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AGENDA

SCHEDULED MEETING OF COUNCIL **FOR** **WEDNESDAY 24 APRIL 2024** **TO BE HELD AT COBRAM CIVIC CENTRE, PUNT ROAD COBRAM VIC 3644** **COMMENCING AT 4.30PM**

RECORDING

Consistent with section 13.3 of our Governance Rules, Council officers have been authorised to record the public session of this meeting using an audio recording device.

LIVE STREAMING

Council meetings will now be lived streamed to allow those interested in viewing proceedings greater access to Council decisions and debate, without attending the meeting in person.

1. WELCOME CALLING TO ORDER – CEO

2. PRAYER

Almighty God we humbly ask you to guide our deliberations for the welfare and benefit of the Moira Shire and its people whom we serve.

Amen

3. ACKNOWLEDGEMENT OF TRADITIONAL OWNERS

We, the Moira Shire Council, acknowledge the traditional owners of the land upon which we meet and pay our respects to their Elders both past and present.

4. APOLOGIES / LEAVE OF ABSENCE

5. DISCLOSURE OF CONFLICTS OF INTEREST

6. CONFIRMATION OF MINUTES OF PREVIOUS MEETING

Recommendation: That the minutes of the Scheduled Council Meeting held on Wednesday, 27 March 2024, as presented, be adopted.

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FILE NO: F13/789
5. TRANSPARENT AND ACCOUNTABLE
GOVERNANCE

ITEM NO: 9.1.1
(ACTING MANAGER GOVERNANCE, RISK
AND PERFORMANCE, NANCY MUSTICA
(DIRECTOR CORPORATE PERFORMANCE
MATT JARVIS)

NUMURKAH SHOW DAY AS A SUBSTITUTE PUBLIC HOLIDAY FOR THE APPOINTED MELBOURNE CUP PUBLIC HOLIDAY IN 2024

RECOMMENDATION

That Council, in accordance with section 8A of the *Public Holidays Act 1993*, request the Minister for Small Business to declare a full day public holiday within the Numurkah district, as defined on the attached map, on Wednesday 23 October 2024 for the Numurkah Show as a substitute public holiday for the appointed Melbourne Cup Public Holiday in 2024.

1. Executive Summary

Council received a letter from the Numurkah Agricultural Society requesting that Moira Shire Council, under the Public Holiday Amendment Bill 2011, recommend the Society be granted a Public Holiday for the 2024 Numurkah Show which will be held on Wednesday 23 October 2024 for the Numurkah District. (The Numurkah district is defined by the Numurkah Agricultural and Pastoral Society Inc as the area within the Shire boundaries prior to amalgamation.)

Under the Act, Councils can request a substitute public holiday for Melbourne Cup Day. In the past, Council has successfully requested that a public holiday be declared for the last twelve Numurkah Show Days. It is recommended that Council continue to support the full day public holiday for the Numurkah Show Day in 2024.

2. Conflict of Interest Considerations

There are no officer conflict of interest issues to consider within this report.

3. Background & Context

The *Public Holidays Act 1993* was amended in 2008 and as a result Melbourne Cup Day was automatically made a public holiday across the entire State of Victoria. This change ensured that all Victorians receive the same number of public holidays each year, regardless of where they live.

The Public Holiday Amendment Bill, May 2011 amended section 8 of the *Public Holiday Act 1993* so that it is subject to a new section 8A. Section 8A allows councils to request a substitute holiday for Melbourne Cup Day.

Under the amended Act, non-metropolitan councils may request in writing that the Minister make a declaration under Section 8(1):

- (a) that the day appointed under section 6, being the first Tuesday in November (Melbourne Cup Day) is not in a specified year such a public holiday in the whole or any part of the municipal district of that Council; and
- (b) that another day or two half days (one half day of which may be Melbourne Cup Day) be appointed as a public holiday or two public half-holidays in that year.

A request must be made at least 90 days before the Melbourne Cup Day to which the request relates.

In years prior to 2008, Council declared a half day public holiday in the Numurkah district, as it existed prior to amalgamation, in recognition of the local Numurkah Show. However, no alternate arrangements were declared in any other area.

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(ACTING MANAGER GOVERNANCE, RISK
AND PERFORMANCE, NANCY MUSTICA
(DIRECTOR CORPORATE PERFORMANCE
MATT JARVIS)

NUMURKAH SHOW DAY AS A SUBSTITUTE PUBLIC HOLIDAY FOR THE APPOINTED MELBOURNE CUP PUBLIC HOLIDAY IN 2024 (cont'd)

Since 2011 Council has requested that a public holiday be declared for the Numurkah Show Days. It is recommended that Council continue to support the full day public holiday for the Numurkah Show Day in 2024.

4. Issues

There are no issues identified with this proposal.

5. Strategic Alignment

This report aligns with the Council Plan objective of Transparent and Accountable Governance and Customer Focused and Responsive.

6. Internal and External Consultation

A petition was received by Council in early 2011. Council received a delegation from the Numurkah Agricultural and Pastoral Society on the 21st of March 2011 seeking support for the Show Day public holiday. Council has since received letters annually requesting that Council recommends a Public Holiday.

7. Budget / Financial Considerations

There are no identified financial implications to Council in relation to this decision as the annual budget has taken into account all entitled public holidays.

8. Risk & Mitigation

There are no risk management issues associated with this report.

9. Conclusion

Council is aware that changes to the *Public Holidays Act 1993*, amended in 2011, creates an opportunity to support the Numurkah Show as a public holiday and that strong representations have been made, particularly from the Numurkah Agricultural and Pastoral Society in relation to Council's ability to support the event and the public holiday in the area.

Moira Shire Council has requested the substitute public holiday for the Numurkah Show for the last 12 years and it is recommended that Council continue to support the full day public holiday for the Numurkah Show in 2024.

Attachments

- 1 Application for Public Holiday on Show Day 2024
- 2 Map of Numurkah Boundary

FILE NO: F13/789
5. TRANSPARENT AND ACCOUNTABLE
GOVERNANCE

ITEM NO: 9.1.1
(ACTING MANAGER GOVERNANCE,
RISK AND PERFORMANCE, NANCY
MUSTICA (DIRECTOR CORPORATE
PERFORMANCE MATT JARVIS)

**NUMURKAH SHOW DAY AS A SUBSTITUTE PUBLIC HOLIDAY FOR THE
APPOINTED MELBOURNE CUP PUBLIC HOLIDAY IN 2024 (cont'd)**

ATTACHMENT No [1] - Application for Public Holiday on Show Day 2024



**NUMURKAH AGRICULTURAL
& PASTORAL SOCIETY INC.**
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10/03/2024

Matthew Morgan,
Chief Executive Officer,
Moira Shire Council
P.O. Box 578
COBRAM VIC 3643

Dear Mr Morgan

I am writing on behalf of the President and Members of the Numurkah Agricultural and Pastoral Society Inc. to request that the Moira Shire again grants this Society a Public Holiday under the terms of the Public Holiday Amendment Bill 2011, for the next Numurkah Show which will be held on Wednesday 23rd October 2024.

The citizens of Numurkah and surrounding district were very supportive of the show, attending and many people exhibiting animals, cooking, crafts etc. Traditionally there has been a public holiday for the annual show and this has allowed and encouraged families to participate. We are wanting this tradition to continue.

We thank the Council for its support and trust that the Moira Shire will grant us the Public Holiday for 2024. Members of the Numurkah Agricultural and Pastoral Society Inc. now await the Council's decision with anticipation.

Yours faithfully,

Tania Broadwood
Secretary

FILE NO: F13/789
5. TRANSPARENT AND ACCOUNTABLE
GOVERNANCE

ITEM NO: 9.1.1
(ACTING MANAGER GOVERNANCE,
RISK AND PERFORMANCE, NANCY
MUSTICA (DIRECTOR CORPORATE
PERFORMANCE MATT JARVIS)

**NUMURKAH SHOW DAY AS A SUBSTITUTE PUBLIC HOLIDAY FOR THE
APPOINTED MELBOURNE CUP PUBLIC HOLIDAY IN 2024 (cont'd)**

ATTACHMENT No [2] - Map of Numurkah Boundary



FILE NO:
5. TRANSPARENT AND ACCOUNTABLE
GOVERNANCE

ITEM NO: 9.1.2
(FINANCIAL ACCOUNTANT, ANDREW
WILSON)
(DIRECTOR CORPORATE PERFORMANCE
MATT JARVIS)

QUARTERLY BUDGET REVIEW - MARCH 2024

RECOMMENDATION

That Council:

1. Adopt the forecast for the 2023/24 financial year contained in the March 2024 Quarterly Budget Review; and
2. Note the Environment Upgrade Agreements quarterly performance report.

1. Executive Summary

The proposed March 2024 budget reforecast has been developed within the context of Council continuing its response to the findings of the Commission of Inquiry, the rollout of the organisational restructure and the difficulties in Council delivering its capital works program.

Income Statement

There has been a decrease in the forecast budget surplus from \$11.56 million in the Approved December 2023 Forecast to a deficit of \$0.13 million in the proposed March 2024 Quarterly Forecast. The main impact has been the transfer of \$12.09 million in Capital grant income to the 2024/25 financial year in line with the transfer of the corresponding capital works projects they fund.

Balance Sheet

The Balance Sheet of Council is forecast to remain in a financially healthy position by 30 June 2024, with current assets expected to be 3.32 times current liabilities. Strong reserves are set aside to fund the revised forecast capital works program of \$22.36 million.

Cash Flow

The cash position of Council continues to remain strong. As of 31 March 2024, Council held \$60.86 million in cash and investments and is forecast to hold \$55.36 million by 30 June 2024.

Capital Expenditure

The proposed capital works forecast as of 31 March 2024 is \$22.2 million compared to the Approved December 2023 Forecast of \$42.41 million. Year to date spend at the end of 31 March 2024 is \$10.97 million with a further \$11.82 million in outstanding commitments. The capital works program will carry over \$20.05 million in projects to the 2024/25 financial year.

2. Conflict of interest declaration

There are no officer conflicts of interest issues to consider within this report.

3. Background and Context

The quarterly budget review mandated under Section 97 of the *Local Government Act 2020* (the Act). The Act requires that at least every three months the Chief Executive Officer must ensure a statement comparing the budgeted revenue and expenditure for the financial year with actual revenue and expenditure to date presented to Council.

FILE NO:
5. TRANSPARENT AND ACCOUNTABLE
GOVERNANCE

ITEM NO: 9.1.2

QUARTERLY BUDGET REVIEW - MARCH 2024 (cont'd)

4. Issues

Carried Forward Capital Works

Council's capital works need to be managed prudently to strengthen Council's financial position and ensure Council meets all the low-risk financial sustainability indicators as specified by the Victorian Auditor-General's Office.

Delivery of the 2023/24 capital works program continues to be impacted by a combination of adverse factors including availability of contractors, internal resources and construction materials.

Council's Finance Team has worked with the Infrastructure Department to forecast remaining capital spend for the 2023/24 financial year, and that any projects that have been delayed are rolled forward as part of the 2024/25 financial year budget.

Grant Income

Council has a significant level of government grants. These grants underpin several capital works projects and operating programs, all of which are of importance to the Moira community. Operating grants for 2023/24 total \$14.89 million and capital grants \$5.49 million.

It is forecast that capital grant receipts totalling \$5.20 million will be held in unearned income as of 30 June 2024. This amount represents capital grants which have been received but the performance obligations under the funding agreement have not been satisfied.

5. Strategic Alignment

Council Plan

5. Transparent and accountable
governance

Performance Reporting Policy
Public Transparency Policy

6. Internal & External Engagement

Internal	Executive Leadership Team
	All Managers
	Engineering/Project Delivery Team
External	Not Applicable

FILE NO:
5. TRANSPARENT AND ACCOUNTABLE
GOVERNANCE

ITEM NO: 9.1.2

QUARTERLY BUDGET REVIEW - MARCH 2024 (cont'd)

7. Budget/ Financial Considerations

7.1 Summary of changes to projected operating result for the 2023/24 financial year.

The deficit for the proposed March 2024 Forecast is expected to be \$129,395 – a decrease of \$11,686,402 compared to the Approved December 2023 Forecast surplus of \$11,557,007.

Approved Forecast Dec 2023 vs Proposed Forecast Mar 2024	(Favourable) / Unfavourable \$
Approved December 2023 Forecast Surplus	(11,557,007)
Rates and charges	(90,000)
User fees	(30,693)
Grants - operating	(5,400)
Grants - capital	12,088,918
Contributions - monetary	(69,111)
Other income	(28,718)
Employee Costs	(102,540)
Materials & services	
- <i>Materials & consumables</i>	262,088
- <i>Contract services</i>	(307,573)
Share of Net Loss of Associated Entity	(10,000)
Other expenses	(20,569)
Proposed March 2024 Forecast Deficit	129,395

The reasons for the movements are as follows:

- a) **Rates and charges** – Increased income from 2023/24 supplementary property assessments processed in quarter three (\$90k).
- b) **User fees** – Collection of charges from community users of Council's Raw Water access for 2022/23 and 2023/24, caused by delays in replacement of the Sustainability Officer responsible for the function. The Finance Team, in conjunction with Council's Sustainability Officer, have bought the annual charges up to date (\$26k). Increased income from Immunisation fees directly collected from users (\$5k).
- c) **Grants - operating** – Increase in grant income from the State Government for the Mosquito Control Program (\$8k) offset by Seniors Week Event 2023/24 funding which was received in 2022/23 \$3k.
- d) **Grants – capital** – Transfer of Capital grant income to the 2024/25 financial year in line with the transfer of the corresponding capital works projects they fund, \$12.09 million.
- e) **Contributions – monetary** – Income from community contribution to the Numurkah Recreational Reserve Lighting (\$40k), developer contributions to the Open Space Reserve (\$31k), North East Water contribution to Integrated Water Management plan for Yarrowonga Victoria Park (\$10k), offset by reduced contribution to the Live 4 Life program \$12k.
- f) **Other Income** – Increased income from Election fine (\$14k), staff reimbursements for Motor Vehicle FBT costs (\$13k) and Government incentives for employing apprentices (\$2k).

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QUARTERLY BUDGET REVIEW - MARCH 2024 (cont'd)

- g) **Employee Costs** – Quarter three savings from continuing delays in backfilling roles (\$565k), offset by increased external employee costs for temporary replacement of key roles before permanent replacements can be appointed \$430k and additional training requirements in response to the Commission of Inquiry recommendations \$32k.
- h) **Materials and consumables** – Higher legal expenses forecast in Quarter four \$200k, higher insurance repair and excess costs \$29k, costs incurred for rectification of issues identified by the Worksafe provisional improvement notice (PIN) at Numurkah Depot \$23k and contribution to Murray River Group of Council's submission for the Murray Darling Basin Plan \$10k.
- i) **Contract services** – Consultant fees allocated for Road Safety Community Education and Awareness not required as alternative opportunities identified (\$345k), consultant fees for Bridging the Digital Connectivity Gap project removed due to failure to secure State Government grant funding (\$75k), transfer of consultant fees for Cobram Punt Road Masterplan to 2024/25 (\$20k). Offset by additional consultant support for People and Culture \$132k.
- j) **Share of Net Loss of Associated Entity** – Joint venture at Creekside Estate Nathalia resulted in net profit of \$103k which was recognised in the quarter two forecast, share of new loss not required (\$10k).
- k) **Other expenses** – Savings on unplanned audit fee expense for Financial Management Policies and Practices (\$21k).

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5. TRANSPARENT AND ACCOUNTABLE
GOVERNANCE

ITEM NO: 9.1.2

QUARTERLY BUDGET REVIEW - MARCH 2024 (cont'd)

7.2 Income Statement

Income Statement	Approved Forecast Dec 2023	YTD Actuals 2023/24	Proposed Forecast Mar 2024	Approved Forecast Dec 2023 vs Proposed Forecast Mar 2024
Income				
Rates and charges	(44,637,874)	(44,738,202)	(44,727,874)	(90,000)
Statutory fees and fines	(1,754,885)	(1,303,555)	(1,754,885)	-
User fees	(2,297,409)	(1,385,730)	(2,328,102)	(30,693)
Grants - operating	(14,882,508)	(1,550,604)	(14,887,908)	(5,400)
Grants - capital	(17,575,939)	(1,897,646)	(5,487,021)	12,088,918
Contributions - monetary	(650,950)	(680,061)	(720,061)	(69,111)
Contributions - non-monetary	(1,000,000)	-	(1,000,000)	-
Net gain on disposal of property, infrastructure, plant & equipment	(55,071)	(344,966)	(55,071)	-
Share of Net Profit of Joint Venture	(102,692)	(102,692)	(102,692)	-
Other income	(4,028,473)	(1,550,255)	(4,057,191)	(28,718)
Income Total	(86,985,801)	(53,553,711)	(75,120,805)	11,864,996
Expenditure				
Employee costs	26,572,905	17,979,664	26,470,365	(102,540)
Materials & services				
- <i>Materials & consumables</i>	19,884,249	13,321,132	20,146,337	262,088
- <i>Contract services</i>	9,545,059	6,392,810	9,237,486	(307,573)
- <i>Utilities</i>	1,183,541	684,845	1,183,541	-
Depreciation and amortisation	16,408,791	11,766,816	16,408,791	-
Bad and doubtful debts	15,000	-	15,000	-
Finance costs - leases	99,970	78,434	99,970	-
Share of Net Loss of Associated Entity	10,000	-	-	(10,000)
Other Expenses	1,709,279	755,243	1,688,710	(20,569)
Expenditure Total	75,428,794	50,978,944	75,250,200	(178,594)
Operating (Surplus)/ Deficit	(11,557,007)	(2,574,767)	129,395	11,686,402

FILE NO:
5. TRANSPARENT AND ACCOUNTABLE
GOVERNANCE

ITEM NO: 9.1.2

QUARTERLY BUDGET REVIEW - MARCH 2024 (cont'd)

7.3 Balance Sheet

Balance Sheet	Approved Forecast Dec 2023	YTD Actuals 2023/24	Proposed Forecast Mar 2024
Assets			
Cash and cash equivalents	6,921,000	6,864,082	9,761,895
Other financial assets	45,600,000	54,000,000	45,600,000
Trade and other receivables	3,644,000	13,403,443	3,651,230
GST Receivable	586,000	-	416,142
Inventories	666,000	644,378	666,000
Other assets	2,998,000	947,158	2,998,000
Total current assets	60,415,000	75,859,061	63,093,266
Investments in Associates & Joint Ventures	1,396,000	905,578	1,396,000
Property Plant Equipment & Infrastructure	815,455,000	763,365,923	782,782,804
Right-of- Use Assets	1,889,000	2,574,439	1,889,000
Intangible Assets	6,419,000	6,492,902	6,419,000
Total non-current assets	825,159,000	773,338,842	792,486,804
Total Assets	885,574,000	849,197,903	855,580,070
Liabilities			
Trade and other payables	2,961,000	1,300,007	2,806,623
Trust funds & deposits	3,398,000	5,200,944	3,398,000
Unearned income/revenue	5,203,000	8,351,931	5,203,000
Provisions	7,021,000	6,339,259	7,021,000
Interest-bearing liabilities	603,000	7,424	137,539
Lease liabilities	464,000	212,341	464,000
Total current liabilities	19,650,000	21,411,906	19,030,162
Provisions	7,256,000	8,343,971	7,256,000
Interest-bearing liabilities	6,575,000	1,483,150	1,315,908
Lease liabilities	1,474,000	1,947,559	1,474,000
Total non-current liabilities	15,305,000	11,774,680	10,045,908
Total liabilities	34,955,000	33,186,586	29,076,070
Net assets	850,619,000	816,011,317	826,504,000
Equity			
Accumulated surplus	270,093,000	247,909,192	258,406,000
Reserves	580,526,000	568,102,125	568,098,000
Net equity	850,619,000	816,011,317	826,504,000

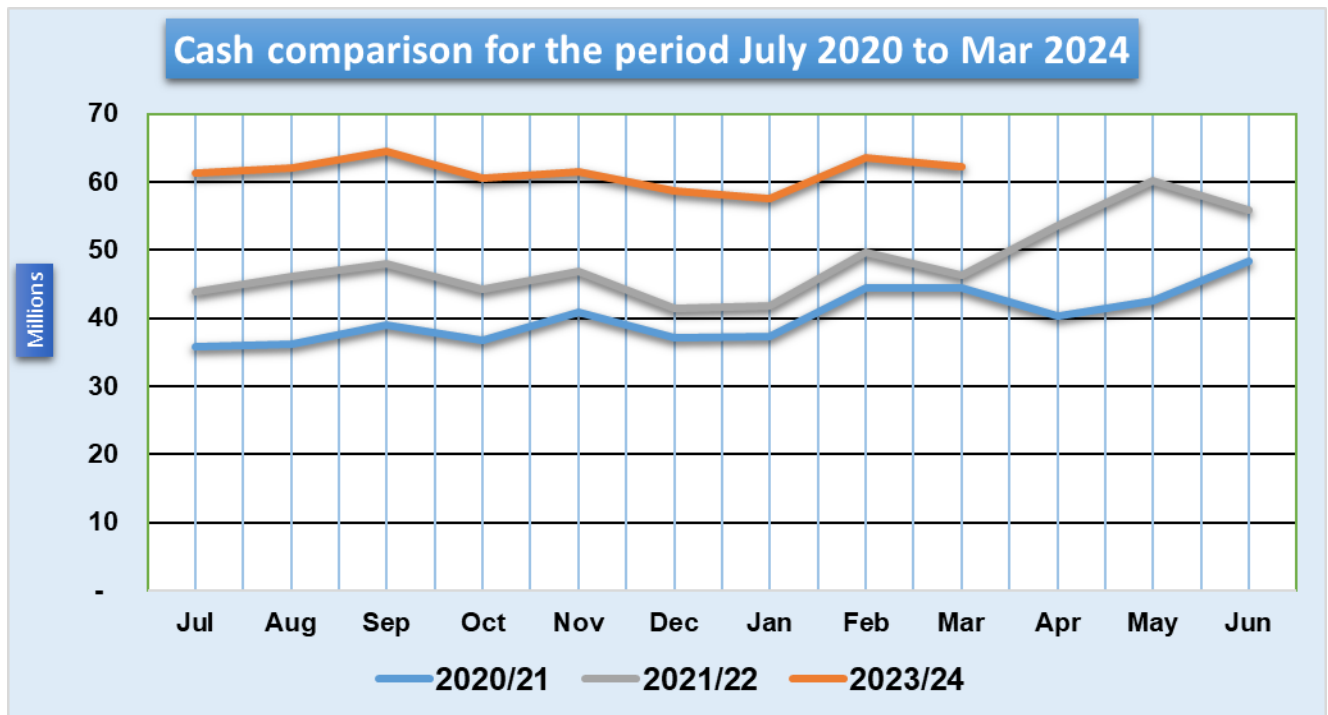
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QUARTERLY BUDGET REVIEW - MARCH 2024 (cont'd)

- a) **Current Assets** – As of 31 March 2024, \$13.85 million in Rates and Fire Services Levy debtors remain outstanding. It's expected recovery of debtors through to 30 June 2024 will be consistent with prior year. As capital projects are completed over 2023/24, Council will see a reduction in cash invested in term deposits (other financial assets).
- b) **Non-Current Assets** – Property Plant Equipment and Infrastructure variance is forecast to close out when 2023/24 capital works program is capitalised, and revaluations applied.
- c) **Current Liabilities** – As of 31 March 2024, there is \$8.35 million in unearned grant income, it is forecast that as delayed capital projects are completed this will reduce to \$5.2m by 30 June 2023.
- d) **Non-Current Liabilities** – Interest-bearing liabilities is forecast as \$1.32 million. Due to delays in the Yarrowonga Library and MultiSports Stadium projects, it is expected Council will drawdown previously approved loans from the Treasury Corporation Victoria (TCV) in 2024/25.

