

**10.5.2 – Shire Administration Office and Depot Accommodation Feasibility (RS0136)**

<b>Responsible Officer:</b>	Director Infrastructure Services
<b>Senior Officer:</b>	Chief Executive Officer
<b>Disclosure of Officers Interest:</b>	No officer involved in the preparation of this report has an interest to declare in accordance with the provisions of the <i>Local Government Act 1995</i> .

**Authority**

Executive	The substantial direction setting and oversight role of the Council such as adopting plans and reports, accepting tenders, directing operations and setting and amending budgets.
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**Report Purpose**

This report seeks Council approval on the scope of the feasibility to be undertaken into Office and Depot Accommodation as outlined in the recently adopted Corporate Business Plan.

**Relevant Previous Decisions of Council**

*Ordinary Council Meeting 31 November 2003 - C031/11/03 – COUNCIL RESOLUTION/Officer Recommendation*

*That Council agrees to:*

- a) Complete the schematic design site plan and floor plan for the Mundijong Administration office extension currently being prepared by Mr Scott Hambley.*
- b) Defer making any decision on the Mundijong Administration Office until the outcomes of the high school proposal for the site are finalised.*
- c) Proceed with the re-location of the Design team to suitable accommodation at the Operations Centre.*
- d) Provided upgrade of current toilet facilities at the Operations Centre to accommodate additional staff.*
- e) The relocation of records from storage in the Mundijong Administration building to an off site storage facility if deemed required by the Chief Executive Officer.*
- f) Costs for a), c), d) and e) above are to be funded as per the 2003-2004 budget account MOC 614 Office Extensions Design.*

**Contact Us**

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**In Person**

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*Ordinary Council Meeting 8 December 2006 - CGAM058/12/06– COUNCIL RESOLUTION/Officer Recommendation*

*That:*

- (1) Council endorses the purchase, installation, and fit-out of a 12 metre long by 6.0 metre wide transportable building to accommodate Shire staff as a short to medium term solution until such time as the new Administration Building is constructed.*
- (2) Council endorses the utilisation of funds from the Administration Building Reserve to purchase, install, and fit-out a transportable building up to a limit of \$90,000, and declares these costs authorised expenditure.*
- (3) Council amend the 2006/07 statutory budget accordingly.*

*Ordinary Council Meeting 21 May 2007 - CGAM121/05/07– COUNCIL RESOLUTION/Officer Recommendation*

*That Council:*

- 1. Endorse the location of two transportable buildings on Reserve No. 30867 for use as temporary office accommodation.*
- 2. Authorise the Form (1) Planning Application being forwarded to the Department of Land Information for signing prior to the issue of Planning Approval.*
- 3. In accordance with Clause 8.2 of Town Planning Scheme No. 2 delegate authority to the Executive Manager Planning and Regulatory Services to grant planning approval for the development.*

## **Background**

The Shire of Serpentine Jarrahdale's Administration Office is located in Paterson Street, Mundijong. The building has been the Shire Offices for many years and provides a base for the administration functions of the Shire as well a Council Chambers and other civic uses.

The Shire has experienced rapid population growth over the past 10 years taking the population to above 30,000 residents. The population is expected to continue to grow to be over 100,000 by 2050.

This growth includes large numbers of migrants making the Shire home. The Shire, like all local governments, is responsible for holding citizenship ceremonies on behalf of the Commonwealth Government. Currently each event requires significant rearrangement of the Council Chambers space. These arrangements are complicated by audio visual and building limitations.

Likewise, the limitations on Chambers is a constraint in respect to implementing viable and reliable information technology to assist in the conduct of meetings such as audio and video recording, streaming audio or visuals from meetings, and incorporating a combination of in-person and virtual attendance. The acoustics of Chambers is sub-optimal, despite investment in a hearing loop to improve access, as the sound of heavy rainfall can drown out the proceedings of meetings, civic events and training sessions for all in attendance.



As the Shire has grown in population so has the number of staff employed based at either the Depot of Office Accommodation. The current office accommodation space is completely used and provides very little, if no room for growth in staff numbers. Although it is not planned to dramatically increase staff numbers inside the organisation in the short term future, this is a good time to plan for the fact that as the population continues to increase over time so will the requirement for staff.

The current design and layout also inhibits cross collaboration and engagement between staff and teams, resulting in a reliance on email and the potential for silos which can negatively affect project and community outcomes.

Furthermore changes in organisational structure and work practices (i.e. bringing more external work in house rather than using contractors) has also impacted upon the space requirements and make up of both the office and depot accommodation.

The growth in staff numbers has not only impacted upon availability of office space and meeting rooms but has also impacted upon amenities including lunchroom spaces and the number of bathroom facilities with some staff prior to COVID19 having to queue to access the toilets.

The building has had a number of renovations to accommodate this increase in staffing numbers over the years including the following:

- 2007/2008 the addition of 2 transportable Offices. These were designed to be short to medium term (2-5 year) solution to Office accommodation needs of the Shire.
- 2012/2013 renovations were done to move Chambers and Office accommodation into the old Town Hall.

