



AGENDA

FOR INNOVATION AND BUSINESS DEVELOPMENT COMMITTEE MEETING TO BE HELD ON

20 FEBRUARY 2024 AT 6.30 PM

**IN LITTLE PARA CONFERENCE ROOMS, SALISBURY COMMUNITY HUB,
34 CHURCH STREET, SALISBURY**

MEMBERS

Cr S Reardon (Chairman)
Mayor G Aldridge (ex officio)
Cr L Brug
Deputy Mayor, Cr C Buchanan
Cr K Grenfell (Deputy Chairman)
Cr M Mazzeo
Cr S McKell

REQUIRED STAFF

Chief Executive Officer, Mr J Harry
Deputy Chief Executive Officer, Mr C Mansueto
General Manager Community Development, Mrs A Pokoney Cramey
General Manager City Infrastructure, Mr J Devine
General Manager City Development, Ms M English
Manager Governance, Mr R Deco
Governance Support Officer, Ms K Boyd

APOLOGIES

LEAVE OF ABSENCE

PRESENTATION OF MINUTES

Presentation of the Minutes of the Innovation and Business Development Committee Meeting held on 12 December 2023.

REPORTS

Administration

6.0.1 Future Reports for the Innovation and Business Development Committee 7

For Decision

6.1.1 Business Transformation Future Fund Status Update 9

For Information

6.2.1 Road Reseal Update 13

QUESTIONS ON NOTICE

There are no Questions on Notice.

MOTIONS ON NOTICE

There are no Motions on Notice.

OTHER BUSINESS

(Questions Without Notice, Motions Without Notice, CEO Update)

CLOSE



**MINUTES OF INNOVATION AND BUSINESS DEVELOPMENT COMMITTEE
MEETING HELD IN LITTLE PARA CONFERENCE ROOMS, SALISBURY
COMMUNITY HUB, 34 CHURCH STREET, SALISBURY ON**

12 DECEMBER 2023

MEMBERS PRESENT

Cr S Reardon (Chairman)
Mayor G Aldridge (ex officio)
Cr L Brug (*via Teams*)
Cr K Grenfell (Deputy Chairman)
Cr S McKell

OBSERVERS

Cr A Graham

STAFF

Chief Executive Officer, Mr J Harry
Deputy Chief Executive Officer, Mr C Mansueto
General Manager Community Development, Mrs A Pokoney Cramey
A /Manager Governance, Ms J O'Keefe-Craig
Personal Assistant to General Manager Community Development,
Ms S Howley

The meeting commenced at 6:31pm

The Chairman welcomed the members, staff and the gallery to the meeting.

APOLOGIES

An apology has been received from Cr M Mazzeo.

LEAVE OF ABSENCE

Leave of absence for this meeting was previously granted to Deputy Mayor, Cr C Buchanan.

PRESENTATION OF MINUTES

Moved Mayor G Aldridge
Seconded Cr S McKell

The Minutes of the Innovation and Business Development Committee Meeting held on 21 November 2023, be taken as read and confirmed.

CARRIED

REPORTS

Administration

6.0.1 Future Reports for the Innovation and Business Development Committee

Moved Cr K Grenfell
Seconded Mayor G Aldridge

That Council:

1. Notes the report.

CARRIED

6.0.2 Salisbury Community Bus

Moved Cr K Grenfell
Seconded Cr S McKell

That Council:

1. Approves the new bus route as outlined in Attachment 2 and Attachment 3 to this report (Item 6.0.1, Innovation and Business Committee, 12 December 2023).
2. Notes the intention to seek approval from One Fund Services Ltd to build a new bus stop on Port Wakefield Road.
3. Approves the launch of the new community bus route to align with the opening of the new Salisbury Aquatic Centre.
4. Approves the continuation of the existing community bus route/service from January 2024 until the commencement of the new community bus route/service which is scheduled to align with the opening of the Salisbury Aquatic Centre in July 2024.
5. Notes the South Australia Public Transport Authority's offer to co-brand the community bus stops with the Adelaide Metro bus stops.
6. Approves an approach to market for the Community Bus Service as outlined in Attachment 2 (Item 6.0.1, Innovation and Business Committee, 12 December 2023) for a three (3) year contract period with annual participation

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7. Notes the 2023/24 Budget Bid TRN001143 Community Bus as outlined in Attachment 5 (Item 6.0.1, Innovation and Business Development Committee, 12 December 2023) includes ongoing funding of Permanent New Community Bus Route with 2024/25 full cost being \$307,500 and that the consideration of this bid was per Council resolution 0109/2023.

