

Budget & Service Level

Works & Projects



Document status

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ITEM 4 FINANCIAL RESULTS - AUGUST 2022 RECOMMENDATIONS

ELT noted the August 2022 Financial Results.

ELT to note: Grant money – conditions of accepting a grant, staff need to ensure that there is a progress payment upfront in the contract, not money paid after the process.

Action: John Maunder to provide ELT with a list where grants are not expected until the end of the project.

Additional Item:

W&P Staff budget and expenditure – Ben Webb/John Maunder

Due to the significant overspend in staff costs responses to the following questions is required to come back to ELT on 20 October 2022

1. The exact number of contractors currently filling vacancies in the approved FTE, what positions these are and what is being done to fill these permanently to comply with the Award.
2. A list of every contract position currently employed over and above the approved FTE
3. What is the capacity W&P can deliver within the adopted/approved resources/FTE?
4. What are the additional resources/FTE and positions required to deliver the current works program above the approved FTE
5. An estimate of what this additional budget would be
6. Identify where this additional expenditure could come from eg;
 - what budgets can be transferred from other capex accounts where works are being now done inhouse
 - What projects can be cut from Capital Works program
 - What projects can be deferred from Capital Works program
 - What cuts to OPEX
7. Based on all of the above clarify what resourcing is needed for this financial year what the additional FTE's are and do?



1. ELT Response

1.1 Historical Budget

Historically when grants come in, or budget changes throughout the year the budget of W&P to deliver the increased budget doesn't change.

1.2 Market, Covid, Rain

Last year was a difficult year to deliver capital works, and there is no doubt more time and resource was spent in delivering projects.

1.3 Significant Overspend

Fiscal Year	Reference Transact. CATS = Payroll processed COBK = Angies Team processed	Values		Hours	Actual labour cost based on actual contractor cost	Over-capitalised labour charged to projects FY21/22
		Total Hrs	Amount Capitalised			
2022	CATS	25,157	\$ 2,860,464	25,157	\$ 2,860,464	
	COBK	48,407	\$ 7,186,933	48,223	\$ 5,157,253	\$ 2,029,680
2022 Total		73,564	\$10,047,398	73,380	\$ 8,017,717	
Grand Total		73,564	\$10,047,398	73379.67	\$8,017,717.34	

1.3.1 Process

- Agency Staff in Design weren't keeping timesheets
- The process of keeping timesheets and having them entered is manual
- The upload of data from timesheets relied upon the Admin function of City Assets

1.4 ELT 1

The exact number of contractors currently filling vacancies in the approved FTE, what positions these are and what is being done to fill these permanently to comply with the Award.

1.4.1 Establishment

FTE	40
MANAGER	1
DESIGN	25
PROGRAM	13
CONTRACT ADMIN	1

A copy of the establishment report for Works & Projects is attached at [Appendix 2 - Establishment Report](#).



1.4.2 Compliance with Award

A restructure plan for Works and Projects has been prepared for some time. The recent restructure plan with W&P / City Transformation will land on a structure and have roles advertised.

1.4.3 Project Management

Project Management FTE

Name	FTE / Agency	Position ID	Role
	FTE	50017636	Acting Coordinator Program
	FTE - Agency backfill	50017637	Project Manager Position 1
	FTE	50000714	Project Officer
	FTE - Agency backfill	50017340	Project Manager Position 2
	FTE - Agency backfill	50010281	Project Officer (ex Peter Kemp)
	FTE - Agency backfill	50017339	Project Manager Position 3
	FTE - Agency backfill	50009852	Snr Project Officer (ex Richard Old)
	FTE - Agency backfill	50006494	Team Leader Construction FTE
	FTE - Agency backfill	50017338	Project Manager Position 4
	FTE - Agency backfill	50007024	Project Officer (ex Ram Sengupta)
	FTE	50000705	Project Officer
	FTE	50002892	Project Officer
	FTE - Agency backfill	50012573	Snr Project Officer (ex Peter Anderson)

