SHIRE OF COCOS KEELING ISLANDS

Project Management Plan

Waste and Resource Recovery Facility

January 2023

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1. Introduction

1.1 Purpose of this report

The purpose of the Project Management Plan is to detail the project scope and implementation methodology for the Shire of Cocos (Keeling) Islands Waste and Resource Recovery Facilities Project. The Project Management Plan will detail how the project is to be executed, monitored, controlled, and closed at completion. In general, it has been developed to:

- Communicate management policy and objectives
- Integrate the suite of management plans
- Achieve compliance

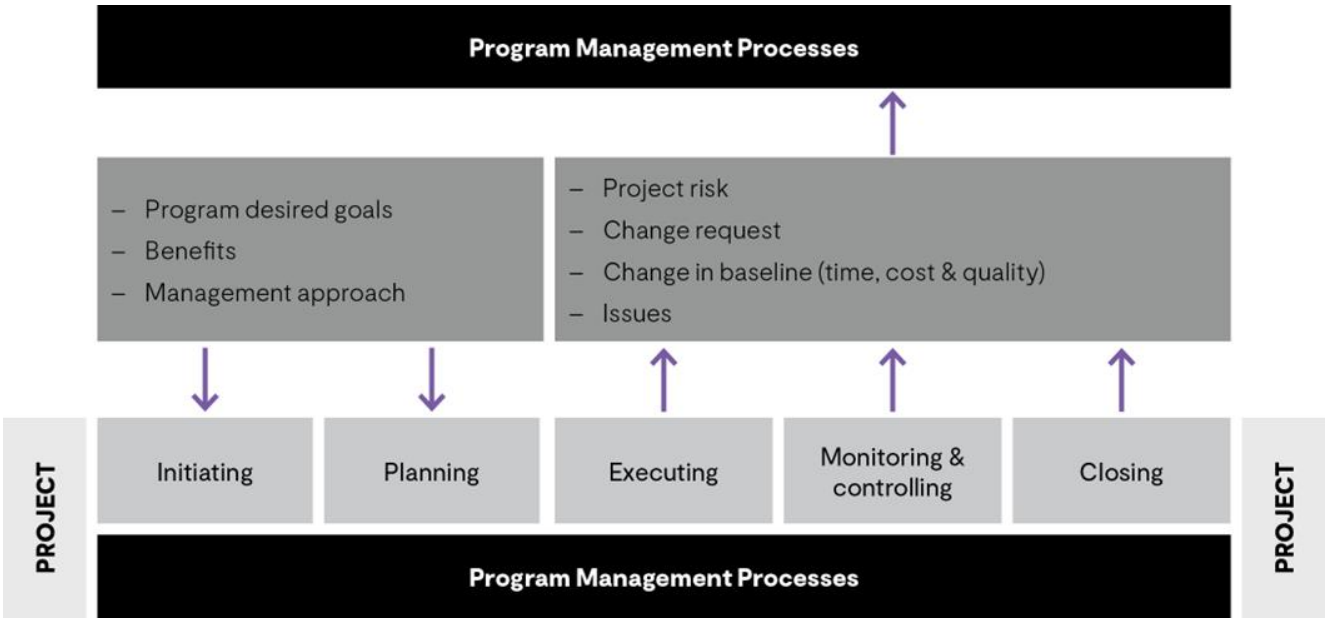
It is designed to be a comprehensive baseline of what is to be achieved in the delivery of the project, how this is to be achieved, who will be involved, how progress will be reported and measured and how information will be communicated to all stakeholders and project partners.

This document will be reviewed and amended as the project is delivered to recognise and changes in delivery implementation, scope (if required) and general methodology. Although the Project Management Plan is developed on initiation of the project, it is also a living document that evolves as the project matures and is updated with the most relevant information as required during project delivery.

1.2 Management Plan Structure

The Shire of Cocos (Keeling) Islands is committed to on-time project delivery for the Waste and Resource Recovery Facility. To facilitate the planning and management of deliverables and associated milestones, the project management plan framework illustrated at Figure 1 will guide activities including governance, reviews, stakeholder engagement, approval, and milestone commitments. The project management plan would be a live document and will be amended as necessary to address any issues or changes in delivery as they arise.

Figure 1 **Project Management Framework**



1.3 Assumptions

The following assumptions were made in preparing the Project Plan:

- Project will be managed by the Shire of Cocos (Keeling) Islands in consultation with any external contractors engaged to undertake the project implementation. This will ensure that the scope and methodology is adhered to, and the project deliverables are as identified, within scope and budget. Key personnel from Shire of Cocos (Keeling) Islands will be CEO, Frank Mills; Finance Manager, Vikki Lauritsen; and Infrastructure Manager, Martin Faulkner
- The Finance Manager together with the Project Manager will be responsible for all and any Project Progress Reporting required by funding partners throughout the duration of the project implementation and at the completion of the project.
- The Project Management Plan may change as new information and issues are revealed. This will be managed through a continuous review process with the Project Sponsor, Project Manager and the Project Steering Committee as outlined in the project governance elements of this Project Plan.
- The Infrastructure Manager together with the Community Development Coordinator will ensure that the Council and all stakeholders remain connected and updated with the Project progress and ensure a transparent and accountable process in the delivery of the Project, as per the Stakeholder Engagement Plan.

2. Project Summary

2.1 Project description

The establishment of Waste and Resource Recovery Facilities on the islands aims to strategically address the multifaceted challenges, while simultaneously advocating for sustainable waste practices in alignment with national targets.

The Cocos (Keeling) Islands face significant challenges in waste management due to their remote location and limited resources. The Cocos (Keeling) Islands lack proper waste management infrastructure, resulting in environmental pollution, health risks, and a negative impact on the islands' natural beauty. The current practices are not aligned with national waste management targets and do not support the sustainable development goals of the islands.

Historically, funding constraints and challenges specific to the local environment have restricted the implementation of traditional waste management options within the IOT, which are commonly used on the Australian mainland. As such, there is a gap between current waste management performance and both national and state waste management targets. Moreover, the current waste management practices being adopted, such as open burning, are detrimental to the environment and public health.

The imperative for improved waste management practices is underscored by the ‘Cocos (Keeling) Islands 2030 Strategic Plan’, aiming for Best Practice Waste Management and aligning with key environmental actions outlined in the plan. CKI, currently heavily reliant on the Australian Government, recognise the need to broaden their experience and infrastructure for enhanced resilience and sustainability.

There is a strong community sentiment towards improved waste management practices in the IOT. Ultimately, appropriate waste management is fundamental to the liveability of the IOT and ensuring the Shires can continue to meet the strategic values, vision and direction of the Commonwealth.

2.1.1 Project Objectives

The project delivers on key priorities identified by the Department of Infrastructure, Transport, Regional Development and Communications and the Arts in the Indian Ocean Territories Waste Management Strategy.

The project has been established with three key investment objectives:

1. Provide a waste and resource recovery solution that enhances amenity and liability, minimises environmental and social impacts, and enables the transition to a circular economy that encourage and promote waste management and minimisation activities.

2. Safely dispose or residual waste from residential and commercial operators, alongside tackling legacy and non-municipal waste, in keeping with best practice and alignment with national waste management targets.

