

Shire of Jerramungup

**CORPORATE BUSINESS PLAN
2014/2015 TO 2017/18**

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Introduction

The introduction of regulations under section 5.56(2) of the *Local Government Act 1995* resulted in the Shire's strategic planning framework only partly complying. In response, the Shire initiated a new Strategic Community Planning process based on the Department for Local Government's Integrated Strategic Planning Framework.

The minimum requirement to meet the intent of section 5.56(2) is the development of:

- Strategic Community Plan; and
- Corporate Business Plan.

This document addresses the State Government's Corporate Business Planning requirements. This Corporate Business Plan details the services, operations and projects the Shire will deliver over the defined period, the processes for delivering these and the associated cost.

The Corporate Business Plan contains team operational, technical delivery and financial plans.

The Corporate Business Plan informs the annual budget.

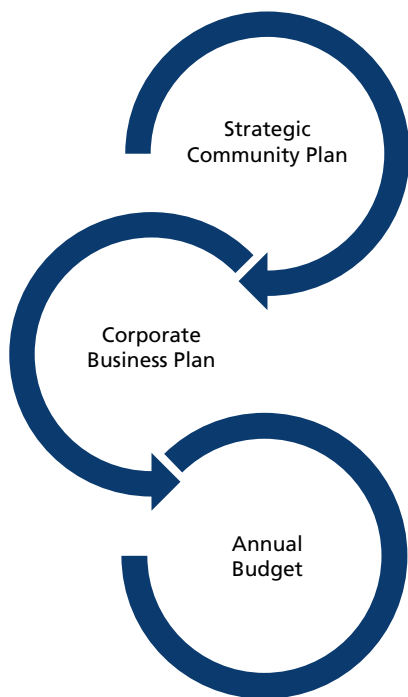


Figure 01: Integrated Planning and Reporting Process.

Vision

In 2025, the Shire of Jerramungup:

Will be recognised internationally as an active world biosphere reserve. A carbon neutral, well designed, Green Star Community where conservation and the sustainable use of natural resources is monitored, researched and continually refined.

Will be a safe, inclusive and resilient community. A place where visionary leadership, strong governance, good health, adequate housing, opportunities to work and high standards of education are realised.

Will be a rural destination where people want to live and visit, linked to external markets by a first class road transport system. A robust economy supported by broad hectare agriculture, livestock, aquaculture, agroforestry, tourism and an emerging resources sector.

Will be a location where community comes first and high rates of volunteerism support a range of events and activities. A place where cultural heritage is recognised, embraced and promoted.



The Integrated Planning and Reporting (IPR) Framework

The Integrated Planning and Reporting (IPR) Framework has been established in order to allow Local Governments to plan sustainably for the future and to equip their organisations to respond to short, medium and long term community requirements.

The three major components of the IPR include:

1) Strategic Community Plan (SCP)

- 10 year plan
- Informed by community aspirations

2) Corporate Business Plan (CBP)

- 4 year plan
- Activates SCP
- Integrates other plans
- Reviewed annually

3) Annual Budget

- Driven out of the annual CBP review process.

Supporting and informing the above components are strategies such as:

