



MINUTES

ORDINARY MEETING OF COUNCIL HELD AT
YARRAWONGA TOWN HALL, BELMORE STREET,
YARRAWONGA,
TUESDAY 26 APRIL 2016

The meeting commenced at 5.00 pm.

PRESENT Councillor Gary Cleveland (Mayor)
Councillor Ed Cox
Councillor Kevin Bourke
Councillor Wendy Buck
Councillor Brian Keenan
Councillor Don McPhee
Councillor Peter Mansfield
Councillor Marie Martin
Councillor Alex Monk

IN ATTENDANCE: Mark Henderson Chief Executive Officer
Leanne Mulcahy General Manager Corporate
Andrew Close General Manager Infrastructure
Linda Nieuwenhuizen Manager Governance and Communication

1. CALLING TO ORDER – CEO

RECORDING

Consistent with section 72 of our Meeting Procedures Local Law, Council officers have been authorised to record the public session of this meeting using an audio recording device.

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

Read by the Mayor

3. ACKNOWLEDGEMENT OF COUNTRY

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

Read by the Mayor

4. APOLOGIES & REQUESTS FOR LEAVE OF ABSENCE

Nil

5. DECLARATION UNDER ACTS, REGULATIONS, CODES OR LOCAL LAWS

Nil

6. DECLARATION OF ANY INTEREST OR CONFLICT OF INTEREST

Nil

7. CONFIRMATION OF MINUTES OF PREVIOUS MEETING

MOTION:

CRS DON MCPHEE / ED COX

"That the minutes of the Ordinary Council Meeting held on Tuesday, 29 March 2016 and the minutes of the Special Ordinary Council Meeting held on Monday, 11 April 2016, as prepared, be confirmed."

(CARRIED)

8. COUNCILLOR REPORTS

- Cr Marie Martin reported on a performance at the G.R.A.I.N. Store called Love Drunk. The performance was about teenage relationships, alcohol, behavior and positive peer relationships.
- Cr Marie Martin reported on the Australian Local Government Womens Association (ALGWA) State conference with the theme this year being Women in Leadership.
- Cr Kevin Bourke also reported on the G.R.A.I.N. Store being performance, Love Drunk.
- Cr Kevin Bourke attended the funeral of John Sandy Atkinson (Uncle Sandy), Uncle Sandy is an elder with the Bangerang people.
- Cr Wendy Buck reported on her presentation at the ALGWA State Conference of Moira Shire's 'Moira Women' publication.
- Cr Peter Mansfield attended the Murray Darling Association (MDA) meeting in Howlong recently with Cr Ed Cox, items discussed included works along the Murray River from the Hume Dam to Yarrawonga and boat erosion from wake board activity.
- Cr Ed Cox attended the MDA combined region two and three meeting. The meeting set out the challenges for both regions.

FILE NO: 180.07.0021
3. OUR COMMUNICATIONS AND PROCESSES

ITEM NO: 9.1.1
(TEAM LEADER - FINANCIAL
ACCOUNTANT, RAMKI SUBRAMANIAM)
(GENERAL MANAGER - CORPORATE,
LEANNE MULCAHY)

QUARTERLY BUDGET REVIEW - MARCH 2016

Executive Summary

Council continues to actively manage its financial position. While the original budget for 2015/16 was in surplus, 50% of the Victorian Grant Commission funding (\$4.83 million) was received in the previous financial year instead of the budgeted current year, causing the current deficit. This is purely a timing issue and does not affect its overall positive cash position. The council has further reduced its 2015/16 December deficit of \$1.98 million by \$0.27 million to \$1.71 million as detailed in Discussion 2.1.

There are a number of challenges in achieving such an extensive and far-reaching capital works program of \$14.11 million in the current year, with 2/3 nearing completion (including commitments), and there is the possibility some projects will roll into the 2016/17 year such as the Cobram Library. This is the largest capital program ever committed in one financial year and this cements the Council's commitment to investing within the municipality, whilst retaining a conservative outlook and strong cash balance for future years.

There is an increase in the Capital Expenditure forecast from \$14.08 million to \$14.11 million (\$30,000 increase) for the Yarrowonga Recreational Trail following Council being successful in obtaining a "Transport Investing in Regions" grant.

The projected cash position as at 30 June 2016 is expected to be \$17.15 million, an increase of \$0.29 million on the figure projected as the December 2015 review.

The movements are detailed in forecast overview table in the next page. Council continues to closely monitor expenditure and income throughout the 2015/16 financial year.

MOTION

CRS ALEX MONK / ED COX

That Council notes and approves the projections for the 2015/16 financial year contained in the March 2016 quarterly budget review.

(CARRIED)

FILE NO: 180.11.0002
3. OUR COMMUNICATIONS AND PROCESSES

ITEM NO: 9.1.2
(TEAM LEADER - FINANCIAL
ACCOUNTANT, RAMKI SUBRAMANIAM)
(GENERAL MANAGER - CORPORATE,
LEANNE MULCAHY)

FINANCIAL POSITION REPORT AS AT 31 MARCH 2016

Executive Summary

The March 2016 finance report includes Rates and Charges totalling \$33.3 million (\$26.61 million in general rates, municipal charges, interest and legal charges and \$6.69 million in garbage collection charges, recycling and organic waste charges and environmental levy) which is recognised as income at the time of being levied.

For the month of March a total of approx. \$99,100 of receipts were collected for prior year's rate debtors, this brings the year-to-date total collected to \$1.75 million or 75.47% of the total outstanding. Payments of outstanding rates are being actively managed with payment plans and any rate payers who are experiencing difficulty are encouraged to contact Council officers to discuss options.

Sundry debtors in excess of 30 days are within acceptable levels of 2.89% of total sundry debtors; this represents a figure of \$8,048 out of the total of \$278,574 and is under active management.

Cash and Cash Equivalents balance as at 31 March 2016 is \$27.41 million, and the higher than average balance is due to delayed cash outflows now expected in the June quarter for capital work commitments and creditors.

There has been a challenge delivering a substantive \$14.08 million capital works program within the current financial year. A number of projects have been completed such as St. James Road, Naring Road and the Cobram north east retarding basin. The \$2.2million resealing program is commencing and is due to be completed by June 30. There is a possibility that some projects will roll into the 2016/17 year, such as the completion of the Cobram Library.

Council's tracking against budget remains satisfactory as Council approaches year end.

MOTION

CRS ED COX / ALEX MONK

That Council receives and notes the Financial Position Report as at 31 March 2016.

(CARRIED)

FILE NO: F13/2614
3. BUILD ON OUR ECONOMIC STRENGTHS IN
AGRICULTURE, MANUFACTURING AND
TOURISM

ITEM NO: 9.1.3
(TOURISM DEVELOPMENT OFFICER,
LOUISE MUNK KLINT)
(CHIEF EXECUTIVE OFFICER, MARK
HENDERSON)

RECREATIONAL VEHICLE STRATEGY

Executive Summary

Council recognises the potential to promote the shire as a friendly destination for the Recreational Vehicle (RV) market through the provision of relevant visitor information and facilities, provision of suitable visitor packs to the RV market, and the development of a RV strategy, which was presented to Council in draft format in late 2015.

Following the Council Meeting on 14 December 2015, Council commenced the broader consultation of the draft RV strategy. An overview of the feedback received by 4 March 2016 was presented to Council at the 15 March 2016 Council Briefing.

This report provides Council with an overview of the community consultation and the development of the RV Strategy and recommends the endorsement and consequent implementation of the RV Strategy.

MOTION

CRS BRIAN KEENAN / WENDY BUCK

That Council:

1. Thank the respondents on the feedback on the draft RV Strategy
2. Adopt the Recreational Vehicle strategy

AMENDMENT

CRS PETER MANSFIELD / KEVIN BOURKE

That Council:

1. Thank the respondents on the feedback on the draft RV Strategy
2. Adopt the Recreational Vehicle strategy but exclude Moira Shire's Yarrowonga, Cobram, Nathalia and Numurkah Showgrounds from the trial of overnight parking.