3. Be a cost-effective waste management solution.

In conclusion, the Shire of Cocos (Keeling) Islands proposed Waste and Resource Recovery Facilities is expected to provide significant and tangible benefits to the Shire and broader community both during and post construction. These benefits include but are not limited to:

- Enhancement of amenities and liability,
- Best practice waste management infrastructure and processes,
- Increased employment,
- Improved environmental outcomes,

- Improved health and safety outcomes,
- Community use of the facility,
- Opportunities for volunteering,
- Increased skills development for local population.

2.1.2 Project alignment

The Waste and Resource Recovery Facilities Project meets a practical set of actions developed to assist the Shire of Cocos (keeling) Islands in delivering a sustainable future that unifies the community, diversifies the economic base, and enhances the natural and cultural environment.

The project delivers on key priorities identified by the Department of Infrastructure, Transport, Regional Development and Communications and the Arts in the Indian Ocean Territories Waste Management Strategy – specifically:

- MP3.18 - Reconfiguration of the waste centre to avoid ocean impact, and inclusion of recycling.
- MP3.48 - Establishment of a composting facility (at the waste centre) and better use/ expansion of the horticultural precinct, including an area for individual allotments.
- MP3.15 - Reconfiguration of the retail precinct/settlement core to create a focal space and better sense of arrival, with a visitor/interpretative centre as the first thing visitors come to.
- E6.2 - Investigate innovative ways of removing asbestos waste and implement these measures.
- E1.22 - Improve waste management practices; Prepare a Best Practice Waste Strategy for the IOTs aimed at achieving the goals included in the Plan. Include Waste Avoidance, Waste Reduction, Waste Recycling, Waste Management, and initiatives that have positive impacts globally.

3. Scope of Works

3.1 General

3.1.1 Project Approvals

The Project will not require development approval as per the Shire of Cocos (Keeling) Islands Town Planning Scheme No. 1 District Zoning Scheme. The Project will be delivered on the current sites. A multi-criteria analysis undertaken as part of the IOT Waste Strategy identified these measures as most feasible on Cocos Keeling Islands. Quotes for individual elements have been sourced enabling Council to proceed with the project as soon as all funding is secured.

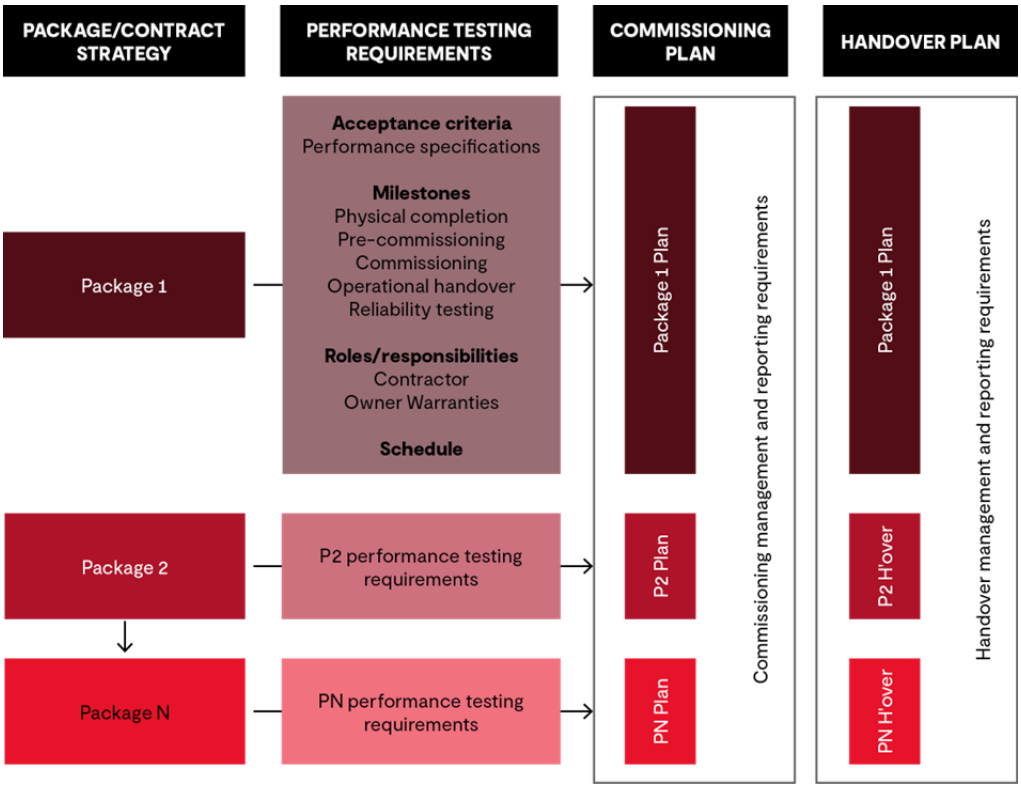
Council has committed its cash contribution. Once all funding is secured for the project, the project will commence immediately with tenders called for the implementation of the project. The project can commence in line with the grant guideline start date of no later than the 15th of May 2024.

3.2 Project Stages

3.2.1 Works management framework

The overarching management framework to be employed in the delivery of the Waste and Resource Recovery Facility illustrated at Figure 2.

Figure 2 **Works Management Framework**



3.2.1 Scope of works

The scope of works for the Waste and Resource Recovery Facility includes the development of waste management infrastructure at the transfer stations on both Home Island and West Island. An indicative site layout is illustrated at Figure 3 and Figure 4 (with additional concepts) provided at Attachment A.

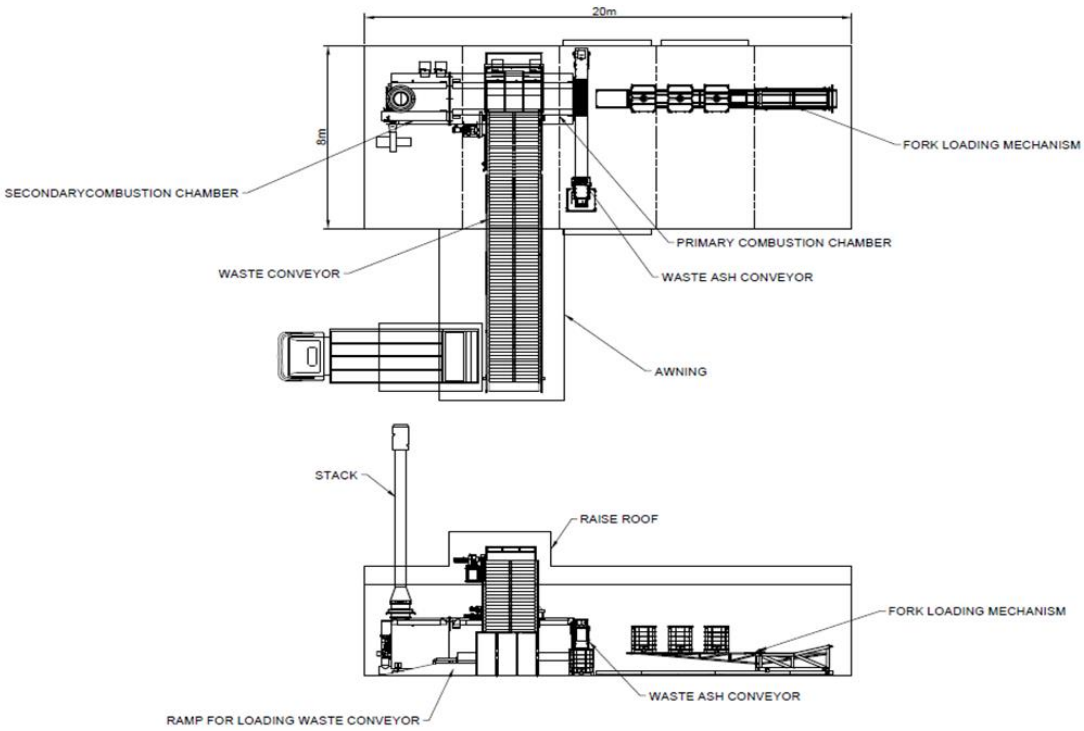
Figure 3 ***Indicative site layout – Home Island & West Island***

