

AGENDA

ORDINARY MEETING OF THE
HORSHAM RURAL CITY COUNCIL

on

21 May 2018

5.30pm

at

Civic Centre

HORSHAM

COUNCILLORS are respectfully requested to attend the Ordinary Meeting of the Horsham Rural City Council to be held in the Municipal Chambers, Civic Centre, Horsham at 5.30pm on 21 May 2018.

Order of Business

1.	READING OF PRAYER AND THE ACKNOWLEDGEMENT OF COUNTRY STATEMENT	4
2.	WELCOME TO DISTINGUISHED GUESTS OR PERSONS IN THE PUBLIC GALLERY	4
3.	APOLOGIES AND REQUEST FOR LEAVE OF ABSENCE.....	4
4.	CONFIRMATION OF MINUTES AND SIGNING THEREOF.....	4
5.	DISCLOSURE OF INTEREST AND DECLARATIONS OF CONFLICT OF INTEREST	4
6.	PUBLIC QUESTION TIME	6
7.	OTHER BUSINESS	7
7.1	RESUMPTION OF DEBATE ON THE MOTIONS FROM PREVIOUS MEETING.....	7
7.2	RECEPTION AND READING OF PETITIONS, MEMORIALS, JOINT LETTERS AND DEPUTATIONS	7
7.3	MOTIONS OF WHICH PREVIOUS NOTICE HAS BEEN GIVEN	7
7.4	COUNCILLORS QUESTIONS WITH NOTICE	7
7.5	ORDERS OF THE DAY	7
8.	OTHER REPORTS	8
8.1	ASSEMBLY OF COUNCILLORS – RECORD OF MEETINGS.....	8
8.2	SEALING OF DOCUMENTS.....	8
8.3	INWARD CORRESPONDENCE	8
8.4	COUNCIL COMMITTEE MINUTES.....	9
8.4.1	<i>Horsham Regional Art Gallery Committee of Management meeting held on Thursday, 3 May 2018 at 5.15pm at the Art Gallery, Wilson Street, Horsham.</i>	9
9.	COUNCILLORS' REPORTS.....	10
10.	OFFICERS REPORTS	11
10.1	CHIEF EXECUTIVE.....	11
10.2	DIRECTOR OF CORPORATE SERVICES.....	12
10.3	DIRECTOR OF PLANNING AND ECONOMIC.....	13
10.3.1	<i>HORSHAM RURAL CITY COUNCIL TOURISM ADVISORY COMMITTEE TERMS OF REFERENCE</i>	13
10.3.2	<i>FARM BUILDINGS/FARM SHEDS</i>	14
10.3.3	<i>SUBMISSION TO THE FEDERAL GOVERNMENTS INQUIRY INTO THE INDICATORS OF, AND IMPACT OF, REGIONAL INEQUALITY – MAY 2018</i>	16
10.4	DIRECTOR OF COMMUNITY SERVICES	18
10.4.1	<i>WIMMERA REGIONAL LIBRARY CORPORATION LIBRARY AGREEMENT 2018</i>	18
10.4.2	<i>PUBLIC ART ADVISORY COMMITTEE EXPRESSION OF INTEREST</i>	19
10.4.3	<i>PUBLIC ART ADVISORY COMMITTEE EXPRESSION OF INTEREST</i>	21
10.5	DIRECTOR OF TECHNICAL SERVICES	22
10.5.1	<i>HORSHAM REGIONAL LIVESTOCK EXCHANGE MASTER PLAN</i>	22

11. URGENT BUSINESS..... 26

CLOSE



SUNIL BHALLA
Chief Executive Officer

1. READING OF PRAYER AND THE ACKNOWLEDGEMENT OF COUNTRY STATEMENT**2. WELCOME TO DISTINGUISHED GUESTS OR PERSONS IN THE PUBLIC GALLERY**

The public are advised that the Council meeting will be recorded to maintain an audio archive.

3. APOLOGIES AND REQUEST FOR LEAVE OF ABSENCE**4. CONFIRMATION OF MINUTES AND SIGNING THEREOF**

MINUTES OF AN ORDINARY MEETING OF THE HORSHAM RURAL CITY COUNCIL HELD IN THE MUNICIPAL CHAMBERS, CIVIC CENTRE, HORSHAM AT 5.30PM ON 7 May 2018

5. DISCLOSURE OF INTEREST AND DECLARATIONS OF CONFLICT OF INTEREST

A Councillor who has a conflict of interest and is attending the Council meeting must make a full disclosure of that interest.

(a) by either –

- (i) advising the Council at the meeting of the details required under paragraphs (b) and (c) immediately before the matter is considered at the meeting; or
- (ii) advising the Chief Executive Officer in writing of the details required under paragraphs (b) and (c) before the meeting; and

(b) classifying the type of interest that has given rise to the conflict as either –

- (i) a direct interest under 77B; or
- (ii) an indirect interest and specifying the particular kind of indirect interest under:

Section 78 – close association

Section 78A – financial interest

Section 78B – conflicting duties

Section 78C – receipt of an applicable gift

Section 78D – consequence of becoming an interested party

Section 78E – impact on residential amenity; and

(c) describing the nature of the interest; and

- (d) if the Councillor advised the Chief Executive Officer of the details under paragraph (a)(ii), the Councillor must make a disclosure of the class of interest only to the meeting immediately before the matter is considered at the meeting.

Members of Staff

Under Section 80C of the Local Government Act 1989, officers or people engaged under contract to the Council providing a report or advice to Council must disclose any conflicts of interests in the matter, including the type of interest.

6. PUBLIC QUESTION TIME

7. OTHER BUSINESS

7.1 RESUMPTION OF DEBATE ON THE MOTIONS FROM PREVIOUS MEETING

NIL

7.2 RECEPTION AND READING OF PETITIONS, MEMORIALS, JOINT LETTERS AND DEPUTATIONS

NIL

7.3 MOTIONS OF WHICH PREVIOUS NOTICE HAS BEEN GIVEN

NIL

7.4 COUNCILLORS QUESTIONS WITH NOTICE

NIL

7.5 ORDERS OF THE DAY

NIL

8. OTHER REPORTS

8.1 ASSEMBLY OF COUNCILLORS – RECORD OF MEETINGS

Council Briefing Meeting held on Monday 14 May, 2018 at 5.00pm in the Reception Room.

Refer to **Appendix “8.1A”**.

Recommendation

That Council note the Assembly of Councillors’ – Record of Meetings.

8.2 SEALING OF DOCUMENTS

NIL

8.3 INWARD CORRESPONDENCE

NIL

8.4 COUNCIL COMMITTEE MINUTES

8.4.1 Horsham Regional Art Gallery Committee of Management meeting held on Thursday, 3 May 2018 at 5.15pm at the Art Gallery, Wilson Street, Horsham.

Refer to **Appendix "8.4A"** for copy of minutes.

9. COUNCILLORS' REPORTS

10. OFFICERS REPORTS

10.1 CHIEF EXECUTIVE

No reports.

10.2 DIRECTOR OF CORPORATE SERVICES

No reports.

10.3 DIRECTOR OF PLANNING AND ECONOMIC

10.3.1 HORSHAM RURAL CITY COUNCIL TOURISM ADVISORY COMMITTEE TERMS OF REFERENCE

Stephen Pykett

File Ref: F15/A09/000002

Purpose

To present for adoption revised Terms of Reference for Council's Tourism Advisory Committee.

Background

Council's Tourism Advisory Committee Terms of Reference was adopted in 2016 with the change to an Advisory Committee instead of a Section 86 Committee of Council.

Issues

Tourism Advisory Committee members serve a term of 2 years with the current term due to expire in June 2018.

The Terms of Reference has been reviewed, in advance of calling for Expressions of Interest for the next Advisory Committee term to commence from July 2018. This has presented an opportunity to address a number of governance anomalies relating to the number of committee members and the mechanism for determining a quorum.

Consultation/Communication

Council's Tourism and Events unit has reviewed and revised the terms of reference in consultation with Council's Community Services Directorate and Organisational Performance Officer. This consultation has ensured consistency across Council areas and provided advice on best practice models.

The draft revised Terms of Reference has also been provided to the current Tourism Advisory Committee for review and comment and is attached as **Appendix "10.3A"**. A "tracked Changes" version is attached as **Appendix "10.3B"**.

Financial

There are no financial implications of the proposed changes.

Links To Council Plans, Strategies, Policies

Council Plan Goal 2 – Sustaining the Economy

Four year outcomes – 2.3 Increase Visitors to the Municipality

Council Plan Goal 4 – Governance and Business Excellence

Four year outcomes – 4.1 Continuously improve communication and engagement with the community through effective consultation; 4.2 Manage risk to the organisation.

Recommendation

That Council adopt the revised Terms of Reference for Council’s Tourism Advisory Committee.

10.3.2 FARM BUILDINGS/FARM SHEDS

Angela Murphy

File Ref: F04/A04/000001

Purpose

To note the guideline and application form for exemption for farm buildings from requirement to obtain a building permit and to make representations to the State Government to request a review of the Victorian Building Interim Regulations 2017 Regulation 1804 Exemptions for Class 10 building on farm land.

Background

Council, at its meeting held on 19 March 2018, resolved to rescind the 2003 Exemption for Farm Buildings from requirement to obtain a Building Permit Policy due to it being out of date and in conflict with current legislation. In other words, Council’s 2003 policy (now revoked) exempted farm buildings on farm land from the requirement to obtain a building permit.

Reference is made to the Notice of Motion No 165 presented by Cr Robinson at the 3 April 2018 Ordinary meeting of Council relating to the Victorian Building Interim Regulations 2017 Regulations 1804 Exemption for Class 10 buildings on farm land. The Notice of Motion No 165 is currently laid on the table and it is the intention of this report to address the Notice of Motion.

Issues

The new classifications under the Building Code of Australia specifically for Farm Sheds and Farm Buildings came into operation in 2016. In accordance with A1.1, BCA 2016 – Volume 1, the definition of a Farm Building or Farm shed is clearly defined as a Class 7 or 8 building and must comply with the requirements of Part H3, BCA 2016 – Volume 1.

These classifications are attached as **Appendix “10.3C”**.

Following the Council meeting held on 3 April 2018, Weir Consulting was engaged to provide legal advice on the application of regulation 1804 of the Building Interim Regulations 2017, the definition of a Class 10 shed under regulation 1804, and the pros and cons of establishing a farm shed exemption policy. Regulation 1804 states that a Council may exempt a Class 10 building that is to be constructed on farm land and used for farming purposes from all or any of the requirements of these Regulations.

Attached as **Appendix “10.3D”**, is a guideline and application form for exemption which has been developed based on the legal advice and is included on Council’s website as background information to support applications for farm shed exemptions from obtaining a building permit. The guideline sets out the criteria for exemption from obtaining a building permit, and highlights that the exemption is not an “as of right” exemption, and is assessed by the building surveyor on a case by case basis. Regulation 112 provides that buildings must be classified as set out in the Building Code of Australia and that if there is any doubt as to the classification, the relevant building surveyor must classify the building as belonging to the class it most closely resembles. The onus is on the applicant or owner to make enquiries on the building permit requirements for farm sheds and farm buildings.

It is fair to conclude that interpretation of the legislation across Federal and State Acts, Codes and Regulations is complex and justifies a review by the State Government to establish clarity and consistency. It is recommended that Council make representations to the State Government and the Victorian Building Authority to request a review of the legislation on Exemptions for Class 10 buildings on farm land under Regulation 1804 of the Victorian Building Regulations 2017 in conjunction with the National Construction Code and Building Code of Australia.

Consultation

Consultation has occurred with the Municipal Association of Victoria, Victorian Municipal Building Surveyors Group, shed manufacturer, Councils and legal adviser. Our research indicates that Northern Grampians Shire has a policy whereby the building surveyor has received 8 applications for exemptions and approved 5 in the last financial year. Southern Grampians Shire has a guideline whereby the building surveyor has approved approximately 80% of exemptions (10 exemptions approved for 2018 calendar year) for farm sheds, after consultation and education with prospective applicants and more broadly the shed manufacturers.

Links to Council Plans, Strategies, Policies

Goal 2 Sustaining the Economy

2.1 Cultivate opportunities for the municipality to prosper and pursue possibilities for new developments.

Recommendation

That Council:

1. Write to the Minister for Planning and the Victorian Building Authority to request a review of Victorian Building Interim Regulations 2017 Regulation 1804 Exemption for Class 10 buildings on farm land in conjunction with the National Construction Code and Building Code of Australia to address the inconsistency between State and Federal legislation.
2. Note its revocation of the “Exemption for farm buildings from requirement to obtain a building permit policy” at its Ordinary Meeting of 19 March 2018 on the basis that it is no longer consistent with the current exemption power under regulation 1804.
3. Note that:
 - a. to the extent that the resolution made on 19 March 2018 may have affected the delegation of power by Council to the CEO to issue an exemption under regulation 1804 that delegation is remade; and
 - b. that in making the fresh resolution, Council confirms that the CEO and any person to whom the power to grant the exemption is delegated by the CEO now or in the future, may exercise that power on application by the owner of farm land seeking the exemption.
4. Note the guideline and application form for exemption for farm buildings from requirement to obtain a building permit published on Council’s website and made generally available.

10.3.3 SUBMISSION TO THE FEDERAL GOVERNMENTS INQUIRY INTO THE INDICATORS OF, AND IMPACT OF, REGIONAL INEQUALITY – MAY 2018 Angela Murphy File Ref: F04/A04/000001

Purpose

To endorse Council’s submission to the Federal Government’s Inquiry into the indicators of, and impact of, regional inequality in Australia.

Background

The Terms of Reference for the Inquiry into the indicators of, and impact of, regional inequality in Australia and focused on government policies and programs in the following areas:

- a. fiscal policies at federal, state and local government levels;
- b. improved co-ordination of federal, state and local government policies;
- c. regional development policies;
- d. infrastructure;
- e. education;
- f. building human capital;
- g. enhancing local workforce skills;
- h. employment arrangements;
- i. decentralisation policies;
- j. innovation;
- k. manufacturing; and
- l. any other related matters

Issues

Council's submission to the inquiry is attached as **Appendix "10.3E"** for Council's endorsement. The submission focuses on decentralisation, transport and connectivity infrastructure and education.

Submissions to the inquiry closed on 30 April, 2018. However, Council sought an extension to the end of May, 2018 which was agreed.

Consultation

Consultation has occurred with Longerenong College and Wimmera Development Association to help inform the issues contained in the submission to the Federal inquiry.

Financial

There are no financial implications

Links with Council Plan

Goal 2 – Sustaining the Economy – Lead in sustainable growth and economic development

Recommendation

That Council endorse the submission to the Federal Inquiry into the indicators of, and regional inequality in Australia.

10.4 DIRECTOR OF COMMUNITY SERVICES

10.4.1 WIMMERA REGIONAL LIBRARY CORPORATION LIBRARY AGREEMENT 2018

K O'Brien

File Ref: F11/A02/000001

Purpose

To inform Council of the review of the Wimmera Regional Library Corporation Agreement between Wimmera Regional Library Corporation and Horsham Rural City Council and recommend that the 2018 agreement be signed and sealed by Council.

Background

The Wimmera Regional Library Corporation currently provides library services across six municipalities, namely Hindmarsh, Horsham, Northern Grampians, West Wimmera, Yarriambiack and part of Buloke.

The Agreement to form the Wimmera Regional Library Service between the six Local Government areas occurred in 1996 post restructure. During 2011, a Deed of Amendment to the Agreement was signed by all parties to adhere to changes imposed by the Local Government Act 1989 (as amended). Council signed the current agreement in 2014.

The Wimmera Regional Library Corporation Agreement records the terms on which the Continuing Councils will continue to operate such regional library.

Issues

The Library Agreement was reviewed by the Wimmera Regional Library Corporation at its meeting on 20 April 2018. The document has been changed due to Buloke no longer being a member of the Wimmera Regional Library Corporation as of 30 June 2018. A copy of the proposed Wimmera Regional Library Corporation Agreement is attached for Council's information (see **Appendix "10.4A"**).

Consultation/Communication

The Wimmera Regional Library Corporation Board members reviewed the agreement at the meeting on 20 April 2018.

Financial

The agreement states that each member Council is responsible for the net recurrent expenditure and capital expenditure for its library services. The proposed Council contribution for 2018/19 is \$494,963, an increase of 0.69% from the current year's contribution of \$491,576.

Links To Council Plans, Strategies, Policies

2017-2021 Health and Wellbeing Plan.

Recommendation

That the Wimmera Regional Library Corporation Agreement 2018 be signed under Council delegation.

10.4.2 PUBLIC ART ADVISORY COMMITTEE EXPRESSION OF INTEREST

A Donovan

File Ref: F34/A06/000001

Purpose

To seek Council's determination of the membership of the Public Art Advisory Committee (PAAC).

Background

As part of Council's Committee review process, the PAAC has been reviewed to ensure principles of good governance and transparency and to ensure membership represents the diversity of Horsham.

The Draft Terms of Reference (ToR) were approved by Council on 19 March 2018 and an Expression of Interest (EOI) advertised from 19 March to 9 April 2018 through:

- A Council media release
- Flyer and poster distribution
- EOI on Council's website
- Promoted through HRCC social media and Facebook
- Direct marketing to existing Council networks
- Direct approach to Barengi Gadjin Land Council and Business Horsham

A total of six EOIs were received for the four vacant positions. As referenced in the PAAC ToR, if there are more than the required number of applicants for the available positions, nominations will be forwarded to Council for determination.

Discussion

Assessment Process

EOIs were internally assessed within the Community Development team and rated a score of 1-5 against the following selection criteria:

- Previous Committee Service experience
- Previous Community Service experience
- Community connectedness

- Rationale for service
- Relevant skills

Membership Recommendations

The following people are recommended:

- Brian Basham
- Casandra Velinos
- Annie Ferguson
- Elizabeth Dahlenberg

Next Steps

Once Council has endorsed the PAAC:

- Letters of confirmation will be sent to successful applicants via email
- Letters to unsuccessful applicants will be sent following Council's endorsement thanking them for their application
- An agreed meeting time will be discussed with new members

Consultation/Communication

The PAAC proposed membership has been assessed by Cultural Development Officer, Community Development Manager and the Recreation and Sustainability Officer.

Financial

This work was undertaken within current budget allocation. Work of establishing the PAAC to support the delivery of the Public Art Implementation Plan will occur within current budget allocations.

Links to Council Plans, Strategies, Policies

The PAAC aligns with:

- Council Plan
 - 1.1 Contribute to building a vibrant, diverse and resilient community
 - 1.3 Contribute to cultural activities that enhance our community
- Health and Wellbeing Plan
 - *Support and promote advocates and events that build community resilience and social networks for all groups*
- Arts and Cultural Plan 2014-2018
 - Art in Public Places

Recommendation

That Council endorse the following membership to the Public Art Advisory Committee: Brian Basham, Casandra Velinos, Annie Ferguson and Elizabeth Dahlenberg.

10.4.3 PUBLIC ART ADVISORY COMMITTEE EXPRESSION OF INTEREST

A Donovan

File Ref: F34/A06/000001

Recommendation

That Council refer this item to the confidential briefing part of the meeting to consider the report from the Director Community Services in accordance with Section 89(2) (d) contractual matters of the Local Government Act, 1989.

KEVIN O'BRIEN

Director Community Services

10.5 DIRECTOR OF TECHNICAL SERVICES

10.5.1 HORSHAM REGIONAL LIVESTOCK EXCHANGE MASTER PLAN

John Martin File Ref: 99/01/12496A

Purpose

To present the Horsham Regional Livestock Exchange (HRLE) Master Plan and its strategic recommendations for adoption.

Background

Preparation of a master plan for HRLE was a commitment in the 2017-18 Council Plan as follows:

3.4.02 Master plan preparation for the Livestock Exchange including potential items such as: roofing to cover yards, electronic ramps to replace manual ramps, compost turner and Radio Frequency Identification (RFID), solar panels and water capture

Development of the master plan commenced in the second half of 2017. Initially, it was proposed that there would be two separate plans:

- A master plan which would focus primarily on the physical development of the site and its assets,
- An enterprise plan which would focus on the commercial and operational aspects of the Exchange.

A brief for consultants for a combined plan was subsequently prepared, as it was assessed that would lead to some economies, and consultant Outcross was appointed for the task following a quotation process. The report is attached as **Appendix "10.5A"**.

The consultant's program included the following main steps:

- Site familiarisation
- Review of operational and financial records of the site
- An engagement program with relevant stakeholders
- A review of the existing assets
- Consideration of infrastructure and process options to enhance operation of the facility.

Initially the master plan was due for completion in late 2017, however the introduction of the requirement for electronic identification (EID) of sheep took priority over this process, as there was a tight timeframe required by Government for implementation of that system. Outcross was also engaged as Council's consultant for planning the EID implementation.

A draft report was prepared by the end of 2017. Further stakeholder engagement on the draft plan was undertaken in early 2018, leading to the final draft report being considered by the HRLE Board in April 2018. The engagement process is discussed in further detail below.

Discussion

The major outcome of the Master Plan is the recommendation and justification for roofing the yards.

The report identifies a number of shortcomings with the existing open (un-roofed) saleyards in relation to:

- Animal welfare
- Human welfare (OHS)
- Infrastructure maintenance
- Cleaning
- Lighting (for night-time operations)
- Water harvesting and
- Presentation of stock.

The consultant has obtained reliable estimates for a number of options for roofing the saleyards area, with the option to roof the whole area costing \$2.55 M (ex GST). It is planned to use information from the master plan to develop a full business case to help justify funding for installation of roofing.

The report also identifies four areas of focus for the exchange to remain viable, being:

- Maintaining a fair market price
- Maintaining throughput
- Investing in capital development (primarily roofing)
- Embracing best practice.

A series of recommendations are made in the report to address these and other aspects. Five of these are considered strategic recommendations which the HRLE Board has recommended should be adopted by Council, being:

1. **Cattle Operations:** It is recommended that HRLE close the weekly cattle sales and consider acting as a transit centre for larger facilities or introducing a monthly store sale or seasonal feature sales; (p3)
2. **NLIS Compliance:** That HRLE adopt the Outcross implementation strategy to comply with the requirements of the NLIS for sheep and goats and the introduction EID for sheep and goats born in Victoria after 1 January 2017. (p3)
3. **Information Management:** It is recommended that HRLE adopt a specialist saleyard software management system; (p3)

4. **Facility development:** It is recommended that HRLE plan to construct a roof for the existing facility; (p3) and,
5. **Facility ownership:** It is recommended that the facility remains open and under the management control of HRCC. (p48)

Further recommendations are also made in the report, which the HRLE Board considers to be of an operational nature, and has recommended that these should be noted by Council, and referred back to the Board to consider how and when they might be actioned.

Consultation/Communication

The engagement program for development of the master plan included:

- A key stakeholder workshop, including representatives of buyers, sellers, truck operators and others. This included a SWOT analysis of the facility and its operations.
- A community meeting.
- Individual meetings with key stakeholders.

This program was generally quite effective, other than for the community meeting. Notice of this meeting was circulated to all properties within an approximate 2.5 km radius of the exchange. This area was targeted in relation to any potential noise or odour issues associated with the facility. There was no attendance or submissions from residents in this area, which is assumed to imply that there are no apparent impacts of the HRLE operations on these residents.

Subject to consideration by Council, it is planned to insert a page at the front of the Master Plan documenting:

- The recommendations as adopted by Council.
- Some details of additional participants in the consultation not specifically listed in the report.

Financial

An allocation of \$50,000 was made in the 2016-17 budget for preparation of a master plan and enterprise plan. The cost of the plan preparation was \$40,500.

Risk

One of the key risks identified for ongoing operations of HRLE is reduced sales numbers. There seems to be a cyclic pattern in sales numbers, with gradual declines over several years, then a sudden boost to higher numbers. The graph on p7 of the master plan shows no obvious long-term trend in sheep and lamb throughput numbers.

However, consideration of this risk has identified that changes to operational practices, in particular reduced costs of cleaning the yards, can assist in offsetting the reduced income should numbers decline. Roofing the saleyards, as recommended in the master plan, is a strategy that will help to address this risk.

Links To Council Plans, Strategies, Policies

Preparation of a master plan for HRLE was commitment 3.4.02 in the 2017-18 Council Plan.

Recommendation

That Council:

1. Adopt the Horsham Regional Livestock Exchange Master Plan.
2. Note the following strategic recommendations in the Master Plan:
 - a) **Cattle Operations:** close the weekly cattle sales.
 - b) **NLIS Compliance:** adopt the Outcross implementation strategy to comply with the requirements of the NLIS for sheep and goats and the introduction EID for sheep and goats born in Victoria after 1 January 2017.
 - c) **Information Management:** adopt a specialist saleyard software management system.
 - d) **Facility development:** plan to construct a roof for the existing facility.
 - e) **Facility ownership:** the facility remains open and under the management control of Council.
3. Refer the further operational recommendations outlined in the report to the HRLE Board for its ongoing consideration and further advice to Council.

JOHN MARTIN
Director Technical Services

11. URGENT BUSINESS

APPENDICES

**COUNCIL BRIEFING HELD IN THE RECEPTION ROOM
ON MONDAY 14 MAY 2018 AT 5.04PM**

Present: Cr P Clarke, Mayor, Cr MA Radford, Cr J Koenig, Cr A Gulvin (from 5.12pm), Cr D Grimble, Cr L Power, Cr J Robinson; Sunil Bhalla, Chief Executive Officer; Graeme Harrison, Director Corporate Services; Kevin O'Brien, Director Community Services; John Martin, Director Technical Services; Angela Murphy, Director Planning and Economic; Zac Gorman, Management Accountant (item 3 only)

Apology: Nil

1. WELCOME AND INTRODUCTION

Cr Clarke welcomed everyone.

**2. DISCLOSURE OF CONFLICT OF INTEREST SEC 79, LOCAL GOVERNMENT ACT, 1989
(AS AMENDED)**

Nil.

3. FINANCE AND PERFORMANCE COMMITTEE MEETING – 5.05pm

Zac Gorman attended. Heather Proctor apology.

3.1 Monthly Report

Discussed.

3.2 Town Hall Report

Discussed.

3.3 Creditor Payments

Discussed.

3.4 Other Business

Nil.

4. DISCUSSIONS – 5.34pm

4.1 Review of Council Meeting Agendas/Cycle

Discussed possible changes to Council's meeting Agenda and cycle.

4.2 A Vision for Horsham

Discussed.

4.3 Natimuk Road School Crossing

Discussed.

4.4 Sunnyside Park

Discussed.

- 4.5 Regional Equity Submission**
Discussed.
- 4.6 Farm Buildings / Farm Sheds**
Discussed.
- 4.7 Public Arts Advisory Committee Community Membership Approval**
Discussed.
- 4.8 Wimmera Regional Library Corporation Agreement**
Discussed.
- 4.9 Budget Community Engagement**
Discussed.

Meeting adjourned for dinner 7.00pm

Meeting reconvened 7.30pm

5. WIMMERA SOUTHERN MALLEE REGIONAL PARTNERSHIP (WSMRP) BRIEFING

In attendance: David Jochinke

David Jochinke attended to brief Council on the work of the WSMRP.

6. COUNTRY MUSIC FESTIVAL

In attendance: Lyall Wheaton and Chairman Colin Morrell

Discussed the Committee's plans re future festivals.

Directors left the meeting at 8.52pm

7. CEO AND COUNCILLORS ONLY MEETING

7.1 CEO Organisation Review

7.2 Councillor only time

8. CLOSE

9.30pm

MINUTES

Horsham Regional Art Gallery Committee of Management
Thursday 3 May 2018 at 5.15pm (meeting rescheduled from 5 April 2018)
Art Gallery, Wilson Street, Horsham

Attendees:	Di Dale	Community Representative
	Simone Dalton	Community Representative
	Adam Harding	Art Gallery Director
	Cheryl Linke	Volunteer Representative
	Marion Matthews	Community Representative
	Kathy Newton	Minutes
	Kevin O'Brien	Director Community Services
	Rhonda Tursi	Trustee Representative

Apologies:	Anne Donovan	Community Development Manager
	Cr Alethea Gulvin	Council Representative

1. Election of Chairperson for this Meeting

Moved that Marion Matthews be elected as Chairperson for this meeting – Rhonda Tursi, seconded Di Dale **CARRIED**

2. Welcome

Marion welcomed all present.