1.4.4 Design

Design FTE

Name	FTE / Agency	Position ID	Role
	FTE	50012699	Coordinator Design
	FTE	50011214	Team Leader Design
	FTE	50009573	Senior Design Engineer
	FTE	50016281	Design Engineer
	FTE	50008216	Design Engineer
	FTE - Agency backfill	50016285	Graduate Design Engineer



[REDACTED]	FTE	50017341	Graduate Design Engineer
[REDACTED]	FTE	50011593	Team Leader Design
[REDACTED]	FTE - Agency backfill	50011216	Senior Design Engineer
[REDACTED]	FTE	50017343	Design Engineer
[REDACTED]	FTE - Agency backfill	50008351	Design Engineer
[REDACTED]	FTE - Agency backfill	50016285	Graduate Design Engineer
[REDACTED]	FTE	50017641	Team Leader Design
[REDACTED]	FTE	50016282	Design Engineer
[REDACTED]	FTE	50016283	Design Engineer
[REDACTED]	FTE	50017342	Design Engineer
[REDACTED]	FTE	50008605	Design Architect - Landscape
[REDACTED]	FTE - Agency backfill	50015841	Design Architect - Landscape
[REDACTED]	FTE - Agency backfill	50000636	Team Leader Design – Reg Architect
[REDACTED]	FTE - Agency backfill	50018262	Design Officer - Buildings
[REDACTED]	FTE - Agency backfill	50018182	Design Officer - Buildings
[REDACTED]	FTE - Agency backfill	50017642	Senior Surveyor
[REDACTED]	FTE - Agency backfill	50003566	Surveyor (ex George Zeaiter)
[REDACTED]	FTE - Agency backfill	50017640	Graduate Surveyor
[REDACTED]	FTE	50011568	CAD Administrator / Draftsperson

1.4.5 Project Controls

Project Control FTE

[REDACTED]	FTE - Agency backfill	50016591	Contract Administrator (ex Anthony Luu)
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1.5 ELT 2

A list of every contract position currently employed over and above the approved FTE

1.5.1 Project Management



Name	Contract	Role
	Agency	Project Officer - North Terrace
	Agency	Project Officer - Interface
	Agency	Project Officer - Bankstown
	Agency	Project Officer - Hector / Wolumba Bridges
	Agency	Graduate Project Officer
	Agency	Project Officer - CTC2 / Underpass
	Agency	Project Officer - Canterbury
	Agency	Project Officer - Kelso North Masterplan
	Agency	Project Officer - Roselands
	Agency	Graduate Project Officer
	Agency	Construction Manager - Greenacre Splash
	Agency	Project Officer - Canterbury
	Agency	Project Officer - Keys, Buildings, CCTV

1.5.2 Design

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Name	Contract	Role
	Agency	Civil Designer
	Agency	Civil Designer
	Agency	Registered Landscape Architect
	Agency	Architect
	Agency	Geotechnical Engineer
	Agency	Electrical Engineer
	Agency	Structural Engineer
	Agency	Bridge Engineer
	Agency	Sydney Water Engineer



[Redacted]	Agency	Environmental Engineer
	Agency	Graduate Electrical Engineer
	Agency	Field Surveyor

1.5.3 Project Controls

Name	Contract	Role
[Redacted]	Agency	Project Controls Lead
[Redacted]	Agency	Quantity Surveyor
[Redacted]	Agency	Scheduler
[Redacted]	Agency	Projects WHS Officer
[Redacted]	Agency	Sydney Metro Interface

1.5.4 Communications

Name	Contract	Role
[Redacted]	Agency	Communications & Engagement Lead
[Redacted]	Agency	Communications & Engagement Officer
[Redacted]	Agency	Communications & Engagement Officer
[Redacted]	Agency	Communications & Engagement Officer

1.6 ELT 3

What is the capacity W&P can deliver within the adopted / approved resources / FTE?