1) Long Term Financial Plan

- 10 year plan
- Sustainable financial management

2) Asset Management Plan

- Management of local government's assets

3) Workforce Plan

- 4 year plan
- Workforce requirements to deliver CBP

4) Services

5) Issue specific strategies

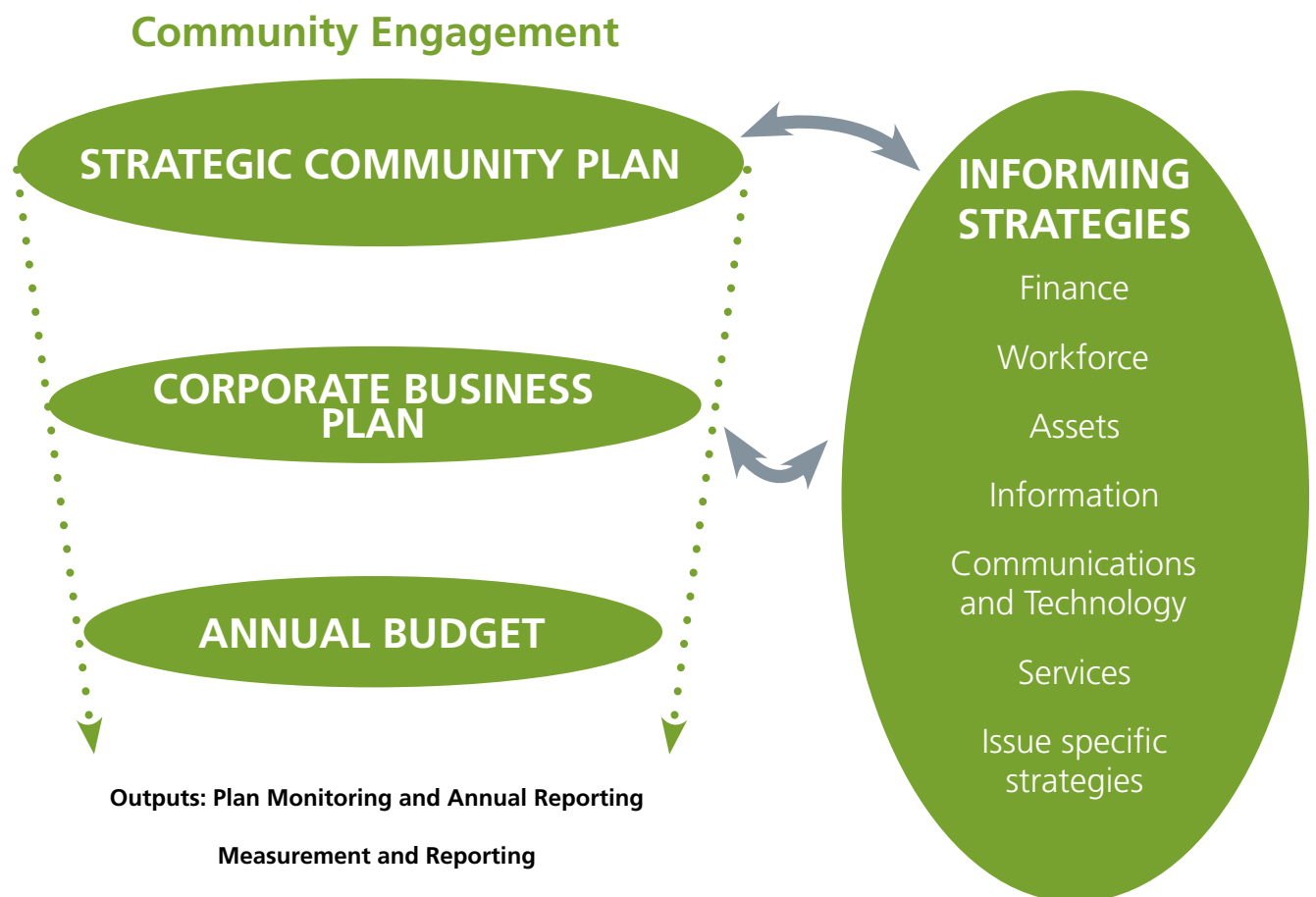


Figure 02: Integrated Planning and Reporting (IPR) Framework.

Why are we doing this?

The CBP is a way of ensuring that the aspirations of the community are realised, through a program of work that details timeframes, responsible officers and resources required.

The CBP is a tool that the local government administration will use to achieve the community's aspirations. The administration is accountable for both the completion of actions within the CBP as well as the overall performance of the local government.

Analysis

To develop the CBP the following analysis was completed:

- 1) External Analysis** – The Shire has considered relevant external factors that could impact on operations.
- 2) Operational Risk Assessment** – The Shire has identified and put in place a plan to manage operational risks that could affect the local government's ability to deliver services and projects.
- 3) Internal Analysis** – The Shire has analysed and made improvements to our internal capability to ensure we can deliver the vision and priorities that the community has espoused.
- 4) Integration** – The Shire has incorporated and considered all of our strategies, operational requirements and other business considerations.
- 5) Resource Capability Analysis** – The Shire has and will continue to assess the resource plans (e.g. Assets, Workforce, Finance) to determine our business-as-usual capability to deliver on the priorities outlined in the SCP.
- 6) Service/Project Evaluation** – The Shire has identified the methods to assess and evaluate our services and projects to ensure they are aligned with the strategic direction of our local government in a way that is cost effective and sustainable.
- 7) Organisational Development** – The Shire has and will continue to communicate throughout the organisation, the vision and values voiced by the community to ensure that our operational systems are aligned to the community's aspirations.



Aspirations

The following aspirations and priority areas expressed within the community and Council workshops comprised a number of common themes. The themes were grouped into four pillars that reflect the key components in achieving sustainability from a community perspective.

This CBP puts in place a framework, supported by resources to achieve and satisfy the community's aspirations.

Pillar 1: Environmental Aspirations

The key aspirations within this area reflect the Shire's location and proximity to the Fitzgerald River National Park. The Shire's location is recognised internationally for its biodiversity, pristine coastal environment and human interaction with the landscape.

Land use planning, land capability and natural resource management are addressed in this area.

Pillar 2: Social Aspirations

This group of aspirations refers to the capacity of society to provide for the wellbeing of all residents and do so in a fair and equitable way. This includes good governance and civic leadership, provision of adequate income, feeling safe, good health, food and nutrition, adequate housing, employment opportunities, high standards of education and access to sport and recreation facilities.

Pillar 3: Economic Aspirations

The key themes relating to this aspiration were based on responsible fiscal policy, asset management and the provision of good quality and well utilised infrastructure.

The continuation of broad hectare agriculture as a key industry and the improvement of road infrastructure are addressed under this pillar.

Pillar 4: Cultural Aspirations

This group of aspirations refer to recognising our past and the contribution that previous generations have made. Embracing and recognising history and culture will facilitate a sense of place and community vibrancy. This can often drive economic development by providing a location that people want to live and visit.

Active citizenship (volunteerism) featured prominently.

The following tables outline the activities and their relationship to the aspirations in the SCP. Each activity has a corresponding outcome, resource requirement, responsible person and timeframe as detailed further below:

1) Activity

Activities have been determined by the community and are contained within the Strategic Community Plan. The activities are aligned to one of the four community aspirations.

2) Outcomes

The outcomes are the project specific actions that can be assigned a cost, responsible officer and timeframe.

3) Resource

The financial or human resources required to complete the outcome.

4) Responsible person/s

Person/s accountable for the completion of the outcome.


5) Timeframe

Length of time required to complete the desired outcome.

This following section identifies the activities and outcomes required to achieve the aspirations and priority areas identified in the SCP.

Only activities and outcomes scheduled to be completed over the following four financial years are contained within the tables below. Activities and outcomes scheduled to be completed beyond 2017/18 will appear in future versions of this CBP.

The resources required comprise Shire of Jerramungup funds and external revenue e.g. grant funding. If external funding is not forthcoming, projects will not be completed in the subject period.

Environmental	Activity	Outcome	Resource	Responsible Person	Timeframe			
					2014 /15	2015 /16	2016 /17	2017 /18
Aspiration 1: A carbon neutral community where renewable energy, water harvesting and fossil fuel alternatives are explored, tested and applied.	1a Contribute to Regional Economic Development Strategy (GSDC)	Investigate alternative power opportunities such as wind and biomass	Advocate	Chief Executive Officer	Ongoing			
	Interdependencies to other plans: 1) Regional Economic Development Strategy (GSDC) 2) Shire of Jerramungup Town Planning Scheme							
Aspiration 2: A growing community that embraces well designed and sustainable development.	2a Implement Local Planning Strategy (existing)	Identify and initiate rezoning for industrial land development in Bremer Bay	\$10,000	Planning Officer				
	2b Develop Local Service Strategy (new)	Increase the capacity and reliability of the power and water supply in Jerramungup and Bremer Bay	Advocate	Chief Executive Officer	Ongoing			
Interdependencies to other plans: 1) Local Planning Strategy.								



