

14.1 LATE ITEM - CEACA Update

File No:	A5/15, F1/3
Location/Address:	Brown St, Bencubbin & Rowlands St, Beacon
Name of Applicant:	N/A
Name of Owner:	N/A
Author:	John Nuttall – Chief Executive Officer
Attachments:	Nil
Declaration of Interest:	Nil
Voting Requirements:	Absolute Majority
Previously Considered:	Nil

Background:

Council is well aware of the CEACA project, which was anticipated to deliver three aged care units to Mt Marshall in the first stage. There were due to be two units built on the land at Brown Street, Bencubbin (adjoining the current age care units) and one at Rowlands Street, Beacon.

Unfortunately, and very late into the project, we have been informed that the Department of Health require that only one unit be built on a parcel of land of 1000sq/m. The same advice has been received for both the land at Bencubbin and Beacon.

Accordingly there have been attempts to locate additional land on which it may be possible to build an additional unit. At this stage the Shire is still waiting to hear from the project management team if there would be sufficient funds to allow for the third unit to be built in a separate location, given the additional survey and headworks costs. However, in order to be prepared should it be possible, this report seeks to suggest a new location for the third unit to be constructed on.

There is a piece of land currently for sale within the same precinct as the currently planned unit in Beacon – at 3 Rowlands Street. In discussions with CEACA this piece of land and its location would be suitable to use for an additional unit. It would be necessary, however, for CEACA to buy the land with Council being asked to fund that purchase.

Consultation:

There have been discussions with the CEACA group, project management team and the CEACA Council delegates.

Statutory Environment:

N/A

Relevant Plans and Policy:

N/A

Financial Implications:

Should Council agree to this proposal, there would be the cost of the land, and the cost of purchase and transfer costs. Further any contribution required by CEACA for the third unit to be constructed in Beacon

Risk Assessment:

Should an additional piece of land not be available and provided, then it is likely that Mt Marshall will only receive two units in this funding round, instead of the three that had been anticipated and paid for.

Community & Strategic Objectives:

Outcome 1.2 An environment that provides for a caring and healthy community

1.2.2 Provision of affordable housing for aged persons and people with disabilities

Comment:

It is extremely unfortunate that the Health Department have determined that we are not able to locate two small units on one block of land so late into the process (CEACA are already starting construction in Kellerberrin and Merredin). This has meant the need to find alternative options. Given the need in Beacon and the availability of a block of land to purchase, this would seem to be the best option.

Further to this original item there has been substantial communication between the Chief Executive Officer and CEACA, particularly Mr Ralton Benn the Manager Asset Programs, Access Housing. Unfortunately it appears that the tight finances of the project did not allow either the additional unit on an extra piece of land in Beacon, or the connection to the existing sewer pipe system in Bencubbin to be approved by him. The matter was presented to the Executive, with a recommendation for decision.

The information received relating to the Executive Meeting is that there would be an additional cost to the project for constructing a unit on an additional piece of land. The additional costs are set out below:

Preliminaries	\$10,000
Fees and licenses	\$0
Consultants	\$4,838
Groundworks	\$5,241
Driveways	\$11,958
Leach Drain	\$8,000
Headworks	\$4,500
Survey / Geotech	\$7,000
Drainage	\$3,500
Fencing	\$2,727
Hard and soft landscaping	\$12,541
BCTIF Levy	\$500
Total	\$70,805

The note from the Executive Officer regarding how these costs should be met is as follows:

As you probably appreciate CEACA is financially at a very delicate stage in the project. As such, the Executive Committee is supportive of developing the Beacon site but will need to have a discussion with the Shire about cost sharing at this late stage.

Unfortunately Council cannot operate by 'having discussions' regarding budget decisions, but can only make decisions in the formal setting of a Council Meeting. With that in mind it is respectfully suggested that if Council are prepared to do so, an offer should be made to CEACA via resolution regarding how much they would be prepared to contribute.

Further questions were also raised with Ralton Benn regarding the cost and possibility of retaining the second unit in Bencubbin by connecting to the pipe which runs past the current age care units. The response to this request was not favourable, with the following comments made:

In terms of Bencubbin, the deleted unit will leave a space for future a unit. This will require connection to an external/offsite sewer treatment system with the only potential for that being the proposed pressure main or for the Country Sewerage Policy to change.

Assuming it can be achieved, the challenge for CEACA is both time and money as the site will require investigation, design and procurement of a pump station that is able to communicate/coordinate with the existing one in order for us to tap into and use that pressure main.

Given those comments, and discussions held, it would appear that the CEACA project team do not feel that it would be possible to utilise the main in this building round, but it is something that would be investigated in future building rounds.

With no firm indication regarding how much CEACA would require Mt Marshall to contribute in order for the third unit to go ahead, the resolution below recommends roughly half of the increase in cost as a guide figure.

OFFICER'S RECOMMENDATION

That Council:

- 1. agree that it will fund the cost of CEACA purchasing and transferring 3 Rowlands Street, Beacon for the purpose of construction of a third aged care unit in the current CEACA construction phase;***
- 2. direct the Chief Executive Officer to confirm to CEACA that it is willing to contribute \$35,000 towards the additional costs of construction of a third unit in Beacon; and***
- 3. the cost of the purchase, transfer and construction contribution be budgeted in the Shire's 2018/19 annual budget.***