



Central Metropolitan Zone

Minutes

18 February 2021

Central Metropolitan Zone

Hosted by the City of Nedlands

71 Stirling Hwy Nedlands, 9273 3500

18 February 2021, commenced at 6:05 pm

MEMBERS

2 Voting Delegates from each Member Council

Town of Cambridge	Cr Kate Barlow Cr Alaine Haddon-Casey
Town of Claremont	Cr Paul Kelly - Chair Cr Jill Goetze (Deputy) Ms Liz Ledger, Chief Executive Officer non-voting delegate
Town of Cottesloe	Cr Paul MacFarlane Cr Helen Sadler Mr Matthew Scott, Chief Executive Officer non-voting delegate
Town of Mosman Park	Mayor Brett Pollock Cr Jenna Ledgerwood Ms Carissa Bywater, Chief Executive Officer non-voting delegate
City of Nedlands	Mayor Cilla de Lacy Cr Kerry Smith Mr Mark Goodlet, Chief Executive Officer, non-voting delegate
Shire Peppermint Grove	Cr Charles Hohnen Cr Greg Peters
City of Perth	Cr Liam Gobbart JP (Deputy)
City of Subiaco	Cr Lynette Jennings Cr Stephanie Stroud (Deputy) Mr David Bentley, Coordinator Governance
City of Vincent	Cr Ashley Wallace
WALGA Secretariat	Mayor Tracey Roberts, President Ms Narelle Cant, Executive Manager Strategy, Policy and Planning Mr James McGovern, Manager Governance and Procurement
DLGSC Representative	Gordon MacMile, Acting Executive Director Local Government Mr Darrelle Merritt, Principle Strategy Officer
Guest Speakers	Nil

APOLOGIES

Town of Cambridge	Mr John Giorgio, Chief Executive Officer
Town of Claremont	Cr Peter Browne OAM JP Ms Liz Ledger, Chief Executive Officer
City of Perth	Cr Di Bain Cr Catherine Lezer Ms Michelle Reynolds, Chief Executive Officer
City of Subiaco	Mayor Penny Taylor Mr Cliff Frewing, Chief Executive Officer
City of Vincent	Cr Joanne Fotakis Mr David MacLennan, Chief Executive Officer

Contents

1.	DECLARATION OF INTEREST	4
2.	DEPUTATIONS.....	4
2.1	Local Government (Model Code of Conduct) Regulations 2021 – Department of Local Government, Sport and Cultural Industries (DLGSC)	4
3.	CONFIRMATION OF MINUTES.....	4
4.	BUSINESS ARISING	4
5.	STATE COUNCIL AGENDA - MATTERS FOR DECISION AND NOTING	5
6.	ZONE BUSINESS	6
7.	OTHER BUSINESS.....	13
8.	EXECUTIVE REPORTS	13
8.1	President's Report to the Zone	13
8.2	State Councillor's report to the Zone	13
8.3	Department of Local Government, Sport and Cultural Industries Representative Update.....	13
9.	DATE, TIME AND PLACE OF NEXT MEETING	14
10.	CLOSURE	14

ANNOUNCEMENTS

Zone Delegates were requested to provide sufficient written notice, wherever possible, on amendments to recommendations within the State Council or Zone agenda prior to the Zone meeting to the Chair and Secretariat.

Agenda Papers were emailed 7 days prior to the meeting date to your Council for distribution to Zone Delegates.

Confirmation of Attendance an attendance sheet was circulated prior to the commencement of the meeting.

Acknowledgement of Country All attendees acknowledged the traditional owners of the land that the meeting is held on and paying respects to Elders past, present and future.

ATTACHMENTS WITHIN THE AGENDA

1. Draft Minutes Previous Meeting
2. President's Report
3. Zone Status Report
4. Standing Orders

1. DECLARATION OF INTEREST

Nil

2. DEPUTATIONS

2.1 Local Government (Model Code of Conduct) Regulations 2021 – Department of Local Government, Sport and Cultural Industries (DLGSC)

Darrelle Merritt and Gordon MacMile presented to the Zone on the new Model Code of Conduct, CEO Standards and Employee Code of Conduct Regulations.

3. CONFIRMATION OF MINUTES

RESOLUTION

Moved: Cr Liam Gobbert
Seconded: Cr Elaine Haddon-Casey

That the Minutes of the meeting of the Central Metropolitan Zone held on Thursday 26 November 2020 be confirmed as a true and accurate record of the proceedings.