(CARRIED)

Cr Wendy Buck called for a division.

FOR

Cr Bourke
Cr Cox
Cr Mansfield
Cr Martin
Cr McPhee

AGAINST

Cr Buck
Cr Cleveland
Cr Keenan
Cr Monk

THE AMENDMENT WAS (CARRIED) AND BECAME THE MOTION

THE MOTION WAS PUT AND (CARRIED)

FILE NO: C055/14
2. IMPROVING MOIRA'S LIVEABILITY

ITEM NO: 9.1.4
(MANAGER COMMUNITY DEVELOPMENT,
DAVID BOOTH)
(GENERAL MANAGER - CORPORATE,
LEANNE MULCAHY)

MOIRA SHIRE RECREATION STRATEGY - 2016 - 2026 DRAFT

Executive Summary

Recreation is a major contributor to the liveability of our municipality. The draft Moira Shire Recreation Strategy 2016 – 2026 (the Strategy) has categorised key challenges and opportunities in the areas of recreation planning, facility management, programing, and infrastructure.

The Strategy is based on six key priority areas namely;

1. Sustainable Provision of sports facilities and services,
2. Active Recreation and Activating Spaces,
3. Parks and Playgrounds,
4. Swimming and Public Pools,
5. Sport and Recreation Tourism and,
6. Governance

In addition to making an overall recommendation for each of these key priority areas, the draft Strategy makes a further 35 recommendations in specific activity areas. These recommendations include the setting implementation priorities for the next 10 years.

This reports seeks Council approval to make the draft strategy available for public feedback until 1 June 2016. Council will consider the community feedback prior to adopting the Strategy.

MOTION

CRS KEVIN BOURKE / ED COX

That:

1. Council note the draft Moira Shire Recreation Strategy 2016 – 2026 and,
2. Place the draft strategy on public display for feedback.

(CARRIED)

FILE NO: XXXX
5. DEMONSTRATING GOOD GOVERNANCE

ITEM NO: 9.1.5
(MANAGER GOVERNANCE AND
COMMUNICATIONS, LINDA
NIEUWENHUIZEN)
(GENERAL MANAGER - CORPORATE,
LEANNE MULCAHY)

ANNUAL REVIEW OF COUNCIL PLAN

Executive Summary

Under the Local Government Act at least once in each financial year, a Council must consider whether it's current Council Plan requires any adjustment in respect of the remaining period of the Council Plan. Moira Shire's current Council Plan has one year before it concludes in July 2017.

Management has reviewed the Council Plan and recommends the existing Plan continue, without adjustment, for this final 12 month period of the Plan.

This report seeks Council's confirmation that the existing Council Plan does not require adjustment for the final 12 month period.

MOTION

CRS ED COX / ALEX MONK

That Council endorse the existing 2013-2017 Council Plan.

(CARRIED)

FILE NO: F13/203
5. DEMONSTRATING GOOD GOVERNANCE

ITEM NO: 9.1.6
(CORPORATE GOVERNANCE OFFICER,
LISA DEAYTON)
(GENERAL MANAGER - CORPORATE,
LEANNE MULCAHY)

APPOINTMENT AND AUTHORISATION OF COUNCIL OFFICERS UNDER THE PLANNING AND ENVIRONMENT ACT 1987

Executive Summary

Council officers are appointed and authorised directly by Council under the *Planning and Environment Act 1987* to undertake inspections and carry out enforcement. Council does this through the powers provided by the *Local Government Act 1989*.

The list of Council officers to be appointed and authorised has been reviewed and is included in the attached instrument.

MOTION

CRS BRIAN KEENAN / DON MCPHEE

That Council, in the exercise of the powers conferred by section 224 of the *Local Government Act 1989* and the other legislation referred to in the attached instrument of appointment and authorisation (the instrument), resolves that:

1. the members of Council staff referred to in the instrument be appointed and authorised as set out in the instrument;
2. the instrument comes into force immediately the common seal of Council is affixed to the instrument, and remains in force until Council determines to vary or revoke it;
3. the instrument be sealed; and
4. on coming into force of the instrument, the instrument of appointment and authorisation to members of Council staff as made by Council on 14 December 2015 is revoked.

(CARRIED)

FILE NO: F13/503
5. DEMONSTRATING GOOD GOVERNANCE

ITEM NO: 9.1.7
(GOVERNANCE RECORDS OFFICER,
MARGARET HINCK)
(GENERAL MANAGER - CORPORATE,
LEANNE MULCAHY)

ASSEMBLIES OF COUNCILLORS

Executive Summary

The records of the Assembly of Councillors reported during the month of March 2016 are attached to this report.

Inclusion of the attached records of Assembly of Councillors in the Council agenda, and incorporation into the Minutes ensures Council meets its statutory obligations under section 80A of the Local Government Act 1989 (the Act).

MOTION

CRS KEVIN BOURKE / ALEX MONK

That Council receive and note the attached Records of Assembly of Councillors.

(CARRIED)

FILE NO: F13/2513
2. IMPROVING MOIRA'S LIVEABILITY

ITEM NO: 9.2.1
(SAFETY AND AMENITY OFFICER,
CHRISTINA KALZ)
(GENERAL MANAGER INFRASTRUCTURE,
ANDREW CLOSE)

DOMESTIC ANIMAL MANAGEMENT PLAN 2014/2015 ANNUAL REVIEW

Executive Summary

Section 68A of the Domestic Animals Act 1994 (the Act) states that "Every Council must, in consultation with the Secretary, prepare at 4 year intervals a Domestic Animal Management (DAM) plan".

The Moira Shire Domestic Animal Management Plan 2013-2017 was adopted by Council at its 24 June 2013 meeting.

The Act also states that every Council must:

1. review its domestic animal management plan annually and, if appropriate, amend the plan;
2. provide the Secretary with a copy of the plan and any amendments to the plan; and
3. publish an evaluation of its implementation of the plan in its annual report.

Councils Safety and Amenity Officers have reviewed, in accordance with the legislative requirements, the Domestic Animal Management Plan 2013-2017. The following report details the 2014-2015 review and recommends the completion of requirements 2 and 3 above.

MOTION

CRS KEVIN BOURKE / BRIAN KEENAN

That:

1. Council receive and note the annual review of the Domestic Animal Management Plan.
2. publish the annual review of Domestic Animal Plan as part of the 2015/2016 Annual Report; and
3. forward the Review of the Domestic Animal Plan to the Minister of Agriculture.

(CARRIED)

FILE NO: 5/2016/2
2. IMPROVING MOIRA'S LIVEABILITY

ITEM NO: 9.2.2
(TOWN PLANNER, MELISSA LOTITO)
(GENERAL MANAGER - CORPORATE,
LEANNE MULCAHY)

**520162 - USE AND DEVELOPMENT OF LAND FOR A MOTOR REPAIR SHOP - 72
CARLISLE STREET, WUNGHNU**

Executive Summary

An application was received for 72 Carlisle Street, Wunghnu that seeks approval for the use and development of land for a motor repair shop. The use and development will be located on the south east corner of the subject land. The subject land is located within the Farming Zone and is affected by the Land Subject to Inundation Overlay, there is an existing dwelling located on the northern adjoining lot.

The use of the land for industry which includes motor repairs is a Section 2 – Permit Required Use within the Farming Zone. Any buildings and works associated with a Section 2 Use triggers a planning permit. Further, the subject land is located within the Land Subject to Inundation Overlay, a permit is required to construct a building or to construct or carry out works; this includes a non-habitable building with a floor area of more than 500 square metres. The proposed development will be 604.8 square metres. Therefore there are three triggers for the subject application.

The application was advertised to adjoining landowners and referred internally and externally to the relevant authorities. The Planning Department has received one objection against the proposal on amenity grounds.

