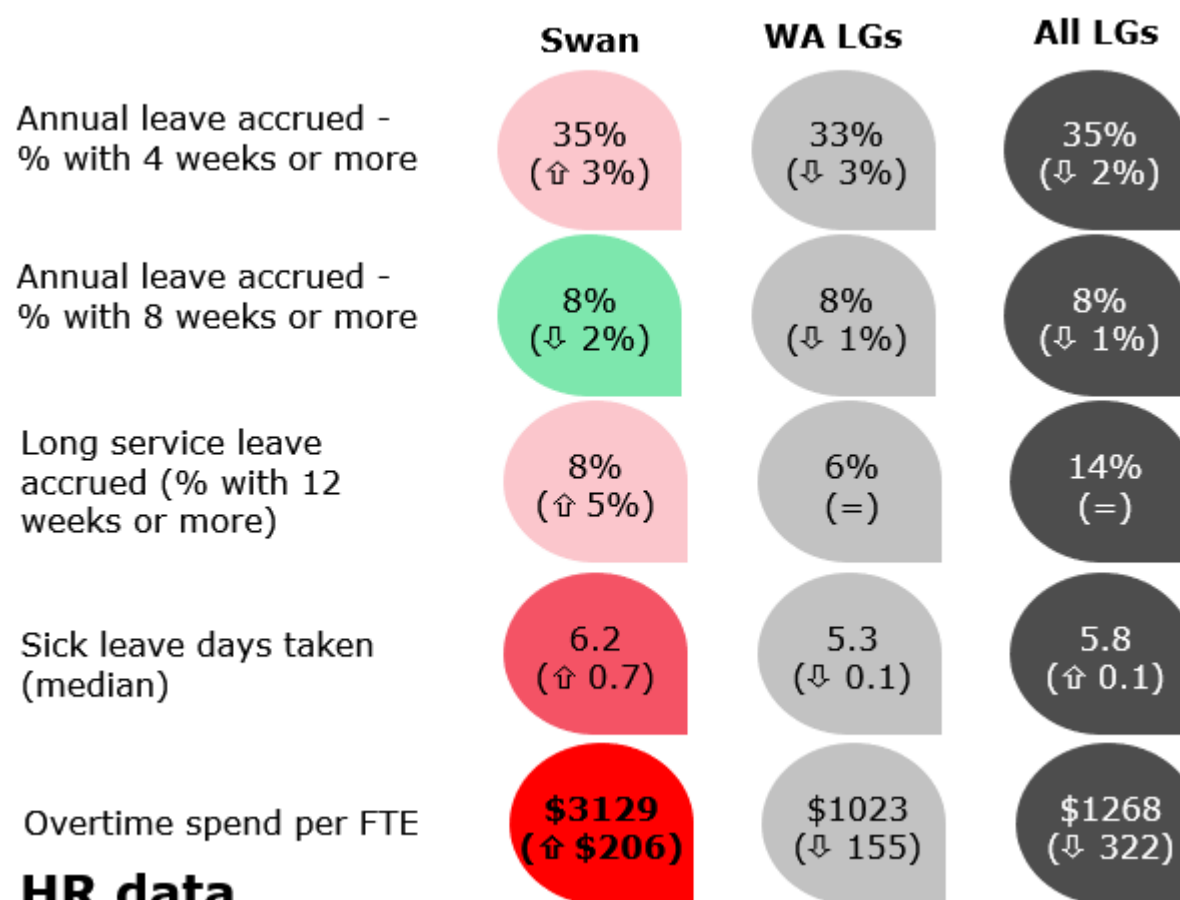
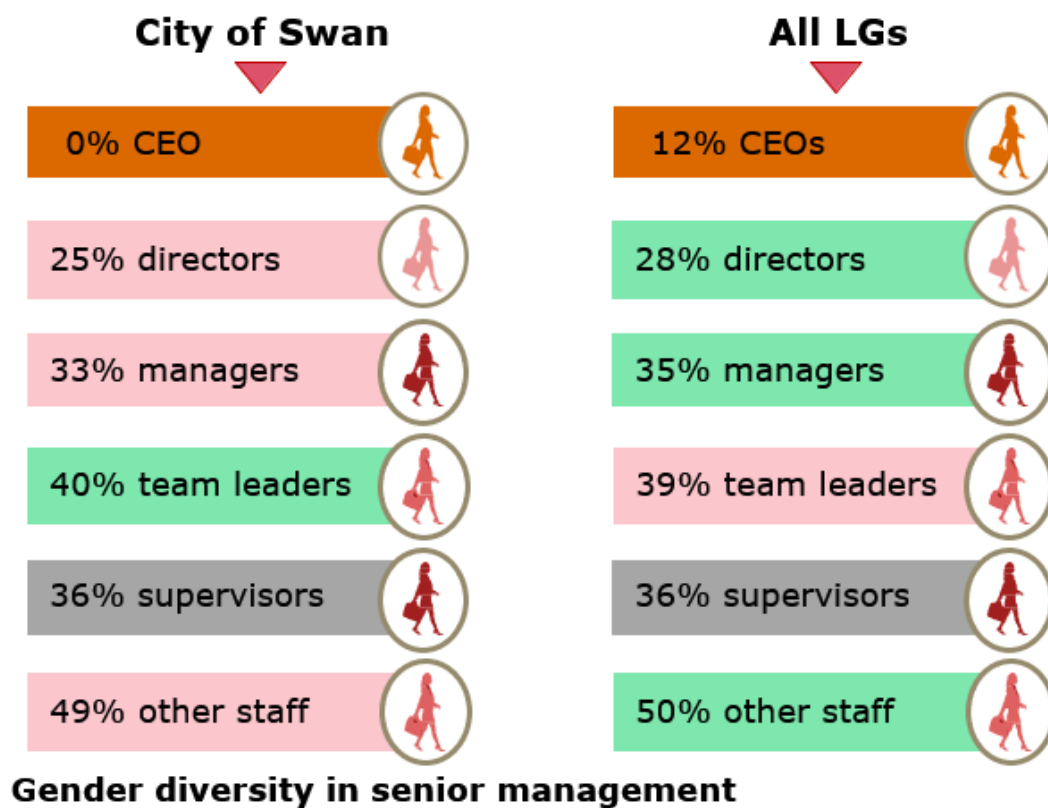
## What additionally do we now know?

