

16.4 NOTICE OF MOTION – URALLA COURT HOUSE

Submitted by: Cr Toomey
Subject: Court House
TRIM Reference: UINT/21/2822

LINKAGE TO INTEGRATED PLANNING AND REPORTING FRAMEWORK

Objective: 4.1 A strong, accountable and representative Council
Strategy: 2.4.2 Implement Council's strategic asset management plans and continue to develop asset systems, plans and practice for infrastructure assets to minimise whole of life costs
4.1.2 Engage with the community effectively and use community input to inform decision making
4.1.3 Provide open, accountable and transparent decision making for the community

SUMMARY:

Councillor's Motion:

3. That the full cost of lodging the application for the \$925,000 grant for the refurbishment of the Uralla Court House (referred to in Councillor Bulletin January 29 2021) along with the internal source of the funding to prepare the application and the name of the grant applied for;
4. That the details of this application for grant funding in relation to the Court House be provided to Council in a manner that can be provided to our community, including plans and proposed use;
5. That Council staff do not submit applications for grants for capital work without Council approval;
6. Council staff focus their time on funding and developing the industrial land.

BACKGROUND:

In the January 29 2020 Councillor Bulletin issued by the General Manager, there was advice from the Department of Infrastructure and Development that an application has been lodged for funding to the value of \$925,000 to refurbish the Courthouse.

At the 23 February 2021 Ordinary Council Meeting, the following advice was provided in response to a Question on Notice:

Question: *Can the General Manager provide the resolution that authorises the application for a \$925,000 grant for the refurbishment of the Uralla Court House?*

Response: *There is no resolution of Council to make a grant application for refurbishment of the Courthouse. A resolution is not required to seek grant funding to undertake renewal works on Council owned infrastructure. If successful a report would typically be prepared to Council recommending acceptance of the grant funding offer. This would restore the building to a usable condition, protect existing heritage value, and reduce the building maintenance backlog at minimal cost to Council.*

At the 23 February 2021 Ordinary Meeting, Councillors were advised by the General Manager that we were unable to debate or discuss the responses provided. The issues raised by the answer above are instead noted below:

- The General Manager is within her rights to determine the manner in which resources are allocated within the budget. However when Council is asked to find additional funding to support staffing shortfalls in other areas, it is appropriate that Council ask for this information in order to understand the cost of this decision, and where it fits within the budget.
- A project of this scale is a capital project and as such it could have a significant impact on Council's budget. Capital projects require a Council resolution.
- Lodging the application without the support of Council puts Councillors in a position of having to either post-approve or reject a government grant.
- Councillors need to understand the full impact on our budget including depreciation, changes to ongoing maintenance and materials costs, prior to providing approval for the lodging of these applications.

At the 23 February 2021 Ordinary Council Meeting, the following advice was provided in response to a second Question on Notice:

Question: *Can the details of this application for grant funding in relation to the Court House be provided including plans and proposed use?*

Response: *Yes. Details of the application for grant funding will be made available to Councillors via NextCloud.*

At the 23 February 2021 Ordinary Meeting, Councillors were advised by the General Manager that we were unable to debate or discuss the responses provided. The issues raised by the response above are therefore noted below:

- This is a building of significant interest to our community. This information should be publicly available, not shared only with Councillors.
- The only discussion that has been had in relation to this building was an informal conversation following a General Manager's workshop, where a small number of Councillors were taken on a walk to the Court House and the idea of converting it in to the Uralla Shire Council Chambers was mentioned.
- This does not constitute Councillor support for the application, or for the purpose nominated.
- No formal advice has been provided to Councillors or to the community.

CONCLUSION:

Councillors are ultimately responsible for the expenditure undertaken on their behalf by the General Manager. Council should be providing well informed, resolved approval with clear strategic direction before capital grant funding applications are lodged and the costs associated with those grant applications are incurred.

The development of public assets, including buildings like the Uralla Court House, should be managed as part of a public discussion with our community.

Submitted by Cr T Toomey

EXECUTIVE ADVICE:

Council needs to determine the extent of control that it wishes to have over the timing of approving by resolution the acceptance of grant funding or the decision to lodge a funding grant.

Grant funding opportunities are varied and can be adhoc with relatively short timeframes for submission.

Prior to the expenditure being undertaken, approval by Council is provided either by resolution or approval of the budget or an amendment to the budget.

In determining when Council wishes to exercise control over grant funding opportunities, it is recommended that Council maintain the status quo and focus on resolving a list of pre-approved projects subject to funding and citing priority projects subject to funding in each year's annual Operational Plan.

Some of the more significant projects that have relied upon successful grant funding opportunities, and may not otherwise have proceeded, due to the absence of a Council resolution and lack of staff resources to prepare reports for Council decision include;

- The upgrades to the McMaugh Gardens ensuite - Aged Care Services Fund Aged Care Regional and Remote Infrastructure Grants (ACRRRIG) at \$500,000
- Tolleys Gully Bridge at \$1,075,000 - Growing Local Economies Funding
- Bingara Road – Upgrade to sealed – \$1,976,000 – Fixing Country Roads
- Hawthorne Drive Repairs – Fixing Local Roads - \$516,000

Council is typically kept informed of the development and lodgement of applications via Council reports, workshops, weekly updates and the Councillor Bulletin.