1.6.1 Current Efficiency

Hrs	73,564	\$ 125,000,000.00
		\$ 1,699.20
35 Hour Week 45 Weeks per year (4 AL / 2 PH / 1 SL) 65% Utilisation	1023	per person



FTE	40	40,950	\$ 69,582,264.72
	50	51,150	\$ 86,914,110.87
	60	61,380	\$ 104,296,933.05
	70	71,610	\$ 121,679,755.22
	80	81,840	\$ 139,062,577.40
	90	92,070	\$ 156,445,399.57

\$2M of Capex = 1 FTE

CURRENT BUDGET INFRASTRUCTURE ONLY \$123,904,086

**Excl Aquatics

1.6.2 Increased Efficiency

Hrs	73,564	\$ 183,910,000.00
		\$ 2,500.00

35 Hour Week
45 Weeks per year (4 AL / 2 PH / 1 SL)
65% Utilisation

1023 per person

FTE	40	40,950	\$ 102,375,000.00
	50	51,150	\$ 127,875,000.00
	60	61,380	\$ 153,450,000.00
	70	71,610	\$ 179,025,000.00
	80	81,840	\$ 204,600,000.00
	90	92,070	\$ 230,175,000.00

\$2M of Capex = 0.75 FTE

1.6.3 Capacity of Business

1.6.3.1 Asset Planning

Currently W&P designers are working on 23/24 and 24/25 designs for projects, which currently do not have a Gate 0 process. The process must catch up with deliver or delivery needs to slow.

1.6.3.2 Forward Planning

Major projects will need to be planned to go through the PMO assurance process, currently none have commenced.

1.6.3.3 Local Traffic Committee

The LTC will have more reports and more projects coming through.

1.6.3.4 Procurement

The volume of procurement will require additional resources.



1.6.3.5 Maintenance & Operations

The increase in handover as well as the increase in ongoing maintenance needs to be considered. Currently no Capex budgets for new facilities have operational requirements budgeted.

1.6.4 Resource Retention

Finding these resources in the current infrastructure market is difficult and will remain so for the foreseeable future.

1.7 ELT 4

What are the additional resources/FTE and positions required to deliver the current works program above the approved FTE?

NIL

1.8 ELT 5

An estimate of what this additional budget would be?

\$5,668,503

Budget Required at Curent Service Level		\$ 5,668,503.00
Metro	\$	175,000.00
Budget Transfer (Inhouse)	\$	796,273.00
Grant Funding	\$	3,289,926.00
City Assets Opex	\$	1,275,000.00
Subtotal	\$	132,304.00

Considerations

- *Communications historically funded by Contractors (say 0.25%) = \$250k*
- *Asphalt supply contract historically built in 1 FTE resource*

1.9 ELT 6

Identify where this additional expenditure could come from eg;