It is considered that the proposal does not entirely accord with the provisions of the Farming Zone, the Local Planning Policy and does not accord with the *Small Towns and Settlements Strategy Plan, 2013*. The subject lot is proposed for rezoning as per the adopted strategy. Once the rezoning is finalized the proposed use would then become a prohibited existing use on the lot. It would not be considered orderly planning if Council issued a permit at this present time.

MOTION

CRS DON MCPHEE / ED COX

That Council approve the issue of a Notice of Decision to Grant a Permit for Planning Application No. 520162 for the use and development of land for a motor repair shop, subject to the following conditions:

1. Before the use and development starts, amended plans to the satisfaction of the Responsible Authority must be submitted to and approved by the Responsible Authority. When approved, the plans will be endorsed and will then form part of the permit. The plans must be drawn to scale with dimensions and three copies must be provided. The plans must be generally in accordance with the plans submitted with the application but modified to show:
 - a) All buildings/structures showing distances to all lot boundaries
 - b) Elevations of proposed building to scale and dimensioned
 - c) Car parking to scale and dimensioned as required by Condition 3
 - d) Waste collection area as required by Condition 6
 - e) Side and rear boundary fencing as required by Condition 12

FILE NO: 5/2016/2
2. IMPROVING MOIRA'S LIVEABILITY

ITEM NO: 9.2.2
(TOWN PLANNER, MELISSA LOTITO)
(GENERAL MANAGER - CORPORATE,
LEANNE MULCAHY)

**520162 - USE AND DEVELOPMENT OF LAND FOR A MOTOR REPAIR SHOP - 72
CARLISLE STREET, WUNGHNU (cont'd)**

- f) Septic area as required by Condition 13
 - g) The use and development as shown on the endorsed plans must not be altered without the written consent of the Responsible Authority.
 - h) No fewer than 10 car spaces must be provided on the land for the use and development.
 - i) Including 2 spaces for vehicles being serviced, 2 spaces for vehicles waiting to be serviced and 1 space clearly marked for use by disabled persons.
 - j) The use and development must be managed so that the amenity of the area is not detrimentally affected, through the:
 - i. transport of materials, goods or commodities to or from the land
 - ii. appearance of any building, works or materials
 - iii. emission of noise, artificial light, vibration, smell, fumes, smoke, vapour, steam, soot, ash, dust, waste water, waste products, grit or oil
 - iv. presence of vermin
 - v. storage of vehicles and or vehicle parts
5. No plant, equipment, services or architectural features other than those shown on the endorsed plans are permitted above the roof level of the building(s) without the written consent of the Responsible Authority .
6. Provision must be made on the land for the storage and collection of garbage and other solid waste. This area must be graded and drained and screened from public view to the satisfaction of the Responsible Authority and must not be used for any other purpose.
7. All waste material not required for further on-site processing must be regularly removed from the site. All vehicles removing waste must have fully secured and contained loads so that no wastes are spilled or dust or odour is created to the satisfaction of the Responsible Authority .
8. Prior to the commencement of the use or development, there must be provided within the site a concrete paved area to be used for the washing of vehicles such that all water must be drained to an outlet point and is to include appropriate oil interceptor traps, provided in the concrete area and discharged to an approved sewer. No vehicle must be washed other than in the washing bay.
9. External lighting must be designed, baffled and located so as to prevent any adverse effect on adjoining land to the satisfaction of the Responsible Authority.
10. Goods, equipment or machinery must not be stored or left exposed outside a building so as to be visible from any public road or thoroughfare.
11. The subject land must be kept neat and tidy at all times and its appearance must not, in

FILE NO: 5/2016/2
2. IMPROVING MOIRA'S LIVEABILITY

ITEM NO: 9.2.2
(TOWN PLANNER, MELISSA LOTITO)
(GENERAL MANAGER - CORPORATE,
LEANNE MULCAHY)

**520162 - USE AND DEVELOPMENT OF LAND FOR A MOTOR REPAIR SHOP - 72
CARLISLE STREET, WUNGHNU (cont'd)**

the opinion of the Responsible Authority, adversely affect the amenity of the locality .

12. Side and rear boundary fencing (not frontage) must be erected prior to occupation of the development. The fencing must maintain a height of 1.8m (from surface level) consisting of a 1.8m high Colorbond fence with the remaining height to be colorbond lattice and be constructed to enhance the character of the development and to ensure the privacy of adjoining properties. In this respect the height, material, type and extent of fencing is to be mutually agreed upon by all parties and must be erected prior to occupation of the development. The cost of such fencing shall be borne by the developer unless otherwise agreed by the relevant parties.
13. An approved septic tank system must be installed prior to any occupation of the dwelling, and all domestic wastewater must be disposed of and contained within the prescribed setback buffer distances of the disposal field of the property.
14. Any septic tank system, including effluent disposal lines and disposal field, must not be located within;
 - a) 300 metres upslope of a potable water supply from a dam or reservoir (below ground level), including food production;
 - b) 100 metres upslope from a stream used as a potable water supply catchment;
 - c) 6 metres upslope of an adjacent allotment boundary;
 - d) 3 metres downslope of an adjacent allotment boundary

And as prescribed in the Code of Practice - Onsite Wastewater Management, EPA Publication 891.2, December 2008, subject to the discretion of Council's Environmental Health Officer.

15. Before the use/occupation of the development starts or by such later date as is approved by the Responsible Authority in writing, the landscaping area as shown on the endorsed plans must be carried out and completed using local native species to the satisfaction of the Responsible Authority.
16. The landscaping area as shown on the endorsed plans must be maintained to the satisfaction of the Responsible Authority, including that any dead, diseased or damaged plants are to be replaced.
17. Prior to construction commencing on the site, the applicant must provide a drainage plan that accords with the provisions of Clauses 17 (Rural Drainage) and 19 (On-site Detention Systems) of Council's Infrastructure Design Manual [IDM] , and has been prepared to the satisfaction of the Responsible Authority . In particular demonstrate that:
 - a) unless all storm-water is to be collected for re-use within the subject property, the applicant must demonstrate that the peak discharge rate from the developed site during a 10% AEP event will not exceed the corresponding pre-development peak discharge rate;
 - b) all storm-water deposited upon, and being transferred through , the developed site in a 10% AEP event must be collected and conveyed by underground pipes and/or by constructed channels to a legal point of discharge nominated by the Responsible Authority;

FILE NO: 5/2016/2
2. IMPROVING MOIRA'S LIVEABILITY

ITEM NO: 9.2.2
(TOWN PLANNER, MELISSA LOTITO)
(GENERAL MANAGER - CORPORATE,
LEANNE MULCAHY)