CARRIED

QUESTIONS ON NOTICE

There were no Questions on Notice.

MOTIONS ON NOTICE

There were no Motions on Notice.

OTHER BUSINESS

There were no Other Business Items.

The meeting closed at 6:39pm.

CHAIRMAN.....

DATE.....

ITEM	6.0.1
	INNOVATION AND BUSINESS DEVELOPMENT COMMITTEE
DATE	20 February 2024
HEADING	Future Reports for the Innovation and Business Development Committee
AUTHOR	Mercedes Healy, Personal Assistant Executive Office, CEO and Governance
CITY PLAN LINKS	4.2 We deliver quality outcomes that meet the needs of our community
SUMMARY	This item details reports to be presented to the Innovation and Business Development Committee as a result of a previous Council resolution.

RECOMMENDATION

That Council:

1. Notes the report.

ATTACHMENTS

There are no attachments to this report.

1. BACKGROUND

- 1.1 A list of resolutions requiring a future report to Council is presented to each committee for noting.
- 1.2 If reports have been deferred to a subsequent month, this will be indicated, along with a reason for the deferral.

2. EXTERNAL CONSULTATION / COMMUNICATION

- 2.1 No external consultation was required in the development of this report.

3. REPORT

3.1 The table below outlines the reports to be presented to the Innovation and Business Development Committee as a result of a Council resolution.

Meeting Item	- Heading and Resolution	Officer
23 May 2022 6.4.2 Due:	Exceptional Community Experience Project Update 2. Receives through the Innovation and Business Development Committee quarterly reports on the progress of the Business Transformation progress and any requests for future funding. March 2024	Jayne Emerson
24 July 2023 IBD-MWON1 Due:	Motion Without Notice – Tree Climb 3. Depending on the outcome of the car parking and traffic impact study Council will give consideration to additional car parking and traffic management solutions including alternative access points via Carisbrooke Park and Harry Bowie Reserve (priority key linkage), and an appropriate implementation strategy for Council’s consideration, with an additional access point proposal and estimated costings to be presented to Council by mid-2024. June 2024	John Devine
23 October 2023 MON3 Due:	Motion on Notice: Business Awards 4. Requests the Administration to present a report to the relevant Committee to investigate the feasibility of running a proposed Citywide business awards event in late 2024 / 2025, similar to the City of Onkaparinga and some other councils. March 2024	Leandro Lopez Digon

4. CONCLUSION / PROPOSAL

4.1 Future reports for the Innovation and Business Development Committee have been reviewed and are presented to Council for noting.

ITEM	6.1.1
	INNOVATION AND BUSINESS DEVELOPMENT COMMITTEE
DATE	20 February 2024
HEADING	Business Transformation Future Fund Status Update
AUTHOR	Charles Mansueto, Deputy Chief Executive Officer, Business Excellence
CITY PLAN LINKS	4.1 Members of our community receive an exceptional experience when interacting with Council. 4.2 We deliver quality outcomes that meet the needs of our community. 4.3 The City of Salisbury is recognised as a great place to work.
SUMMARY	This report seeks to provide Council with an update on the Business Transformation Future Fund and seeks authorisation to fund new initiatives from the fund.

RECOMMENDATION

That Council:

1. Approves the allocation of \$435,000 from the Business Transformation Future Fund to facilitate funding of Confirm Asset Upgrade, Volunteer Management System, Intranet and Data Management for Decommissioned Systems.
2. Notes sufficient funding available from the Business Transformation Future Fund current balance to fund these projects.

ATTACHMENTS

There are no attachments to this report.

1. BACKGROUND

- 1.1 Council endorsed the establishment of the Business Transformation Future Fund (BTFF) to support the delivery of Business Transformation projects and initiatives.
- 1.2 The source of the BTFF comes from savings achieved through reduced corporate costs, eg interest, depreciation, to ensure that Council does not need to find additional funds to deliver the various initiatives.
- 1.3 As we have progressed our approach to the delivery of Project Connect, additional projects have been identified that were initially not captured in scope of Project Connect.
- 1.4 This report seeks to provide Council with information related to these costs and seeks authorisation to allocate the funds from the BTFF.

2. EXTERNAL CONSULTATION / COMMUNICATION

2.1 No external consultation was required in the development of this report.

3. PROJECT INITIATIVES

3.1 As the project evolved and further detail on potential business transformation projects emerged the following projects are being proposed to be funded from the BTFF.