The State Government's metropolitan reform agenda in the early half of the decade led to a deferment of long-term strategic decisions related to Shire accommodation. For the reasons outlined in this report it is now considered appropriate for planning for long-term Shire accommodation to be resumed.

The Council has identified the provision of office accommodation for staff as a flagship priority project for the coming 4 years during its recent review of its Corporate Business Plan.

Staff have identified Office accommodation as the highest priority in the recent staff survey undertaken. Officers recognise that the quality of office accommodation is not only as an opportunity to help with retention, but importantly to increase opportunities for collaboration between staff and teams across the organisation affect project outcomes.

More recently the COVID19 pandemic has also impacted upon the office and depot requirements in the following ways:

- Office accommodation needs – when the pandemic initially hit most staff in the office commenced working from home. As restrictions have lifted the actual space available does not provide capacity for all staff to return to the Office. The organisation has now ended up with a mix of staff working entirely from the office, some working a blend of from the office and home and others working entirely from home. How this is handled in the long term will be explored further as part of the Workforce Plan currently being prepared however is likely to see a move to more “hot desks” arrangements. However, as a result of this changing nature of work the office accommodation layout, spare requirements and equipment requirements need to change.
- Council Chambers and Civic Space – changes in the restrictions on the number of people per square metre has seen the Council Chambers undergo many different



configurations over the recent months. To comply with social distancing requirements the old Council Chambers desk, which could not continue to be moved and modified, had to be permanently removed with Council now meeting on movable tables. This also has implications for the long-term viability of the audio-visual equipment.

- Shire Operations Depot - The current location of the depot is within the township of Mundijong and does have limitations in relating to expansion to meet the increased outdoor workforce and additional plant requirements in the long term. The current site is held in freehold and may present future opportunities for Council when Mundijong develops. The current site in an expanded capacity could potentially impact the amenity of the Mundijong township.

As demonstrated above Officers believe it is now time for the Council to consider and determine what its short, medium and long term plans are in regards to Office and Depot accommodation.

### **Community / Stakeholder Consultation**

The Chief Executive Officer has established a working group comprising of a diverse membership of staff from across the organisation, different age groups, different levels in the organisation to provide input into the feasibility and addressing the needs of Office and Depot Accommodation.

This group has met on a number of occasions and has had input into the short term solutions being worked through as well as the brief presented to Council as part of this report.

An important aspect of this feasibility will be to engage with the community and stakeholders. It is proposed that as part of the scope of works the consultants engaged will be required to prepare and implement a Community Engagement Plan. Officers would like to see the community "brought along" with this feasibility and providing input into this long term important decisions.

#### Policy Concept Forum

<b>Meeting Date</b>	3 <sup>rd</sup> August 2020
<b>Councillors Attendance</b>	<b>in</b> Cr Rich, Cr Atwell, Cr Byas, Cr Coales, Cr Dagostino, Cr Denholm, Cr McConkey, Cr Strange, Cr Strautins

### **Statutory Environment**

The regulations require a tender to be called if the scope of works is going to be greater than \$250,000. The Council has included as part of the 2020/21 FY budget an amount of \$200,000 to undertake this feasibility. Therefore, Officers do not envisage at this stage that the feasibility will cost more than \$250,000 and therefore will undertake a Request for Quotation to secure the consultants team rather than a Request for Tender in accordance with Council Policy 3.2.4 - Purchasing - Procurement of Goods or Services up to \$250,000.

It is also important to propose that any long term plans for Office and/or Depot accommodation need to be compliant with the Shires Local Planning Scheme and Strategy and all statutory requirements (ie car parking requirements). This will need to be considered as part of the feasibility process.



## **Comment**

The organisation needs to develop a medium to long term plan for how it is going to meet its physical space needs as the Shire grows into a medium size metropolitan local government.

Officers are proposing to engage a team of consultants to work with Councillors, staff and the community to develop a medium to long term plan for accommodation needs over the coming months. It is also proposed that short term works needed on the building this financial year are planned by the same consultant team to ensure that any investment made into Office accommodation now is not wasted and obsolete.

There are four main elements or uses that need to be considered as part of this scope, namely:

- Shire Office Accommodation
- Council Chambers
- Civic Event Space
- Works Depot

Officers recognise that spending rate payers funds on Office Accommodation may not be a popular subject in the community. However for a number of years, for a variety of reasons as outlined above, the organisation has implemented a number of short term measures to address the growing staff accommodation demands.

Officers are proposing to call quotes to engage a team of consultants who can work with Officers and Councillors and engage with the community over the coming months to undertake a feasibility in the future of Office and Depot Accommodation.

It is proposed the Feasibility Plan will include the following:

- Analysis of current Office and Depot accommodation and facilities.
- Incorporate outcomes of Workforce Plan
- Needs Analysis
- Trend Analysis and predictions of building uses into the future.
- Identification of site and development options
- Multi criteria Assessment of options
- Report on options and recommended option
- Costing and funding strategy
- Concept Plan of preferred option
- Construction and operating costings estimate.
- Staging plan

It is planned that the Feasibility Plan will be presented to Council in March 2021 for consideration and determination of future steps.