3. Disclosure of Conflict of Interest – nil**4. Minutes of the previous meeting**

Minutes of the meeting of the Horsham Regional Art Gallery Committee of Management held on 1 February 2018 were confirmed

Moved Cheryl Linke, seconded Di Dale **CARRIED**

5. Business arising from previous minutes**5.1 Mann Bequest**

Marion asked for an update, which Adam provided. He advised he will talk to the Art Gallery Trust and Acquisition Committee as well as this Committee at a later date when it is ready to be signed off.

Bequests in general were also discussed.

6. Correspondence (selected)

In: Exhibition Agreement – Erbgericht & Behold with CCP
 Exhibition Agreement – Soft Core with M&GNSW
 Exhibition Agreement – I hope you get this with NETS Victoria

Out: Exhibition Agreement – Erbgericht & Behold with CCP
 Exhibition Agreement – Soft Core with M&GNSW
 Invitations to Erbgericht| Behold | Story Maker
 Invitation to participate HRAG Art is... 2018 project Street Gallery

On the motion of Simone Dalton, seconded Rhonda Tursi – the correspondence was noted CARRIED

7. Reports

7.1 Director's Report

New Curator Michelle Mountain starts work next week. Education Officer Faith Hardman started work last week. We now have full complement of staff.

7.1.1 Attendance / Donations

Gallery Visitors

Week Ending Visitor Numbers

04.02.17	113
11.02.17	188
18.02.17	187
25.02.17	<u>183</u>
	671
04.03.18	214
11.03.18	226
18.03.18	194
25.03.18	<u>244</u>
	878
	<u>1,549</u>

Year to date 6,001 (28.02.2018). This time last year: 6,605 (28.03.2017)

7.1.2 Current Exhibition

Andrea Grutzner: Erbgericht

Hoda Afshar: Behold

Dave Jones: Story Maker

7.1.3 Activities at Gallery

DATE	TYPE	DESCRIPTION	Attnd. Child	Attnd. Adult
23.01.18	Education Program	Summer School Holiday Program - Upcycle This	6	5
23.01.18	Education Program	Summer School Holiday Program - Star Dream Catchers for Teens	4	5
24.01.18	Education Program	Summer School Holiday Program - Embossing on Metals for Kids	3	4
24.01.18	Education Program	Summer School Holiday Program - Fantastic Beasts	10	8

APPENDIX 8.4A

25.01.18	Education Program	Summer School Holiday Program - Bugs World	1	1
25.01.18	Education Program	Summer School Holiday Program - Shell Fish	11	12
25.01.18	Public Program	Wimmera Uniting Care Gallery visit – Students & Carers	5	4
01.02.18	Public Program	Art Club Adult – 1 st week with Kate Wade		13
02.02.18	Public Program	Meet the Exhibition – <i>Enmeshed: Woven artwork from Ararat Regional Art Gallery</i>		11
06.02.18	Education Program	Art Club Juniors – 1 st week with Nikki Clarke	13	25
08.02.18	Education Program	Art Club Teens – 1 st week with Kate Wade	7	8
08.02.18	Public Program	Art Club Adults – 2 nd week with Kate Wade		13
09.02.18	Public Program	Exhibition Opening – The HRAG Collection		55
13.02.18	Education Program	Art Club Juniors – 2 nd week with Nikki Clarke	14	27
15.02.18	Education Program	Art Club Teens – 3 rd week With Kate Wade	8	19
15.02.18	Public Program	Art Club Adult – 3 rd wk with Kate Wade	1	12
16.02.18	Public Program	Meet the Exhibition – The HRAG Collection		11
17.02.18	Public Program	Masterclass: papermaking + Bookbinding By Gail Stiffe (1 st session)		9
18.02.18	Public Program	Masterclass: papermaking + Bookbinding By Gail Stiffe (2 nd session)		9
20.02.18	Education Program	Art Club Juniors with Nikki Clarke (3 rd wk)	15	31
22.02.18	Education Program	Art Club Teens – 3 rd week With Kate Wade	8	19
22.02.18	Public Program	Art Club Adults – 4 th wk with Kate Wade		13
25.02.18	Public Program	Masterclass: Sculpture with Lucy Irvine		15
25.02.18	Public Program	Meet the Artist: Lucy Irvine		15
27.02.18	Education Program	Art Club Juniors – 4 th week with Nikki Clarke	13	25
01.03.18	Education Program	Art Club Teens – 4 th week With Kate Wade	7	8
01.03.18	Public Program	Art Club Adults – 5 th wk with Kate Wade		13
02.03.18	Education Program	VCE Life Drawing – 1 st wk with Anthony Pelchen	3	2
06.03.18	Education Program	Art Club Juniors – 5 th week with Nikki Clarke	15	29
08.03.18	Education Program	Art Club Teens – 5 th week with Kate Wade	9	6
08.03.18	Public Program	Art Club Adults – 6 th wk with Shane Boland		14
08.03.18	Public Program	Exhibition Opening – Erbgericht Hoda Story Maker	6	40
09.03.18	Education Program	VCE Life Drawing – 2 nd wk with Anthony Pelchen	5	2
13.03.18	Education Program	Art Club Juniors – 6 th week with Nikki Clarke	15	29
14.03.18	Public Program	The Fundamentals – Prof Development for Visual Artists		20

15.03.18	Public Program	ONE on ONE sessions – with RAV Jo Grant +HRAG Curator Alison Eggleton		5
15.03.18	Public Program	Networking meet and greet with RAV Jo Grant +HRAG Curator Alison Eggleton		3
15.03.18	Education Program	Art Club Teens –7th week with Shane Boland	9	6
15.03..18	Public Program	Art Club Adults –5 th wk with Kate Wade		13
16.03.18	Public Program	Meet the Exhibition – <i>Andrea Grutzner: Erbgericht</i>		8
16.03.18	Education Program	VCE Life Drawing – 3 rd wk with Anthony Pelchen	5	2
19.03.18	Public Program	Grampians Arts Program (1 st session) Braemar College	22	5
20.03.18	Education Program	Art Club Juniors – 7 th week with Nikki Clarke	15	25
21.03.18	Public Program	HRCC sponsored event - Memory Lane Cafe		28
22.03.18	Public Program	Grampians Arts Program (2 nd session) Braemar College	10	2
22.03.18	Public Program	Grampians Arts Program (3 rd session) Braemar College	10	2
22.03.18	Education Program	Art Club Teens –7 th wk with Shane Boland	7	15
22.03.18	Public Program	Art Club Adults –7 th wk with Shane Boland	11	1
23.03.18	Public Program	Grampians Arts Program (morning tea) Braemar College	16	2

7.1.4 Promotion

DATE	MEDIA	TYPE	DESCRIPTION
26.01.18	HRAG Facebook	post	Enmeshed exhibition
31.01.18	HRAG email (master list)	invitation	Meet the Exhibition: Enmeshed
31.01.18	HRAG email (master list)	info	Our After School Art Club Workshops
01.02.18	HTH Quarterly Brochure	listing	HTH Season Brochure - Jan - Mar 2018
01.02.18	Out & About	advert	Summer issue Dec '17 – Feb '18
01.02.18	Art Guide	listing	Jan/Feb edition
01.02.18	Welcome to the Wimmera	advert	Summer issue Dec 2017 -Feb 2018
01.02.18	Trouble Mag	listing	February Edition
01.02.18	Art Almanac	listing	February Edition
01.02.18	ABC Western Victoria	interview	Arts Roundup – with Adam Harding
01.02.18	HRAG Facebook	post	Masterclass: Papermaking + Bookbinding
01.02.18	HRAG Facebook	event	Morning Tea - Enmeshed
06.02.18	HRAG Facebook	event	The Fundamentals: Get Exhibition Ready
06.02.18	HRAG email (master list)	invitation	Opening: The HRAG Collection
07.02.18	HRAG Facebook	post	Behind the scenes glimpses of new exhibition - The HRAG Collection
08.02.18	HRAG Facebook	post	Enmeshed: Woven artwork from Ararat Regional Art Gallery
13.02.18	HRAG email (master list)	invitation	Meet the Exhibition: The HRAG Collection

APPENDIX 8.4A

13.02.18	HRAG email (master list)	info	Masterclass: Papermaking + Bookbinding
14.02.18	HRAG email (master list)	info	Enmeshed artist Lucy Irvine visits Horsham
15.02.18	ABC Western Victoria	interview	Arts Roundup – with Adam Harding
19.02.18	ABC Western Victoria	interview	Lucy Irvine Enmeshed artist
20.02.18	Wimmera Mail Times	article	St Brigid's College welcomes new teachers to the team
20.02.18	HRAG Facebook	shared	St Brigid's College welcomes new teachers to the team
22.02.18	HRAG Facebook	event	Murtoa's - The Stick Shed
24.02.18	HRAG Facebook	event	Masterclass: Sculpture with Lucy Irvine
26.02.18	Wimmera Mail Times	article	VCE art students come together for Induction Day
26.02.18	HRAG Facebook	shared	VCE art students come together for Induction Day
26.02.18	HRAG Facebook	post	<i>Enmeshed</i> artist, Lucy Irvine in Horsham
27.02.18	HRAG Facebook	event	Andrea Grutzner: Erbgericht
27.02.18	HRAG Facebook	event	Hoda Afshar: Behold
27.02.18	HRAG Facebook	event	Dave Jones: Story Maker
28.02.18	HRAG email (master list)	info	VCE: Life Drawing Classes
01.03.18	HTH Quarterly Brochure	listing	HTH Season Brochure - Jan - Mar 2018
01.03.18	Out & About	advert	Autumn issue Mar - May '18
01.03.18	Art Guide	listing	March/April edition
01.03.18	Welcome to the Wimmera	advert	Autumn issue Mar - May 2018
01.03.18	Trouble Mag	listing	March Edition 2018
01.03.18	Art Almanac	listing	March Edition 2018
07.03.18	HRAG email (master list)	invitation	Opening: Suite of Exhibitions - Erbgericht Behold Story Maker
09.03.18	HRAG email (master list)	Info	The Fundamentals: Professional Development
13.03.18	HRAG Facebook	Share	Weekly Advertiser article about VCE Induction Day
14.03.18	HRAG Facebook	Share	Regional Art Victoria – The Fundamentals
14.03.18	HRAG email (master list)	invitation	Meet the Exhibitions - Erbgericht Behold Story Maker
15.03.18	ABC Western Victoria	interview	Arts Roundup – with Adam Harding
22.03.18	HTH email (master list)	Info	School Holiday Program
22.03.18	HRAG Facebook	Post	School Holiday Program
27.03.18	HRAG email (education list)	Info	School Holiday Program
28.03.18	HRAG Facebook	Info	Kids Art Play in the Gallery
28.03.18	The Guardian Australia	Picture Gallery	Hoda Afshar: Behold

7.1.5 HRAG Development Goals

7.1.5.1 Collection Management

The new curation of the first floor permanent collection galleries was an opportunity to reassess some of the lesser shown works in the collection. The artwork selection from the Mack Jost Collection, allowed for linear shift of themes using the idea of rhythm and music. The purchase of new Perspex floating frames have allowed rarely exhibited works to be shown. The first of these is a print on paper work by indigenous artist Paddy Fordham now displayed in the General Collection Gallery. A further two smaller Perspex floating frames protect objects in the Wimmera Gallery also allowing for a shift in their presentation from display table to wall presentation. This is an import step toward illustrating the richness of the works we hold throughout the Collection Galleries.

The Curator has established a list of wildlife art works from Estate of Mrs Maureen Mann for short term loan. Working with Mann Estate, she has documented, wrapped and transported these artworks to HRAG for safe storage. This short term loan is based on new negotiation with the Horsham Regional Art Gallery Trustees, and the HRAG Acquisition Committee in relation to these additions to the HRAG Collection. A statement of significance relating to these works will now be developed in conjunction with the Estate and Trustees to develop a response to the proposed Mann Gift.

7.1.5.2 Exhibition Program

The installation of a suite of three new exhibitions and associated public program events took place in mid-February. This includes two solo photography exhibitions in partnership with Centre for Contemporary Photography, Melbourne. The Mann Gallery presents Hoda Afsar: Behold, a contemporary photographic essay depicting issues of gender politics in male culture by Iranian born artist Hoda Afsar, and the Handbury Gallery presents Andrea Grützner: Erbgericht, an exploration of the history of abstract art and colour theory through photography by Berlin based artist Andrea Grützner. The Director of CCP Naomi Cass visited us for the opening night, which was an opportunity for our community to hear from this industry leader and for us to deepen our professional engagement with this important Melbourne based art institution.

In the Project Galley our curator developed in close consultation with the artist, a solo exhibition of the work of Natimuk based artist/ animator Dave Jones titled Dave Jones: Story Maker. An overview of Jones collaborative practice the exhibition presents the documentation of these projects and discrete components of larger projects. This survey of his practice is based on Jones' recent projects presented through a curated series of photography and video documentation and artwork installation.

7.1.5.3 Education Program

VCE Day was very successful with positive feedback from teachers and students. A total of fifty attended with students and teachers from Horsham College, St Brigid's and Casterton College. Participants received a VCE Visual Arts Induction Resource packs. An email was sent out to thank them for their participation, and that should any of their students need a copy, or if any of those who were unable to attend would like to pick up one, education packs are still available.

Also, *Enmeshed* exhibition artist Lucy Irvine from Canberra, gave a talk during the Induction Day. Irvine has established herself as an artist who interconnects craft and art genres. Initially interested in basketry and vessels, she taught herself weaving techniques that have become increasingly sculptural and site specific. Her expansive organic forms, made from industrially and utilitarian materials, now make exciting connections between art, design, architecture and geography discourses.

VCE Life Drawing attendance has been low this term supported only by students from Murtoa and Kaniva Colleges. We tried to open it to the public a week prior to start of the workshops with payment options, but probably the number of sessions (3) being offered wasn't attractive enough, as it was meant for VCE students + teachers only in the first place.

There has been planning and promotions for Art Clubs (Juniors, Teens + Adult) in Term Two and the Easter School Holiday Program. The school holiday program has been scheduled to take place during the first and second week of the holidays and will be presented by educators Kate Wade and Nikki Clarke. Workshops will be held in stencilling, lino cuts, 3D sculpture and 3D comic figurine, etc.

HRAG Casual Jessie Rushbrook has been backfilling the Education Officer role one day a week, to ensure the programs ticks over. The recruitment process for a new education officer is well underway with interviews held on the 23 march and recommendations made to HRCC on Thursday 29 March 2018.

7.1.5.4 Engagement and Promotion Activities

Our Curator developed and delivered the visual artists professional development workshop called The Fundamentals. Working closely in partnership with Regional Arts Victoria Arts facilitator Jo Grant, this afternoon workshop was extremely well attended and many participants have expressed their appreciation to the gallery.

HRAG has offered support to Art is... festival 2018 through the delivery of Street Gallery. Formerly known as Galleries on the side, this project has been remodelled by the Curator and Director to build on our ongoing professional engagement with the local artists and to constantly improve the presentation of visual art in our community.

Our Curator is currently working with nine artists to develop new artwork for retail shop windows in Horsham CBD. Through collaborations between retailers and artists, this project will see the creation of dynamic installations of artwork within shop windows.

Our Curator is working with Horsham Spinners and Weavers in the installation of the HRCC Bicentennial tapestry. The purpose built display case (built by Exhibit One, Melbourne) has arrived. The Curator is in consultation with Trish Venn, President regarding the final installation of the case, the attachment of the tapestry and the explanatory text that will accompany the presentation.

7.1.5.6 Volunteer Activities

Month	Volunteers		Attendance	Hours worked		
	Required	Volunteered		Weekend operations	Exhibition Openings	Urgent assistance
February 2018	24	15	63%	40 hrs	5	2
March 2018	24	17	71%	50.5 hrs	6.5	2

Thirty two weekend Volunteers responded to our request for months of February and March 2018. During this period most of the sessions were assisted only by *fifteen* different volunteers with an aggregate number of 99 volunteer-hours worked.

We thank the volunteers for their assistance during weekend operations, urgent requests, mail outs and Opening night of Andrea Grutzner: *Erbgericht*, Hoda Afshar's *Behold + Dave Jones: Story Maker* and the Meet the Exhibitions' morning teas.

7.2 Trustees Report

Rhonda advised the Trustees will be meeting in June.

7.3 Financial Report

Distributed with agenda – no discussion.

7.4 Acquisition Committee Report

No meeting/report.

7.5 Volunteers Report

Cheryl advised a new volunteer has been trained and more volunteers are being sought. Volunteers have assisted with opening exhibitions with morning teas etc. Kevin advised Council has appointed Sarah Natali to the new position of Volunteer Co-ordinator. Sarah will assist with recruitment/duty statements, Child Safe Standards etc. It is expected a handbook will be prepared and made available for volunteers.

Moved that the reports be received – Di Dale, seconded Simone Dalton CARRIED

8. General Business

8.1 Transition of the HRAG Committee of Management to an Advisory Committee

Proposed Terms of Reference, Instrument of Delegation and Collection Policy were provided to Committee members and discussed at an informal meeting held 6 February 2018.

The updated Draft Terms of Reference document as distributed with agenda was discussed section by section. Adam will make several changes requested.

Community representative terms of office were discussed and it was noted:

- Marion Matthews has one year to go until end of her term, then next year she will be eligible for one more three-year term.
- Simone Dalton has two years to go until end of her term, then she will be eligible for one more three-year term.
- Di Dale is in her first year, she has three years to go until the end of her term, then she will be eligible for one more three-year term.

Adam will include the above information in his Council report. The new Terms of Reference will come into effect from the first Committee meeting after the Council resolution.

Moved that the Draft Terms of Reference including the changes discussed be approved by this Committee – Di Dale, seconded Cheryl Linke **CARRIED**

Reformatted Draft Acquisition Committee Procedural Policy as distributed with the agenda was discussed. Adam noted several changes to be made, he will email final document to Committee members.

Moved that subject to seeing the finished document, the Draft Acquisition Committee Procedural Policy be approved by this Committee – Simone Dalton, seconded Cheryl Linke **CARRIED**

Both the Draft Terms of Reference and Draft Acquisition Committee Procedural Policy will go to Council with Adam's report as noted above.

10. Next Meeting

To be held at Horsham Regional Art Gallery, Wilson Street, Horsham on Thursday 5 July 2018 (note changed date) commencing at 5.15pm.

Meeting closed 6.53 pm



Terms of Reference

HORSHAM RURAL CITY COUNCIL TOURISM ADVISORY COMMITTEE

1. PURPOSE

The Horsham Rural City Tourism Advisory Committee ('the Committee') has been established to provide advice and recommendations on:

- The implementation of the Tourism Master Plan
- Opportunities to maximise tourism, marketing, and visitor servicing of the Horsham Rural City Council area
- Strategies to develop and enhance the local tourism product
- Emerging themes and visitation trends applicable to the region
- Opportunities to enhance the coordinated delivery of tourism services
- Funding applications from local tourism enterprises

2. RESPONSIBILITIES

The Horsham Rural City Tourism Advisory Committee Advisory Committee is an Advisory Committee of Council and has been established under the framework of the *Local Government Act 1989*, S3 (1) 'definition' and S76AA 'Assembly of councillors'.

The Committee is empowered to do the following:

- Provide feedback and make input into the implementation of the Tourism master plan and other tourism initiatives identified by council
- Provide expert advice regarding opportunities and hindrances impacting on visitation and dollar spend of visitors within and from outside the region
- Recommend opportunities for increased service coordination between council and local businesses
- Recommend the allocation of funding support to eligible enterprises and groups

The Committee does not have the power to commit Council to any decision or action, or to direct Council staff in their duties. The Committee may make recommendations for consideration by Council, but Council reserves the right to accept or reject recommendations from the Committee.

3. MEMBERSHIP

Committee membership shall consist of a maximum of 9 people and a minimum of 5, and will include the following:

- Councillor, Horsham Rural City Council (Chairperson)
- Community Members (Maximum of 2)
- The remainder to be made up of representatives with relevant tourism industry knowledge and / or experience.

The intent of the committee makeup shall be to encourage as wide a range of relevant representation as possible.

The makeup of the committee will have a preference for a gender and age balance and from a geographic range within the municipality. Industry experience from the following sectors will be considered:

- Retail sector
- Accommodation sector
- Food services' sector
- Environmental sector
- Sport, Leisure and Recreation Sector
- Attractions sector
- Events sector.

Ex Officio attendees (not all are required, dependent on reports and agenda)

- Director Planning and Economic
- Manager Business and Economic Development
- Coordinator Tourism and Events
- Promotions Officer
- Horsham and Grampians Visitor Information Centre Co-ordinator
- Horsham Town Hall (Incorporating the Horsham Regional Art Gallery) representative.

Participating Organisations

Nominated member organisations will be contacted by the Chairperson (or nominee) and invited to identify a representative for the Committee.

3.1 Selection

Representatives of the TAC will be selected through an application process, advertised in local newspapers and on Council's website.

Applications should include details of community involvement, previous experience of committee membership, relevant skills and reasons for nominating for the Advisory Committee.

If the number of applications does not exceed the number of vacancies, the Council's delegated Officer (Director of Planning and Economic) will approve nominations, with consideration of the composition of the Committee as identified in Section 3. In the event of more than the required number of applicants for the available positions, recommendations will be forwarded to Council for determination.

3.2 Alternative Representatives

As required, alternative representatives may attend meetings on behalf of the named user groups. Alternative representatives are entitled to vote if the main representative of the user group is not present.

If a named representative is unable to attend three or more consecutive meetings, the Chairperson will contact the member and if required a new representative will be identified.

3.3 Council endorsement of nominations

Recommendations regarding the filling of any vacancies of the Committee will be submitted to Council for approval, subject to the requirements of "Section 3. Membership" being met.

3.4 Specialist advice

Individuals and groups may be invited to attend Advisory Committee meetings to provide specialist advice. They must not be involved in the decision making process and cannot vote on any issue.

3.5 Council Officer

Council Officers, (Director, Planning and Economic or delegates) will attend meetings as required and at the following meeting of Council will report the Committee's recommendations, with comments where necessary and appropriate.

Council Officers are not members of the Advisory Committee and shall not vote.

3.6 Term of Office

Terms of Reference No: TR04/0xx

Membership shall generally be for a term of two years. Members may apply for a renomination to the committee for a second term. The membership maximum is two consecutive terms.

A meeting shall be held in June of each second year, when Committee membership shall be declared vacant.

3.7 Resignations

Committee members who resign prior to the end of their appointment should submit their resignation in writing to the Chairperson.

If a vacancy occurs within two months of the end of the term of the Committee, the vacancy will not be filled. In all other instances, the vacancy will be filled to reflect the composition of the Committee as identified in Section 3.

4. ROLES AND RESPONSIBILITIES**4.1 Council**

Council officers will:

- Document minutes of each scheduled meeting and distribute minutes to members;
- Ensure the responsible officer or delegate is present at all committee meetings.
- Advertise in local newspapers and on Council's website for nominations for membership;
- Notify the Committee of approved committee membership;
- Provide regular reports to Council regarding Committee recommendations;
- Provide timely feedback (and if applicable timelines) of Council's consideration of recommendations by the Committee;
- Respond to requests/letters from the Committee within 15 working days;
- Provide additional support as required to ensure the effective operation of the Committee;
- Every four years or earlier if required, review the function and purpose of the Committee.

4.2 Committee

The Committee will:

- Confirm the Councillor as representative of Horsham Rural City Council to be the Chairperson;
- Develop a schedule of Advisory Committee meetings and notify the Council representative;

Terms of Reference No: TR04/0xx

- Distribute information of relevance from the Committee to their member organisations and user groups;
- Confirm the accuracy of minutes at the next meeting of the Committee. The Chairperson must sign a copy of the confirmed minutes;
- Actively participate in activities that support the achievement of the Purpose of the Committee.

4.3 Attendance at meetings

It is expected that members will attend all meetings. In the event of a Committee member missing a meeting they should contact the Chairperson with notice of their absence and this will be recorded in the minutes.

If the member of the Committee misses three consecutive meetings without explanation the Chairperson will contact the member to determine if they wish to continue their participation on the Committee.

If a member resigns from the Committee, their position will be filled by a nominee from the same representative/user group.

4.4 Confidentiality

Information discussed, received, used or created by the Committee may be confidential. A Committee member must not disclose, discuss or otherwise make public confidential information, unless authorised by the Officer supporting the Committee.

Council may terminate a Committee member's appointment if they have been found to breach confidentiality requirements.

4.5 Conflicts of Interest

Conflicts of interest must be declared and the declaration must be recorded in the minutes.

The person declaring the conflict of interest shall not vote on the issue being considered and is required to leave the meeting for the purposes of discussion in private by the rest of the Committee.

4.6 Media

The Chairperson is empowered to be spokesperson for the activities of the Committee.

In the absence of the Chairperson, the Director, Planning and Economic is empowered to be the spokesperson for the Committee.

Media releases, flyers, brochures, pamphlets or other sources of information distributed by the Committee must be first approved by the Director, Planning and Economic, or nominee.

4.7 Chairperson

The Chairperson will be a Councillor representative from Horsham Rural City Council.

The Chairperson may nominate a deputy chairperson being another Councillor representative or council officer from the Horsham Rural City Council who will perform the duties of the Chairperson if the Chairperson is absent or unable to perform their duties.

The Chairperson is elected for the full two year term and can renominate for a second or subsequent term on the Committee.

5. OPERATING PROCEDURES

5.1 Meetings

At the beginning of each calendar year, the Committee will agree on a regular schedule of meetings.

Meetings will be held a minimum of six times each year and may also be held over at certain times if it is agreed that there is no business to be dealt with by the Committee.

Additional, special meetings may be called as required. Committee members must be provided with two days' written notice of a special or additional meeting and the purpose of the meeting must be clearly stated.

5.2 Quorum and Decision Making

The quorum is a minimum of 50% plus 1 of representatives from the membership. No quorum will exist if the Chairperson or nominated replacement deputy Chairperson is not present.

No formal business shall be conducted by the Committee unless a quorum exists. If a quorum is not present, the Chairperson may decide that the committee meet for discussion only.

In forming recommendations consensus decision making is preferred. However, all members are entitled to vote and a matter may be voted upon at the discretion of the Chairperson. Committee members shall have one vote. The Councillor must vote.

Terms of Reference No: TR04/0xx

If there is an equal division of votes, the Chairperson or Deputy Chairperson shall have a second or casting vote.

5.3 Councillor report

The Councillor may report the key issues of each meeting to the next meeting of Council.

5.4 Recommendations and Actions

The Director, Planning and Economic will authorise actions within their delegated authority and will refer other recommendations and requests to Council departments and/or Council for discussion and approval.

6. EVALUATION AND REVIEW

The composition, activities and Terms of Reference of the Committee will be reviewed at least every four years, or as required.

The results of any review shall be reported to Council prior to the fourth year of operation or earlier, if a quorum is unable to be formed for three successive meetings. The report shall consider:

- The Committee's achievements;
- The Purpose and Responsibilities of the Committee;
- Composition of the Committee;
- Whether there is a demonstrated need for the Advisory Committee to continue;
- Any other relevant matter.

6.1 Cessation

An Advisory Committee ceases to exist at the conclusion of the period specified in the Terms of Reference, unless Council resolves that it continue.

Council may also disband a Committee following a review at any time during its operation.