Environmental	Activity	Outcome	Resource	Responsible Person	Timeframe			
					2014 /15	2015 /16	2016 /17	2017 /18
Aspiration 3: An environmentally conscious community where reduced waste to landfill is supported by best practice facilities.	3a Implement Regional Waste Management Plan (existing)	Establish fish offal and green waste composting system at landfill sites	\$30,000	Executive Manager Infrastructure				
		Establish oil recycling area at landfill sites	\$10,000	Executive Manager Infrastructure				
		Establish regional landfill site in Ravensthorpe	\$2,000,000	Chief Executive Officer				
		Upgrade transfer stations	\$200,000	Executive Manager Infrastructure				
		Rehabilitate former waste sites	\$60,000	Executive Manager Infrastructure				

Interdependencies to other plans:

- 1) Regional Waste Management Strategy.
- 2) Western Australian Waste Strategy: Creating the right environment.

Aspiration 4: An environmentally astute community where human needs are met while conserving our natural and built environment.	4a Review Dieback Management Strategy (existing)	Establish vehicle wash down areas	Advocate	Executive Manager Infrastructure	Ongoing			
		Increase community awareness, install dieback signage	Advocate	Executive Manager Infrastructure	Ongoing			
	4b Develop Natural Resource Management Plan (new)	Develop NRM Plan/ Strategy or adopt existing NRM Plan	\$5,000	Chief Executive Officer				
		Appointment of Fisheries Inspector in Bremer Bay combined with Rangers position	Advocate	Chief Executive Officer	Ongoing			
		Employment of a Natural Resource Management Officer	Advocate	Chief Executive Officer	Ongoing			
	4c Implement Fitzgerald Biosphere Renomination (existing)	Shire to participate in BIG Committee	\$0	Chief Executive Officer	Ongoing			
4d Review Municipal Inventory (existing)	Review Municipal Inventory	\$5,000	Planning Officer					

Interdependencies to other plans:

- 1) Dieback Management Strategy.
- 2) Municipal Inventory.

Social	Activity	Outcome	Resources	Responsible Person	Timeframe			
					2014 /15	2015 /16	2016 /17	2017 /18
Aspiration 5: An active community supported by fit for purpose sport and recreation facilities.	5a Review Sport Infrastructure Strategy (existing)	Review Sport Infrastructure Strategy	\$0	Deputy Chief Executive Officer				
		Develop Bremer Headland to Point Henry walk trails and boardwalk	\$1,000,000	Executive Manager Infrastructure				
		Upgrade change room facilities in Jerramungup Sports Pavilion	\$50,000	Executive Manager Infrastructure				
	5b Develop Recreation Strategy (new)	Develop Recreation Strategy	\$10,000	Chief Executive Officer				
		Establish Community Art Program	\$10,000 PA	Chief Executive Officer				
		Establish a men's shed in Jerramungup	\$100,000	Chief Executive Officer				
		Develop Bremer Bay Town Centre Park including shared use with the school and skate park	\$1,000,000	Deputy Chief Executive Officer				
		Upgrade car park at main beach and include toilets, showers BBQs	\$500,000	Executive Manager Infrastructure				
		Purchase community bus	\$80,000	Chief Executive Officer				
		Increased pool usage by installing toilets	\$40,000	Chief Executive Officer				
Interdependencies to other plans:								
1) Sport Infrastructure Strategy.								
2) Pathway Strategy.								
Aspiration 6: An engaged and informed community, defined by strong civic leadership, sound governance and transparent decision making.	6a Implement Integrated Communications and Customer Service Strategy (existing)	Website review with focus on events	\$5,000	Deputy Chief Executive Officer				
		Community newsletter review	\$2,000	Deputy Chief Executive Officer				
Interdependencies to other plans:								
1) Integrated Communications and Customer Service Strategy.								

Social	Activity	Outcome	Resources	Responsible Person	Timeframe			
					2014 /15	2015 /16	2016 /17	2017 /18
Aspiration 7: A healthy community where residents feel safe, secure and self-assured.	7a Implement Medical Services and Infrastructure Strategy (existing)	Ensure appropriate nursing resources	Advocate	Chief Executive Officer	Ongoing			
		Establishment of a health and wellness centre	Advocate	Chief Executive Officer	Ongoing			
		Refurbish Health Facility in Jerramungup	\$150,000	Chief Executive Officer				
		Establish new Health Facility in Bremer Bay	Advocate	Chief Executive Officer	Ongoing			
		Provide quality housing for health professionals	Advocate	Chief Executive Officer	Ongoing			
	7b Implement Local Emergency Management Arrangements (existing)	Redevelop Little Boat Harbour	\$500,000	Executive Manager Infrastructure				
		Establish a Police facility in Bremer Bay	Advocate	Chief Executive Officer	Ongoing			
		Seal road to Bremer Bay Airstrip	\$500,000	Executive Manager Infrastructure				
		Seal road to Jerramungup Airstrip	\$500,000	Executive Manager Infrastructure				
	7c Implement Bremer Bay Town Centre Master Plan (existing)	Build additional aged care accommodation in Bremer Bay	\$2,400,000	Chief Executive Officer				
		Bremer Bay Town Centre Project stage 2a and 2b	\$1,958,750	Chief Executive Officer				
	Interdependencies to other plans:							
1) Medical Services and Infrastructure Strategy.								
2) State and Local Emergency Management Arrangements.								
3) Bremer Bay Town Centre Master Plan.								
Aspiration 8: A community that embraces lifelong learning where education is accessible to people of all ages.	8a Initiate facility sharing and community education programs (new)	Facilitate increased usage of Roe Park and Entertainment Centre by School	Advocate	Chief Executive Officer	Ongoing			
		Implement early intervention programs	Advocate	Chief Executive Officer	Ongoing			
Interdependencies to other plans:								
1) Shared Facility Policy (Education Dept).								

