

**Wingecarribee Shire Council**

**Attachment 6**

Detailed Action Plan

## Attachment 6: Detailed Action Plan

Strategy	Actions	Ratio/s Impacted	Timeframe	Costs/Benefits	Risks	Assumptions
<b>Apply to Independent Pricing and Regulatory Tribunal (IPART) for a Special Rate Variation (SRV) for a period of four years</b>	Undertake community engagement around service levels and associated impacts on rating	All ratios will be positively impacted	Commence community engagement in August/September 2015	Increase capacity to maintain, retain and renew assets	Council is unable to secure a successful special rate variation	Community supports Council as a Fit for the Future stand-alone council
	Prepare and submit application to IPART based on updated Resourcing Strategy and community engagement		Apply for SRV to commence in 2016-17 for a four year period	Rates will be higher for the community however there will be improved service levels	Community expectations on levels of services cannot be funded through SRV	Substantial support from majority of stakeholders that SRV application is best course of action to address asset condition/service levels
	Report back to community on outcome of IPART application			Agreed service levels with the community	Unknown streamlined SRV processes for councils determined to be Fit for the Future	
	Outline to community on how SRV will be Implemented			Assets will be maintained to a standard that reduces Council's exposure to public liability claims		

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<b>Implement Work Health Safety initiatives to reduce workers compensation premiums to at or below industry average</b>	Continue to implement and monitor Council's Workers Compensation Management Strategy	Operating Performance Ratio	Workers Compensation premium at or below benchmark by 2020	Reduce overhead costs improving real operating expenditure per capita	Lost time injury frequency ratio does not decline resulting in increased premiums and declining reputation of council as an employer of choice	Workers compensation premiums decrease to \$1M
	Implement 'Safety First' Project based on StateCover prioritised safety improvement audit			Increased productivity		
	Engage a company doctor					
	Development of a suitable duties register					
	Introduction of case conferencing and improved return to work processes					

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<b>Undertake a strategic and comprehensive review of fees and charges</b>	Undertake review to explore opportunities for full cost recovery where appropriate and considering costs/benefit analysis	Operating Performance Ratio  Own Source Revenue Ratio	High priority items and preliminary consultation with community/users by February 2016	Additional income raised by fees and charges for appropriate services	Fee/charge increases which are determined by legislation are set at lower rates than projected in the Long Term Financial Plan (e.g. development application fees)	Community supports Council as a Fit for the Future stand-alone Council
	Undertake a benchmarking exercise with like councils		Full comprehensive review in line with next Integrated Planning and Reporting cycle	Fair and equitable fees and charges structure	Increased fees and charges could decrease utilisation of some council services and facilities, however access and participation will be considered to ensure affordable services and facilities for all	Community supports the equitable spread of cost of service provision across the community
	Undertake community engagement as a part of 2016/17 budget development					
	Implement new fees and charges with appropriate public notification					

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<b>Undertake review of Council's assets to gain an understanding of utilisation rates</b>	Commence review of utilisation of all assets & scope agreement	Asset Maintenance Ratio	Commenced first quarter in 2015/2016	The proposed community consultation process will assist in balancing customer expectations and the associated costs and then in determining the appropriate LoS and maintenance activities	Lack of community support for outcome of review	Community and council support for reviewing asset utilisation rates
	Undertake Levels of Service (LoS) Community Engagement	Infrastructure Backlog Ratio				
	Continued rationalisation of surplus community assets subject to community support for the strategy	Building and Infrastructure Asset Renewal Ratio		<p>This will address the perceived over-servicing and/or provision of excess community facilities (community halls, public amenities, pocket parks and playgrounds); thus leading to a reduction in the required renewal works and maintenance program.</p> <p>Asset recycling /one off revenue source which will reduce duplication and increasing standard of remaining assets</p>		