7. RESPONSIBILITY

Responsible Officers: Director, Planning and Economic,
Manager, Economic and Business Development

8. DOCUMENT CONTROL

Version Number	Approval Date	Approval By	Amendment
01	TBC 2016	Council	• New Terms of Reference

Terms of Reference No: TR04/0xx



Terms of Reference

HORSHAM RURAL CITY COUNCIL TOURISM ADVISORY COMMITTEE

1. PURPOSE

The Horsham Rural City Tourism Advisory Committee ('the Committee') has been established to provide advice and recommendations on:

- The implementation of the Tourism Master Plan
- Opportunities to maximise tourism, marketing, and visitor servicing of the Horsham Rural City Council area
- Strategies to develop and enhance the local tourism product
- Emerging themes and visitation trends applicable to the region
- Opportunities to enhance the coordinated delivery of tourism services
- Funding applications from local tourism enterprises

2. RESPONSIBILITIES

The Horsham Rural City Tourism Advisory Committee is an Advisory Committee of Council and has been established under the framework of the *Local Government Act 1989*, S3 (1) 'definition' and S76AA 'Assembly of councillors'.

The Committee is empowered to do the following:

- Provide feedback and make input into the implementation of the Tourism master plan and other tourism initiatives identified by council
- Provide expert advice regarding opportunities and hindrances impacting on visitation and dollar spend of visitors within and from outside the region
- Recommend opportunities for increased service coordination between council and local businesses
- Recommend the allocation of funding support to eligible enterprises and groups

Terms of Reference No: TR04/0xx

The Committee does not have the power to commit Council to any decision or action, or to direct Council staff in their duties. The Committee may make recommendations for consideration by Council, but Council reserves the right to accept or reject recommendations from the Committee.

3. MEMBERSHIP

Committee membership shall consist of a maximum of 9 people and a minimum of 5, and will include the following:

- Councillor, Horsham Rural City Council (Chairperson)
- Community Members (Maximum of 2)
- The remainder to be made up of representatives with relevant tourism industry knowledge and / or experience.

Formatted: Font: Bold

The intent of the committee makeup shall be to encourage as wide a range of relevant representation as possible.

The makeup of the committee will have a preference for a gender and age balance and from a geographic range within the municipality. Industry experience from the following sectors will be considered:

~~being single representatives unless identified, and as feasible as possible, from the following groups:~~

- ~~Councillor, Horsham Rural City Council (Chairperson)~~
- Retail sector
- Accommodation sector
- Food services' sector
- Environmental sector
- Sport, Leisure and Recreation Sector
- Attractions sector
- ~~Business Horsham Events sector.~~
- ~~Community Members (minimum of 2)~~

Formatted: Font: Bold

Ex Officio attendees (not all are required, dependent on reports and agenda)

- Director Planning and Economic
- Manager Business and Economic Development
- Coordinator Tourism and Events
- Promotions Officer
- Horsham and Grampians Visitor Information Centre Co-ordinator

Terms of Reference No: TR04/0xx

- [Horsham Town Hall \(Incorporating the Horsham Regional Art Gallery\) representative.](#)

Participating Organisations

Nominated member organisations will be contacted by the Chairperson (or nominee) and invited to identify a representative for the Committee.

3.1 Selection

Representatives of the TAC will be selected through an application process, advertised in local newspapers and on Council's website.

Applications should include details of community involvement, previous experience of committee membership, relevant skills and reasons for nominating for the Advisory Committee.

If the number of applications does not exceed the number of vacancies, the Council's delegated Officer ([Director of Planning and Economic](#)) will approve nominations, [with consideration of the composition of the Committee as identified in Section 3.](#) In the event of more than the required number of applicants for the available positions, ~~nominations~~ [recommendations](#) will be forwarded to Council for determination.

3.2 Alternative Representatives

As required, alternative representatives may attend meetings on behalf of the named user groups. Alternative representatives are entitled to vote if the main representative of the user group is not present.

If a named representative is unable to attend three or more consecutive meetings, the Chairperson will contact the member and if required a new representative will be identified.

3.3 Council endorsement of nominations

Recommendations regarding the filling of any vacancies of the Committee will be submitted to Council for approval, subject to the requirements of "Section 3. Membership"-being met.

3.4 Specialist advice

Individuals and groups may be invited to attend Advisory Committee meetings to provide specialist advice. They must not be involved in the decision making process and cannot vote on any issue.

3.5 Council Officer

Terms of Reference No: TR04/0xx

Council Officers, (Director, Planning and Economic or delegates) will attend meetings as required and at the following meeting of Council will report the Committee's recommendations, with comments where necessary and appropriate.

Council Officers are not members of the Advisory Committee and shall not vote.

3.6 Term of Office

Membership shall generally be for a term of two years. Members may apply for a renomination to the committee for a second term. The membership maximum is two consecutive terms.

A meeting shall be held in June of each second year, when Committee membership shall be declared vacant.

~~Members may apply for re-nomination to the Committee for a second or subsequent term.~~

3.7 Resignations

Committee members who resign prior to the end of their appointment should submit their resignation in writing to the Chairperson.

If a vacancy occurs within two months of the end of the term of the Committee, the vacancy will not be filled. In all other instances, the vacancy will be filled to reflect the composition of the Committee as identified in Section 3.

4. ROLES AND RESPONSIBILITIES**4.1 Council**

Council officers will:

- Document minutes of each scheduled meeting and distribute minutes to members;
- ~~Ensure the confirmed and signed copy of the minutes is forwarded to council@hrcc.vic.gov.au;~~
- Ensure ~~Council~~ the responsible officers or delegates ~~are~~ is present at all committee meetings, ~~wherever possible;~~
- Advertise in local newspapers and on Council's website for nominations for ~~tenant representatives membership;~~
- Notify the Committee of approved committee membership;
- Provide regular reports to Council regarding Committee recommendations;

Terms of Reference No: TR04/0xx

- Provide timely feedback (and if applicable timelines) of Council's consideration of recommendations ~~approved~~ by the Committee;
- Respond to requests/letters from the Committee within 15 working days;
- Provide additional support as required to ensure the effective operation of the Committee;
- Every four years or earlier if required, review the function and purpose of the Committee.

4.2 Committee

The Committee will:

- Confirm the Councillor as representative of Horsham Rural City Council to be the Chairperson;
- ~~Confirm the Councillor as representative of Horsham Rural City Council to be the Deputy Chairperson;~~
- Develop a schedule of Advisory Committee meetings and notify the Council representative;
- Distribute information of relevance from the Committee to their member organisations and user groups;
- Confirm the accuracy of minutes at the next meeting of the Committee. The Chairperson must sign a copy of the confirmed minutes;
- Actively participate in activities that support the achievement of the Purpose of the Committee.

4.3 Attendance at meetings

It is expected that members will attend all meetings. In the event of a Committee member missing a meeting they should contact the Chairperson with notice of their absence and this will be recorded in the minutes.

If the member of the Committee misses three consecutive meetings without explanation the Chairperson will contact the member to determine if they wish to continue their participation on the Committee.

If a member resigns from the Committee, their position will be filled by a nominee from the same representative/user group.

4.4 Confidentiality

Information discussed, received, used or created by the Committee may be confidential. A Committee member must not disclose, discuss or otherwise make public confidential information, unless authorised by the Officer supporting the Committee.

Terms of Reference No: TR04/0xx

Council may terminate a Committee member's appointment if they have been found to breach confidentiality requirements.

4.5 Conflicts of Interest

Conflicts of interest must be declared and the declaration must be recorded in the minutes.

The person declaring the conflict of interest shall not vote on the issue being considered and is required to leave the meeting for the purposes of discussion in private by the rest of the Committee.

4.6 Media

The Chairperson is empowered to be spokesperson for the activities of the Committee.

In the absence of the Chairperson, the Director, Planning and Economic is empowered to be the spokesperson for the Committee.

Media releases, flyers, brochures, pamphlets or other sources of information distributed by the Committee must be first approved by the Director, Planning and Economic, or nominee.

4.7 Chairperson

The Chairperson ~~and Deputy Chairperson in this instance~~ will be a Councillor representatives from Horsham Rural City Council.

The ~~Deputy~~ Chairperson may nominate a deputy chairperson being another Councillor representative or council officer from the Horsham Rural City Council who will perform the duties of the Chairperson if the Chairperson is absent or unable to perform their duties.

The Chairperson is elected for the full two year term and can renominate for a second or subsequent term on the Committee.

5. OPERATING PROCEDURES**5.1 Meetings**

At the beginning of each calendar year, the Committee will agree on a regular schedule of meetings.

Meetings will be held a minimum of six times each year and may also be held over at certain times if it is agreed that there is no business to be dealt with by the Committee.

Terms of Reference No: TR04/0xx

Additional, special meetings may be called as required. Committee members must be provided with two days' written notice of a special or additional meeting and the purpose of the meeting must be clearly stated.

5.2 Quorum and Decision Making

The quorum is a minimum of ~~5~~ **50% plus 1 of** representatives from the ~~nominated user groups membership. No quorum will exist if the Chairperson or nominated replacement deputy Chairperson is not present.~~

No formal business shall be conducted by the Committee unless a quorum exists. If a quorum is not present, the Chairperson may decide that the committee meet for discussion only.

~~In forming recommendations~~ ~~C~~ consensus decision making is preferred. However, all members are entitled to vote and a matter may be voted upon at the discretion of the Chairperson. Committee members shall have one vote. The Councillor must vote.

If there is an equal division of votes, the Chairperson or Deputy Chairperson shall have a second or casting vote.

5.3 Councillor report

The Councillor ~~must~~ **may** report the key issues of each meeting to the next meeting of Council.

5.4 Recommendations and Actions

The Director, Planning and Economic will authorise actions within their delegated authority and will refer other recommendations and requests to Council departments and/or Council for discussion and approval.

6. EVALUATION AND REVIEW

The composition, activities and Terms of Reference of the Committee will be reviewed at least every four years, or as required.

The results of any review shall be reported to Council prior to the fourth year of operation or earlier, if a quorum is unable to be formed for three successive meetings. The report shall consider:

- The Committee's achievements;
- The Purpose and Responsibilities of the Committee;
- Composition of the Committee;
- Whether there is a demonstrated need for the Advisory Committee to continue;

Terms of Reference No: TR04/0xx

- Any other relevant matter.

6.1 Cessation

An Advisory Committee ceases to exist at the conclusion of the period specified in the Terms of Reference, unless Council resolves that it continue.

Council may also disband a Committee following a review at any time during its operation.

7. RESPONSIBILITY

Responsible Officers: Director, Planning and Economic,
Manager, Economic and Business Development

8. DOCUMENT CONTROL

Version Number	Approval Date	Approval By	Amendment
01	TBC 2016	Council	• New Terms of Reference

(SA, Farming)

Farming means—

- (a) cultivating, propagating and harvesting plants or fungi or their products or parts, including seeds, spores, bulbs or the like, but does not include forestry; or
 - (b) maintaining animals in any physical environment for the purposes of—
 - (i) breeding them; or
 - (ii) selling them; or
 - (iii) acquiring and selling their bodily produce such as milk, wool, eggs or the like; or
 - (c) a combination of (a) and (b),
- but does not include forestry or maintaining animals for sport or recreational purposes.

(SA, Farm building)

Farm building means a Class 7 or 8 building located on land primarily used for *farming*—

- (a) that is—
 - (i) used in connection with *farming*; or
 - (ii) used primarily to store one or more *farm vehicles*; or
 - (iii) a combination of (i) and (ii); and
- (b) in which the total number of persons accommodated at any time does not exceed one person per 200 m² of *floor area* or part thereof, up to a maximum of 8 persons; and
- (c) with a total *floor area* of not more than 3500 m².

(SA, Farm shed)

Farm shed means a single *storey* Class 7 or 8 building located on land primarily used for *farming*—

- (a) that is—
 - (i) used in connection with *farming*; or
 - (ii) used primarily to store one or more *farm vehicles*; or
 - (iii) a combination of (i) and (ii); and
- (b) occupied neither frequently nor for extended periods by people; and
- (c) in which the total number of persons accommodated at any time does not exceed 2; and
- (d) with a total *floor area* of more than 500 m² but not more than 2000 m².

(SA, Farm vehicle)

Farm vehicle means a vehicle used in connection with *farming*.

Fire brigade means a statutory authority constituted under an Act of Parliament having as one of its functions, the protection of life and property from fire and other emergencies.



Fact Sheet – Farm Sheds and Buildings Guideline

Owners are encouraged to discuss their plans for new buildings on farm land with the Building Surveyor by contacting the building department on 5382 9796.

Council welcomes applications for exemptions, but as a general rule, a building permit is required for almost every farm shed/farm building and the permit must be approved before any works can commence. The majority of farm sheds and farm buildings are classified as Class 7 or Class 8 buildings and subject to a building permit.

Applications for Exemptions from Obtaining a Building Permit for a Farm Shed

An application for exemption for a Class 10 farm shed can be lodged on the 'Application for Exemption' form. Exemptions from the requirements to obtain a building permit for farm sheds are not "as of right" and owners are required to apply for an exemption where the application will be considered on a case by case basis. The application will be assessed and the classification of the farm shed together with any conditions will be determined by the Building Surveyor.

What information is required for an Application for Exemption?

Copy of title, scaled site plans, elevations, structural engineering and any relevant supporting information

What is a Class 10 farm shed that may be exempt?

A farm building that is used to store stock feed or breed animals, none of which is intended to be offered for wholesale, traded or sold, and is less than 500 square metres.

At the same time the land must still be '*farm land*' that is being used for a commercial purpose (making a profit) in order for the exemption to apply.

Farm land means any rateable land—

- (a) that is not less than 2 hectares in area; and
- (b) that is used primarily for grazing (including agistment), dairying, pig-farming, poultry-farming, fish-farming, tree-farming, bee-keeping, viticulture, horticulture, fruit-growing or the growing of crops of any kind or for any combination of those activities; and

- (c) that is used by a business—
 - (i) that has a significant and substantial commercial purpose or character; and
 - (ii) that seeks to make a profit on a continuous or repetitive basis from its activities on the land; and
 - (iii) that is making a profit from its activities on the land, or that has a reasonable prospect of making a profit from its activities on the land if it continues to operate in the way that it is operating;

Approval of an Exemption

If the application for exemption is granted by the Building Surveyor, a building permit is not required. However, the building subject to the exemption is required to comply with the Building Code of Australia, and comply with any siting controls and planning permit requirements.

Offences

It is an offence under section 246 of the Act for an applicant for an exemption to provide false and misleading information to Council about the proposed use of a building. Where the use of the building changes after it has been constructed, regulation 1011 applies, which requires the building to comply with the requirements of the new use.

An application will only be considered for Class 10 farm buildings less than 500 m² in floor area.

To: Building Surveyor

Property Details (details from property title)								
No.	Street						City/Area	
Lot	LP/PS	Volume	Folio	CA	Section	Parish	County	
Municipal District: Horsham Rural City Council						Allotment area		m ²

Owner of Land

Owner

Postal Address

Contact Person

Tel No.	Fax No.
---------	---------

Email Address

Proposed Use of the Building (Clearly indicate entire use, eg storage for stock feed or animals, storage for farm machinery, commercial farm activities, selling product for profit)

Signature (Agent/Owner)

Signature

Date

Information Required for Application to be Considered

Scaled site plans, floor plan and elevations
 Copy of Title, including Title Plan
 Any relevant supportive information

Notes

- Building Regulation 1804 provides Council with the discretion to exempt a Class 10 building (on a case by case basis) to be constructed on farm land and used for farming purposes from all or any of the requirements of the Building Regulations – an exemption will only be considered for a Farm Building up to a maximum floor area of 500 m²
- If the relevant Council grants an exemption from all of the Regulations, a Building Permit and Certificate of Final Inspection under the Building Act 1993 are not required for that building.
- If an exemption is granted, a Planning Permit may still be required for the use, or development of the building. You will be advised if a Planning Permit is required.
- It is an offence under Section 246 of the Act for an applicant applying for an exemption to provide false or misleading information to Council about the proposed use of a building;
- Where the use of the building changes after it has been constructed, Regulation 1011 applies, which requires the building to comply with the requirements for the new use. Examples of what this would mean in practice ie that if it was proposed to use the exempted shed for a Class 7 or 8 use, before any change to that use, a building permit would be required and work would need to be carried out to bring the building into compliance with all requirements for use as a class 7 or 8 building. This may include the installation of fire safety measures such as hose reels, fire extinguishers, fire hydrants, emergency lighting, exit signs and static water storage tanks available for firefighting.



Submission to the Federal Government’s Inquiry into the indicators of, and impact of, Regional Inequality May 2018

Introduction

Horsham Rural City Council is pleased to submit to the Federal Government’s Inquiry into the indicators of, and impact of, regional inequality in Australia. This submission covers a number of issues we believe are relevant to the Terms of Reference.

Background – Horsham Rural City Council (HRCC)

Horsham Rural City Council (population 20,000) is the regional capital of the Wimmera Southern Mallee and services a regional population of 55,000. Horsham is strategically located on the Western Highway and National Freight Route 300km west of Melbourne and 400km east of Adelaide. Horsham is part of the Regional Capitals Australia alliance and Regional Cities Victoria, one of the ten largest regional councils in Victoria. With over 500,000 people living in our regions Victoria wide, Regional Capitals are well placed to absorb excess population growth from Melbourne.

HRCC advocate for the importance of regional capitals to ensure strong and sustainable regional and rural areas. This includes having: a pro-active stance on development; effective regional advocacy; strong community engagement; embracing innovation and new technology; and robust strategic planning for sustainable growth.

Decentralisation

Horsham Rural City Council strongly supports the decentralisation of government bodies to regional areas. The relocation of Federal and State Government departments to regional capitals will help take the service and infrastructure pressure away from major capital cities (in our case Melbourne) which is struggling with: increasingly congested road and rail infrastructure; declining housing affordability; rapid growth in outer fringe suburbs; and the loss of valuable agricultural land on the urban fringe.

Decentralisation of entities and operations to regional Australia can provide significant advantages for both the large capital cities and the regional centres.

Planned decentralisation of government services as well as infrastructure investments should align with and capitalise on the major strengths of each region – ‘functional decentralisation’. Horsham has strong functional synergies with the work of the Federal Department of Agriculture and associated science and research industry agencies and organisations.

It is important to note that discussion and planning for decentralisation should include continued investments in connectivity (high speed internet and mobile coverage) and transportation (particularly the return of passenger rail to the western part of Victoria and the duplication of the Western Highway) that will be required to maximise the success of decentralisation into western Victoria over the next decade.

Transport and connectivity infrastructure

Improving transport in all forms is the key to sustainable transition to regional cities. Horsham's role as the regional capital of the Wimmera is based firmly upon the national road and rail links between Melbourne and Adelaide. These links provide access to markets for our regional industries and tourism. The development of the Wimmera Intermodal Freight Terminal (WIFT) in 2012 was a collaborative project between local, state and federal governments, and private industry. Horsham Rural City Council was the key driver of this project which has created a strong logistics chain for the Wimmera region for the next 10-20 years. Strong commitment at State and National level is needed to maintain and improve transport networks and regional connectivity to capital cities and major ports.

An improvement in public transport is also required. The eight Councils of the South West of Victoria and the Wimmera believe that the return of passenger rail to the western part of the state is a significant economic driver, a key factor in providing increased employment opportunities and has an important social aspect for our communities to provide access to services in Melbourne and Ballarat. Connectivity to regional capitals and state capitals improves the attractiveness of our regions to live, work and invest. The recent Grampians and Barwon South West Regions Passenger Services Cost and Feasibility Study identified the return of passenger rail to the regional capitals of Horsham and Hamilton as a key economic and social imperative at a cost of \$369million (refer www.westernrail.com.au)

The Western Rail project fits strategically with the planned standardisation of rail in western Victoria as part of the \$400million Murray Basin Rail Standardisation Project.

Strong government policy and funding for major and minor road networks in regional Victoria is also vital to ensure easy and safe travel within rural areas and linking regional capitals to Melbourne.

Essential to the equitable access to services and opportunities is telecommunications infrastructure. The 2016 Census showed that the internet was not accessed from 21.9% of dwellings in Horsham local government area. This figure is far above both the state (13.6%) and national (14.1%) levels.

Knowledge intensive industries become location independent where reliable, affordable internet access is available. With equal access location decisions then become lifestyle based and this is increasingly becoming a differentiating factor between growing and stagnating communities and economies.

In terms of power capacity, the main transmission line in the Wimmera Southern Mallee region feeds from Ballarat to Horsham and then travels north to Mildura where it meets the Murraylink Interconnector. A southern interconnector is located along the coastline, to Portland and then to South Australia.

It is envisaged that a third interconnector to increase to supply and stability of the Victorian and SA power supply will be constructed between Melbourne, Ballarat, Horsham and through Western Victoria into South Australia.

New technologies, eg solar, wind and bioenergy are all very much on the radar across the Wimmera Southern Mallee region. Currently, locations for larger sites are minimal largely due to the access to the grid in the region. A third interconnector passing through Western Victoria, Ballarat, Horsham and on to SA would deliver many possible new locations for renewable energy projects. Many smaller communities are looking at ways to both reduce their energy consumption as well as small scale energy projects to offset the community energy use. Eg Natimuk Community Energy aiming for 100% renewables by 2030 including energy trading. This is seen by smaller communities as a way of securing smaller towns power supply as well as assisting the current networks to cope with peak load periods.

HRCC supports long term creation of a third South Australian interconnector between Horsham and Keith (South Australia) and through to Adelaide via Nhill. The creation of the third interconnector will:

- help open up the areas either side of the South Australian/Victorian border to greater large scale renewable energy investment; and
- Create extra redundancy and energy security for SA through the creation of an extra 220 to 440 MW

Education

State and Federal Government need to support regional capitals through the development and implementation of policies (and funding) to support further education and job creation that will attract and retain professional workers in regional areas. Access to high quality education at all levels is essential to attract and retain people in our region. Strong government support of tertiary institutions (i.e. Federation University in Horsham) is essential to ensure that people can undertake undergraduate tertiary studies in key workforce shortage areas i.e. nursing and education. Promotion of work placements in regional capitals as part of tertiary studies is another policy and funding area that needs to be developed by all levels of government. Sampling rural living and the benefits of our lifestyle is a key factor in people choosing to live and work in regional Victoria on a permanent basis. Additionally, accessing tertiary education locally reduces the financial burden on regional students and assists to reduce the migration of young people out of regional areas.

There is also a need for continuing focus on vocational training in regional areas, in particular, VET in schools programs and post-secondary vocational training. The success of Longerenong College in providing an Advanced Diploma in Agriculture showcases the potential and need for increased vocational education training and degree level agricultural courses which can feed into the strong agricultural research industry that exists in the Wimmera. However, it has been disappointing to learn this year that second year students undertaking Diploma and Advanced Diploma courses are not eligible for youth allowance, thereby making the education unaffordable for students. Similarly, as Longerenong is not classified as a TAFE institution, it is unable to offer free Certificates 2,3, and 4 in Agriculture courses, which also adds to regional inequality, and cannot offer competitive and affordable education for rural and regional students.

WIMMERA REGIONAL LIBRARY CORPORATION AGREEMENT 2018

THIS AGREEMENT is made on 27 April, 2018

BETWEEN:

Hindmarsh Shire Council, established as a body corporate under an Order in Council made pursuant to the *Local Government Act 1989* of 92 Nelson Street, Nhill 3418 (**Hindmarsh**);

Horsham Rural City Council, established as a body corporate under an Order in Council made pursuant to the *Local Government Act 1989* of Roberts Avenue, Horsham 3400 (**Horsham**);

Northern Grampians Shire Council, established as a body corporate under an Order in Council made pursuant to the *Local Government Act 1989* of Town Hall, Main Street, Stawell 3380 (**Northern Grampians**);

West Wimmera Shire Council, established as a body corporate under an Order in Council made pursuant to the *Local Government Act 1989* of 49 Elizabeth Street, Edenhope 3318 (**West Wimmera**); and

Yarriambiack Shire Council, established as a body corporate under an Order in Council made pursuant to the *Local Government Act 1989* of Scott Street, Warracknabeal 3393 (**Yarriambiack**).

RECITALS:

- A. The Wimmera Regional Library Corporation (**the Regional Library**) was established by Hindmarsh, Horsham, Northern Grampians, West Wimmera, Yarriambiack and Buloke Shire Council (**Buloke**) on 16 April 1996, by an agreement made under section 196 of the *Local Government Act 1989* (**the Original Agreement**).
- B. The Original Agreement was varied by a Deed of Amendment, made in 2011.
- C. In 2017 Buloke gave notice of its intention to withdraw from the Original Agreement, such withdrawal effective as at 30 June 2018.
- D. Hindmarsh, Horsham, Northern Grampians, West Wimmera and Yarriambiack (**the Continuing Councils**) desire to continue to operate a regional library to service the area comprising their municipal districts pursuant to section 196 of the *Local Government Act 1989*.
- E. This Agreement records the terms on which the Continuing Councils will continue to operate such regional library.

AGREEMENT

1. DEFINITIONS

In the interpretation of the Agreement, including the Recitals, except where the context otherwise requires:-

- (a) The following words shall have the following meaning –

“Act” means the Local Government Act 1989.

“asset” means defined resources made available to the Regional Library Councils to assist in the provision of library services and consisting of such items as real property, machinery, furniture, fittings and equipment.

“Board” means the governing body of the Regional Library established under clause 3.1.

“Chief Executive Officer” means the person appointed in accordance with the Act.

“Council” means a party to this Agreement.

“Dispute” means any dispute or difference between a Council and the Regional Library or between any of the Councils which arises out of this Agreement or concerns the Regional Library.

“Local Law” means a Local Law made in accordance with Part 5 of the Act.

“Minister” means the Victorian Government Minister responsible for administering the Act.

“Original Agreement” means the agreement to establish the Regional Library made on 16 April 1996, as amended.

“Regional Library” means the Regional Library Corporation provided for under this Agreement.

“Service Point” is any location that offers services requested by a Council, including, but not limited to, a static library or mobile library and includes virtual library services through kiosks and similar services.

- (b) Words denoting the singular shall include the plural and vice versa.
- (c) Words denoting any gender include all genders.
- (d) Headings are for convenience only and shall not affect the interpretation of the Agreement.

2. CONTINUATION OF THE REGIONAL LIBRARY

There shall continue to be constituted a Regional Library Corporation for the purpose of section 196 of the Act by the name of Wimmera Regional Library Corporation, to –

- (a) Provide resources and programs aimed at meeting the information, creation, educational and cultural needs of the diverse communities of Hindmarsh, Horsham, Northern Grampians, West Wimmera and Yarriambiack in an equitable, effective, efficient, responsive and forward looking manner in accordance with the values and objectives of the Library Plan;
- (b) Provide, subject to any service level agreements or any conditions attached to any State government library subsidies and grants to the Regional Library or the Councils, a quality, customer-focused regional library service for Council's municipal districts as determined by the Board;
- (c) Make Local Laws relating to the Regional Library;
- (d) Perform any other functions which are conferred on the Regional Library under this Agreement or the Act, including defining overall policy objectives, developing Strategic Policy and a Financial Strategy, approving a Library Plan, developing an Annual Budget; preparing an Annual Report; and
- (e) To do all things necessary or expedient in accordance with this Agreement and the Act for the carrying out of its functions.

3. MEMBERSHIP OF THE BOARD

- 3.1 The Board of the Regional Library shall consist of the following members –
 - (a) One councillor appointed by each Council; and
 - (b) One other member of Council staff appointed by each Council.
- 3.2 A Council may appoint a councillor to act as deputy in place of its appointed councillor member.
- 3.3 A Council may appoint a member of council staff to act as deputy in place of its appointed staff member.
- 3.4 A member and deputy shall hold office until the term of his/her appointment expires, until removed or the person resigns or ceases to be a councillor or member of council staff, whichever occurs first.
- 3.5 A Council may remove from office its appointed member or deputy.
- 3.6 A Council must fill a vacancy in its members as soon as possible and notify the Board in writing of the new member.
- 3.7 The office of a member automatically becomes vacant if he/she is absent (whether or not the member is represented by a deputy) for three consecutive meetings without leave of the Board.
- 3.8 Notwithstanding clause 3.7 above, the Board may exercise discretion with the application of clause 3.7 if extenuating circumstances can be shown to exist.