	City of Swan	WA LGs	All LGs
<b>Gen Y</b>	22.2% (↑11.0%)	20.0% (↓4.1%)	20.0% (↓3.3%)
<b>Gen X</b>	10.2% (↑3.6%)	14.3% (↓1.1%)	11.5% (↑0.4%)
<b>Baby Boomer</b>	14.3% (↑3.7%)	12.9% (↑0.2%)	10.9% (↓0.3%)
<b>Male</b>	17.6% (↑8.3%)	14.8% (↓0.7%)	11.9% (↓0.4%)
<b>Female</b>	11.6% (↑2.9%)	14.3% (↓0.8%)	13.9% (↓0.5%)
<b>In first year</b>	14.7% (↑8.4%)	18.2% (↑0.8%)	15.0% (↓1.7%)
<b>Total</b>	14.9% (↑5.6%)	14.7% (↓1.5%)	12.8% (↓0.6%)

### Staff turnover



## Visual Summary



	Swan	WA LGs	All LGs
Capital expenditure per resident	\$890 (↑ \$250)	\$520 (↓ \$20)	\$585 (↓ \$15)
Lost time injury days per 100 employees	80 (↑ 49)	99 (↑ 11)	55 (=)
Council meeting median resolutions passed	28 (↑ 12)	19 (↓ 1)	22 (↑ 1)
Employee costs as % of operating costs	50% (=)	40% (=)	35% (↓ 1%)
Length of budget process	172 days	118 days	143 days
Operating costs per resident	\$1427 ↓ \$112	\$1470 ↑ \$57	\$1185 ↓ \$107

## Other data

## Media Release

# City of Swan recognised for efficiency in major survey

Published on 30 April 2018



A major survey of local governments has recognised the City of Swan for its extremely efficient delivery of essential services.

The City's waste management cost per resident was found to be less than the State and national average.

Residents living in the City of Swan dumped almost 14% less rubbish than the average council in Western Australia (WA).

Data was collected from 133 participating councils throughout WA and across Australia and New Zealand.

The results were published in the Australasian LG Performance Excellence Program 2017 by PwC Australia and Local Government Professionals NSW.

City of Swan Mayor David Lucas said he is proud of the City's performance.

"Waste management has become a global issue and I'm really pleased with how the City performed in this major survey," he said.

"We will continue our efforts to improve this service and encourage responsible waste management and recycling throughout the City."

How the City of Swan performed:

- Cost per resident \$112 - \$15 less than the average rate of \$127
- Annual collection per 10,000 residents 4,129t – almost 14% less than the average WA council
- Cost per tonne of actual waste collected per 10,000 residents \$265 – nearly 32% below the average rate of \$389

Swan Valley/Gidgegannup Ward Councillor Rod Henderson congratulated residents on their role in contributing to the City's performance in the survey.

"The City collected less waste compared to other WA councils and credit must go to residents for their role in achieving this."

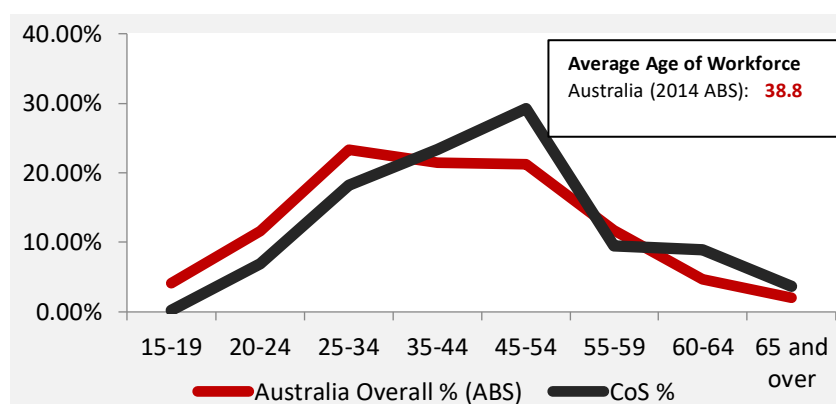
The City of Swan continues to look for ways of reducing waste.

In the last three years, more than 180 tonnes of mattresses have been diverted from landfill and either restored and reused or broken down into component parts for recycling.

The City operates its own waste collection service, effectively using shared resources, labour and plant between the various waste services.

Extensive education programs such as worm farming and responsible home recycling, particularly by the City's large rural and semi-rural properties, help reduce waste volumes.

## WF Data Redacted Version



### 2.05 WORKFORCE INFORMATION

OPD has completed an analysis of workforce information gathered either as input to, or detail from, the City's participation in the PwC / LG Professionals NSW Local Government Performance Excellence Program (LGPEP). Where possible this data is compared to industry standards or averages. Some information has also been gathered from data provided by the HR team in other internal reports prior to the LGPEP program being place (pre-2015/16 data).

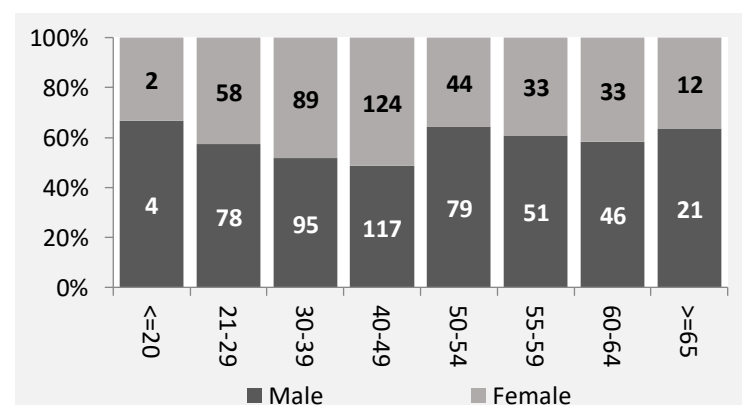
#### DEMOGRAPHICS:

The City, much like the broader community, has an increasingly older (age) workforce. This brings with it a number of challenges, most notably related to retention of information and skills, as well as demand for increasingly diverse working arrangements. The Australian Bureau of Statistics (ABS) in 2014 found the average age of full time employees in Australia was rising and at that time had reached 38.8. For this same time the average age of employees at the City was 44.5. The average at 30 June 2017 was 48.8.