1.9.1 Budget Transfer

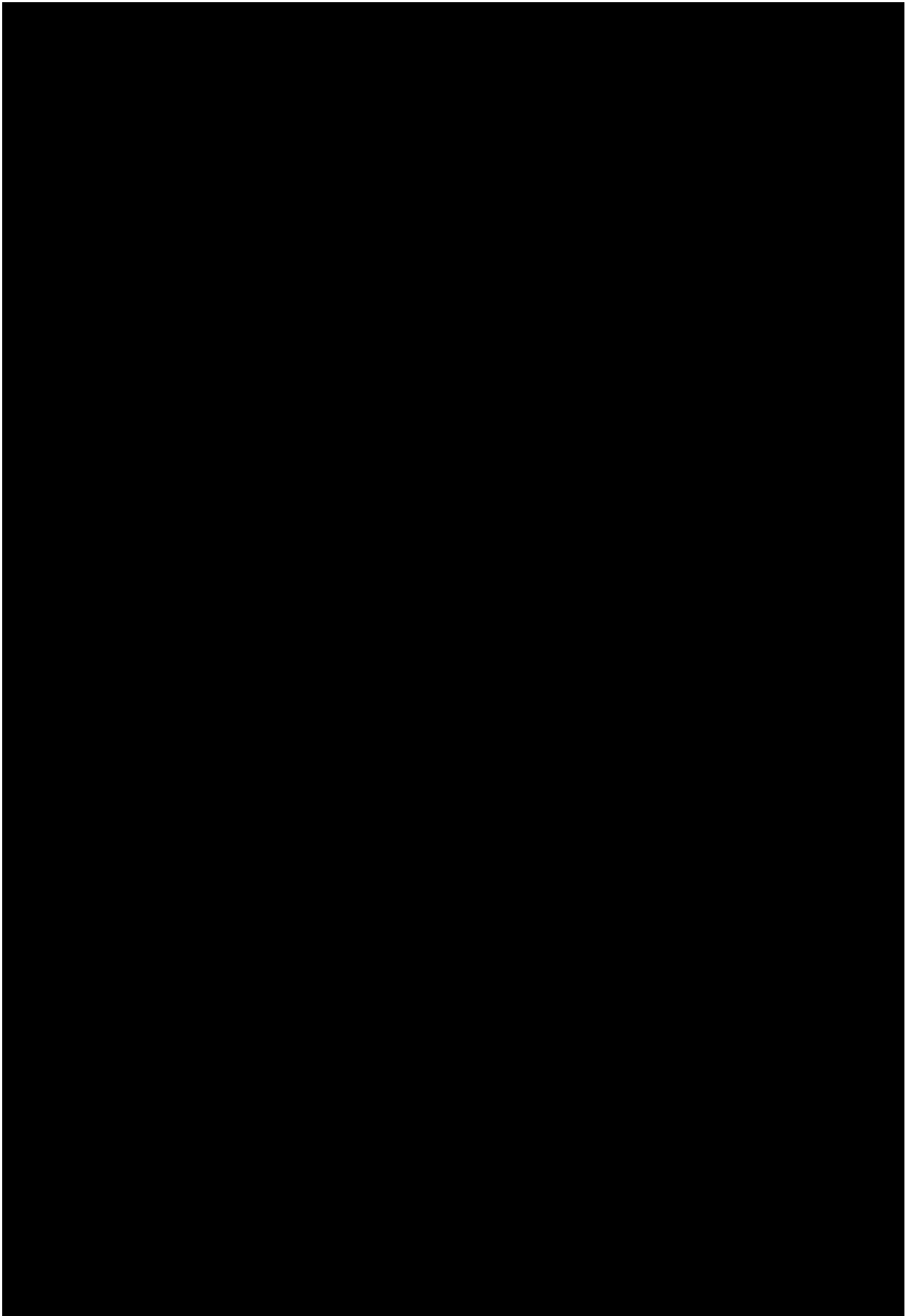
- *what budgets can be transferred from other capex accounts where works are being now done inhouse;*



Project	Design
First & second ave-bridge replace-stg1	\$57,497
Anzac park - rotunda upgrade stg 1	\$30,000
Kelso north-amenities building stg1	\$15,429
Kelso north-carpark-stg1 design	\$20,000
22 anzac st-drainage renewal	\$28,428
Karen ave-drainage upgrade-stg2	\$40,000
Bennett park-drainage renewal-stg1	\$25,220
Osroy st-drainage upgrade-stg1-des	\$75,000
Croydon ave-drainage upgrade-stg1-des	\$30,000
Wiggs rd-drainage upgrade-stg1-des	\$40,000
Columbine ave-drainage upgrade-stg1-des	\$30,000
Flers ave-drainage upgrade-stg1-des	\$35,000
Clarke res-flood mitigation-stg1-des	\$30,000
Dunstaffenage-drn. Upgrade-stg1-des	\$75,000
Surrey res-flood mitigation-stg1-des	\$30,000
Sydney metro-drainage amplification-stg1	\$49,959
Liveable centres-yagoona-design	\$50,000
Liveable centres-east hills-design	\$50,000
Morgans creek bank protection-stg1	\$25,500
Morgans creek bank repairs-stg1-design	\$39,240
Sefton golf course-wqd upgrade-stg1-des	\$20,000
OVERALL VALUE	\$796,273.00

1.9.2 Design & Project Management – Grant Funded

Project	% Project	Project Value FY22/23	Design & PM	Grant Source





1.9.3 Grant Projects – No funding for Design & Management

***Note – there are other 34 other grant funded Projects which we haven't had time to determine if there is funding for Design & Delivery.*

1.9.4 Project Cuts

- *What projects can be cut from Capital Works program;*

Quarterly Review is underway.