7.4 Cash Flow



The balance of cash and cash equivalents on 30 June 2024 is forecast to be \$55.36 million.

FILE NO:
5. TRANSPARENT AND ACCOUNTABLE
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ITEM NO: 9.1.2

QUARTERLY BUDGET REVIEW - MARCH 2024 (cont'd)

7.5 Statement of Capital Works - Proposed March 2024 Forecast

Capital Works	Approved Forecast Dec 2023	YTD Actuals 2023/24	Proposed Forecast Mar 2024
Property			
Land	20,000	9,003	20,000
Land improvements (incl land development)	3,049,021	817,616	1,784,213
Buildings	14,326,693	2,147,204	5,282,760
Total property	17,395,714	2,973,824	7,086,973
Plant and equipment			
Plant, machinery and equipment	4,328,254	2,219,382	3,121,106
Fixtures, fittings and furniture	9,585	9,585	9,585
Computers and telecommunications	84,000	10,000	84,000
Total plant and equipment	4,421,839	2,238,967	3,214,691
Infrastructure			
Roads	9,645,922	1,400,160	4,798,021
Bridges	1,593,979	75,139	354,449
Footpaths and cycleways	940,913	666,342	734,913
Drainage	4,130,859	1,553,668	2,656,003
Kerb and channel	810,762	159,136	437,826
Recreational, leisure and community facilities	2,380,562	1,486,876	2,316,823
Waste management	326,310	89,476	86,014
Parks, open space and streetscapes	475,257	302,978	475,257
Aerodromes	262,587	17,450	17,587
Other infrastructure	25,732	12,813	25,732
Total infrastructure	20,592,883	5,764,040	11,902,625
Total capital works expenditure	42,410,436	10,976,830	22,204,289

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QUARTERLY BUDGET REVIEW - MARCH 2024 (cont'd)

7.6 Proposed budget amendments to capital works for the 2023/24 financial year

Capital Works Project	Comment	Budget Impact (Increase) / Decrease \$
Capital Budget Reductions		
Pyke Street Bundalong - Drainage Upgrade	Capital budget carried forward to 2024/25 capital works program	20,520
Shire Cross Roads Safety Improvements	Capital budget carried forward to 2024/25 capital works program	27,190
Yarrowonga Wetlands and Marine Pde Drainage	Capital budget carried forward to 2024/25 capital works program	48,255
Acacia & Melaleuca Sts Y'wonga Road Wrks	Capital budget carried forward to 2024/25 capital works program	57,691
Nathalia Drainage Improvement - Park St Area	Capital budget carried forward to 2024/25 capital works program	60,964
Bridge Safety Railing Program	Capital budget carried forward to 2024/25 capital works program	75,000
Waaia Public Toilet Renewal	Capital budget carried forward to 2024/25 capital works program	115,870
Fenced Off-Leash Dog Parks	Capital budget carried forward to 2024/25 capital works program	124,773
Stormwater Pump Infrastructure - Generator Back-up	Capital budget carried forward to 2024/25 capital works program	150,000
Road Asphaltting Program (R2R)	Capital budget carried forward to 2024/25 capital works program	164,175
Numurkah Town Hall - Power Supply & Meters	Capital budget carried forward to 2024/25 capital works program	173,000
Botts Road MVH Culvert Upgrade	Capital budget carried forward to 2024/25 capital works program	195,117
Resale Shop - Cobram & Numurkah Transfer Stations	Capital budget carried forward to 2024/25 capital works program	240,296
Yarrowonga Aerodrome Taxiway Compliance Works	Capital budget carried forward to 2024/25 capital works program	245,000
Yarrowonga Depot Renewal	Capital budget carried forward to 2024/25 capital works program	363,595
Woods Road Yarrowonga - Kerb & Channel	Capital budget carried forward to 2024/25 capital works program	372,936
Gravel Shoulder Resheets R2R	Transfer budget to 04258.7338.0506 to fund reconstruction of Carmichaels Roads	431,697
Levee Bank Renewal program	Capital budget carried forward to 2024/25 capital works program	500,000
Heavy Plant New Plant Purchases	Capital budget carried forward to 2024/25 capital works program	531,435
Heavy Plant Replacement Plant	Capital budget carried forward to 2024/25 capital works program	725,000
Numurkah Flood Mitigation - Stage 1	Capital budget carried forward to 2024/25 capital works program	764,808
Flood Recovery Works - Culverts	Capital budget carried forward to 2024/25 capital works program	1,000,000
Bourkes Bridge Renewal	Capital budget carried forward to 2024/25 capital works program	1,164,530

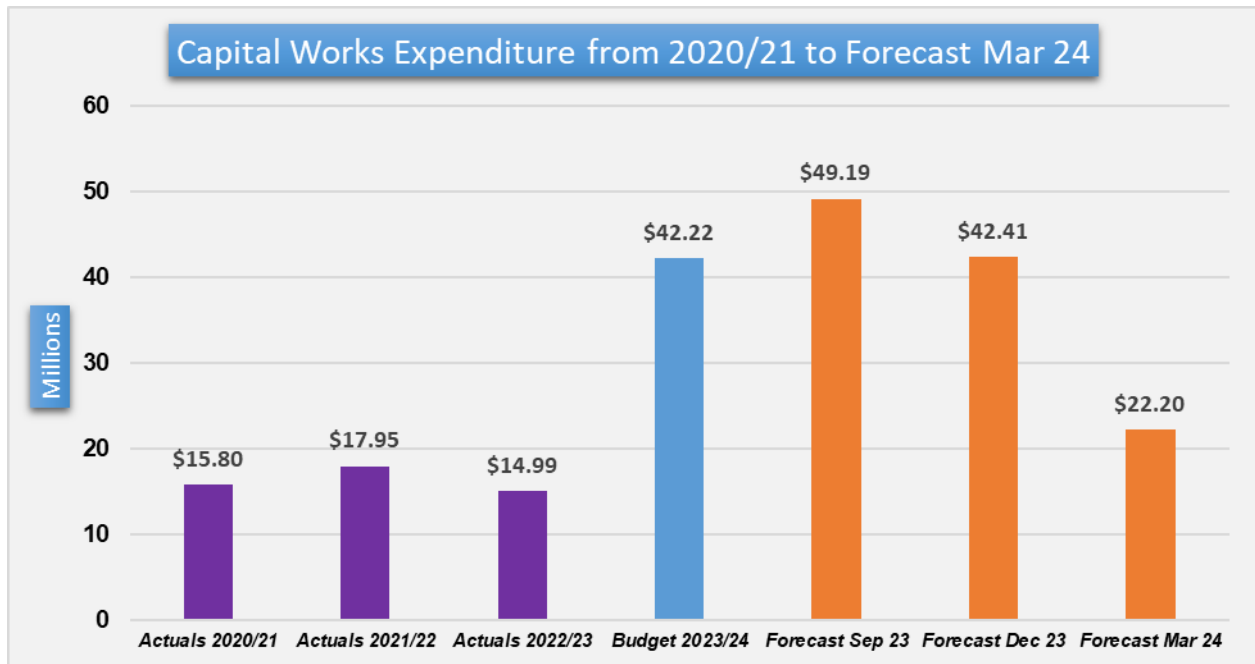
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QUARTERLY BUDGET REVIEW - MARCH 2024 (cont'd)

Capital Works Project	Comment	Budget Impact (Increase) / Decrease \$
Capital Budget Reductions		
Flood Recovery Works - Other Roads	Capital budget carried forward to 2024/25 capital works program	2,100,000
Flood Recovery Works-Stewarts Bridge Rd	Capital budget carried forward to 2024/25 capital works program	2,498,845
Yarrawonga Library	Capital budget carried forward to 2024/25 capital works program	3,242,842
Yarrawonga Multisports Stadium	Capital budget carried forward to 2024/25 capital works program	5,090,626
Capital Budget Increases		
Total Capital Works Budget Amendments		20,052,468

7.7 Capital Works Expenditure – From 2020/21 to 2023/24



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QUARTERLY BUDGET REVIEW - MARCH 2024 (cont'd)

7.8 Financial Performance Indicators

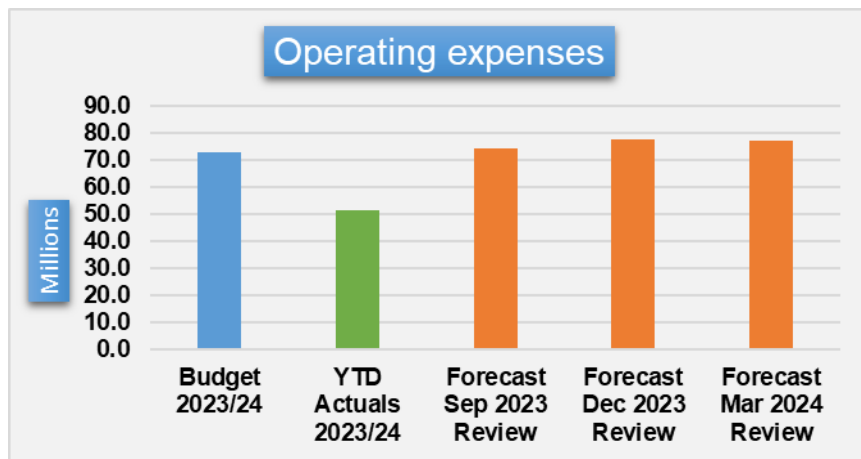
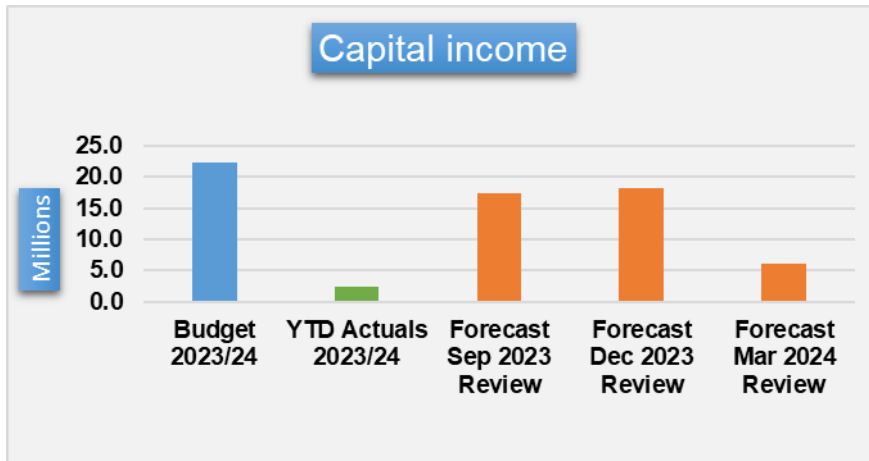
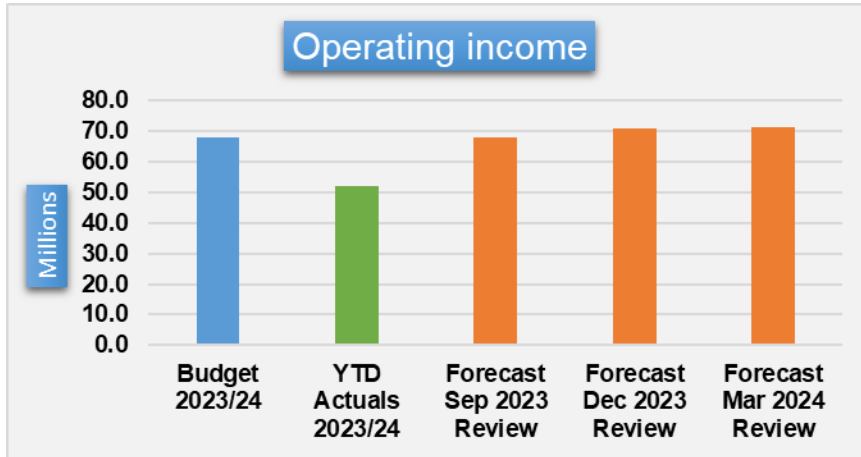
	Dimension/indicator /measure	Results 2021	Results 2022	Results 2023	Budget 2023/24	Sep 2023 Review	Dec 2023 Review	Mar 2024 Review
	Efficiency							
	Expenditure level							
E2	Expenses per property assessment [Total expenses / Number of property assessments]	\$3,288	\$3,280	\$3,498	\$3,829	\$3,992	\$4,140	\$4,100
	Revenue level							
E4	Average rate per property assessment [General rates and Municipal charges / Number of property assessments]	\$1,732	\$1,761	\$1,793	\$1,851	\$1,876	\$1,864	\$1,851
	Liquidity							
	Working capital							
L1	Current assets compared to current liabilities [Current assets / Current liabilities] x100	259.88%	346.04%	330.43%	321.11%	294.32%	307.47%	331.54%
	Unrestricted cash							
L2	Unrestricted cash compared to current liabilities [Unrestricted cash / Current liabilities] x100	208.08%	285.73%	189.29%	163.81%	184.07%	176.20%	196.19%
	Obligations							
	Loans and borrowings							
O2	Loans and borrowings compared to rates [Interest bearing loans and borrowings / Rate revenue] x100	2.23%	1.97%	1.20%	16.39%	16.09%	16.08%	3.26%
O3	Loans and borrowings repayments compared to rates [Interest and principal repayments on interest bearing loans and borrowings / Rate revenue] x100	1.80%	1.64%	0.73%	0.32%	0.63%	0.63%	0.40%
	Indebtedness							
O4	Non-current liabilities compared to own source revenue [Non-current liabilities / Own source revenue] x100	30.30%	28.94%	21.99%	40.33%	29.79%	28.07%	18.95%
	Asset renewal and upgrade							
O5	Asset renewal and upgrade compared to depreciation [Asset renewal and upgrade expense / Asset depreciation] x100	100.48%	106.15%	97.89%	209.28%	203.39%	162.27%	97.64%
	Operating position							
	Adjusted underlying result							
OP1	Adjusted underlying surplus (or deficit) [Adjusted underlying surplus (deficit) / Adjusted underlying revenue] x100	2.91%	11.48%	11.75%	(4.20)%	(4.47)%	(6.22)%	(5.84)%
	Stability							
	Rates concentration							
S1	Rates compared to adjusted underlying revenue [Rate revenue / Adjusted underlying revenue] x100	65.02%	60.55%	57.88%	65.48%	64.71%	61.52%	62.78%
	Rates effort							
S2	Rates compared to property values [Rate revenue / Capital improved value of rateable properties in the municipality] x100	0.58%	0.53%	0.43%	0.44%	0.38%	0.38%	0.38%

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QUARTERLY BUDGET REVIEW - MARCH 2024 (cont'd)

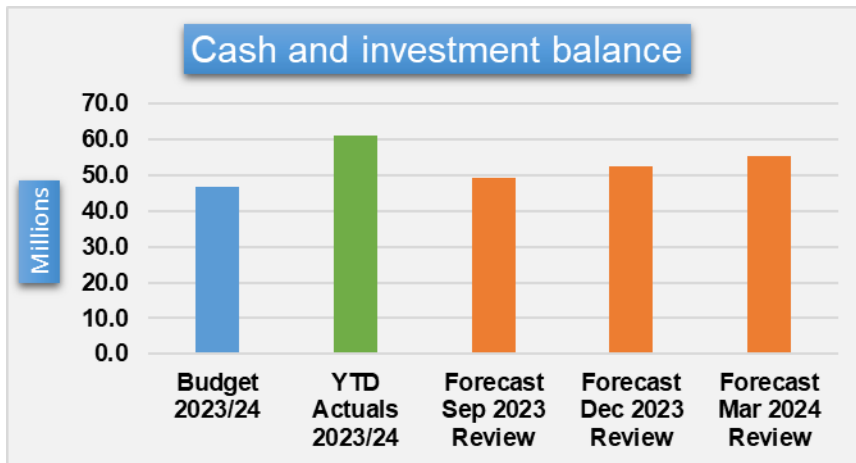
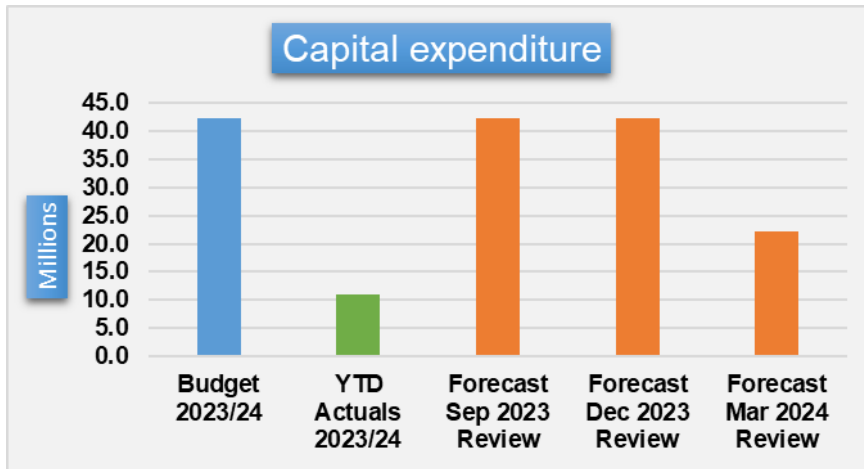
7.9 Financial Indicators



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QUARTERLY BUDGET REVIEW - MARCH 2024 (cont'd)



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QUARTERLY BUDGET REVIEW - MARCH 2024 (cont'd)

8. Environmental Upgrade Agreement (EUA) - Quarterly Performance Reporting

An Environmental Upgrade Agreement (EUA) is a financing mechanism under the *Local Government Act 1989 (Vic)* which allows building owners to repay a loan for upgrades through a local council charge on the land. This financing mechanism can be used for a range of upgrade works improving the environmental and sustainability performance of existing buildings.

On 15 December 2023, Council was advised that the lending body SAF Lending Pty Ltd and its administrative arm Better Building Finance entered voluntary liquidation. Five of Council's EUA's have been assigned to Perpetual Trustees. Council has taken over responsibility for collecting these repayments and passing the funds to the Trustee. The sixth agreement has been assigned to a private investor; the EUA repayments are being collected directly by them. Council did not provide direct funding to applicants; its exposure is contained to administration of the repayments.

Section 181 (G) of the *Local Government Act 1989 (Vic)* requires Council to report on the following matters pertaining to EUAs:

Local Government Act 1989 (Vic)	Status as of 31 March 2024
s.181G (a) Each environmental upgrade agreement entered into in the last quarter, and the rateable land to which the agreement relates.	No new agreements were entered into during the reporting period
s.181G (b) Each environmental upgrade charge approved in respect of the agreements referred to in paragraph (a), and the value of the charges.	No new agreements were entered into during the reporting period
s.181G (c) The total number of environmental upgrade charges in operation in the last quarter.	6
s.181G (d) The total value of all environmental upgrade charge payments that have fallen due and have not been paid.	Nil
s.181G (e) The total value of all environmental upgrade charge payments that are yet to fall due.	\$5,047,021

9. Risk Mitigation

There are no risks issues to consider with this report.

10. Conclusion

The projected cash and term deposit position is \$55.36 million as of 30 June 2024.

An operating deficit of \$0.13 million forecast as of 30 June 2024.

A forecast 2023/24 capital works program of \$22.2 million.

Attachments

Nil

FILE NO:
5. TRANSPARENT AND ACCOUNTABLE
GOVERNANCE

ITEM NO: 9.1.3
(PROCUREMENT OFFICER, LISA KNIGHT)
(DIRECTOR CORPORATE PERFORMANCE
MATT JARVIS)

CONTRACTS AWARDED UNDER DELEGATION REPORT

Recommendation

That Council note the quarterly report for contracts awarded under CEO delegation.

1. Executive Summary

Council's *Instrument of Delegation to the Chief Executive Officer* was adopted on 27 October 2021 which provides a delegation to the Chief Executive Officer (CEO) to award contracts up to the value of \$350,000. This delegation was updated to \$500,000 (exc. GST) during the Council meeting held on 27 March 2024.

This report lists all contracts awarded under the CEO delegation for the period 1 January 2024 – 31 March 2024, noting the delegation was \$350,000 (exc. GST) up to and including 27 March 2024.

2. Conflict of interest declaration

There is no officer conflict of interest considerations.

3. Background & Context

In accordance with Section 108 of the *Local Government Act 2020*, Council adopted a Procurement Policy ('Policy') on 27 October 2021. One of the Policy's objectives is to achieve an outcome of 'High standards of probity, transparency, accountability and risk management'.