Economic	Activity	Outcome	Resources	Responsible Person	Timeframe				
					2014 /15	2015 /16	2016 /17	2017 /18	
Aspiration 9: An economically diverse community where primary industry is supported by a strong secondary and service industry.	9a	Develop Economic Development Strategy (new)	Develop Economic Development Strategy	\$50,000	Chief Executive Officer				
			Upgrade business and general directional signage in Jerramungup and Bremer Bay	\$50,000	Chief Executive Officer				
			Jerramungup Resource Centre to maintain a list of trade's people in the community	Advocate	Chief Executive Officer	Ongoing			
			Improvements on South Coast Highway including the development of passing lanes	Advocate	Chief Executive Officer	Ongoing			
			Attract a regional high school in Bremer Bay with boarding facilities	Advocate	Chief Executive Officer	Ongoing			
			Improved telecommunication reception	Advocate	Chief Executive Officer	Ongoing			
			Establish a Chamber of Commerce	Advocate	Chief Executive Officer	Ongoing			
			Aviation master plan (include FIFO)	\$50,000	Planning Officer				
	9b	Review Buy Local Policy (existing)	Availability of suitable ATM in Jerramungup	Advocate	Chief Executive Officer	Ongoing			
			Encourage existing businesses to improve service delivery	Advocate	Chief Executive Officer	Ongoing			
	9c	Review Tourism Strategy (existing)	Development of tourist information centres	Advocate	Chief Executive Officer				
			Support community events	Advocate	Chief Executive Officer	Ongoing			
			Sealing of roads to National Park	Advocate	Chief Executive Officer	Ongoing			

Interdependencies to other plans:

- 1) Buy Local Policy.
- 2) Review Tourism Strategy.

Economic	Activity	Outcome	Resources	Responsible Person	Timeframe			
					2014 /15	2015 /16	2016 /17	2017 /18
Aspiration 10: A community where transport infrastructure is constructed and maintained using best practice principles.	10a Develop Asset Management Strategy (new)	Building Maintenance Strategy	\$60,000	Chief Executive Officer	■			
		Improve road drainage within the town sites	\$600,000	Executive Manager Infrastructure		■		
		Improve road train access within the Jerramungup town site.	\$250,000	Chief Executive Officer	■			
		Truck parking bay at Jerramungup to be improved	Advocate	Chief Executive Officer	Ongoing			
		Travellers rest stop to be developed at Gairdner	Advocate	Chief Executive Officer	Ongoing			
		Repaint mural at opportunity shop	\$5,000	Executive Manager Infrastructure	■			
Interdependencies to other plans:								
1) Asset Management Plan								
Aspiration 11: A community where revenue is maximised and rating methodology is fair, equitable and transparent.	11a Develop Revenue Strategy (new)	Develop Revenue Strategy	\$25,000	Chief Executive Officer	■			
		Employ grants officer	\$50,000 PA	Chief Executive Officer		■		
	11b Review 10 Year Financial Plan (existing)	Review 10 Year Financial Plan with focus on plant replacement and borrowings	\$10,000	Deputy Chief Executive Officer	■			
Interdependencies to other plans:								
1) 10 Year Financial Plan.								

Economic	Activity	Outcome	Resources	Responsible Person	Timeframe			
					2014 /15	2015 /16	2016 /17	2017 /18
Aspiration 12: A community that provides a range of good quality and affordable private and government housing options aimed at attracting and retaining residents.	12a Develop Housing Plan (new)	Additional and affordable public housing	Advocate	Chief Executive Officer	Ongoing			
		Register of empty houses on farms that are available for rent to supplement housing stock	Advocate	Chief Executive Officer				

Interdependencies to other plans:

- 1) 10 Year Financial Plan.

Cultural	Activity	Outcome	Resources	Responsible Person	Timeframe			
					2014 /15	2015 /16	2016 /17	2017 /18
Aspiration 13: A culturally aware community that recognises its heritage and the contribution that war settlement and indigenous people have made.	13a Develop Cultural Mapping (new)	Develop Cultural Map	\$50,000	Chief Executive Officer				

Interdependencies to other plans:

Aspiration 14: An involved community where volunteering is fostered, encouraged, and supported.	14a Develop Volunteer Strategy (new)	Develop Volunteer Strategy	\$50,000	Chief Executive Officer				
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Interdependencies to other plans:

Aspiration 15: A community that provides programs and facilities to people with varying needs.	15a Review Disability Access and Inclusion Plan (existing)	Review Disability and Inclusion Plan	\$5,000	Chief Executive Officer				
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Interdependencies to other plans:

- 1) Disability Access and Inclusion Plan.

Operations

The CBP is intended to link all aspects of the Integrated Planning and Reporting Framework.

The Workforce Plan informs the Local Government of how capable it is to deliver services to the community and complete projects.

The Asset Management Strategy identifies the Shire's assets, sets levels of service and determines levels of expenditure across the asset classes from a maintenance, new asset and disposal perspective.

The Long Term Financial Plan forecasts revenue, expenditure, capital projects, plant replacement and staff resource requirements. This plan is a reality check to ensure that the local government can afford to deliver the commitments as outlined within the other informing strategies and Strategic Community Plan.

Workforce Plan

The Workforce Plan (WFP) is a core component of the Integrated Planning and Reporting Framework. This document informs the local government, in terms of its capability in delivering the services and capital works to the community.