Age Group	Workforce % 2012/13	Workforce % 2024/25
<=20	10.69%	0.11%
21-29	13.59%	11.00%
30-39	21.83%	19.03%
40-49	25.95%	29.16%
50-54	12.21%	16.11%
55-59	14.35%	9.30%
60-64	8.70%	9.72%
>=65	2.29%	5.57%

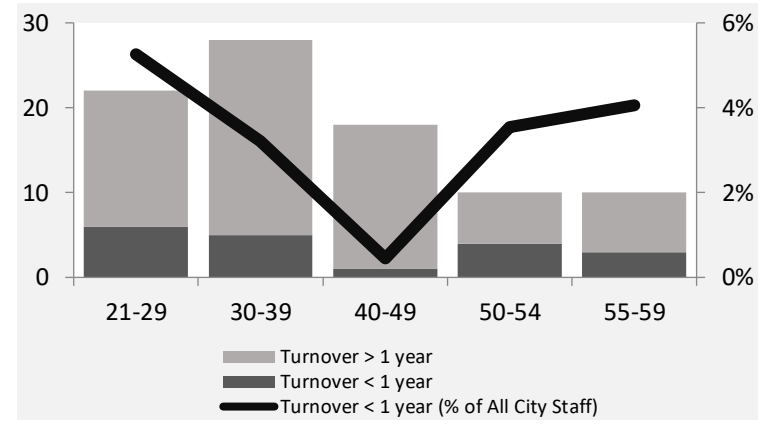
Forecasting the makeup of the City's employees in 2024/25 by age group using the data for the years inclusive of 2012/13 – 2016/17, the largest proportional increases are seen in the over 65, 50-54 and 40-49 age groups. If overall FTE growth is considered ages <=20, 20-29 and 55-59 are all decreasing both proportionally and overall. Any group showing decline or increase of a significant magnitude are likely to be of material impact in relation to workforce planning, engagement and management. Looking at raw numbers if the current trend in age groups continues, by 2024/25 the City will have only one employee 20 or under.

The City overall has an almost 50/50 gender mix and has been at or close to this mix for at least four years. The Local Government Sector in Western Australia similarly has an almost 50/50 split. However, in the City, the Local Government Sector in WA and the Local Government Sector in SA and NSW, the proportion of women is higher in non-managerial roles and declines progressively at more senior levels. As well as varying by seniority, there is considerable variance over age groups with the largest proportion of female staff observed in the single most represented age category, 40-49 when aligned to previous City age groupings provided by HR, or 45-54 when aligned to the ABS categories



**TURNOVER:**

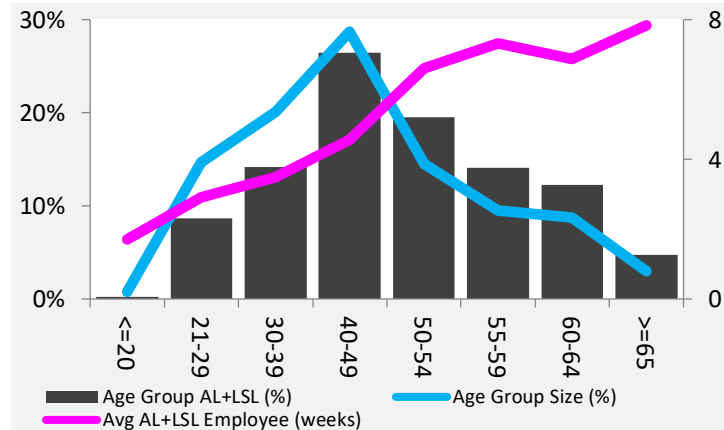
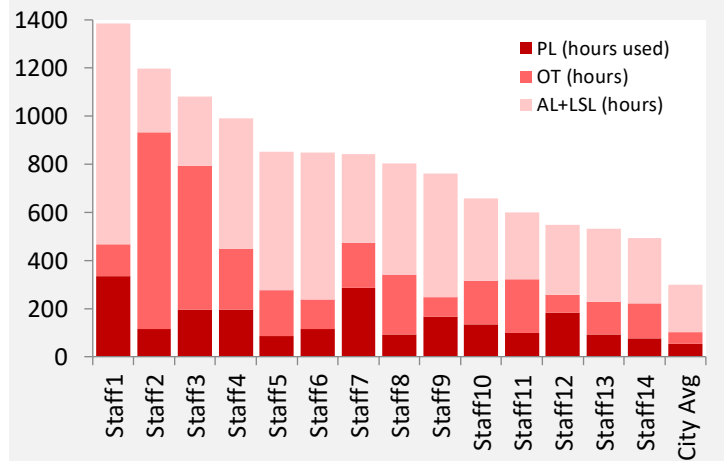
The City recorded a turnover rate of 14.8% in 2016/17. Generally, it is acknowledged that some turnover is a good thing with various industries reporting 10% - 20% as the ideal range (Gallop, 2016). However, not all turnover is created equal and some turnover is preferable. A higher level of turnover amongst staff within the first 12 months of their employment is considered an issue (without consideration to specific circumstances) due to the time and cost taken to complete recruiting, accommodating, inducting and training them. When considering the age grouping of departing staff the largest groups of redacted data. By employment level the most common departures are for those at LGIA7, LGIA5 and LGIA6. These are the three most occupied employment levels at the City. Employees at LGIA2, LGIA3 and LGIA4 contribute a combined redacted