The associated scope of work is summarised following:

- **An upgrade of existing transfer stations and storage areas for processing of recycling and storage in preparation for off island disposal**
    - Design, construction, and certification of the new waste transfer shed
    - Ancillary roadworks package including electrical, security and water feeds to the site.
    - Bulk earthworks and platform construction
    - Structural steelwork, roofing, and cladding
    - Piling works
    - Structural concrete works
    - Stand-alone canopy works.
    - Precast concrete push-up walls as required to the perimeter of the new Waste and Resource Recovery Facility.
    - Upgrade to existing washdown bay treatment facilities
    - Internal roadways pavements etc.
- **An incinerator**
    - Fully insulated chamber to retain heat and improve combustion
    - Rapid, complete, and efficient waste disposal
    - Patented safety handle for easy access to chamber
    - High quality refractory lining and insulation
    - Easy to use CE7 control panel
    - Programmable temperature control for complete combustion

- Secondary chamber* with two second retention time
- Fast pre-heat and continual high temperature performance
- Low energy consumption levels

Figure 4 Proposed incineration facility



3.2.2 Milestones

A GANNT chart indicating the estimated project timeline for the delivery of the project is illustrated at Figure 5.

Figure 5 Preliminary Schedule

Task Month	1	2	3	4	5	6	7	8	9 to 20	21	22
Engage Architect											
Review schematic design											
Site visit											
Prepare Development Application											
Submit Development Application											
Design Development											
Pre-tender Cost Estimate											
Contract Documentation											
Prepare Tender											
Tender Period											
Tender Assessment											
Tender Award											
Mobilisation											
Construction Commences											
Construction Period 12 months											
Practical Completion/Acquittal											

Table 1 identifies the key milestones against the scope of works identified at Section 3.2.1 for this project.

Table 1 Preliminary Milestones

Main Activities / Milestone	Milestone Date	Responsibility
Concept development (research, cost estimates, community consultation and stakeholder engagement	2019 - 2023	Shire of Cocos (Keeling) Islands, Department of Infrastructure, Transport, Regional Development and Communications and the Arts
Project development (masterplan completed, funding opportunities investigated, project plan, benefits management plan and risk management plan	December 2023	Shire of Cocos (Keeling) Islands, Department of Infrastructure, Transport, Regional Development and Communications and the Arts
Funding secured and funding agreement signed	March 2024	Shire of Cocos (Keeling) Islands, Department of Infrastructure, Transport, Regional Development and Communications and the Arts
Tender process (documentation, advertising and review)	April 2024	Shire of Cocos (Keeling) Islands
Project commencement (Project Manager appointed, contractors appointed, design confirmation, scheduling of works)	May 2024	Shire of Cocos (Keeling) Islands
Project implementation - mobilisation and construction commences	October 2024	Shire of Cocos (Keeling) Islands, Project Manager, Contractors as appointed
Project completion	October 2025	Shire of Cocos (Keeling) Islands, Project Manager, Contractors as appointed
Final reporting and acquittals	December 2025	Shire of Cocos (Keeling) Islands, Project Manager, Contractors as appointed

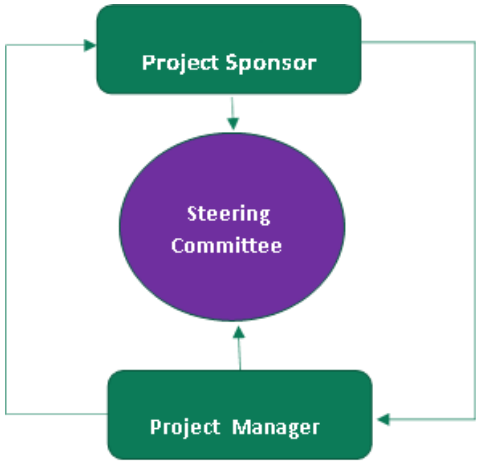
4. Project Governance

4.1 Project Organisational Structure

4.1.1 Roles and Responsibilities

The Shire CEO will be appointed Project Sponsor to provide project oversight, accountability throughout the project, prioritisation of the project within the Shire and project champion within the community as illustrated at Figure 6.

Figure 4 Governance structure



The project will be governed by a Project Steering Committee, which will function as a supervisory board that is accountable for managing and addressing project issues, monitoring risks, quality, and project timelines.

The Project Steering Committee will consist of Project Sponsor (CEO), Finance Manager, Infrastructure Manager, Project Manager, and representative from Council. Contractors may be invited to be part of the Steering Committee if required.

It is anticipated that the Project Steering Committee, will meet on a fortnightly basis. The Project Steering Committee will:

- Determine how the projects goals and objectives will be measured.
- Monitor project implementation and metrics.
- Approve rewarding of contracts.
- Act as point of escalation for any project deviation
- Approve any changes to scope.
- Ensure consistency among project and program governance.
- Manage interdependencies.
- Participate in Post Implementation Reviews following achievement of project milestones.

A Project Manager will be contracted to manage the project. The Project Manager will be responsible for:

- Leading project planning sessions.
- Coordinating contractors and project resources.
- Managing project progress and adapting work as required.
- Ensuring project meet deadlines.

- Managing relationships with Shire and stakeholders.
- Overseeing all incoming and outgoing project documentation.
- Participating in tender process i.e., design, submission, and review.
- Designing detailed Work Breakdown Structure.
- Conducting project review and creating detailed reports for Project Steering Committee.
- Optimising and improving processes and the overall approach where necessary.

4.1.2 Probity

All subcontractors or subconsultants engaged for the Waste and Resource Recovery Facility will be responsible for disclosing any real or perceived conflicts to the Project Manager. The Project Manager will ensure all actual and perceived probity issues are managed and resolved in the most appropriate manner.

5. Project Controls

5.1 Performance Management

Delivery of the Waste and Resource Recovery Facility will be guided by several key principles and key performer indicators (KPIs) as set out following with responsibility and roles summarised in Table 1:

- A transparent and accountable work environment: Assessment of performance and effectiveness of communications shall be transparent and accountable and action oriented. Actions identified for improvement will be team focused and shared accountability.
- Systems in place to monitor allocated time and effort: The Project Manager will monitor individual contributions to ensure that time and resourcing are appropriate for the workflows that are active at any point in time and aligned to budget.