The plan incorporates a high level analysis of how the workforce will need to change over time to deliver the core objectives in the CBP. By completing this process, local governments will have a workforce plan adequately addressing the human resourcing requirements to deliver local government operations in accordance with the amendments specified by the Local Government (Administration) Amendment Regulations (No. 2) 2011.

The WFP is separated into the following areas:

- Current Workforce Analysis – to provide an overview of the current workforce structure, recruitment and associated issues.
- Environmental Analysis – discussion of the factors that influence labour resources in Shire.
- Forecast Future Needs – analysis of the Shire's strategic direction/objectives, future projects and the future WFP requirements to meet these strategic objectives.
- Gap Analysis – high level analysis of future required workforce and the current workforce to determine gaps in FTE numbers and organisational structure
- Strategies Development – recommendations on the development of both short-term and long-term strategies to address the gap analysis and meet the future workforce requirements

Workforce Plan Summary

The organisational structure is designed to respond to the changing needs of the organisation over the next four years and will be reviewed to ensure that our local government is meeting the needs of the community as well running an efficient and effective organisation.

A summary of the responsibilities and accountabilities of each directorate is as follows:

Chief Executive Officer Team Provision of emergency services support Management of governance systems and Council functions		
Deputy CEO/Corporate Services Team Responsible for finance services and processes. Administration of payroll, accounts payable and receivable function. Responsible for electronic records management, filing and archiving. Provision of secretarial, clerical support and customer services. Management of support services for Council and Works Department.	Infrastructure Services Team Construction and maintenance of the Shire's road network. Maintenance of waste sites, sewerage system, parks, gardens, buildings, plant and equipment and private works. Delivery of the adopted works program. Coordination of ranger services.	Planning & Development Team Responsible for property development, planning and building approvals. Prepares information packs in relation to planning and approvals for the public. Responsible for compliance with Environmental Health legislative requirements.

To achieve the strategic priorities set by the Council and community, the Shire's organisational structure will need to increase by two (2) full time equivalent employees over the next four years.

- 1) Grants officer: Given the Shire's dependence on gaining external funding to achieve the capital works program, it has been identified that a Grants Officer will be required. This position could either be filled by a full time staff member or a suite of consultants.
- 2) Asset Manager: The management of the Shire's assets has been an area of deficiency for a number of years. This position will be responsible for the management of data and the programming of works across road construction, road maintenance, parks and gardens and the Shire's building portfolio.

In addition to the above positions, the Shire will need to increase its focus on records management. An analysis has confirmed that capacity exists within the existing budget and workforce to satisfy this increased focus.

In recent years, the Shire has successfully shared senior staff resources with Ravensthorpe. Although this resource sharing has been very successful for both organisations, the shared Deputy CEO position will not continue past July 2014. Both organisations recognise the need for a full time Deputy CEO and the travel between both locations (110km) is not sustainable over a long period of time.

Moving forward, the Shire will continue to experience difficulties recruiting and retaining experienced professionals such as engineering staff, health inspectors, planning officers, building surveyors and senior managers.

Although some of these functions can be adequately covered using consultants, the difficulty attracting high calibre applicants to regional and remote Western Australia will continue to be problematic. In response, the Shire will need to build and maintain a reputation as a progressive and diverse local government authority and sell the unique attributes that the Shire has to offer e.g. growing coastal town, botanic diversity, world renowned national parks and exciting and unique capital projects.



Assets

The Shire of Jerramungup's assets include roads, footpaths, buildings, parks and gardens. The value of these assets has been determined using various methodologies including fair value, replacement value and insurance value.

Table 1: Summary of Assets

Asset Category	Asset Class	Quantity	Unit of Measure	Value	Valuation methodology
Roads	Sealed	134.04	Km	\$9,087,157	Fair value
	Unsealed	1004.86	Km	\$22,192,296	Fair value
Footpaths	Asphalt, Concrete & Brick Paving	7.39	Km	\$344,584	Fair value
Buildings	Community facilities, halls, television/radio infrastructure, toilets, houses	87	Number	\$44,641,525	Insurance value
Parks and Gardens	Recreation, playground, landscaped open space	Not Known	Hectares	Not known	Replacement value

The Shire's asset management strategy provides a situation analysis, sets maintenance performance standards and identifies asset renewal, new assets and disposal.

Current Maintenance Activities

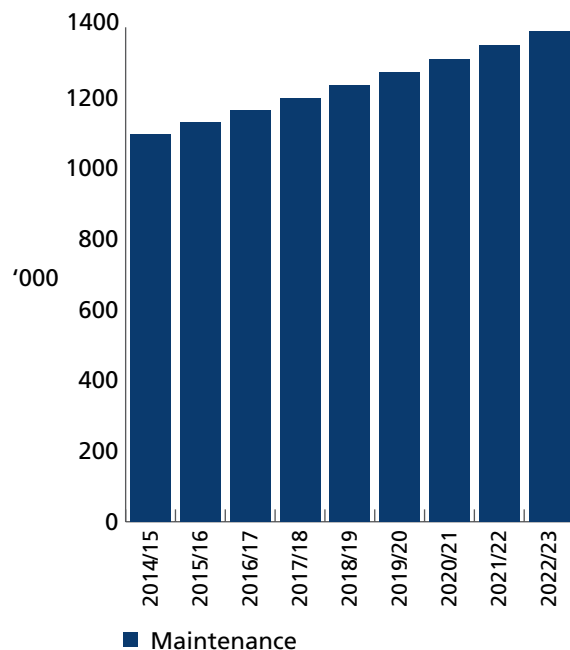
Routine maintenance is the regular on-going work that is necessary to keep assets operating, including instances where portions of the asset fail and need immediate repair to make the asset operational again. Maintenance includes reactive, planned and cyclic maintenance work activities.