**LEAVE LIABILITY:**

On average per FTE the City has an Annual Leave (AL) liability of XXX weeks, slightly higher than the WA Council average. XXX% of staff at the City have more than Redacted. XXX% of staff have more than redacted (6% WA). As with turnover there is an age group pattern with potential implications for managing leave and financial risk. Employees approaching retirement with large leave liability pose a greater financial risk than those in younger age groups, particularly if they fall into the LGIA2 – LGIA4 range where turnover is comparatively low. Combining AL and LSL the average liability increases with each age group with only one exception, reaching an average of nearly X for those aged 60-64 and just under X weeks for those over 65. Redacted. The average number of days Personal Leave (PL) taken by employees also increases following a similar pattern. When considering high leave liability there a number of trends which may require further investigation. There is a cohort of staff with high accrued leave, high Personal Leave (PL) taken and high overtime hours paid. The rate of PL use and AL accrual is higher for this group suggesting there may be a need to review the working arrangements for some individuals. There is a direct correlation between AL and LSL accrual being high and the likelihood an employee will also be amongst the highest overtime recipients (10% more likely than someone with lower leave accrual). More problematically, there is an 8% greater chance that staff with large AL and LSL accruals will also be amongst the highest users of Personal Leave. This may indicate overworked staff or those simply in need of a holiday. XX% of staff who are amongst the highest accruing AL and LSL are also amongst the highest users of PL and amongst the highest receivers of Overtime. This XX% of individuals have an average leave liability each of XXXX, use an average of XXX Leave and are paid an average of XXX hours (assuming 8 hours per day, 5 days per work week) per year. The LTFP sets aside approx. \$7m for LSL liability. Redacted.

Age Group	AL			LSL
	% > 4wks	% > 8wks	% > 12wks	% > 12wks
<=20	0.00%	0.00%	0.00%	
21-29	12.32%	2.50%	7.69%	3.70%
30-39	10.84%	22.50%	7.69%	12.96%
40-49	30.54%	22.50%	15.38%	22.22%
50-54	19.70%	15.00%	38.46%	20.37%
55-59	14.78%	15.00%	7.69%	18.52%
60-64	9.36%	22.50%	7.69%	16.67%
>=65	2.46%	0.00%	15.38%	5.56%
CoS	35.00%	8.00%	1.53%	8.00%
WA Average	33.00%	8.00%		6.00%



When considering high leave liability there a number of trends which may require further investigation. There is a cohort of staff with high accrued leave, high Personal Leave (PL) taken and high overtime hours paid. The rate of PL use and AL accrual is higher for this group suggesting there may be a need to review the working arrangements for some individuals. There is a direct correlation between AL and LSL accrual being high and the likelihood an employee will also be amongst the highest overtime recipients (10% more likely than someone with lower leave accrual). More problematically, there is an 8% greater chance that staff with large AL and LSL accruals will also be amongst the highest users of Personal Leave. This may indicate overworked staff or those simply in need of a holiday. XX% of staff who are amongst the highest accruing AL and LSL are also amongst the highest users of PL and amongst the highest receivers of Overtime. This XX% of individuals have an average leave liability each of XXXX, use an average of XXX Leave and are paid an average of XXX hours (assuming 8 hours per day, 5 days per work week) per year. The LTFP sets aside approx. \$7m for LSL liability. Redacted.



## 9 MODERNISING WESTERN AUSTRALIA'S PLANNING SYSTEM

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<b>Date of Report:</b>	<b>1 August 2018</b>
<b>Report Author:</b>	<b>EO – Paul Rosair</b>
<b>Disclosure of Interest:</b>	<b>Nil</b>
<b>Attachment(s):</b>	<b>Green Paper at a Glance</b>

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### **Purpose**

To discuss a joint submission from the Alliance to the Green Paper on the review of the Western Australian planning system.

### **Background**

The Minister for Planning has commissioned an independent review of the planning system to identify ways to make it more efficient, open and understandable to everyone.

A Green Paper has been developed by the Planning Reform team, led by Evan Jones, proposing five key reform areas – strategically-led, legible, transparent, efficient and delivering smart growth. This paper has been released by the Minister for public comment (information document **attached**).

All feedback will help inform the preparation of a White Paper that will be provided to the State Government for consideration. The clos

It was decided by the RCAWA to provide a combined submission to this reform process and in particular the green paper. Paul has been in contact with the Principal Policy Officer at the Department to request an extension of the original closing date (20<sup>th</sup> July 2018). He has been successful in getting this date extended to Friday the 17<sup>th</sup> of August.

On 29 June 2018 an email was sent to Alliance members together with the response template requesting individual input to be collated into a joint submission. The closing date for Alliance submissions has been extended by the EO to the 27<sup>th</sup> of July. This will give the EO time to collate responses and draft up joint submission.

The following members have submitted a response:

- Greater Geraldton
- Broome
- Busselton
- Bunbury
- Karratha

**Discussion**

To update Alliance members on the status of the submission and discuss any particular stance the group wants to adopt in formulating the green paper response.

**Link to Strategic Directions**

Partnership and collaboration.

Advocacy and policy influence.

Representation.

Providing engagement at national and state level.

**Budget Implications**

Nil

**RCAWA Resolution****That:**

- **The information be received.**
- **The EO submit a joint response to the Planning Submission Green Paper after circulation to Alliance members out-of-session.**

**MOVED: Malcolm Osborne - CEO City of Bunbury**

**SECONDED: Chris Antonio - Shire President Shire of Northam**

**CARRIED**

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# Independent Planning Review GREEN PAPER at a glance

The Minister for Planning has commissioned an independent review of the planning system to identify ways to make it more efficient, open and understandable to everyone.

The Green Paper outlines the challenges in the planning system and proposes five key reform areas.

Feedback is sought from the community, local government, industry and practitioners.

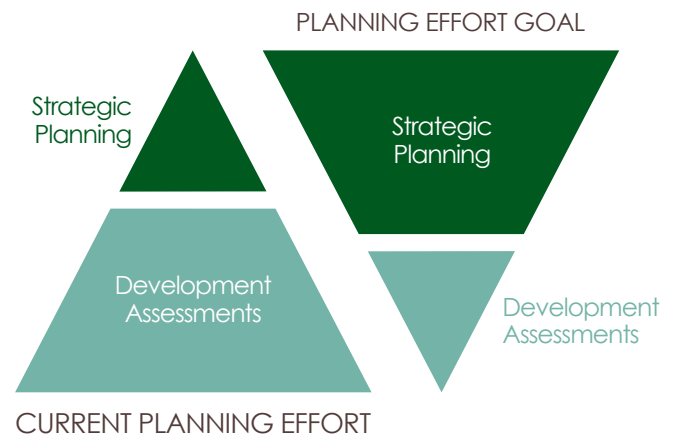
All feedback will inform the preparation of a White Paper that will set out the State Government's reform agenda for a modern planning system.

