



Government of **Western Australia**
Department of **Transport**

Our ref: CWS-2019-0118

Enquiries: (08) 6551 6169

Hon Tjorn Sibma MLC
Chair
Standing Committee on Estimates and Financial Operations

Icefoc@parliament.wa.gov.au



Dear Mr Sibma

INQUIRY INTO THE GOVERNMENT'S LOCAL PROJECTS LOCAL JOBS PROGRAM

Thank you for your letter dated 14 March 2019, regarding the Inquiry into the Government's Local Projects Local Jobs (LPLJ) program. This letter outlines our involvement in the program, the processes undertaken to manage the grant program, and a status update on the projects as at April 2019. These aspects relate to 2(b), 2(c), 2(d) as outlined in the Inquiry terms of reference.

Department of Transport (DoT) was identified as an appropriate area to administer twenty transport related community based projects from the LPLJ program in April 2017. DoT was the most suitable Transport Portfolio agency to manage these grants due to its experience working across transport agencies, local governments and with community groups. DoT has extensive experience in administering state government grant programs including the Western Australian Bicycle Network (WABN) Grants and Coastal Adaption and Protection Grants, and has well established processes to manage these programs.

Upon receiving information from Department of the Premier and Cabinet about the LPLJ grant program, DoT determined similarities with the proposed LPLJ grant projects and typical WABN grant projects, hence the decision was made to manage these projects with resources within the DoT cycling team.

The value and complexity of the LPLJ grants allocated to DoT were varied. The value of grant funding allocations ranged between \$4,000 to \$250,000, with the complexity of projects increasing with the higher value projects. Despite this, DoT was well placed to manage the LPLJ grants program based on the grant management processes established as part of WABN Grants program.

The LPLJ grant agreement contracts and grant management processes were modelled on the existing WABN grants which govern local government cycling infrastructure grant projects from initiation to delivery and acquittal. The WABN grant agreement contracts had been approved by the DoT Legal and Legislative Services team to ensure contractual obligations of the grantee and grantor.

As per the WABN grants, LPLJ grant agreements are structured to have payments paid on the achievement of agreed milestones for components of the project being completed. Grantees are required to complete milestone reports and provide evidence of milestone achievement before payments are made. Upon completion of projects, acquittal documentation is required to provide evidence of completion and a sign off from CEO of the Local Government or identified grantee. The acquittal documentation could include providing copies of invoices, purchases, photos or reports.

In terms of managing the LPLJ grant process, DoT undertook the following steps:

- Contacted all relevant Local Governments (LG's) and/or community groups to discuss the identified project(s) located in their local government area.
- Determined the complexity of each project as well as the time and resources required for delivery in conjunction with DoT, LG's and any other relevant stakeholders.
- Once agreed in principle, prepared a LPLJ grant agreement detailing the grant scope, amount and the process of undertaking the project.
- Developed project plans in cooperation with the grantee to ensure the projects were to deliver the community benefits intended.
- Where projects involve the design and delivery of infrastructure, designs are reviewed and endorsed by DoT prior to projects being built.
- Managed the payment of milestones associated with completion of various project stages.
- Managing the data collection as associated with the acquittal process.
- Managing communications and reporting processes to the DPC and the Minister's office regarding status updates of various LPLJ projects.

Projects which were less complex and had clear outlines for completion were the first to be issued grant agreements. These were administered and signed in 2016-17 and in the first half of 2017-18. These projects are now all complete.

More complex projects were issued grant agreements in 2017-18 and 2018-19 due to further project definition, financing and negotiation required. Many of these projects are complete or under way.

Numerous projects have taken a significant amount of time to determine a clear scope, as well as to identify the relevant agencies or parties which may be involved. For example, some projects identified for delivery had multiple land owners which required extensive investigation and negotiation. These projects have reached the draft grant agreement phase in 2018-19.

Of all projects assigned to DoT, there is only one project that is on hold and is pending advice to proceed.