Road and Footpath Maintenance

The Shire of Jerramungup has approximately 1,192 km of roads with maintenance occurring in a reactive, planned and cyclic manner. Each of the Shire's roads has been placed into a category depending upon asset utilisation.

The Shire of Jerramungup has approximately 7.9 km of footpaths with maintenance occurring in a reactive, planned and cyclic manner.

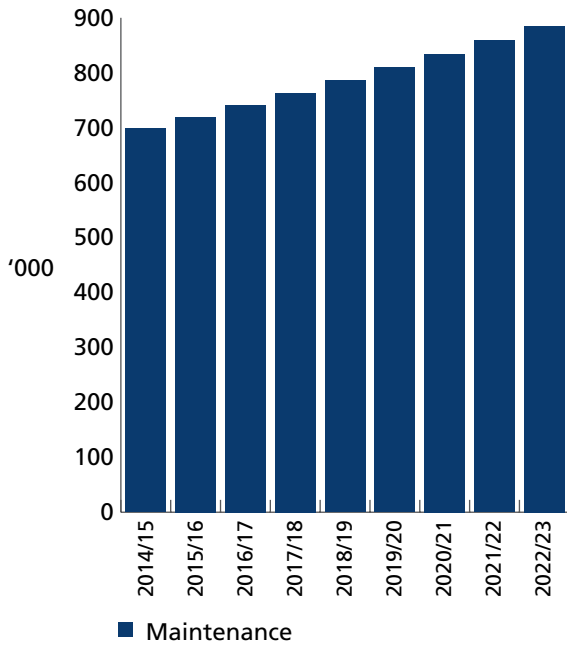
To achieve the desired levels of service contained within the Asset Management Strategy, the Shire has forecast the following maintenance expenditure over the subject period.



Building Maintenance

The Shire of Jerramungup has 87 public buildings including community facilities, halls, radio and television infrastructure, toilets and residential houses. Maintenance occurs in a reactive, planned and cyclic manner.

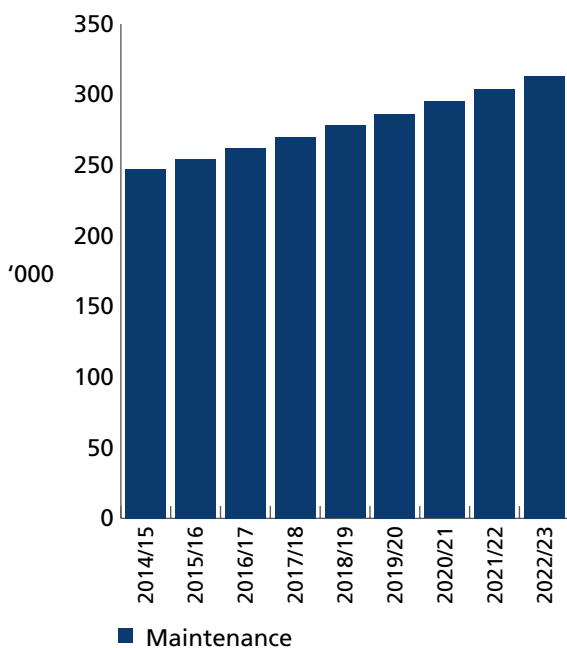
To achieve the desired levels of service contained within the Asset Management Strategy, the Shire has forecast the following maintenance expenditure over the subject period.



Parks and Gardens Maintenance

The Shire of Jerramungup has numerous hectares of recreation, playgrounds and landscaped open space. Maintenance occurs in a reactive, planned and cyclic manner.

To achieve the desired levels of service contained within the Asset Management Strategy, the Shire has forecast the following maintenance expenditure over the subject period.



Renewals and New Works

Renewal expenditure is major work which does not increase the asset's design capacity but restores, rehabilitates, replaces or renews an existing asset to its original service potential. Work over and above restoring an asset to original service potential is upgrade/expansion or new works expenditure.

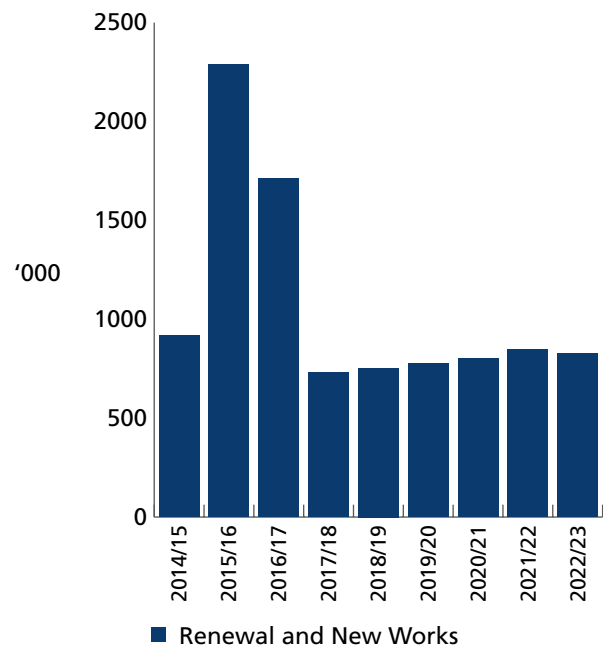
New works are those works that create a new asset that did not previously exist, or works which upgrade or improve an existing asset beyond its existing capacity. They may result from growth, social or environmental needs. Assets may also be acquired at no cost to the Shire from land development.

New assets and upgrades/expansion of existing assets are identified from various sources such as Councillor or community requests, identified by strategic plans or partnerships with other organisations.

Road and Footpaths Renewals and New Works

The Shire of Jerramungup renews roads on an annual basis. This renewal includes gravel resheeting and resealing to sealed surfaces.

To achieve the desired levels of service contained within the Asset Management Strategy, the Shire has forecast the following renewal and new work expenditure over the subject period.