Council's Instrument of Delegation to the Chief Executive Officer, adopted on 27 October 2021, confirms a delegation to the CEO to award contracts up to the value of \$350,000 (exc. GST). As purchases between \$150,001 - \$350,000 (exc. GST) must be approved by the CEO, this report highlights contracts awarded within this delegation threshold. This delegation was updated to \$500,000 (exc. GST) during the Council meeting held on 27 March 2024.

Under Appendix A of the Policy, purchases between \$150,001 - \$350,000 (exc. GST) must follow an advertised Request for Quote (RFQ) process unless an eligible procurement exemption applies.

The below table lists the contracts awarded under delegation between 1 January 2024 - 31 March 2024.

Contract Number	Contract Title	Contract Value Ex gst	Awarded To
C041/23	Kerb and Channel Renewal - Ely Street, Yarrowonga	\$317,467.16	O'Loughlin Excavations Pty Ltd t/a Olex Civil
C040/23	Toilet Renewal Program - Yarrowonga Showgrounds	\$156,500.00	Envirodome Pty Ltd
C004/24	Supply and Delivery of One (1) 3m3 Dual Cab Tip Truck	\$162,656.00	Automotive Sales Vic t/a North East Shepparton
C003/24	Supply and Delivery of One (1) Backhoe	\$183,200.00	Capital Construction Equipment Pty Ltd

FILE NO:
5. TRANSPARENT AND ACCOUNTABLE
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ITEM NO: 9.1.3
(PROCUREMENT OFFICER, LISA KNIGHT)
(DIRECTOR CORPORATE PERFORMANCE
MATT JARVIS)

CONTRACTS AWARDED UNDER DELEGATION REPORT (cont'd)

4. Issues

No issues were raised within the contracts awarded under delegation.

5. Strategic Alignment

Council Plan

5. Transparent and accountable
governance

This report details the advertised RFQs that have been awarded or renewed under delegated authority. Under the Strategic Objective Pillar 5, communicating decisions made under delegation allows for greater transparency.

6. Internal & External Engagement

Internal and External Consultation was not required.

7. Budget / Financial Considerations

The Instrument of Delegation to the Chief Executive Officer includes a delegation to award a contract for goods, services or works to \$350,000 (exc. GST), provided the costs are included in Council's approved budget. This delegation was updated to \$500,000 (exc. GST) during the Council meeting held on 27 March 2024.

8. Risk & Mitigation

The Procurement Policy provides guidance to the entire organisation on procurement practices that set a tone for a framework that upholds accountability and transparency. The policy is therefore a critical component of Council's overall risk management framework.

The Instrument of Delegation to the Chief Executive Officer supports Council's management of business risk and commitment to good governance.

9. Conclusion

This report details the contracts awarded under the CEO delegation for the period 1 January 2024 – 31 March 2024. Contracts were awarded through an advertised or invited procurement process.

Attachments

Nil

FILE NO:
5. TRANSPARENT AND ACCOUNTABLE
GOVERNANCE

ITEM NO: 9.1.4
(DIRECTOR CORPORATE PERFORMANCE,
MATT JARVIS)
(CHIEF EXECUTIVE OFFICER, MATTHEW
MORGAN)

YARRAWONGA LIBRARY, EVENTS AND PERFORMANCE PRECINCT (YLEPP) STAGE 1 TOTAL PROJECT COST ESTIMATE AND SCHEDULE OF WORKS UPDATE

Recommendation

That Council:

1. Approve the revised total project cost estimate for the Yarrowonga Library, Events and Performance Precinct – Stage 1 at \$11,266,000 (ex GST);
2. Note the revised schedule of works that forecasts a completion date of November 2025; and
3. Approve in principle, a scope change to Stage 1 to include a Unisex Toilet design at a proposed additional cost of \$95,000 (ex GST) to be added to the total project cost estimate.

1. Executive Summary

This paper seeks approval for the revised project cost estimate of \$11,266,000 (ex GST) for Stages 1 of the Yarrowonga Library, Events and Performance Precinct (YLEPP) Project.

The revised total project cost estimate for Stage 1 is inclusive of costs required to bring the project to commissioning, accounting for interfacing works and project management and support. The estimate includes allowances for increased construction and design contract costs, inflation, approved and potential contract variations and contingency for unforeseen costs.

The revised total project cost estimate results in a shortfall of \$3,655,000 (ex GST) in the draft long term financial plan and is proposed to be funded through accumulated cash reserves.

A revised schedule of works for Stage 1 has been prepared which now estimates a project completion date of November 2025.

A key stakeholder for the project, GV Libraries, has requested the use of a unisex toilet design. Subject to Council's in principle approval, this scope change would add an additional \$95,000 (ex GST) to the total project cost estimate reported in this paper.

2. Conflict of interest declaration

Nil

3. Background & Context

At the 27 March 2024 Scheduled Council Meeting, the Council approved changes to the scope of the Yarrowonga Library, Events, and Performance Precinct (YLEPP) project to progress the delivery of Stage 1 (library precinct) and re-evaluate the design for Stage 2 (town hall).

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5. TRANSPARENT AND ACCOUNTABLE
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ITEM NO: 9.1.4
(DIRECTOR CORPORATE PERFORMANCE,
MATT JARVIS)
(CHIEF EXECUTIVE OFFICER, MATTHEW
MORGAN)

**YARRAWONGA LIBRARY, EVENTS AND PERFORMANCE PRECINCT (YLEPP)
STAGE 1 TOTAL PROJECT COST ESTIMATE AND SCHEDULE OF WORKS
UPDATE (cont'd)**

The paper to the March Scheduled Council meeting noted the need for an update to the overarching budget for the project including a realistic cost estimation to complete Stage 1 and Stage 2 respectively.

Following the project reset, the total project cost estimate and high-level schedule for Stage 1, including the library precinct and enabling works, have been amended to reflect the revised scope.

This paper seeks Council approval to the revised total project cost estimate and revised schedule of works for Stage 1. In principle approval is also sought to a scope change to a unisex toilet design within Stage 1.

The total project estimate for Stage 2 of the YLEPP Project is subject to the outcomes of the Yarrowonga Town Hall Future Use Advisory Group and will be presented to Council at a future date.

4. Revised Total Project Cost Estimate – Stage 1

The revised total project cost estimate for **Stage 1 is \$11,266,000 (ex GST)**, noting the inclusion of costs to date on the project (as at December 2023). The below table provides a high level breakdown of the estimate.

Expenditure Type	Estimate \$
Design & Delivery	10,958,683
Powercor	292,505
Legal Expenses	14,812
Total Project Estimate	11,266,000

The revised total project cost estimate for Stage 1 is inclusive of costs required to bring the project to commissioning, accounting for interfacing works and project management and support.

The project estimate also accounts for:

- Significant delays, resulting in increased construction and design contract costs;
- Market increases in the order of 30 per cent for labour and materials from the 2019 initial project cost estimate and 2021 construction contract award until 2024 works commencement;
- Inclusion of interfacing and remedial works required to bring the project to completion;
- Potential variations due to evolving requirements in design and functionality;
- Variations from latent site conditions and third-party requirements; and
- Contingency to allow for unforeseen costs.

5. Revised Schedule of Works – Stage 1

The schedule of works for the project has been amended to reflect the revised scope of Stage 1.

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ITEM NO: 9.1.4
(DIRECTOR CORPORATE PERFORMANCE,
MATT JARVIS)
(CHIEF EXECUTIVE OFFICER, MATTHEW
MORGAN)

**YARRAWONGA LIBRARY, EVENTS AND PERFORMANCE PRECINCT (YLEPP)
STAGE 1 TOTAL PROJECT COST ESTIMATE AND SCHEDULE OF WORKS
UPDATE (cont'd)**

In May 2023, Council endorsed an estimated 18 month construction schedule, anticipating and original forecast completion date of approximately November 2024. Significant delays to construction between May 2023 and April 2024 have impacted the project completion, which is now estimated for November 2025.

The YLEPP Project Control Board has approved the revised schedule of works.

6. Proposed Scope Change – Unisex Toilet Design

The project scope for Stage 1 approved at the March 2024 Scheduled Council Meeting includes a standard toilet design that separates users by gender. Discussions with the CEO of GV Libraries, a key stakeholder for the project, has generated a request to incorporate a unisex toilet design that is inclusive for library patrons and members of the public. Moira Shire Council currently has no policy position on the design of Council provided public toilets. The revised toilet design would also aim to provide an appropriate parenting room,

Incorporating a revised toilet design, subject to Council in principle approval, is expected to cost an additional \$95,000 (ex GST) in design costs and minor contract delays in allowing for the revised design. If approved, this would be in addition to the revised total project cost estimate reported in this paper.

7. Strategic Alignment

Council Plan

5. Transparent and accountable governance

The revised project budget facilitates transparent reporting on project costs to date, progress, and achievement of objectives.

8. Internal & External Engagement

Engagement (who did you engage with?)		Feedback
Internal	N/A	N/A
External	CEO of GV Libraries	Requested unisex toilet design for Library facility

Following Council approval of the revised project budget, Council will engage with the funding providers regarding a variation to scope, budget, and schedule as required.

9. Budget / Financial Considerations

The project was first costed in 2019 and has since incurred variations due to changes, delays and market increases.

The project budget was established in the 2019 *Yarrowonga Library, Events and Performance Precinct Master Plan and Business Case* at \$5,519,117.

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(DIRECTOR CORPORATE PERFORMANCE,
MATT JARVIS)
(CHIEF EXECUTIVE OFFICER, MATTHEW
MORGAN)

**YARRAWONGA LIBRARY, EVENTS AND PERFORMANCE PRECINCT (YLEPP)
STAGE 1 TOTAL PROJECT COST ESTIMATE AND SCHEDULE OF WORKS
UPDATE (cont'd)**

The project was successful in receiving the following funding and loan support:

- Community Infrastructure Loan Scheme (CILS), \$3,750,000 in 2019; and
- Living Libraries Infrastructure Program (LLIP), \$1,000,000 in 2021.

In February 2022, Council approved a project budget adjustment to \$6,667,727.00 (ex GST) following award of the construction contract to Ultra Project Services Pty Ltd. The report referred to the sale of the existing library building to offset project costs approximately at a value of \$700,000. The sale of the existing building has been excluded from the revised total project cost estimate and is not proposed to be sold to fund the construction of the new building.

In May 2023, Council approved variations to the construction contract C027/21 increasing the contract sum to \$7,457,395.30 (ex GST).

The current draft long term financial plan allows for \$7,611,000 for Stage 1. Compared to a revised estimate of \$11,266,000 (ex GST), subject to Council approval, this creates a shortfall of \$3,655,000 in the 2025/2026 financial year that is to be added to the draft long term financial plan. Note, the exclusion of the sale of the existing library building to offset the cost of construction does contribute to this shortfall.

This shortfall is proposed to be funded through Council's accumulated cash reserves, most likely in the 2025/2026 financial year. Deferral to future years of other capital works and non-recurrent expenditure, to the same value as the shortfall, may be required to maintain sufficient financial sustainability and asset renewal indicators.

The March 2024 Quarterly Budget Review projects an ending cash and cash equivalents balance of \$55,360,000 at 30 June 2024 and an ending working capital of 332%. Allocating an additional \$3,655,000 to Stage 1 of the YLEPP project, without deferring capital works to the same value, reduces the forecast ending working capital ratio from 332% to approximately 308% (impact of 25%).

10. Risk & Mitigation

Risk
Financial

Mitigation

The revised total project cost estimate is based on potential and known risks and issues identified throughout the project and maintained in a project risk and issues register.

Additionally, contingency has been allowed for any conditions impacting project costs not yet accounted.

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ITEM NO: 9.1.4
(DIRECTOR CORPORATE PERFORMANCE,
MATT JARVIS)
(CHIEF EXECUTIVE OFFICER, MATTHEW
MORGAN)

**YARRAWONGA LIBRARY, EVENTS AND PERFORMANCE PRECINCT (YLEPP)
STAGE 1 TOTAL PROJECT COST ESTIMATE AND SCHEDULE OF WORKS
UPDATE (cont'd)**

Reputational

The project scope now accounts for interfacing works essential to the functional, safe, and modern operation of the library precinct.

Council have maintained transparent and open engagement with the funding providers throughout the project, supporting an understanding of changes or variations to the funding agreement.

11. Conclusion

This report seeks Council approval to a revised Total Project Cost Estimate of \$11,266,000 (ex GST) for Stage 1 of the Yarrowonga Library, Events and Performance Precinct (YLEPP) Project. The estimate includes contingency and accounts for costs incurred to date due to market increases, delays, and design variation.

The revised total project cost estimate results in a \$3,655,000 shortfall in the draft long term financial plan. This shortfall is proposed to be funded from accumulated cash reserves.

Council is requested to note a revised schedule of works for Stage 1 that estimates a completion date of November 2025.

In principle approval is sought for a scope change to Stage 1 to include a unisex toilet design at a proposed additional cost of \$95,000 (ex GST).

Attachments

- 1 YLEPP Stage 1 - Revised Total Project Cost Estimate - *Confidential - printed in separate document*
- 2 YLEPP Stage 1 - Revised Project Schedule - April 2024

FILE NO:
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GOVERNANCE

ITEM NO: 9.1.5
(DIRECTOR CORPORATE PERFORMANCE,
MATT JARVIS)
(CHIEF EXECUTIVE OFFICER, MATTHEW
MORGAN)

YARRAWONGA MULTISPORT STADIUM - PRUDENTIAL REPORT

Recommendation

That Council:

1. Note the findings of the Prudential Report – Yarrawonga Multisport Stadium shown as attachment 1; and
2. Note the action plan confirming the proposed response by Council Officers, as shown in section 5 of this report.

1. Executive Summary

At the 24 May 2023 Scheduled Council Meeting, Moira Shire Council affirmed its commitment to deliver the Multisport Stadium Project (the Project) for the benefit of the community.

To ensure good governance and informed decision making, BRM advisory has been engaged to undertake a prudential review and prepare a Prudential Report.

The review has considered a number of elements of the Project and has highlighted three main areas for attention around Strategic Project risks, the accuracy of project financial estimates and the need for a Council endorsed project delivery plan.

A number of actions have been recommended with proposed responses by Council Officers detailed in this report. The action plan aims to enhance the Project due diligence and improve the ability of Council to be fully informed and apprised about the likely outcomes of progressing with the Project.

2. Conflict of interest declaration

Nil

3. Background & Context

At the 24 May 2023 Scheduled Council Meeting, Moira Shire Council affirmed its commitment of Council to deliver the Multisport Stadium Project (the Project) for the benefit of the community. In progressing the project, it is prudent to assess the various elements of the project to ensure good governance and informed decision making.

BRM Advisory has been engaged by Moira Shire Council to undertake a prudential review and to prepare a Prudential Report. The review considers a number of elements including the relationship of the project with strategic management plans, the project's contribution to economical development, community consultation, project delivery, risk management and financials.

The *Victorian Local Government Act 2020* does not require any sort of prudential review of projects of high risk and/or importance. The *South Australian Local Government Act 1999* provides for a prudential review process and in this instance, as it can be considered best practice, has been used as a basis for undertaking a prudential analysis of the Project.

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ITEM NO: 9.1.5
**(DIRECTOR CORPORATE PERFORMANCE,
MATT JARVIS)**
**(CHIEF EXECUTIVE OFFICER, MATTHEW
MORGAN)**

YARRAWONGA MULTISPORT STADIUM - PRUDENTIAL REPORT (cont'd)

Generally, the purpose of a Prudential Report is to ensure Council has the necessary information to enable informed decisions about the project. The findings of this report will be incorporated into an action plan for Council Officers to undertake further due diligence work regarding the Project. This is detailed in the following section of this report.

4. Issues

The detailed Prudential Report and its findings are attached. The summary conclusion of the Prudential Report states “Further due diligence work is recommended particularly with regard to the adequacy of the financial forecasts, risk management considerations, project delivery planning and considering whether or not a broader community consultation process should be undertaken. Undertaking this further work would ensure that Council can be fully informed and apprised about the likely outcomes of progressing with the Project.”

The Prudential Report has highlighted three main areas of attention for the Project:

- A lack of detailed consideration of Strategic Project risks;
- The accuracy of project financial estimates, both the ability to deliver the Project within the existing total project estimate and developing a well-informed recurrent cost estimate; and
- A lack of documentation as to how Moira Shire Council (MSC) plans to deliver the Project within the existing funding constraints and in accordance with key stakeholder expectations.

5. Action Plan

In response to the areas of concern, the Prudential Report has made seven (7) recommended actions for Council Officers to undertake to enhance the Project due diligence and improve the ability of Council to make informed decisions about the Project.

The attached detailed report attached provides the background behind these recommendations which are summarised in the table below, combined with Council Officers’ responses.

Recommended Actions	Council Officer Response
A thorough review and update of the Project risk register, including assessment of the number of additional strategic risks identified in Section 7 of the Prudential Report.	Agreed. An update of the Project risk register will be undertaken. Responsible Officer: Manager Project Delivery Due Date: 31 May 2024
The development of a Council endorsed Project Delivery Plan which confirms the Project governance arrangements (i.e. how decisions about the Project will be made), timeframes, budgets and procurement approach to constructing the asset.	Agreed. A paper will be submitted to the June 2024 Scheduled Council Meeting that confirms the Project Governance arrangements, timeframes, budgets, procurement approach and delivery method for constructing the asset. Responsible Officer: Manager Project Delivery Due Date: 30 June 2024
The receipt of an updated Quantity	Agreed. As noted in the Prudential Report,

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ITEM NO: 9.1.5
**(DIRECTOR CORPORATE PERFORMANCE,
MATT JARVIS)**
**(CHIEF EXECUTIVE OFFICER, MATTHEW
MORGAN)**

YARRAWONGA MULTISPORT STADIUM - PRUDENTIAL REPORT (cont'd)

Recommended Actions	Council Officer Response
<p>Surveyor report based on February 2024 designs, which validates the sufficiency of the current capital budget to deliver the Project.</p>	<p>Council Officers have engaged Quantity Surveyors Melbourne to prepare an updated QS report on the current draft designs.</p> <p>Responsible Officer: Project Manager Due Date: 30 April 2024</p>
<p>Further consideration of the likely ongoing financial outcomes including consideration of the future user charges (court hire rates) that will be levied on key users and further understanding of the levels of staffing that will be required to operate the stadium post construction.</p>	<p>Agreed. A review of proposed future user charges will be undertaken (including benchmarking). The necessary levels of staffing to operate the stadium post construction will also be confirmed.</p> <p>This information will be provided to the Finance Team to be incorporated into the draft Long Term Financial Plan assumptions and scenario modelling as part of the 2024/2025 budget adoption process.</p> <p>Responsible Officer: Manager Economic Development, Tourism and Recreation Due Date: 30 June 2024.</p>
<p>The future stages of the Project, being the two additional indoor courts and the 8 lane lap pool, envisaged in the concept design, are currently uncosted and unfunded. Further work would be required to assess the impact that these future stages will have on the recurrent costs of the Project and on MSC's financial sustainability.</p>	<p>Agreed. The future stages of the Project (Stages 2 and 3) are not currently within the 10-year timeframe of the long-term financial plan. A business case process will need to be undertaken as part of the 2025/2026 budget development process to assess the viability and validity of these stages.</p> <p>Responsible Officer: Manager Economic Development, Tourism and Recreation Due Date: 30 June 2025</p>
<p>Confirmation that the State and potentially the Federal Grant Agreements can be varied to adjust the Project completion date to protect the external funding attracted to progress the Project.</p>	<p>Agreed: As noted in the Prudential Report a variation to the State grant agreement has been submitted. Discussions remain ongoing with Sports and Recreation Victoria to ensure the necessary information is provided to obtain the variation approval. Confirmation will be sought on the Federal grant agreement. Any variations submitted will be dependent on a Project Delivery Plan being endorsed by Council.</p> <p>Responsible Officer: Grants Officer Due Date: 30 June 2024</p>
<p>Consideration by Council of the relative merits of further community consultation</p>	<p>Agreed. An assessment of the pros and cons of commencing a community engagement process</p>

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YARRAWONGA MULTISPORT STADIUM - PRUDENTIAL REPORT (cont'd)

Recommended Actions	Council Officer Response
on the Project in accordance with MSC's Community Engagement Policy.	on the Project will be undertaken. The Prudential Report notes doing any further community engagement would likely delay progress and cost money. A report will be provided to Council for consideration at the June 2024 Scheduled Council Meeting. Responsible Officer: Manager Communications and Engagement Due Date: 30 June 2024

6. Strategic Alignment

Council Plan

5. Transparent and accountable governance

Our decisions will be evidence-based, financially viable, and for the longer term.

7. Internal & External Engagement

Engagement (who did you engage with?)
 Internal Director Corporate Performance
 Director Sustainable Development
 Manager Finance
 Project Manager
 External N/A

Feedback
 Information provided by the Officers listed has been incorporated into the report
 N/A

8. Budget / Financial Considerations

Section 6 of the Prudential Report provides a financial assessment of the Project including Revenue, Revenue Projections and Potential Financial Risks, Recurrent and Whole of Life Costs and Financial Viability.

The Prudential Report has raised concerns about the accuracy of current project financial estimates, both the ability to deliver the Project within the existing total project estimate and developing a well-informed recurrent cost estimate.

A number of recommended actions were raised in the Prudential Report in relation to the financial considerations, as detailed in section 5 of this report, along with the proposed response from Council Officers.

As noted in the Prudential Report an updated Quantity Surveyor Report is being sourced. This has been identified as a key risk mitigation activity that must be undertaken to provide Council with more clarity on expected total cost of the Project in the current construction environment.

Stages 2 and 3 of the Multisport Stadium are uncosted and unfunded. There is currently no allocation for these two additional stages in the draft Long Term Financial Plan.

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YARRAWONGA MULTISPORT STADIUM - PRUDENTIAL REPORT (cont'd)

9. Risk & Mitigation

Risk	Mitigation
Financial	<ul style="list-style-type: none">- Obtain updated QS report on draft designs.- Undertake review of proposed user charges and necessary staffing levels to operate stadium to confirm understanding of ongoing financial outcomes.
Reputational	<ul style="list-style-type: none">- Develop a Council endorsed Project Delivery Plan.- Report on progress of Prudential Review Action Plan.- Complete a thorough review and update of the Project risk register.

10. Conclusion

To ensure good governance and informed decision making, a prudential review has been undertaken and a Prudential Report prepared.