In local government it is a normal practice for professional staff to be on the look-out for grant funding opportunities and to take proactive actions to identify and pursue grant funding relevant to the delivery of Council's Operational Plan.

In regards to Council buildings, as at the commencement of this term of Council (September 2016) there was significant evidence of an extended period of increasing maintenance backlog and demonstrated absence of planning, funding and undertaking of the necessary maintenance, renewals and refurbishment to protect the assets and to maintain service levels to the community.

Since 2016, due to the funding provided through the funding programs such as the Stronger Country Communities, Drought Communities Extension, Drought Stimulus Package and ACRRRIG, Council has been able to effect the renewal of many of the Council and Community buildings and facilities including

- The Uralla Memorial Hall,
- Renewals, new structures, civil, electrical and plumbing works at the Uralla Showgrounds
- The Visitor Information Centre (underway)
- The Bundarra School of Arts Hall,
- The Uralla Swimming Pool,
- McMaugh Gardens,
- The Kentucky Hall,
- The Uralla Sporting Complex, and
- Parks and recreational facilities across the shire.

A proactive and consultative approach has been utilised in undertaking these renewals and upgrades insofar as can be facilitated given the staff resourcing constraints.

At Item 4.2.2.3 of the Operational plan, annual actions include;

- a. Identify and seek grant funding opportunities for Infrastructure and Development projects or services.
- b. Identify and seek grant funding and partnership opportunities for Aged Care projects or services

The Uralla Courthouse Building is currently derelict and unusable in its current condition.

The Court House has been the subject of many workshops and has long been considered a candidate project should grant funding become available.

At the recent walk through and briefing attended by eight of the nine Councillors there did not appear to be any dissent as to the necessary works to be undertaken to recover the structure as a useable building.

The grant funding application as submitted is to cover the costs of:

Preliminaries	Scoping of works, and drafting of plans
	Site establishment, site fence and site office for duration
External	Renovate external and prepare and paint where currently painted
	Remove built in on Southern side and reinstate to original
	Inspect and renovate roof (thereby preventing further damage)including replacing of roof sheeting (allow for installation of roof insulation)
	Painting of chimneys and pots, repairs and renewals of gutters, fascia and soffit as necessary
	Install solar array
	Reinstate picket fencing to road frontages in Hill and Maitland Streets
Internal	Walls and ceiling prepare and paint
	Recarpet flooring
	New kitchen – with industrial linoleum flooring
	Doors- windows, repair and repaint
	Refurbish toilets and renew fixtures and fittings
	Install LED lighting throughout including new exit
Stables	Touch up outside – remove asbestos sheeting and replace
	Industrial carpet to floor
	Install power and lighting
	Replace roofing on skillion

There is no requirement for architectural or engineering drawings for the proposal.

The annual budget includes estimated maintenance and capital costs for buildings based on a 2017 report from GHD. This report estimated that between 2017 and 2021, Council should spend approximately \$87,000 on maintenance and defect repairs at the Courthouse, and that a further \$114,000 should be spent between 2022 and 2031. The only maintenance that has been undertaken between 2017 and February 2021 related to rewiring necessitated through a fire.

If the proposed work associated with the grant application is carried out (approximately \$697,000), it would likely impact the financial result of Council in the first year by \$595,000 (maintenance) plus additional annual depreciation of \$3,083. Given that the grant would be considered operational as to \$595,000, the overall impact upon the financial result before capital grants, in the first year, would be \$Nil.

The refurbished facilities could be used as:

- Office space,
- Councillor boardroom,
- Training,
- Meetings,
- Councillor workshops,
- Community groups,
- Exhibitions and pop up displays,
- Business start-ups, and
- Other uses to be identified.

The refurbished facilities will enable a range of revenue raising options for Council to secure additional income streams.

RECOMMENDATION

That Council endorses the application for funding of \$925,000 for the refurbishment of the Uralla Courthouse under the Bushfire Local Economic Recovery Fund.

COUNCIL IMPLICATIONS:

1. Community Engagement/ Communication (per engagement strategy)

Community has an expectation that Council will manage and maintain its assets. No significant changes to the building layout or functionality is proposed as part of the works. Renewal of the asset to a usable condition would enable Council to undertake community consultation on a range of use options. This could include opportunities for a part or whole commercial use that could earn revenue to fund other Community outcomes.

2. Policy and Regulation

Local Government Act 1993 (NSW)
USC Operational Plan 2020/21
Buildings Asset Management Plan

3. Financial (LTFP)

Further reduces backlog and forward works program – 100% grant funding requested.

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4. Asset Management (AMS)

Asset renewal and service level improvement

5. Workforce (WMS)

Further project management resources

6. Legal and Risk Management

Provides for a safe and secure structure – the building is not currently habitable.

7. Performance Measures

If funded, asset renewed; project completed on time and within budget.

8. Project Management

By staff or consultant