3.1.1 Confirm Asset Management Upgrade – system used to manage approximately \$2B in infrastructure. The upgrade will entail moving to the latest cloud version of Confirm and integrate with Salesforce (CRM) platform to enhance the information available to community members in regard to their service request. Funding of \$50k is required to complete this work.

3.1.2 Volunteer Management System – historically volunteers were managed using the employee HR application. As part of the procurement of the new ERP solution the volunteer management system was excluded as we aimed to find a more tailored solution for volunteer management. This research has been completed and funding of \$75k is required to implement with ongoing costs at \$50k.

3.1.3 Data Management for Decommissioned Systems – An archive system is required to ensure data not transferred into the new system is securely captured for future reference. The Solution addresses decommissioned and active production needs, ensuring compliance with the State Records Act. This approach fosters secure data retention, legal compliance, and enhanced analytics through data lake integration. Funding of \$250k is required.

3.1.4 Intranet Upgrade – the staff intranet is currently not supported and requires upgrading to ensure it can continue to provide staff with relevant and timely information on organisational matters. it will also be a source of information that staff may require to undertake their roles. The approximate cost of the upgrade is \$60k. Ongoing costs are estimated at \$15k per annum which will be offset against existing annual subscription.

4. FINANCIAL OVERVIEW

4.1 The balance of the BTFF as at 31 January 2024 is \$3.5M, with Phase 2 & 3 of Project Connect still to be funded from the fund.

4.2 The required funding of \$435k will adjust the current balance of the BTFF to \$3.1M.

4. CONCLUSION

- 4.1 The Business Transformation Future Fund was established to support the delivery of initiatives that will drive changes to the way the organization delivers its services to the community through its technology platforms.
- 4.2 The fund also supports the achievement of enhanced business processes aligned to the three success factors of exceptional community experience, quality outcomes and a great place to work.
- 4.3 A further three projects have been identified (not originally in the Project Connect scope) that can be funded from the BTFF.
- 4.4 This report seeks Council consideration on the funding of these requirements from the BTFF.

INFORMATION ONLY

ITEM 6.2.1

**INNOVATION AND BUSINESS DEVELOPMENT
COMMITTEE**

DATE 20 February 2024

HEADING Road Reseal Update

AUTHOR Jarred Collins, Manager Infrastructure Delivery, City Infrastructure

CITY PLAN LINKS 1.1 Our City is attractive and well maintained
3.3 Our infrastructure supports investment and business activity
4.2 We deliver quality outcomes that meet the needs of our
community

SUMMARY This report provides an update on the Road Reseal Contract being entered into with Fulton Hogan, focusing on an innovative, collaborative contract, and driving sustainability, efficiency, and cost-effectiveness, through a fresh approach to program management. The introduction of an innovative, collaborative contract method re-defines how clients and contractors work together to transform road infrastructure projects.

RECOMMENDATION

That Council:

1. Notes the report.

ATTACHMENTS

There are no attachments to this report.

1. BACKGROUND

- 1.1 The City of Salisbury (CoS) currently has 811km of road network including 1,800km of kerbing, with a current estimated value of \$787M.
- 1.2 The City has previously utilised multiple contracts to deliver the road reseal program. These agreements were established either directly through CoS or through Council Solutions agreements.
- 1.3 By combining all work under one head contract, and having a 5 plus 2-year term, the City will have the ability to deliver full street upgrades as a single project, providing consistency of work, minimising risk and delivering an exceptional customer experience by reducing the impact to residents through improving timing and communication.
- 1.4 The City will also get increased access to the experience and technical knowledge of one of Australia's and New Zealand's largest roadworks companies.

2. EXTERNAL CONSULTATION / COMMUNICATION

- 2.1 Fulton Hogan
- 2.2 Kelledy Jones
- 2.3 BRS – Business Management Consultants
- 2.4 ARRB – Australian Road Research Board