**520162 - USE AND DEVELOPMENT OF LAND FOR A MOTOR REPAIR SHOP - 72
CARLISLE STREET, WUNGHNU (cont'd)**

- c) all storm-water runoff originating from, or currently flowing through, the developed site in a 1% AEP event must be collected and conveyed by secure overland and/or underground flood pathways to a legal point of discharge identified by the Responsible Authority;
 - d) where the legal point of discharge is to a natural or constructed open channel, the outlet pipe or pipes must be directed to an appropriate point of concentration, in the form of a pit or an end-wall, and arrangements satisfactory to the Responsible Authority must be made to prevent erosion within the receiving channel;
 - e) no part of any channel used to convey storm-water through the subject property may pass through the zone of influence of the septic tank absorption field;
 - f) all roof water from buildings and surface water from hard paved areas must be collected and conveyed to a drainage easement or to the legal point of discharge so as to prevent storm water nuisance to adjoining land; and
 - g) stormwater drainage plans for the development must incorporate measures to enhance the quality of water discharged from the site and to protect downstream infrastructure and waterways.
18. Prior to the commencement of the use, all drainage infrastructure required by the approved drainage plan must be constructed in accordance with plans and specifications approved by the Responsible Authority.
19. At no time, any such contaminants will be permitted to enter the storm-water drainage system under any reasonably foreseeable circumstances.
20. Prior to the commencement of the use, Warnecke Street must be upgraded to a sealed "Rural Access" street standard at least adjacent to the frontage of the subject land, at no cost to Council. The upgrade must provide for a 6.2m wide sealed carriageway with 1.5m wide gravel shoulders, providing 250mm compacted thickness pavement and associated drainage, as a minimum, in accordance with the provisions of Clause 12.4 (Rural Roads) of Council's Infrastructure Design Manual [IDM]. Design plans must be prepared by a suitable qualified person and submitted to and approved by the Responsible Authority, prior to works commencing on the site.
21. Prior to the commencement of the use, all new and existing vehicle crossings as shown on the endorsed plan must be constructed and sealed to the standards of Council's Infrastructure Design Manual [IDM] Clause 12.9. (Rural Vehicle Crossings), and to the satisfaction of the Responsible Authority. In particular, works must be in accordance with Council's IDM Standard Drawing SD255 (Rural Entrance).
22. Prior to the commencement of the use, and in accordance with Clause 14 (Carparking) of Council's Infrastructure Design Manual [IDM], any internal customer parking, manoeuvring areas and loading and unloading areas created by the proposed development and as shown on the endorsed plan must be constructed sealed and drained in accordance with plans and specifications approved by the Responsible Authority.
23. Vehicle access and egress from the property must take place in a forward direction at all times.

FILE NO: 5/2016/2
2. IMPROVING MOIRA'S LIVEABILITY

ITEM NO: 9.2.2
(TOWN PLANNER, MELISSA LOTITO)
(GENERAL MANAGER - CORPORATE,
LEANNE MULCAHY)

**520162 - USE AND DEVELOPMENT OF LAND FOR A MOTOR REPAIR SHOP - 72
CARLISLE STREET, WUNGHNU (cont'd)**

24. All roof water from buildings and surface water from hard paved areas must be collected and conveyed to a drainage easement or to the legal point of discharge so as to prevent storm water nuisance to adjoining land.
25. In accordance with the Clause 22 (Environment Management During Construction) of Council's Infrastructure Design Manual [IDM], appropriate measures, satisfactory to the Responsible Authority, must be taken to minimise erosion and to retain dust, silt and debris on site, both during and after the construction phase.
26. Care is to be taken to preserve the condition of existing infrastructure adjacent to the site. If any damage to existing infrastructure occurs as a result of this development, the affected infrastructure is to be replaced by the applicant, at the applicant's cost to the specification and satisfaction of the Responsible Authority.
27. No excavated or construction materials may be placed or stored outside the site area or on the adjoining road reserves, except where the materials are required in connection with any road or footpath construction works in such reserves that are required as part of this permit.
28. All drains and batters, and all areas disturbed in the course of the works, must be topsoiled and seeded to establish grass cover. Reserve areas must be tidied, levelled and trimmed to a standard capable of being maintained by a small tractor and slasher.

GBCMA Condition

29. The finished floor level of the proposed workshop must be constructed at least 300 millimetres above the 100-year ARI flood level of 106.3 metres AHD, i.e. 106.9 metres AHD, or higher level deemed necessary by the responsible authority.

VicRoads Condition

30. Vehicular access to be via existing access in Warnecke Street (local road) only. Access shall be designed and constructed to a standard satisfactory to the Responsible Authority being Moira Shire Council.

Planning Notes:

1. Unless no permit is required under the planning scheme, no sign must be constructed or displayed without a further permit.
2. This permit does not authorise the commencement of any building construction works. Before any such development may commence, the applicant must apply for and obtain appropriate building approval.
3. A consent to work within Road Reserve permit must be obtained from the Responsible Authority prior to the carrying out of any vehicle crossing works.

(CARRIED)

FILE NO: 5/2013/662
2. IMPROVING MOIRA'S LIVEABILITY

ITEM NO: 9.2.3
(TOWN PLANNER, MARTINA FOLEY)
(GENERAL MANAGER INFRASTRUCTURE,
ANDREW CLOSE)

APPLICATION TO AMEND CONDITION ON PERMIT 52013662 - BUILDINGS & WORKS: EXTENSION TO HOTEL, ALTERATION OF LIQUOR LICENCE & REDUCTION IN CAR PARKING REQUIREMENTS AT 7-9 CARTER STREET, KATUNGA

THIS ITEM WAS WITHDRAWN

**FILE NO: 11.1
6. GOVERNANCE**

**ITEM NO: 10.1
(EXECUTIVE ASSISTANT TO CEO, ROBYN
BONADDIO)
(CHIEF EXECUTIVE OFFICER, MARK
HENDERSON)**

ACTION OFFICERS LIST

Executive Summary

The attached Action Officers' List provides an update on the status of actions from previous Council meetings. It is provided to Councillors in order to keep them informed of progress.

MOTION

CRS DON MCPHEE / ED COX

That Council receive and note the Action Officers' List.

(CARRIED)

FILE NO: 100.03.066
6. INVOLVING AND COMMUNICATING WITH
OUR COMMUNITY

ITEM NO: 11.1
(EXECUTIVE ASSISTANT TO CEO, ROBYN
BONADDIO)
(CHIEF EXECUTIVE OFFICER, MARK
HENDERSON)

NOTICE OF MOTION - CR PETER MANSFIELD

MOTION

CRS PETER MANSFIELD / KEVIN BOURKE

That Council again initiates Grant Application Workshops at Nathalia, Numurkah, Cobram and Yarrawonga prior to the next round of community grants for interested groups.

FILE NO: VARIOUS

ITEM NO: 14

GENERAL BUSINESS

Clause 62 of Council's "Meeting Procedures Local Law 2007 (No 1 of 2007) states:

62. Urgent or general business

1. Business which has not been listed on a meeting agenda may only be raised as urgent or general business if the majority of Councillors are present and it is agreed to by a resolution of the Council.
2. Notwithstanding sub-clause (1), if all Councillors are not present, the Chairperson may rule the matter is of urgency and accept an urgency motion to deal with the business which has not been listed on the meeting agenda.
3. An urgency motion can be moved without notice.
4. Only the mover of an urgency motion may speak to the motion before it is put

MOTION

CRS PETER MANSFIELD / ALEX MONK

That Council receive the late item.

(CARRIED)

FILE NO: VARIOUS

ITEM NO: 14

GENERAL BUSINESS**Executive Summary**

The Victorian Electoral Commission (VEC) has prepared individual Electoral Service Agreements for each Council holding 2016 Victoria Local Government Elections. The total cost is quoted at \$204,346.60 (ex GST).

Moira Shire Council's Electoral Service Agreement (Agreement) is attached to this report and provides detailed explanation of the services and VEC costs associated with:

- The preparation of the voters' roll and conduct of the Moira Shire Council 2016 General Election with a quoted cost of \$188,860.65 (ex GST); and
- Compulsory voting enforcement following the Moira Shire Council General election 2016 with a quoted cost of \$15,485.95 (ex GST).

It is noted that there is potential additional cost if a countback is required or an election if a councillor resigns mid-term.

In accordance with Council's Procurement Policy the Agreement requires Council approval.

Council's approval of the Service Agreement will ensure the VEC is not delayed in its preparations for the 2016 Council Elections.

MOTION

CRS ALEX MONK / ED COX

That Council

1. Accept the Electoral Service Agreement for the four years commencing 1 July 2016.
2. Authorise the Chief Executive Officer to sign and seal the above document.

(CARRIED)

FILE NO: VARIOUS

ITEM NO: 14

GENERAL BUSINESS

MOTION

CRS PETER MANSFIELD / ALEX MONK

That items of general business be considered.

(CARRIED)

MOTION

CRS KEVIN BOURKE / PETER MANSFIELD

That Council write to State and Federal politicians seeking information on the heating and cooking alternatives that will be made available to Moira Shire residents following the early closure of the Barmah Island coup on Thursday 28 April.