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<b>Continue the review of asset management systems and asset condition data to ensure the annual depreciation costs reflect actual asset consumption</b>	Continually monitor and refine the asset management data to ensure robust data to inform priority and nature of annual capital works program  Continue to implement asset management improvement plan  Annual review of replacement cost, residual life and economical life	Building and Infrastructure Asset Renewal Ratio  Infrastructure Backlog Ratio  Operating performance ratio	Ongoing	Asset depreciation will better reflect asset consumption (with an estimation of 10% reduction in annual depreciation by July 2019)	Future uncertainty around external factors that impact on assets deterioration such as climate change, usage patterns  Unexpected rise in costs of resources (e.g. materials, contracts, labour)	Lifecycles and asset economic life have previously been under estimated  Council can continue to obtain benefits from the refinement of economic life and hence depreciation
<b>Fully fund asset renewal program by 2021</b>	Progressively increase funds over four years for renewal of all infrastructure assets or components to close the gap between current budget and annual depreciation by 2020/21  Council adopt increased budget for renewal by June of each year from 2016.	Building and Infrastructure Asset Renewal Ratio  Infrastructure Backlog Ratio  Asset Maintenance Ratio	Ongoing	Increased level of funding for renewal of assets and renewal backlog works. Delivery of renewal works as planned/programed.  Assets will be maintained to a standard that reduces councils exposure to public liability claims  Improved level of service provided to the community	SRV not approved by IPART and subsequent inability to deliver program of works.  Ability to deliver works program on time due to external impacts e.g. weather, availability of contractors	Successful SRV application  Complete delivery of renewal works program by end of each financial year from 2016/17

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Strategy	Actions	Ratio/s Impacted	Timeframe	Costs/Benefits	Risks	Assumptions
<b>Adopt and implement new optimisation tools to refine the roads rehabilitation program</b>	<p>Implement the Structural Testing Evaluation of Pavements (STEP) system</p> <p>Evaluate the condition of all road segments identified for rehabilitation/reconstruction and refine the works program for STEP optimisation by June each year from 2016</p> <p>Continue to refine the works program</p>	<p>Building and Infrastructure Asset Renewal Ratio</p> <p>Infrastructure Backlog Ratio</p>	June 2016	More rehabilitation and reconstruction works undertaken with the same level of funding	<p>Lack of good condition data</p> <p>Lack of skilled contractors available to provide to required quality</p>	STEP system can be applied to the road system resulting in savings with similar useful life
<b>Undertake optimal level of maintenance on infrastructure assets</b>	<p>Allocate an appropriate amount of funds and resources and undertake an optimal level of maintenance of infrastructure assets</p> <p>Develop and implement inspection and maintenance programs to progressively increase/improve proactive maintenance</p>	<p>Building and Infrastructure Asset Renewal Ratio</p> <p>Asset Maintenance Ratio</p> <p>Infrastructure Backlog Ratio</p>	Progressively implement from 2016/17. Fully implemented by 2019/20	<p>Progressive reduction in required reactive maintenance and rehabilitation or reconstruction works</p> <p>Optimal economic life of assets achieved or extended</p> <p>Improved level of service</p>	<p>SRV not approved by IPART and subsequent inability to deliver program of works</p> <p>inability to deliver works program on time due to external impacts e.g. weather, availability of contractors</p>	<p>Substantially complete programed maintenance works by the end of each financial year commencing from 2016/17</p> <p>Maintenance schedule is in line with the community desired level of service</p>

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<b>Review and confirm with the community the acceptable level of service for all assets</b>	Undertake community engagement to determine acceptable Levels of Service (LOS) and cost to bring to satisfactory standard	Infrastructure Backlog Ratio  Building and Infrastructure Asset Renewal Ratio	Commence July 2015	Renewal and maintenance strategies aligned with community expectations	Community expectations exceed assumed levels of service	The community's satisfactory standard for all assets is condition 3
	Use outputs of community engagement to review and prioritise backlog and works program	Maintenance Ratio		Confirmation of backlog works and calculation of backlog ratio	SRV application is not approved by IPART	
	Renew backlog items which don't meet community level of service expectations			AMPs will be updated to reflect community LoS agreed with the community		