The review has considered a number of elements of the Project and has highlighted three main areas for attention around Strategic Project risks, the accuracy of project financial estimates and the need for a Council endorsed project delivery plan.

A number of actions have been recommended with proposed responses by Council Officers detailed in this report. The action plan aims to enhance the Project due diligence and improve the ability of Council to make an informed decision regarding the Multisport Stadium Project.

Attachments

- 1 Prudential Report - Yarrawonga Multisport Stadium

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Moira Shire Council

Prudential Report:
Yarrowonga Multisport Stadium

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BUSINESS • RESOURCE • MANAGEMENT

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BRM ADVISORY
BUSINESS RESOURCE MANAGEMENT

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YARRAWONGA MULTISPORT STADIUM - PRUDENTIAL REPORT (cont'd)

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EXECUTIVE SUMMARY

Purpose

The purpose of a Prudential Report is to ensure Council has the necessary information to enable an informed decision whether or not to proceed with a project. We have been engaged by Moira Shire Council (MSC) to prepare a Prudential Report in relation to the Yarrowonga Multisport Stadium Project (Project) as a matter of good governance and to support Council's decision making.

The Project

The Project is the construction of a new indoor multisport stadium within the Yarrowonga Showgrounds, featuring two full size basketball courts, four unisex changerooms, café with dining area, spectator seating and other supporting amenities.

Future proposed stages of the Project include the construction of two additional indoor courts and an aquatic facility including an 8 lane 25 metre pool adjacent to the Project site. These additional stages are uncosted, unfunded and are not within the scope of this Prudential Report.

Summary Conclusion

Further due diligence work is recommended particularly with regard to the adequacy of the financial forecasts, risk management considerations, project delivery planning and considering whether or not a broader community consultation process should be undertaken. Undertaking this further work would ensure that Council can be fully informed and apprised about the likely outcomes of progressing with the Project.

Prudential Issues and Findings

Our three main areas of concern in undertaking the prudential review relate to:

- a lack of detailed consideration of strategic Project risks and the subsequent lack of identified mitigation strategies to reduce the impact of key Project risks to levels consistent with MSC's risk tolerances; and
- the accuracy of project financial estimates, both the ability to deliver the Project within the existing \$15.0 million capital cost forecast included in the latest Draft Long Term Financial Plan (Draft LTFP), and developing a well-informed recurrent cost estimate; and
- a lack of documentation as to how MSC plans to deliver the Project within the existing funding constraints and in accordance with key stakeholder expectations.

The following actions would enhance the Project due diligence and improve the ability of Council to make an informed decision on whether to progress the Project or not:

1. A thorough review and update of the Project risk register, including assessment of the number of additional strategic risks identified in Section 7 of this report;
2. The development of a Council endorsed Project Delivery Plan which confirms the Project governance arrangements (i.e. how decisions about the Project will be made), timeframes, budgets and procurement approach to constructing the asset;
3. The receipt of an updated Quantity Surveyor report based on February 2024 designs, which validates the sufficiency of the current capital budget to deliver the Project;
4. Further consideration of the likely ongoing financial outcomes including consideration of the future user charges (court hire rates) that will be levied on key users and further understanding of the levels of staffing that will be required to operate the stadium post construction;

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5. The future stages of the Project, being the two additional indoor courts and the 8 lane lap pool, envisaged in the concept design, are currently uncostered and unfunded. Further work would be required to assess the impact that these future stages will have on the recurrent costs of the Project and on MSC's financial sustainability.
6. Confirmation that the State and potentially the Federal Grant Agreements can be varied to adjust the Project completion date to protect the external funding attracted to progress the Project; and
7. Consideration by Council of the relative merits of further community consultation on the Project in accordance with MSC's Community Engagement Policy;

Our detailed report follows.

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KEY FINDINGS

KEY FINDINGS		Comments
S48 (2)	Description	Comments
(a)	The relationship with strategic management plans .	The Project shows strong alignment with the suite of existing MSC, State and National strategic plans. An update to the publicly available Financial Plan is required (last updated 2021) for MSC's stakeholders to properly understand the financial impact that the Project will have on MSC's future financial performance and position.
(b)	The objectives of the Development Plan .	The proposed development is consistent with the requirements of the Public Park and Recreation Zone. An internal advice from the Planning Coordinator at MSC confirms that no planning permit is required to progress the development.
(c)	The expected contribution to the economic development of the local area. The impact on businesses in the proximity . Impacts on fair competition in the marketplace.	MSC has quantified the expected positive economic impact from the construction phase of the Project on the local and national economy based on a \$1.0 million Project cost. As actual construction costs will be higher, the economic impact will also be higher than what was quantified in the existing REIMPLAN report. Given the location of the Project, we do not expect that businesses in the proximity will be negatively impacted during the construction phase. The operation of a multicourt sport stadium would not be considered a 'Significant Business Activity' under National Competition Policy and therefore the principles of Fair Competition do not apply.
(d)	Consultation with the local community and community influence on the project.	Key stakeholders, including the Yarrowonga Mulwala Basketball Association have been engaged in relation to the Project. However, MSC has not undertaken a specific and broad public consultation process in relation to the Project. While the Community Engagement Policy provides Council with discretion as to whether or not such a process is undertaken, we recommend Council consider the merits of consulting with the community on the Project.
(e)	Revenue projections and potential financial risks .	MSC engaged a consultant (Urbankind) in 2023 to consider a future management model for the stadium. In doing so, financial forecasts were prepared and these forecasts have been used to inform the Draft LTFP. The revenue estimates provided by Urbankind assume that key user groups will pay an hourly rate for court hire and that revenue in the order of \$100k per annum can be generated. This is materially more than the revenue being generated at other indoor court facilities in the MSC. MSC should commence formal negotiations and develop written agreements with key users, including the YMBA about the future court hire rates which will support the future cost of operating the stadium. The capital grant revenue expected to support the Project is at risk due to MSC's ability to achieve the timeframes prescribed in the Grant Agreements. Based on information we have reviewed, the State Government commitment of \$2.0 million is contingent on Project delivery by 30 June 2023. A grant variation request was submitted by MSC in January 2024 but has yet to be approved by the State Government. Failure to renegotiate these agreements may lead to a withdrawal of funding and an additional financial contribution being required by MSC to complete the Project.

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S48 (2)	Description	Comments
(f)	Recurrent and whole-of-life costs, any financial arrangements	An estimate of the recurrent costs relating to the Project have been factored into the latest Draft LTFP based on the Urbanking report however there is still a risk based on the work undertaken to date that the recurrent cost estimates are understated. We have not been provided with sufficient information to obtain a high level of confidence on the future recurrent costs of operating the Stadium.
(g)	Financial viability of the project.	The most recent Draft LTFP contains \$15.0 million of capital provisions to support completion of the Project as well as provisions for increased revenue and recurrent costs in line with the Urbanking report. Considering that the MSC is still in the early phases of planning for this Project, the assumptions about the Project included in the Draft LTFP are not unreasonable, however they should be reviewed and updated as more information about the Project comes to hand.
(h)	Risks associated with the project, and steps taken to manage, reduce or eliminate risks.	Risk Management work undertaken to date has not been sufficient to ensure that material project risks have been identified and mitigated to a level consistent with MSC Risk Management Statement. Further risk management work is strongly recommended that considers higher level project risks. An updated Risk Register should be prepared to properly appraise Council of the levels of risk associated with progressing the Project. Should the Project proceed, regular updates to the Risk Register should be scheduled as the Project moves through the construction phase and as key risks change.
(i)	Appropriate mechanisms or arrangements for carrying out the project.	There is very little documentation to demonstrate how MSC will ensure that this Project is carried out efficiently and effectively. A Project Delivery Plan should be created which identifies a Project Governance Structure to oversee Project Delivery.
(j)	If the project involves the sale of land , the valuation of the land by a qualified valuer	The Project does not involve the sale of land.

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Yarrowonga Multisport Stadium – Prudential Report



1. INTRODUCTION

1.1 Context

- 1.1.1 A Prudential Report is a due diligence report designed to ensure that Elected Members (or a Panel of Administrators) of a council have sufficient information to make an informed decision on whether or not to proceed with a major project.
- 1.1.2 Moira Shire Council (MSC) is undertaking planning for a major project; the development of the Yarrowonga Multisport Stadium (Project).
- 1.1.3 Different State jurisdictions around Australia have varying requirements in their respective Local Government Acts to compel a council to prepare a prudential report (or similar) when major projects cross certain value thresholds.
- 1.1.4 While there is no such requirement within Victoria's Local Government Act (2020), as a matter of good governance, BRM Advisory has been engaged by MSC to undertake a prudential review and to prepare a Prudential Report in accordance with the structure prescribed by Section 48 of the South Australian Local Government Act (1999), as this structure is considered by MSC to be an example of best practice.
- 1.1.5 The prudential issues to be reported on in this Prudential Report are set out below:
- (a) the relationship between the project and relevant strategic management plans;
 - (b) the objectives of the Development Plan in the area where the project is to occur;
 - (c) the expected contribution of the project to the economic development of the local area, the impact that the project may have on businesses carried on in the proximity and, if appropriate, how the project should be established in a way that ensures fair competition in the market place;
 - (d) the level of consultation with the local community, including contact with persons who may be affected by the project and the representations that have been made by them, and the means by which the community can influence or contribute to the project or its outcomes;
 - (e) if the project is intended to produce revenue, revenue projections and potential financial risks;
 - (f) the recurrent and whole-of-life costs associated with the project including any costs arising out of proposed financial arrangements;
 - (g) the financial viability of the project, and the short and longer term estimated net effect of the project on the financial position of the council;
 - (h) any risks associated with the project, and the steps that can be taken to manage, reduce or eliminate those risks (including by the provision of periodic reports to the chief executive officer and to the council);
 - (i) the most appropriate mechanisms or arrangements for carrying out the project;
 - (j) if the project involves the sale or disposition of land, the valuation of the land by a qualified valuer under the Land Valuers Act 1994.

1.2 Background

- 1.2.1 The Yarrowonga Showgrounds / Victoria Park Precinct is situated in the town of Yarrowonga between Dunlop Street to the north, Woods Road to the east, Yarrowonga College P-12 to the south and Pinniger Street to the west.

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- 1.2.2 In August 2017, MSC was successful in obtaining a grant from Sport and Recreation Victoria to undertake a feasibility study to plan for the development of a multi-court sport indoor stadium to be constructed in Yarrawonga.
- 1.2.3 Otium Planning Group Pty Ltd was awarded the contract to prepare the Yarrawonga Multisport Stadium Feasibility Study (Feasibility Study) in August 2018.
- 1.2.4 The Feasibility Study included:
 - 1.2.4.1 demographic analysis of the area and the growth trends for both population and indoor court usage;
 - 1.2.4.2 consultation undertaken with key project stakeholders, including local schools, sporting clubs; peak sporting bodies and MSC;
 - 1.2.4.3 identified a facility vision which identified a staged approach to a two then a four courts development,
 - 1.2.4.4 a preferred development site at the Yarrawonga Showgrounds adjacent to the existing outdoor netball courts;
 - 1.2.4.5 a preferred management and financial model to operate the stadium, noting that the financial modelling was presented for both a two and a four court facility and included additional features such as a showcourt with seating for up to 1000 and a 200m² multipurpose room, and
 - 1.2.4.6 considerations of potential funding models.
- 1.2.5 The Feasibility Study identified a proposed location for the multicourt indoor stadium adjacent to the existing outdoor netball courts within the Yarrawonga Showgrounds precinct. The location and initial concept is shown in Figure One.

Figure One: Proposed location of the Multi-Court Stadium



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- 1.2.6 The Feasibility Study was based on a three stage development proposition, with the first stage being the initial two court stadium, the second stage including an additional two indoor courts adjacent to Stage 1. The third stage envisaged a future aquatic area. The Feasibility Study only sought to quantify the capital cost and recurrent cost implications of the first two stages.
- 1.2.7 A cost plan accompanied the Feasibility Study, estimating the capital cost of Stage 1 to be \$15.070 million and the cost of Stage 2 (additional two courts) to be \$9.967 million (based on a 2020 delivery date).
- 1.2.8 The Feasibility Study was presented to Council on 27 February 2019. At that meeting Council passed the motion shown in Figure Two.

Figure Two: 27 February 2019 - motion

MOTION

CRS PETER MANSFIELD / MARIE MARTIN

That Council

- endorse the draft Yarrawonga Multisport Stadium Feasibility Study as a robust assessment of community support for the project
 - support the studies site selection and the provision made for future court expansion and a future integrated aquatic facility
 - advise the steering committee that whilst supportive of the project the draft cost plan contained within the study exceeds the Councils financial capacity
 - ask the steering committee to re-scope elements of the project that do not directly impact on court capacity as it moves into a more detailed design phase with the objective of reducing the draft cost plan below \$10M.
- 1.2.9 In November 2019, a second report was presented to Council which showed updates made to the concept design to meet the requirements of the February 2019 resolution. At the November 2019 meeting, Council endorsed the Project to proceed to detailed design using funding which had been provided in the 2019/20 annual budget.
- 1.2.10 Council was also advised that Council Officers would seek funding under the State Government Local Sport Infrastructure Fund for a \$2.000 million contribution to the Project.
- 1.2.11 A contract for the preparation of detailed designs was awarded to n2sh Design Studio (n2sh) in May 2020.
- 1.2.12 In May 2021, Council received confirmation that it was successful in securing a \$2.000 million grant from the Victorian Government Local Sports Infrastructure Fund, Better Indoor Stadiums Stream. MSC was also successful in obtaining a \$7.000 million loan from the Victorian Government's Community Sports and Infrastructure Loan Scheme which provides for an interest subsidy for debt applied to funding new infrastructure.
- 1.2.13 In February 2022, MSC released a tender for the construction of Stage 1 of the Project. Due to a number of factors including uncertainty over access to grant funding as a result of a pending change of Government, the tender process was abandoned by MSC.

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- 1.2.14 In April 2022, MSC received a pre-election pledge from the Commonwealth Liberal and National Coalition for a further \$3.300 million of funding for the Project. This funding agreement was signed in April 2023 by the current Commonwealth Labor Government.
- 1.2.15 In June 2022, MSC obtained an independent cost report which estimated a total construction cost for the Project of \$14.175 million (excluding GST).
- 1.2.16 In 2023, Urbankind was engaged to produce a report and recommendations for the future management model of the proposed facility. The work included preparation of a financial forecast under a conservative and optimistic scenario.
- 1.2.17 Urbankind's report was delivered in May 2023. The report provided two options for MSC to consider in terms of the future management model, and a conservative and optimistic financial model for future operations.
- 1.2.18 In May 2023, Council received the Urbankind report as well as a broader status update on the Project and passed the motion shown in Figure Three.

Figure Three: 24 May 2023 Council Meeting - Motion

That Council for stage 1 of the Yarrowonga Multisport Stadium:

1. Note the management modelling provided and utilise this as the basis for whole of life costings for the project;
 2. Endorse a Community contribution target of \$750,000 towards the construction of stage 1 over a 5-year period;
 3. Endorse the creation of a fund-raising committee, including representation from user groups, community representatives and council staff in meeting the community contribution target.
 4. Prepare a report for the June 2023 Scheduled Council Meeting to set a final Total Project Estimated Cost (drawing upon an updated Quantity Surveyor's estimate) and contract delivery method; and
 5. Affirm the commitment of Council to deliver the project for the benefit of the community.
 6. Upon Completion of stage 1, that consideration be given to the further stages of the project based on community needs.
- 1.2.19 In September 2023, a design package was finalised by contractors n2sh in preparation for a construction tender.
 - 1.2.20 In December 2023, MSC appointed three local individuals to be part of the Yarrowonga Multisports Stadium Fundraising Committee. The Committee is tasked with raising \$750,000 to support progression of the Project under an established Terms of Reference.
 - 1.2.21 In February 2024, an updated set of design drawings were finalised by n2sh. This set of drawings introduced the design feature of a mezzanine level of seating overlooking the courts as well as making other subtle changes to the design to improve constructability. The additional costs attributable to the mezzanine level have not been factored into previous cost estimates relating to the Project.

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1.3 The Project

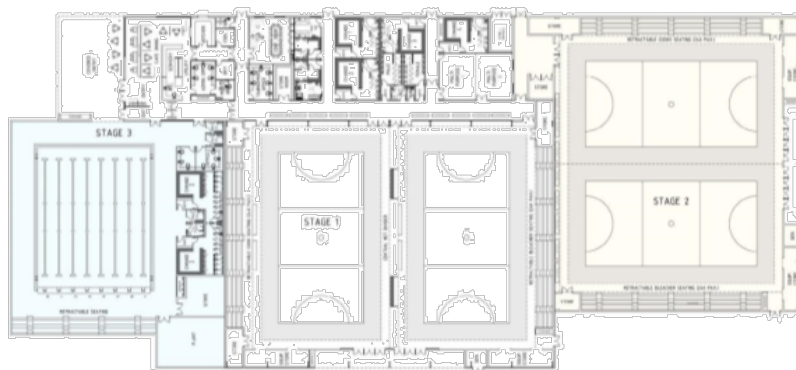
The Project is the construction of a new indoor court sport stadium with the following minimum requirements taken from the signed Federal Government Grant Funding Agreement:

- Two full-size multi-use sport courts constructed in accordance with the Mies Swiss and NBA basketball court standards. Inclusive of the court construction, the multiuse stadium project will also deliver at least one scorer bench, one media bench, two team benches and an electronic scoreboard.
- At least 4 unisex, fully accessible change rooms
- Externally accessible facilities
- First aid room
- Administration office
- Conference room
- Kitchenette and server to serve café dining
- Café dining area with 25 seat capacity
- Spectator seating capacity of 2 x 240 seats

Future stages of the Project are envisaged per the Concept Design in Figure Four to include two additional multipurpose courts and an aquatics facility with a 25 metre 8 lane indoor pool. These future stages are currently uncosted and unfunded.

The scope of this prudential review is limited to the delivery of the Stage 1, being the construction of the initial two court stadium and associated services (shown in white in Figure Four).

Figure Four: Project concept plans



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2. RELATIONSHIP WITH STRATEGIC MANAGEMENT PLANS

Section 48 (2) (a) the relationship between the project and relevant strategic management plans;

Elements	Relevant Documents	Prudential Review Comments
Council Plans	Community Vision 2035 Council Plan 2021 - 2025 Moira Shire Budget 2023/2024 (Budget) Financial Plan 2021 - 2031 Yarrowonga Showgrounds and Victoria Park Master Plan (2022)	Adopted by Council in October 2021, the vision for MSC is outlined in Community Vision 2035. The vision identifies four key strategic pillars being Healthy, Connected Communities, a Prosperous Economy, Sustainable Growth and a Country Lifestyle. The progression of the Project will enhance a healthy, connected community through the provision of improved recreation infrastructure. The Council Plan was adopted by Council in June 2021, prior to the preparation of the 2035 Community Vision. The Council Plan 2021-2025 is the document that guides MSC's direction and activities. Despite the Project being in the planning stages during the preparation of the Council Plan, delivering the Project is not referenced in the document. The Project is aligned to Pillar 1 in the Plan of providing a welcoming and inclusive place. The 2023/24 Budget references the commencement of Stage 1 of the Yarrowonga Multisport Stadium as a key initiative to be progressed in the budget. \$0.400 million of capital funding has been provided for in FY2023/24 to progress planning for the Project. Given the current status of the Project, much of this provision will need to be carried forward to future financial year(s). The latest published Financial Plan, available on the MSC website, is a number of years old and does not include financial provisions for the Project. An update to the Financial Plan available to the public should be a priority for MSC so that stakeholders can properly understand the financial impact of progressing the Project. The Yarrowonga Showgrounds and Victoria Park Master Plan 2022 (Masterplan) was developed to provide a blueprint for the future development of the precinct.

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Elements	Relevant Documents	Prudential Review Comments
		 <p>The Masterplan identifies the development of a new Multisport Stadium in the Precinct adjacent to the existing netball courts, consistent with the Project plan. The proposed Project is consistent with the vision outlined in the Masterplan.</p>
State Plans	Active Victoria 2022 to 2026	<p>The Active Victoria Strategic Framework document provides a strategic framework for sport and active recreation in Victoria to help meet demand, broaden and make participation more inclusive, build resilience and industry capacity, and connect investments in events, high performance, and infrastructure.</p> <p>The State Government funding support for the Project indicates that the Project is well aligned to State Government objectives around active recreation and infrastructure development.</p>

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National Plans	National Sport and Active Recreation Framework Sport 2030 National Sports Plan	The Project is aligned with the National Sport and Active Recreation Framework which sets out Commonwealth, State and Territory Government expectations of other stakeholders (including local government) to provide sporting and recreation infrastructure and the 2030 National Sports Plan by providing facilities which encourage Australians to be more active, more often. The Commonwealth Government's funding commitment to the Project demonstrates the alignment of the Project to national sport and recreation objectives.
Findings:	Requirements of Section 48 (2) (a) have been met. The Project shows strong alignment with the suite of existing MSC, State and National strategic plans. An update to the publicly available Financial Plan is required for MSC's stakeholders to properly understand the financial impact that the Project will have on MSC's future financial performance and position.	

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3. OBJECTIVES OF THE DEVELOPMENT PLAN

Section 48 (2) (b) the objectives of the Development Plan in the area where the project is to occur;

Elements	Relevant Documents	Prudential Review Comments
Development Plan	Moira Planning Scheme Development Victoria Act 2003	<p>The Moira Planning Scheme sets out policies and provisions for the use, development and protection of land in the MSC. This is a legal document prepared by the local council or the Minister for Planning, and approved by the Minister.</p> <p>The Development Victoria Act requires the Council to maintain an up-to-date copy of the planning scheme, including all amendments to it and documents referred to in the scheme.</p> <p>The Project is located within the Public Park and Recreation Zone (PPRZ) which is a zone dedicated to public recreation and open space. A permit is usually required to construct a building in the zone however in this instance as the works will be carried out on behalf of a public land manager (MSC), a planning permit is not required (Section 1 use). There are no identified overlays for the site, nor is there any requirement to remove native vegetation which would also otherwise require a planning permit.</p> <p>MSC has obtained written advice from its internal planning team confirming the above.</p> <p>Should an external management model be pursued following construction, additional planning approvals may be required to enable the external operator to undertake commercial activities (i.e. retail or café operation) in the stadium.</p>
Findings:		
Requirements of Section 48 (2) (b) have been met.		
An internal advice from the Director Sustainable Development at MSC confirms that no planning permit is required to progress the development. The proposed development is consistent with the requirements of the PPRZ.		