1.9.5 Project Deferral

- *What projects can deferred from Capital Works program;*

None at this stage.

1.9.6 Opex Cuts

- *What cuts to OPEX;*

\$1.275 Opex funding has been found within City Assets.

This includes Consultancy works not delivered by Assets this year.

- Work to be done in house (Electrical / REF)

1.10 ELT 7

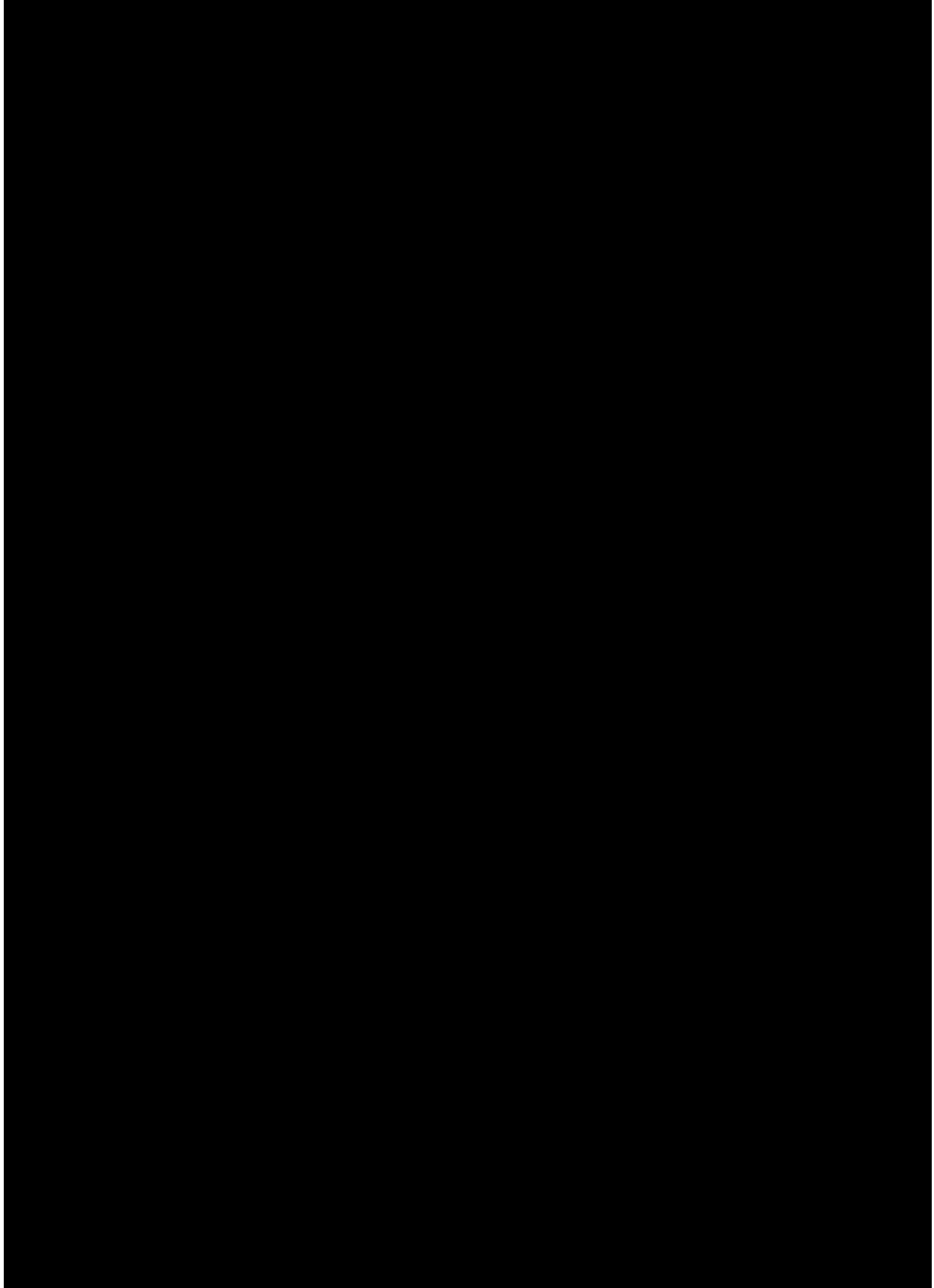
Based on all of the above clarify what resourcing is needed for this financial year what the additional FTE's are and do?