Officers are proposing that all options be considered in terms of office accommodation in terms of locations, customer service centres, how the project could be funded and colocation opportunities.



As the feasibility is undertaken and recommendations are made by the consultants on short term office improvements/changes, if significant, officers will be present these to Council.

### **Options and Implications**

#### Option 1

Council could approve the feasibility scope as outlined in this report and Officers will undertake an RFQ process to appoint a suitability qualified team of consultants.

#### Option 2

Council could determine that items be added or removed from the scope of the feasibility as outlined in this report.

#### Option 3

Council could determine not to undertake this feasibility at this time.

Option 1 is recommended.

### **Conclusion**

The Shire needs to consider how it provides appropriate office accommodation, Council Chambers and civic areas for staff, Councillors and the community to use into the future.

It is a challenging issue for any local government authority to consider, especially in Serpentine Jarrahdale given the growth the Shire is experiencing. However, Officers see that this growth presents an opportunity to assist in funding a new building or renovations to the existing building limiting the impact upon ratepayers.

This report presents the first stage of a logical informed process whereby Council can methodically work through a feasibility process to assess options, engage with the community and stakeholders and determine a way forward in an affordable manner.

### **Attachments**

Nil.



### **Alignment with our Strategic Community Plan**

Upgrade the Shire's Administration Building is an action in the Council's Corporate Business Plan over the coming 4 years.

In the 2020/21 Financial Year the milestones include:

- Establishing a working group (Completed)
- Undertaking Feasibility Study (the subject of this report)
- Develop the project plan (to be undertaken post the Feasibility Study).

### **Financial Implications**

\$200,000 is included in the 2020/21 Financial Year budget for undertaking the feasibility into the Administration Building.

In the longer term the following allocations are made in the Corporate Business Plan and Long Term Financial Plan for this project:

- \$300,000 in the 2021/22 FY for detail design of the preferred option determined by Council as a result of the feasibility study.
- \$6,000,000 loan in the 2022/23 FY to implement the preferred option.

It should also be noted that as part of its election requests Council is seeking that the current site be transferred from reserve into freehold status. This may provide opportunities to sell the current site as part of the funding strategy for construction of new Offices if this is determined as the best approach going forward.

As can be seen from above even with best endeavours reality is that it is likely that any preferred option will not commence implementation until the 2022/23 FY for full occupation in the 2023/24 FY.

Given this is some years away the following allocations are also included in the 2020/21 FY budget for short term capital upgrades, these however will be informed by the feasibility work to ensure that any investment is not wasted or made obsolete:

- \$300k Civic Centre Redevelopment
- \$50k Depot Security Lighting
- \$50k Admin Building Toilet Upgrade



### Risk Implications

Risk has been assessed on the basis of the Officer's Recommendation.

Risk	Risk Likelihood (based on history and with existing controls)	Risk Impact / Consequence	Risk Rating (Prior to Treatment or Control)	Principal Risk Theme	Risk Action Plan (Controls or Treatment proposed)
Not having adequate office, depot, Civic space to meet organisational requirements	Likely (4)	Moderate (3)	High (10-16)	Reputation - 3 Moderate - Substantiated, public embarrassment, moderate impact on key stakeholder trust or moderate media profile	Manage by putting out to consultant to offer solutions that allow us to meet our service delivery needs
Attracting and retaining quality staff	Possible (3)	Moderate (3)	Moderate (5-9)	Reputation - 3 Moderate - Substantiated, public embarrassment, moderate impact on key stakeholder trust or moderate media profile	Manage by improving work environment to attract and retain staff whereby reducing cost of ongoing recruitment

### Risk Matrix

Consequence \ Likelihood		Consequence				
		Insignificant	Minor	Moderate	Major	Catastrophic
		1	2	3	4	5
Almost Certain	5	Medium (5)	High (10)	High (15)	Extreme (20)	Extreme (25)
Likely	4	Low (4)	Medium (8)	High (12)	High (16)	Extreme (20)
Possible	3	Low (3)	Medium (6)	Medium (9)	High (12)	High (15)
Unlikely	2	Low (2)	Low (4)	Medium (6)	Medium (8)	High (10)
Rare	1	Low (1)	Low (2)	Low (3)	Low (4)	Medium (5)

A risk rating of **12** has been determined for this item.



Continued

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Any items with a risk rating over 10 (considered to be high or extreme risk) will be added to the Risk Register, and any item with a risk rating over 17 will require a specific risk treatment plan to be developed.

**Voting Requirements:** Simple Majority

### Officer Recommendation

#### That Council:

1. **APPROVES** the scope of Feasibility into Office and Depot Accommodation as outlined in this report; and
2. **NOTES** the Chief Executive Officer will undertake a Request for Quotation process in accordance with Council policy 3.2.4 to engage a team of consultants to undertake the scope required.