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4. CONTRIBUTION TO ECONOMIC DEVELOPMENT

Section 48 (2) (c) the expected contribution of the project to the economic development of the local area, the impact that the project may have on businesses carried on in the proximity and, if appropriate, how the project should be established in a way that ensures fair competition in the market place;

Elements	Relevant Documents	Prudential Review Comments
Contribution to economic development	Remplan Impact report BBRF - Yarrawonga Multisport Stadium - Economic Impact Report	Economic development can be defined as efforts that seek to improve the economic well-being and quality of life for a community by creating and/or retaining jobs and supporting or growing incomes and the tax base. MSC has prepared a REMPLAN Economic Impact report to estimate the expected impact the construction phase of the Project will have on economic activity and jobs. From a direct investment of \$10.0 million to deliver the Project, the total increase in economic output is forecast to be \$18.834 million once all direct, supply chain and consumptions effects are considered which represents a Type 2 multiplier of 1.883. The construction phase of the Project is estimated to create an additional 12 direct FTE jobs with a further 23 FTE jobs created through supply chain and consumption effects. It is highly likely that the actual costs to construct the Project will be greater than \$10.0 million. Further direct investment above \$10.0 million will create an additional economic impact based on the Type 2 multiplier of 1.883 disclosed in the REMPLAN report. In addition, further economic benefit will be created through the expenditures and job creation associated with the facility when it is in operation.
Impact on businesses in the proximity	None	Given the location of the Project, we do not expect that there will be any material negative impacts on businesses in the proximity from the construction phase of the Project. Post construction, the additional trade and custom in the area resulting from MSC expanding the scope of its services at the Yarrawonga Showgrounds is expected to increase the number of people visiting the region. Any positive impacts on local businesses from this have not been quantified by MSC.
Fair competition	None	The operation of a multicourt sport stadium would not be considered a 'Significant Business Activity' under National Competition Policy and therefore the principles of Fair Competition do not apply.
Findings:	Requirements of Section 48 (2) (c) have been met. MSC has quantified the expected positive economic impact from the construction phase of the Project on the local and national economy based on a \$10 million Project cost. As actual construction costs will be higher, the economic impact will also be higher than what is presented in the REMPLAN report. Given the location of the Project, we do not expect that businesses in the proximity will be negatively impacted during the construction phase. The operation of a multicourt sport stadium would not be considered a 'Significant Business Activity' under National Competition Policy and therefore the principles of Fair Competition do not apply.	

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5. COMMUNITY CONSULTATION

Section 48 (2) (d) the level of consultation with the local community, including contact with persons who may be affected by the project and the representations that have been made by them, and the means by which the community can influence or contribute to the project or its outcomes;

Elements of consultation	Relevant Documents	Prudential Review Comments
	Community Engagement Policy adopted 24 May 2023	<p>The purpose of the MSC Community Engagement Policy is to outline MSC's commitment to providing the community with opportunities to actively participate in engagement activities which will influence decision making of Council. The Policy also provides direction to MSC on formal (including legislated) and informal community engagement activities undertaken by, or on behalf of, Council.</p> <p>The Policy confirms when MSC will consider the need to engage the community when a proposed project is likely to:</p> <ul style="list-style-type: none"> • have a significant impact on quality of life in the region; • impact on services or facilities for residents and ratepayers; • have a significant budgetary impact; • involve a level of conflict, controversy or sensitivity. <p>We consider that the Project will have both a significant impact on the quality of life in the Yarrowonga region and will have a significant budgetary impact on MSC, both in terms of capital and ongoing recurrent costs. Accordingly, and consistent with the Community Engagement Policy, MSC should consider the need to engage with the broader community about the Project.</p> <p>The Community Engagement Guidelines and Community Engagement Planning Template provides MSC Council Officers with guidance on how to engage in accordance with the Community Engagement Policy.</p> <p>To date, there has been significant consultation on the Project undertaken by Council with key stakeholders, including the establishment in 2018 of a Project Steering Committee which comprised three MSC employees and seven external stakeholders including the Yarrowonga Mulwala Basketball Association, the two local schools, Sports Recreation Victoria and two community members.</p> <p>There have also been references to the Project and financial provisions in a number of iterations of the annual Budget, including in the latest budget for FY2023/24 which is provided to the community for consultation, as well as a landing page on the MSC website which contains high level information about the Project.</p> <p>While there has been detailed engagement with stakeholders and information available to the broader community about the Project, MSC has not sought feedback from the community as to whether or not to progress the Project which may in turn influence the final form of development.</p>

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Elements	Relevant Documents	Prudential Review Comments
		<p>Given the significance of this capital project, the broader community may appreciate the opportunity to influence its outcomes and direction.</p> <p>Council should be provided with an opportunity to consider the pros and cons of commencing a community engagement process on the Project, noting that doing so will likely delay progression and cost money. As a matter of good practice, the rationale for deciding to instigate a consultation process, or not, should be documented as should determination of the appropriate level of engagement activity as documented in the Community Engagement Policy (consult, inform etc.)</p> <p>Development of a Community Engagement Plan specific for the Project may help to clarify the potential benefits and costs of a public consultation process to inform decision making.</p>
<p>Findings:</p>		<p>Requirements of Section 48 (2) (d) have been partially met.</p> <p>Key stakeholders, including the Yarrowonga Multiwala Basketball Association have been engaged in relation to the Project. However, MSC has not undertaken a specific and broad community consultation process in relation to the Project. While the Community Engagement Policy provides Council with discretion as to whether or not such a process is undertaken, we recommend the decision to consult with the community on the Project is formally considered by Council.</p>

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6. FINANCIAL ASSESSMENT

6.1 Revenue, Revenue Projections and Potential Financial Risks

Section 48 (2) (e) if the project is intended to produce revenue, revenue projections and potential financial risks”

Elements	Relevant Documents	Prudential Review Comments
Revenue Projections	Moirā Shire Budget 2023/2024 (Budget LTFP 24-25 – v1.xlsx (Draft LTFP) Yarrawonga Multi Sport Stadium Management Model Review 18052023 Revenue and Rating Plan 2021 to 2025	<p>One off revenue: MSC has received confirmation of two grants to support the Project. These will be recognised as capital revenue if the Project progresses and once grant milestones are achieved.</p> <p>Funding secured for the Project includes:</p> <ul style="list-style-type: none"> • \$3,300 million from the Federal Government Community Development Grant Program; and • \$2,000 million from the State Government Better Indoor Stadium Fund. <p>The Federal Government Grant has a Project Completion date of 2 January 2026. The State Government Grant has a Project Completion date of 15 June 2023. The ability to secure this funding by achieving completion of the Project within the dates prescribed is a risk to be managed, likely through renegotiation of the grant terms. A grant variation request was submitted by MSC to the State Government in January 2024 but has yet to be approved. The funding proposal for the Project also assumes \$0.750 million will be raised by the community to support the Project. Should the Project proceed, these amounts will be recorded as revenue in the year the grant acquittal terms are achieved in accordance with Australian Accounting Standards.</p> <p>Recurrent revenue: In 2023, Council engaged Urbankind to undertake an assessment of the future management model for the Project assets. Their work also included revenue modelling detailing the likely ongoing financial impact of progressing the Project. Urbankind has forecast both a conservative and an optimistic estimate of potential revenue in Years 1 to 3 of trading post construction based on consultation with key user groups and assumed usage times. They have also included a listing of assumed user charges for both commercial and community usage, which based on our review, are reasonable and consistent with our understanding of user charges at other facilities. The revenue assumed to be generated by Urbankind is shown in the table below.</p>

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Elements	Relevant Documents	Prudential Review Comments																																																
		<p>Assumed Potential Revenue - Conservative Years 1-3</p> <table border="1"> <thead> <tr> <th>Revenue Element</th> <th>Year 1</th> <th>Year 2</th> <th>Year 3</th> </tr> </thead> <tbody> <tr> <td>Utilisation Assumption</td> <td>50%</td> <td>60%</td> <td>65%</td> </tr> <tr> <td>Multi Court Hire Overall</td> <td>\$68,120</td> <td>\$81,744</td> <td>\$88,545</td> </tr> <tr> <td>Multi Purpose and Meeting Rooms</td> <td>\$16,500</td> <td>\$19,800</td> <td>\$21,450</td> </tr> <tr> <td>Kiosk Sales</td> <td>\$15,000</td> <td>\$18,000</td> <td>\$19,500</td> </tr> <tr> <td>Gross Revenue Assumption</td> <td>\$99,620</td> <td>\$119,544</td> <td>\$129,495</td> </tr> </tbody> </table> <p>Assumed Potential Revenue - Optimistic Years 1-3</p> <table border="1"> <thead> <tr> <th>Revenue Element</th> <th>Year 1</th> <th>Year 2</th> <th>Year 3</th> </tr> </thead> <tbody> <tr> <td>Utilisation Assumption</td> <td>65%</td> <td>75%</td> <td>80%</td> </tr> <tr> <td>Multi Court Hire Overall</td> <td>\$88,545</td> <td>\$102,180</td> <td>\$108,992</td> </tr> <tr> <td>Multi Purpose and Meeting Rooms</td> <td>\$21,450</td> <td>\$24,750</td> <td>\$26,400</td> </tr> <tr> <td>Kiosk Sales</td> <td>\$19,500</td> <td>\$22,500</td> <td>\$24,000</td> </tr> <tr> <td>Gross Revenue Assumption</td> <td>\$129,495</td> <td>\$149,430</td> <td>\$159,392</td> </tr> </tbody> </table> <p>The potential revenue that can be generated by an indoor court facility is a function of:</p> <ul style="list-style-type: none"> the demand for court space; the financial capacity of users to pay hire charges; and the appetite of MSC to offer user charge subsidies to users of the MSC. <p>MSC's Revenue and Rating Plan 2021 to 2025 describes the principles under which User Charges will be levied on users of council owned infrastructure. It states that <i>"In providing services to the community, council must determine the extent of cost recovery for particular services consistent with the level of both individual and collective benefit that the services provide and in line with the community's expectations."</i></p> <p>Relevant to the Project, the Revenue and Rating Plan notes that services should be provided at either a 'Full Cost Recovery Price' or a 'Subsidised Price'. It is highly likely that operating under a full cost recovery price would result in unaffordable user charges, therefore a subsidised price should be set which considers the Best Value principles explained in the Revenue and Rating Plan.</p> <p>Certain future user groups will have a higher capacity to pay hire fees, whereas other potential user groups, operating charitable or not-for-profit undertakings, may require or request a lower court hire rate. Ultimately,</p>	Revenue Element	Year 1	Year 2	Year 3	Utilisation Assumption	50%	60%	65%	Multi Court Hire Overall	\$68,120	\$81,744	\$88,545	Multi Purpose and Meeting Rooms	\$16,500	\$19,800	\$21,450	Kiosk Sales	\$15,000	\$18,000	\$19,500	Gross Revenue Assumption	\$99,620	\$119,544	\$129,495	Revenue Element	Year 1	Year 2	Year 3	Utilisation Assumption	65%	75%	80%	Multi Court Hire Overall	\$88,545	\$102,180	\$108,992	Multi Purpose and Meeting Rooms	\$21,450	\$24,750	\$26,400	Kiosk Sales	\$19,500	\$22,500	\$24,000	Gross Revenue Assumption	\$129,495	\$149,430	\$159,392
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<p>Potential financial risks</p>	<p>Yarrowonga Multisport Stadium - Risk and Register November 2023</p>	<p>the capacity of the facility to generate the forecast revenue will not be known until the above key factors are tested in the local context and the council determines its appetite for providing subsidies to future users of the stadium.</p> <p>The key user group for the stadium will be the Yarrowonga Muilwala Basketball Association (YMBA). The Urbankind report shows that the YMBA intends on using the stadium on each weekday between 4pm and 9pm and also for some time on weekends. This should create sufficient demand to achieve the revenue budgets proposed, on the assumption that reasonable court hire rates are realised from the YMBA.</p> <p>Another key determinant of future recurrent revenue will be the level of off-peak utilisation that the centre can generate. The Yarrowonga College P-12 is situated within walking distance of the Project however the extent to which this and other schools in the area will use the new facility is not currently known. Any financial arrangement with the Yarrowonga College P-12 or other schools which provides additional usage in off-peak times will add to the revenue that can be generated by the MSC.</p> <p>The Draft LTFP has adopted the conservative revenue estimate from the Urbankind report commencing in FY2027, which is the year after the model assumes the Project will be constructed.</p> <p>Based on our available benchmarking from similar facilities in South Australia, we would expect a two-court facility in a regional setting to have the capacity to generate court hire revenue in the order of \$50k to \$75k per court (\$100k to \$150k total revenue). On this basis, Urbankind's methodology and modelling of future recurrent revenue appears reasonable however, will only be achievable if the MSC is willing to set user charges at a level consistent with the Urbankind report and if the YMBA has the capacity to pay these rates.</p>
<p>Findings:</p>	<p>There are a number of key financial risks for MSC if the Project is progressed. These are:</p> <ul style="list-style-type: none"> • The sufficiency of the current \$15.0 million allocated in the latest Draft LTFP to deliver the Project; • The ability to complete the Project in accordance with grant funding terms and timeframes; • The ability for the community to attract the \$0.750 million proposed in the financial arrangements; • Cost increases and variations throughout construction; and • Future net recurrent costs being higher than budgeted in the Draft LTFP. <p>These have been further assessed and considered in detail in Section 7.</p>	<p>Requirements of Section 48 (2) (e) have been met.</p> <p>MSC engaged a consultant (Urbankind) in 2023 to consider a future management model for the stadium. In doing so, financial forecasts were prepared and these forecasts have been used to inform the Draft LTFP.</p>

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Elements | Relevant Documents | Prudential Review Comments

The revenue estimates provided by Urbankind assume that key user groups will pay an hourly rate for court hire and that revenue in the order of \$100k per annum can be generated. This is materially more than the revenue being generated at other indoor court facilities in the MSC. MSC should commence formal negotiations and develop written agreements with key users, including the YMBA about the future court hire rates which will support the future cost of operating the stadium.

The capital grant revenue expected to be attracted to support the Project is at risk due to MSC's ability to achieve the timeframes prescribed in the Grant Agreements. Based on information we have reviewed, the State Government commitment of \$2.0 million is contingent on Project delivery by 30 June 2023. A grant variation request was submitted in January 2024 but has yet to be approved by the State Government. Failure to renegotiate these agreements may lead to a withdrawal of funding and an additional financial contribution being required by MSC to complete the Project.

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6.2 Recurrent and Whole of Life Costs

Section 48 (2) (f) the recurrent and whole-of-life costs associated with the project including any costs arising out of proposed financial arrangements;

Elements	Relevant Documents	Prudential Review Comments																								
Recurrent costs	Moira Shire Budget 2023/2024 (Budget) LTFP 24-25 – v1.xlxs Yarrowonga Multi Sport Stadium Management Model Review 18052023	<p>MSC will incur recurrent costs from the future operations of the stadium as well as long term asset management costs in the form of depreciation and maintenance.</p> <p>The Urbanking report produced an estimate of recurrent operating costs relating to the Project. In order to assume a level of recurrent operating costs, the report provided scenarios about the future operating model, i.e. whether the stadium would be operated by an external firm (i.e. YMCA who have an existing contractual relationship with MSC in relation to other recreation facilities) or operated by MSC, and a conservative an optimistic position for both scenarios.</p> <p>MSC's Draft LTFP has assumed future operational and facility maintenance costs will be incurred in accordance with the conservative estimate based on the YMCA management option per the following table from the Urbanking report.</p> <table border="1" style="width: 100%; border-collapse: collapse; text-align: right;"> <thead> <tr> <th style="background-color: #4CAF50; color: white;">Conservative</th> <th style="background-color: #4CAF50; color: white;">Year 1</th> <th style="background-color: #4CAF50; color: white;">Year 2</th> <th style="background-color: #4CAF50; color: white;">Year 3</th> </tr> </thead> <tbody> <tr> <td>Operational Costs</td> <td>\$127,500</td> <td>\$136,000</td> <td>\$156,000</td> </tr> <tr> <td>Facility Maintenance</td> <td>\$27,500</td> <td>\$28,500</td> <td>\$30,000</td> </tr> <tr> <td>Depreciation</td> <td>\$167,000</td> <td>\$167,000</td> <td>\$167,000</td> </tr> <tr> <td>Total Expenses</td> <td>\$322,000</td> <td>\$331,500</td> <td>\$353,000</td> </tr> <tr> <td>Net Profit (against Revenue)</td> <td>-\$222,380</td> <td>-\$211,956</td> <td>-\$223,505</td> </tr> </tbody> </table> <p>There is limited detail about assumptions or further breakdowns of expenditure in the Urbanking report to support the estimates provided for operational and facility maintenance costs. While it is not clear, it appears the operational costs include an assumed 55 hours of staff time to cover the span of hours where the facility will be open. The Urbanking report also estimates that facility maintenance costs (excluding cleaning) will be \$7,600 per annum.</p> <p>The extent of costs for management of such facilities will be highly dependent on the number of labour hours required to manage the courts and café / kiosk and this to some extent is driven by the appetite of Council to activate the stadium and to provide innovative community programming.</p> <p>If the Stadium is mainly used by the YMBA it is likely that there would be limited need for external labour to manage bookings. If MSC is seeking to run more bespoke programming at the Stadium, then more management hours would be required.</p>	Conservative	Year 1	Year 2	Year 3	Operational Costs	\$127,500	\$136,000	\$156,000	Facility Maintenance	\$27,500	\$28,500	\$30,000	Depreciation	\$167,000	\$167,000	\$167,000	Total Expenses	\$322,000	\$331,500	\$353,000	Net Profit (against Revenue)	-\$222,380	-\$211,956	-\$223,505
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YARRAWONGA MULTISPORT STADIUM - PRUDENTIAL REPORT (cont'd)

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		<p>Our benchmarking of similar two court facilities estimates that actual operational and facility maintenance costs per annum could exceed \$175k per annum when all costs are considered, which include:</p> <ul style="list-style-type: none"> • Staff time (including overheads and oncosts); • Management and administration fees from the operator, which could approximate 10% of revenue; • Cleaning; • Running community programming; • Utilities (electricity); • IT and telecommunications costs; • Security; and • Maintenance, which includes a requirement to lightly sand and re-polish floors on an annual basis. <p>There is a risk that the operational expense provisions included in the Draft LTFP, which were informed by the Urbankind report, could be understated but further clarity on the future operational model would be required to confirm this.</p> <p>We recommend a detailed operating budget is prepared by MSC, informed by financial performance at other council owned recreation centres and the desired future programming and staffing mix.</p> <p>Depreciation is forecast in the Urbankind report to be \$167,000 per annum based on a 90 year useful life. This is an unreasonable estimate for the average useful life of the component assets of an indoor court stadium which materially understates the likely annual depreciation impact from progressing the Project.</p> <p>Based on a Project value of \$16.500 million, using a more realistic average useful life estimate for the component assets of 40 years produces an annual depreciation expense of \$412,000 per annum.</p> <p>The likely average long term recurrent costs of the Project and the impact on ratepayers is shown below.</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left;">Item</th> <th style="text-align: right;">Amount</th> <th style="text-align: left;">Comment</th> </tr> </thead> <tbody> <tr> <td>Recurrent revenue</td> <td style="text-align: right;">\$100,000</td> <td>Court + Kiosk revenue</td> </tr> <tr> <td>Total revenue</td> <td style="text-align: right;">\$100,000</td> <td></td> </tr> <tr> <td>Operating expenses</td> <td style="text-align: right;">(\$100,000)</td> <td></td> </tr> <tr> <td>Facility maintenance and cleaning</td> <td style="text-align: right;">(\$75,000)</td> <td></td> </tr> <tr> <td>Management fees</td> <td style="text-align: right;">(\$10,000)</td> <td>10% of revenue</td> </tr> </tbody> </table>	Item	Amount	Comment	Recurrent revenue	\$100,000	Court + Kiosk revenue	Total revenue	\$100,000		Operating expenses	(\$100,000)		Facility maintenance and cleaning	(\$75,000)		Management fees	(\$10,000)	10% of revenue
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		<table border="1"> <tr> <td>Depreciation</td> <td>(\$412,000)</td> <td>\$16.5m project with 40 year useful life</td> </tr> <tr> <td>Total expenses</td> <td>(\$497,000)¹</td> <td></td> </tr> <tr> <td>Net recurrent cost</td> <td>(\$397,000)</td> <td></td> </tr> <tr> <td>Number of MSC rateable properties</td> <td>18,479</td> <td></td> </tr> <tr> <td>Additional recurrent cost per rateable property</td> <td>\$21.48</td> <td></td> </tr> </table>	Depreciation	(\$412,000)	\$16.5m project with 40 year useful life	Total expenses	(\$497,000)¹		Net recurrent cost	(\$397,000)		Number of MSC rateable properties	18,479		Additional recurrent cost per rateable property	\$21.48				
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		<p>¹The analysis excludes finance costs on borrowings to progress the Project.</p> <p>The above table estimates that progressing the Project will increase recurrent costs by just under \$400k per annum. In an environment where rate increases are capped, it is likely that the additional recurrent costs will need to be funded through savings in other areas of council business.</p>																		
Whole of life costs	None	An analysis of whole of life costs of the Project has not been undertaken by MSC on the basis that this exercise is not required to be undertaken under the provisions of the Victorian Local Government Act.																		
Financial arrangements		<p>Funding for the Project is proposed to be provided by the MSC, State Government, Federal Government and a community funding contribution as follows:</p> <table border="1"> <thead> <tr> <th>Funding contribution</th> <th>Amount</th> </tr> </thead> <tbody> <tr> <td>Federal Government Community Development Grant Program</td> <td>\$3,300,000</td> </tr> <tr> <td>State Government Better Indoor Stadium Fund Grant</td> <td>\$2,000,000</td> </tr> <tr> <td>Total Grant Funding</td> <td>\$5,300,000</td> </tr> <tr> <td>Community Fund Raising Commitment</td> <td>\$750,000</td> </tr> <tr> <td>Total External Funding</td> <td>\$6,050,000</td> </tr> <tr> <td>Loan funding (interest reduced)</td> <td>\$6,858,000</td> </tr> <tr> <td>Council cash contribution</td> <td>\$2,092,000</td> </tr> <tr> <td>Total funding allocated to the Project</td> <td>\$15,000,000</td> </tr> </tbody> </table> <p>We have confirmed this capital provision is included in the Draft LTTP over a three year Project delivery period with \$0.410 million assumed to be spent in FY2024, \$9.500 million forecast in FY2025 and \$5.090 million forecast in FY2026.</p>	Funding contribution	Amount	Federal Government Community Development Grant Program	\$3,300,000	State Government Better Indoor Stadium Fund Grant	\$2,000,000	Total Grant Funding	\$5,300,000	Community Fund Raising Commitment	\$750,000	Total External Funding	\$6,050,000	Loan funding (interest reduced)	\$6,858,000	Council cash contribution	\$2,092,000	Total funding allocated to the Project	\$15,000,000
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		<p>MSC has not obtained a recent report from a cost consultant or quantity surveyor to quantify the expected capital costs of the Project based on the latest design drawings dated February 2024. The latest available capital cost information which was presented to Council at the 23 July 2023 Council Meeting included the following capital cost information:</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left;">Cost Estimate</th> <th style="text-align: right;">Cost Estimate</th> </tr> </thead> <tbody> <tr> <td>Architect</td> <td style="text-align: right;">\$350,000</td> </tr> <tr> <td>Administration</td> <td style="text-align: right;">\$30,000</td> </tr> <tr> <td>Project Management</td> <td style="text-align: right;">\$225,000</td> </tr> <tr> <td>Site supervision</td> <td style="text-align: right;">\$100,000</td> </tr> <tr> <td>Construction</td> <td style="text-align: right;">\$15,000,000</td> </tr> <tr> <td>Costs expended to date</td> <td style="text-align: right;">\$793,000</td> </tr> <tr> <td>Estimated direct construction cost</td> <td style="text-align: right;">\$16,463,000</td> </tr> <tr> <td>Project contingency</td> <td style="text-align: right;">\$1,500,000</td> </tr> <tr> <td>Total cost estimate</td> <td style="text-align: right;">\$17,963,000</td> </tr> </tbody> </table> <p>Based on the June 2023 estimate, there is a \$2.963 million funding shortfall within the Draft LTFP to deliver the Project however we have a low level of confidence on the accuracy of this figure.</p> <p>We have not been provided with any external information to support the above cost estimate provided to Council in July 2023, and in particular, are not aware of how the \$15.0 million of direct construction costs for the Project was estimated. MSC has recently engaged Quantity Surveyors Melbourne to prepare an updated cost estimate for the Project based on the February 2024 designs, but at the date of writing, this estimate has not yet been completed.</p> <p>Obtaining an updated QS report is a key risk mitigation activity that must be undertaken to provide Council with more clarity on expected total cost of the Project in the current construction environment.</p>	Cost Estimate	Cost Estimate	Architect	\$350,000	Administration	\$30,000	Project Management	\$225,000	Site supervision	\$100,000	Construction	\$15,000,000	Costs expended to date	\$793,000	Estimated direct construction cost	\$16,463,000	Project contingency	\$1,500,000	Total cost estimate	\$17,963,000
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		<p>Findings: Requirements of Section 48 (2) (f) have been partially met and further work is recommended The recurrent costs of the Project have been identified as operating expenses, building maintenance, depreciation and finance charges. An estimate of these costs has been factored into the latest Draft LTFP based on the Urbankind report however there is a still a risk based on the work undertaken to date that the recurrent cost estimates are understated. We have not been provided with sufficient information to obtain a high level of confidence on the future recurrent costs of operating the Stadium.</p>																				