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Appendices

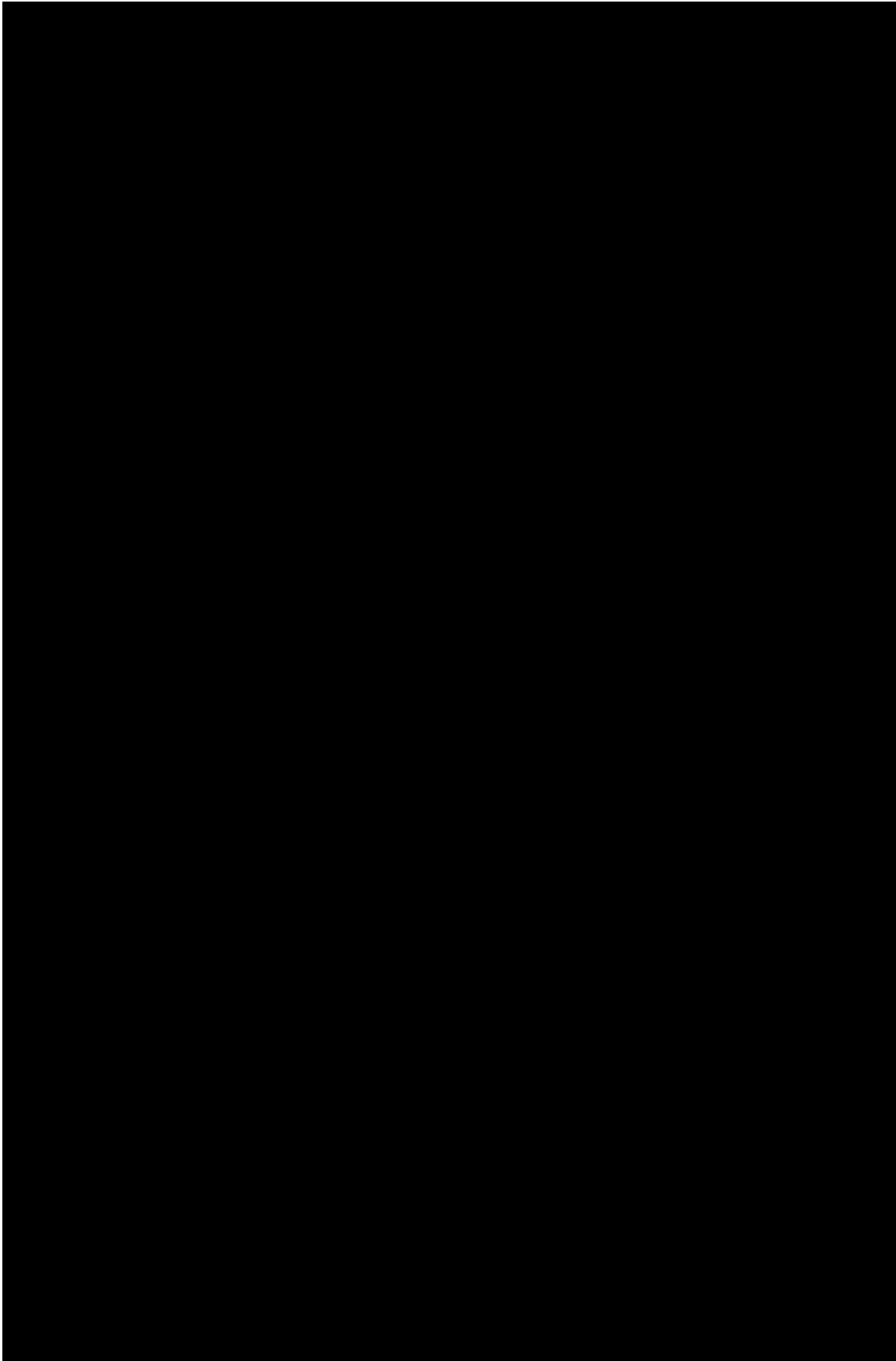