5.1.1 Key Performance Indicators

Table 2 Key Performance Indicators

Outcome	Measurement (KPI)	Actions / Tasks	Responsibility	Deadline
Concept development	Best practice waste management measures researched	Community consultation stakeholder engagement	CEO, Council, Stakeholders	Completed
Project development	Concept plan finalised, project management plan developed, risk management plan developed, quotes obtained	Comprehensive research documentation project	CEO, Finance Manager, Infrastructure Manager, Council, Consultants (as appointed)	Completed
Identify and source adequate funding	Investigate funding sources and apply for funding	Research opportunities and complete funding applications. Identify partner contributors and submit applications.	CEO, Council, Consultants (as appointed), Shire staff for stakeholder liaison	Completed
Adequate funding confirmed	Funding approved by identified funding partners	Consider funding approved and ensure budget is adequate.	Funding partners, CEO, Finance Manager, Council	March 2024
Project commencement	Appointment of Designer,	Confirmation of plans, Shire approvals and other consents awarded	CEO, Finance Manager, Infrastructure Manager, Project Manager, Council	May 2024
Project implementation	Project delivery commenced and progressed as specified	As per project management plan and agreed tender	Project Manager, Contractors, supporting Shire staff	October 2024
Project completion	Project completed on time, within scope and within budget	All work completed as proposed	Project Manager, Council, CEO	October 2025
Project acquittal	Funding reports completed. Acquittals completed.	Reports to funding body together with acquittal documentation	Project Manager	December 2025

5.2 Work Breakdown Structure

To effectively manage a project, the work required to deliver the Waste and Resource Recovery Facility must be divided into manageable parts. The work breakdown structure (WBS) will provide successive levels of detail that facilitate the estimating, planning and control of the project.

5.3 Cost Management Plan

5.3.1 Project Phasing and Costs

The projected project cost for the Waste and Resource Recovery Facility is $4,400,000 phased across financial years 2023/24 through to 2025/26 as set out following. The expenditure for the project has been split across the three-year life of the works with the significant portion occurring in the 24/25 financial year. This is reflective of the intent to procure and commence shipment of materials to the island as a priority. Materials and contractors form the bulk of the expenditure.

5.3.2 Project CAPEX

Shire of Cocos (Keeling) Islands has committed $400,000 in cash to the project, including additional in-kind support. The Shire's in-kind support is provided through the provision of project oversight, via the Project Steering Committee and the Community Development Coordinator will provide project communications and engagement for the duration of the project. The Shire of Cocos (Keeling) Islands has sufficient reserves to be able to accommodate cash flow timing differences between contract payments and funding reimbursements.

All costs have been calculated based on quotes received, estimates identified in the IOT Waste Strategy or based on on-island staff extensive experience and expertise in delivering projects of this scale and nature.

Table 3 Project Costs

Expenditure Item	23/24	24/25	25/26	Total
Materials	20000	1600000	1000000	2620000
Hired Plant	10000	180000	50000	240000
Contractor	25000	800000	425000	1250000
External Labour	10000	200000	80000	290000
	65000	**2780000**	**1555000**	**4400000**
Project Management (12%)				528000
Administration (10%)				400000
				5328000

5.3.3 Project OPEX

Once the works for the Waste and Resource Recovery Facility is complete, the ongoing maintenance and management of the Facilities will continue to be the responsibility of the Shire of Cocos (Keeling) Islands as the Asset Manager. The Shire is already responsible for, and budgets accordingly, the management of the waste infrastructure under its current asset management plan, and this will continue following the redevelopment.

5.4 Schedule management

The Project Manager for the Waste and Resource Recovery Facility will develop and maintain a project schedule incorporating all work packages. Periodic reviews and close liaising with the Project Sponsor (CEO), and sub consultants to ensure key project tasks, milestones and delivery dates are understood.

The schedule will be communicated to allow each Package Manager to view their upcoming tasks and pending deliverables. The schedule will be distributed weekly to the Package. The Project Manager will liaise with the Package Managers weekly to update the progress against the agreed schedule and capture changes in milestones dates.

The scheduler will also issue the schedule to the Project Sponsor (CEO) on a weekly basis.

5.4.1 Subconsultant Responsibility

Subconsultants engaged for the delivery of the Waste and Resource Recovery Facility Project will be responsible for:

- Initial input to the development of package-specific schedules.
- Planning and scheduling site visits, deliverable milestones, integration with other reports and activities for technical resources.
- Actively identify and review external and internal approvals timeframes and understand their implications for their discipline and other interfaces.
- Identifying changes to timing for deliverables and key activities and communicating them to the Project Manager.
- Providing progress updates to the scheduler as required.

5.5 Change Management

Should the Waste and Resource Recovery Facility require any variations to ensure the delivery of the required good and services, then a variation request will need to be completed by the Project Manager and then reviewed by the Project Sponsor for any impacts that the proposed change may have on the project deliverables, delivery, timelines and/or budget.

5.5.1 Procedure

Any project variations will require approval from the Project Steering Committee. Any changes made by the Project Manager will be documented on the Variation Request Form and retained in project records. This includes changes that have no cost associated with them or do not impact the schedule must be captured and communicated to maintain constant awareness of emerging variations.

5.5.2 Contract Variations

The contract with the successful tenderer for the Waste and Resource Recovery Facility must not be varied unless the variation is necessary for the goods or services to be supplied and does not change the scope of the contract; or the variation is a renewal or extension of the term of the contract. At the conclusion of the project, these change requests will form supporting documentation when reviewing the project, and whether it achieved its aims and objectives.

5.6 Reporting

The Project Manager for the Waste and Resource Recovery Facility Project will be responsible for the overall collection, review, analysis and reporting on costs and forecasts for the Project. This includes Weekly labour reports; Cost reports; and Monthly progress reports. A draft monthly status report will be submitted to the CEO (project Sponsor) on the 2nd Tuesday following end of month. The report will include as a minimum:

- Project progress and updated schedule.
- Financial update (i.e., spend to date, work package status, invoice status).
- Key issues and update on key project risks.
- Safety and wellbeing statistics. Actual costs, schedule status, forecasts, and program performance.

This report will form the basis of the agenda for reporting through to the Steering Committee

5.7 Procurement

5.7.1 Procurement Management

Consideration of the project and compliance with the Purchasing Policy is more important than obtaining the lowest price, particularly considering user requirements, suitability for the coastal environment, quality standards, sustainability, whole of life cycle costing, and service benchmarks. All procurement for the Waste and Resource Recovery Facility Project will be managed by the CEO or their delegate. All procurements should be:

- Adequate and timely to ensure delivery of the project within the stated timelines.

- Quoted as per the Purchasing Policy and copies maintained in support of the requirement.
- Financially managed to a high standard, ensuring that the budget is adhered to as closely as practicable.
- Ensure that a contingency plan is developed to meet overruns in terms of cost, time, and scope.

5.7.2 Procurement Policy

All purchasing activities (including the procurement of subcontractors) for the Waste and Resource Recovery Facility Project will be undertaken in accordance with the Shire of Cocos (Keeling) Islands Purchasing Policy being:

- Ensure compliance with the Local Government Act (WA)(CKI) 1995 (the Act) and the Local Government Act (Functions and General) Regulations 1996 (the Regulations).
- Deliver a best practice approach and procedures to internal purchasing for the Shire of Cocos (Keeling) Islands.
- Ensure consistency for all purchasing activities that integrates within all the Shire of Cocos (Keeling) Islands operational areas.
- Ensure openness, transparency, fairness, and equity through the purchasing process to all potential suppliers.
- Undertake procurement processes that ensure value for money for the Shire of Cocos (Keeling) Islands by delivering the most advantageous outcome possible.
- Ensure compliance with the State Records Act 2000.