CARRIED

4. BUSINESS ARISING

Nil

5. STATE COUNCIL AGENDA - MATTERS FOR DECISION AND NOTING

(Zone delegates to consider the Matters for Decision and Items for Noting contained in the WA Local Government Association State Council Agenda and put forward resolutions to Zone Representatives on State Council)

The full State Council Agenda can be found via link: [3 March State Council Agenda](#)

Matters for Decision

RESOLUTION

Moved: Cr Alaine Haddon-Casey
Seconded: Mayor Brett Pollock

That the Central Metropolitan Zone supports Item 5.1 in the March 2021 State Council Agenda

CARRIED

5.1 External Oversight and Intervention – Authorised Inquiries and Show Cause Notices

That WALGA:

1. Continues to advocate for the State Government to ensure that there is proper resourcing of the Department of Local Government, Sport and Cultural Industries to conduct timely inquiries and interventions when instigated under the provisions of the Local Government Act 1995; and
2. Requests the Minister for Local Government to:
 - a. Engage with affected Local Governments in order to attempt to resolve identified issues, improve performance and achieve good governance before considering an intervention under Part 8 of the Local Government Act 1995;
 - b. Provide written reasons prior to issuing any Show Cause Notices;
 - c. Require regular progress reports to be provided to any Local Government that is the subject of any Authorised Inquiry; and
 - d. Require that any Authorised Inquiry be conducted within a specified timeframe that may be extended with the approval of the Minister.

RESOLUTION

Moved: Cr Stephanie Stroud
Seconded: Mayor Cilla de Lacy

That the Central Metropolitan Zone supports Item 5.2 in the March 2021 State Council Agenda

CARRIED

5.2 Cost of Revaluations

That WALGA advocate to the State Government for the equal distribution of valuation costs for properties where the Water Corporation, the Department of Fire and Emergency Services and the Local Government require the valuation.

RESOLUTION

Moved: Mayor Brett Pollock
Seconded: Cr Lynette Jennings

That the Central Metropolitan Zone supports Item 5.3 in the March 2021 State Council Agenda

CARRIED

5.3 Eligibility of Slip On Fire Fighting Units for Local Government Grants Scheme Funding

That WALGA:

1. Supports the inclusion of capital costs of Slip On Fire Fighting Units including for Farmer Response Brigades (for use on private motor vehicles) on the Eligible List of the Local Governments Grants Scheme (LGGS).
2. Requests the Local Government Grants Scheme Working Group to include this matter on the Agenda of their next Meeting (expected March 2021).
3. Requests WALGA to work with the Local Government Grants Scheme Working Group to develop appropriate operational guidelines and procedures for the safe use of Slip On Fire Fighting Units funded in accordance with the LGGS.
4. Supports the update of the WALGA membership of the Local Government Grants Scheme Working Group to include one Local Government Elected Member and one Local Government Officer, with these appointments determined through the WALGA Selection Committee process.

6. ZONE BUSINESS

6.2 Proposed Review of the Road Asset Preservation Model (APM)

By Ian Duncan, Executive Manager Infrastructure WALGA

RESOLUTION

Moved: Cr Helen Sadler
Seconded: Cr Stephanie Stroud

That the Central Metropolitan Zone supports WALGA advocate:

1. **For Option 4 “Full model review and rebuild” of the Asset Preservation Model (APM) and;**
2. **That motor vehicle, bicycle and pedestrian transport infrastructure be included in the scope of the rebuild of the APM.**

CARRIED

Rationale for Alternative Motion provided by Cr Helen Sadler:

1. A full review will allow for a transparent and more efficient model to be created
2. The current funding model only considers on-road treatments in the strictest sense and needs to be less prescriptive in order to allow Local Governments greater efficiencies in the maintenance of transport infrastructure.
3. Councils are increasingly required to fund and build infrastructure for bicycles and pedestrians which have limited state grant funding and no federal funding to install.

4. Grant funding for pedestrian and bicycle transport infrastructure maintenance is non-existent.
5. The current model requires LGs to perform a minimum spend on road asset maintenance in order to get recurrent funding. Failure to do so results in loss of funding. LGs as a consequence are at times prematurely repairing roads while having to leave other bike and pedestrian infrastructure un-maintained due to this inequity
6. Considering all forms of transport in the scope of the review gives greater capacity for WALGA to obtain outcomes that improve efficiencies in how Local Governments maintain their infrastructure
7. OPTION 4 is the only model that allows a full review of the funding model and the flexibility to look at resource allocation across transport modes.