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6.3 Financial Viability

Section 48 (2) (g) the financial viability of the project, and the short and longer term estimated net effect of the project on the financial position of the council:

Elements	Relevant Documents	Prudential Review Comments
Financial viability	MSC Financial Plan 2021-2031 LTFP 24-25 – v1.xlsx (Draft LTFP)	<p>The revenue generated by the Project assets will not cover the net recurrent costs. The annual deficit of net recurrent costs over revenue generation will need to be funded through other cost savings or through increased rates.</p> <p>The extent of the recurrent cost shortfall has been assessed in Section 6.2 and is estimated by us to be in the order of \$400k per annum (after depreciation but excluding finance costs). Further work is required by MSC to prepare an updated operating budget once the operating model has been further refined, the total capital cost of the Project is known, and the funding arrangements have been finalised.</p> <p>In order to understand the impact of progressing the Project on MSC's overall financial position, we have reviewed the latest iteration of the MSC Draft LTFP, provided to us on 9 April 2024. This version of the Draft LTFP has not yet been provided to Council for review and endorsement.</p> <p>The Draft LTFP represents the first updated version of the LTFP based on the draft FY2025 budget and includes financial provisions for the Project as follows:</p> <ul style="list-style-type: none"> • Assumed capital cost \$15.0 million (noting that this may not be sufficient to deliver the Project as currently scoped); • Annual revenue: \$100k in FY2027, \$120k in FY2028, \$129 in FY2029 and indexed thereafter (per Urbankind report); • Annual recurrent costs (excluding depreciation and finance): \$162k in FY2027, \$179k in FY2028, \$191k in FY2029 and indexed thereafter (per Urbankind Report); • Depreciation is calculated per high level assumptions in the modelling based on the average useful life of the buildings asset class; • Finance charges are based on an assumed \$7.0 million in Project borrowings, which are repaid based on the funding assumptions incorporated within the Draft LTFP. <p>The financial position of MSC is best measured with reference to the VAGO (Victoria Auditor-General's Office) Ratios. The forecast performance over the next ten years based on the Draft LTFP is shown below.</p>

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15.02 VAGO RATIO	1 Jul 24		1 Jul 23		1 Jul 22		1 Jul 21		1 Jul 20		1 Jul 19		1 Jul 18		1 Jul 17		1 Jul 16		1 Jul 15		1 Jul 14		1 Jul 13	
	30 Jun 24	30 Jun 23	30 Jun 22	30 Jun 21	30 Jun 20	30 Jun 19	30 Jun 18	30 Jun 17	30 Jun 16	30 Jun 15	30 Jun 14	30 Jun 13	30 Jun 12	30 Jun 11	30 Jun 10	30 Jun 09	30 Jun 08	30 Jun 07	30 Jun 06	30 Jun 05	30 Jun 04	30 Jun 03	30 Jun 02	30 Jun 01
Actual debt/capital ratio	21.6%	8.0%	3.3%	2.6%	1.2%	2.8%	2.8%	0.5%	0.6%	1.0%	1.5%	1.4%	1.4%	1.4%	1.4%	1.4%	1.4%	1.4%	1.4%	1.4%	1.4%	1.4%	1.4%	1.4%
Actual renewal/capital ratio	(5.7%)	(5.7%)	(6.4%)	(5.6%)	(4.9%)	(4.9%)	(5.0%)	(4.2%)	(4.2%)	(4.2%)	(4.2%)	(4.2%)	(4.2%)	(4.2%)	(4.2%)	(4.2%)	(4.2%)	(4.2%)	(4.2%)	(4.2%)	(4.2%)	(4.2%)	(4.2%)	(4.2%)
Debt/capital ratio	3.42	2.05	2.08	3.03	3.11	3.18	3.50	3.81	4.15	4.15	4.15	4.15	4.15	4.15	4.15	4.15	4.15	4.15	4.15	4.15	4.15	4.15	4.15	4.15
Debt/capital ratio	0.54%	0.47%	0.49%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%
Debt/capital ratio	0.76	0.76	0.76	0.76	0.76	0.76	0.76	0.76	0.76	0.76	0.76	0.76	0.76	0.76	0.76	0.76	0.76	0.76	0.76	0.76	0.76	0.76	0.76	0.76
Debt/capital ratio	2.21	0.92	0.92	0.92	0.92	0.92	0.92	0.92	0.92	0.92	0.92	0.92	0.92	0.92	0.92	0.92	0.92	0.92	0.92	0.92	0.92	0.92	0.92	0.92

Reviewing and auditing the LTFP model is beyond the scope of our engagement so we are limited to commenting on the outputs from the modelling provided.

Our ratio assessment shows that MSC is:

- Delivering an underlying operating deficit in each year of the Draft LTFP, which would be improved if the Project was not progressed;
- MSC has low levels of debt and cash reserves which can be applied to help meet the upfront capital cost of the Project;
- MSC's capital replacement ratio and renewal gap ratio is well below 1.0 for each year of the Draft LTFP which suggests a significant underinvestment in the renewal of assets forecast over the LTFP period. While MSC is demonstrating an ability to fund the capital cost of the Project based on the Draft LTFP, addressing the renewal funding gap would require additional capital which would lead to more borrowings and a reduced funding capacity for the Project.

The Draft LTFP is highlighting some areas of concern in relation to the financial viability of MSC from both an operating deficit and an asset renewal funding perspective. While including the Project in the Draft LTFP is contributing towards the forecast future operating deficits, it is noted that our concerns would still exist whether or not the Project proceeds.

Future updates of the Draft LTFP may wish to consider:

- Aligning the capital cost of the Project and the funding assumptions with the updated QS report which is expected to be received in April 2024;
- Reconsidering the operating assumptions once further clarity on potential revenue streams generated by user and the operating model and staffing assumptions are known;
- Once the above are considered, including a scenario analysis showing Council the specific impact that the Project is having on the VAGO ratios.

Findings:
Requirements of Section 48 (2) (g) **have been met.**
The Draft LTFP contains \$15.0 million of capital provisions to support completion of the Project as well as provisions for increased revenue and recurrent costs in line with the Urbankind report. Considering that the MSC is still in the early phases of planning for this Project, the assumptions included in the Draft LTFP are not unreasonable, however they should be reviewed and updated as more information about the Project, such as the updated QS report, comes to hand.

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7. RISK MANAGEMENT

Section 48 (2) (h) any risks associated with the project, and the steps that can be taken to manage, reduce or eliminate those risks (including by the provision of periodic reports to the chief executive officer and to the council):”

Elements	Relevant Documents	Prudential Review Comments
Risk assessment	<p>Risk-Management-Policy-adopted-23-October-2019.pdf</p> <p>Risk-Appetite-Statement-adopted-27-September-2023.pdf</p> <p>Yarrawonga Multisport Stadium - Risk, Opportunities, and Issues Workshop #2 – Agenda</p> <p>Yarrawonga Multisport Stadium - Risk and Issues Register November 2023.xls</p>	<p>The Risk Management Policy is designed to document MSC's commitment to identify, manage and mitigate Council's risk exposure.</p> <p>The Risk Management Policy is a high level document focused on enterprise and corporate risks, and requires Council to determine the level of acceptable residual risk through the regular review of the Risk Appetite Statement and the Risk Management Plan.</p> <p>What is an acceptable level of risk is documented in the MSC Risk Appetite Statement. Risk appetite is the amount of risk an organisation is willing to accept in pursuit of its strategic objectives. The Risk Appetite Statement considers the most significant categories of potential risks to Council and provides an outline as to how much risk Council is willing to accept in these areas.</p> <p>Risks that are assessed and rated as high or extreme (as per the Risk Management Plan) must be managed to a level that is as low as reasonably practicable and be monitored in accordance with Council's Risk Management Plan.</p> <p>MSC's risk appetite is described in the Statement as 'guarded'; MSC will consider options and choose one that is safe, but also may maximise its ability to innovate, deliver strategic priorities and services, and care for the safety and wellbeing of staff, while also providing an acceptable level of reward and value for the community it serves and for local government.</p> <p>In order to ensure that risk has been considered in progressing the Project, the MSC undertook a Project Risk Workshop on 16 November 2023 and prepared a Project Risk and Issues Register (Risk Register) which documents the key identified Project risks.</p> <p>We have reviewed the Risk Register in the above context.</p> <p>The Risk Register identifies 38 specific Project risks across 12 risk categories. Before the application of risk controls, nine risks were assessed as having a 'high' risk rating. Risk treatments were identified and the risks were reassessed with nil risks have a residual risk rating of 'high' or above.</p> <p>In reviewing the Risk Register we note that it is a highly operational document, identifying risks such as a loss of power during an emergency event, project design does not consider gender equality, lack of staff training, lack of energy efficient designs and no provision for waste storage as risks with a high inherent risk rating. While consideration of these risks is important, there are a number of fundamental strategic</p>

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Yarrowonga Multisport Stadium – Prudential Report

Elements	Relevant Documents	Prudential Review Comments
		<p>and financial Project risks which have not been identified in the Risk Register, many of which in our view would have a residual risk rating for this Project rated as 'high' or greater. These include:</p> <ul style="list-style-type: none"> the ability of MSC to meet community and stakeholder expectations in the delivery of the Project; the sufficiency of internal expertise to oversee delivery of the Project; the impact on the community of not progressing with the Project; the sufficiency of the current \$15.000 million budget to deliver the Project; the ability for the community to attract the \$0.750 million proposed in the financial arrangements; the ability of MSC to meet current grant acquittal terms and timelines to secure the Project's external funding; the requirement for council to endorse additional funding to support delivery of the Project; the impact that progressing the Project will have on MSC's long term financial sustainability; variation claims during the construction phase of the Project; the ability to attract suitable construction contractors to deliver the Project; the constructability of the current Project designs; and the sufficiency and capacity of existing site services and whether or not any required upgrades have been appropriately provided for in the budget. <p>In considering the above, it appears necessary for MSC to critically review and update the Risk Register as a matter of priority to ensure that a number of new and important strategic and financial risks can be assessed, and appropriate mitigation controls be identified and implemented.</p> <p>It is likely that such a process would lead MSC to develop and adopt additional Project control structures and documentation to guide the future construction procurement and delivery phase of the Project; as these processes are currently lacking. Senior members of MSC's staff would need to provide input and insight into this process, including the Finance Manager.</p> <p>The Risk Management Statement notes MSC has a 'cautious' tolerance rating for financial risk and makes the following comments:</p> <p><i>"We recognise that Council has a responsibility to ensure that we have sufficient resources now and into the future and that there are financial risks involved in delivering a wide range of services, programs and capital projects."</i></p> <p>It also notes that Council will not tolerate "Actions that have a significant negative impact on long term financial sustainability."</p>

FILE NO:
5. TRANSPARENT AND ACCOUNTABLE
GOVERNANCE

ITEM NO: 9.1.5
(DIRECTOR CORPORATE
PERFORMANCE, MATT JARVIS)
(CHIEF EXECUTIVE OFFICER, MATTHEW
MORGAN)

YARRAWONGA MULTISPORT STADIUM - PRUDENTIAL REPORT (cont'd)

ATTACHMENT No [1] - Prudential Report - Yarrowonga Multisport Stadium



17 April 2024
Moira Shire Council
Yarrowonga Multisport Stadium – Prudential Report

Elements	Relevant Documents	Prudential Review Comments
<p>Findings: Requirements of Section 48 (2) (h) have not yet been met, and further work is recommended. A Risk Register has been prepared that identifies the most significant operational Project risks. In our view, there are many key significant strategic and financial risks that have not been considered in the Risk Register, and accordingly, appropriate mitigation strategies including additional project planning and documentation have not been identified to reduce the residual risk of progressing the Project to an acceptable level, consistent with MSC's Risk Management Statement. Further risk management work is strongly recommended that considers higher level project risks to prepare an updated Risk Register to properly appraise Council of the levels of risk associated with progressing the Project. Should the Project proceed, regular updates to the Risk Register should be scheduled as the Project moves through the construction phase and as risks change.</p>		<p>The current iteration of the Risk Register does not demonstrate that financial risk and the impact on long term financial sustainability has been appropriately considered by MSC for this Project.</p>

FILE NO:
5. TRANSPARENT AND ACCOUNTABLE
GOVERNANCE

ITEM NO: 9.1.5
(DIRECTOR CORPORATE
PERFORMANCE, MATT JARVIS)
(CHIEF EXECUTIVE OFFICER, MATTHEW
MORGAN)

YARRAWONGA MULTISPORT STADIUM - PRUDENTIAL REPORT (cont'd)

ATTACHMENT No [1] - Prudential Report - Yarrowonga Multisport Stadium



17 April 2024
Moirā Shire Council
Yarrowonga Multisport Stadium – Prudential Report

8. PROJECT DELIVERY

Section 48 (2) (i) the most appropriate mechanisms or arrangements for carrying out the project;

Elements	Relevant Documents	Prudential Review Comments
Project Delivery	None	<p>Little information has been provided for the prudential review to describe how the Project will be delivered and to help ensure MSC has appropriate mechanisms in place to carry out the Project.</p> <p>We have been advised that it is MSC's intention, following Council's consideration of this Prudential Report and approval to proceed, to approach the market seeking a suitably qualified construction contractor to progress the Project.</p> <p>There does not appear to be a documented Project Delivery Plan, Project Charter or Procurement Plan advising how and when this market approach will be undertaken nor how Council will ultimately manage the delivery of the Project.</p> <p>On 27 March 2024, a report was presented to Council in relation to the Yarrowonga Library Project. Within that report, a project governance structure was proposed to oversee that project and a statement was made within that report that a similar project governance structure should be applied to the Yarrowonga Multisport Stadium Project.</p> <p>The structure proposed for the library project included:</p> <ul style="list-style-type: none"> • The installation of a Project Control Board consisting of a Project Sponsor, Project Manager, and the four Council Directors. • Roles and Responsibilities of key Project Control Board members. • Development of a Project Charter and monthly progress reports against the charter. • Project escalation framework and project tolerances. <p>The project control and delivery structure implemented for the Library Project brings some good practice concepts and ideas which could and should be applied to the Yarrowonga Multisport Stadium delivery.</p> <p>As every project is different with different risks and stakeholders to manage, we recommend a Project Delivery Plan is created for this Project. We have provided some example project delivery plan templates to MSC Council Officers which could be used and updated for this purpose.</p>

Findings:

Requirements of Section 48 (2) (i) **not yet been met, and further work is recommended.**

There is very little documentation to demonstrate how MSC will ensure that this Project is carried out efficiently and effectively. A Project Delivery Plan should be created which identifies a Project Governance Structure to oversee Project Delivery.

BRM Advisory
Yarrowonga Multisport Stadium - Prudential Report Final (Public) (FYI-606649932)

FILE NO:
5. TRANSPARENT AND ACCOUNTABLE
GOVERNANCE

ITEM NO: 9.1.5
(DIRECTOR CORPORATE
PERFORMANCE, MATT JARVIS)
(CHIEF EXECUTIVE OFFICER, MATTHEW
MORGAN)

YARRAWONGA MULTISPORT STADIUM - PRUDENTIAL REPORT (cont'd)

ATTACHMENT No [1] - Prudential Report - Yarrawonga Multisport Stadium



17 April 2024
Moira Shire Council
Yarrawonga Multisport Stadium – Prudential Report

9. SALE OR DISPOSITION OF LAND

Section 48 (2) (j) if the project involves the sale or disposition of land, the valuation of the land by a qualified valuer under the Land Valuers Act 1994;

Elements	Relevant Documents	Prudential Review Comments
Valuation of land	None	The Project does not involve the sale or disposition of land.
Findings:	Requirements of Section 48 (2) (j) are not applicable to this Project.	

FILE NO:
5. TRANSPARENT AND ACCOUNTABLE
GOVERNANCE

ITEM NO: 9.1.6
(GOVERNANCE AND RISK COORDINATOR,
NANCY MUSTICA)
(DIRECTOR CORPORATE PERFORMANCE
MATT JARVIS)

**CEO EMPLOYMENT AND REMUNERATION COMMITTEE MEETING MINUTES 15
APRIL 2024**

Recommendation

That Council:

1. Accepts the minutes of the CEO Employment and Remuneration Committee Meeting held on 15 April 2024 shown as Attachment 1; and
2. Endorse the recommendations within the minutes.

1. Executive Summary

The responsibility for assisting Council with its obligations regarding CEO employment, performance and remuneration is delivered through the CEO Employment and Remuneration Committee.

The purpose of this report is to present the minutes of the recent CEO Employment and Remuneration Committee including recommendations for Council to consider.

2. Conflict of interest declaration

There are no conflict of interest declarations to consider.

3. Background & Context

The CEO Employment and Remuneration Committee was established in accordance with the requirements of the *Local Government Act 2020* and provides direction and guidance on the management of the life cycle of the Chief Executive Officer's employment including recruitment, performance and end of contract processes.

4. Issues

There are no issues to consider.

5. Strategic Alignment

This report aligns with the Council Plan objective of Transparent and Accountable Governance.

6. Internal & External Engagement

The CEO Employment and Remuneration Advisory Committee met on 15 April 2024.

7. Budget / Financial Considerations

The budget and financial implications are documented in the attachments to the minutes.

8. Risk & Mitigation

There are no risk implications to consider.

FILE NO:
5. TRANSPARENT AND ACCOUNTABLE
GOVERNANCE

ITEM NO: 9.1.6
(GOVERNANCE AND RISK COORDINATOR,
NANCY MUSTICA)
(DIRECTOR CORPORATE PERFORMANCE
MATT JARVIS)

**CEO EMPLOYMENT AND REMUNERATION COMMITTEE MEETING MINUTES 15
APRIL 2024 (cont'd)**

9. Conclusion

This report provides the minutes of the CEO Employment and Remuneration Committee of meeting held on 15 April 2024.

It is recommended that Council endorse the recommendations contained within the attached minutes.

Attachments

- 1 CEO Employment and Remuneration Advisory Committee Minutes - 15 April 2024 - *Confidential - printed in separate document*

FILE NO:
4. CUSTOMER FOCUSED AND RESPONSIVE

ITEM NO: 9.1.7
(GRANTS OFFICER, JESSICA BOLLEN)
(DIRECTOR CORPORATE PERFORMANCE,
MATT JARVIS)

SUCCESSFUL GRANT OUTCOME - BARMAH FLOODPLAIN MANAGEMENT PLAN

Recommendation

That Council:

1. Accept the offer of \$100,000 grant funding support provided by the Department of Justice and Community Safety (DJCS) via Emergency Management Victoria (EMV) for the Barmah Floodplain Management Study; and
2. Approve Council's financial co-contribution requirement of \$30,000 for inclusion in the 2024/2025 budget.