5.7.3 Procurement Principles

The Shire of Cocos (Keeling) Islands is guided by the procurement principles of:

- Ensuring that proponents and or contractors working on the Waste and Resource Recovery Facility Project are aware of and consider local business capacity and capability and are encouraged to utilise these as far as possible. This includes considering skill development of local residents by offering traineeships/apprenticeships/professional development via accredited courses.
- Taking a proactive approach to promoting local employment by ensuring that proponents and or contractors working on the Waste and Resource Recovery Facility Project are aware of and consider employing local job seekers and that local job seekers are given preference over a fly- in fly-out workforce as far as possible.
- In the case where infrastructure is brought to the Islands or built for major projects, proponents and contractors will work with the Shire to determine if the best outcome for the community can be realised from removal or repurposing the infrastructure.
- Commitment to quality – ensuring that the plant and equipment that is mobilised and brought to the Cocos (Keeling) Islands is not at the end or nearing the end of its life; and that no such materials is made available for purchase by local residents without the approval of the Shire.

5.7.4 Integrity and Ethics

All procurement activities associated with the scope of work to deliver the Waste and Resource Recovery Facility Project will be centred on ensuring a fair and transparent process – consistent with the Shire's commitment to ethical business practices. The following integrity principles, standards and behaviour will be adopted to ensure the fair and equitable treatment of all parties:

- Full accountability will be taken for all purchasing decisions and the efficient, effective, and proper expenditure of public monies based on achieving value for money.
- All purchasing practices will comply with relevant legislation, regulations, and requirements consistent with the Shire's policies and code of conduct.
- Purchasing is to be undertaken on a competitive basis in which all potential suppliers are treated impartially, honestly, and consistently.

- All processes, evaluations and decisions will be transparent, free from bias and fully documented in accordance with applicable policies and audit requirements.
- Any actual or perceived conflicts of interest will be identified, disclosed, and appropriately managed; and
- Any information provided to the Shire by a supplier shall be treated as commercial-in- confidence and should not be released unless authorised by the supplier or relevant legislation.

6. Communication Management

6.1 Communication Framework

The Shire of Cocos (Keeling) Islands stakeholder management framework for the management of CAPEX projects is illustrated at Figure 7. The framework is premised on best practice principles.

Figure 5 Stakeholder engagement framework

	Identify stakeholders	Plan stakeholder engagement	Manage stakeholder engagement	Monitor stakeholder engagement
INPUTS	– Project charter – Business documents – Project management plan – Project documents – Agreements – Enterprise environmental factors – Organisational process assets	– Project charter – Project management plan – Project documents – Agreements – Enterprise environmental factors – Organisational process assets	– Project management plan – Project documents – Enterprise environmental factors – Organisational process assets	– Project management plan – Project documents – Work performance data – Enterprise environmental factors – Organisational process assets
TOOLS & TECHNIQUES	– Expert judgment – Data gathering – Data analysis – Data representation – Meetings	– Expert judgment – Data gathering – Data analysis – Data representation – Meetings	– Expert judgment – Communication skills – Interpersonal & team skills – Ground rules – Meetings	– Expert judgment – Decision making – Data representation – Communication skills – Interpersonal & team skills – Meetings
OUTPUTS	– Stakeholder register – Change requests – Project management plan updates – Project documents updates	– Stakeholder engagement plan	– Change requests – Project management plan updates – Project documents updates	– Work performance information – Change requests – Project management plan updates – Project documents updates

6.2 Communication Plan

A project management plan for the Waste and Resource Recovery Facility Project will be developed to support external and key stakeholder communication activities. The plan defines the process for proactive engagement of stakeholders and will be based on up-to-date community sentiment testing and real-time issues monitoring and reporting.

6.2.1 Internal Communication

Internal communications within the project team for the Waste and Resource Recovery Facility will be the responsibility of all team members as project communication plays a critical role in effective delivery of the project outcomes. Project team members need to be aware of the types of communication that can occur:

- **Escalation / Reporting:** Providing information and updates to decision makers to enable effective decision making.

- **Collaboration / Informing:** Working with other team members to solve project challenges
- **Direction:** Instructing subordinates or team members to initiate or complete project activities and outputs

6.2.2 External Communication

Project team members for the Waste and Resource Recovery Facility must not engage in any external communications unless authorised by the Project Manager and or Project Sponsor (CEO).

7. Occupation Health & Safety Management

7.1 General

The Shire of Cocos (Keeling) Islands discharges its legal duties and obligation for its employees through a structured Occupational Health and Safety Management System. This management system addresses all the requirements of AS/NZS 4801, “Occupational Health and Safety Management Systems.

The structure of the Occupational Health and Safety Management System (OHSMS) documentation comprises of:

- Occupational Health and Safety Management Plan and Procedures
- Safe Work Method Statements
- Forms (including Job Safety Analysis)
- Registers

The duty of care required under statute and common law needs to be well understood by management and all Project Staff to ensure that all reasonable effort is made (through a systematic planning process) to secure and promote the health, safety, and welfare of people at work.

7.1.1 Occupational Health and Safety Management Plan

The OHS Management Plan for the Project outlines the requirements for office based and field activities. The OHS Management Plan is designed to comply with the requirements specified in AS 4801: Occupational Health and Safety Management System. All Project Staff will be required to review and adhere strictly to the stated processes as identified within the OHS Management Plan and other referenced applicable Shire documents.

7.1.2 Subcontractor obligations

Subconsultants engaged to deliver the scope of work for the Waste and Resource Recovery Facility Project must ensure that all of its personnel on site comply with relevant State and Commonwealth WHS legislation, relevant codes or practices, Australian Standards and for reporting unsafe or unsatisfactory working conditions, hazards, and incidents. This includes provision of all relevant Safe Work documentation on contract appointment, prior to work commencing including:

- Safety Management Plan, Site Induction
- Incident Notification System
- Emergency Response and Management Plan
- SWMS + WHS Management Plan for the construction work
- Risk assessments and Safe Operating Procedures/Safe Work Instructions/ Safe Work Method Statements, relevant to the work performed.

7.1.3 Insurance and Certifications

Prior to commencement of work, subconsultants engaged to deliver the scope of work for the Waste and Resource Recovery Facility Project must provide evidence of the following documentation:

- Certificate of Currency for Public Liability Insurance
- Current relevant building licences and certifications
- Hot Work Permits, Working at Height Permits.

