

E.2 MUNICIPAL PRECINCT STUDY – FINAL CONSULTANTS REPORT

Sustainable Communities and Infrastructure Directorate

STAFF DISCLOSURE OF INTEREST

Nil

EXECUTIVE SUMMARY

This report discusses the milestones in completing the investigation phase of the Municipal Precinct Study Project and presents the Final Consultant's Report prepared by Sweett (Australia) Pty Ltd for adoption by Council.

A copy of the Final Consultants Report is available in **Appendix 1 – Municipal Precinct Study Final Consultants Report (Sweett) - Version 3 - August 2015**.

Document/s pertaining to this Council Report

- **Appendix 1** – Municipal Precinct Study Final Consultants Report (Sweett) - Version 3 - August 2015.
- **Appendix 2** – Service Specifications & Additional Information.
- **Appendix 3** – External Community Consultation.

A copy of **Appendix 1, 2 and 3** are available on Council's website: www.southgippsland.vic.gov.au or by contacting 5662 9200.

LEGISLATIVE / ACTION PLANS / STRATEGIES / POLICIES

Section 21.03 - Key Issues - South Gippsland Planning Scheme.

INTERNAL POLICIES / STRATEGIES / DOCUMENTS

- Blueprint for Social Community Infrastructure 2014-2029.
- Council Land Ownership Policy 2011.
- Environmental Site Assessment for the Leongatha Railyards Site.
- Future South Gippsland Principal Library - prepared by West Gippsland Regional Library Corporation.
- Korumburra Infrastructure Assessment 2013.
- Korumburra Structure Plan 2010.
- Leongatha CBD Parking Strategy (AECOM) 2013.
- Leongatha Structure Plan 2008.

- People Places: A Guide for Public Library Buildings in New South Wales.

COUNCIL PLAN

Outcome:	3.0	Integrated Services and Infrastructure.
Objective:	3.1	Deliver affordable modern community services and facilities through an integrated approach to planning and infrastructure development.
Strategy:	3.1.1	We will deliver Council and community projects and leverage project funds to attract investment from external sources.

CONSULTATION

Internal and external consultation occurred throughout the project timeframe. This included meetings of the Project Working Group, Project Reference Group and communication with key stakeholders.

REPORT

Background

Office Accommodation

For some time, Council has been considering its options to address the issues it is facing with maintaining its office accommodation which included investigations around:

1. Building a new office and a preferred site location; or
2. Renovating the existing office.

This has seen a strategic property purchase by Council in 2010 of the "Carinos" building in order to reduce lease costs. Subsequent to the purchase, a design review was undertaken in 2013 to identify how the existing office spaces could be reconfigured for improved service delivery.

The property purchase assisted with the office space but did not address other issues such as business fragmentation, occupational health and safety and problems with ageing infrastructure. The design review in 2013 went some way to identify how to address these problems in the short-term, however, Council still needed to consider its options for the longer term.

Community Facilities

Council has also completed a study into its social community infrastructure, "Blueprint for Social Community Infrastructure 2014-2029". This study recognised the high number of buildings owned or managed by Council that have issues relating to underutilisation, functionality, condition and age, and resulted in the following recommendations (extract from Blueprint below):

Medium Term (5-10 years)
9. Develop two strategically located community hubs in Leongatha and Korumburra
10. Initiate planning for the expansion or upgrade of multipurpose facilities in all towns.

These recommendations provided a basis to expand a study into the preferred location for Council office accommodation in the longer term to include a library and other community spaces such as a community hub.

Considering an alternative Leongatha Library space was of particular interest given the opportunity to remove the need to pay rental.

With these issues in mind, Council agreed to establish a project budget to undertake a study into the preferred location for a Municipal Precinct that includes Council staff accommodation, a Library and improved community spaces (community hub). This was termed the Municipal Precinct Study (the Study).

Discussion

The Study

A summary of the Study's milestones is provided below:

- Council approved a consultancy budget of \$118,916 for the 2014/15 financial year.
- Council was briefed on two occasions to reach agreement on the contents of the service specifications to be included in the Tender document. These Briefings are listed in Table 1 below:

Table 1: Briefings on Service Specifications

Briefing Date	Discussion
3 September 2014	Draft Service Specification presented for Councillor comment.
5 November 2014	Revised draft Service Specification presented to Council as well as agreeing to other project documents such as a Governance Structure, Terms of Reference and Key Stakeholders.