(CARRIED)

FILE NO: VARIOUS

ITEM NO: 15

QUESTIONS FROM THE PUBLIC GALLERY

Clause 63 of Council's "Meeting Procedures Local Law 2007 (No. 1 of 2007) states:

63. Question Time

1. At every ordinary meeting of the Council a maximum of 30 minutes may be allocated to enable members of the public to submit questions to Council.
2. The time allocated may be extended by unanimous resolution of Council.
3. Sub-clause (1) does not apply during any period when the Council has resolved to close a meeting in respect of a matter under section 89 (2) of the Act.
4. To assist the accurate recording of minutes and addressing any questions that may require written response or follow up, the Chief Executive Officer may require questions to be submitted in writing on a form approved or permitted by Council.
No person may submit more than two (2) questions at any one (1) meeting.
The Chairperson or member of Council staff nominated by the Chairperson may read a question to those present.

No question must be so read unless:

- (a) the person asking the same is in the gallery at the time it is due to be read; and
- (b) the person asking the question reads the same when called upon by the Chairperson to do so.

A question may be disallowed by the Chairperson if it:

- (a) relates to a matter outside the duties, functions and powers of Council;
- (b) is defamatory, indecent, abusive, offensive, irrelevant, trivial or objectionable in language or substance;
- (c) deals with a subject matter already answered;
- (d) is aimed at embarrassing a Councillor or a member of Council staff;
- (e) relates to personnel matters;
- (f) relates to the personal hardship of any resident or ratepayer;
- (g) relates to industrial matters;
- (h) relates to contractual matters;
- (i) relates to proposed developments;
- (j) relates to legal advice;
- (k) relates to matters affecting the security of Council property; or
- (l) relates to any other matter which Council considers would prejudice Council or any person.

All questions and answers must be as brief as possible, and no discussion may be allowed other than for the purposes of clarification.

The Chairperson may request a Councillor or member of Council staff to respond, if possible, to the question.

A Councillor or member of Council staff may require a question to be put on notice until the next Ordinary meeting, at which time the question must be answered, or elect to submit a written answer to the person asking the question.

A Councillor or member of Council staff may advise Council that it is his or her opinion that the reply to a question should be given in a meeting closed to members of the public. The Councillor or member of Council staff must state briefly the reason why to reply should be so given and, unless Council resolves to the contrary the reply to such question must be so given.

FILE NO: VARIOUS

ITEM NO: 15

QUESTIONS FROM THE PUBLIC GALLERY

15.1 Bob Jenkins - Numurkah

Question: Has Council given any thought to any increased fire risk as a result of the proposed drug rehabilitation center at Brookfield?

Answer: The CEO responded that a planning application is currently on extended exhibition for one month. Council is also providing easy and accessible options to assist individuals to make a submission. The CEO recommended the concerns raised be framed as a submission for Council to consider in determining its decision.

15.2 Dianne Hill - Numurkah

Question: Does Council see fit that it should pay for infrastructure for the Brookfield planning proposal when those that use the center won't be from the Goulburn Valley?

Answer: The CEO responded, the planning application is on public display and has been referred to the relevant statutory authorities for their consideration and feedback. The road is a local road network and is under the control and management of Council, it has no direct relationship to Vicroads.

It is too early to preempt the conditions that may be attached to the recommendation that comes before Council, however the more usual practice is for Council to require a contribution from the developer and Council may seek support from RDV to assist with an upgrade of public infrastructure that can support job growth.

15.3 Malcolm Collett - Numurkah

Question: The planning application for Brookfield refers to effluent disposal and a treatment plant, during summer months the effluent will feed trees and gardens, however during winter months will effluent go into the creek?

Answer: The CEO responded that the matter has not been presented to Council for its consideration. This will occur once the application has been reviewed by officers and referral agencies who may attach a range of conditions to the recommendation.

However there would not be a situation where effluent is allowed to be discharged into a creek. Effluent will have to be absorbed on the site which is a relatively large farming operation and it would not be difficult to treat the effluent on site.

15.4 Sandy Rodwell - Wunghnu

Question: What steps does Council take to ensure that information given in any planning permit is accurate?

Answer: The CEO explained the concerns raised go beyond the land use planning issues that Council is required to consider. The concerns reflect matters such as how the facility would operate.

The planning application is reviewed initially by Council officers, the referral agencies and the community through the public exposure process. Council anticipates it will receive a number of submissions for and against the application, and Council will consider these in making its decision. The decision may then be appealed through VCAT.

FILE NO: VARIOUS

ITEM NO: 15

QUESTIONS FROM THE PUBLIC GALLERY

15.5 Sandy Rodwell - Wunghnu

Question: What does Council do to ensure the information in the application is accurate?

Answer: The CEO responded that Council has placed the application on extended exhibition to give everyone an opportunity to consider the application in detail and make a submission on its content. Council's view on the application will not be known until it is presented to Council, possibly at the June meeting, and it may be a further 4-6 months if VCAT is required to make a determination.

15.6 Kaylene Giles – Drumanure

Question: Is Council aware of the endangered species, in particular the grey crowned babbler, bush stone curlew, superb parrot and the squirrel glider, all of these will be at risk of extinction if the application goes ahead. Why has there not been an environmental check of this property?

Answer: The CEO responded that the potential impact of the application on the environment, biodiversity and habitat of the creek system are legitimate land use planning issues and Council would encourage people with a particular view or interest in these matters to lodge a submission. Council would also expect the CMA on behalf of the broader catchment to offer a view on matters that may include the flood overlay, biodiversity and habitat. Council would have regard for these matters in considering the application.

15.7 Kaylene Giles - Numurkah

Question: Why has there not been an environmental check of this property?

Answer: The CEO responded that an Environment Effect statements (EES) is a prerequisite to significant and major planning applications throughout the State of Victoria, for example the bridge proposal in Yarrawonga would potentially be subject to an EES. The scale of this application would not normally warrant an EES. Furthermore the property is a farming property and is largely disturbed land with some natural vegetation.

15.8 Janene Champion - Numurkah

Question: The planning application for the Brookfield property states that the Numurkah Hospital will be a point of reference for emergency care, the Numurkah hospital does not facilitate emergency care, it only facilitates urgent care.

Answer: The CEO responded that the only legitimate person that could respond to that question is the Board of Management of the Numurkah Hospital. The CEO explained that the concern is relevant but is not a direct land use planning consideration upon which Council can make its decision.

FILE NO: VARIOUS

ITEM NO: 15

QUESTIONS FROM THE PUBLIC GALLERY

15.9 **Dianne Hill - Numurkah**

Question: Why is Council not able to take into consideration future infrastructure and services for our community?

Answer: The CEO responded that there is nothing to prevent the Numurkah Hospital or the Numurkah Police from making a submission in respect to the application. The submissions would be well received by Council but may not be relevant to Council's land use planning considerations. Service providers are welcome to make submissions in the planning process.

15.10 **June Jenkins - Barmah**

Question: In September last year I submitted a document to Council regarding the lease of the Barmah Caravan Park, the lease expires on 30 June. What is the future of Barmah Caravan Park?

Answer: The CEO responded that Council is limited in its ability to discuss the commercial aspects of the current lease in a public meeting.

Council intends to run an Expression of Interest for the future management and development of the Barmah Caravan Park to achieve the best possible outcome for this important site.

This process has not progressed as quickly as hoped because Council needed to satisfy a number of environmental and safety risks before it could go to market for expressions of interest. Council will extend the current operations of the Park while this process is underway.

15.11 **Malcolm Johns - Strathmerton**

Question: How does Booths Transport work out the cost savings they stated at the public hearing to the planning permit objectors when they have no idea how many trucks would be using the facility?