## Proposals to modernise WA's planning system

The planning system manages the sustainable development of our growing state through strategies, schemes and policies at the State and local government level. An effective planning system is vital to creating vibrant communities with housing choices and access to jobs, services and quality public spaces.

There is some concern that Western Australia's planning system has become too complex and difficult to understand, with a focus on process rather than quality outcomes.

The Green Paper identifies a number of proposals aimed at refocusing the effort on strategic planning that engages residents, local government and other stakeholders to collaboratively set the vision and direction for their community. This refocus will provide more certainty for the future growth and development of our suburbs.



Changing the focus of planning effort  
Source: Productivity Commission

### Independent planning review



Consultation



Consultation



State Government approval and implementation

Western Australian Government

# Reform principles

## Fairness

The views and interests of all stakeholders are considered and balanced.

## Transparency

Users are able to understand the planning system.

## Integrity

The community is meaningfully involved in strategic planning.

## Efficiency

The planning system is well organised to deliver timely outcomes.

# Key reform proposals

## 1. Strategically-led

Make strategic planning the cornerstone of the planning system

- Local governments to have up-to-date local planning strategies, including one for housing, through which the community has a say in how their neighbourhood will be developed.
- Make strategic planning for sustainable development the purpose of planning in Western Australia.

## 2. Legible

Make the planning system easy to access and understand

- A single concise State Planning Policy framework with common elements for State, regional and local plans and policies.
- A comprehensive local planning scheme will be available online for each local government including a local planning strategy, the statutory scheme and local planning policies.
- Reduce red tape by standardising commonly used zones.

## 3. Transparent

Open up the planning system and increase community engagement in planning

- A Community Engagement Charter with a focus on up-front community involvement in strategic planning.
- Re-balance Development Assessment Panel processes including recording meetings, providing reasons for decisions, and undertaking more comprehensive investigation and consideration of complex proposals.
- Local governments to report annually on their planning responsibilities.

## 4. Efficient

Make the planning system well-organised and more efficient

- Revise the WA Planning Commission (WAPC) to include 5-7 specialist members and increase their focus on strategic planning and policy development.
- WAPC to delegate more statutory matters to the Department of Planning, Lands and Heritage and accredited local governments.
- Rethink administrative processes that add unnecessary time and cost to approvals processes.

## 5. Delivering smart growth

Refocus the planning system to deliver quality urban infill

- The State Government, WAPC and local government to collaborate on the planning and delivery of key centres and infill locations and forward planning of infrastructure.
- Develop a state planning policy focused on delivering consolidated and connected smart growth.
- Provide for coordinated land use and transport planning of key urban corridors.

Submissions close on Friday 20 July

This is a discussion paper and does not represent Government policy.

To find out more and provide a submission, visit [www.planning.wa.gov.au/planningreform](http://www.planning.wa.gov.au/planningreform)

## 10 ALTERNATIVE ENERGY STRATEGY

<b>Date of Report:</b>	<b>1 August 2018</b>
<b>Report Author:</b>	<b>EO – Paul Rosair</b>
<b>Disclosure of Interest:</b>	<b>Nil</b>
<b>Attachment(s):</b>	<b>Nil</b>

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### Purpose

To consider renewable energy opportunities available to Alliance capitals.

### Background

At the meeting on 12 April 2018, it was that resolved Western Power, Horizon Power and Synergy would be invited to present to a meeting, possibly in Kalgoorlie. Both James Birkmanis (Western Power) and James Giblin (Synergy) are working in the innovation and change space and both are highly knowledgeable on renewable energy opportunities.

The EO convened a strategy session (as a preliminary to the Kalgoorlie workshop) on **6 June 2018** with the following people:

#### Attendees:

Paul Rosair	Executive Officer	RCAWA
James Giblin	New Energy Lead	Synergy
Kylie Turner	Sr Govt Relations Advisor	Synergy
Anne Carton	Strategic Engagement Advisor	Synergy
Brendan Bourke	Manager Stakeholder Relations	Horizon Power
Matt Keogh	Stakeholder and Govt Relations Mgr.	Horizon Power
Gus Riggs	Government Relations Manager	Western Power

#### Apologies

James Birkmanis	Change & Innovation Partner	Western Power
Annabel Keogh	Director of Strategy & Innovation	Western Power

On the 18<sup>th</sup> of July 2018, the EO met with Adan Barker, Acting Director – Public Utilities Office at the Department of Treasury to discuss the State Government’s current work program in the electricity market. As discussed, the Government has previously announced four major projects which the Public Utilities Office is working on:

1. Modelling of future electricity generation requirements in the South West of the State
2. Reform to the Wholesale Electricity Market
3. Improving access to Western Power’s network
4. Reform to the framework governing electricity supply in the Pilbara

Consultation forms an important part of each of these projects and we are keen to engage with the Regional Capitals Alliance. If you like, I can arrange for your details to be entered into the system so that you receive updates on the progress of the projects, including formal opportunities for consultation.

**Modelling of future electricity generation requirements in the South West of the State**

The electricity sector is undergoing a major transformation driven by rapidly falling costs for renewable energy generation, consumer driven self-supply options such as rooftop solar PVs and battery storage, and by new policy measures at the national level to meet Australia's international commitments to reduce greenhouse gas emissions. In light of this, the Minister for Energy has requested the Public Utilities Office to examine the electricity generation requirements of the State's main electricity network – the South West Interconnected System (SWIS) – over the next 20 years.

As part of this work, the Public Utilities Office is currently modelling a 20-year outlook for the energy demand and supply in the SWIS to provide information on:

- the likely mix of generation technologies;
- the level and timing of investment required in new generation and network capacity;
- emissions levels from electricity generation; and
- wholesale electricity prices.