3. DISCUSSION

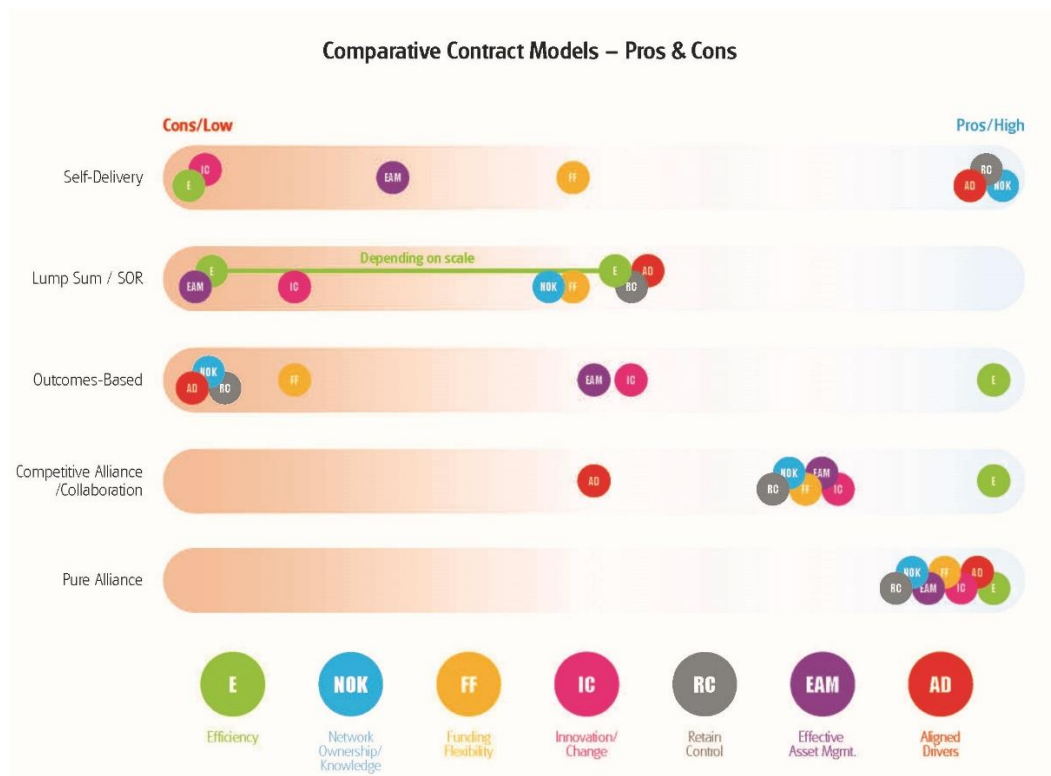
Contract Details

- 3.1 The term of the contract is 5 years with the option of extending this by a further 2 years.
- 3.2 The estimated costs of the contract is approximately \$10 million p.a., meaning that the total contract value could be in the vicinity of \$70 million.
- 3.3 The program of works covers Council’s complete road reseal program, covering a range of treatment types, and providing advice on network wide performance and priorities. It also includes working with Council on consultation with the community on the roll out of the reseal program. The contract excludes any road reconstruction projects.

Delivery Model

- 3.4 In the context of the Road Reseal Continuity Program, a collaborative delivery model represents a holistic and integrated approach to the planning, execution and management of the reseal program and subsequent projects.
- 3.5 This model involves close coordination and collaboration between various stakeholders to assess the condition of existing road surfaces, prioritise and scope required works, and develop comprehensive reseal plans.
- 3.6 The collaborative delivery model encourages the sharing of expertise and resources, fostering an environment where each stakeholder's strengths contribute to the overall success of the contract delivery. It involves open communication channels, ensuring that all parties are well informed about project progress, challenges, and adjustments.
- 3.7 By embracing a collaborative delivery model for the Road Reseal Continuity Program, the efficiency of the program timelines can be optimised, potential disruptions to the community minimised, and the overall quality and longevity of the road infrastructure improved through collective problem solving and innovation.
- 3.8 The transition from a lump sum contract to a collaborative delivery reflects a strategic shift driven by the recognition of the limitations of traditional contracting approaches and the opportunities available through alternative approaches. While lump sum contracts provided a fixed-price framework for project delivery, they often lacked flexibility and failed to fully leverage the collective expertise of stakeholders.