8. Risk Management

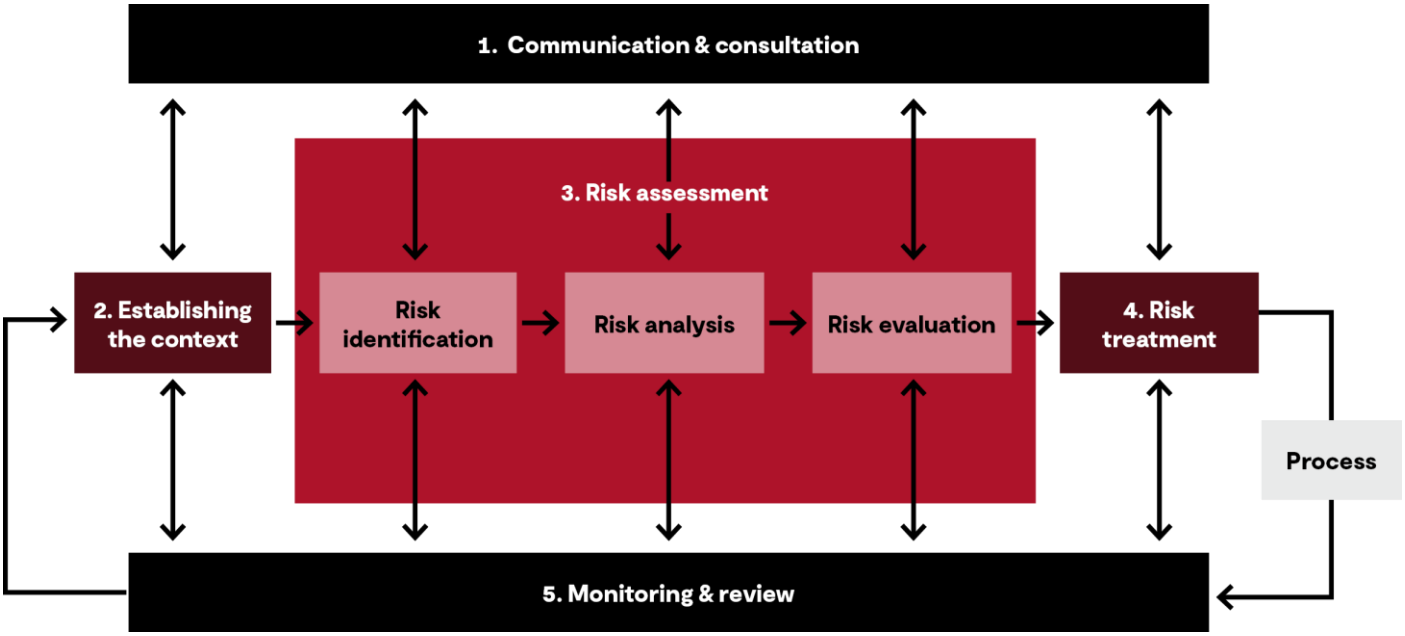
8.1 General

All Projects have risks. If a potential risk is not identified early, then the project can be put into jeopardy to be completed as per the schedule, within budget and to meet the expected quality. Project risk management includes the processes of conducting risks management planning, identification, analysis, response planning and controlling risk on a project. The objective of project risk management are to increase the likelihood and impact of positive events and decrease the likelihood and impact of negative events in the project.

Risk identification in the project is critical in order to manage and complete the project successfully. The earlier a risk can be identified, the earlier a plan can be made to mitigate the effects of the potential risks. Identifying risks is an iterative process, and one that should involve the entire project team from the very beginning of the project. Comprehensive and good risk management will produce a good project result.

The Shire of Cocos (Keeling) Islands manages risks associated with CAPEX projects under the framework illustrated at Figure 8.

Figure 6 Risk Management Framework



8.1.1 Responsibility

The Project Manager has overall responsibility for implementing risk management on this Project. Risk is managed in accordance with the Risk Management Plan (RMP) and based on the ISO31000:2009 guidelines.

8.1.2 Project Methodology

A Risk Management Plan (and Register) has been developed to provides the overarching direction towards risk management for the Project. A copy is enclosed at Attachment B and will be regularly reviewed and updated throughout the project. It represents a framework to manage both high-level risks for the Project and detail-level risks within each Project discipline. The objectives of this approach include:

- making risk management an integral component of the project management systems to ensure excellence in risk management is reflected in all elements of the Project;

- identification of risks, recognise potential consequences and ensure that appropriate steps are in place to manage the risk to an acceptable level;
- establishing clear responsibilities for identifying and managing risks are clearly structured and included in the management of the Project;
- ensuring that retained risks are included in the cost and time plans and that potential variances are communicated to the appropriate Project stakeholders; and
- maintaining open communication with stakeholders on matters of risk management

The Risk Management Plan utilises the risk matrix illustrated at Figure 9 to determine the risk rating of an event.

Figure 7 Risk Matrix

Risk Matrix							
Consequence Rating	**Catastrophic**	High	High	Very High	Extreme	Extreme	Extreme
	Major	Medium	Medium	High	Very High	Extreme	Extreme
	Moderate	Medium	Medium	High	High	Very High	Very High
	Minor	Low	Low	Medium	Medium	High	High
	Insignificant	Low	Low	Low	Medium	Medium	Medium
	Likelihood Rating	Rare	Unlikely	Possible	Likely	Almost Certain	Occurring Now

9. Quality Management

Quality across the Waste and Resource Recovery Facility Project is managed in accordance with the Quality Management Plan (QMP).

The QMP should be reviewed by all Discipline Managers, Package Managers and Package Leads and addresses the quality management requirements for all deliverables, subcontractors and site activities including:

- Cost Estimates;
- Risk Registers.
- Technical Reports (and drawings); and
- Site Investigations.

The QMP establishes the activities, processes, and procedures required to be followed to obtain the requisite degree of confidence in the deliverables produced under this program. It also outlines the roles and responsibilities related to Quality on the project.

The QMP:

- Defines how quality will be managed across the program.
- Defines Quality Assurance activities.
- Defines Quality Control activities; and
- Defines the process for managing document quality.