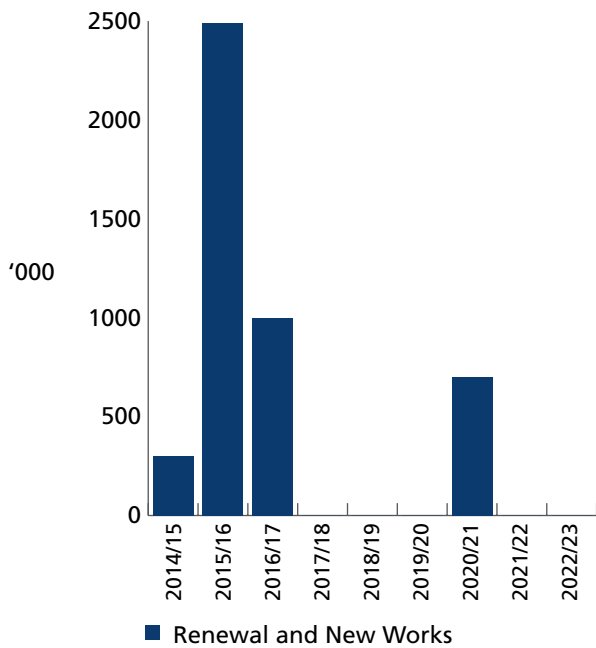


New and renewal works include;

- Bremer Bay to Point Henry Walk Trail (2015/16)
- Sealing of roads to Bremer Bay and Jerramungup Airstrips (2016/17)

Building Renewals and New Works

To achieve the desired levels of service contained within the Asset Management Strategy, the Shire has forecast the following renewal and new work expenditure over the subject period.

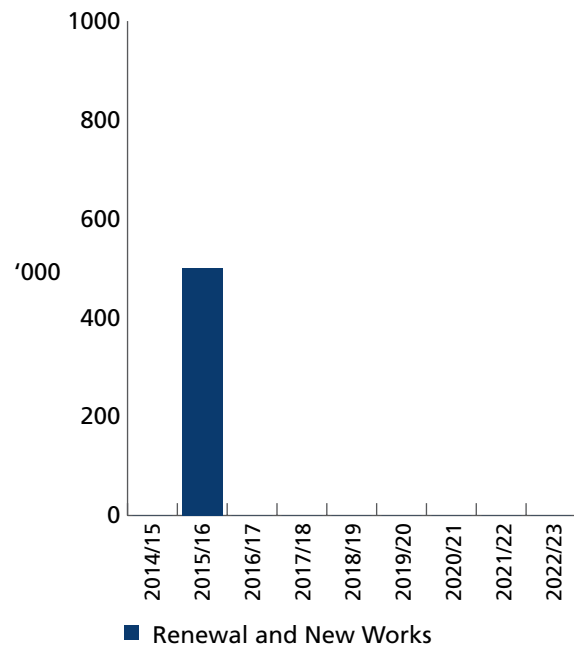


New works include;

- Additional aged care accommodation in Bremer Bay (2015/16)
- Shop front administration facility in Bremer Bay (2017/18)

Parks and Gardens Renewals

To achieve the desired levels of service contained within the Asset Management Strategy, the Shire has forecast the following renewal and new work expenditure over the subject period.



New works include;

- Bremer Bay skate park, town square and playground (2014/15)
- Paperbarks Park upgrade (2015/16)



Asset Disposal

Disposal includes any activity associated with disposal of a decommissioned asset including sale, demolition or relocation. For the purpose of this plan, disposal of road is defined as being the complete removal of a road (road closure and sale or other use).

There are no road and footpath disposals forecast.

The Shire will sell 1 Coral Sea Road in Jerramungup to assist in financing the new staff house in Bremer Bay. The toilet and shower facility at Paperbarks Park will also be decommissioned and replaced with a new facility.

There are no park and reserve disposals forecast.

Long Range Financial Planning

The Long Term Financial Plan (LTFP) details the costs to deliver the Corporate Business Plan (CBP). It forecasts financial information beyond the four years of the Corporate Business Plan to cover operations for ten years as a means of demonstrating financial sustainability.

The LTFP is a core component of the IPR framework for local government. The LTFP allows for analysis of financial trends over a ten year period on a range of assumptions and provides the Shire with information to assess resourcing requirements to achieve long term community objectives in a financially sustainable manner.

In developing the LTFP a number of objectives could be realised;

- Critically review the cost of current service levels and ensure this is within likely future financial capacity;
- Ensure that the Shire has the capacity to provide services as a result of community growth or changing demographics;
- Maintain a strong cash position;
- Ensure that the Shire remains financially sustainable in the long-term, with reserve capacity to respond to unexpected opportunities or unpredictable events such as natural disasters;
- Maintain debt levels at manageable levels;
- Strategically pursue grant funding opportunities;
- Plan rate increases to provide for service delivery that meets reasonable community needs; and
- Ensure that critical infrastructure asset renewal is adequately funded.

The LTFP covers a ten year period and is underpinned by a number of assumptions. It is therefore an overview of reasonable estimates only.



Risk Management

Introduction

Risk is the chance of an event occurring that will have an adverse effect on business objectives. It is managed in terms of likelihood and consequence, the resultant impact is then assessed in terms of risk mitigation.

Risk management is the process of identifying, analysing and evaluating risk, and selecting the most advantageous method of mitigating the consequence.

Framework

The key components of the framework are;

- **Risk Identification**

A number of methods can be used to identify risk including brainstorming sessions, workshops, council planning sessions and other councils.

- **Risk Analysis**

Risk is assessed in terms of consequence and likelihood. The consequence of an event is rated from insignificant to catastrophic. The likelihood is rated from almost certain to rare.

- **Risk Evaluation**

The risk is then evaluated by referencing the consequence of an event against the likelihood of it happening. An event which is likely with a catastrophic consequence would be dealt with in a different way to an event which is rare and insignificant.