The modelling will also identify the potential risks to the security and reliability of the electricity system that may arise from higher levels of intermittent generation on the system. The possible role of energy storage, both by utilities and by customers, in helping to manage this transition is also being investigated. This modelling will help the Government steer policy and regulatory changes so that benefits offered by the electricity sector transformation in the SWIS are captured and the risks to power system security and reliability are managed at the lowest sustainable cost. The findings of this modelling will be shared with industry stakeholders in coming months. Public information on this project can be accessed on the Public Utilities Office Webpage:

<http://www.treasury.wa.gov.au/Public-Utilities-Office/Industry-Reform/SWIS-Generation-Mix-Modelling/>

**Reform to the Wholesale Electricity Market**

The Minister for Energy has requested the Public Utilities Office to undertake a comprehensive work program to improve the operation of the Wholesale Electricity Market to:

- Enable efficient dispatch of energy and ancillary services, to deliver least cost electricity to customers.
- Ensure system security and reliability arrangements are able to accommodate an increasing penetration of renewable energy generators and changes to the profile of electricity consumption.
- Facilitate a more responsive capacity pricing regime, delivering clear signals for the efficient entry and exit of capacity to the market.
- Ensure an effective market power mitigation regime, limiting the potential for distortion of market outcomes to the detriment of electricity consumers.

While the Public Utilities Office will manage the work program, the Australian Energy Market Operator will be an integral participant and will lead certain technical and operational aspects of the reforms.

The Public Utilities Office has prepared an overview of the work program that includes the objectives and process for each initiative, timeline of deliverables and opportunities for stakeholder input and involvement, which is available at: [https://www.treasury.wa.gov.au/uploadedFiles/Site-content/Public Utilities Office/Industry reform/WEM-reform-May-2018.pdf](https://www.treasury.wa.gov.au/uploadedFiles/Site-content/Public%20Utilities%20Office/Industry%20reform/WEM-reform-May-2018.pdf)

### **Improving access to Western Power’s network**

The Minister for Energy has announced that legislation would be introduced into Parliament in 2018 to adopt a framework of ‘constrained access’ to Western Power’s electricity network. The main changes resulting from constrained access centre on creating a level playing field so that generators participating in the Wholesale Electricity Market have equal access to the network.

Implementing constrained access will require changes to the network connections and access regime applying to Western Power, as well as changes to Wholesale Electricity Market arrangements (including the Reserve Capacity Mechanism). The Public Utilities Office is consulting on the proposed changes and the outcomes of the consultation process will inform advice to Government on implementation issues, the need for transitional arrangements for industry, and legislative requirements.

More information regarding the project to improve access to Western Power’s network, including consultation papers, fact sheets, and the results of modelling, can be found at: <https://www.treasury.wa.gov.au/Public-Utilities-Office/Industry-reform/Constrained-Network-Access-Reform/>

### **Reform to the framework governing electricity supply in the Pilbara**

The Western Australian Government has requested the Public Utilities Office to progress work towards implementing a light-handed access framework and establishment of an Independent System Operator for the Pilbara electricity system. The focus of this reform initiative is to implement a regulatory regime that is a lower cost, more efficient avenue to facilitate third party access to electricity networks than the default arrangements currently in place under the Electricity Networks Access Code 2004. The establishment of an Independent System Operator will improve the security and reliability of power supply in the region and help facilitate better coordination between market participants.

The Public Utilities Office will undertake detailed policy design work, including developing implementing legislation and facilitating the transition of Pilbara electricity participants to the new regulatory environment.

The new regulatory arrangements are intended to commence in early 2020.

More information, including reports on detailed design of the reforms, can be found at: <https://www.treasury.wa.gov.au/Public-Utilities-Office/Industry-reform/Pilbara-Electricity-Reforms/>

### **Discussion**

Alliance members to discuss refine a collaborative approach and agree on desired outcomes.

### **Link to Strategic Directions**

Advocacy and policy Influence  
Partnership and collaboration

### **Budget Implications**

Nil at this stage.

**RCAWA Resolution**

**That:**

- **The information be noted.**
- **The EO progress discussions with stakeholders with the aim of:**
  - **Developing a MOU between the parties pertaining to alternative energy**
  - **Developing a RCAWA policy position/statement regarding renewable energy**
- **Information on current status of renewable energy initiatives within the various RCAWA member localities be periodically updated/reviewed with the aim of updating and sharing on best-practice examples**

**MOVED: Grant Henley - Mayor City of Busselton**

**SECONDED: Dennis Wellington - Mayor City of Albany**

**CARRIED**

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# 11 MOST ACCESSIBLE COMMUNITY IN WESTERN AUSTRALIA AWARDS (MACWA)

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<b>Date of Report:</b>	<b>1 August 2018</b>
<b>Report Author:</b>	<b>EO – Paul Rosair</b>
<b>Disclosure of Interest:</b>	<b>Nil</b>
<b>Attachment(s):</b>	<b>Judges Scoring Sheet – In confidence</b>

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## **Purpose**

The Alliance note the current status of the MACWA Awards development.

## **Background**

As agreed at the meeting on 12 April 2018, the following actions towards administering this award have been completed:

- Finalisation of criteria, nomination forms and categories.
- Award advertised on WALGA, RCAWA and 10 Regional Capital Websites. It was also advertised on the WALGA newsletter.
- Receipt of nominations
- The judging was held on 25 July 2018. The judges were:
  - a. Bruce Langoulant – Chairperson Disability Services Board
  - b. Melissa Northcott – Member of Department of Communities Disability Services Board
  - c. Julie Waylen – Chairperson National Disability Service
- The judges' decision results are **attached**.
- The certificates have been printed and framed by WALGA and will be presented by Peter Long at the AGM on 1 August 2018 (starting at 1.30 pm) at the Perth Convention and Exhibition Centre.

Graham Searle was unable to be part of the judging panel and it was decided to ask Melissa Northcott instead. Melissa is a Member of the Department of Communities Disability Services Board and a Director on the Ability Centre Board.

At the meeting on 8 February 2018, it was resolved that RCAWA would contribute a sum of \$1000.

It has now been decided to donate a cheque for \$500 to the overall winner for use with any of their community organisations.

## **Discussion**

Final arrangements for presenting the Award.

**Link to Strategic Directions**

Providing engagement at national and state level

Effectively communicating the value of WARCA and its members with key stakeholders.

**Budget Implications**

\$1000 allocated - \$500 committed to date.