Please see attached a list of the projects completed as at 18 April 2019.

DoT is confident the established grant management process is transparent, accountable and ensures financial probity. The legal review of our grant agreement contracts as well as established processes to support public servants to make accountable and ethical decisions and managing conflicts of interests provide evidence regarding the importance of our approach to managing all DoT grants programs. This includes grants allocated to the Department as part of the Local Projects Local Jobs initiative.

If you require further information, please contact Ms Michelle Prior, A/Director Active Transport and Safety, Department of Transport on (08) 6551 6169.

Yours sincerely



Iain Cameron
A/Managing Director

30 / 4 / 2019

Attachment

Projects completed as at 18 April 2019

DPC Code	Activity Code	Project Name	Funding committed (\$)	PO Number	Grant Agreement (GA)
MET057	2051	Balga Perth Bike Network Route Upgrade	100,000	615017	Completed
MET059	2052	Ballajura Market Place Footpath	4,000	615432	Completed
MET100	2055	Bus Shelters	138,500	615014	Completed
MET261	2056	City of Gosnells - Road safety improvements Gay Street Huntingdale	250,000	616392	Completed
MET234	2060	Hammond/Frankland /Russell Road Intersection	250000	615448	Completed
MET262	2063	Improving security at Greenwood Train Station	20,000	615597	Completed
MET383	2064	Paget Street/South Street intersection safety upgrades	250,000	615691	Completed
MET418	2065	Roleystone SHS	20,000	615014	Completed
MET443	2067	South Terrace road safety upgrades	200,000	615692	Completed
MET485	2068	Traffic Calming on Hillsborough Drive & Woodchester Rd	110,000	616982	Completed
MET554	2070	Two Rocks Beach Erosion Project	250,000	616571	Completed

Projects under way as at 18 April 2019:

DPC Code	Activity Code	Project Name	Funding committed (\$)	PO Number	Grant Agreement (GA)
MET004		Addressing Road safety and hooning in Balga, Westminster and Alexander Heights	\$100,000	TBC	Project is expected to be complete in 2018-19. Signed Grant Agreement Contract (GAC) sent for CEO signing 11 April 2019.
MET075	2053	Beaufort Street Activation and Traffic Calming, Inglewood	40,000	615018	Project is expected to be complete in 2018-19.
MET098	2054	Blackmore Avenue traffic calming	150,000	615016	Project is expected to be complete in 2018-19.
MET187	2057	Extension of the bike path from Lacey St to William St, costs to be matched by City of Gosnells	100,000	620009	Project is expected to be complete in 2018-19.
MET216	2058	Gosnells Bicycle Users Group - grant for maintenance training	50,000	616544 616540	City of Cockburn project complete and acquittal processed 4/12/2018. City of Gosnells project due for completion in April 2019. Acquittal form sent to LGA for completion.
MET225	2059	Construction of speed bumps, traffic calming devices, better road signs	250,000	619052	City of Swan project is expected to be complete in 2018-19. The City of Wanneroo project grant agreement is with the City for signature. This part of the project is expected to be complete in 2019-20.
MET236	2061	Hampton Road safety upgrades	200,000	615693	Project ongoing. The second milestone report received and paid in December 2018.

Projects waiting on signing on Grant Agreements as at 18 April 2019:

DPC Code	Activity Code	Project Name	Funding committed (\$)	PO Number	Grant Agreement (GA)
MET439	2062	Helena River Footbridge - upgrade	150,000		The GA is with the City of Swan for review and the project is expected to be completed in 2019-20.

Projects with concerns about ability to complete as at 18 April 2019:

DPC Code	Activity Code	Project Name	Funding committed (\$)	PO Number	Grant Agreement
MET425	2066	Secret Harbour Primary School Guarded Crossing Safety Measures	50,000		Currently there is no agreed project scope. This project is currently on hold, and pending advice to proceed.