1. Executive Summary

Last year Council officers applied for funding via the Risk and Resilience Program issued by Emergency Management Victoria (EMV) to see the development of a Barmah Floodplain Management Study.

Council has been successful in its submission.

To accept the offer, Council's CEO needs to sign the funding agreement and confirm its financial co-contribution of \$30,000.

2. Conflict of interest declaration

No conflict of interest to declare.

3. Background & Context

In August 2023, Council staff prepared a grant submission for the Risk and Resilience program managed by EMV. The proposal is for a Barmah floodplain management study to see if there are any viable structural flood mitigation options for the township which could provide a level of protection for future flood events.

The initiative is in response to Barmah's flooding history, most recently experienced in October 2022 and is expected to be completed by May 2026.

The study will build on the findings of previous flood studies which include Barmah and the Lower Goulburn Floodplain Rehabilitation Scheme. If available, the Echuca-Moama Flood Study (which extends upstream to include Barmah), and the experiences of the community during the 2022 flood event.

The study will:

- Seek to improve the understanding of the current flood risk by undertaking floor level survey on all properties within the 1 in 200 AEP flood extent.
- Seek to improve the understanding of the level of protection provided by the current unmanaged Crown land levees
- Assess whether further structural mitigation measures can be effective in reducing the flood risk to the community during a future flood event.
- Explore whether other structural and non-structural mitigation measures should be adopted.

FILE NO:
2. A DIVERSE AND DYNAMIC ECONOMY

ITEM NO: 9.2.1
(ACTING TEAM LEADER VISITOR
SERVICES, BONNIE SYKES)
(DIRECTOR COMMUNITY, SCOTT
WILLIAMS)

BARMAH FOREST HERITAGE AND EDUCATION CENTRE ADVISORY COMMITTEE - APOINTMENT OF COMMITTEE MEMBERS

Recommendation

That Council appoint six committee members for a two-year period to the Barmah Forest Heritage and Education Centre Advisory Committee, being:

- Felicity Macchion as a representative of GV Libraries,
- Wayne Limbrick and David McKenzie as representatives of Nathalia Barmah Business Tourism, and;
- Peter Newman, Kym Bell, and Kristen Retallick as community members.

1. Executive Summary

The Barmah Forest Heritage and Education Centre (BFHEC) is an under-utilised council asset within the town of Nathalia. In October 2023, Council committed to attempting to reinvigorate the BFHEC – promoting its community and economic benefit potential for the region.

One of the actions undertaken by Council to help with this reinvigoration was the re-establishment of the BFHEC Advisory Committee (BFHEC AC). This report seeks endorsement of the appointment of the six recommended Committee members.

These six Committee members, along with the two council representatives, will make up a Committee of eight members.

2. Conflict of interest declaration

There are no conflict of interest declarations to consider.

3. Background & Context

On 5 February 2024, an expression of interest form for members of the BFHEC AC was published online on the Moira Shire Council website. This page remained active until 4 March 2024 at 5:00pm (28 days).

During the period of expressions being open, this page was promoted: on the Moira Shire Council's Facebook page, on the Council's website, in the Red Gum Courier, in printed form on the Nathalia community noticeboard, via direct email to the Local Tourism Association relevant to the area and to GV Libraries, and on the Moira Shire Council's LinkedIn.

We received six applications during this time and it is recommended that all be appointed. The Terms of Reference for the BFHEC AC were adopted by Council at the Council Meeting on 28 February 2024. The Terms of Reference stipulate there is to be up to twelve committee members, consisting of:

- one member being from GV Libraries;
- two from Nathalia Barmah Business Tourism (NBBT);
- two from Moira Shire Council, and;

FILE NO:
2. A DIVERSE AND DYNAMIC ECONOMY

ITEM NO: 9.2.1
(ACTING TEAM LEADER VISITOR SERVICES, BONNIE SYKES)
(DIRECTOR COMMUNITY, SCOTT WILLIAMS)

BARMAH FOREST HERITAGE AND EDUCATION CENTRE ADVISORY COMMITTEE - APOINTMENT OF COMMITTEE MEMBERS (cont'd)

- up to seven community members.

The applications received consist of:

- one application from GV Libraries – Felicity Macchion (CEO);
- two applications from NBBT – Wayne Limbrick and David McKenzie;
- three community members – Peter Newman (also a member of NBBT but has not applied as one), Kym Bell, and Kristen Retallick (both are ex-council employees and have ties to the community).

The two Moira Shire Council committee members are to be:

- Administrator Sheed (to be Chair of the committee);
- Bonnie Sykes – Acting Team Leader Visitor Services (to be Secretary).

As of 10 April 2024, Bonnie Sykes – Acting Team Leader Visitor Services has also reached out to Yorta Yorta Nation Aboriginal Corporation to express as desire for the committee to contain a representative of Yorta Yorta amongst its members. They have acknowledged the request and future communications will hopefully lead to the appointment of a Yorta Yorta Nations representative to the Committee.

4. Strategic Alignment

Council Plan

2. A diverse and dynamic economy The appointment of these committee members will create a source of information and knowledge share to increase our visitors' centre and museum's attendance and economic impact. The appointment of community members will also increase local use of the facility.

5. Internal & External Engagement

Engagement		Feedback
Internal	Administrators	Terms of Reference were adopted by Council on 28 February 2024.
	Governance	Prepared Expression of Interest applications.
	Communications and Engagement	Promoted the Expression of Interest to the public.
External	Community	Expressions of interest applications were advertised to the community and applications were received.
	GV Libraries	Allocated their CEO as the GV Libraries representative.
	Nathalia Barmah Business Tourism	Allocated two members to be representatives.
	Yorta Yorta Nations Aboriginal Corporation	Received the details and Terms of Reference. Will consider allocation of a representative.

FILE NO:
2. A DIVERSE AND DYNAMIC ECONOMY

ITEM NO: 9.2.1
(ACTING TEAM LEADER VISITOR
SERVICES, BONNIE SYKES)
(DIRECTOR COMMUNITY, SCOTT
WILLIAMS)

**BARMAH FOREST HERITAGE AND EDUCATION CENTRE ADVISORY
COMMITTEE - APOINTMENT OF COMMITTEE MEMBERS (cont'd)**

6. Budget / Financial Considerations

No direct financial implications.

7. Risk & Mitigation

No current risks foreseen. Any risks that come to light during the committee meetings will be discussed in the meetings and handled appropriately.

8. Conclusion

Council sought expressions of interest from the community to join the Barmah Forest Heritage and Education Centre Advisory Committee and received six applications, which have all been recommended for appointment.

Attachments

- 1 Terms of Reference - Barmah Forest Heritage and Education Centre Advisory Committee

FILE NO:
2. A DIVERSE AND DYNAMIC ECONOMY

ITEM NO: 9.2.1
(ACTING TEAM LEADER VISITOR
SERVICES, BONNIE SYKES)
(DIRECTOR COMMUNITY, SCOTT
WILLIAMS)

**BARMAH FOREST HERITAGE AND EDUCATION CENTRE ADVISORY
COMMITTEE - APPOINTMENT OF COMMITTEE MEMBERS (cont'd)**

ATTACHMENT No [1] - Terms of Reference - Barmah Forest Heritage and Education
Centre Advisory Committee



**Terms of Reference for the
Barmah Forest Heritage
and Education Centre
Advisory Committee**

Adopted by Council on 28 February 2024

FILE NO:
2. A DIVERSE AND DYNAMIC ECONOMY

ITEM NO: 9.2.1
(ACTING TEAM LEADER VISITOR
SERVICES, BONNIE SYKES)
(DIRECTOR COMMUNITY, SCOTT
WILLIAMS)

**BARMAH FOREST HERITAGE AND EDUCATION CENTRE ADVISORY
COMMITTEE - APPOINTMENT OF COMMITTEE MEMBERS (cont'd)**

**ATTACHMENT No [1] - Terms of Reference - Barmah Forest Heritage and Education
Centre Advisory Committee**

Terms of Reference

Barmah Forest Heritage and Education Centre Advisory Committee



1. PURPOSE

The Barmah Forest Heritage and Education Centre Advisory Committee aims to provide Council with informed information and knowledge about potential and future uses of the Centre. This will assist with planning for continuance of usage, potential expansion of programs, updates and maintenance to the Centre, and other items as necessary.

It is noted that usage of the library component of this precinct is managed by Goulburn Valley Libraries. For this reason, the library component of the precinct is not included in the remit of this Advisory Committee.

2. DEFINITIONS

Unless contrary intention appears the:

CEO means the Chief Executive Officer of Moira Shire Council.

Council means Moira Shire Council.

Advisory Committee means the Barmah Forest Heritage and Education Centre Advisory Committee.

Centre means the Barmah Forest Heritage and Education Centre.

3. OBJECTIVES

3.1 The key objective of the Advisory Committee is to gain information and knowledge to inform and assist in the development and continue use of the Centre. This will include:

- A. Providing feedback to Council on relevant strategies and plans affecting the Centre.
- B. Advising Council on exhibition and interpretive content and any alterations or improvements to exhibits, including acquisitions and de-acquisitions.
- C. Providing consideration and recommendations on any temporary exhibits for display.
- D. Advising in relation to artefacts that may be offered to the Centre from time to time.

FILE NO:
2. A DIVERSE AND DYNAMIC ECONOMY

ITEM NO: 9.2.1
(ACTING TEAM LEADER VISITOR
SERVICES, BONNIE SYKES)
(DIRECTOR COMMUNITY, SCOTT
WILLIAMS)

**BARMAH FOREST HERITAGE AND EDUCATION CENTRE ADVISORY
COMMITTEE - APPOINTMENT OF COMMITTEE MEMBERS (cont'd)**

**ATTACHMENT No [1] - Terms of Reference - Barmah Forest Heritage and Education
Centre Advisory Committee**

Terms of Reference

Barmah Forest Heritage and Education Centre Advisory Committee



- E. Advising on structural improvements and alterations.
 - F. Advising on programs and activities.
 - G. Advising opportunities for community volunteers within the Centre at Council's discretion.
 - H. Providing constructive and collaborative input that recognises the spatial, financial, and other limitations of the Centre and the need to ensure a range of activities are provided for.
- 3.2. Council will consider, however, is not under any obligation to act under the direction of the Advisory Committee and will balance a range of viewpoints, needs and factors in decision making about the Centre.

4. COMPOSITION AND PROCEEDINGS

- 4.1. The Advisory Committee shall be made up of:
- A. *Up to seven* interested community members invited to be members of the Advisory Committee in accordance with Section 4.5, and;
 - B. *At least two* representatives of Nathalia Barmah Business Tourism, and;
 - C. *Two* representatives of Moira Shire Council (with at least one being an Administrator), and;
 - D. *One* representative of the Goulburn Valley Libraries.
- 4.2. A member cannot be both a community member according to Section 4.1.A. and a Nathalia Barmah Business Tourism representative according to Section 4.1.B.
- 4.3. A member cannot be a community member according to Section 4.1.A. and a Moira Shire Council representative according to Section 4.1.C.
- 4.4. Appointment to this Advisory Committee will be by Council resolution.
- 4.5. Community member nominees will be considered appointed and remain current based on their ability to contribute to the objectives of the Advisory Committee as stated in Section 3.

FILE NO:
2. A DIVERSE AND DYNAMIC ECONOMY

ITEM NO: 9.2.1
(ACTING TEAM LEADER VISITOR
SERVICES, BONNIE SYKES)
(DIRECTOR COMMUNITY, SCOTT
WILLIAMS)

**BARMAH FOREST HERITAGE AND EDUCATION CENTRE ADVISORY
COMMITTEE - APPOINTMENT OF COMMITTEE MEMBERS (cont'd)**
ATTACHMENT No [1] - Terms of Reference - Barmah Forest Heritage and Education
Centre Advisory Committee

Terms of Reference

Barmah Forest Heritage and Education Centre Advisory Committee



- 4.6. Moira Shire Officers, other than the Moira Shire Council representatives as defined in Section 4.1.C, may attend the meetings as non-voting members.

5. OPERATIONAL GUIDELINES

- 5.1. The Administrator, appointed under Section 4.1.C, will chair the Advisory Committee meetings. If the Administrator is unable to attend a meeting, the Council Representative, appointed under Section 4.1.C, will chair the meeting.
- 5.2. The Council Representative, appointed under Section 4.1.C, will be secretary of the Advisory Committee meetings and, in their absence or appointment to temporary chair, they may elect another committee member to act as secretary.
- 5.3. Decisions on the Centre and future improvements on the site rests with Council after giving due regard to the input of the Advisory Committee and broader community engagement.
- 5.4. On the resignation of a member, or in the case of a community representative being incapable of acting as a representative body, the Council may appoint a replacement person.
- 5.5. All organisations and persons nominated to serve on the Advisory Committee are subject to the initial and continued approval of the Council. Revocation provisions are contained in Section 10.

6. INDEMNITY

- 6.1. The Council will indemnify members of the Advisory Committee against any action, liability, claim or demand on account of any matter or thing done by them on behalf of the Advisory Committee when they are acting in accordance with the Terms of Reference in an honest and reasonable belief or under a mistake of law that the member was properly exercising any function or power of the Advisory Committee.

7. CONFLICT OF INTEREST / CONFLICTING DUTY

- 7.1. The *Local Government Act 2020* is the primary source of guidance on conflict of interest.
- 7.2. If a member of the Advisory Committee has a conflict of interest or conflicting duty in any matter in which the Advisory Committee is concerned, the member must disclose the

FILE NO:
2. A DIVERSE AND DYNAMIC ECONOMY

ITEM NO: 9.2.1
(ACTING TEAM LEADER VISITOR
SERVICES, BONNIE SYKES)
(DIRECTOR COMMUNITY, SCOTT
WILLIAMS)

**BARMAH FOREST HERITAGE AND EDUCATION CENTRE ADVISORY
COMMITTEE - APPOINTMENT OF COMMITTEE MEMBERS (cont'd)**

**ATTACHMENT No [1] - Terms of Reference - Barmah Forest Heritage and Education
Centre Advisory Committee**

Terms of Reference

Barmah Forest Heritage and Education Centre Advisory Committee



nature of that interest at the Advisory Committee meeting at which the matter is discussed. The member must leave the room and remain outside until conclusion of discussion or any vote on the item.

7.3. A conflict of interest is considered to apply if an Advisory Committee member:

- a) has a direct or indirect financial interest in the matter; or
- b) is of the opinion that the nature of the interest in the matter is such that it may conflict with the proper performance of their public duties in respect of the matter.

8. MEETINGS

- 8.1. Meetings of the Advisory Committee will be held bi-monthly;
- 8.2. A meeting of the Advisory Committee will be held at a time and date determined most suitable by the Chairperson;
- 8.3. The Advisory Committee will seek to operate on a consensus basis on any motions it considers. Should a vote be necessary:
 - a) Each member of the Advisory Committee who is entitled to vote is entitled to one vote;
 - b) Voting must be by show of hands; and
 - c) If there is an equality of votes, the motion is lost.
- 8.4. The Advisory Committee shall keep a record of each of its meetings and the Chairperson shall ensure that the minutes of the meeting are submitted to the next meeting for confirmation.
- 8.5. The quorum of the Advisory Committee shall be at least 50% of members, inclusive of the Council Representatives, appointed under section 4.1.C. No business shall be transacted at any such meeting unless a quorum is present.

9. TERM OF APPOINTMENT

- 9.1. The term of Advisory Committee members will commence on [XXX] 2024 and will be for a period of two years until a resignation is submitted prior, or unless terminated in writing prior to the conclusion of two years by the CEO.

10. REVOCATION

FILE NO:
2. A DIVERSE AND DYNAMIC ECONOMY

ITEM NO: 9.2.1
(ACTING TEAM LEADER VISITOR
SERVICES, BONNIE SYKES)
(DIRECTOR COMMUNITY, SCOTT
WILLIAMS)

**BARMAH FOREST HERITAGE AND EDUCATION CENTRE ADVISORY
COMMITTEE - APPOINTMENT OF COMMITTEE MEMBERS (cont'd)**
ATTACHMENT No [1] - Terms of Reference - Barmah Forest Heritage and Education
Centre Advisory Committee

Terms of Reference

Barmah Forest Heritage and Education Centre Advisory Committee



- 10.1. The Council may at their discretion revoke the membership of any representative.
- 10.2. The Council has the power to terminate the services of the Advisory Committee at any time.
- 10.3. If an Advisory Committee member fails to attend three meetings in succession and does not provide an apology for their lack of attendance, their membership will be revoked.

11. ADVISORY COMMITTEE REPRESENTATION

- 11.1. It will be the responsibility of members to notify the Council in writing that they are resigning from the Advisory Committee if they resign prior to the sunset end date of this Committee i.e. before it is disbanded.

12. CONFIDENTIALITY

- 12.1. On occasions the Advisory Committee may be required to deal with a matter that has been identified as confidential in nature. Advisory Committee members are required to deal with such matters in confidence and with discretion. Such matters should not be discussed outside of the Committee.

13. INTELLECTUAL PROPERTY

- 13.1. All intellectual property remains the property of the Council unless otherwise contracted to a third party.

FILE NO:
5. TRANSPARENT AND ACCOUNTABLE
GOVERNANCE

ITEM NO: 9.2.2
(INDUSTRY DEVELOPMENT OFFICER,
LONNIE ODWYER)
(DIRECTOR COMMUNITY, SCOTT
WILLIAMS)

PROPOSAL TO ACQUIRE LOT 1 ON TP342194M FROM NATHALIA ANGLING CLUB

Recommendation

That Council:

1. Consider a recommendation on the proposal to acquire Lot 1 on TP 342194M, Chapel Street, Nathalia.
2. Authorise the CEO to sign the contract of sale.

1. Executive Summary

In July, 2022, ELT agreed to support the proposal to buy a portion of Nathalia Angling Club's land to remove an encroachment occurring on the Club's land by Council's Road.

The Club wants to erect a fence on their land, but two items of Council infrastructure have been constructed on the Club's land. As shown in the attached aerial photo, their south boundary has been encroached by a sloped gravel road that provides access to Council's pumping station inside the levy bank. The other encroachment occurs on the southwest corner where a section of bitumen road at the intersection of Chapel and Manifold Streets has also been constructed on their land also.

2. Background & Context

Discussion on several potential solutions occurred, however the preferred option is to purchase a 4m section (approx. 174sm) of land along the length of their south boundary.

Direction was given by ELT to the Acting Commercial Services Coordinator, to complete a subdivision and realignment of boundaries and for Operations to complete the gravel works of leveling the access road to the creek located at the rear of the club.

The Plan of Subdivision has been prepared for the Road excision at the Nathalia Angling Club and was carried out by RSG Surveying Services over the past 6 months.

At the Council meeting held on the 28 February, 2024, Council agreed to give public notice on the proposal and to seek submissions in accordance with Section 112 of the *Local Government Act 2020* until 4pm Wednesday 3 April 2024.

One submission was received in support of the proposal.

3. Issues

There had been discussions of needing to upgrade the intersection of Manifold and Chapel Streets to allow for an increased maneuvering area for buses. However, Council considers this as future road works and is not in the Capital Works Budget for 2023/24. It was therefore decided to align the boundary via a splay corner allowing space for future works to allow the club to construct their fence.

FILE NO:
5. TRANSPARENT AND ACCOUNTABLE
GOVERNANCE

ITEM NO: 9.2.2
(INDUSTRY DEVELOPMENT OFFICER,
LONNIE ODWYER)
(DIRECTOR COMMUNITY, SCOTT
WILLIAMS)

PROPOSAL TO ACQUIRE LOT 1 ON TP342194M FROM NATHALIA ANGLING CLUB (cont'd)

4. Strategic Alignment

Council Plan

5. Transparent and accountable
governance

5. Internal & External Engagement

Engagement

Internal **Infrastructure Department**
Scott Cramer
Damien Burton
Jason Brown
Stuart McKenzie
Ian Williams

Feedback

After many emails and discussion, it was agreed the best way forward was to carry out the boundary realignment and include a splay corner for future works when required.

Operations Department

Sean Carter
Graeme Dickie
Mark Lambourn

External Nathalia Angling Club and St
Mary of the Angels College
Principal

NAG and SMOTA will continue to negotiate their own private boundary realignment as the survey shows the College's fence line encroaches on to the NAG's land.

6. Budget / Financial Considerations

Part one - Title Re Establishment \$4,550.00 completed.

Part two – Land Acquisition via Subdivision \$4,990.00 near completion.

Land Value

Based on Councils current Site Value for rating purposes of \$14,000.00 the ratable value of the 174-meter square is \$2,852.00. The Club have proposed a purchase price of \$5,000.00.

Excavation

Realign boundary by excavation of road level \$1,000.00 complete.

Legal Expenses

Draw up Contract of Sale and Execute \$2,800.00

Total Cost to acquire land via subdivision **\$ 18,340.00.**

FILE NO:
5. TRANSPARENT AND ACCOUNTABLE
GOVERNANCE

ITEM NO: 9.2.2
(INDUSTRY DEVELOPMENT OFFICER,
LONNIE ODWYER)
(DIRECTOR COMMUNITY, SCOTT
WILLIAMS)

PROPOSAL TO ACQUIRE LOT 1 ON TP342194M FROM NATHALIA ANGLING CLUB (cont'd)

7. Risk & Mitigation

Risk	Mitigation
Financial	Total costs estimate \$ 18,340.00 a low-risk purchase to provide community connection and growth and provide further opportunities to run more events for all abilities.
Economic (regional context or broader economic impact)	If the fence can't be constructed the club can't store equipment securely which could affect club expansion, growth, and future events.
Environmental Reputational	Low immediate environmental factors Council may be seen to be unnecessarily occupying the Clubs land and not supporting the growth of our community groups.
Legislative Compliance	Council may be seen to be unnecessarily occupying the Clubs land.

8. Conclusion

Considering no objections to the proposal were received, it is recommended Council consider a recommendation on the proposal to acquire Lot 1 on TP 342194M, Chapel Street, Nathalia and authorise the CEO to sign the Contract of Sale.