Answer: The CEO responded that while Council is aware of the matters expressed by the business operator, the matters are commercial and are not directly relevant to Council's consideration of the planning application.

Council considers the application on traffic, amenity and capacity to operate the business on this particular site. On those assessments Council gave notice of its intention to issue a permit after which people can lodge objections if they choose.

FILE NO: VARIOUS

ITEM NO: 15

QUESTIONS FROM THE PUBLIC GALLERY

15.12 **Malcolm Johns - Strathmerton**

Question: The sale of land to Booth Transport was conditional pending a planning permit being granted, why were surveyors on the site prior to the planning permit being issued?

Answer: Council at its last meeting made a decision to give notice of its intention to issue a permit. This is an appealable decision which an objector can take to VCAT if they choose. This process does not impact on the vendor providing site access to the prospective purchaser. This is a private matter and is not a matter that Council would have knowledge of or would need to be involved with.

FILE NO: VARIOUS

ITEM NO: 16

MEETING ADJOURNMENT

MOTION

CRS ALEX MONK / ED COX

That the meeting be adjourned for 10 minutes.

(CARRIED)

The meeting adjourned at 6.41 PM

MOTION

CRS PETER MANSFIELD / BRIAN KEENAN

That the meeting be resumed.

(CARRIED)

The meeting resumed at 6.56 PM

MOTION

CRS ALEX MONK / DON MCPHEE

That pursuant to Sections 89(2) (b) (d) and (h) of the Local Government Act, 1989, this meeting of Council be closed to members of the public in order for Council to discuss personnel and contractual matters which the Council considers would prejudice the Council or any person..

(CARRIED)

MOTION

CRS DON MCPHEE / ALEX MONK

Those pursuant to Section 89(2) of the Local Government Act 1989, Council resolve to resume the Ordinary meeting in open session.

(CARRIED)

MOTION

CRS ALEX MONK / PETER MANSFIELD

That the recommendations of the "Closed" Meeting of Council be adopted and the award of tenders disclosed in the open minutes.

(CARRIED)

FILE NO: VARIOUS

ITEM NO: 16

MEETING ADJOURNMENT

TENDERS AWARDED:

Contract C016/16: - Boral Construction Materials and
E.B Mawson & Sons Pty Ltd

Contract Q004/16 - JCB Ballarat / Michaels JCB Moama

Contract C006/16 - O'Loughlin Excavations P/L of Cobram

FILE NO: 100.02.03
5. DEMONSTRATING GOOD GOVERNANCE

ITEM NO: 17.1
(PROJECTS CONTRACTOR, DOUG SHARP)
(CHIEF EXECUTIVE OFFICER, MARK
HENDERSON)

NUMURKAH SENIOR'S HUB PROJECT

RECOMMENDATION

That Council note the information contained in this report reviewing the Numurkah Senior Citizens Hub Project.

1. Executive Summary

A review has been undertaken of the Numurkah Senior Citizens Hub project with the aim of establishing the total project cost, sources of funds and where the community contribution was applied.

The review reveals that this project was constructed to specification, but delivered significantly under budget. Actual total project cost was \$1,016,030 against a Council Budget of \$1,300,000 (which was based on a quantity surveyor assessment) and a revised budget of \$1,043,451 (which was established following receipt of tenders). The primary driver of lower cost was the construction tender accepted.

Council budgeted to allocate a share of its internal costs to capital works but didn't actually do so. On a pro-rata basis the share of these costs to the Numurkah Senior Citizens Hub project would have been \$47,000. When added to the actual total it becomes \$1,063,030.

Income for the project was budgeted to come from three sources: Local Government Infrastructure Fund - \$1,000,000; Council -\$250,000; and Community Contribution- \$50,000. Following acceptance of tenders this was also revised down. Community contribution was reduced to \$40,000.

Actual total income for the project, as shown in Council ledgers, is \$1,040,000. The ledgers were not adjusted down to align with the revised budget. When adjusted to align with the revised budget total income is \$993,451. The difference between these figures was taken up in consolidated revenue.

The community contribution of \$40,000 was received and applied to the project as part of overall income available. Accordingly, no separate records were kept of how this amount was expended.

FILE NO: 100.02.03
5. DEMONSTRATING GOOD GOVERNANCE

ITEM NO: 17.1
(PROJECTS CONTRACTOR, DOUG SHARP)
(CHIEF EXECUTIVE OFFICER, MARK
HENDERSON)

NUMURKAH SENIOR'S HUB PROJECT (cont'd)

2. Background and Options

3. Introduction

- a) In its most basic form, the purpose of this report is to establish the total project cost of the Numurkah Senior Citizens Hub project, source of funds and where, if possible, the community contribution was applied.
- b) In order to comfortably arrive at these basic outcomes, the approach taken has been to ascertain the facts and sequence of events that led to the development of the Numurkah Senior Citizens Hub Project. In so doing, it has necessarily involved interviews with relevant officers of the Moira Shire where possible and compilation of documentary evidence in support of key facts. This evidence is extensive and has been independently verified through internal audit.

4. Project Origin and Inception

- a. The Numurkah Senior Citizens Hub Project appears to have its origin in and around 2008 when initial investigations occurred over renovating toilet facilities. Preliminary estimates of \$90K were discussed at this time, but no formal documentation exists to this effect.
- b. Subsequent to these investigations, it was reported that Council allocated \$15K in its 2009/10 budget for a concept design to redevelop the whole facility. At around this time a Numurkah Senior Citizens Building Redevelopment Advisory Committee formed to oversee the project. This committee had no formal status with Council.
- c. A tender was accepted from Phil Wilkins Building Design to undertake this work at a cost \$19,040. A design was submitted that put the cost at \$600K to \$700K. In Council's 2010/11 Budget an indicative allocation of \$600k was forecast for inclusion in Council's 2011/12 Budget to this effect.
- d. A quantity assessment of the project was undertaken in 2011 by WT Partnership at a cost of \$4,500. This produced an estimate of \$1,296,000 being construction costs of \$1,084,000 and contingencies and professional fees.
- e. In its 2011/12 Budget Council foreshadowed in 2012/13 an allocation of \$1,300,000 for the project. Application was then made to the State Government's Local Government Infrastructure Fund (LGIF) for approval to allocate this funding of \$1,000,000 to the project. This was successful with a press announcement made on the 25 November 2011.
- f. Consequently, a project was developed as follows:

Total cost:	\$1,300,000
Source of funds	
Grants (LGIF) -	\$1,000,000
Community -	\$ 50,000
Council -	\$ 250,000

- g. Council's 2012/13 Budget reflected this situation noting that \$200,000 of LGIF was received in the 2011/12 financial year.

FILE NO: 100.02.03
5. DEMONSTRATING GOOD GOVERNANCE

ITEM NO: 17.1
(PROJECTS CONTRACTOR, DOUG SHARP)
(CHIEF EXECUTIVE OFFICER, MARK
HENDERSON)

NUMURKAH SENIOR'S HUB PROJECT (cont'd)

5. Construction Phase

- a. Tenders were invited for the construction of the Numurkah Senior Citizens Centre in the latter part of 2012. A contract was awarded to Moretto Building P/L at a Council Meeting on 19 November 2012 for a sum of \$708,451 ex GST.
- b. A detailed project budget was prepared and reported to Council at this time reflecting the lower than estimated construction cost. Total cost to complete the project was now \$1,043,451, not including internal management and staff costs, which were significant. In 2012/13 Budget an allowance of \$555,000 was made for such costs across the entire capital works budget that year. If pro-rated to this new total project cost it would have amounted to \$47,000.
- c. The report to Council also contained a revised sources of income budget based on the new project cost of \$1,043,451. This revealed the following:

Contributor	Amount	Savings
Council	\$50,000	\$200,000
LGIF	\$953,451	\$46,549
Community	\$40,000	\$10,000
Total	\$1,043,451	\$256,540

5.4 Construction occurred through the first half of 2013. Actual final cost as reported from ledgers was \$1,016,030. A comparison of the budget to actual follows.