4. OBJECTIVES, ROLE AND FUNCTIONS OF THE BOARD

- 4.1 Objectives of the Board
 - (a) The primary objective of the Board is to achieve the best library service outcomes for the communities of the Councils within the context of each Council's available resources and competing demands.
 - (b) In seeking to achieve its primary objective, the Board must have regard to the following facilitating objectives –

- (i) To ensure that Regional Library resources are used efficiently and effectively and library services are provided in accordance with Best Value Principles to best meet the needs of the community;
 - (ii) To support local business and employment opportunities;
 - (iii) To ensure that library services and facilities provided by the Regional Library are accessible within each Council community;
 - (iv) To ensure the equitable imposition of any library fees and charges; and
 - (v) To ensure transparency and accountability in Board decision making.
- 4.2 Role of the Board
- (a) The Board is appointed to provide leadership for the good governance of the Regional Library.
 - (b) The role of the Board includes –
 - (i) Ensuring that the library services provided by the Regional Library are provided in accordance with the Library Plan, Strategic Resource Plan and Annual Budget;
 - (ii) Providing leadership by establishing Regional Library strategic objectives and monitoring their achievement;
 - (iii) Providing advice as requested to a Council on the planning and provision of library services and facilities;
 - (iv) Maintaining the sustainability and viability of the Regional Library by ensuring that resources are managed in a responsible and accountable manner;
 - (v) Advocating the library service interests of the local community to other communities and governments;
 - (vi) Acting as a responsible partner in government by taking into account the aspirations and needs of other communities; and
 - (vii) Ensuring that the library service continues to contribute to the social and economic wellbeing of the community.
- 4.3 Functions of the Board
- (a) The functions of the Board include –
 - (i) Ensuring the benefits of the Regional Library service are equitable for the five member Councils whilst delivering flexible responses to member Council communities, in conjunction with each Council;
 - (ii) Ensuring the Regional Library exercises, performs and discharges its duties, functions and powers under the Act and other relevant Acts; and
 - (iii) Adopting procedures and reporting practices at Board level that will ensure transparent decision making and the good governance of the Regional Library.
 - (b) For the purpose of achieving its objectives, the Board may perform its functions inside and outside the Councils' municipal districts.
- 4.4 Subject to the provisions section 89 of the Act, Board meetings will be open to members of the public.

5. PROCEEDINGS OF THE BOARD

- 5.1 The Board shall hold an ordinary meeting at least once in every three months.
- 5.2 If a special meeting is called, it must be called by the Chief Executive Officer on the request of the Chairperson or any three members of the Board.
- 5.3 The Board shall elect a councillor member to be the Chairperson of the Board and they shall hold office for twelve months, unless they go out of office earlier in accordance with clause 3.4.

- 5.4 The Board shall elect a councillor member to be Deputy Chairperson of the Board and they shall hold office for twelve months, unless they go out of office earlier in accordance with clause 3.4.
- 5.5 The Chairperson shall preside at a meeting of the Board.
- 5.6 In the absence of the Chairperson from a Board meeting, the Deputy Chairperson shall assume the chair, however, in that person's absence the remaining members of the Board may elect one of their number to preside at that meeting.
- 5.7 Notice of motion to recommend amendment of this Agreement and notice of motion for the adoption or amendment of Local Laws by the Board shall be given in writing to Councils at least one month before the meeting of the Board at which a motion is to be discussed.
- 5.8 The quorum for any meeting of the Board is a majority of the number of members.
- 5.9 The Board shall make Local Laws governing the conduct of meetings for the Board.

6. CHIEF EXECUTIVE OFFICER

- 6.1 The Board shall appoint a Chief Executive Officer of the Regional Library.
- 6.2 In addition to any responsibilities imposed on a Chief Executive Officer under the Act, the Chief Executive Officer shall be responsible to the Board for the finances and administration of the Regional Library including the implementation of the Library Plan, the Financial Strategy, preparation of the Annual Budget and Annual Report, delivery of the service either internally, and/or externally by a third party service provider, administrative support for the Board and any other duties specified.
- 6.3 The Chief Executive Officer shall be responsible for preparing a Library Plan for approval by the Board within six months of each general election of the Councils in accordance with section 125(1) of the Act.

7. EQUITY AND OPERATING COSTS

- 7.1 The Councils acknowledge that, as at the date of this Agreement, the Regional Library occupies and operates the branch libraries (including mobile library Service Points and depots) described in Schedule 1.
- 7.2 The occupancy of branch (including mobile library Service Points and depots) libraries may be subject to an agreement between the relevant Council and Regional Library that sets out the obligations and the responsibilities of the parties.
- 7.3 Each Council agrees to the Regional Library using the assets set out in the Statement of Council Assets in Schedule 1.
- 7.4 Nothing in this clause 7 or this Agreement generally requires a Council to continue to provide the facilities provided to the Regional Library at the commencement of this Agreement or subsequently, nor restricts a Council from adding to, changing or withdrawing any of the facilities provided to the Regional Library.
- 7.5 Where a Council adds to, changes or withdraws any of the services provided by, or facilities provided to, the Regional Library that leads to excess staff being employed, then that Council will be liable for the redundancy costs for such excess staff (whether deployed in branch libraries, the administration of the Regional Library or otherwise) subject to every attempt being first made by the Regional Library to redeploy the affected staff within its operations.
- 7.6 A Council must, unless otherwise agreed by the Board, give twelve months' notice in writing to the Chief Executive Officer of its intention to withdraw assets from the use of the Regional Library.
- 7.7 The Chief Executive Officer shall maintain a register of the assets owned and used by the Regional Library including those provided by a Council for library use.

- 7.8 The Regional Library shall, unless otherwise agreed, be responsible for the maintenance, repair, and replacement and operating costs of assets owned by the Regional Library as outlined in Schedule 2, and in accordance with Schedule 4.
- 7.9 Each Council shall, unless otherwise agreed by the Board, be responsible for the major maintenance, repair, and replacement and operating costs of assets owned by it but provided for the use of the Regional Library.
- 7.10 Each Council must pay to the Regional Library an agreed amount each year to cover the recurrent costs of operating a council owned or rented facilities as outlined in Schedule 1, and in accordance with Schedule 4.
- 7.11 Where the Regional Library agrees to assume responsibility for specific maintenance, repair, replacement and operating costs of assets owned by any one or more of the Councils, the relevant Council will negotiate in good faith an increase in its annual contribution to cover the maintenance, repair, replacement and operating costs of the assets.
- 7.12 The Regional Library shall, unless otherwise agreed by Councils and subject to Clauses 7.8 and 7.9, be responsible for its own operating costs.

8. STRATEGIC PLANNING

- 8.1 A Library Plan (including a Strategic Resource Plan) will be prepared and approved in accordance with section 197D of the Act. The Chief Executive Officer shall each year provide each Council with a copy of the Regional Library's adopted Library Plan.
- 8.2 The Strategic Resource Plan shall include a program for the delivery of services by the Regional Library which identifies the financial and other resource requirements of the Regional Library.
- 8.3 The Strategic Resource Plan shall include a program for the delivery of services by the Regional Library which identifies the nature and extent of proposed services and an estimate of the costs of the provision of those services.
- 8.4 The Regional Library must adopt a Library Plan and a Strategic Resource Plan by the date specified in the Act.

9. ANNUAL BUDGET

- 9.1 The Chief Executive Officer shall by 1 May each year provide each Council with a copy of the Regional Library's proposed Annual Budget prepared in accordance with section 144 of the Act and taking account of the proposals from each Council.
- 9.2 The proposed Annual Budget shall include –
- (a) The amount of funds currently held by the Regional Library;
 - (b) The amount of each Council's proposed financial contribution to the Regional Library for the financial year commencing 1 July;
 - (c) The amount of funds to be received from any other source by the Regional Library in the financial year commencing 1 July;
 - (d) Standard statements and description of activities and initiatives to be funded in the budget;
 - (e) A statement as to how activities and initiatives will contribute to the achievement of strategic objectives on the Library Plan;
 - (f) Key strategic activities performance targets and measures; and
 - (g) All proposed borrowings (other than refinancing of existing loans).

10. ANNUAL FINANCIAL CONTRIBUTIONS

- 10.1 The amount to be contributed to the Regional Library by each Council during each financial year shall be the sum of –
- (a) The amount specified in the Regional Library’s adopted Annual Budget;
 - (b) All State Government library subsidies and grants received by the Council for library services; and
 - (c) Funds received by the Council from any other source for library services.
- 10.2 The Councils must agree on a funding formula for the purpose of making annual financial contributions to the Regional Library under Clause 10.1 (a) and (b). Schedule 3 sets out the funding formula to be applied unless another funding formula is agreed to in writing.
- 10.3 Each Council’s financial contribution to the Regional Library shall be paid in quarterly instalments on the first day of July, October, January and April each year.
- 10.4 If the proposed Annual Budget has not been approved by the Board and each Council by 1 July the first instalment shall be the same amount paid by the Council in the previous quarter and the second instalment shall include any adjustment to ensure the two instalments together equal half the amount payable by that Council for that financial year in accordance with clause 10.1(a).
- 10.5 Council contributions under clause 10.1(a) shall be paid within one month of receipt of an invoice from the Regional Library.
- 10.6 The Regional Library is to use its best endeavours to ensure quarterly invoices are forwarded to Councils with at least 30 days’ notice of payments due.
- 10.7 In addition to the contributions payable under this clause, a Council shall be responsible for the Regional Library’s costs in providing any additional service or resources by the Council and such costs are to be paid within 30 days of the Council receiving an invoice from the Regional Library.
- 10.8 Interest shall be paid on any amount payable under clause 10.1(a) which is not received by the Chief Executive Officer within 14 days of the due date at the rate fixed by the Governor in Council for the purposes of section 172 of the Act and calculated monthly from the date the amount became due until it is received by the Chief Executive Officer.

11. ANNUAL REPORTING AND ACCOUNTS

- 11.1 The Chief Executive Officer shall, within three months of the end of each financial year, provide each Council with a copy of the Regional Library’s Annual Report prepared in accordance with section 131 of the Act.
- 11.2 The books of accounts and all other financial records of the Regional Library shall be available for inspection at all reasonable times by any person authorised by a Council, or by any person authorised by the Secretary of the Department responsible for administering State Government library subsidies and grants from which the Regional Library receives or Councils receive funds.

12. ENTRY AND EXIT OF PARTIES

- 12.1 A council which is not a party to this Agreement may, by supplementary agreement with the Councils, be admitted as a party to this Agreement and, subject to the provisions of the supplementary agreement, shall have the same rights, duties and obligations of the Councils under this Agreement.
- 12.2 A Council may withdraw from this Agreement having given not less than twelve months’ notice in writing to the Chief Executive Officer of its intention to do so.

- 12.3 A Council which has given notice under clause 12.2 must, unless otherwise agreed by the Councils, withdraw from this Agreement on 30 June in any year.
- 12.4 A Council which withdraws from this Agreement shall be entitled to a portion of the net assets (including digital assets) of the Regional Library as at the date of its withdrawal from the Agreement, less an amount which represents the full costs to the Regional Library of the Agreement.
- 12.5 The portion of net assets to which a Council is entitled under clause 12.4 –
- (a) Shall be calculated according to the value of the assets as disclosed by the relevant audited financial statements;
 - (b) Shall be in the same proportion as its financial contribution to the Regional Library bears to all member Councils' financial contributions to the Regional Library over the duration of the Original Agreement and this Agreement; and
 - (c) Shall include those books and like materials housed within a branch library allocated to its municipal district
- and may not be taken in the form of property or cash unless the Board agrees.
- 12.6 For the purposes of clause 12.4, the cost to the Regional Library of a Council's withdrawal from this Agreement shall include (but not be limited to) –
- (a) Redundancy costs for excess staff (whether deployed in branch libraries, the administration of the Corporation or otherwise);
 - (b) the cost of removing books and like materials housed within a branch library allocated to its municipal district;
 - (c) The cost of extracting bibliographic records for that Council's books and materials; and
 - (d) The cost of amending bibliographic records to account only for those books and materials which remain
- and may be taken in such combination of property and cash as agreed between the Council and the Board, and if it is agreed that a Council is entitled to library materials, the cost of removing them shall be paid for by the Council.
- 12.7 A Council, which withdraws from this Agreement, shall be liable for a portion of the liabilities, including contingent liabilities, of the Regional Library as at the date of its withdrawal from the Agreement.
- 12.8 The portion of the liabilities and contingent liabilities to which a Council is liable under clause 12.7 –
- (a) Shall be calculated according to the liabilities and contingent liabilities as disclosed by the relevant audited financial statements and reports, and any other notes attached to them;
 - (b) Shall be in the same proportion as its financial contribution to the Regional Library bears to all the member Councils' financial contributions to the Regional Library over the duration of the Original Agreement and this Agreement; and
 - (c) Where contracts for goods and services are affected, shall be the full cost of any additional payments for variations to contractual arrangements resulting from the withdrawal.

13. DISSOLUTION OF REGIONAL LIBRARY

- 13.1 Subject to section 197G of the Act, the Regional Library may be dissolved by all parties to the Agreement of the parties to this Agreement or, if more parties are admitted to the Agreement by supplementary agreement, by agreement of a least three quarters of the parties to this Agreement, including those admitted as a party by supplementary agreement.
- 13.2 If the Regional Library is dissolved under this clause –

- (a) Each Council shall be entitled to a portion of the Regional Library's assets, as at the date of dissolution, in the same proportion as its financial contribution to the Regional Library bears to all the Councils' financial contributions to the Regional Library over the duration of the Original Agreement and this Agreement; and
- (b) Each Council shall be liable for a portion of the liabilities and contingent liabilities of the Regional Library in the same proportion as its financial contribution to the Regional Library bears to all the Councils' financial contributions to the Regional Library over the duration of the Original Agreement and this Agreement.

14. DISPUTE RESOLUTION

- 14.1 If any dispute arises between and among the Councils or between one or more Councils and the Regional Library which cannot be resolved by the Board, the parties to the dispute must use their best endeavours, and act in good faith, to settle that dispute.
- 14.2 If there is any dispute or difference between a Council and the Regional Library or between any of the Councils which arises out of this Agreement or concerns the Regional Library, that is unable to be settled, the Councils must agree to the appointment of an independent mediator. If the Councils are unable to agree on a person to act as an independent mediator, the mediator will be appointed by the President of the Law Institute of Victoria.
- 14.3 The parties to the mediation shall –
 - (a) Be responsible for their own mediation costs; and
 - (b) Share the mediator's costs equally.
- 14.4 The function of the mediator is to mediate not arbitrate. The mediator will not have the power to make any decision. If the dispute is not resolved through mediation, the Councils may proceed to arbitration in accordance with clause 14.6.
- 14.5 A party must not commence proceedings in respect of a dispute unless –
 - (a) The dispute has first been referred to a mediator; and
 - (b) The dispute remains unresolved.
- 14.6 If there remains a dispute the matter shall be determined as a dispute under the *Commercial Arbitration Act 2011* and the arbitrator's decision shall be final and binding on the parties to the dispute.
- 14.7 The parties to the arbitration shall –
 - (a) Be responsible for their own arbitration costs; and
 - (b) Unless otherwise determined by the arbitrator, share the arbitrator's costs equally.

15. AGREEMENT AMENDMENT

An amendment to this Agreement has no effect unless it is -

- (a) In writing and signed by all parties to the Agreement; and
- (b) Approved by the Minister by notice published in the Government Gazette.
The parties agree that if a Council transfer its assets to the Regional Library or makes available additional assets for the use of the Regional Library as set out in clause 7.4, this is not to constitute an amendment to this Agreement.

16. COMPLIANCE WITH SERVICE AND FUNDING AGREEMENT

Each of the Councils agree to comply with the provisions and conditions of the existing service and funding agreement it has previously made with the Regional Library Corporation.

17. AGREEMENT REVIEW

The Councils shall, together with the Board, review the operations of this Agreement at least once every five years.

18. COMMENCEMENT

This Agreement commences on the day on which it is approved by the Minister in accordance with section 196(2) of the Act.

19. TERMINATION OF ORIGINAL AGREEMENT

- 19.1 Upon this Agreement commencing to operate the Original Agreement will terminate.
- 19.2 Nothing in this clause 19 affects any rights or obligations of a Council or the Regional Library which accrued before the Original Agreement terminated.

Executed as an Agreement.

IN WITNESS WHEREOF

In accordance with a Resolution of the Hindmarsh Shire Council made on

.....
THE COMMON SEAL of the Hindmarsh Shire Council
Was hereunto affixed on in the presence of –

..... Mayor

.....Councillor

.....Chief Executive Officer

In accordance with a Resolution of the Horsham Rural City Council made on

.....
THE COMMON SEAL of the Horsham Rural City Council
Was hereunto affixed on in the presence of –

..... Mayor

.....Councillor

.....Chief Executive Officer

In accordance with a Resolution of the Northern Grampians Shire Council made on

.....
THE COMMON SEAL of the Northern Grampians Shire Council
Was hereunto affixed on in the presence of –

..... Mayor

.....Councillor

.....Chief Executive Officer

In accordance with a Resolution of the West Wimmera Shire Council made on

.....
THE COMMON SEAL of the West Wimmera Shire Council
Was hereunto affixed on in the presence of –

..... Mayor

.....Councillor

.....Chief Executive Officer

In accordance with a Resolution of the Yarriambiack Shire Council made on

.....
THE COMMON SEAL of the Yarriambiack Shire Council
Was hereunto affixed on in the presence of –

..... Mayor

.....Councillor

.....Chief Executive Officer

**SCHEDULE 1
STATEMENT OF COUNCIL ASSETS**

HINDMARSH SHIRE COUNCIL

- Library Building, 101 Lloyd Street, DIMBOOLA
- Library Building, 5 Clarence Street, NHILL
- Mobile Library stop sites at Jeparit and Rainbow
- Shelving, furniture, fixtures and fittings at each of the listed branch libraries and mobile sites

HORSHAM RURAL CITY COUNCIL

- Library Building, 28 McLachlan Street, HORSHAM
- Mobile Library stop sites at Laharum and Natimuk
- Shelving, furniture, fixtures and fittings at the listed branch library and mobile sites

NORTHERN GRAMPIANS SHIRE COUNCIL

- Library Building, Market Square, ST ARNAUD
- Library Building, 7-9 Patrick Street, STAWELL
- Mobile Library stop site at Marnoo
- Shelving, furniture, fixtures and fittings at each of the listed branch libraries and mobile sites

WEST WIMMERA SHIRE COUNCIL

- Library Building, 49 Elizabeth Street, EDENHOPE
- Library Building, 30 Main Street, GOROKE
- Library Building, 29 Blair Street, HARROW
- Library Building, 25 Baker Street, KANIVA
- Shelving, furniture, fixtures and fittings at each of the branch libraries listed

YARRIAMBIAK SHIRE COUNCIL

- Library Building, 36 Lyle Street, WARRACKNABEAL
- Mobile Library stop sites at Beulah, Hopetoun, Minyip, Murtoa, Patchewollock, Rupanyup, Speed, Tempy, Woomelang and Yaapect
- Shelving, furniture, fixtures and fittings at the listed branch library and mobile sites

SCHEDULE 2
STATEMENT OF REGIONAL LIBRARY ASSETS AND LIABILITIES

The Regional Library will maintain a detailed asset register of assets owned and purchased by the Regional Library for use at the Branch Libraries and Regional Library's Regional Support Office.

The Chief Executive Officer shall provide each Council a copy of the Regional Library's Annual Report including asset values and depreciation schedules of all books and library materials, plant, equipment and liabilities and contingent liabilities.

The apportionment of net assets and liabilities to which a Council is entitled under Clause 12.5 of the Regional Library Agreement.

The Regional Library will be responsible to supply and maintain:

- Furniture and equipment (excluding fixed furniture and shelving)
- ICT equipment
- Motor vehicles
- Mobile Library
- Books and library materials

Note: the Regional Library's asset register includes furniture and equipment purchased by Friends of the Libraries and other organisations which is used in the Branch Libraries.

**SCHEDULE 3
WRLC FUNDING FORMULA**

Each member Council contributes to the operating expenses on the following basis:

	Member Council
Annual Library Site Operating Costs (including direct salary, building maintenance, utilities, and building insurances)	100%
Annual Regional Support Costs (including all ICT)	Per capita
Property/Capital Costs	Location of service point; 100%
Library Material	Per capita

In drawing up the funding principles Councils have agreed to the following principles and formulae for funding the operations of the Regional Library.

1. Sustainable Funding

Councils will provide a sufficient proportion of funding to enable the Regional Library to deliver the key strategic goals in the Library Plan.

2. Service Points

Definition

A service point is defined as a library or mobile library that offers at least lending services.

- 2.1 A Council is responsible for determining the number and location of service points in its own municipality, and subject to consideration by the Board on the likely impact of any changes to regional resources and service levels.
- 2.2 A Council will fully fund any general service in its municipality that is not considered to be a regional service, unless the Regional Library agrees to incorporate the service as a regional service. General services include lending services, branch administration, reference, early year's literacy, youth and adult services.
- 2.3 Councils shall share the combined total regional operating costs to service points across the region according to an average percentage of population (as per Australian Bureau of Statistics) for each municipality. Regional operations include local history, visiting authors, special children's programs and special youth and adult programs performed at a number of service points across the region.
- 2.4 A Council will fully fund new initiatives within general library operations, such as extensions to hours or services, or new service points.
- 2.5 Funding of a new service point is to include funding for a new Collection if required by the Board.
- 2.6 Funding formula for mobile library sites include travel time to sites, set up and pack up time, as well as opening hours.

3. Collection Development

Definition

Collection development includes policy, selection, withdrawal and transfer of materials, acquisitions, cataloguing, data input, processing, repairs, binding, reservations and inter-library loans.

- 3.1 Collection size and composition will be maintained in response to community need and population size.
- 3.2 New and replacement lending materials will be distributed to service points in such a way that each municipality receives its due proportion of material based on population, plus any additional materials according to 2.2.

4. Population

Where the funding basis is to be population, the population figure is to be based on the last published provisional Australian Bureau of Statistics population figures at the time the Budget is prepared.

5. State Funding

Expected State Funding will be attributed back to the member Councils' on the basis of an average of the population, as referred to in Clause 4 of the Funding Principles.

**SCHEDULE 4
MAINTENANCE RESPONSIBILITIES**

For service points identified in Schedule 1 Councils are responsible for maintenance and infrastructure provision and identified recurrent utility costs:

- Reroofing, recladding
- Floor coverings
- Window coverings
- Carparks and car park delineation
- Mobile street signage
- Mobile Library provision of electrical outlets
- External building signage
- Security system installation
- Air-conditioning (heating and cooling) installations and upgrades
- Painting – internal and external
- Solar power and energy building installations
- Fixed lighting installations and upgrades
- Building fabric including doors, windows, ceilings, ramps and handrails
- Gardens, paths and landscaping
- Cleaning
- Plumbing callouts
- Lighting/electrical maintenance
- Electricity, gas, water and garbage charges
- Loose furniture provision and maintenance
- Rates

The Corporation will be responsible for maintenance and identified recurrent utility costs:

- Telephone charges
- Internal signage
- Building content and vehicle insurances
- Shelving and loose furniture provision and maintenance (except for new libraries)
- Fuel and tyres
- Vehicle replacement and maintenance
- Photocopier provision and maintenance
- ICT infrastructure and maintenance
- Broadband installation and recurrent costs



Horsham Regional Livestock Exchange: Future Directions



Date: 24/02/2018

Tom Newsome (B.Ag Econ, M.Rur Sci)

TABLE OF CONTENTS

Table of Contents.....	2
Executive Summary.....	3
Project Overview.....	4
Aims and methodology.....	5
Current Context	6
Current site and infrastructure	12
Current throughput.....	15
Current operations.....	18
Current competition	25
Current Financial Performance	26
Stakeholder and Community perspectives	28
Situational analysis: strengths, weaknesses, opportunities, threats.....	30
Key action areas	31
Infrastructure Review	32
Facility development.....	42
Conclusion.....	50
References	51
Appendices.....	52
Appendix 1:	53
MKM Investment proposal- HRLE Roofing estimation	53
Appendix 2:	54
Meat and Livestock Australia (2017). Eastern States Saleyard Survey Results	54
Appendix 3: Proway Infrastructure Maintenance Manual.....	56

EXECUTIVE SUMMARY

The Horsham Regional Livestock Exchange (HRLE) is Victoria's fourth largest sheep and lamb market - a position it has maintained for many years. It is the major livestock selling centre in the Wimmera region, attracting vendors from as far afield as the South Australian border and southern New South Wales. It is known for the quality of the livestock presented and provides a strong market for sheep and lambs.

The Horsham Rural City Council (HRCC) has identified the need for a plan that will set out the future direction of HRLE for the next 10 to 20 years and support the transition to a mandatory electronic National Livestock Identification System (NLIS) for Sheep and Goats.¹²

Horsham Rural City Council engaged Outcross Pty Ltd, which has a strong track record in developing saleyards systems. Outcross partnered with industry leaders in saleyard infrastructure, ProWay, to complete the project. This involved working with Council management and staff, and saleyard users, including agents, buyers, vendors, and transporters to identify options to:

- improve operations and infrastructure;
- analyse the facilities' strengths, weaknesses, opportunities and threats; and
- develop a strategic approach to the future.

Through this process gaps, or key action areas were identified for HRLE:

- **Cattle Operations:** It is recommended that HRLE close the weekly cattle sales and consider acting as a transit centre for larger facilities or introducing a monthly store sale or seasonal feature sales;
- **NLIS Compliance:** That HRLE adopt the Outcross implementation strategy to comply with the requirements of the NLIS for sheep and goats and the introduction EID for sheep and goats born in Victoria after 1 January 2017.
- **Information Management:** It is recommended that HRLE adopt a specialist saleyard software management system; and
- **Facility development:** It is recommended that HRLE plan to construct a roof for the existing facility.

PROJECT OVERVIEW

Introduction

Horsham Rural City Council own and operate the HRLE. The facility caters for the auction sale of both sheep and cattle and services the Wimmera region of Western Victoria.

The Wimmera is a fertile agricultural region, with major land uses including dryland cropping (60.66%), livestock (17.93%), and nature conservation (12.91%) (Figure 4).

The HRLE is a vital infrastructure facility that enables transparent transaction of livestock on behalf of livestock producers in the Wimmera.

This report aims to identify key opportunities for the HRLE and the level of investment required to ensure the viability and growth of the facility over the next 10 – 20 years.

Background

The HRLE has historically provided a facility that is economically viable for the HRCC. Whilst HRLE does not consistently provide a financial dividend to HRCC, it is self funded and is a quality asset for the local community, without creating any financial liability.

The HRLE has historically been an important component in marketing the produce from the Wimmera region and enables livestock to be sold in a high quality facility, located close to the supply of stock.

Scope

HRCC have engaged Outcross Pty Ltd to complete a Business Plan / Enterprise Plan and a Masterplan for the HRLE. The project brief dated June 2017 indicated that the scope of the Master Plan and Enterprise Plan should include:

- A review of the operations of the current exchange, including the sale day operations and the assets on the site used to facilitate sales.
- An assessment of the commercial environment the HRLE operates in, with respect to the competition to the HRLE from other modes of livestock sales, and other saleyards in the broader region.
- The future directions the HRLE should take, both with respect to operations and facilities/assets to position HRLE to continue and enhance its viability and to take advantage of emerging opportunities or to respond to new challenges in the livestock industry.

AIMS AND METHODOLOGY

The project aims to provide a strategic direction for HRLE and support the transition to NLIS.