Attachments

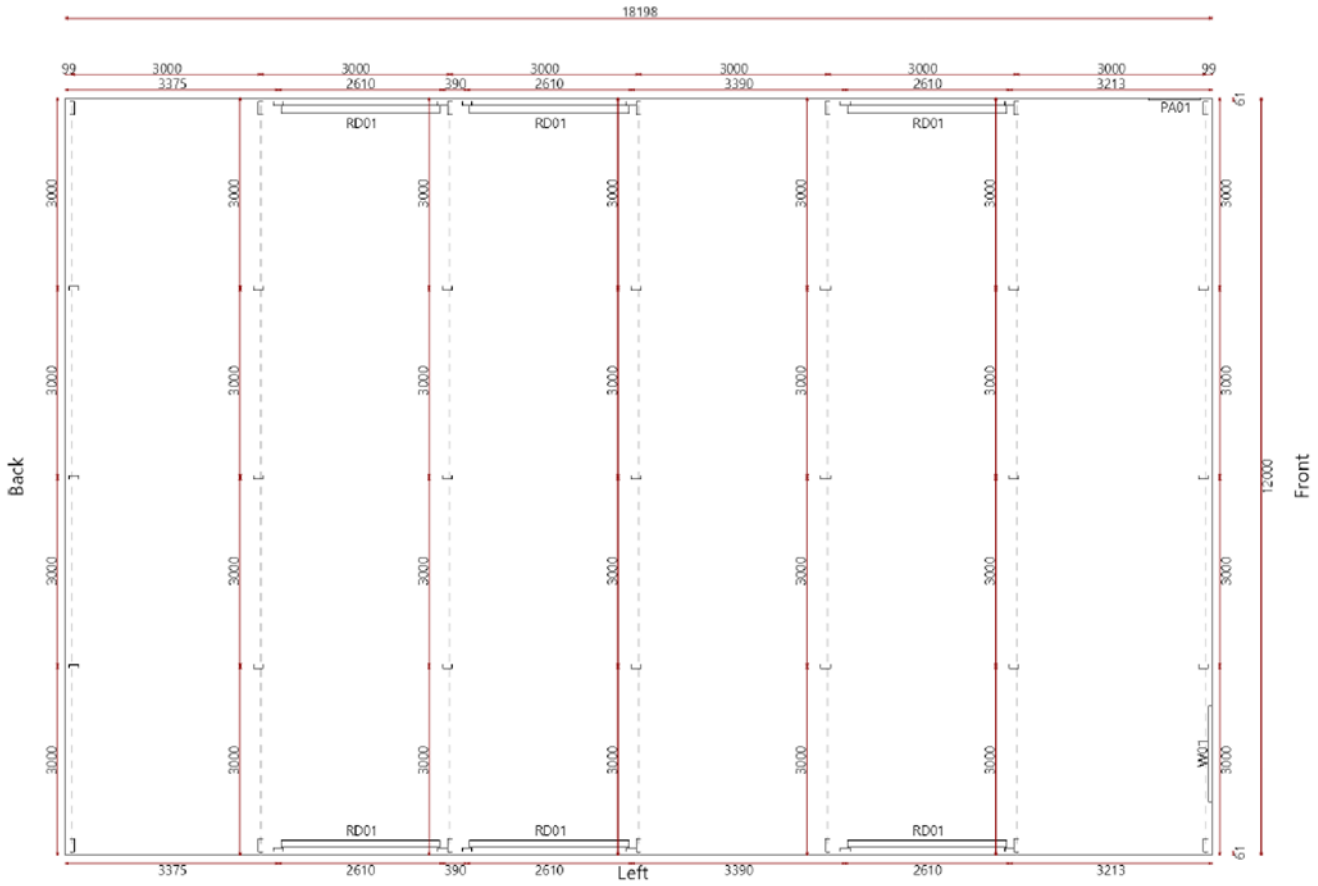
Attachment 1

Design documentation

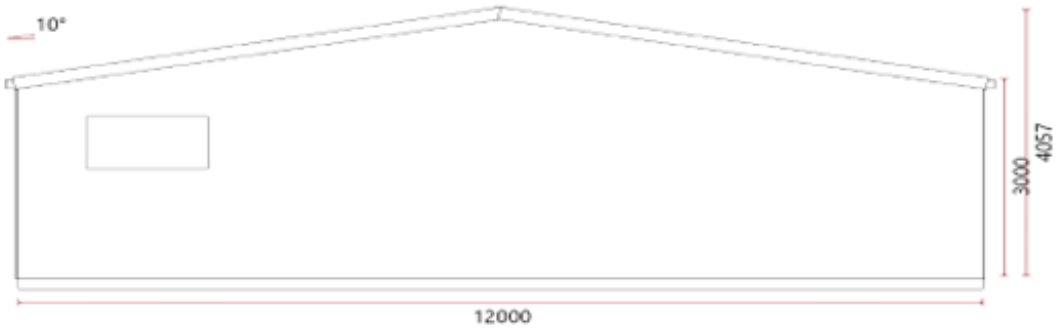
Site layout

Recycling Shed

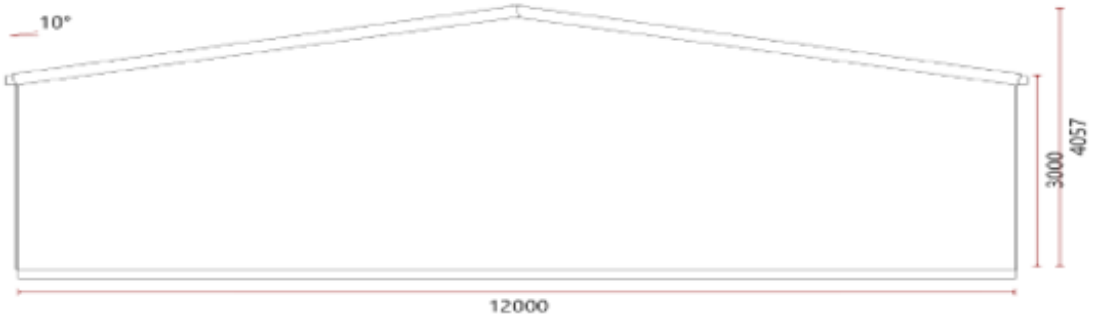
Plan



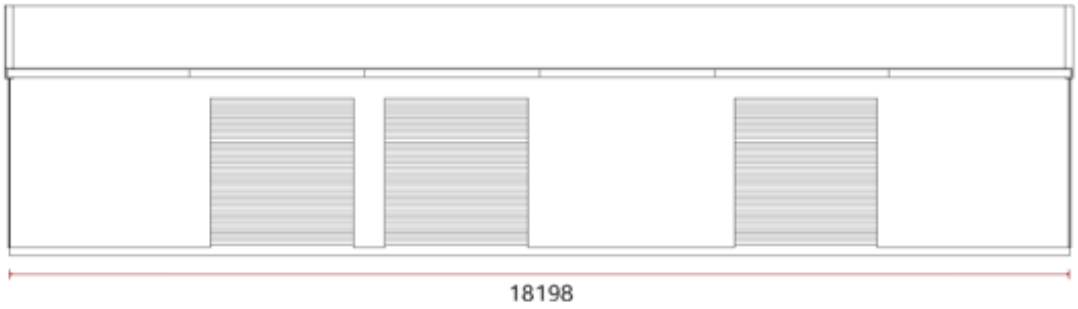
Front Elevation



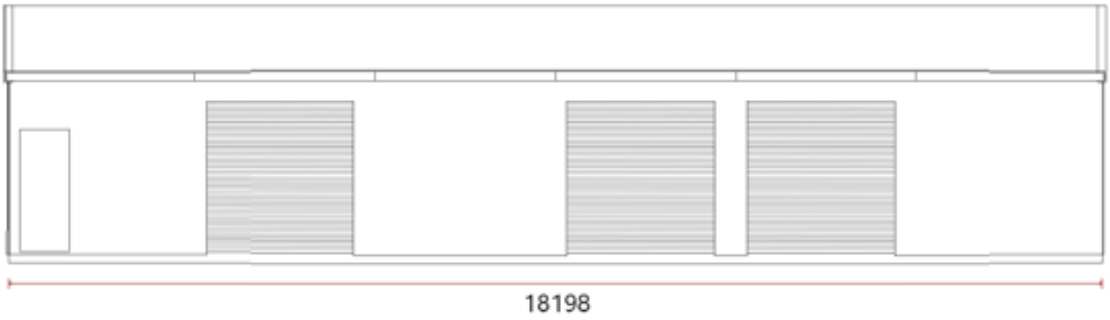
Back Elevation



Left Elevation



Right Elevation



Attachment 2

Risk Register

Risk – summarised title	Consequence	Likelihood	Risk Rating (without controls in place)	Causes	Consequences/impacts	Description of treatments – measures to be implemented to mitigate/prevent the risk	Risk Owner	Consequence after controls	Likelihood with controls	Residual Risk Rating (with controls in place)
PROJECT MANAGEMENT										
Securing construction contractor for project	Moderate	Unlikely	Medium	Availability of construction contractors and accommodation on Island	Project delays; Increased cost due to competition	Wide advertising of tender. Briefings to local builders to encourage local tenders.	CEO	Moderate	Unlikely	Medium
Job approval process delays project progression	Moderate	Unlikely	Medium	Inadequate project governance	Project delays	Robust contract based on WALGA model. Delegations in place. Prioritised work with planners and Council	CEO	Moderate	Rare	Medium
Project changes are made outside scope of original project design	Minor	Unlikely	Low	Inadequate project governance and reporting	Funding jeopardised; Increased costs	Contract establishes project governance. Project Management from experienced Management staff and contractors	Low Risk managed as part of normal processes	Minor	Unlikely	Low
Poorly defined project scope leading to insufficient funding and inability to access project resources	Moderate	Unlikely	Medium	Inadequate planning and understanding of project requirements and unique geographic location	Project unable to be completed: Funding jeopardised	Design process to include QS pricing checks relevant to Cocos Keeling Islands with brief to ensure can be completed within budget. Support from qualified and experienced staff	Low Risk managed as part of normal processes	Minor	Unlikely	Low
Site conditions do not meet expectations accounted for in project planning	Moderate	Unlikely	Medium	Contractor does not understand location	Project delays; Shortfall in project funding	Experience in construction in Cocos Keeling Island environment a factor in tender selection. Reference checks of tenderers. Support from local Manager of Works and Services. Support and advice from Architect who has worked on CKI previously.	Project Manager	Moderate	Rare	Medium
Design error or planning fails to adequately address requirements,	Moderate	Unlikely	Medium	Shire of CKI approves design that does not meet planning requirements	Project delays; Increased costs; Funding jeopardised; Non- compliance with WALG requirements; Quality Reputational damage	Shire of Dandaragan qualified planners and Building Surveyor engaged in planning process. Design and oversight support from experienced Architect. Design approved as per planning approval and building approval processes.	CEO	Moderate	Rare	Medium
Breakdown in client – contractor relationship	Moderate	Unlikely	Medium	Serious dispute or major variation to project	Project delays; Increased costs; Reputational damage	Tender evaluation to include reference checks. Regular meetings between contractor Shire Staff and Management..	Project Manager/CEO	Moderate	Rare	Medium

Damage or theft to site, equipment and tools	Minor	Unlikely	Low	Inadequate site security. Actual events of crime or inappropriate behaviour.	Significant value of materials lost; Project delays; Increased costs; Reputational damage	Site Management Plan to ensure responsibility remains with contractor/management staff for site and material security. Contractor/ Shire management staff responsible for site and material security and general site presentation and insurance.	Risk managed internally by Shire Management staff and Contractor.	Moderate	Rare	Medium
Performance of construction contractors	Moderate	Possible	High	Contractors performance does not meet expectations due to poor communication channels and misunderstanding of expectations	Project delays; Increased costs; Reputational damage	Robust Contract and project plan. Contractors to provide regular reporting on project progress against plan.	Project Manager/CEO	Moderate	Unlikely	Medium
RESOURCE AVAILABILITY										