- **Risk Mitigation**

The next step in the process involves identifying a range of options for treating risks evaluating the options and developing additional controls for implementation.

The objective is not to eliminate all risk but rather to ensure that the risk is maintained at a tolerable level in a cost effective manner.

		Consequence				
		Insignificant	Minor	Moderate	Major	Catastrophic
Likelihood	Almost Certain	Moderate	High	High	Extreme	Extreme
	Likely	Moderate	Moderate	High	High	Extreme
	Possible	Low	Moderate	Moderate	High	Extreme
	Unlikely	Low	Moderate	Moderate	High	High
	Rare	Low	Low	Moderate	Moderate	High

Figure 03: Risk matrix

Risk Summary and Treatment

The following table outlines the result of the evaluation against some key risks and details the recommended treatment for each risk.

Identification	Analysis	Evaluation	Mitigation
Employee Retention	Staff turnover is reasonably stable, however skilled and experienced staff have been in positions for a number of years	<p>Likelihood – Almost Certain</p> <hr/> <p>Consequence – Major</p> <p>Rating – Extreme</p>	<p>Ensure that salary and conditions are competitive and comparable to similar sized local governments.</p> <p>Build and maintain a reputation as a progressive and diverse local government authority.</p> <p>Sell the unique attributes that the Shire has to offer e.g. growing coastal town, botanic diversity, world renowned national parks and exciting and unique capital projects.</p> <p>Consider the outsourcing of vacant positions on a short term basis.</p> <p>Review non-monetary work conditions.</p>
Workforce Capability	Inability to retain and attract staff will result in a poorly skilled workforce	<p>Likelihood – Almost Certain</p> <hr/> <p>Consequence – Major</p> <p>Rating – Extreme</p>	<p>Review the feasibility of using bureau services for payroll/creditors and similar operational activities.</p> <p>Employ consultants on an as needs basis for technical and specialist work.</p> <p>Review organisational structure with a view to eliminating reliance on specialist positions, for example an accounts officer could act as a senior finance officer with the support of a qualified finance consultant.</p> <p>Establish resource sharing agreements with neighbouring shires.</p>
Funding Opportunities	Funding not being available for new projects and other capital works	<p>Likelihood – Likely</p> <hr/> <p>Consequence – Moderate</p> <p>Rating – High</p>	<p>Lobby Governments on need for funding.</p> <p>Employ a consultant to assist in the sourcing of external funding.</p> <p>Manage community expectations in relation to major projects.</p> <p>Engage experienced practitioners to prepare funding submissions.</p> <p>Investigate the option of private equity investment in projects.</p>
Rating Capacity	Rate revenue is reduced through inability of some ratepayers to pay rates	<p>Likelihood – Likely</p> <hr/> <p>Consequence – Moderate</p> <p>Rating – High</p>	<p>Review income collection processes and methods to ensure there is maximum efficiency in recovering outstanding debt and that rating methodology is fair and equitable.</p> <p>Budget for a realistic amount of bad debt.</p>

Identification	Analysis	Evaluation	Mitigation
Information Technology System	Failure of the data and computer systems to provide service	Likelihood – Possible	Undertake a system review which highlights areas of potential failure.
		Consequence – Major	Ensure staff are appropriately trained in the operation of systems.
		Rating – High	Ensure data back-up protocols are appropriately and consistently followed. Consider cloud technology and data storage offsite. Some assets may require disposal.
Asset Management	The condition of Shire assets deteriorates to the level that assets may fail	Likelihood – Possible	Develop a future capital works program incorporating a whole of life costing model.
		Consequence – Major	The level of service provided in the future is assessed in term of affordability.
		Rating – High	Some assets may require disposal.
Major Projects	Projects may be compromised due to poor quality management and planning	Likelihood – Possible	Develop in house project management skills.
		Consequence – Major	Do whole of life costing on projects. Manage future community expectations.
		Rating – High	
Local Government Reform	State Government enforces reform which negatively impacts the Shire	Likelihood – Possible	Develop key relationships with neighbouring shires to control how any reform will impact the shire.
		Consequence – Major	Lobby the state government to put forward the best interests of the community.
		Rating – High	
Health Services	There may be no health practitioner in the area which compromises the health of the community	Likelihood – Possible	Enter into discussions with current GP and formulate a package of incentives which will attract future health professional to the region.
		Consequence – Major	Discuss large health provider taking over the medical service.
		Rating – High	
Bushfire	A bushfire may result in structural damage and loss of life	Likelihood – Likely	Develop fire management plans over high risk areas e.g. Point Henry Peninsula.
		Consequence – Catastrophic	Ensure that Local Emergency Management Plans are relevant, accurate and continually reviewed.
		Rating – Extreme	
Failure to protect staff	Poor systems and behavior may result in an unsafe work environment	Likelihood – Possible	Incorporate administration OHS responsibility into Works Technical Officer position.
		Consequence – Major	Ensure that senior management embraces and promotes and resources OHS activities.
		Rating – High	

Reporting and Evaluation

It is important for the Shire of Jerramungup to measure and monitor the progress in relation to goals, strategies and actions. This section outlines the reporting process that will be utilised by the local government for the CBP.

If the Shire completes the outcomes indicated within the tables, then the community aspirations will be realised.

By undertaking this reporting process, the Shire is able to identify the level of performance in terms of actions, budget and timeframe. This subsequently allows for the assessment and measurement of the Shire performance against the community's expectations.





Our mission statement

The Shire of Jerramungup will provide leadership to maintain our identity by promoting social and economic development whilst embracing our unique natural environment

To achieve our mission we will:

- Treat each other with respect.
- Act honestly and with integrity at all times.
- Be accountable for our own actions.
- Use our initiative.

For further information in relation to this document, please contact the **Chief Executive Officer** on **(08) 9835 1022** or ceo@jerramungup.wa.gov.au



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