The project has been informed by the following:

- **Industry Analysis** High level overview of the current context, including local climate and climate change, trends in agriculture, and challenges for saleyards.
- **Operational Review** This aims to:

 - review sale day operations, including sale management process, documentation, vehicle movement and livestock movement;
 - review current operations, including livestock flow, site cleaning, effluent management, water supply and animal welfare;
 - review current financial status, including agents fees, throughputs, agistment, truck wash and staffing options; and
 - benchmark the HRLE against similar industry facilities.
- **Infrastructure Review** This aims to:

 - assess the existing assets and facilities, assess maintenance issues and asset life to inform an asset management plan, including Occupational Health and Safety (OHS) issues, security and canteen and office requirements;
 - identify a facility development program, including options for roofing, water, solar, and alternatives for cleaning; and
 - assess environmental factors, including proximity to urban development, bypass, planning, access to adjoining land and regulatory issues.
- **Financial Analysis** Analysis of the Profit and Loss statement and net asset register
- **Strategic planning** This aims to:

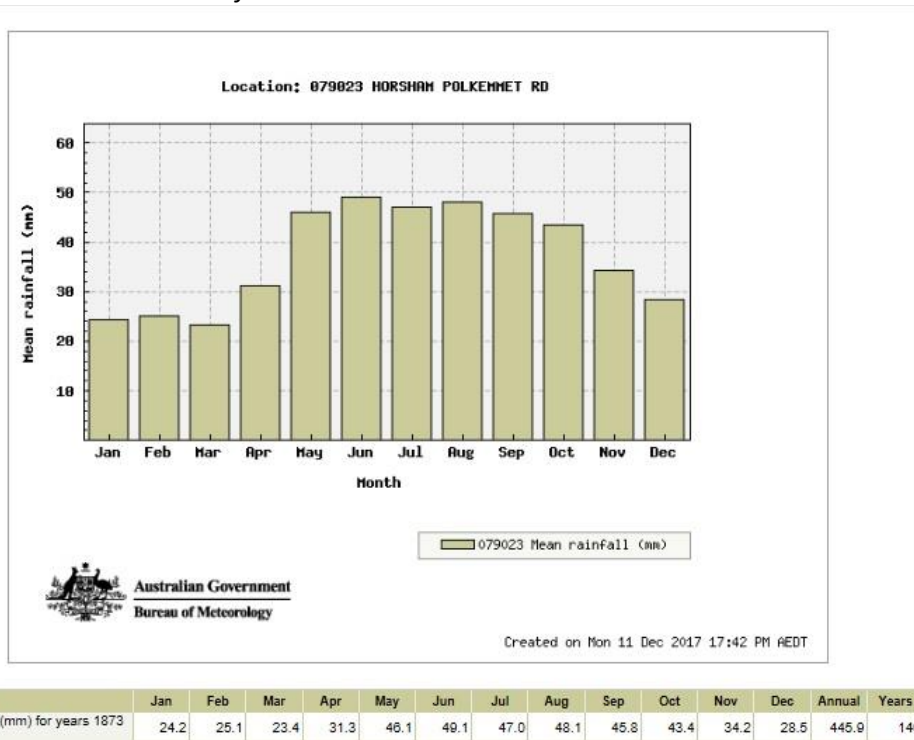
 - evaluate the commercial market, particularly in regard to the price, numbers and trends of competitors and other forms of sales (including internet auctions and direct sales);
 - assess the impact of industry development issues, including RFID (EID) and animal welfare;
 - undertake the strengths, weakness, opportunities and threats (SWOT) analysis for HRLE;
 - complete a gap analysis of the facility; and
 - propose options for the future which consider industry development issues, commercial viability and potential markets; the incorporation of technological advancement, environmental impact and sustainability; asset management and facility improvements.

CURRENT CONTEXT

Local climate

Horsham is located in the temperate climate zone, with an annual mean rainfall 445.9 mm over the past 140 years.¹ Rainfall can occur throughout the year, although the majority of precipitation occurs in the winter.

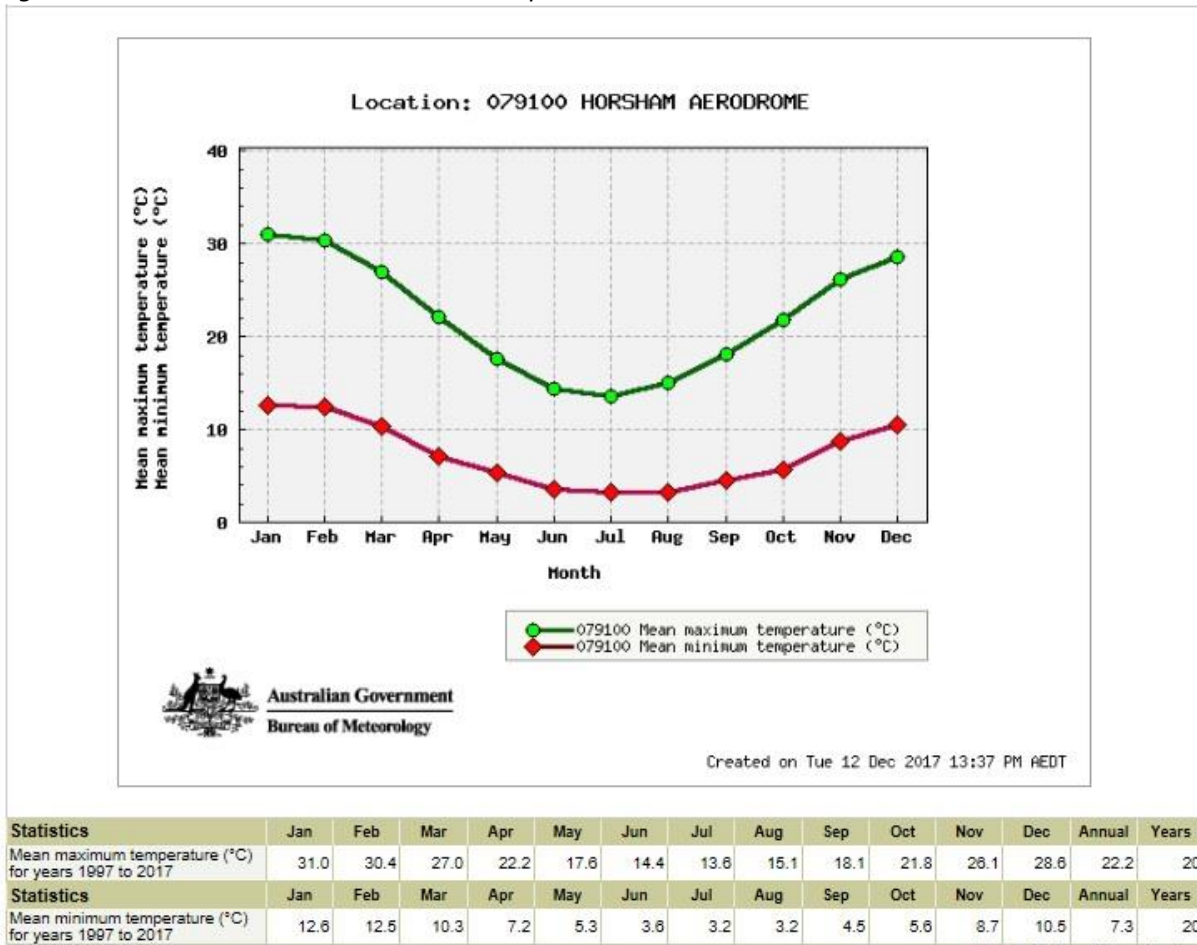
Figure 1: Mean annual rainfall.¹⁰



Statistics	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Annual	Years
Mean rainfall (mm) for years 1873 to 2015	24.2	25.1	23.4	31.3	46.1	49.1	47.0	48.1	45.8	43.4	34.2	28.5	445.9	140

The temperature range at Horsham varies considerably. Mean low temperature in the winter approaches zero, while summer maximum temperatures are above 30°C.²

Figure 2: Mean minimum and maximum temperature



Climate Change

Leading climate change expert, Dr Barrie Pittcock of the CSIRO, explains that one of the effects of climate change is likely to be more intense rainfall and flooding, and less frequent rainfall and more severe droughts. Another important factor is the behaviour of the El Niño and La Niña phenomena.³

Dr Graeme Pearman, also of the CSIRO, summarised a scenario of climate change for Australia in 2030, saying there would be higher summer rainfall over northern Australia which will extend further south, possible drier winters in southern Australia as well as more intense rainfall. If so, more flooding would have a major impact on the urban environment, built infrastructure, agriculture and hydrological planning.

The more advanced climate change model entails fully three-dimensional models with multi-layer oceans and atmosphere data, which includes more detailed physics such as ocean currents and atmospheric circulation, clouds, and interactions with the biosphere.

“Models show an increase in daily precipitation intensity but also in the number of dry days. Extreme daily precipitation tends to increase in many areas but not in the South in Winter and Spring when there is a strong decrease in mean precipitation.”

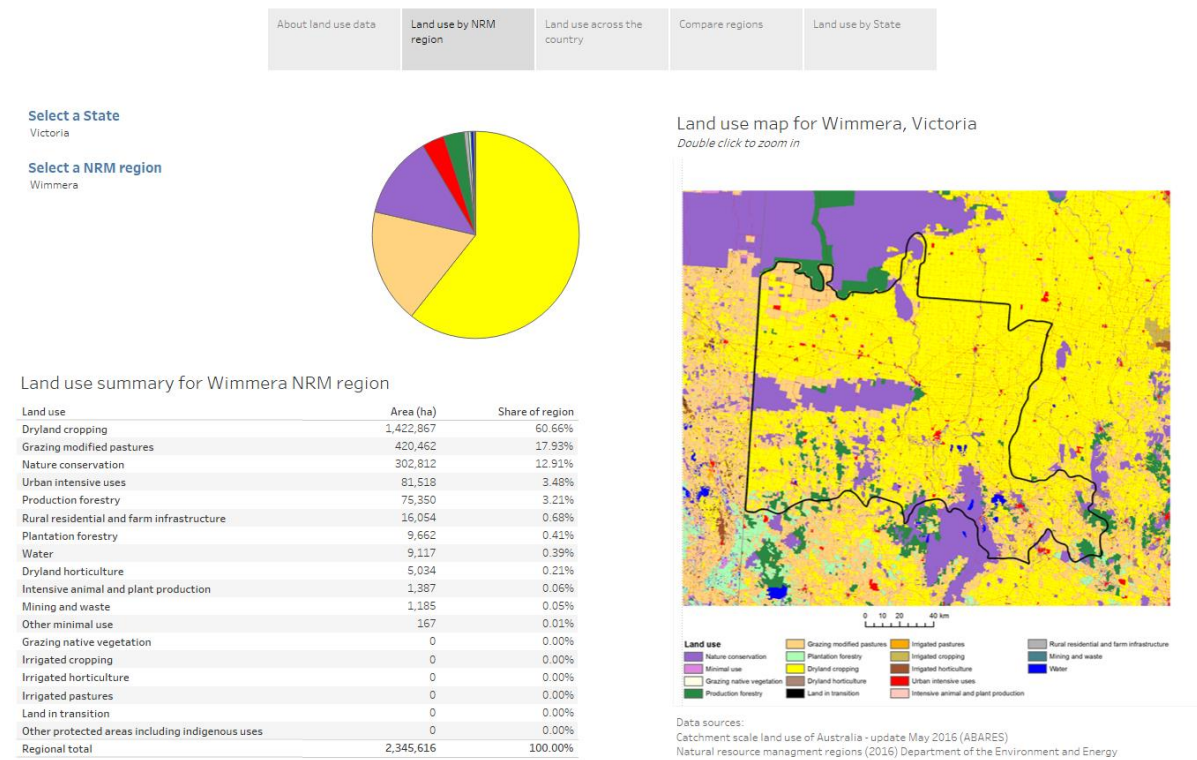
In situations where there are no rain-bearing systems such as the summer in southern Australia, warmer conditions and a greater water-holding capacity of the air will lead to more rapid evaporation, resulting in rapid onset of more frequent and intense droughts, also adding to the prevalence of bush fires.

Regional land use

The Wimmera is a diverse economy. Agriculture is the major contributor to the economy in the region. The land is productive and fertile, and the use of this land is competitive between enterprise land use within agriculture. Dryland cropping is the major land use in the Wimmera, accounting for 60.66% of the available land. Grazing modified pastures is the second most common land use, albeit significantly less than cropping at 17.93% of available land. Figure 3 below outlines the land use profile for the Wimmera.⁴

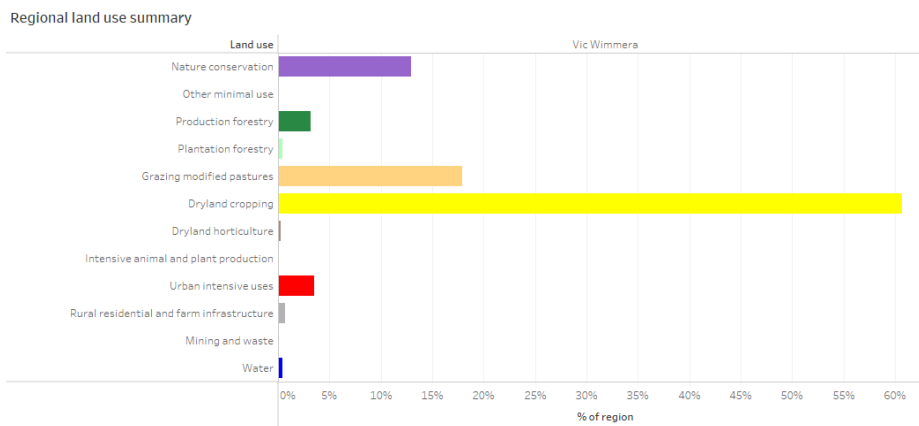
Figure 3: Land use in the Wimmera

Australian Land Use Profiles



The relative importance of livestock grazing in the Wimmera is indicative of the importance of the HRL in servicing the livestock industry in the Wimmera.

Figure 4: Relative importance of land use in the Wimmera⁵



The major agriculture activity in the Wimmera region is dryland cropping, which accounts for 61% of agriculture activity, producing cereals, pulses and oilseeds. Wheat is the most common cereal, with barley following. Field peas, chickpeas, lentils, faba beans, broad beans, lupins and vetch are the common pulses grown in the region, while canola and safflower seeds are grown for oil. Grazing of modified pastures follows dryland cropping. Given the productivity of agricultural land in the area, the livestock industry is a major contributor to the economy in the Wimmera.

Trends in agriculture

The world economy is expected to grow by 3.4% in 2017.⁶ This growth is underpinned by expected economic expansion in major consumers of Australian agricultural commodities including Japan (1.4%) and China (6.7%). Economic growth in Australia declined in the fiscal year ending June 2017 to 1.9% and is expected to recover to realise economic growth of 2.8% in the financial year 2018. Economic growth has also promoted increased consumption of protein, including beef, mutton and lamb.

The increased demand from underlying economic growth has been offset by strength in the Australian dollar, which has appreciated against the Chinese yuan (5%) and the Japanese Yen (3%) during 2017.⁷ A higher Australian dollar affects our competitiveness as Australian products become relatively expensive.

Australian agriculture has faced substantial change over recent decades. While there has been strong productivity growth in agriculture over the past three decades, there has been a relative decline in agriculture in importance to the Australian economy.⁸ Trends over the past two years suggest that Agriculture is returning as a significant sector in the Australian economy with record commodity prices fuelling increasing land values.

Key drivers have been globalisation, shifts in consumer demand, changes in government policies, technological advances and innovation, emerging environmental concerns and fluctuation in the sector's terms of trade. Farms are much fewer and larger than twenty years ago. Agriculture has become increasingly export oriented over the last two decades — around two-thirds of production is now exported.

All saleyards operate within the context of complex economic, environmental and regulatory forces facing Australian agriculture.

For producers, the implications of these changes include:

- *Population Growth* The growth in the global population, paired with rising incomes in developing countries, increases the global demand for food, in turn lifting the demand for protein and meat. The global food demand is expected to increase by 75% by 2050, with much of this growth expected in Asia, and the demand for Australian meat to be at record levels.
- *Increasing export orientation* Australian exports have shifted away from the US and European markets to Asia. In addition, the strength of the Australian dollar is correlated with a decrease in exports, as trading partners are prompted to import from a cheaper source.
- *Changing end market demand* On the domestic front, an increasing proportion of livestock are supplied directly to processors or major retailers/ supermarkets under comprehensive pre-arranged contracts. As the proportion of sheep sold through saleyards falls, the proportion of stock sold online, direct and over the hook increases.
- *Variable livestock population* Saleyard throughput changes proportionally with the overall livestock population.
- *Seasonal conditions* Saleyards increase throughput as seasonal conditions deteriorate in the short term as graziers face limited marketing options.
- *Changes in government policies* Declining federal, state and local government assistance to producers increases the competitive pressure.
- *Emerging environmental concerns* Disease, droughts and rainfall variations directly impact on livestock quality, numbers and reproduction rates. Seasonal conditions have been generally good in the Wimmera during 2017, with an unseasonably mild spring to date.

Farm income has been historically high in the 2017 financial year, due mainly to high commodity prices and good seasonal conditions. Record levels were attained for the gross value of farm production (\$63 billion) and real net farm cash income (\$29 billion) in the 2017 financial year.⁹ Australian agricultural commodities are largely export oriented with \$49 billion of farm commodities bound for export markets in the 2017 financial year.

Cropping contributed \$28 billion compared to Livestock (\$21 billion) in the 2017 financial year. However, the relatively dry seasonal conditions in NSW and Queensland for winter, 2017 has seen livestock exports increase to \$22 billion and cropping decline to \$23 billion, creating a scenario where the two major components of agricultural production have been more equivalent. The relative profitability of cropping in many areas of Australia in recent years, including the Wimmera, has resulted in more land being under crop and less land available for livestock production. This has been offset by increased livestock productivity due to efficiency gains in genetics and nutrition.

Industry challenges

Horsham, like other saleyards, face a number of challenges:

- *Changing public expectations* Rural communities are changing, and this impacts on community support for saleyards, and raises questions about the role of the Council in saleyard operations into the future. Self-financing facilities are more likely to be supported by the community, particularly where a financial dividend is paid back to Council.
- *Decreasing livestock numbers* Long term trends of declining sheep numbers, with a reduction of 10-20% in the Wimmera since 2013¹⁹ and variable beef cattle numbers¹¹ reduces overall livestock flow through saleyards.
- *Animal welfare* Animal welfare concerns are increasingly important to industry, government and consumers. Saleyard Welfare Standards¹³ and the Australian animal welfare standards for sheep¹⁸ have implications for upgrade of facilities, saleyard staff training, animal handling, drafting and penning, stock inspection and humane euthanasia of stock.
- *Occupational Health and Safety (OHS) concerns* A greater emphasis on OHS means that practices which were widespread in saleyards a decade ago are being phased out in favour of standards based, quality assured processes and controls which have implications for infrastructure and operations.
- *Introduction of the National Livestock Identification Scheme (NLIS)* The introduction of electronic identification for individual compliance with the National Livestock Identification System (NLIS) will be a challenging exercise for the HRLE. Outcross¹² has prepared an implementation report on behalf of the HRLE.
- *Decline in the number of saleyards operating weekly, and closure of smaller saleyards* As smaller selling centres start to lose their market to the larger regional saleyards, the buyers begin to favour the larger marketplace to source their stock. This trend creates a poorer local market in what already may be a reduced offering. Figure 8 indicates that there is a recent trend away from Victorian saleyards of 5.5% annually for the past two years. This is not consistent however with several centres achieving increased throughput.
- *Increase in alternative selling methods* There is increase competition from online selling options such as AuctionsPlus; direct sale to feedlots and abattoirs; and a growing trend of producers selling directly to city boutique butchers, restaurants, and cafes, supported by programs such as “Farm to Fork”. There is also competition from saleyard facilities including Hamilton, Ballarat and Warracknabeal.

To meet these challenges, saleyards need to be constantly upgrading and updating infrastructure and operations in order to remain at the forefront of the options available to the market. Nearby saleyards at Hamilton and Ballarat are major selling facilities that are investing significantly into infrastructure, including roofing. HRLE needs to provide equivalent facilities in order to survive and thrive into the future.

CURRENT SITE AND INFRASTRUCTURE

Land tenure

The HRLE is well located with respect to the tenure of the land. The HRLE was relocated in 1999 and the current site is free from peri-urban issues that are common for many saleyards. The HRLE is located on Burnt Creek road, 7.4km from the centre of Horsham.

Infrastructure

The infrastructure at HRLE is generally of a high standard and well maintained. The three areas of the sheep facility are receival, selling and delivery. The receival area includes unloading ramps, receival pens and drafting facilities. The selling area includes selling pens and partially undercover buyers' walkways. The delivery area includes delivery pens, a drafting facility and loading ramps.

Infrastructure at HRLE includes:

- Dual purpose loading and unloading ramps
 - 4 truck ramps and 4 trailer ramps at receival
 - 4 truck and 1 trailer at delivery;
- 72 receival pens at the receival end;
- 4 drafts at the receival end and 1 draft at delivery;
- 504 flow through, scaleable selling pens on a 3m x 3m grid;
- 42 delivery pens with water available; and
- 26 holding yards.

Recommendation: The undercover area should be increased as current buyer walkways are not fully covered. We recommend construction of a roof over the facility.

Livestock flow and animal welfare and presentation

The HRLE is a well designed facility, considering livestock flow, amenities, animal welfare, presentation of stock, environmental considerations and vehicle movements.

HRLE has a flow through design shown in Figure 5 below. Sheep are unloaded at the northern end and received into the "R" yards. Sheep are then drafted through the four northern drafts and moved to the selling pens. A further draft is located at the southern end where required. Sale pens can be altered to accommodate various lot sizes which can be in excess of 200 sheep or lambs at times.

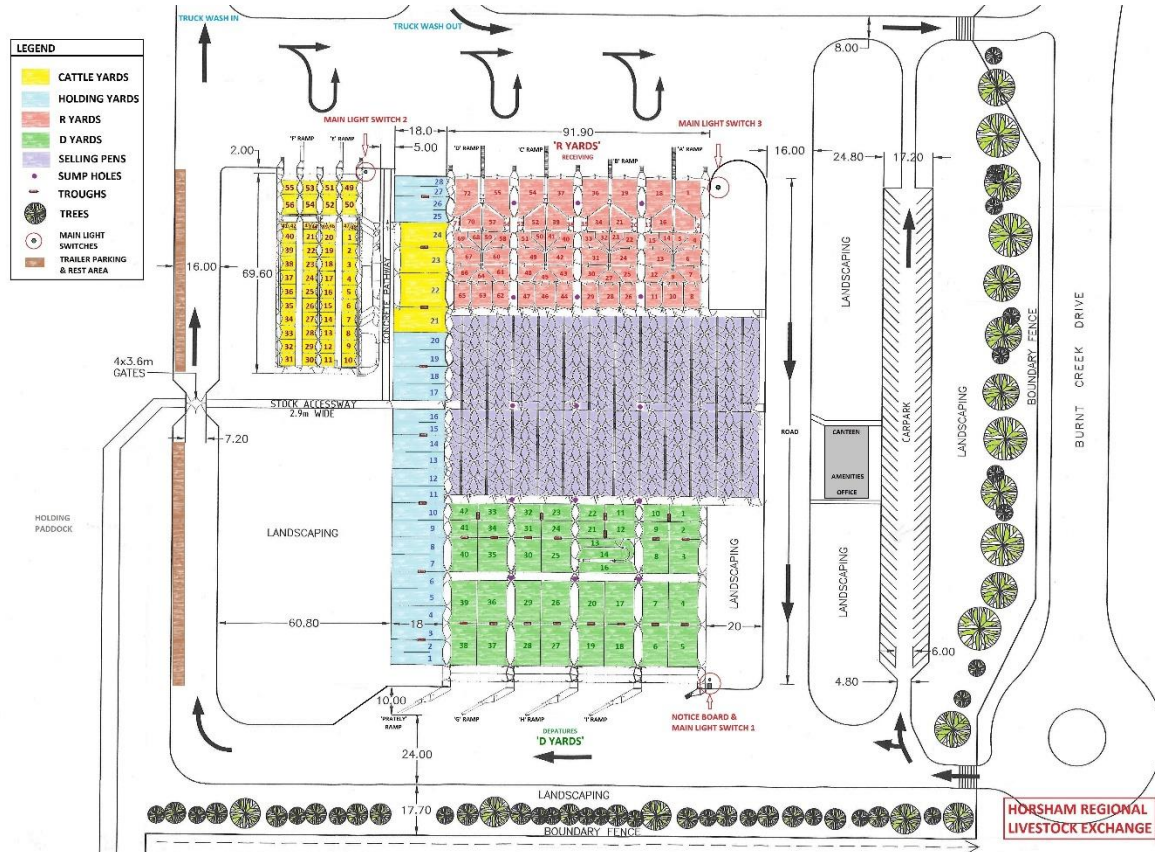
Following the sale the sheep and lambs are counted into the "D" Delivery yards and mostly loaded onto trucks at the southern end of the facility. Any stock that are held at the facility are moved to the holding yards where water is available. In addition, the HRLE has holding paddocks for stock that are held for extended periods.

The site plan shows the movement of vehicles in an orderly, one way direction, with trucks and cars separated effectively. The amenities area is functional and attractive with landscaped gardens, offices, and shower and toilet facilities incorporated with a canteen.

Recommendation: The HRLE would benefit from the addition of an Agents office area to enable Agents to manage their sale responsibilities effectively.

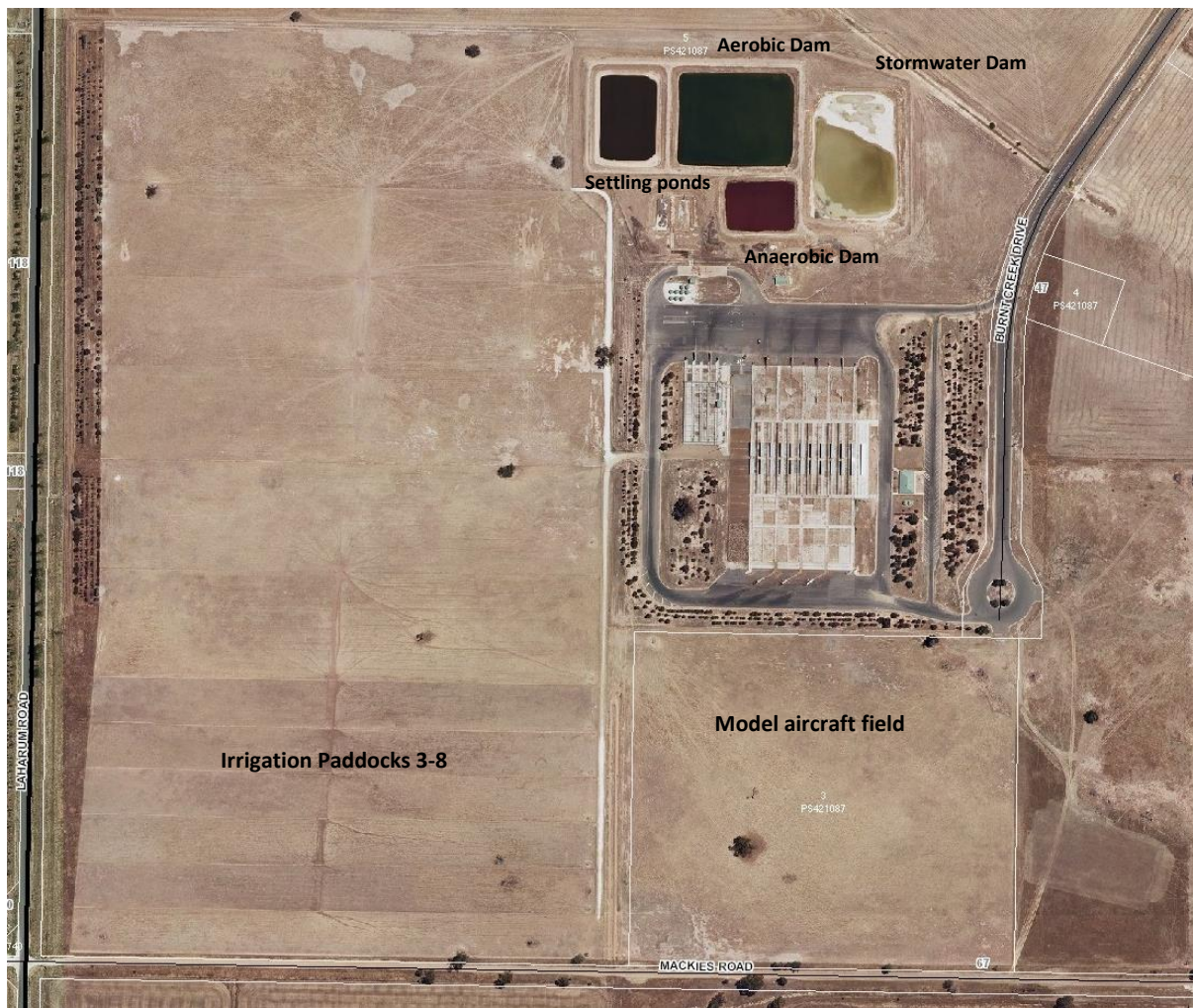
Endorsement: The design of infrastructure is mostly industry best practice with respect to environment, amenities, selling facilities and traffic management.