WALGA Executive Summary

- A Zone Council recommendation to review the Road Asset Preservation Model (APM) was referred to the Infrastructure Policy Team in December 2020. The Policy Team resolved to seek views from Zones before recommending the development of a formal State Council agenda paper.
- This paper sets out options to guide the development of a Zone resolution.
- The Asset Preservation Model was developed as a Commonwealth requirement for the distribution of Commonwealth Government road grants among Local Governments in an efficient and equitable manner, taking account of local asset preservation needs and costs. It is currently used to distribute a range of Federal and State Government grant funding allocations.
- Despite being used to allocate large sums of public funding, operation of the APM is not well understood within the Local Government sector.
- The APM is not readily accessible to Local Governments. Limited documentation and complexity means that more open access alone would not be helpful in achieving strong understanding of the processes that underpin the output.
- Complexity of the APM makes it difficult to predict the effects on funding allocations of changes to the model or input parameters.
- This paper proposes five options that could be considered to address this issue, for WALGA to advocate to the Grants Commission.
- The options are not mutually exclusive, and some could be combined as a staged approach.
- The five options are:
 1. Re-format and re-label the model, to improve its legibility for all users and make it available to the Local Government sector in a form that would enable stakeholders to understand it.
 2. Review the parameters within the model, in order to increase the accuracy of road maintenance costs within the model.
 3. Advocate to the Grants Commission to undertake a review of the cost regions and minimum standards to ensure that these appropriately reflect the costs faced by Local Government and the current development of the road network
 4. Advocate to the Grants Commission to undertake an appropriately-resourced process to review and rebuild the road Asset Preservation Model. This new model should be as simple as possible while still delivering an equitable

distribution of funding among Local Governments. Its variables and assumptions should be easily indefinable to model users, being clearly labelled and documented.

5. Accept the status quo with no further action

Background

A Zone Council recommendation to review the APM was referred to the Infrastructure Policy Team in December 2020. The Team resolved to seek feedback from the Zones as the matter had not been widely identified as an issue of concern.

The Asset Preservation Model was developed by Main Roads WA and Local Government representatives, to distribute the untied roads component of the Commonwealth Financial Assistance Grants between Local Governments.

The WA Local Government Grants Commission took over responsibility for distributing the identified Commonwealth road funds and undertook a comprehensive review of the Asset Preservation Model and modified and refined it. Application of the APM has since been broadened and it is now used to determine the distribution between Local Governments of a range of state and federal funding.

To assist Local Governments make decisions regarding preferred approaches to the use and development of the Asset Preservation Model a manual has been developed by WALGA describing the APM and how it functions. The manual can be viewed [here](#).

Problem Statement

The Road Asset Preservation Model is used to allocate large sums of funding. Despite the importance of the model, it is not widely understood, due to its complexity and limited documentation. This results in a lack of transparency, risk of corporate memory loss, the risk of unfair or otherwise inappropriate allocations of funding, and the reputational risk due to funds distribution not being fully explainable and region allocations being subject to question.

Options

There are five options identified in the text below, and the table on the final page of this paper. Note that the options are not mutually exclusive and all or some of them could be recommended to be implemented in phased approach.

1. Advocate to the Grants Commission to re-format and re-label the APM, to improve its legibility for all users. A detailed record should also be made of the model's parameters, and the process that was used for determining their values.
2. Advocate to the Grants Commission for a review of the various parameters contained within the APM, such as the array of annual maintenance costs for different asset types, road reconstruction frequencies and the components of reconstruction costs. This option would increase the accuracy of road maintenance costs within the model, although would not address the underlying problems of excessive complexity and a lack of transparency and predictability.

3. Advocate to the Grants Commission to undertake a review of the cost regions and minimum standards to ensure that these appropriately reflect the costs faced by Local Government and the current development of the road network.
4. Advocate to the Grants Commission to undertake an appropriately-resourced process to review and rebuild the APM. This new model should be as simple as possible while still delivering an equitable distribution of funding among Local Governments. Its variables and assumptions should be easily indefinable to model users, being clearly labelled and documented.
5. Retain Status quo.

It should be noted that these are all advocacy positions. The Road Asset Preservation Model is controlled by the WA Local Government Grants Commission and any decisions regarding development of the model or use of a different approach would be made by the Commission. It must be noted that if Options 2, 3 or 4 are implemented, there is a risk of some Local Governments receiving a lower grant allocation. This risk may be mitigated by advocating for increased funding from the State or Federal Governments, although there is no guarantee that such funding would be forthcoming.

The current membership of the WA Local Government Grants Commission is:

- Chairperson — Hon Cr Fred Riebeling AM JP
- Deputy Chairperson — Mr Luke Stevens, Legal Counsel, DLGSC
- Metropolitan Member — Cr Deb Hamblin, Deputy Mayor, City of Rockingham
- Country Urban Member — Dr Wendy Giles, Councillor, City of Bunbury
- Country Rural Member — Cr Ian West, Shire of Irwin
- Deputy to the Deputy Chairperson — Ms Darrelle Merritt, A/Director - Strategic Initiatives, DLGSC
- Deputy Metropolitan Member — Vacant
- Deputy Country Urban Member — Cr Deborah Botica, City of Kalgoorlie-Boulder
- Deputy Country Rural Member — Cr Moira Girando, President, Shire of Coorow

Analysis of the Options

The options have varying levels of cost, effort and risk attached to them.

