


Item No.	9.2	
REPORT TITLE	Insurance Claim on the Guest House	
AUTHOR	Jason Smith	
ATTACHMENTS	None	

PURPOSE

To decide on whether to rebuild the Guest house or to claim the Insurance Money as a cash payout.

REPORT

Background

- The Guest House is owned and managed by the Woorabinda Aboriginal Shire Council.
- The building is insured through JLT Risk Solutions Pty Ltd
- JLT Risk Solutions engaged an Insurance Assessor/Adjuster from Sedgwick to undertake the investigations and to prepare a report for JLT.

Findings

- JLT Solutions and Sedgwick investigation found the Fire Destroyed the Guest House.
- JLT Solutions and Sedgwick provided WASC with a Quote to replace with a like for like building.
- JLT & Sedgwick provided the options for Council to consider with the Insurance Payment.
- Option 1 – to take the Claim in a cash payment which will amount to \$1,126,064.00 (ex)
- Option 2 – to rebuild a like for like building in the community (can be in another location) with a budget of \$1,562,750.00 (ex)

RISK MANAGEMENT IMPLICATIONS

- No allowance has been made for the removal of the existing camp.
- The location will require good management and environment protection procedures to be undertaken during the project.
- The risk to Flora and Fauna will have to be addressed prior to commencement.
- Engagement with our local Rangers will be required as they are keen to use this facility as a base for their operations.

POLICY IMPLICATIONS

- We will be required to follow our legislative requirements when carrying out the Construction program.
- Local Government Act 2009
- Local Government Regulation 2012
- Planning Act 2016
- Environmental Protection Act 1994
- Insurance Policy requirements.

LEGISLATIVE & OTHER REGULATORY REQUIREMENTS

- Qld Audit Office – Auditors General Act 2009

BUDGET, FINANCIAL AND RESOURCE IMPLICATIONS

- Project manager will work with the JLT & Sedgwick to manage the Budget through the project

CONSULTATION

None

New Program

WOORABINDA GUEST HOUSE BUDGET ESTIMATE					
Item No.	Item Description	Quantity	Unit	Rate	Amount
1	PRELIMINARIES				
2	Establish site facilities, project supervise supervision, site fencing, provision of site services, scaffolding, access equipment, craneage, contracts works insurance, Qleave Levy, waste disposal.	1.00	item	277,320.00	277,320.00
3	EXTERNAL WORKS				
4	External concrete paths, access ramps, allowance for driveway	1.00	item	21,334.00	21,334.00
5	BUILDING CONSTRUCTION				
6	Construction of 6 x timber framed building, steel SHS post supports, metal roofed buildings similar level of internal finishes as per existing 1 bedroom single storey residences as per Designtek floor plan 2205-03	1.00	item	996,270.00	996,270.00
7	PROVISIONAL COSTS				
8	Cabinetry	6.00	each	18,000.00	108,000.00
9	Toilet suites	6.00	each	686.00	4,116.00
10	Bathroom fixtures	6.00	each	356.00	2,136.00
11	White goods	6.00	each	3,224.00	19,344.00
12	Tapware	1.00	item	7,880.00	7,880.00
13	Light fittings	1.00	item	3,550.00	3,550.00
14	Hot water services	2.00	each	2,200.00	4,400.00
15	Airconditioning	12.00	each	2,700.00	32,400.00
16	PROVISIONAL SUMS				
17	Building certification	1.00	item	3,500.00	3,500.00
18	Architect/drafting services	1.00	item	15,000.00	15,000.00
19	Engineer	1.00	item	12,500.00	12,500.00
20	Council fees	1.00	item	5,000.00	5,000.00
21	Travel and accomodation	1.00	item	50,000.00	50,000.00
<u>Woorabinda Budget Estimate Excl GST</u>					1,562,750.00

RECOMMENDATION

That Council: -

Council resolves to opt for (*option 1, Insurance Claim Cash Payment or option 2, Rebuild like for like in the Community*) with the Insurance Payout for the Guest House.