Figure 5: HRLE Site Plan



The extended HRLE facility incorporates the integration of environmental management systems, including settling ponds, an anaerobic pond, aerobic pond, irrigation facilities and a stormwater pond. An aerial image of the site is shown in Figure 6 below.

Figure 6: Aerial image of HRLE Site



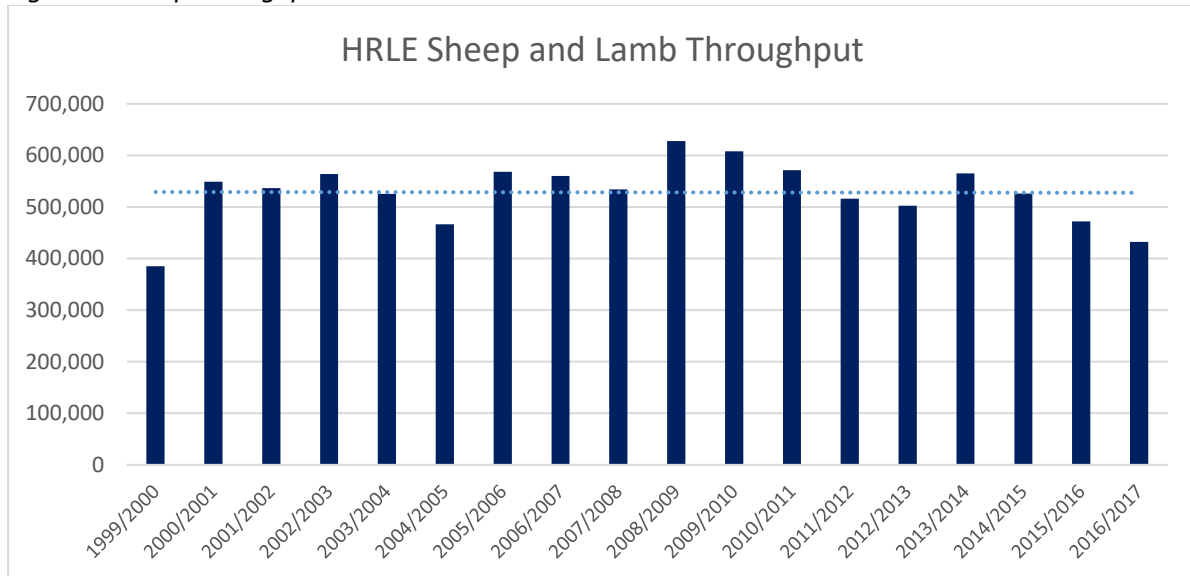
The HRLE site has the advantage of being designed and constructed on a greenfield site, in a dedicated industrial area, away from the Horsham township. The site is well designed with infrastructure catering for all aspects of selling and movement of livestock as required for auction based transactions. In addition, livestock are able to be held in adjacent paddocks, which utilise excess wastewater that can be used for irrigation.

CURRENT THROUGHPUT

Sheep

HRLE is Victoria's fourth largest sheep and lamb market with of 432,096 head of sheep sold in 2016-17.¹⁴ Consistent with the rest of Southern Australia, the throughput for sheep and lambs in Horsham is steady over the past fifteen years. The trend during the past two years is toward lower throughput, in proportion to lower sheep and lamb numbers in the region. Figure 7 demonstrates the trend in sheep and lamb throughput.

Figure 7: Sheep throughput



Comparison to broader saleyard sector

Figure 8 provides details on the broader saleyard throughput for the past 3 years in Victoria. The average throughput for major sheep selling centres has declined 3.4% per year over 3 years. Broader livestock numbers also have an effect on throughput with sheep and lamb numbers in the Wimmera declining by 19% in the three years to 2016¹⁹. Figure 8 demonstrates the variability in livestock numbers over the previous 10 years and the decline in livestock in the Wimmera of 19% between 2014 and 2016.

Figure 8: Wimmera livestock numbers

Year	Wimmera sheep numbers	Wimmera cattle numbers
2016	1,836,906	36,850
2015	2,114,582	78,064
2014	2,185,315	75,093
2013	2,406,444	70,735
2012	2,218,571	58,796
2011	2,286,573	48,812
2010	1,988,104	31,219
2009	1,954,140	42,970
2008	2,140,289	56,637

This indicates that saleyards have not lost market share but have only declined in proportion to total sheep and lamb numbers for the period. Figure 9 shows the change in overall sheep throughput in major Victorian sheep saleyards since 2015.

Figure 9: Sheep throughput figures (2015-17)

Sheep throughput - Victorian saleyards	2015	2016	2017	% Change	Rank
Ballarat	1,516,526	1,402,315	1,345,468	-11%	1
Hamilton	1,013,020	998,439	1,004,719	-1%	2
Bendigo	1,125,568	1,045,648	877,445	-22%	3
Horsham	530,916	483,910	437,305	-18%	4
Ouyen	250,810	264,816	267,325	+7%	5
Swan Hill	203,205	212,104	213,919	+5%	6
Warracknabeal	117,058	113,959	105,349	-10%	7
Shepparton			96,765		8
Wycheproof	99,409	53,117	84,339	-15%	9
Bairnsdale	75,803	45,547	43,554	-43%	10
Sale	31,203	28,113	30,158	-3%	11

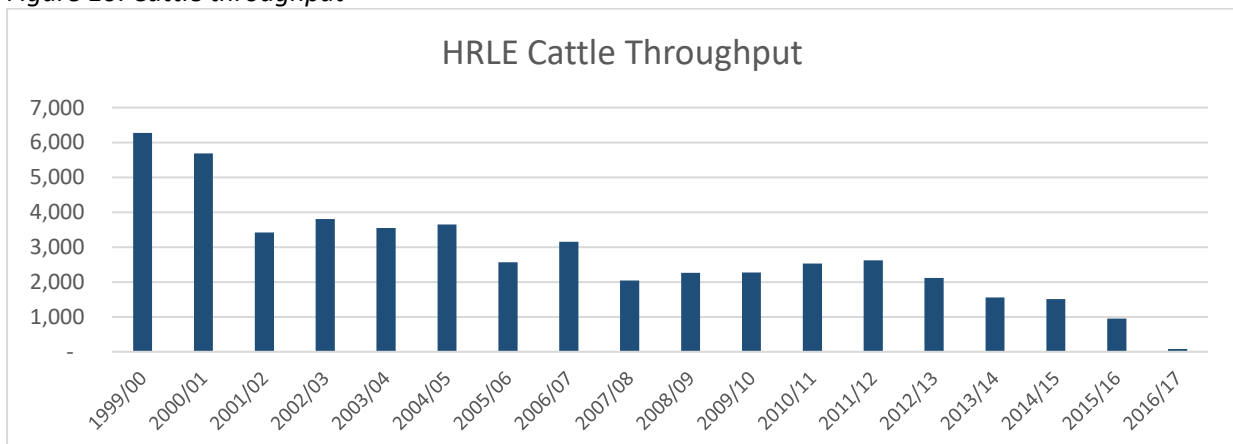
The closest centres competing with HRLE include Victoria largest sheep selling centres in Ballarat and Hamilton. Ballarat has falling throughput but is rebuilding as a new, privately owned facility under roof. Hamilton has maintained consistent throughput and has undergone significant investment recently to roof their facility.

Given that the decline in throughput at HRLE is highly correlated with overall sheep numbers, we consider it likely that HRLE throughput will increase as the sheep population increases through the production cycle.

Cattle

The cattle throughput has steadily declined over the past 20 years. In 1999/2000 HRLE had throughput of 6,278 head of cattle, including ox, veal, bulls and cows. In 2016/17, the throughput was 80 head. The fixed costs associated with maintenance and depreciation of the cattle yard continue, regardless of throughput. Figure 10 demonstrates the declining trend in cattle throughput, largely due to the decline in the Horsham irrigation district.

Figure 10: Cattle throughput



The future for the cattle facility is bleak and likely to be limited to infrequent store sales and seasonal feature sales if Agents consider this a viable option. Given the throughput, the cattle facility has never been viable at this location. The 53% reduction in cattle numbers in the Wimmera since 2015 (figure 8), indicates that the cattle facility will become viable in the foreseeable future.

Recommendation: The cattle facility is unviable and should be closed for regular prime cattle sales.

CURRENT OPERATIONS

The HRLE is a modern, well maintained facility for marketing livestock in the Wimmera region. The facility was built in 1999 and has been maintained effectively. The operations of the HRLE is underpinned by accreditation with the National Saleyards Quality Assurance System (NSQA). The HRLE developed a quality manual in 2016, providing specific details of the chain of responsibility and operational management of the HLRE facility.

Sheep sales are held each Wednesday, clashing with the Hamilton sales which compete for buyers attendance. It may be worth considering moving the sale day to allow buyers to attend both sale days. We acknowledge that there are many factors contributing to the timing of sales and that the market is relatively strong in both centres.

Facility Management

The facility is managed by the HRCC for the benefit of the ratepayers and stakeholders of the Wimmera. Feedback from the stakeholder consultation indicated that management was of a high standard and catered for the needs of interested parties.

Information Management

Under the **current** information management system at HRLE, stakeholders have the following responsibilities:

- Agents are responsible for practically all interaction between vendors, agents and buyers. This includes:
 - NVD management
 - managing sale information
 - NLIS mob based movement
 - reporting to vendors
 - reporting to buyers
- HRLE is responsible for:
 - compliance with NSQA
 - invoicing Agents for yard dues
 - upload of mob based movements for NLIS compliance

The current system has worked to date as the site management have a co-operative working relationship with Agents.

The HRLE is unique in that there is no software system used to manage the process and to store historical sales data. This can be explained in that since the cattle portion of the business became almost non-existent, HRLE has effectively operated as a sheep only centre. As sheep are not weighed and have not had to be scanned to comply with NLIS, part of the use of software systems at saleyards was not required.

Other functions of the business that would normally be the responsibility of the saleyard operator are completed by the Agents. The agents currently manage all sale data independently of the saleyard. Key information includes:

- National Vendor Declaration (NVD);
- Sale data, including vendor information, lot description, price and buyer details; and
- Buyer reporting

It is logical from the perspective of the agents to have all the data for sales at HRLE. However, the HRLE should also be able to interrogate data associated with livestock moving through the facility and control regulatory compliance for the facility.

Recommended System

As the business and regulatory environment becomes more complex, we recommend that HRLE obtain specialist software for the management of the saleyard. There are multiple software systems that can accommodate this recommendation. Key data management solutions provided by such software include the following features:

Operations

- Entry and balancing the sale lot data through central saleyard software;
- Reporting to buyers, including pre-sale summary, post-sale summary, NVD, and Animal health declaration;
- Access to technology to promote operational efficiency including progressive data entry using tablet based data collection for booking, clerking and delivery, and
- Tracking overall sale numbers for billing Agents based on throughput.

Regulatory

- Livestock Production Assurance
 - NLIS transfers;
 - NVD management;
 - Animal health declarations
- NSQA compliance

Biosecurity

- Traceability of livestock through the facility;
- Provision of an audit trail for livestock;
- Management of Biosecurity;

Strategic

- Analysis of the business;
- Reporting to stakeholders;
- Support for the use of online systems for disseminating sales data, including online cataloguing and remote buying and selling.

Recommendation: HRCC purchase specialist saleyard management software to manage the facility, analyse the business, complete reporting to buyers and the regulatory requirements of NLIS, LPA and future regulated systems.

A two stage process is recommended with operational and regulatory functions in stage one, followed by Biosecurity and strategic functions implemented in stage 2

Resourcing

The implementation of saleyard management software will require a change in how data is entered and managed. Almost all saleyards follow a similar process in this regard as NLIS moves to individual EID based systems.

Where HRLE Agents enter all NVD, lot, price and buyer information into their own agent management systems, typical saleyards enter this information into a central saleyard software system, complete the sale and then export the data to the Agents software. There is not a significant change in overall workload, but a change in how the data is entered and distributed to stakeholders. Data management under a more typical system operates in the following way.

- **NVD** information is entered into the saleyard management system by a single representative of the combined Agents, usually an Agents secretary. This could also be done by individual Agents, who can log into the saleyard system and manage their sale data.
- **Lot information** is entered prior to the sale including pen number, vendor, stock category, and number of head.
- **Sale information** including buyer, price and account (way) are entered either at the point of sale using tablets, or following the sale, in the office.
- **NLIS devices** are attached to sale lots either at the time of drafting, pre sale or post sale, depending on the preference of the HRLE. Individual Agents may use different methodology within the system for compliance.
- **NLIS Transfers** occur prior to the sale for the transfer in and following the sale for the transfer out process.

The data management task is becoming significantly more complex with the introduction of NLIS for sheep. Additional information required includes RFID number, linked to sale lot.

We recommend that data entry responsibility is divided as follows:

TASK	RESPONSIBILITY	TIMING
NVD ENTRY	Agents	Pre sale
NLIS SCANNING	Agents	In draft
LOT ENTRY	Agents	Pre sale
LINK NLIS TAGS TO LOTS	Agents	Pre sale
SALE DATA ENTRY	Agents and Council	Point of sale
CROSS CHECK SALE DATA	Agents	Post sale
BALANCE BUYER DETAILS	Council	Post sale
BUYER REPORTING	Council	Post sale
SEND AGENT INFORMATION	Council	Post sale
DISTRIBUTE REPLACEMENT TAGS	Council	Pre sale
NLIS TRANSFER	Council	Post sale

Data management is becoming more onerous, which is likely to lead to some saleyards engaging external contractors to manage information systems on behalf of the stakeholders.

Receival

The sheep are received predominately at the northern end of the yards. The receival system is effective as sheep and lambs are held in holding pens (R Yards) that are accessible to the draft,

limiting the required movement of stock pre-drafting. Sheep that arrive early, mostly from the north, are able to be held on water in the holdings yards depicted in the site plan above. Sheep arriving early will often be unloaded from the southern loading ramps. Trucks are met by Agents staff whose role it is to unload and count sheep off trucks and accept the NVD from the driver.

NVD Management

The NVD is stored in a secure box for each agent. Agents staff retrieve the NVD and enter them into their own software systems.

Recommendation: HRCC enter NVDs into the saleyard software system prior to the commencement of the sale, including the time of arrival. This is to ensure compliance with the regulatory requirement to have a legitimate NVD for each vendor lot.

Sale information

Currently data is not balanced through a central system. The HRLE management relies on individual agents to balance sale lots independently. This is reasonable from the perspective that the agent must ultimately negotiate with buyers to ensure that both buyers and sellers receive the correct number of prescribed stock. However, HRLE as the facility operator, do not have a visible record of livestock movement through the facility.

Recommendation: HRLE enter sale lots into the saleyard software system prior to the commencement of the sale. HRLE ensure that sale lots are counted and balanced prior to sale.

Selling efficiency

The sheep selling process at HRLE is efficient and functional. Sales start at 9.30 am on Wednesday morning and are finished by 1pm, regardless of the size of the offering. The selling process is both efficient and responsible in terms of animal welfare. Sheep have access to water when not in the selling pens.

Endorsement: The actual selling process is efficient, and there are no recommendations to improve the selling process. However, the selling process could be better supported by a change to information management at the point of sale.

The benefit of a move to information entry at the point of sale is primarily to enter data early to enable discrepancies to be managed while stock can be checked and buyers are on site. This will reduce work later in the process. In addition, the introduction of NLIS for sheep will require more efficient data entry methodology.

Recommendation: HRLE and Agents enter buyer and price into the saleyard software system at the point of the sale. This is normally done with a data entry tablet supported by a manual pre printed clerking sheet.

It is logical and efficient to have all data collected once, held in a central database and retrieved by stakeholders for their own use. This strategy improves on the current practice where data is not centrally collected, stored and disseminated, restricting efficient facility data management.

The costs associated with the introduction of saleyard specific software is estimated to be \$0.01 per head sold. There is no significant additional work involved to provide the HRLE with an established NLIS compliance method, along with improved control of business related data.

Figure 11 shows an estimate of the selling process on selected sale days, from which we have calculated the efficiency of the selling process.

Figure 11: Selling efficiency

Date	LOTS			SELLING TIME						
	Lamb	Sheep	Total	Head	Head / Lot	Start Time	Finish Time	(Minutes)	Lots / Minute	Head / Minute
6/7/16	117	55	172	3428	20	9:30:00 AM	10:00:00 AM	30	5.7	114
17/8/16	102	101	203	7215	36	9:30:00 AM	10:15:00 AM	45	4.5	160
28/9/16	205	113	318	14947	47	9:30:00 AM	12:00:00 PM	120	2.7	125
12/10/16	284	82	366	18877	52	9:30:00 AM	12:30:00 PM	150	2.4	126
2/11/16	279	58	337	18142	54	9:30:00 AM	12:30:00 PM	150	2.2	121
1/2/17	243	52	295	10487	36	9:30:00 AM	11:15:00 AM	90	3.3	117
5/4/17	282	68	350	14474	41	9:30:00 AM	12:00:00 PM	150	2.3	96
7/6/17	173	51	224	6658	30	9:30:00 AM	10:30:00 AM	60	3.7	111

* Data supplied by the HRLE

**If agents draw for over 5000 lambs in a sale there is a 15-minute break between lamb sales and sheep sales

*** If agents draw for over 15,000 in total we there is a 30-minute break between lamb sales and sheep sales

Delivery

Currently the delivery of sheep is controlled by the transport company that is engaged by the buyer to handle stock movement to the abattoir or other end destination. This system is currently manual, and the balance is determined by a cross check between the delivery contractor and the agent.

Recommendation: HRLE assist the balancing process by printing delivery dockets for each agent so that buyers can balance against the number of head recorded in the pre-sale balance and agree on price and buyer at the point of delivery. The buyer can then sign off at the office to confirm that the number of head, price and buyer are correct.

Documentation

The HRLE holds the following management documentation required for compliance with the National Saleyards Quality Assurance System:

1. HRLE Quality Manual
2. Environmental management plan
3. Maintenance;
4. Cleaning process;
5. Dead sheep process;
6. Sale check off;
7. Chemical use;
8. Electronic loading ramp;
9. Inventory management of livestock;
10. Fuel usage;
11. Weekly sales record; and
12. Post breeder tag distribution for cattle.

Recommendation: A post breeder tag distribution record for sheep will need to be developed

Livestock Movement

The physical movement of livestock is efficient at HRLE. As identified, we recommend that the administration is enhanced through the use of centrally controlled, progressive data entry into a single software database.

Livestock flow effectively from unloading and receipt, through dedicated draft facilities for each agent to sale pens. Post-sale, sheep move to delivery yards prior to loading. Suspect animals are held in isolation pens (H23, H26, H28, H33, H39).

Vehicle Movement

The movement of vehicles is regulated and orderly at the HRLE. All vehicles follow a one way route through the facility and there is separation of cars from livestock transporters.

Endorsement: Vehicle movements are orderly and regulated at the HRLE. There are excellent facilities available for the comfort of truck drivers.

Truck Parking

Truck parking is available at HRLE 24 hours per day, enabling truck drivers with both security and amenities to enable rest between journeys.

Weighing

Current practices do not require sheep and lambs to be weighed at HRLE. Sheep and lambs are sold in an open auction scenario with the transaction completed in dollars per head. Buyers use their own discretion to determine the market price for stock based on weight, condition and estimated yield.

There are alternative facilities that enable the use of pre-sale or post sale weighing of lambs to enable the transaction to be completed on a curfewed live weight basis. Subsequently bids are placed in c/kg from buyers.

There are benefits of selling on a live weight basis as there is more transparency in the market. This provides further incentive for buyers to attend the market, improving market depth and competition for stock.

For HRLE to comply with a live weight sale system, the animals need to be weighed. The weighing can occur over a bulk weighbridge in a sale lot. Alternatively, individual scales could be used in the draft and animals weighed and scanned using an auto draft. Any pre-sale weighing is likely to be not curfewed, adding complexity to the sales transaction.

Recommendation: Remain as an open auction selling system and monitor if buyer requirements change

Animal Welfare

Animal welfare has been a key focus in the design and operation of the HRLE facility. The facility complies with current components of animal welfare¹³ to ensure that the well being of the animal is ensured during the sale process. However, as animal welfare becomes more important, we recommend that HRLE invests in infrastructure to comply with increasing animal welfare regulation. Key areas of importance include:

- **Feed and Water:** Sheep have access to water in holding pens and are fed if stock remain in the facility for more than 24 hours;
- **Shelter:** The HRLE does not comply with industry best practice¹³ with regard to the provision of shelter for livestock; and
- **Extreme weather:** The HRLE does not cater effectively for the welfare of sheep during extreme weather conditions. A roofed facility would solve the majority of welfare related issues.

Technology

Key technology components that will add significant value to the operation of the HRLE include:

- Saleyard management software;
- Tablet based data entry, including booking, clerking and delivery;
- Automated reporting; and
- Wi-Fi.

Recommendation: Key technology be integrated into the HRLE including Wi-Fi to enable mobile data collection.

Future developments will provide the opportunity to access new technology including:

- Remote buying and selling through internet access;
- Online cataloguing;
- Live streaming;

HRLE can assess the benefit of new technology as it emerges.

Mental Health and Welfare

Saleyards provide an important social environment in country towns. Rural men in particular are typically more comfortable in seeking social interaction in a familiar environment such as the saleyard. The benefit to the community of promoting positive social interaction for the rural community through saleyards is important, although difficult to quantify.

Endorsement: The HRLE caters well for the rural community, creating a comfortable environment to socialise with peers.

CURRENT COMPETITION

The HRLE faces an increasingly competitive environment to attract livestock through the facility. The alternative selling methods include direct selling of sheep and lambs over the hooks and through paddock sales between producers and online systems such as Auctions Plus.

Unrepresented clients are selling outside the saleyards system without using an agent. This is the preferred selling method for much of the industry as vendors choose to market their own stock and save the cost of using an agent as a broker between the vendor and the end market. Buyers also prefer to establish a direct relationship with suppliers to enable access to stock direct from the farm.

There are logical reasons for this including:

- managing meat quality;
- managing market expectations;
- incorporating quality assurance systems; and
- management of traceability and provenance claims.

Some vendors choose to use an agent, as they consider the benefit of marketing stock through an agent outweighs the costs. Agents provide two main value propositions:

- agents realise the best price for stock through industry expertise, relationships and understanding of the market; and
- agents guarantee payment for the vendor and effectively taking on the payment risk of the transaction.

Where a vendor uses an agent, the agents generally determine where stock are sold for their clients, based on the best available return to the vendor. In a falling or stable market, agents also give preference to direct sales to clients where the price is able to meet market expectations and the size of the consignment is sufficient for transport to further destinations. This approach allows the agent to avoid the additional workload and costs associated with using the saleyards. Most agents use a combination of direct sales and saleyards to market the clients stock.

Regardless of preferences, both buyers and agents recognise the importance of having saleyards as a marketing option in the livestock supply chain. Saleyards play a vital role in the industry by:

- enabling transparent price discovery;
- presenting significant lines of stock in a central location; and
- enabling smaller lots to be combined into larger lots for transport efficiency.

This role will continue into the future as there is a significant portion of the industry with smaller lot sizes. The challenge for the saleyard sector is to provide value over and above the roles defined above, in order to grow market share. Those facilities that do not invest in best practice systems will cease to exist as increasing regulatory requirements affect the cost of providing saleyard services.

Saleyards must maintain an effective market to attract stock as the alternative marketing options are readily available to producers and agents. We do not know if this will continue into the future, however we recommend that HLRE embrace best practice to manage downside risk.

Online selling systems such as AuctionsPlus have made a significant impact on saleyards and the broader industry. Predominantly used for the transaction of store stock between producers, Auctions Plus enables direct consignment from the producer to the buyer, through a registered Agent.

CURRENT FINANCIAL PERFORMANCE

The financial performance of the HLRE is assessed by considering historical financial statements incorporating the profit and loss and balance sheet. The profit and loss enables us to compare historical financial results and predict future profits or losses. The balance sheet quantifies assets and enables consideration of the capital base. The balance sheet informs costs associated with asset renewal based on depreciation and additional infrastructure requirements.

Profit and Loss

The profit and loss¹¹ for the financial year 2017 shows an operating loss of \$30,523. This reflects the lower than expected throughput of sheep and lambs for the year.

Figure 12: 2017 Profit and Loss Statement

PROFIT AND LOSS STATEMENT			
INCOME			
Account Description	2014/15	2015/16	2016/17
Agents Registration Fees	55800	57400	59,100
Agistment Income	55593	32955	21,305
Disposal Service Fee	9333	8321	8,168
Ear Tagging Service	220	114	
Livestock Selling Centre Dues	373474	340774	323,455
Truck Wash Burnt Creek	22827	21054	24,138
Other sundry income	1100	1000	
	518,347	461,618	436,166
EXPENDITURE			
Agistment Costs			0
Bore Pump Operations			0
Building Maintenance	800	7636	6222
Cleaning of Livestock Exchange	108778	117854	105643
Holding Paddocks Ops	22274	15117	13148
General Maintenance	28561	20709	60383.3
Specific Maintenance	1553	7466	477
Livestock Sales Admin	78173	95236	99036
Conduct of Sale	64247	67919	67046
Operating Admin Expenditure	80034	94216	94691
Quality Assurance Costs	480	490	500
Truck Wash Operations	2848	7147	2683
Vegetation Management	9981	19756	16860
Capital Expenditure	44940	19102	
	442,669	472,648	466,689
EBIT	75,678	-11,030	-30,523

The financial year 2017 result was compared to previous years to define the trend in profitability for the HLRE. This is the second operating loss in the past two years. An increase in throughput and / or

fees is required to change this trend. It is noted that the financial year 2015 returned healthy earnings before interest and tax (EBIT) of \$75,678 to the reserve fund.

Net Assets

The table below shows the summary of assets at HRLE as at the end of the financial year 2017. The written down value of the facility is \$4,688,387 excluding land value on a total replacement cost of \$8,484,696.

Figure 13: HRLE Assets at 20 June 2017

HRLE ASSETS SUMMARY			
Totals	Replace Total Cost	Accumulated Depreciation	Written Down Value
Plant	126,960	59,254	67,706
Furniture	74,150	57,153	16,997
Land	1,308,000		
Building	309,336	79,542	229,794
Other Infrastructure	6,666,250	2,292,360	4,373,890
	8,484,696	2,488,309	4,688,387

Fee Structure

The current fee structure is based around yard dues of \$0.75 per head sold. This is competitive with other facilities in the region and significantly lower than fees that are common at new, privately facilities and interstate facilities.

Benchmark Fees

HRLE yard dues are similar to competing saleyard facilities in the region, as shown in Figure 14 below. The fees for selling sheep and lambs through saleyards is likely to increase as operators seek to manage depreciation of NLIS scanning equipment that is being installed in 2018. Depreciation will be a continued cost impediment to saleyards that have installed high value fixed reading equipment to comply with NLIS as the expected life of equipment is 10 years.