Changes to the APM would affect the funding allocation between Local Governments in ways that are difficult to predict, due to the complexity of the model. The total available funding is fixed, so an increase in one Local Government's funding would necessarily reduce the level of funding available to others, unless additional funding can be secured.

There are also risks associated with no change being made to the APM. The model's complexity and incomplete documentation and labelling creates a risk of corporate memory

loss. There is also a reputational risk associated with large sums of money being allocated based on a model that is not well understood by the Local Government sector.

Comparatively simple and lower-cost changes can be made to the APM, under Options 1, 2 and 3. These options would address some of the concerns raised here, but do not address the underlying problems noted above.

Next Steps

Resolutions made by the Zones will guide the development of an agenda item for the next meeting of State Council, to provide WALGA with direction on the sector's preference for its advocacy position regarding the Road Asset Preservation Model.

	Option 1	Option 2	Option 3	Option 4	Option 5
	Reformat and label	Review model cost parameters	Review cost regions/ min. standards	Full model review and rebuild	Status quo
Advantages	<p>Improves operation of existing model.</p> <p>Helps retain corporate memory.</p> <p>Improves transparency.</p> <p>Low risk and cost, in the short term.</p>	<p>Improves link between funding allocation and road maintenance costs.</p>	<p>Addresses concerns about inappropriate groupings of Local Governments.</p>	<p>Opportunity to review the model objectives.</p> <p>Improvement in transparency.</p> <p>Opportunity to incorporate contemporary modelling and user functionality.</p>	<p>Avoids conflict between Local Governments over funds distribution.</p> <p>Lowest short-term risk.</p> <p>No direct cost.</p>
Disadvantages	<p>Does not address:</p> <ul style="list-style-type: none"> questionable parameter values. complexity and transparency. 	<p>May require some additional resourcing.</p> <p>Does not address complexity and transparency.</p> <p>Possible reduction in funding for some LGs.</p>	<p>May require some additional resourcing.</p> <p>Does not address complexity and transparency.</p> <p>Likely reduction in funding for some LGs.</p>	<p>If no material impact on funds distribution, the rationale for the exercise may be questionable.</p> <p>Would require additional resourcing.</p>	<p>Does not address:</p> <ul style="list-style-type: none"> questionable parameter values. complexity and transparency corporate memory issues.
Risks / Dependencies	<p>Reputational risk, due to funds distribution not being fully explainable.</p>	<p>Reputational risk, due to funds distribution not being fully explainable.</p>	<p>Reputational risk, due to funds distribution not being fully explainable.</p> <p>Continued risk of corporate memory loss.</p>	<p>Difficult to predict the distribution of funds.</p> <p>A review may trigger disagreement between Local Governments over the distribution of funds.</p>	<p>Reputational risk, due to funds distribution not being fully explainable and regional allocations being subject to question.</p>

				The Grants Commission may not agree to implement.	Continued risk of corporate memory loss.
Effort / Cost	Low-medium	High	Medium	Very high	None
Notes		Assumes Option 1 also undertaken: reformat and labelling.		Mutually exclusive of the other options or as an aspirational addition.	Mutually exclusive of the other five options.

7. OTHER BUSINESS

Cr Kate Barlow has recently been appointed to the Local Health Authorities Analytical Committee as a Metropolitan Member after being put forward by WALGA's Selection Committee process in November 2020. Cr Barlow's appointment will commence from 25 March 2021 for three years.

8. EXECUTIVE REPORTS

8.1 President's Report to the Zone

The WALGA President, Mayor Tracey Roberts presented the President's Report.

Noted

8.2 State Councillor's report to the Zone

WALGA State Councillor presented on the previous State Council meeting.

Noted

8.3 Department of Local Government, Sport and Cultural Industries Representative Update Report.

Department of Local Government, Sport and Cultural Industries representative, Gordon MacMile provided an update to the Zone. Please also see link below:

[DLGSC Zone Update Feb 2021](#)

Noted

8.4 Topics for next meeting update by the DLGSC

To assist the content of the DLGSC's updates each Zone meeting, feedback is sought on what topics may be of particular relevance to the Zone. The DLGSC's portfolio is as follows:

DLGSC business areas

- Local Government
- Racing, Gaming and Liquor
- Infrastructure
- Sport and Recreation
- Regional Services
- Culture and the Arts
- Aboriginal History Unit
- Office of Multicultural Interests

The Zone would like an update and/or information on the following topics at upcoming Zone meetings:

- **Child Safety Officers**
- **Infrastructure WA**
- **Cross-subsidisation of recreational facilities**

9. DATE, TIME AND PLACE OF NEXT MEETING

That the next ordinary meeting of the Central Metropolitan Zone be held on 22 April 2021 at the Shire of Peppermint Grove at 6:00 pm.

10. CLOSURE

There being no further business the Chair declared the meeting closed at 7.50pm.