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Strategy	Actions	Ratio/s Impacted	Timeframe	Costs/Benefits	Risks	Assumptions
<b>Develop and implement a flexible Resource Strategy, including , workforce structure and works practices to deliver works program</b>	Update and integrate council's Workforce Strategy and Asset Management Plans	Asset Maintenance Ratio	Staged implementation program	Flexible, adaptable and responsive workforce	Unions resistance to work practices changes	Planned maintenance works completed within budget by June of each financial year commencing from 2016/17.
	Develop a workforce assessment tool that allows council to determine best delivery model for individual projects	Building and Infrastructure Asset Renewal Ratio		Decreased overheads through the utilisation of contractors	Lack of suitably qualified and skilled staff and contractors	
	Deliver infrastructure works using hybrid models of in-house and contract staff	Infrastructure Backlog Ratio		Improved delivery of capital works program	Competition for resources and availability of contractors	
	Undertake review of other indirect workforce costs to ensure council adequately capitalises on infrastructure renewal projects	Operating Performance Ratio				
	Complete maintenance delivery plans, including contracts, by June of each year					

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<b>Participate in Joint Organisations and other regional collaborative approaches, including regional strategic planning, intergovernmental collaboration, regional leadership and advocacy and service delivery</b>	<p>Explore options for Council's participation in Joint Organisation (JO)</p> <p>Participate in the Joint Organisation</p>	Potentially all ratios will be improved by participation in JO and regional collaborations	On-going	Participation in regional collaborative relationships will result in more integrated service delivery for the community.	<p>There is a mandate to participate in a Joint Organisation that doesn't have a natural synergy</p> <p>Participation in a JO with no or few natural synergies could result in the costs (funding contribution) to outweigh the benefits.</p> <p>Resourcing a mandated JO relationship may draw resourcing away from local operational plan.</p>	Council is able to maintain natural relationships with neighbouring councils that are currently in place.
<b>Undertake a Service Review Program to ensure effective and efficient service delivery</b>	<p>Commence service review process in 2015/16</p> <p>Establish service review guidelines and templates</p> <p>Commence service review project</p> <p>Implement recommendations</p> <p>Annual review and monitoring</p>	Real Operating Expenditure per Capita	Commence 2015/16	<p>Provision of high quality services</p> <p>Improved efficiency</p> <p>Cost savings with potential for income generation</p> <p>Opportunity to identify a partnerships with other councils or service providers</p>	Resistance from stakeholders to engage in the process and implement resulting changes	Service review program will result in saving and/or organisational efficiencies.

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<b>Develop and implement a comprehensive Organisational Development Strategy</b>	<p>Continue development of draft Organisational Development (OD) Strategy</p> <p>Internal review of OD Strategy</p> <p>Executive approval of OD Strategy</p> <p>Implementation and continuous review of OD Strategy</p>	Real Operating Expenditure per Capita	Finalised June 2016	Implementation of strategy will result in improved organisational performance, people development, strategic direction and customer services	Resistance from stakeholders to implement organisational development changes	OD Strategy will result in saving and/or organisational improvements and efficiencies
<b>Implement business improvement strategies as part of Council's Risk and Internal Audit Program</b>	<p>Review and adopt 3 year rolling improvement program</p> <p>Undertake audit reviews in accordance with improvement program</p> <p>Implement key recommendations from audit reviews</p> <p>Report business improvement initiatives to Corporate Risk Group</p>	Real Operating Expenditure per Capita	Ongoing	Identifying business improvements will decrease fraud and risk exposure and decrease cost for service provision	Minimal	Implementing business improvements will result in saving and/or organisational improvements and efficiencies

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<b>Revise and enhance procurement practices to ensure best value is achieved</b>	Undertake review of existing procurement guidelines	Real Operating Expenditure per Capita	Finalised June 2016	Ensure current practices reflect optimal purchasing	Minimal	Revision and enhancement of procurement practices will result in saving and/or efficiencies
	Review current purchasing systems					
	Investigate opportunities for membership to procurement alliances					
	Introduce corporate wide training and development programs for staff					
	Implement revised policy and guidelines					