Figure 14: Benchmark saleyard yard dues

Saleyard	Yard dues
Warracknabeal	\$0.70
Ballarat	\$0.72
Bendigo	\$0.74
HRLE	\$0.75
Hamilton	\$0.80
Interstate	
SELX, Yass	\$1.05
Wagga Wagga	\$1.30 - \$1.44
Forbes	\$1.96
Dubbo	\$0.85

There is a significant gap between fees at Victorian sheep saleyards and interstate saleyards in NSW. Forbes is a significant selling centre, with more than 1.5 million sheep and lambs sold annually. Selling fees are 261% higher than HRLE.

In addition, a capital improvement fee should be considered to provide a capital works reserve for new infrastructure.

Recommendation: Yard dues will need to increase by a minimum of \$0.10 per head to account for depreciation of NLIS equipment. Ongoing capital works is not included in this fee increase.

STAKEHOLDER AND COMMUNITY PERSPECTIVES

Outcross has chaired a process incorporating stakeholder and community consultation on 30 August, 2017. The focus of the consultation was an analysis of the Strengths, Weaknesses, Opportunities and Threats (SWOT), used as a structure to identify the influential factors affecting the internal and external functionality of the HRLE business unit. The SWOT analysis framework considers internal strengths and weaknesses and external opportunities and threats affecting a business. Importantly, the outcomes are attached to key action items that are designed to progress the findings of the SWOT analysis to achievable end points.

Participants

The stakeholder consultation meeting was held at the HRLE on 30 August 2017. Participants included representatives of the four selling agents (Elders, Landmark, Rodwells and Driscoll McIlree and Dickinson (DMD)). In addition, the saleyard management and office staff from the HRCC attended the stakeholder consultation.

A full participant list is shown below.

Stakeholder and Community Consultation Participants

NAME	ORGANISATION	CATEGORY
Mr Paul Christopher	HRLE Manager	Council
Mr Rob Moir	HRCC Operations Manager	Council
Mr John Martin	HRCC Director Technical Services	Council
Mr Andrew Adamson	Elders	Agent
Mr Matt McDonald	Landmark	Agent
Mr Wayne Driscoll	Rodwells	Agent
Mr Vince Muscat	DMD	Agent
Mr Andrew McIlree	DMD	Agent
Mr Gavin O'Sullivan	O'Sullivans	Transporter
Mr Laurie Egan	JBS	Buyer
Mr Frank Belot	Cedar Meats	Buyer

Buyer Feedback

The consultation process included discussion with key buyers prior to the sheep and lamb sale on 30 August, 2017.

Saleyards are important for the supply of livestock to major buyers including JBS, Australia's largest meat processor. However, the buyers prefer to purchase livestock directly from the farm. In doing so, they incorporate an internal quality assurance system (Farm Assurance) that excludes saleyard livestock.

It is also difficult to comply with the industry grading system for eating quality developed by Meat Standards Australia through a saleyards pathway. Challenges faced by saleyards include:

- requirements for MSA for slaughter within 24 hours of departure from the property
- restrictions on interlotting
- additional stress related to handling through the drafting process
- restrictive curfews for livestock at saleyards

Saleyards need to change the selling process for stock if MSA is important as a target market. Lots would need to be pre drafted in deck lots and sold first without curfew. This would allow compliance for MSA.

It is important that saleyards such as HRLE invest in systems to improve quality assurance, welfare and eating quality outcomes.

SITUATIONAL ANALYSIS: STRENGTHS, WEAKNESSES, OPPORTUNITIES, THREATS

The situational analysis below draws on the reviews and stakeholder consultation, and identifies gaps as key action areas for the future.

Figure 15: SWOT analysis

INTERNAL FACTORS	
<p>STRENGTHS</p> <ul style="list-style-type: none"> • Location: HRLE is well located, well-lit and designed to maximise sheep flow. • Operations: HRLE is fully compliant with the NLIS and is continuing to comply through the introduction of EID and is accredited under the National Saleyards Quality Assurance Limited. Saleyard management is seen as a strength. • Occupational Health and Safety (OHS) is adequate. • Facilities: HRLE has an amenities block, canteen, two bay truck wash capable of supporting B-double trucks, after hours security patrol, emergency unloading access, and agistment available on arrangement. The facility is relatively modern and generally in good condition. • Security and canteen and office requirements are adequate. • Staffing: The HRLE agents network and the saleyard management is a key strength. • Sales: HRLE has weekly sheep and lamb sales and fortnightly cattle sales. Sheep and lamb sales have high stock quality and numbers. The store sales were seen as a strength. • Council ownership 	<p>WEAKNESSES</p> <ul style="list-style-type: none"> • Infrastructure: There is a concern that depreciation costs are not accounted for. The facility has a number of weaknesses, including a lack of suitable roofing, which has implications for yield, meat quality, presentation, stakeholder welfare and animal welfare. An additional loading ramp is required. • Competition: from direct, online selling and other saleyards. HRLE could consider more active marketing, including the HRLE branding strategy. The IT infrastructure and website could be improved. • Cattle sales have declined to be insignificant, however, the facility remains and requires upkeep. • Data management: Documentation at the booking and clerking stages is paper-based which poses risks for NLIS compliance. • HRLE branding is poor without a co-ordinated marketing plan
EXTERNAL FACTORS	
<p>OPPORTUNITIES</p> <p><i>HRLE could:</i></p> <ul style="list-style-type: none"> • Construction of a roof to improve presentation, animal welfare and the welfare of stakeholders • Extend to include store cattle sales or increase the numbers of western sheep. • Use active online, social media (Facebook) newspaper and radio communication to extend the market depth. • Collect and reuse water in the truck wash and trough to reduce costs of site cleaning. • Reduce power costs by installing solar panels. • Benefit from the potential closure of nearby facilities such as Warracknabeal. 	<p>THREATS</p> <p><i>HRLE faces:</i></p> <ul style="list-style-type: none"> • Challenges in maintaining consistent livestock numbers could prompt a move to a fortnightly sale, either permanently or for those parts of the year when stock numbers are low, to ensure there was enough sheep to fill trucks and make it worthwhile for buyers to attend. • Competition from other selling methods, such as direct sales, AuctionsPlus, and online. • Biosecurity/ disease threats. • Animal welfare concerns and advocates. • Increased 'red tape' in the sheep industry. • NLIS Sheep rollout. • Ongoing climate change.

KEY ACTION AREAS

The gaps, or key action areas, were identified based on the SWOT analysis. Below are options for the future which take into account the current context of global and industry development issues; current performance including throughput and commercial viability and potential markets; the incorporation of technological advancement, environmental impact and sustainability; asset management and improvements. These key action areas are:

Figure 16: Key Action Areas

KEY ACTION AREA	RATIONALE	RECOMMENDATION
Operations	Cattle sales are declining over the medium term. However, there is still value in having a local cattle facility.	That HRLE: <ul style="list-style-type: none"> close the weekly cattle sale due to lack of demand; consider acting as a transit centre for larger cattle facilities; consider a monthly feature store sale, or a focus on several feature sales such as a breeders sales or weaner sales; and/or consider that the cattle facility may also have a role to play in a stock standstill situation.
Operations	The introduction of individual electronic compliance with NLIS for sheep and goats presents an opportunity to embrace technology into the sales process.	That HRLE install software and associated technology options to streamline data collection and dissemination to stakeholders.
Information management	The current paper based approach to data collection and management creates risks to reliability and NLIS compliance and interruptions to livestock flow through the facility, and delays in transfer of data to agents, buyers and vendors.	That HRLE adopt an electronic information management system to reduce risks identified. This approach will also require the HRLE to adopt an appropriate information management process to comply with a changing regulatory environment.
Infrastructure	HRLE has suitable infrastructure in good condition, and the facility provides economic benefits to the region. The preferred approach is to modernise the existing facility. Horsham has extremes of temperatures, particularly in the colder months, which make an open saleyard uncomfortable for vendors with potential to impact yield, meat quality, presentation and animal welfare.	That HRLE plan to provide a roof for the existing facility.
Staffing	The track record of management and staff is strong at HRLE.	Retain current staffing policy and model of HRCC ownership and operational control.

INFRASTRUCTURE REVIEW

Horsham Regional Livestock Exchange (HRLE) was originally constructed in 1999. The design of both the sheep and cattle saleyard areas is in keeping to what is recognised as the industry best practice. The exception to this is the absence of roofing.

Galvanised steel was used in the construction of both the sheep and cattle yards to increase its longevity.

1. Sheep Unloading Ramps (North)

The unloading ramp to the north consist of 3 x adjustable ramps, 1 x fixed two deck ramp and 4 fixed box trailer ramp. Over the years, the 3 adjustable ramps have replaced the original 2 deck ramps at these locations. As funds become available the plan is to replace the remaining 2 deck ramp with another adjustable ramp. All ramps along this side remain in good working condition.



Typical 9m Adjustable Sheep Loading Ramp



Remaining 2 Deck Loading Ramp to be replaced

Estimated Cost

Proway have provided an estimate for the replacement of the remaining 2 deck ramp.

Description	Cost
Demolition of existing ramp	\$1500.00
Supply and installation of new adjustable sheep ramp	\$32,000.00
Electrical Allowance (to get power to ramp)	\$2,500.00
Total	\$34,000 inc. GST

2. Draft Yards

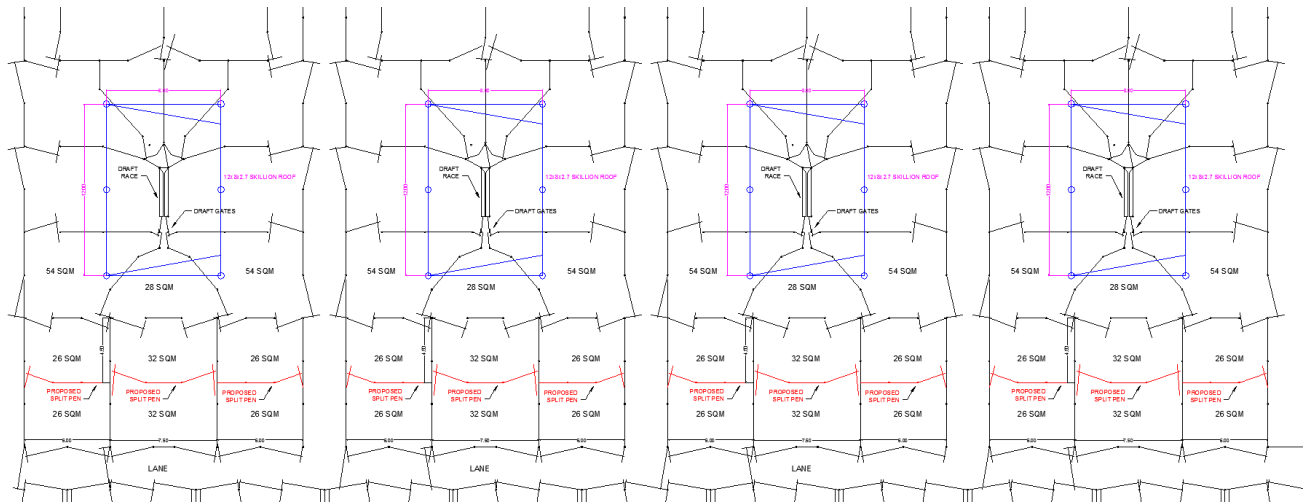
HRLE has 4 draft areas before the selling pens. These all in good condition.



Adjustable width sheep drafting race

The drafting areas have no roofing and offer no shade or weather protection for the operators. The draft area must be covered to protect NLIS infrastructure. This is best achieved through roof in the facility, however could be covered with local rooves.

The yards behind the draft have been identified as being larger than necessary and can be split. Both the local rooves and the split draft pens are shown in the below drawing.



3. Selling Pens

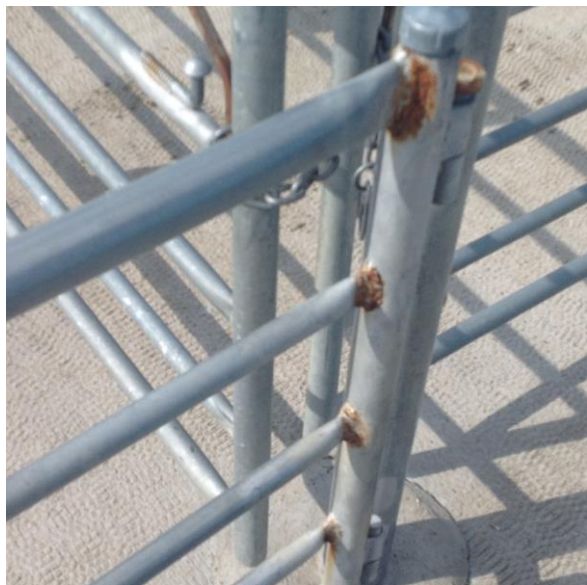
The selling pens have an auctioneers' catwalk above them with the buyers standing in the sheep lane (which is partially undercover) and the sheep in between. The selling pens are designed in a way that the dividing gates can be opened up to give complete access for cleaning and maintenance.



Selling pens opened up after cleaning



Partially covered buyers Lane



Regular maintenance should include cleaning and painting rust with cold galvanising paint



There are a number of posts throughout that need concrete domed up around the post so that water can get away and reduce corrosion at the base.

4. Delivery Yards

The delivery yards are used to accumulate sheep before trucking. They are in good condition with water available to stock.



In the delivery yards there is also a bugle draft area for drafting sheep as required.



5. Loading Ramps (South)

For loading out there are 4 Adjustable sheep loading ramps. 3 of these are the original ramps and are showing signs of ageing but are still all functional.



Out loading Ramps



Buffer damage

6. Holding Yards

The holding yards along the western edge of the sheeppens have gravel for the flooring. This has been eroded and is in need of fill to allow the pens to drain.



Water laying in holding yards after recent rain

7. Cattle Yards

The cattle yards consist of 2 fixed truck loading ramps and 2 box trailer ramps.



All ramps are in good condition.

The selling pens have troughs for cattle to drink from. The auctioneers sell from the raised catwalk and the buyers operate from a low-level walkway.



Cattle selling Pens

There is a working race with crush, weigh bridge and scale house. All parts are in good condition and require minimal maintenance.



Cattle Crush and Scale

8. Pavement

The roads in and around the selling centre are all surprisingly sound considering the amount of heavy vehicle movements.



Bitumen leading up the loading ramps



Car park



Road in front of Canteen

9. Truck Wash

The single bay truck wash is located in the northwest corner of the facility and is operated by an Avdata key by those who use it



Truck wash and pump shed



Water tanks for potable for drinking water and non-potable for washing water

10. Canteen/Amenities/ Office

The main building contains the canteen, toilets and showers and also houses the saleyard administration.



Building with well-kept garden

FACILITY DEVELOPMENT

Roofing Project

The key finding of the infrastructure review is that the HRCC should consider roofing the facility. Most modern saleyard facilities incorporate roofing in the infrastructure design.

MKM saleyard roof design



Horsham has a variable climate with overnight temperatures in winter falling below 5°C. alternatively, during the peak selling season in summer, temperatures often rise above 40°C. The sawtooth roof design shown enables air flow and noise management, while also providing shelter.

Sawtooth modular saleyard roof design

Construction of a roof over the sheep portion of the HRLE will enable economic, environmental and social benefits to be realised. The benefits of roofing the HRLE are diverse and encompass the following key value propositions:

1. **Animal Welfare.** The Australian model code of practice for saleyards and lairages¹³ states that livestock should be protected from extremes in weather that can cause heat or cold stress and that there should be applicable shade or shelter for animals in hot climates. The need for shelter and trough access is also acknowledged by Agriculture Victoria as an animal welfare issue. In extreme heat, Victorian Agriculture recommend that holding and processing areas for livestock should have shaded areas available; particularly roofing. If insufficient shelter is provided for large groups of livestock there is the risk of animals crowding together under shelter resulting in smothering.

Animals are held at HRLE for a variable period, depending on the size of the sale. During large sales animals are often in the facility overnight and can often be in the facility for 24 hours. Evidence suggests that far better animal welfare outcomes are achieved when animals are under roof. The animals are relieved of heat stress and lose less weight than uncovered facilities. Lower stress levels improve meat quality resulting in higher value animals leaving the facility when considering increased weights and superior meat quality. Roofed facilities are often quieter, indicating that animals are more comfortable.

2. **Human welfare** can benefit significantly from a roofed facility. During the peak selling season, agents and workers are often working in the heat of the day. The environmental concerns are amplified by working on concrete, where temperatures are increased as heat is reflected from the surface. A roofed facility provides a working environment that is more responsible for stakeholders. The Hamilton saleyards experienced a reduction in temperature of 5-7°C under the roofed section.
3. **Infrastructure Maintenance.** The protection of existing and new infrastructure is important in reducing depreciating of the asset. This is particularly relevant to the significant investment in new NLIS reading equipment at the HRLE. HRCC expect that the NLIS reading equipment will cost more than \$400,000. This equipment will need to be covered, providing an opportune time to consider the benefits of covering the whole facility.

4. **Cleaning** is currently a significant cost to the facility. Average cleaning costs for the past 3 years was \$110,758. A roofed facility would reduce cleaning costs significantly through a reduction of water use and lower labour costs. Cleaning under a roofed facility is done by use of a sweeper attached to a bobcat. This reduces the use of water and has improved environmental outcomes through a reduction in wastewater from the facility.
5. **Safety** will be enhanced for stakeholders of the HRLE in a roofed facility. The risk of injury will be reduced by working under cover and the associated long term risk of illness will be reduced through elimination of negative effects of environmental waste, sunlight and temperature.
6. The roofing will subsequently enable **improved lighting** which will in turn reduce issues related to handling stocks in poorly lit areas during drafting at night. Improved lighting will enable more flexible working timeframes, improved scheduling of shifts and improved management of fatigue. Lighting under a roof will also alleviate HRLE of the current issues associated with the expense of maintaining the current lights due to the height of the current lighting structures.
7. Water capture potential is significant, enabling the HRLE to capture all the required water that is used in the truck wash and for other general purposes.
8. The roofing will improve the **presentation** of livestock which will improve returns to growers and the reputation of the facility. This will become more important as the market adjusts to larger competitors providing roofed facilities nearby.

The use of solar panels to form the roof was considered, with the added benefit of solar power that could be on sold to other businesses located in the industrial estate. Our research indicates that the technology is currently not advanced enough¹⁶ for this to be commercially viable¹⁷.

If the facility remains uncovered, vendors will be more likely to choose an alternate marketing option for their livestock that is better able to present the stock in peak condition and manage animal welfare risks. An uncovered HRLE will result in an uncompetitive selling environment compared to adjacent facilities at Ballarat and Hamilton. Once there is an obvious advantage in marketing stock elsewhere, the HRLE will find it increasingly difficult to maintain the strong market and attract livestock.

The construction of a roof is the best tool available to arrest the recent decline in throughput and promote the HRLE as the preferred selling centre in western Victoria.

Three different roofing options have been considered.

1. Roofing the sale pens is an area of \$7,659m².

This option only allows for roof on the selling pen area. The estimated cost is \$1,242,500¹⁷ based on an estimate from MKM Constructions at a square metre rate of \$169/m².

Option 1 for the roofing project- selling pens only



2. Roofing the receival pens, draft, selling pens and 16 holding pens

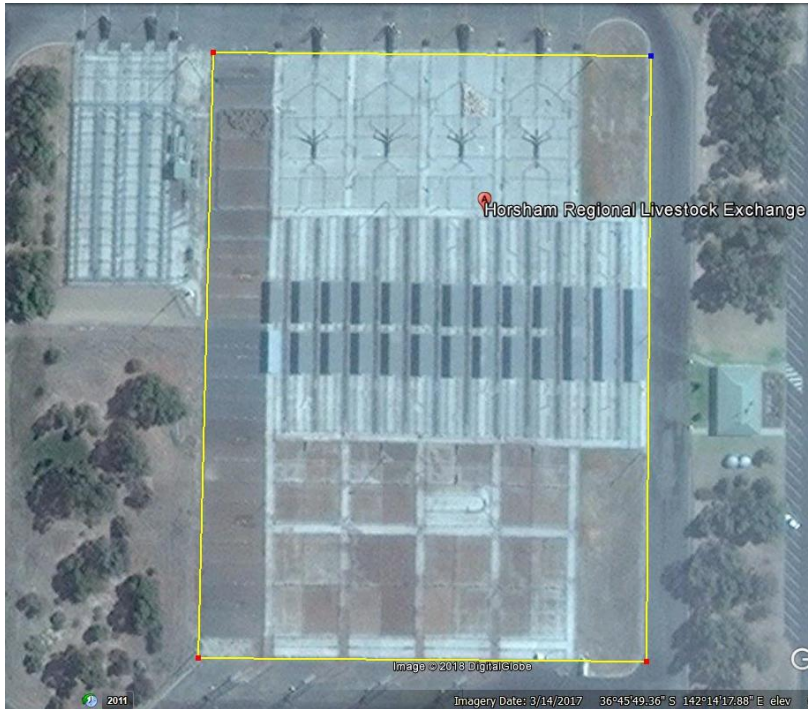
This option enables livestock to be under shelter from when sheep and lambs arrive at the HRLE until after the completion of the sale. The estimated cost is \$2,168,760 ex GST based on an estimate from MKM Constructions, attached as Appendix 1.

Option 2 for the roofing project- Receival, drafting, selling and 16 holding pens



Option 3: Roofing the entire sheep facility

Roofing in the entire sheep facility is the logical target project as the interests of animal welfare and all stakeholders is incorporated into a modern selling complex. Competing facilities are entirely under cover at Ballarat and Hamilton.



Estimated Cost

MKM have provided an estimate for option 3 above, which is attached as Appendix 1. We recommend that option 3 is adopted at a cost of \$2,549,700 ex GST.

Recommendation: The area undercover should be Option 3 to enable significant additional benefits for livestock held before and after the sale and a safer work environment for stakeholders

Funding options

Recent funding sources for saleyard upgrades in Victoria includes:

- Federal Government infrastructure programs such as the Building Better Regions fund;
- State Government infrastructure programs, such as The Regional Jobs and Infrastructure Fund-Rural Development Stream or Enabling Infrastructure Stream. Euroa completed their upgrade with funding from this source.
- Local and State Government co funding model. Wangaratta completed their upgrade with funding from this source.
- Council funded. Corangamite completed their upgrade with funding from this source.

FUTURE OWNERSHIP AND CAPITAL EXPENDITURE OPTIONS

The options for Horsham Rural City Council include:

1. maintain status quo;
2. upgrade with State Government funding;
3. upgrade with Local and State Government co-funding;
4. upgrade with funding solely from Horsham Rural City Council;
5. sale of the facility; or
6. closure of the facility.

The perceived costs and benefits of these options are outlined in Figure 17 below.

Figure 17: Costs and benefits of funding options

PERCEIVED BENEFITS	PERCEIVED DRAWBACKS/ COSTS
Option 1: Maintain Status Quo	
No additional costs.	<p>Council may be subject to criticism of animal handling practices, as Council retains responsibility for meeting all statutory and regulatory requirements including animal welfare.</p> <p>Animals may suffer from poor presentation, resulting in lower prices. Saleyard competitiveness is eroded without a roof to protect animals and saleyard users from temperature extremes.</p> <p>Council may be required to subsidise saleyard operational expenses if stock numbers decrease and / or saleyard is not viable, which will have implications for capacity to meet other Council responsibilities.</p>
Option 2: Upgrade with State Government funding	
<p>No additional costs.</p> <p>Council is better able to take responsibility for meeting all statutory and regulatory requirements including animal welfare.</p> <p>Horsham Saleyard is better able to face increasing competition from online selling options and take a proactive marketing approach to attract buyers and vendors.</p>	<p>Limited funding sources available, which may result in delays to implementation.</p>
Option 3: Upgrade with Local and State Government co-funding	
<p>Likely to result in a competitive application under the Regional Jobs and Infrastructure Fund. The proposal is an eligible activity, and Council is well placed as an eligible applicant.</p> <p>Council is better able to take responsibility for meeting all statutory and regulatory requirements including animal welfare.</p> <p>Horsham Saleyard is better able to face increasing competition from online selling options and take a proactive marketing approach to attract buyers and vendors.</p>	<p>Council would need to identify alternative funding sources, either through the saleyard operations and /or increased fee structure, and/ or through Council's budget. We note the Regional Livestock Exchange Reserve has a balance of Balance \$0.08 million as at 30/6/17.¹⁰ The sums accumulated in the reserve are now retained to provide for capital developments which may occur at the livestock exchange and also to commence a replacement and refurbishment fund to be accumulated over future years.</p>

PERCEIVED BENEFITS	PERCEIVED DRAWBACKS/ COSTS
Option 4: Upgrade with funding solely from Horsham Rural City Council	
<p>Council is better able to take responsibility for meeting all statutory and regulatory requirements including animal welfare.</p> <p>Horsham Saleyard is better able to face increasing competition from online selling options and take a proactive marketing approach to attract buyers and vendors.</p>	<p>Limited funding available, which may result in delays to implementation. Council has identified alternative infrastructure priorities.</p>
Option 5: Sale of facility	
<p>Council is no longer responsible for the statutory and regulatory requirements associated with owning and operating the facility. This option provides a cash injection for council from the sale of the facility.</p>	<p>There is no guarantee that saleyard would be the sole or main function of the facility in the future. Saleyard users have limited influence over future plans for the facility. Asset management would be privately funded, and the Council would have no control over the standard of service provision. In addition, fees for the use of the facility by vendors can be expected to increase significantly as has occurred at other privately-owned facilities around Australia.</p>
Option 6: Closure of facility	
<p>Council is no longer responsible for the statutory and regulatory requirements associated with owning and operating the facility.</p>	<p>Loss of saleyard service and jobs. Loss economic development potential.</p>

It is recommended that the facility remains open and under the management control of HRCC. However, the fees need to increase in order to account for depreciation and future capital works including roofing of the facility.

A new roof over the existing facility at Horsham would be eligible for State Government funding. Horsham Rural City Council is eligible to make the application through the Regional Jobs and Infrastructure Fund. HRCC will need to identify this project in part of the Annual Plan.

Applications through funding programs are considered throughout the year on a competitive basis. For a project of this size (ie over \$300 000, the co-contribution from Council would be expected to be on a 2:1 basis.

Figure 18: Funding sources

FUNDING PACKAGE	AGENCY	VALUE	MAXIMUM FUNDING RATIOS FOR CO-CONTRIBUTION	END DATE FOR CURRENT ROUND
Regional Infrastructure Fund	Victorian State Government	Up to \$500,000 per Applicant	3:1	Not stated
Heavy Vehicle Safety and Productivity program	Federal Government	Up to \$5,000,000 per Applicant	1:1	30 March, 2018
Building Better Regions Fund	Federal Government	Up to \$20,000,000 per Applicant	3:1	19 December, 2017

An outline of the key points to consider in addressing the funding criteria is in Figure 19.

Figure 19: Funding Criteria and key points to consider

FUNDING CRITERIA	KEY POINTS TO CONSIDER
Economic benefit	A new roof on the existing facility ensure the jobs at Horsham saleyards are retained, and will stimulate economic growth through providing a more attractive option for buyers and vendors to use the saleyard, thus enhancing the saleyard's competitiveness.
Social and environment benefit	A new roof on the existing facility has the support of saleyard users and community members. It builds on the saleyard, which has been identified as a key regional strength as part of the recent operational review. It has the potential to result in demonstrated environmental benefit through the possible addition of solar panels and downpipes for water capture.
Alignment with regional and state priorities	A new roof on the existing facility will complement Victorian Agriculture's commitment to NLIS Sheep and Goats; and local priorities identified in the annual plan for Horsham Rural City Council. The project addresses the need for improved animal handling identified as part of the recent operational review, and with State Government support, the project is unable to proceed.
Demonstrated feasibility and delivery	All legal, land tenure, planning and environmental issues have been identified and resolved. A fully costed masterplan has been developed, including identification of all project risks and strategies to manage them put in place. Suitable project management is in place for the build.
Financial viability of the applicant	Local Governments are exempt from this criterion.
Maximising value to the State	This application maximises value to the State by leveraging support from a range of sources, including local government. Viability is not dependent on ongoing funding and future costs are not an issue.
Stream specific requirements	This application supports the Horsham saleyards to build resilience and adapt to changing economic and environmental conditions to remain competitive. In particular, this project enables Horsham to meet increasing animal welfare considerations and vendor concerns about animal handling.