**RCAWA noted the outcome of the judging**

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# IN CONFIDENCE

## Judges Scoring Sheet

### MOST ACCESSIBLE COMMUNITY IN WESTERN AUSTRALIA (MACWA)

Judges: Mr Bruce Langoulant  
Ms Melissa Northcott  
Ms Julie Waylen



Regional Capitals Alliance  
WESTERN AUSTRALIA

- #1 Improve the accessibility of Council infrastructure and public open space;
- #2 Inclusive communication technology and information initiatives
- #3 Accessible and inclusive Council services, programs and events
- #4 Exercises leadership and influences community attitudes and perceptions

KEY	SCORE	DESCRIPTION
	5	Excellent
	4	Good
	3	Satisfactory
	2	Fair
	1	Poor

No.	Organisation	Category	SCORE	SCORE	SCORE	SCORE	Tally	Notes
			Criteria #1	Criteria #2	Criteria #3	Criteria #4		
1	City of Cockburn	Metropolitan Council	4.5	4	4.5	4.5	17.5	<p>Clear understanding of data, strong commitment with annual budget allocation, targeted initiatives with travel smart officer and waste program, employment – impressive, diverse, committed, well lead and achieving highly, good supporting testimonials and externally acknowledged with State and National awards</p> <p><b>WINNER – FIRST PLACE</b> and <b>OVERALL WINNER</b></p>
2	City of Melville	Metropolitan Council	4	4	4	4	16	<p>Strong commitment to Universal design and liveable homes, commitment with budget allocation, solid and thorough approaches. Sound leadership and genuine commitment to access and inclusion for people with disability highlighted by embedding Universal design principles and liveable homes.</p> <p><b>COMMENDED</b></p>
3	City of Albany	Regional City/Capital	4	4	4	4.5	16.5	<p>Good involvement of people with disability, very good engagement with community and involving people with disability in decision making, commitment to Universal design, sound leadership across Gt Southern, community directory, event access and mobility and integration of disability and Aboriginal communities, free mobility access for tourist great initiative, good social media with closed captions</p> <p><b>SECOND HIGHLY COMMENDED</b></p>
4	City of Bunbury	Regional City/Capital	3	2.5	3	3.5	12	<p>Main focus MARCIA project, developing co-design process – getting there with accessible facilities. Could have benefited by demonstrating commitment to employment and explain what they are doing beyond DAIP. Application not the most accessible to read</p>

No.	Organisation	Category	SCORE	SCORE	SCORE	SCORE	Tally	Notes
			Criteria #1	Criteria #2	Criteria #3	Criteria #4		
5	City of Greater Geraldton	Regional City/Capital	4	4	4	4	16	Fresh, energetic and modernised accessible re-development - attachments demonstrate good projects and evidence provides great testimonials. Reporting of DAIP improvements detailed in annual report demonstrates commitment to improvement. Strong commitment to employing people with disability. <b>COMMENDED</b>
6	City of Karratha	Regional City/Capital	3	2	3	3	11	Developing its plan and vision to genuine access and inclusion, however this is yet to be embedded in all aspects of planning and implementation. Including testimonials and other supporting material could have strengthened the application.
7	City of Mandurah	Regional City/Capital	4.5	4	4.5	4.5	<b>17.5</b>	Extensive, detailed and committed with a strong AIP Group which includes three elected members compared to the standard one elected member. Good staff training and great commitment to employment. Three Changing Places including shopping centre re-development and very good aquatic centre re-development and sound dedicated programs. Good supporting evidence and strong testimonials. Excellent inclusion of sensory rest stops at major events a highly commended approach to ensure events truly inclusive. Grant funding applications include access section on applications.  <b>WINNER FIRST PLACE</b>
8	Shire of Augusta Margaret River	Regional Shire/Town	4	4	4.5	4	16.5	Innovative, vibrant and creative approaches. Good collaboration with people with disability, strong CAIRG, great staff awareness skills training, autism friendly initiatives, sound commitment to employment. Emergency planning consultations with people with disability and elderly were positive. ACROD community campaign very positive and strengths based approach.  <b>WINNER FIRST PLACE</b>
9	Shire of Collie	Regional Shire/Town	4	3.5	3.5	3	14	Pool, town centre and trails accessibility improvements demonstrated a positive commitment. Good use of material three colours and low contrast. Accessible sporting programs and all-inclusive camps were good. Staff training and employment were sound and testimonials provided evidence. Application could have benefitted by articulating vision, leadership and continuous improvement to embed genuine access and inclusion.  <b>COMMENDED</b>
10	Town of Port Hedland	Regional Shire/Town	3	3	3	3	12	On-line accessibility event and facilities matrix with use of symbols very positive. Cinema upgrades good and first Changing Place for the Pilbara acknowledged. Application could have been stronger by articulating vision, leadership and continuous improvement to embed genuine access and inclusion.

Categories
Metropolitan Council
Regional City / Capital
Regional Shire / Town

## 12 OTHER BUSINESS

General business item discussed at the meeting

### 12.1 Rural Fire Division to drive new era of enhanced bushfire management

Discussion regarding the new rules, regulations, bodies and funding arrangements pertaining to Rural Fire.

**RCAWA Resolution**

**That RCAWA**

- 1) **Write to the Minister for Fire and Emergency Services, Fran Logan, indicating RCAWA's strong preference for the proposed new Rural Fire Division to be located in a RCAWA location.**
- 2) **Seek a meeting with the Minister to discuss this matter.**

**MOVED: Andrew Sharpe - CEO City of Albany**

**SECONDED: Dennis Wellington - Mayor City of Albany**

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**CARRIED**

### 12.2 Workers Compensation collaborative insurance opportunities

NB. Andrew Sharpe left the room during these discussions as he is currently a LGIS Board Member

Discussion re premiums and claims history of RCAWA members. Potential opportunity to jointly tender for insurance services in 2019/20 Financial Year.

**RCAWA Resolution**

**That RCAWA forward their 10year premium payments and claims history data to the EO and/or Secretariat as a pre-cursor to a report to the October RCAWA meeting on this matter.**

**MOVED: Dennis Wellington - Mayor City of Albany**

**SECONDED: Victoria Brown – Shire President Shire of Esperance**

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**CARRIED**

**12.3 Showcase WA- Parliamentary Friends of WA event- Mural Hall- 15th October 2018**

Discussion re potential involvement in this initiative. Individual RCAWA members to consider their involvement.