6. Comparison of Revised Budget to Actual

Numurkah Senior Citizens Community Hub Redevelopment Project		
Expenditure	Budget	Total Expenditure
Tender Price for Building Works	\$ 708,451	\$ 752,134
Relocation of Senior Citizens operation during building	\$ 30,000	\$ 30,000
Architects, Building and Project Management Fees	\$ 90,000	\$ 120,520
Reroof existing building, to provide the same standard of roof as the new section	\$ 25,000	\$ -
Repaint existing building	\$ 10,000	\$ 5,050
Upgrade Kitchen to commercial standards	\$ 40,000	\$ -
Reseal and line mark the car park, adjacent to the building	\$ 75,000	\$ 61,092
Additional items per Senior Citizens - Blinds, curtains, storage, chairs, tables, television	\$ 25,000	\$ 35,737
Data Projector, Screen and Sound System	\$ 15,000	\$ 10,149

FILE NO: 100.02.03
5. DEMONSTRATING GOOD GOVERNANCE

ITEM NO: 17.1
(PROJECTS CONTRACTOR, DOUG SHARP)
(CHIEF EXECUTIVE OFFICER, MARK
HENDERSON)

NUMURKAH SENIOR'S HUB PROJECT (cont'd)

Contingency	\$ 25,000	\$ 1,349
Total Spend	\$ 1,043,451	\$ 1,016,030
Income	Budget	Total Income
Council	\$ 50,000	\$ -
Local Government Infrastructure Program	\$ 953,451	\$ 1,000,000
Community Contribution	\$ 40,000	\$ 40,000
Total Income	\$ 1,043,451	\$ 1,040,000

7. Analysis

- Actual total cost of \$1,016,030 was lower than the revised estimate of \$1,043,451 due primarily to savings on contingencies. Records confirm that the construction tender of \$708,451 was adjusted upwards by a net variation of \$43,861 ex GST which included roof works and kitchen upgrade to make a total net cost of \$752,134. The total cost of these specific works to the contract were \$14,444 (kitchen) and \$31,103 (roof).
- Costs do not include Council internal costs. These have been estimated at \$47,000 based on the provision made in the 2012/13 Budget. If the actual total cost is adjusted by this figure it increases to \$1,063,030.
- Records reveal that the community contribution was adjusted to the revised budget figure of \$40,000 and received at that amount. Council records do not reveal how this money was spent as it was included as part of the overall income available for expenditure on this project and not accounted for separately.

8. Conclusion

Records reveal that the Numurkah Senior Citizens Hub project was delivered to specification but significantly under budget. The principle driver of the lower cost was a much better tender outcome on construction cost than estimated.

As a consequence, income was revised downwards with savings taken up in consolidated revenue for use on other capital projects.

The community contribution for this project was also revised down, received as expected and expended on the project. It was not accounted for separately in keeping with usual practice.

Attachments

- Moira AUP Report



15 April 2016

Private and Confidential
Mark Henderson
Chief Executive Officer
Moira Shire Council
PO Box 578
COBRAM VIC 3643

Dear Mark

We have undertaken the procedures requested to confirm the validity of information contained in your Briefing Note to Council (File no. 100.02.03).

As you know, the documentation reviewed was extensive. Although the detail of our findings is contained within the report, in summary, we have no reason to believe:

- the information contained within the briefing note is not materially accurate, and
- the assumptions used to calculate values are not unreasonable.

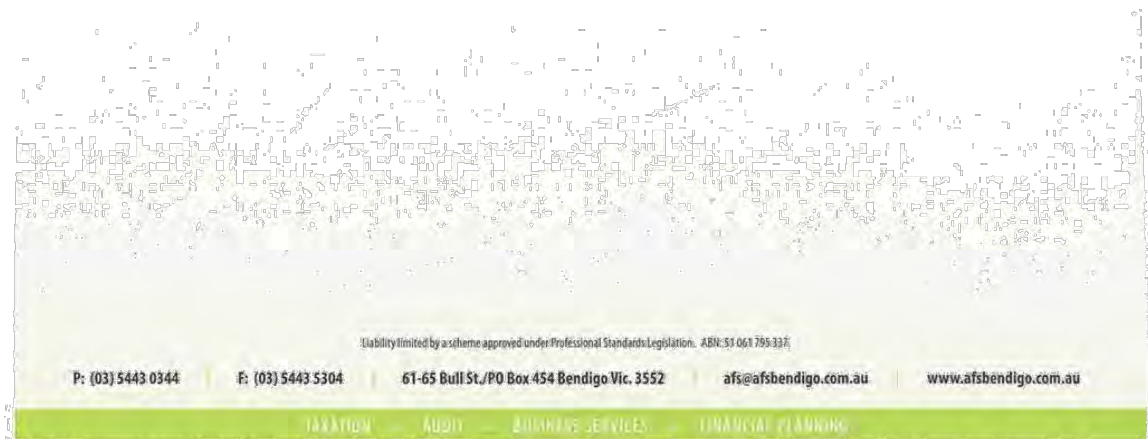
Our report is enclosed.

Thank you for the opportunity to undertake this work.

Yours sincerely

A handwritten signature in black ink that reads 'Brad Ead'.

Brad Ead
Partner
AFS & Associates Pty Ltd





15 April 2016

Ref No.: 965286_1

REPORT TO:

Mark Henderson
Chief Executive Officer
Moirā Shire Council
PO Box 578
COBRAM VIC 3643

We have performed the procedures agreed with you in our engagement letter (Document reference: 965266_1) with respect to the Numurkah Senior Citizens Hub project Briefing Note dates (File no: 100.02.03, Item no: 17.1).

Our engagement was undertaken in accordance with the basic principles and general guidance set out in the Agreed Upon Procedures Standards and Guidelines of the Institute of Chartered Accountants Australia and New Zealand. We disclaim any assumption of responsibility for the adequacy or otherwise of the procedures requested by you. The procedures were performed solely to assist you in presenting the validity of the Briefing Note. Because the procedures performed do not constitute either an audit or a review, we do not express any assurance on The Briefing Note.


From the procedures that we have performed we report the following findings:

1. We did not site information that would suggest the information in The Briefing Note is inaccurate.
2. We do not have reason to believe the information in The Briefing Note is inaccurate.

The attached Briefing Note is the document to which we reference for this report.

3. The amounts contained in the Briefing note materially agreed to evidence supplied to us, and reasonable assumptions used in determining values.

Our report is solely for your information and is not to be used for any other purpose. This report relates only to The Briefing Note and items specified above and does not extend to any other financial information The Numurkah Senior Citizens Hub.


Brad Ead
Chartered Accountant
Partner, AFS & Associates Pty Ltd
61 Bull Street, Bendigo, VIC 3550

Dated: 15 / 04 / 2016

Liability limited by a scheme approved under Professional Standards Legislation. ABN: 51 061 795 332.

P: (03) 5443 0344

F: (03) 5443 5304

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TAXATION

AUDIT

BUSINESS SERVICES

FINANCIAL PLANNING

CONFIDENTIAL REPORT

CORPORATE
OFFICER REPORTS FOR DETERMINATIONORDINARY COUNCIL MEETING
TUESDAY, 26 APRIL 2016FILE NO: 100.02.03
5. DEMONSTRATING GOOD GOVERNANCEITEM NO: 17.1
(PROJECTS CONTRACTOR, DOUG SHARP)
(CHIEF EXECUTIVE OFFICER, MARK
HENDERSON)**NUMURKAH SENIOR'S HUB PROJECT****RECOMMENDATION**

That Council note the information contained in this report reviewing the Numurkah Senior Citizens Hub Project.

1. Executive Summary

A review has been undertaken of the Numurkah Senior Citizens Hub project with the aim of establishing the total project cost, sources of funds and where the community contribution was applied.