CONCLUSION

Strategy

Saleyards must achieve four goals if they wish to maintain a viable business:

1. **Maintain a fair market price** Agents and their vendors will only support saleyards if the saleyards is able to consistently provide a fair market price for the stock. The key component is to ensure a competitive buyers gallery that are able to compete on all available livestock on offer.
2. **Maintain throughput** In order to attract competitive buyers, the saleyards must maintain a significant throughput for sales. This is not difficult during the sucker seasonal turnoff, however buyers do not have an incentive to participate through the low season where they risk not being able to fill trucks at a competitive price. Unfilled truck result in trading losses.
3. **Invest in capital development** HRLE needs to invest in capital development, particularly roofing, in order to support animal welfare, human welfare, infrastructure maintenance, and more efficient cleaning.
4. **Embrace best practice** Saleyards must maintain and improve competitiveness through embracing best practice operations. Efficient livestock movement, attention to animal welfare and promotion of market depth are key components to a sustainable saleyard business. The key additional component is the use of technology to measure and control the key drivers of business profitability.

Management software will enable the HRLE to ensure timely reporting to stakeholders, traceability, adherence to the increased regulatory environment and analysis of business metrics. Market depth can be enhanced through technology, enabling additional participants and distributing information more efficiently.

Finally, by closing the weekly cattle sale, HRLE is able to focus on profitable areas of business.

REFERENCES

- ¹ Australian Government Bureau of Meteorology (2017). www.bom.gov.au
- ² Australian Government Bureau of Meteorology (2017). www.bom.gov.au
- ³ Pittock, (2012). <https://theconversation.com/droughts-and-flooding-rains-climate-change-models-predict-increases-in-both-5470>
- ⁴ Australian Government Bureau of Meteorology (2017). www.bom.gov.au
- ⁵ ABARES (2016). Catchment scale land use of Australia
- ⁶ ABARES (2016). Catchment scale land use of Australia
- ⁷ ABARES (2017). *Agricultural Commodities*. September Quarter 2017
- ⁸ ALMA (2015). Australian Model Code of Practice for Livestock Saleyards and Lairages
- ⁹ Productivity Commission (2005). *Trends in Australian Agriculture*
- ¹⁰ ABARES (2017) op cit
- ¹¹ HRCC -2017 Financial statements for the HRLE
- ¹² Outcross (2017). Implementation plan for the introduction of electronic identification for NLIS compliance for the HRLE
- ¹³ Australian Animal Welfare Standards and Guidelines Livestock at Saleyards and Depots (2015)
- ¹⁴ Meat and Livestock Australia (2016). *Eastern States Saleyard Survey Results*
- ¹⁵ HRCC Horsham Rural City Council Budget – 2016/2017
- ¹⁶ <http://reneweconomy.com.au/bluescope-unveils-world-first-solar-roof-with-heat-and-power-32417/>
- ¹⁷ https://www.tesla.com/en_AU/solarroof
- ¹⁸ Animal Health Australia, Australian animal welfare guidelines for sheep (2016)
- ¹⁹ <http://www.abs.gov.au/ausstats/abs@.nsf/Latestproducts/7121.0Main%20Features612015-16>

APPENDICES

1. MKM Investment proposal- HRLE Roofing estimation
2. Meat and Livestock Australia (2017). *Eastern States Saleyard Survey Results*
3. Proway Infrastructure Maintenance Manual

APPENDIX 1:

MKM INVESTMENT PROPOSAL- HRLE ROOFING ESTIMATION





Investment Proposal - Revised

Mr Tom Newsome
Outcross Pty Ltd
Suite 7 195 Beardy Street
Armadale NSW 2350

tom@outcross.com.au

Mobile 0409 580 732

Presented by: MKM Constructions – 12th February 2018

12th February 2018

Mr Tom Newsome
Outcross Pty Ltd
Suite 7 195 Beardy Street
Armadale NSW 2350
tom@outcross.com.au

Mobile 0409 580 732

Re: Horsham Saleyards Roof Cover Revised

Dear Tom,

Thank you for the opportunity to provide a project proposal for the construction of a new roof pavilion over the Horsham Sale Yards

MKM Constructions is a regionally owned and operated family business. With our track record and experience in industrial and commercial building projects in particular of this nature, we have developed a strong reputation for integrity, reliability and service. We are committed to providing the highest levels of quality and customer service at a competitive price.

We have thoroughly acquainted ourselves with the information you have provided to ensure our proposal is as per instructions provided.

We thank you for the opportunity you have provided to present our proposal and trust the attached meets your approval. We look forward to working with you in the construction of your new investment.

If you have any further questions, please feel free to give myself or one of our team a call.

Yours faithfully,
MKM Constructions

Karl McMillan
Sales Manager

Scope of Investment Proposal

We are pleased to offer you our detailed proposal and specifications for your consideration. The following solution has been prepared based on the concept drawings provided.

To construct a single storey roof structure over the sheep yards at the Horsham Saleyards to the following specifications:

- Preliminaries
 - MKM Site facilities – Site office, temporary fencing, first aid, toilet, storage container and lunch room.
 - Temporary Fencing to secure site and hoarding as required for pedestrian access.
 - OH&S compliance, site inspections, project and site management services.
 - Co-ordination of all health and safety requirements on the construction site.
 - Development and implementation of a site specific OH&S Management plan.
 - Contractor site specific induction and any relevant site specific training.
 - Builders site safety and procedures including. All relevant SWMS and safety forms.
 - Contract works, public liability and workers compensation insurance.
 - Site set out and mark up as required to establish work site and construction zone.
 - Building site safety signage.
 - Contract Documentation based on ASNZ or Master Builders Contract.
 - Preliminaries to include development and implementation of a site specific OH&S, Quality & Environmental Construction Management Plan to be maintained and implemented throughout the construction process.
 - Comply with all working hours and requirements of local authorities & the EPA.
 - Provide and maintain a detailed construction program and work flow for the execution of the works under the contract prepared in Microsoft Project and updated regularly.
 - Mobilisation and Demobilisation of plan and equipment as required.
 - Management of construction traffic including a traffic management plan and qualified traffic management personal on site
 - Building Permit including necessary levies and inspections
 - Construction Supervision, Project Management and Technical Support
 - The Building shall: provide a balance of natural light by using a sawtooth roof design and skylights, be capable of harvesting stormwater and can provide adequate ventilation
 - The Building will not impede yard operation, gates, pens and stock routes etc.
- Design and Documentation to include Preliminary Design Drawings for stakeholder approval. Detailed Design Drawings, Detailing and Shop Drawings for Fabrication, Engineering and Computations for Building Permit Submission and As Built Drawings and Certificates on Completion including ITP's as required.
- Set up, set out of building footprints and column locations and confirmation of design levels by a licensed surveyor.
- Foundation Excavation, Concrete & Steel Reinforcement subject to engineering to be bored holes or mass pad footings approx. 1m³ of concrete per hole.

- Design, Fabrication and Construction of a Roof Structure measuring 180m Long x 93 / 111m wide in area.
- The Building will consist of a series of Saw Tooth Roof Structures to suit the existing pen layout
- Structural Steel members to Include Hot Dip Galv 150 UC Columns and Galv Open Web Truss
- Structural Steel Fabrication, Delivery and Installation. All steelwork to be Hot Dip Galvanised and Australian Made, Roof to be built based on a level site. Bracing to Terminate 3m above ground level. Columns to finish 300mm below ground level. Heights / Clearances to comply with specifications and plans. Eave Height 5m under truss
- Zinalume Roofing 0.42 Apclad or equivalent profile roofing. Roof mesh laid beneath all roofing. All zinc gutters, box gutters, gutterboard, adjustable boxgutter brackets, apron flashings barge cappings and general flashings fitted in zinc. Mechanical access equipment and Perimeter rail fitted as required. Over flashings fitted to boxgutters.
- Clear Roof Sheeting One Run Per Bay.
- Site clean and rubbish removal upon completion of construction.

The total investment for the above scope of works is:

\$ 2,549,700.00 (all pricing excludes GST unless otherwise noted)

Exclusions and Clarifications

The above proposal has the following items excluded:

- Any rock excavation.
- Abnormal Soil Conditions.
- Blinding Concreting.
- Under Road Boring
- Services Fees and Connection Costs.
- Powercor / supply authority, energy provider or Telstra costs or fees associated with energy and phone supply including costs for pit installation if required
- Security Systems
- Landscaping
- Fencing
- Belowground Stormwater
- Works Outside the title boundary
- Underpinning
- Retaining Walls
- Permits and Fees.

Please Note This Estimation is subject to final engineering, soil conditions and local authorities requirements. This Estimation is based on a level site and is subject to final column location and placement. Until detailed engineering and a site survey is undertaken it is not possible to determine the exact location of all columns and staging of works and this may have an impact on the cost. Final Base sizing will be subject to yard locations and column placement.

Standard Terms and Conditions

Scope of Works

Builder insurance fees and engineering calculations have been included. Power to the site is to be provided by the client, if there is no power available and a generator is required an additional fee may be charged. This proposal does not include any statutory or utility infrastructure charges or fees.

Certification

All work will be carried out in accordance with the relevant Australian Standards, Work Cover Codes of Practice, Bylaws and Building Codes.

Proposal Validity

Prices are valid for 60 days from date of the proposal and thereafter, may be subject to change without notice.

Variations

All prices quoted may be subject to more detailed information, particularly where a proposal has been done verbally or off plans. Any variations to plans, drawings, specifications, or computations may incur additional cost. This proposal is only for works quoted and based on plans, drawings and specifications, and computations provided at time of proposal.

Access / Site Conditions

Unobstructed access is to be provided to all work areas, or as required to carry out all necessary works during standard hours of business. This is between 7.00am and 4.00pm, Monday to Friday, excluding industry rostered days off. This Estimation is subject to conditions onsite with good unencumbered site access.

Exclusions

This proposal excludes stormwater retention / tanks, upgrading of services, under road boring, traffic management, powerline protection, services connection permit and fees, abnormal soil conditions, rock, screw piles and retaining walls.

Payment Terms

A preliminary agreement fee of \$5,500.00 will be payable upon signing of the agreement and receipt of the initial project tax invoice. This fee is non-refundable and covers the cost of initial resources. A full payment schedule will be provided as part of the construction contract.

Building programme

The build programme will commence once a) the preliminary agreement has been signed and initial fee paid, b) construction and engineering drawings have been signed off, c) the relevant planning and building permit has been obtained and d) the construction contract has been signed and returned along with the initial contract deposit. A full building programme schedule will be provided as part of the construction contract.

Preliminary Agreement – Page 1 of 2

This agreement is made on the _____ day of _____

A. OWNER AND BUILDER

The 'Owner/s' :
Physical address :
Postal address :
ABN / ACN :
Signed by Owner :

The 'Builder' : Otway Securities T/AS MKM Constructions
Physical address : 609 Otway Street South, Ballarat, VIC, 3350
ABN / ACN : 57 064 686 913 / 121 259 685
Signed by Builder :

B. LOCATION OF SITE

Street address : Horsham Regional Livestock Exchange
Town / Postcode : Horsham, VIC
Lot number : on Plan :
Site area :

C. DESCRIPTION OF WORKS

The building work includes all items outlined on Page 3 & 4 'Scope of Investment Proposal' in this document. All excluded work is by others or the client and will be scheduled in a way as to not interfere with the contracted building works.

D. TIMING OF BUILDING WORK

Start Date – The building work will start within 30 days of either a) the issue of a building consent by way of a planning and building permit and b) the signing of a full set of construction drawings and construction contract, whichever is the later of the two.

Building programme – The building programme will form part of the construction contract and is estimated to take TBC days - working days to achieve practical completion.

Preliminary Agreement – Page 2 of 2

E. START CONDITIONS

Finance approval and capacity to pay – Upon signing of the construction contract and before the start date, the Owner is to provide the Builder with a letter from either a bank, solicitor or accountant certifying the Owner's capacity to pay and/or providing sufficient evidence that the funds to complete the building works are available.

Building consent – The Owner is to provide the Builder with evidence that the Owner is the sole owner of the property and has exclusive access to the property as noted in section B – Location of site.

F. PRELIMINARY AGREEMENT PRICE

The total price of this proposal is: **\$2,804,670.00** Inc. GST and covers all the items included under – Scope of Investment Proposal

G. PRELIMINARY AGREEMENT FEE

The Preliminary agreement fee is **\$5,500.00** Inc. GST and covers the cost of resources to your new project underway. This fee is non-refundable should you choose not to proceed with the construction contract. If you choose to move forward with MKM Constructions this fee will be included as part of the initial contract deposit, the amount of which will be determined once the construction contract and final figures have been agreed upon.

H. INSURANCES

The Builder will provide the Owner with any and all required copies of insurance cover to satisfy the BCA requirements. The Builder agrees to provide contract works insurance for the construction contract and construction works. Any insurance obtained by the Builder will only cover materials, items, hardware, supplies and services provided by the Builder as part of the construction contract. The Builder is not responsible for any works or services provided by a third party or the Owner unless specifically stated within the construction contract.

APPENDIX 2:

MEAT AND LIVESTOCK AUSTRALIA (2017). EASTERN STATES SALEYARD SURVEY RESULTS



National Livestock Reporting Service Vic Sheep SALEYARD SURVEY Year Ended 30th June 2017				
Position	Number of Sheep Sold		Position	Position
2016/2017	Saleyard	Total	2015/2016	2014/2015
1	Ballarat	1,345,468	1	1
2	Hamilton	1,004,719	3	3
3	Bendigo	877,445	2	2
4	Horsham	437,305	4	4
5	Ouyen	267,325	5	5
6	Swan Hill	213,919	6	6
7	Warracknabeal	105,349	7	7
8	Shepparton	96,765	-	-
9	Wycheproof	84,339	8	8
10	Bairnsdale	43,554	9	9
11	Sale	30,158	11	11
12	Leongatha	23,495	10	10
13	Casterton	16,057	-	12
14	Pakenham	4,467	12	17
15	Nhill	4,122	13	14
16	Colac	592	16	-
17	Warrnambool	485	14	13
18	Corryong	67	15	16
	Total	4,555,631		

Care is taken to ensure the accuracy of the information contained in this publication. However MLA cannot accept responsibility for the accuracy or completeness of the information or opinions contained in the publication. You should make your own enquiries before making decisions concerning your interests. MLA accepts no liability for any losses incurred if you rely solely on this publication.

Infrastructure Manual

Horsham Regional Saleyards



Horsham Rural City
Council *urban rural balance*

08/02/2018

Prepared by ProWay Livestock Equipment



Handbook for the operation and maintenance of the sheep saleyards superstructure. This document contains manuals for loading ramps, gates and steelwork.

Contents

Manual – Pipe Panels and Gates 2
Operation 2
Checking 2
Maintenance 3
Manual – Adjustable Sheep Loading Ramp 4
Operation 4
To Raise the Ramp 4
To Lower the Ramp 4
Maintenance/Checking..... 4

- Appendix 1. Australian Code of Practice for the Selling of Livestock
- Appendix 2. Worksafe Victoria - Major inspection of cranes, hoists and winches
- Appendix 3. Kito Hoist Owner’s Manual

Manual – Pipe Panels and Gates

This manual is to be read in conjunction with the Australian Saleyard Code of Practice and in particular the movement of stock and pen densities.

Galvanised panels and gates are deigned to for many years of service but to achieve this some maintenance is necessary.

Operation

Gates should only be opening in the direction they are designed to go.

To chain a gate shut the operator is required to pull the gate tight against the post, place the female chain latch over the male mushroom lug next to gate upright.

The width of the Adjustable V Sheep Drafting race can be varied to suit the size and type of the stock to be drafted. The width adjustment is made by the operator placing the chain on the swivel bar on the swivel bar on a different link on the keeper found at the base of the race.

Before moving cattle to their designated yard; open the gate into that pen.

When forcing the cattle into yards and closing gates behind them; it is important that the operator holds the gate with "strong arms and strong legs" firmly holding the gate until the bolt latch is in the latch pocket. Do not over fill yards and watch the cattle continuously for unexpected behaviour.

Do not stand behind a sheeted gate when closing it as your lack of vision of stock can be dangerous.

Checking

MONTHLY

Check

- Check that welds show no sign of rust protruding at welds.
- Check chains and fasteners
- Check that gates swing freely and are not binding.
- Check hinges for fatigue in the welds.
- Replace components as required.

Maintenance

Where rust is becoming evident the preparation/application is as follows: after the initial application the product should be washed down with fresh water, hand tool prepared to remove any rusted areas and reapply with a coating of cold galvanize paint with a brush.

Manual – Adjustable Sheep Loading Ramp

This manual is to be read in conjunction with operator's manual for the relevant hoists.

Operation

The ramp is designed to load sheep directly on to the first, second or third decks of sheep crates. The fourth deck must be accessed by use of the drop-down deck within the truck crate.

Adjustment

The operators should position themselves on the driver's side of the ramp at ground level, where they can access both the hand-held pendant and safety release control.

To Raise the Ramp

Press the 'raise' button on the hand pendant. When the ramp has reached a high enough position, the ramp should be lowered slightly to engage the safety ratchet mechanism.

To Lower the Ramp

- Slightly raise the ramp to free the safety ratchet mechanism.
- Depress the lever on the safety ratchet to cause the safety bar to clear the ratchets.
- Press the 'lower' button on the hand pendant to lower the ramp while holding out the safety bar lever.
- Ensure the lever is released and the safety bar re-engages when reaching the low position.

Before raising or lowering the ramp ensure all people are clear of the ramp.

The drop over flap must be folded back inside the ramp before raising or lowering the ramp.

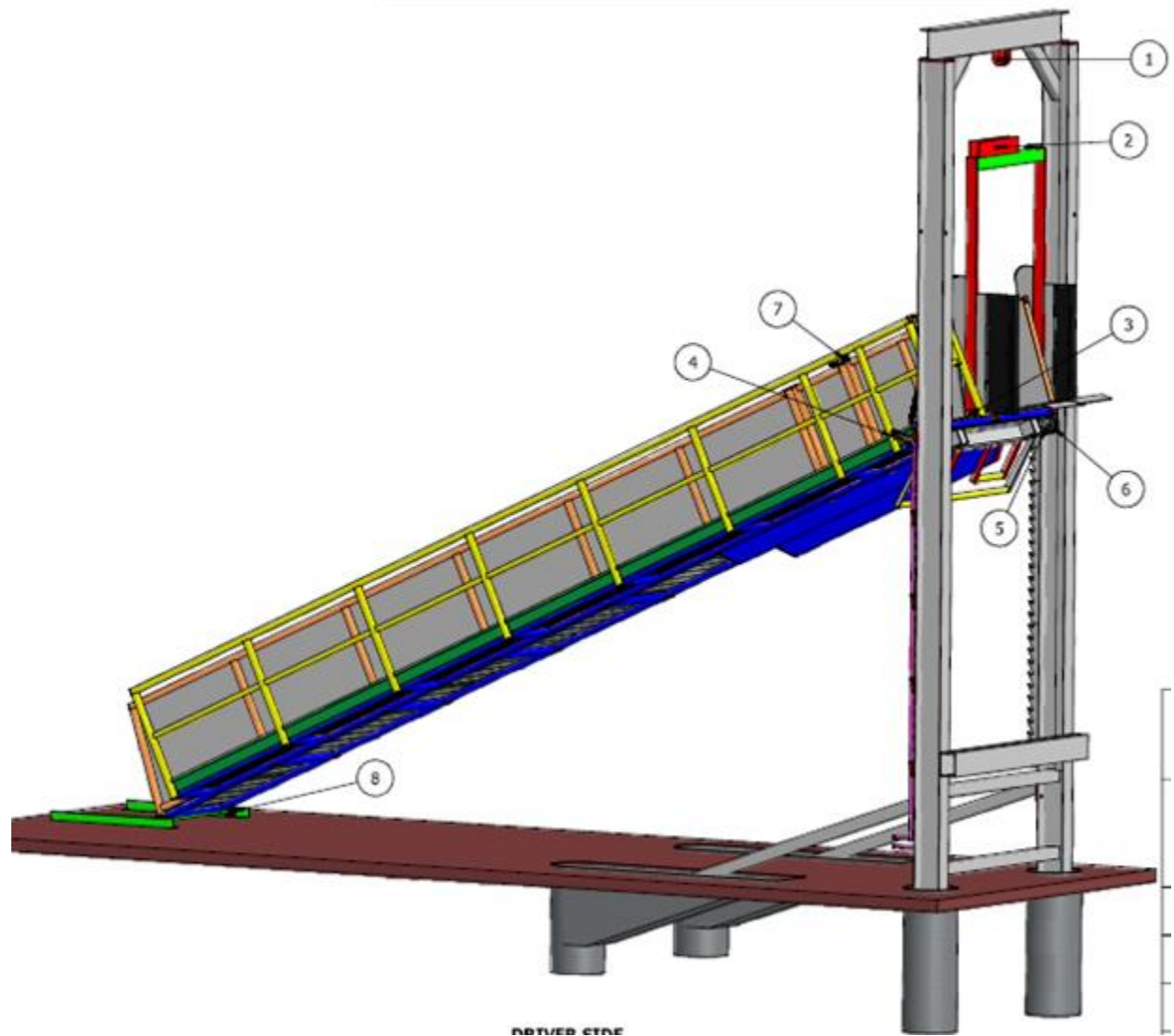
The ramp is not designed to be raised or lowered with sheep in the ramp.

The operator should not attempt to operate the ramp from the walkway of the ramp.

Inspection should be comprehensive and include inspecting for wear, fatigue and cracking of all of the components of the hoist critical to its safe operation and use. The inspection should include attention to both structural and mechanical elements. Under the OHS Regulations, any records of inspection and maintenance (including repairs) carried out on the plant must be retained for the period that the operator of the saleyards has management or control of the plant.

Refer to drawing below for parts reference:

9 METRE 900 WIDE ADJUSTABLE LOADING RAMP



MONTHLYCheck

- (1) Bolt at head of winch – check lock nut tight and bolt not showing signs of wear.
- (2) Bolt at head of lifting frame – check lock nut is tight and bolt nut showing signs of wear.
- (3) Check pins at base of lifting frame (both sides) have locking pin in position, and not showing undue signs of wear.
- (4) Check pivot bolt (both sides) for safety mechanism has locking nut in position and is not showing signs of wear.
- (5) Check locating bolts in wheel assemblies are in position and tight.
- Generally observe ramp for evidence of collision and misuse which may compromise operation.

Grease

- 2 x wheels at entry end of ramp, via nipples on wheels (8)
- 2 x guide wheels inside gantry of ramp via nipples on the wheels (6)
- Catch on truckies gate (7)

YEARLY

Inspection of the hoist and structure by a “competent person”.

Note: a ‘competent person’ is a person who by their training and experience has the skills and knowledge to carry out the task

ER2 HOIST- Quick
Reference

PWB Anchor

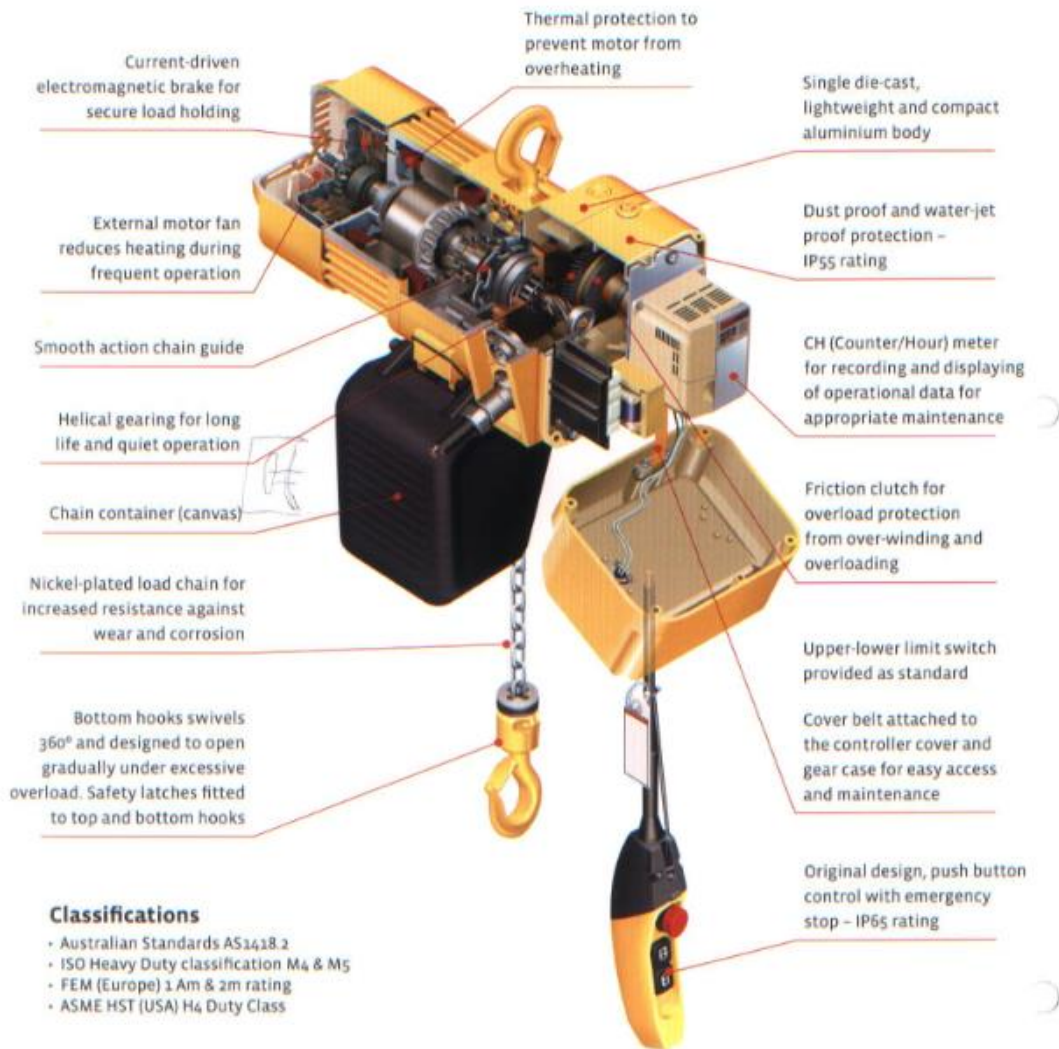
ER2

Electric Chain Hoist

With safety, durability and ease of maintenance in mind, the new ER2 Electric Hoist is environmentally friendly with its new compact, lightweight and energy efficient design.

Offering thermal protection to prevent the motor from overheating, upper and lower limit switches, CH (Counter/Hour) meter for recording and displaying of operational data, and featuring the variable speed inverter for superior load handling and positioning accuracy, are all provided as standard equipment.

Coupled with the new MR2 Motorised Trolley, the ER2/MR2 combination allows for easier and accurate load positioning in the work place.



Classifications

- Australian Standards AS1418.2
- ISO Heavy Duty classification M4 & M5
- FEM (Europe) 1 Am & 2m rating
- ASME HST (USA) H4 Duty Class

Every care has been taken to ensure the accuracy of information contained in this document which supersedes earlier publications, however, PWB Anchor shall not be liable for any loss or damage howsoever caused arising from the application of such information.

PWB Anchor Ltd maintains a policy of progressive development of products and reserves the right to alter without notice the specifications shown with this document.