Aim to time the next meeting on RCAWA on/around this event in Canberra

**12.4 Possible Alliance membership interest from City of Mandurah**

Noted that City of Mandurah has indicated an interest in becoming an RCAWA member. Item has been discussed/resolved previously (prior to RCAWA incorporation). Item to be re-presented to October RCAWA meeting in the context of the RCAWA Constitution rules re membership.

**12.5 Future Funding Strategy – Regional Cities and Centres Investment Program**

The City of Busselton tabled a late discussion paper (below) re a potential new funding RCAWA/State Government funding model. Members to review prior to further discussion on the matter at the October RCAWA meeting

## Future Funding Strategy – Regional Cities and Centres Investment Program (RCAC)

The City of Busselton seeks the support of WARCA to advocate to the State Government and the Opposition of Western Australia for a new approach to funding for our Regional Capital local governments under a newly badged funding program **Regional Cities and Centres Investment Program (RCAC)**.

The new WA State Government has been power since March 2017. During this time, there have been no major competitive State Government funding rounds for local government, only the likes of “Local Projects, Local Jobs” which were essentially pre-election commitments.

Any major funding opportunities have come about through the Federal government, such as Regional Growth Fund and Building Better Regions. These rounds predominantly come with a requirement of significant co contributions of funds, usually at least 50%, meaning Councils need to have capacity to leverage such funds from their own sources.

There has been little activity from Royalties for Regions funding which was legislated in 2009 for specified programs in the regions, of up to \$1 billion annually. The City of Busselton proposes that up to \$100 million of this fund is directly funded to WARCA Councils.

It is also acknowledged that both sides of Federal politics have agreed to a “fix” of the States falling GST revenue. Going forward, this now provides more capacity for the State government to look at funds for regional infrastructure and services. This proposal seeks to capitalise on this opportunity.

### **Objective**

To provide a recurring funding program to Regional Cities and Centres in Western Australia that enables each community to achieve comparability in the provision of community facilities and services to that of the Perth Metropolitan Area.

### **Proposal**

- Annual allocation, over a ten year period, to be indexed annually, used to deliver regional infrastructure and services to our cities and towns; to facilitate economic and social development and improve liveability and opportunity for our cities and towns outside of the metropolitan area.
- It is suggested that there is an initial investment of approximately \$100 million funding, provisionally a two tier system to be apportioned according to the population base of the WARCA Councils; and an additional funding stream made available for other smaller regional councils on a competitive basis.
- There are many potential programs within our regional communities that are not capital works based - for example health services, supporting for homeless. It is suggested that the funding may be formulated to apportion funds, so they can be used for operating purposes as well as capital works.

This is in recognition of each council being geographically different, varying proximity to existing services and infrastructure, differing community needs.

- Funding will be subject to individual Councils developing and providing to the Minister; through the Department of Primary Industries and Regional Development; an initial four year fixed business plan, with a longer term ten year aspirational plan as an audit of future funding requirements.
- No requirement for matching funding.
- Suggest that those Councils who have not yet received Regional Growth Funding for development of such plans be allocated money for development of their initial plan.

### **Commitments**

- Participating Councils receiving funds through the RCAC agreement will commit to using this funding instead of making application to the State for the larger pools of funding, such as those available through CSRFF or RADS and only be eligible for smaller rounds of grants, perhaps anything up to \$500,000.
- Participating Councils will commit to not cross subsidising the rate base and using State funds as a “top up”; maintaining a baseline capital works program for roads, buildings etc.
- There should be an undertaking of Government that for the benefit of the State as a whole, that this approach has bipartisan support and that funding is not dependant on electorates and elections, giving regional Western Australia confidence to plan for the future with the means to deliver on those plans.

### **Advantages**

- Participating Councils will have a level of certainty in State Funding allocation to leverage Federal Funding and funding from the private sector.
- This program will create a sense of certainty with a fixed funding allocation to work more effectively, as part of our long term integrated planning process, not on an annual budget or grant availability basis.
- Better accessibility to services in regional centres will provide incentive for decentralisation of population from Perth metro area.
- Councils will be able to divert resources from preparation of extensive and onerous submissions, to instead focus on business plan preparation and project management. Councils can work together to ensure necessary skills are enhanced throughout our organisations in these disciplines.
- It will provide for local government communities to work more closely with State government service providers to identify and fund “gaps” in the local community.
- Councils will be more inclined to work together, collaborate and share learnings as a strategic State-wide approach, rather than as at present competing against each other for funding.
- Currently the State government funds and operates major infrastructure in the City such as stadiums, theatres, hospitals. This program will be a fairer process by which regional capital cities and centres can too provide for their community - serving to strengthen our communities and provide consistent levels of facilities and other infrastructure (eg sport and leisure centres, performing arts centres, galleries, roads, parks etc) that is comparable with what is accessible in the metropolitan area.



Table 1: Suggested funding allocation per WA Regional Council

Local Government	Population (2017)	Proposed Funding Allocation (Indexed p.a. over ten years)
City of Albany	37,686	\$12,000,000
City of Bunbury	32,244	\$12,000,000
City of Busselton	38,300	\$12,000,000
City of Greater Geraldton	39,046	\$12,000,000
City of Kalgoorlie Boulder	30,695	\$12,000,000
City of Karratha	22,205	\$12,000,000
Shire of Broome	17,002	\$6,000,000
Shire of Esperance	14,414	\$6,000,000
Shire of Northam	11,259	\$6,000,000
Town of Port Hedland	14,979	\$6,000,000
	<b>TOTAL</b>	<b>\$96,000,000</b>

The philosophy behind the funding levels apportioned above is that regional cities generally provide a higher and greater range of level of service and facilities to a higher population base, both resident and visitor.

Larger centres generally have greater capacity, both human and financial, to deliver the programs. It is important that if the State government was inclined to support this proposal that Councils are able to deliver the projects and services, so as to uphold the reputation of the funding program.

### **Recommendation**

1. Open for discussion;
2. If support exists for the underlying philosophy and methodology (subject to discussion), that the Executive Officer prepare a more formal submission based on this paper for endorsement at the next meeting of WARCA.

## **13 CLOSURE & DATE OF NEXT MEETING**

The meeting closed at 1pm.

Next meeting to be held in Canberra to coincide with the Showcase WA event  
(on or around 15 October 2018)