The review reveals that this project was constructed to specification, but delivered significantly under budget. Actual total project cost was \$1,016,030 against a Council Budget of \$1,300,000 (which was based on a quantity surveyor assessment) and a revised budget of \$1,043,451 (which was established following receipt of tenders). The primary driver of lower cost was the construction tender accepted.

Council budgeted to allocate a share of its internal costs to capital works but didn't actually do so. On a pro-rata basis the share of these costs to the Numurkah Senior Citizens Hub project would have been \$47,000. When added to the actual total it becomes \$1,063,030.

Income for the project was budgeted to come from three sources: Local Government Infrastructure Fund - \$1,000,000; Council -\$250,000; and Community Contribution- \$50,000. Following acceptance of tenders this was also revised down. Community contribution was reduced to \$40,000.

Actual total income for the project, as shown in Council ledgers, is \$1,040,000. The ledgers were not adjusted down to align with the revised budget. When adjusted to align with the revised budget total income is \$993,451. The difference between these figures was taken up in consolidated revenue.

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CONFIDENTIAL REPORT

CORPORATE
OFFICER REPORTS FOR DETERMINATIONORDINARY COUNCIL MEETING
TUESDAY, 26 APRIL 2016

FILE NO: 100.02.03

5. DEMONSTRATING GOOD GOVERNANCE

ITEM NO: 17.1

(PROJECTS CONTRACTOR, DOUG SHARP)
(CHIEF EXECUTIVE OFFICER, MARK
HENDERSON)**NUMURKAH SENIOR'S HUB PROJECT (cont'd)****2. Background and Options****3. Introduction**

- a) In its most basic form, the purpose of this report is to establish the total project cost of the Numurkah Senior Citizens Hub project, source of funds and where, if possible, the community contribution was applied.
- b) In order to comfortably arrive at these basic outcomes, the approach taken has been to ascertain the facts and sequence of events that led to the development of the Numurkah Senior Citizens Hub Project. In so doing, it has necessarily involved interviews with relevant officers of the Moira Shire where possible and compilation of documentary evidence in support of key facts. This evidence is extensive and has been independently verified through internal audit.

4. Project Origin and Inception

- a. The Numurkah Senior Citizens Hub Project appears to have its origin in and around 2008 when initial investigations occurred over renovating toilet facilities. Preliminary estimates of \$90K were discussed at this time, but no formal documentation exists to this effect.
- b. Subsequent to these investigations, it was reported that Council allocated \$15K in its 2009/10 budget for a concept design to redevelop the whole facility. At around this time a Numurkah Senior Citizens Building Redevelopment Advisory Committee formed to oversee the project. This committee had no formal status with Council.
- c. A tender was accepted from Phil Wilkins Building Design to undertake this work at a cost \$19,040. A design was submitted that put the cost at \$600K to \$700K. In Council's 2010/11 Budget an indicative allocation of \$600k was forecast for inclusion in Council's 2011/12 Budget to this effect.
- d. A quantity assessment of the project was undertaken in 2011 by WT Partnership at a cost of \$4,500. This produced an estimate of \$1,296,000 being construction costs of \$1,084,000 and contingencies and professional fees.
- e. In its 2011/12 Budget Council foreshadowed in 2012/13 an allocation of \$1,300,000 for the project. Application was then made to the State Government's Local Government Infrastructure Fund (LGIF) for approval to allocate this funding of \$1,000,000 to the project. This was successful with a press announcement made on the 25 November 2011.
- f. Consequently, a project was developed as follows:

Total cost:	\$1,300,000
Source of funds	
Grants (LGIF) -	\$1,000,000
Community -	\$ 50,000
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- g. Council's 2012/13 Budget reflected this situation noting that \$200,000 of LGIF was received in the 2011/12 financial year.

CONFIDENTIAL REPORT

CORPORATE
OFFICER REPORTS FOR DETERMINATIONORDINARY COUNCIL MEETING
TUESDAY, 26 APRIL 2016

FILE NO: 100.02.03

5. DEMONSTRATING GOOD GOVERNANCE

ITEM NO: 17.1

(PROJECTS CONTRACTOR, DOUG SHARP)
(CHIEF EXECUTIVE OFFICER, MARK
HENDERSON)**NUMURKAH SENIOR'S HUB PROJECT (cont'd)****5. Construction Phase**

- a. Tenders were invited for the construction of the Numurkah Senior Citizens Centre in the latter part of 2012. A contract was awarded to Moretto Building P/L at a Council Meeting on 19 November 2012 for a sum of \$708,451 ex GST.
- b. A detailed project budget was prepared and reported to Council at this time reflecting the lower than estimated construction cost. Total cost to complete the project was now \$1,043,451, not including internal management and staff costs, which were significant. In 2012/13 Budget an allowance of \$555,000 was made for such costs across the entire capital works budget that year. If pro-rated to this new total project cost it would have amounted to \$47,000.
- c. The report to Council also contained a revised sources of income budget based on the new project cost of \$1,043,451. This revealed the following:

Contributor	Amount	Savings
Council	\$50,000	\$200,000
LGIF	\$953,451	\$46,549
Community	\$40,000	\$10,000
Total	\$1,043,451	\$256,540

5.4 Construction occurred through the first half of 2013. Actual final cost as reported from ledgers was \$1,016,030. A comparison of the budget to actual follows.

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Upgrade Kitchen to commercial standards	\$ 40,000	\$ -
Reseal and line mark the car park, adjacent to the building	\$ 75,000	\$ 61,092
Additional items per Senior Citizens - Blinds, curtains, storage, chairs, tables, television	\$ 25,000	\$ 35,737
Data Projector, Screen and Sound System	\$ 15,000	\$ 10,149

CONFIDENTIAL REPORT

CORPORATE
OFFICER REPORTS FOR DETERMINATIONORDINARY COUNCIL MEETING
TUESDAY, 26 APRIL 2016FILE NO: 100.02.03
5. DEMONSTRATING GOOD GOVERNANCEITEM NO: 17.1
(PROJECTS CONTRACTOR, DOUG SHARP)
(CHIEF EXECUTIVE OFFICER, MARK
HENDERSON)**NUMURKAH SENIOR'S HUB PROJECT (cont'd)**

Contingency	\$ 25,000	\$ 1,349
Total Spend	\$ 1,043,451	\$ 1,016,030
Income	Budget	Total Income
Council	\$ 50,000	\$ -
Local Government Infrastructure Program	\$ 953,451	\$ 1,000,000
Community Contribution	\$ 40,000	\$ 40,000
Total Income	\$ 1,043,451	\$ 1,040,000

7. Analysis

- a. Actual total cost of \$1,016,030 was lower than the revised estimate of \$1,043,451 due primarily to savings on contingencies. Records confirm that the construction tender of \$708,451 was adjusted upwards by a net variation of \$43,861 ex GST which included roof works and kitchen upgrade to make a total net cost of \$752,134. The total cost of these specific works to the contract were \$14,444 (kitchen) and \$31,103 (roof).
- b. Costs do not include Council internal costs. These have been estimated at \$47,000 based on the provision made in the 2012/13 Budget. If the actual total cost is adjusted by this figure it increases to \$1,063,030.
- c. Records reveal that the community contribution was adjusted to the revised budget figure of \$40,000 and received at that amount. Council records do not reveal how this money was spent as it was included as part of the overall income available for expenditure on this project and not accounted for separately.

8. Conclusion

Records reveal that the Numurkah Senior Citizens Hub project was delivered to specification but significantly under budget. The principle driver of the lower cost was a much better tender outcome on construction cost than estimated.

As a consequence, income was revised downwards with savings taken up in consolidated revenue for use on other capital projects.

The community contribution for this project was also revised down, received as expected and expended on the project. It was not accounted for separately in keeping with usual practice.

Attachments

Nil

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NUMURKAH SENIOR'S HUB PROJECT (cont'd)