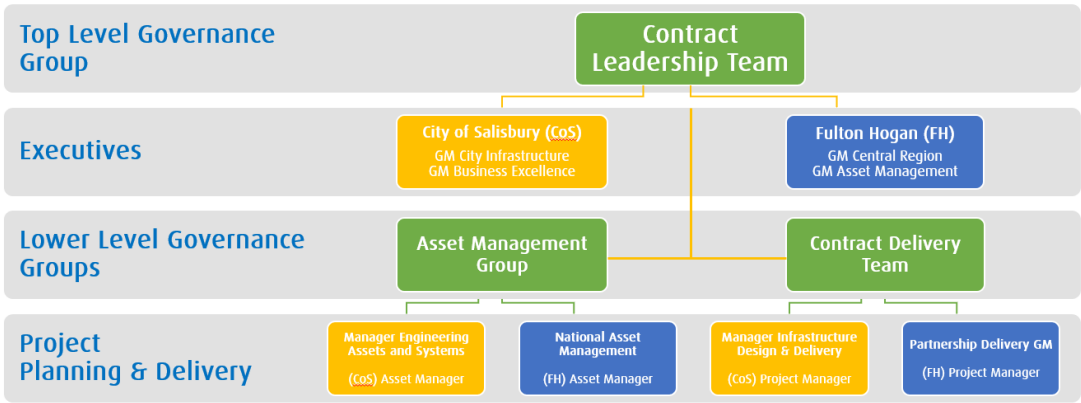
- 3.9 In contrast, the collaborative delivery model offers a more dynamic and inclusive approach, fostering active engagement, shared decision making, and open communication among all parties involved. This shift acknowledges the complexity and interdependence inherent in road resal projects, where success depends not only on technical proficiency but also on effective collaboration and innovation.
- 3.10 Furthermore, the collaborative delivery model in the context of road resal offers significant research and development (R&D) benefits, driving advancements in materials, techniques, and processes. Through partnerships with research institutions, industry experts, and government agencies, stakeholders within the Road Resal Continuity Program can leverage R&D initiatives to explore cutting-edge solutions for road maintenance and renewal.
- 3.11 These endeavors not only enhance the technical capabilities of the program but also contribute to broader industry knowledge and innovation. By investing in R&D within the collaborative framework, stakeholders can unlock new opportunities for efficiency gains, cost savings, and environmental sustainability, ultimately ensuring that the Road Resal Continuity Program remains at the forefront of infrastructure management practices.
- 3.12 The benefits of different types of delivery models can be seen summarised in the table below;



- 3.13 Some of the key elements which have been embedded into the contract are defined below providing a platform to build and drive success;
 - 3.13.1 Commitment to a collaborative relationship with a no blame culture;
 - 3.13.2 Best-for-network unanimous decision-making processes;
 - 3.13.3 Adoption of a collaborative governance structure;
 - 3.13.4 Open book documentation and reporting;
 - 3.13.5 Adoption of a ‘Target Works Program’ not a ‘Target Price’
 - 3.13.6 Risk and opportunity sharing.

Governance Structure

- 3.14 Establishing a robust governance structure is fundamental to the successful execution of the contract. The governance structure serves as the framework that outlines the roles, responsibilities, and relationships among various stakeholders involved in the contract delivery model.
- 3.15 It provides an organised approach to decision making, resource allocation, and risk management, ensuring that the program progresses efficiently and in alignment with the overarching Key Result Areas’s (KRA’s) to achieve the contract objectives.
- 3.16 The overall aim of the contract is to create a cohesive and well co-ordinated framework where each entity plays a defined role in the planning, design, implementation, and monitoring phases. The benefits of a well defined governance structure not only improves project transparency but also facilitates effective communication, enabling change to unforeseen circumstances.
- 3.17 A sound governance framework is essential for ensuring the longevity and quality of road infrastructure while addressing the needs and concerns of the communities impacted by these vital projects.
- 3.18 The Governance Structure for the Road Reseal Contract has been set up as follows;



Key Result Areas

- 3.19 The key result areas of the contract have been defined as the following;
- 3.19.1 Community
 - 3.19.2 Value
 - 3.19.3 Network
 - 3.19.4 Relationships
 - 3.19.5 Carbon
- 3.20 From the KRA's an annual subset of Key Performance Indicators (KPI's) will be developed. These KPI's will be endorsed by the Contract Leadership Team (CLT) on an annual basis and reported on throughout the year. The KRA's have been developed to ensure that they have the ability to adapt where required.
- 3.21 To help ensure the contract is delivering expected benefits the contract provides for an annual review of unit rates, and at year 4 requires a formal review of all criteria before any extension is endorsed.