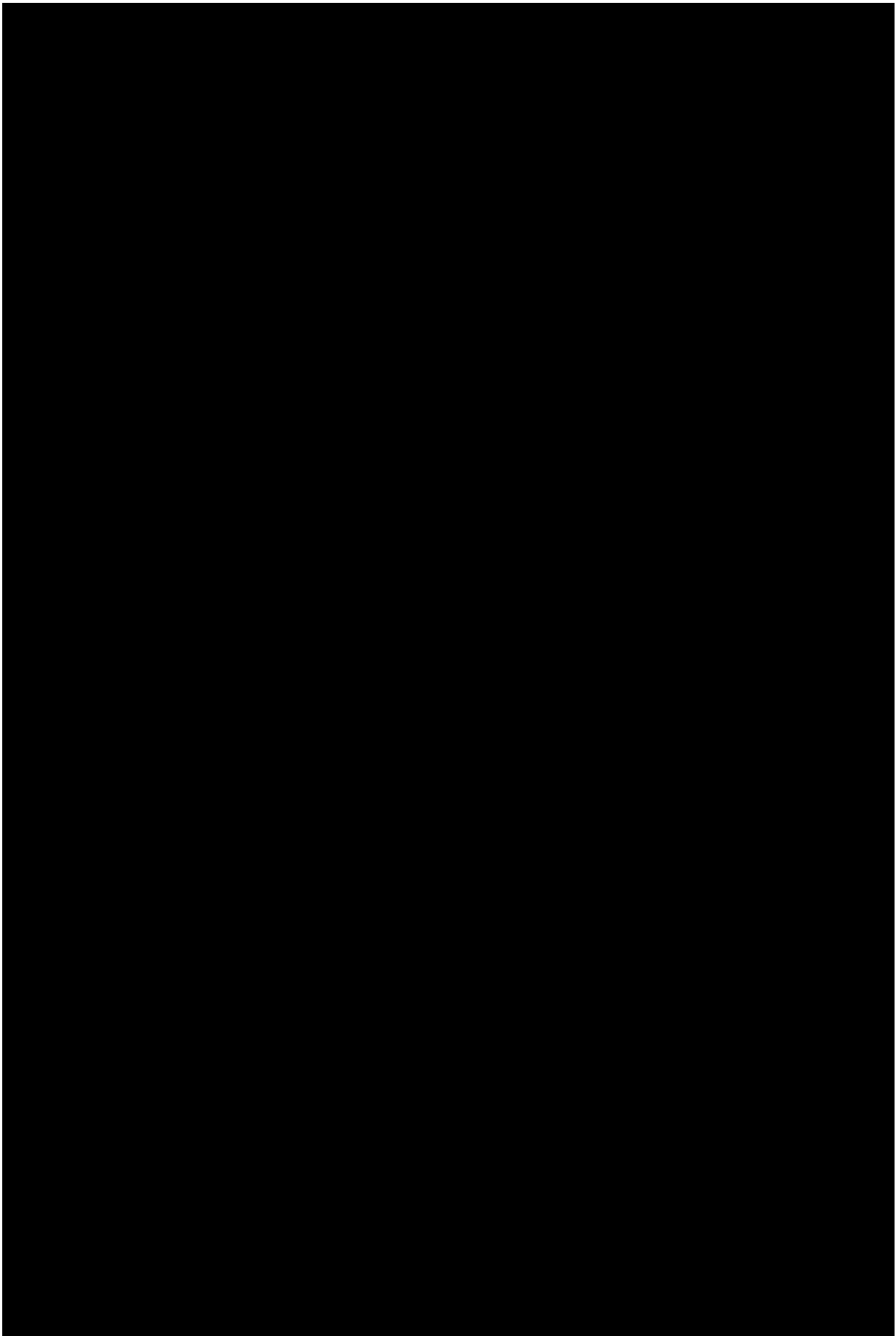
Appendix 1 - Establishment Report

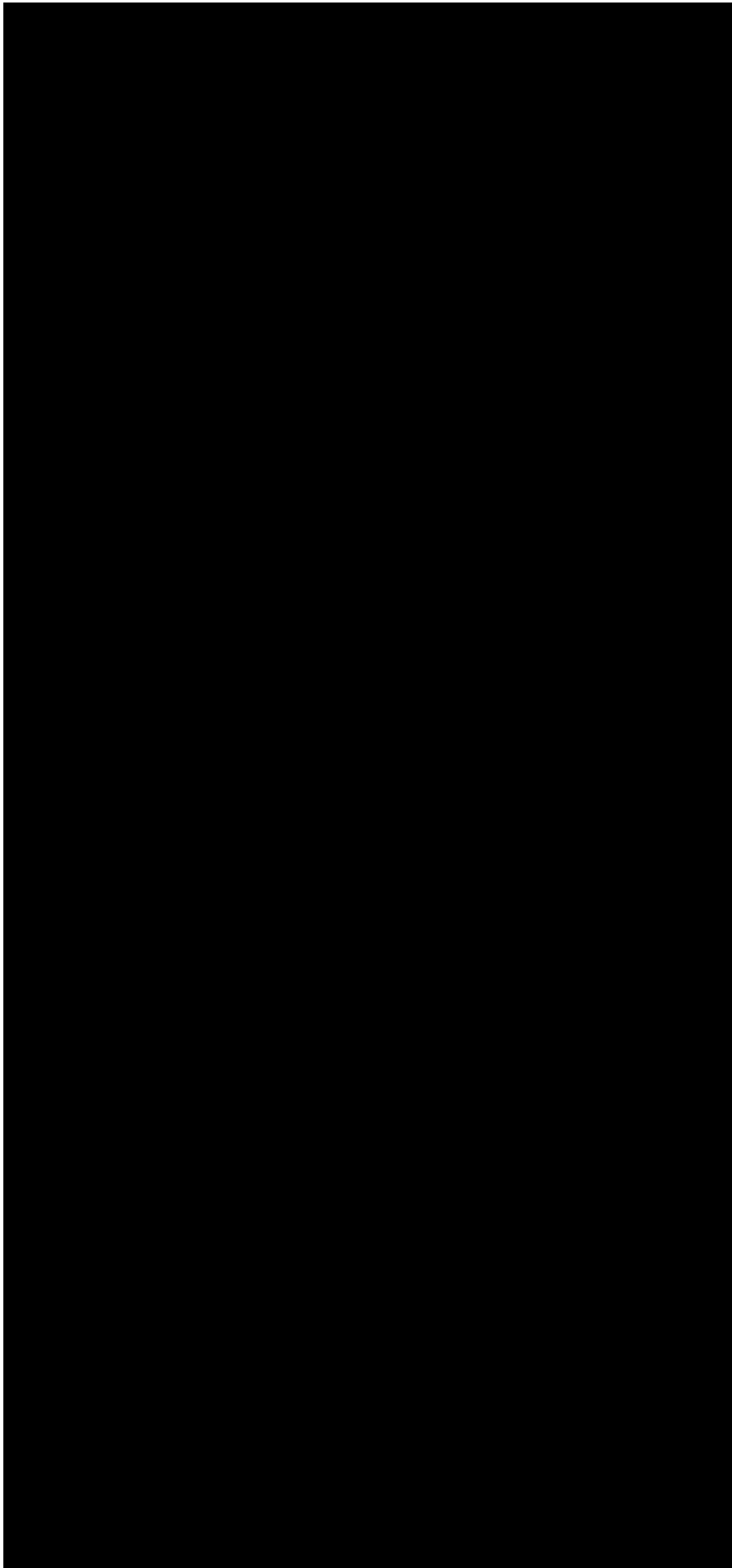




Appendix 3 – Required W&P Staff Budget









Appendix 4 – Quarterly Forecast