Attachments

- 1 Nathalia Angling Club Easement
- 2 Nathalia Angling Club Subdivision

FILE NO:
5. TRANSPARENT AND ACCOUNTABLE
GOVERNANCE

ITEM NO: 9.2.2
(INDUSTRY DEVELOPMENT OFFICER,
LONNIE ODWYER)
(DIRECTOR COMMUNITY, SCOTT
WILLIAMS)

PROPOSAL TO ACQUIRE LOT 1 ON TP342194M FROM NATHALIA ANGLING CLUB (cont'd)

ATTACHMENT No [1] - Nathalia Angling Club Easement



FILE NO:
5. TRANSPARENT AND ACCOUNTABLE GOVERNANCE

ITEM NO: 9.2.2
(INDUSTRY DEVELOPMENT OFFICER, LONNIE ODWYER)
(DIRECTOR COMMUNITY, SCOTT WILLIAMS)

PROPOSAL TO ACQUIRE LOT 1 ON TP342194M FROM NATHALIA ANGLING CLUB (cont'd)

ATTACHMENT No [2] - Nathalia Angling Club Subdivision

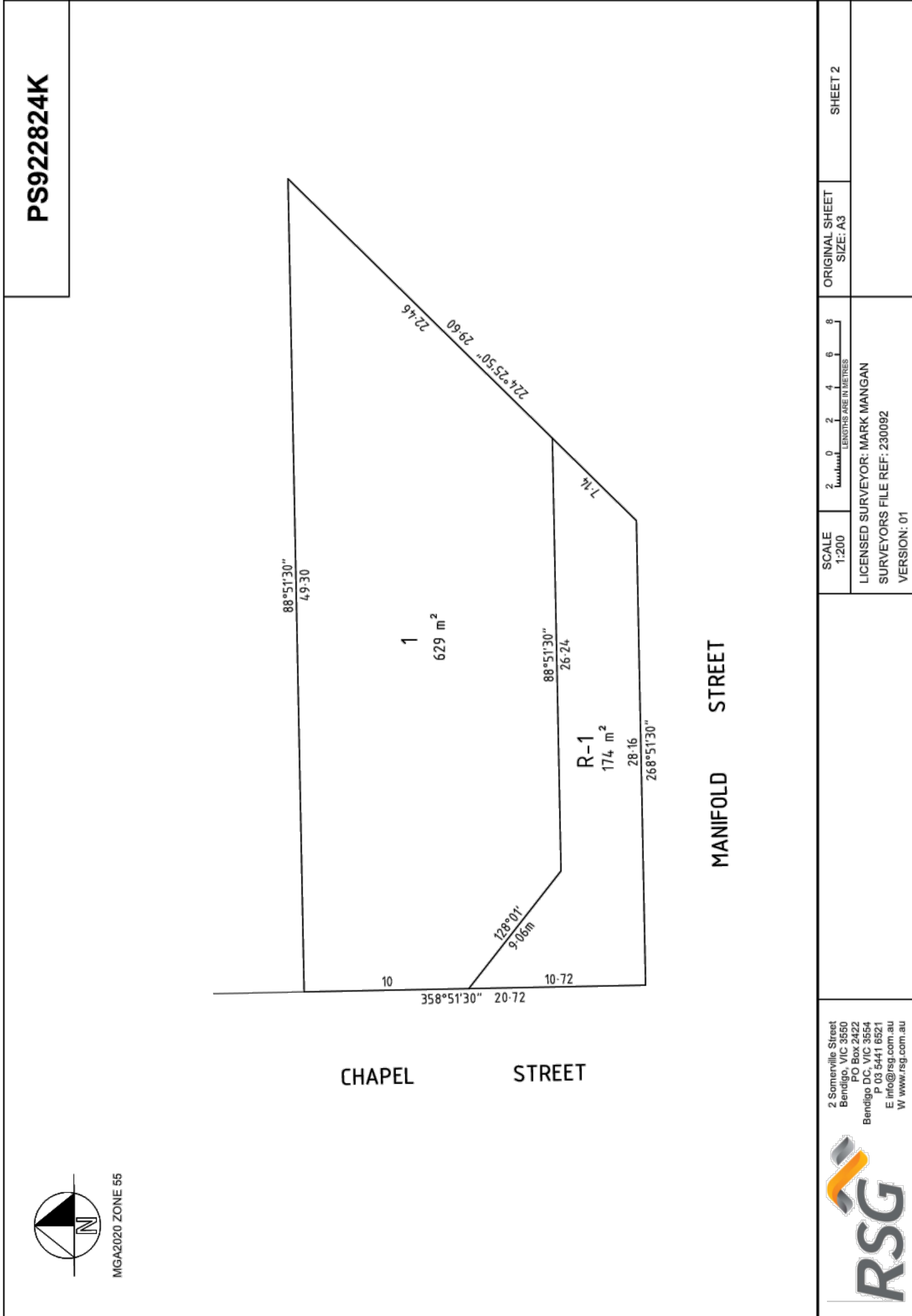
PLAN OF SUBDIVISION UNDER SECTION 35 OF THE SUBDIVISION ACT 1988		EDITION 1	PS922824K		
LOCATION OF LAND PARISH: BARWO TOWNSHIP: NATHALIA SECTION: 13 CROWN ALLOTMENT: 6 (PART) CROWN PORTION: - TITLE REFERENCE: VOL. 8641 FOL. 427 LAST PLAN REFERENCE: LOT 1 ON TP342194M POSTAL ADDRESS: CHAPEL STREET (at time of subdivision) NATHALIA 3638 MGA CO-ORDINATES: E: 338 650 ZONE: 55 (of approx centre of land N: 6 007 700 GDA 2020 in plan)		Council Name: MOIRA SHIRE COUNCIL			
VESTING OF ROADS AND/OR RESERVES		NOTATIONS			
Roads and reserves vest in the Council/body/person named when the appropriate vesting date is recorded or transfer registered. Only roads and reserves made thus (%) vest upon registration of this plan.		LAND TO BE ACQUIRED BY COMPULSORY PROCESS: NIL LAND TO BE ACQUIRED BY AGREEMENT: ROAD R-1 ALL THE LAND IS TO BE ACQUIRED FREE FROM ALL ENCUMBRANCES OTHER THAN ANY EASEMENTS SPECIFIED ON THIS PLAN			
IDENTIFIER	COUNCIL/BODY/PERSON				
ROAD R-1	MOIRA SHIRE COUNCIL				
NOTATIONS					
DEPTH LIMITATION: 15.24m					
SURVEY: THIS PLAN IS BASED ON SURVEY THIS SURVEY HAS BEEN CONNECTED TO PERMANENT MARK No.s 32, 38 & 104 IN THE PARISH OF BARWO STAGING: THIS IS NOT A STAGED SUBDIVISION PLANNING PERMIT No. N/A					
EASEMENT INFORMATION					
LEGEND: A - Appurtenant Easement E - Encumbering Easement R - Encumbering Easement (Road)					
Easements marked (-) are existing easements Easements marked (+) are created upon registration of this plan Easements marked (x) are created when the appropriate vesting date is recorded or transfer registered Easements marked (#) are removed when the appropriate vesting date is recorded or transfer registered					
Symbol	Easement Reference	Purpose	Width (Metres)	Origin	Land Benefited/In Favour Of
 2 Somerville Street Bendigo, VIC 3550 PO Box 2422 Bendigo DC, VIC 3554 P 03 5441 6521 E info@rsg.com.au W www.rsg.com.au		SURVEYORS FILE REF: 230092 VERSION: 01		ORIGINAL SHEET SIZE: A3	SHEET 1 OF 3
		LICENSED SURVEYOR: MARK MANGAN			

FILE NO:
5. TRANSPARENT AND ACCOUNTABLE GOVERNANCE

ITEM NO: 9.2.2
(INDUSTRY DEVELOPMENT OFFICER, LONNIE ODWYER)
(DIRECTOR COMMUNITY, SCOTT WILLIAMS)

PROPOSAL TO ACQUIRE LOT 1 ON TP342194M FROM NATHALIA ANGLING CLUB (cont'd)

ATTACHMENT No [2] - Nathalia Angling Club Subdivision



FILE NO:
5. TRANSPARENT AND ACCOUNTABLE GOVERNANCE

ITEM NO: 9.2.2
(INDUSTRY DEVELOPMENT OFFICER, LONNIE ODWYER)
(DIRECTOR COMMUNITY, SCOTT WILLIAMS)

PROPOSAL TO ACQUIRE LOT 1 ON TP342194M FROM NATHALIA ANGLING CLUB (cont'd)

ATTACHMENT No [2] - Nathalia Angling Club Subdivision

						PS922824K		
VESTING DATES & TRANSFER REGISTRATION DATES OF ACQUIRED LAND								
Land Affected	Land acquired by compulsory process				Land acquired by agreement		LRS reference	Assistant Registrar of Titles Signature
	Vesting Date	Government Gazette		Date of recording of vesting date	Date of registration of transfer			
		Page	Year					
ROAD R-1	-	-	-	-				



2 Somerville Street
Bendigo, VIC 3550
PO Box 2422
Bendigo DC, VIC 3554
P 03 5441 6521
E info@rsg.com.au
W www.rsg.com.au

LICENSED SURVEYOR: MARK MANGAN
SURVEYORS FILE REF: 230092
VERSION: 01

ORIGINAL SHEET
SIZE: A3

SHEET 3

FILE NO:
5. TRANSPARENT AND ACCOUNTABLE
GOVERNANCE

ITEM NO: 10.1.1
(TEAM LEADER COMMUNITY AND
RECREATIONAL DEVELOPMENT, CORRENE
COOPER)
(DIRECTOR COMMUNITY, SCOTT
WILLIAMS)

PUNT ROAD COBRAM PRECINCT MASTERPLAN

Recommendation

That Council endorse the commencement of early community engagement on the potential suitable uses of the Cobram Punt Road Precinct (formerly the Apex Caravan Park).

1. Executive Summary

Council is proposing to prepare a Masterplan for the Punt Road Precinct Cobram, which includes the land formally known as the Cobram Apex Caravan Park and extends along Punt Road to include the Outdoor Swimming Pool and the Civic Centre.

Council is looking to commence early engagement with the community around potential future needs and uses for the land, in order to inform the development of a masterplan for the site.

2. Conflict of interest declaration

There are no conflict of interest declarations to consider as part of this report.

3. Background & Context

Council passed a resolution at its Ordinary Council meeting on 27 April 2015 to dispose of the Apex Caravan Park, located on Punt Road Cobram which resulted in the subdivision of the land into 5 lots including the Outdoor Swimming Pool and the three residential lots located along Campbell Road.

The former Apex Caravan Park was closed on 30 September 2016 to enable redevelopment of the site. The site was decommissioned including removal of infrastructure and the utility services were disconnected.

On 17 June 2018 Council resolved to retain the balance of the former Apex Caravan Park as Council land and not to proceed with the sale of this portion of the site at this stage.

The former Caravan Park site is now included as part of an area to be referred as the Punt Road Precinct and Council is proposing to prepare a Master Plan to develop the entire site for community use.

A report was delivered to the October 2023 Council meeting confirming that Council will be initiating a Master Plan. This was further established through a meeting between Council CEO Matthew Morgan, Director Infrastructure Justin Hanrahan, and members of the Cobram Apex Club in April 2024.

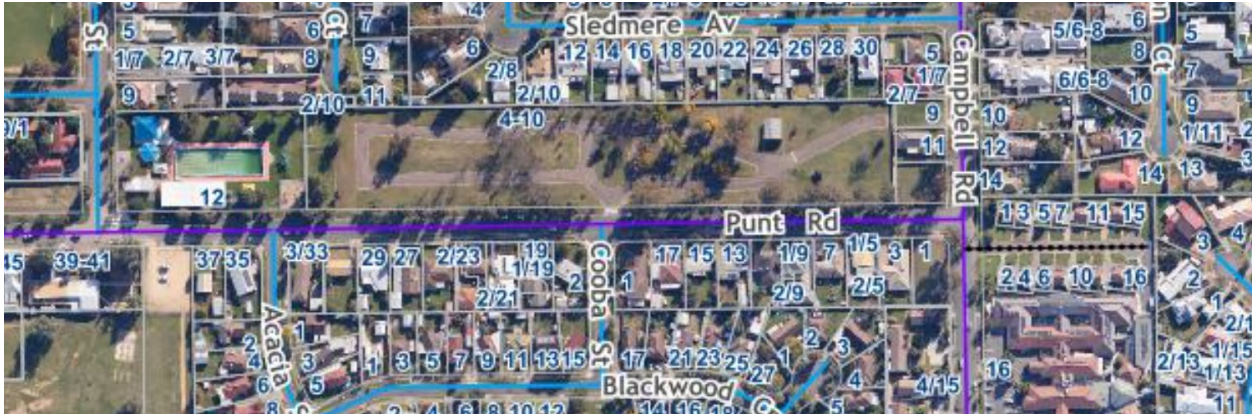
It is desirable to now commence early engagement with the community to understand different ideas, perspectives and suggestions about the future uses and potential development of this land for community purposes. It should be noted that Council does not have funds allocated in the 10 year financial plan for the development of this reserve, however early engagement sentiment from the community will be helped to inform the masterplan development process. It is expected that early engagement will occur through May 2024. From there works can

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(DIRECTOR COMMUNITY, SCOTT
WILLIAMS)

PUNT ROAD COBRAM PRECINCT MASTERPLAN (cont'd)

commence on developing a masterplan for the site and a second round of community consultation will be expected in September 2024.



4. Issues

Council has allocated Budget and resources for the preparation of a Masterplan to determine the future use of this site as a community asset.

5. Strategic Alignment

This report aligns with the Council Plan objective 5: Transparent and Accountable Governance, and objective 4: Customer focused and Responsive.

6. Internal & External Engagement

Council supports community feedback of retaining this land for a masterplan process to determine future uses.

Councils Communications department have prepared a consultation plan which will be enacted to provide Council with a broad-level understanding what the community may want or need from this space.

Meanwhile, preliminary site investigations including flora and fauna study and soil testing will be undertaken to inform what possible usage and development may be appropriate.

Once the data is collected and analyzed, this will be used to inform a detailed brief for a consultant to prepare a master plan which will include consultation activities, refined to more specific options for the development/ use of the site.

7. Budget / Financial Considerations

A budget estimate of \$120,000 to undertake a master planning project has been included in the December Quarterly Review.

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PUNT ROAD COBRAM PRECINCT MASTERPLAN (cont'd)

8. Risk & Mitigation

The Master Plan development will include consultation with the community to ensure effective stakeholder engagement.

There is a risk that the community will advocate for development of a project that is not financially viable or duplicates existing assets within the catchment.

9. Conclusion

The development of the Masterplan in consultation with the community will provide opportunities for the development of the site.

Attachments

- 1 Apex Club - Punt Road Master Plan Meeting
- 2 Communications Plan

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5. TRANSPARENT AND ACCOUNTABLE
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(TEAM LEADER COMMUNITY AND
RECREATIONAL DEVELOPMENT,
CORRENE COOPER)
(DIRECTOR COMMUNITY, SCOTT
WILLIAMS)

PUNT ROAD COBRAM PRECINCT MASTERPLAN (cont'd)

ATTACHMENT No [1] - Apex Club - Punt Road Master Plan Meeting

Ref: F17/674



15 April 2024

Dianne Gadsden

Via email: [REDACTED]

Dear Dianne

Cobram Punt Road Master Plan

Thank you to you and your colleagues for taking the time to meet with us last week to discuss the process for the Punt Road site Masterplan.

It is evident that Apex, Rotary and Cobram Community Enterprise are passionate about the site and retaining and utilising this in the long-term interest of the community. This demonstrates strong community leadership.

As discussed at the meeting I would like to assure you that Council's position is to preserve the land for public use, as per it's previous resolution dated 22 November 2023, with the exception of the allotments at the far end adjacent Campbell Road.

Council will shortly commence community engagement activities for the future use of the land and will welcome input from your committee, and as discussed, the opportunity to jointly promote the consultation around future use of the land.

All going well, we anticipate a report for information to be provided at the April Council meeting to commence community consultation, and then in early May we anticipate the first round of consultation to commence to gauge early sentiment from the community about possible future uses.

Once again thanking you for taking the time to meet with Justin Hanrahan (Acting Director Infrastructure) and myself on this matter. If you have any queries or wish to discuss this matter further, do not hesitate to contact me on (03) 5871 9222.

Yours sincerely

A handwritten signature in black ink, appearing to read "Matthew Morgan".

Matthew Morgan
Chief Executive Officer

Moirá Shire Council
ABN: 20 538 141 700
Post: PO Box 578, Cobram, Vic 3643

Cobram Administration Centre:
44 Station Street, Cobram
Yarrawonga Service Centre:
100 Belmore Street, Yarrawonga

Phone: 03 5871 9222
Fax: 03 5872 1567
NRS: 133 677

Email: info@moira.vic.gov.au
moira.vic.gov.au



FILE NO:
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**(TEAM LEADER COMMUNITY AND
RECREATIONAL DEVELOPMENT,
CORRENE COOPER)**
**(DIRECTOR COMMUNITY, SCOTT
WILLIAMS)**

PUNT ROAD COBRAM PRECINCT MASTERPLAN (cont'd)

ATTACHMENT No [2] - Communications Plan

MOIRA SHIRE
COMMUNICATIONS AND
ENGAGEMENT



Communications Plan

Project:	Punt Road Precinct Master Plan
Date:	April 2024
Contact:	Dana Sharp
File Location:	

Introduction Summary

A motion was made at the October 2023 Council meeting “that Council note the proposal to complete a Master Plan on the area known as the Punt Road Precinct Cobram and reconfirm to the community that the land, formerly known as the Cobram Apex Caravan Park, will be retained for public use”.

Council has committed to completing a Master Plan for the site, with community engagement required to determine potential public use/s.

Communication Goals

- To understand potential public use/s of the Punt Road Precinct, as seen by the community.
- To gather information from the community that can be used in the development of the Punt Road Precinct Master Plan.
- To ensure that the Cobram and district community know there is the opportunity to provide their ideas and suggestions on potential public use/s of the site.

Audience

Primary Audience

- Local Cobram and district community
- Community members who utilise surrounding facilities – pool, library, Community House, daycare, Apex Reserve, etc.

Secondary Audience

- Moira Shire residents and rate payers

Key Stakeholders

- Moira Shire Council
- Community members currently advocating for use of site

Key Dates (TBC)

Wednesday 1 May	Community Consultation Open
Tuesday 28 May	Community Consultation Closes

Communication Strategy

Website Landing Page

The leading source of information for this Master Plan will be a landing page on Council’s

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(DIRECTOR COMMUNITY, SCOTT
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PUNT ROAD COBRAM PRECINCT MASTERPLAN (cont'd)

ATTACHMENT No [2] - Communications Plan

MOIRA SHIRE
COMMUNICATIONS AND
ENGAGEMENT



website - www.moirashire.vic.gov.au. The key elements will feature on this page including explanations, visual aids, and a subscription function for community members to be alerted of changes and updates.

Engagement Platform

A project page will be created on Council's engagement platform – www.moiramatters.com.au. Community members will be able to contribute their ideas for the site.

PR and Advertising

Council will engage with local media to promote the consultation period.

A media release will be distributed to announce the opening of the consultation period and as a reminder ahead of closing. Interviews will be mediated through the Communications and Engagement team and conducted by Council spokesperson.

The consultation will be promoted through Moira Shire's corporate advert in the Cobram Courier, and other papers if felt necessary.

Additional print ads, promotional pamphlets or outdoor signage will be discussed and based off budget allowance.

Community Newsletter

The monthly community newsletter will be utilised for distribution of information as well as dedicated newsletters for those who subscribe to the website landing page or indicate roads and works are of interest to them to receive additional information from council.

Social Media

Coordinate a series of engaging posts via Council's social media channels to spread awareness, drive conversion and keep the community informed.

Social media adverts will be discussed and based off budget allowance.

Key Messages

- Council understands that there is community interest in the Punt Road Precinct and reaffirms that this land has been retained for public use.
- Council is developing a Master Plan for the site, determining future public use/s.
- Have your say – community can contribute their ideas and suggestions for future public use/s of the site.

Potential Risks

RISK NO.	WHAT CAN HAPPEN	STRATEGIES OR MESSAGING TO MITIGATE
01.	There may be a misunderstanding as to what Council is trying to achieve in this phase of the project – development of a Master Plan rather than commitment to works.	Provide clear information about what a Master Plan is and why Council is undertaking this work – a planning tool for the future public use/s of the site.

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CORRENE COOPER)**
**(DIRECTOR COMMUNITY, SCOTT
WILLIAMS)**

PUNT ROAD COBRAM PRECINCT MASTERPLAN (cont'd)

ATTACHMENT No [2] - Communications Plan

MOIRA SHIRE
**COMMUNICATIONS AND
ENGAGEMENT**



02.	Consultation may provide community with a forum to comment on other needs.	Ensure that any enquiries or feedback that is submitted is responded to by an appropriate staff member.
03.	Community may not be aware that consultation is taking place.	Consultation will be promoted through various communications channels, including print, and in-person engagement opportunities.

FILE NO: VARIOUS

ITEM NO: 15

URGENT BUSINESS**7.4. Urgent business**

(1) If the Agenda for a Meeting makes provision for urgent business, business cannot be admitted as Urgent Business other than by resolution of Council and only then if:

- (a) It relates to or arises out of a matter which has arisen since distribution of the Agenda; and
- (b) deferring the item until the next Meeting will mean a decision on the item will not have any effect on the matter; or
- (c) the item involves a matter of urgency as determined by the Chief Executive Officer; and
- (d) it cannot be addressed through an operational service request process.
- (e) the matter does not:
 - substantially affect the levels of Council service;
 - commit Council to significant expenditure not included in the adopted budget;
 - establish or amend Council Policy; or
 - commit Council to any contractual arrangement.

(2) A Councillor proposing a matter be admitted as urgent business must lodge it in writing to the Chief Executive Officer four (4) hours prior to the Meeting.

(3) The Chief Executive Officer will advise the Mayor of any matter he or she determines appropriate for Council to consider admitting as urgent business.