Availability of construction materials	Moderate	Possible	High	Air or sea freight availability does not meet requirements[i]	Project delays; Increased costs;	Contractor/project manager and procurement staff responsible for delivery of construction materials to site. Appropriate planning and timelines.	Contractor/Project manager, Management Staff	Moderate	Unlikely	Medium
Unexpected increase in the cost of construction material	Moderate	Possible	High	Logistics of getting material to the island, and then storing the material once it arrives may impact how much can be delivered at any one time and therefore expose materials to price fluctuations.	Increased costs	Management staff, procurement officer, Shire senior builder to co-ordinate material purchasing and storage once on island.	Management staff, procurement officer, Shire senior builder	Moderate	Unlikely	Medium
Quality of material impacted by high humidity	Moderate	Unlikely	Medium	Materials selected for construction not appropriate for ocean water or high humidity	Quality	Management staff, senior builder and procurement officer are responsible for material selection Defect liability period in contract.	Management staff, procurement officer, Shire senior builder	Moderate	Rare	Medium
Safety hazards that lead to worker accidents and injuries	Major	Possible	High	Inadequate safety training provided. Safety culture on-site does meet OSH legislative requirements.	Project delays: Project shut down; Injury	Project contractors and Shire to have safety processes in place in line with Western Australian Occupational Safety and Health legislation. Shire OSH Policies and procedures. Contractor induction. Insurance required.	Management Staff	Minor	Possible	Medium
FINANCIAL										
Cash flow	Minor	Possible	Medium	Timing of reimbursement of Growing Regions Program Grant puts pressure on cash flow	Project delays; Increases costs; Dispute with contractors Reputational damage	Cocos Keeling Islands to hold sufficient flexibility in cash flow reserves to account for timing differences.	CEO	Insignificant	Possible	Low

Payment of terms	Moderate	Possible	High	Project governance or contract does not specify payment terms. Delegated authority not assigned if CKI CEO absent.	Project delays; Increases costs; Dispute with principal contractor; Reputational damage	Any Contract with contractors to specify payment terms that Shire of CKI are able to meet. Payment delegations in place if CKI CEO absent for extended periods.	CEO	Minor	Rare	low
Contractor comes under financial stress or insolvent during project	Major	Possible	High	Project quotes insufficient or insufficient contingency identified for risks listed throughout this plan	Project delays; Increased costs; Reputational damage; Project quality compromised	Insurance Reference checking during tender process. Payment arrangement including payment in arrears to retain sufficient funds for CKI to complete works if necessary	CEO	Moderate	Possible	High
NATURAL AND COMMUNITY FACTORS										
Adverse weather conditions impact project	Major	Possible	High	CKI is subject to north-west monsoons from January to May	Project delays; Increased costs	Insurance Timing of commencement of the project to account for seasonal weather risks. Project plan to include contingency for delays (time and money)	CEO/ Shire Management Staff	Major	Unlikely	Medium
Restricted access during wet season	Moderate	Possible	High	Adverse weather impacts flights and shipping of freight	Project delays; Increased costs; Logistics	Project plan to include contingency in timelines. Unlikely to be more than a few days.	Project manager/Shire Management Staff	Minor	Possible	Medium
HUMAN RESOURCES										
Availability of labour	Moderate	Possible	High	Availability of construction labour on Island	Project delays; Increased cost due	Priority project for the Shire. Shire has several qualified tradespeople (carpenter, builder, plumber) to supplement contractor labour if required. Contractor labour to be sought for specific jobs within the project	Shire Management Staff	Minor	Possible	Medium
Cost of labour	Moderate	Possible	High	Availability of Labour on Island	Increased costs	Advertise casual pool, retain current casual project staff, use of other Contractors on Island	Shire Management Staff	Minor	Possible	Medium
SOCIAL RISK										
Community resistance to project	Minor	Rare	Low	Site conditions, dust, noise, , tidiness and hygiene poorly managed	Project delays due to complaints	Site is well away from residential area. Site Management Plan Dust Management Plan	Low Risk managed as part of normal processes	Minor	Rare	low