Learning Outcomes of the Contract

- 3.22 The uniqueness of this innovative contract first for Local Government in South Australia, must ensure that Learning Outcomes play a pivotal role in continuous improvement for service delivery and leverage across the industry. As identified the contract will seek to incorporate the following;
- 3.23 Innovation and Sustainability
- 3.23.1 A comprehensive and improved joint understanding of innovative and sustainable practices in road resealing, including the application of advanced materials, technologies, and techniques. Through good contract governance the ability to critically evaluate and select appropriate strategies for road resealing that minimise environmental impact, enhance durability, and optimise resource utilisation, contributing to the development of resilient and eco-friendly transportation infrastructure.
- 3.24 Collaboration and Joint Benefits
- 3.24.1 The contract will redefine and equip the parties with knowledge and skills to foster effective collaboration and achieve joint benefits in road resealing projects between clients and contractors. They will be proficient in establishing and maintaining productive working relationships, optimising project planning and execution, and identifying opportunities for mutual gains, resulting in cost effective, high quality road resealing projects that satisfy client requirements and maximise the contractor's operational efficiency and profitability.
- 3.25 Community and Network
- 3.25.1 Effective community engagement is crucial for the success of road resealing projects. This involves understanding and addressing the needs and concerns of the communities affected by these projects. By fostering positive community relations, you can ensure that the project benefits the communities it serves.

- 3.25.2 Efficient asset management practices are essential for optimising the performance of road infrastructure. This includes minimising maintenance costs and extending the lifespan of these assets. Sound asset management helps maximise the return on investment for both the clients (those funding the project) and the contractors (those executing the project). It involves strategies such as regular maintenance, asset monitoring, and data driven decision making.
- 3.25.3 The overall goal of focusing on community engagement and asset management is to contribute to the successful delivery of road resealing projects. This not only prioritises the wellbeing of the communities impacted by the projects but also ensures the sustainable performance of the road infrastructure.
- 3.25.4 In summary, the intersection of community engagement and asset management is essential in the field of road resealing projects, as it helps balance the needs of the community with the efficient management of road assets, ultimately leading to successful and sustainable project outcomes.

Value Adds

3.26 Graduate Employment

- 3.26.1 Through the strength of the relationship between the City and Contractor, the contract will open pathways through local universities to enable undergraduates and graduates the opportunity to be involved with infrastructure works covered by the contract scope. There is further opportunity to resource share graduate engineers between Salisbury and Contractor via secondments as well.

3.27 Road Safety Initiatives

- 3.27.1 With the Contractor's vast experience in road works, many new and improved ways to deliver road reseal contracts with greater safety and safety outcomes are available to the industry but often face many delays with implementation on client's asset works. This contract allows fast-paced implementation through transparent and collaborate risk management.

3.28 Northern Region Employment

- 3.28.1 This collaborative contract generates aligned incentives between the City and Contractor. With strategically developed KPI's, employment and economic engagement can be enhanced through the delivery of the works. One such example is the adoption of recycled glass into the Contractor's asphalt mix, which can be obtained from NAWMA.

3.29 Indigenous Employment

- 3.29.1 The Contractor is able to further engage with the Indigenous community, again through carefully developed KPI's, and with collaboration to maintain the momentum needed in this category for it to be truly successful.

3.30 Industry Participation Plan

- 3.30.1 Through collaboration the City and Contractor will develop an Industry Participation Plan, this will be incorporated into the KPI’s of the contract, to create a specific plan for Salisbury including but not limited to;
 - Locally based business within Northern suburbs
 - Indigenous businesses / Indigenous employment
 - Percentage of local Northern based employees
 - Work place experience & on the job training
 - Offering employment opportunities
 - Trainee / apprenticeship
 - Circular economy
 - Sustainability / carbon
 - Women in construction
- 3.30.2 The plan will be reviewed on an annual basis and signed off by the CLT to make sure that are tangible, meaningful and we have the ability to react to the needs of the community.

4. FINANCIAL OVERVIEW

- 4.1 This program and level of service has been developed in accordance with the endorsed Strategic Asset Management Plan (SAMP) adoption Resolution 0439/2023, August 2023. It is consistent with Council’s Long-Term Financial Plan for road renewal.
- 4.2 The estimated costs of the contract is approximately \$10 million p.a., meaning that the total contract value could be in the vicinity of \$70 million.

5. CONCLUSION

- 5.1 Council is taking a new approach to its road reseal contract, comprised of a 5 plus 2-year collaborative arrangement.
- 5.2 The collaborative delivery model for road reseal renewal, anchored by a robust governance structure, underscores a strategic approach that emphasises cooperation, communication, and shared responsibilities.
- 5.3 The identified learning outcomes, ranging from innovation and sustainability to collaboration, joint benefits, community engagement, and network building, collectively form a comprehensive framework.
- 5.4 This framework not only equips individuals with diverse skills crucial for successful project management, but also highlights the importance of embracing sustainable practices, fostering collaboration, and actively engaging with communities.
- 5.5 Together, these elements shape a holistic and forward-thinking approach, ensuring that road reseal initiatives are not only technically proficient but also resilient and community-oriented.