- The Service Specifications were finalised and released to Consultants via Request for Tender SGC15/26 on Saturday 29 November 2014 and closed on Tuesday 14 January 2015. A copy of this document is available in **Appendix 2 – Service Specifications & Additional Information**.
- A Project Working Group and a Project Reference Group were established.

- Four Tenders were received and evaluated. The Contract was awarded on 2 February 2015 to Sweett (Australia) Pty Ltd (Sweett).
- The Contract to deliver the brief was signed on 11 February 2015 and the Study commenced.
- Numerous meetings with the Project Working Group and Project Reference Group were held. These are discussed further in this report.
- In August 2015 a final report on the Study was received from the Consultant.
- On 7 October 2015 the final report on the Study was presented to the Project Reference Group by Sweett and the Study was officially completed.

A copy of the final report and its appendices is available in **Appendix 1 – Municipal Precinct Study Final Consultants Report (Sweett) - Version 3 - August 2015.**

Internal Communication

The Study's project structure included a Project Working Group and Project Reference Group. Each had a Terms of Reference and Agenda & Action items were captured for each meeting.

The Project Working Group comprised of members from Property, Building, Engineering, Customer Service, Planning and Economic Development. The primary functions of this Group were to assist the Consultant with the provision of information and reviewing various stages of the Consultant's work prior to reporting to the Project Control Group for any decisions.

The Project Working Group met on 4 occasions during the Project timeframe as listed in Table 2 below:

Table 2: Project Working Group Meetings

Meeting Date	Discussion
11 February 2015	Inception meeting.
11 March 2015	General project update/information gathering.
15 April 2015	Discussion on evaluation matrix followed by a public meeting.
1 July 2015	Discussion on concept plans and recommendations of the final report.

The Project Reference Group comprised of members of the Executive Leadership Team, Mayor and Councillors. The primary functions of this Group were to review the work of the Consultant and provide the necessary decisions and approvals prior to proceeding to the next stage.

The Project Reference Group met on 5 occasions during the Project timeframe as listed in Table 3 below:

Table 3: Project Reference Group Meetings

Meeting Date	Discussion
11 February 2015	Inception meeting.
15 April 2015	General project update / reporting on findings to date.
6 May 2015	Evaluation matrix presented to Council for comment. Council comments received and provided to Sweett.
1 July 2015	Key findings / evaluation matrix outcomes / concept designs. Councillors asked to review prior to finalising report.
7 October 2015	Discussed recommendations of the final report and next steps.

External consultation comprised of:

- Identification of Key Stakeholders. These were identified by the Project Working Group and Project Control Group as either having a direct connection with the Project (ie. West Gippsland Regional Library Corporation and Senior Citizen Organisations) or held an office within a community organisation that could disseminate information to the broader community.
- Correspondence to Key Stakeholders informing them of the Project and inviting them to be a representative for their particular organisation. Correspondence was sent via email and/or mail.
- Information on Council's website.
- Media Release.
- Public Information Session Power Point presentation (15 April 2015).

A copy of these documents are available in **Appendix 3 – External Community Consultation**.

Site Evaluation

Sweett completed its analysis and evaluated the 7 candidate sites against the evaluation criteria agreed to by Council. The results are shown in Table 4 below:

Table 4: Results of Evaluation Exercise

Site Option	Total % Compliance	Relative Ranking
1 9 - 15 Smith Street, Leongatha (Main Administrative Offices)	88%	1
2 6 - 12 Smith Street, Leongatha (Carinos Building)	84%	2
3 6 - McCartin Street, Leongatha (Memorial Hall)	56%	3
4 Roughead Street, Leongatha (VicTrack Railway land)	48%	6
5 Daker centre land, 19 -21 Smith Street, Leongatha	51%	5
6 Yarragon Road, Leongatha (Council Depot)	42%	7
7 Korumburra Art Gallery/ Library Site	54%	4

Based on the analysis, options 1, 2 and 4, were short-listed for further consideration including the development of Architectural Concept Plans for the sites to confirm site capacity and design opportunities and constraints.

Option 7 was not included as a candidate site in the “Additional Information” provided to the Consultant (refer to **Appendix 2 - Service Specifications & Additional Information**) but was considered by the Consultant as an alternative site in accordance with Clauses 8.1.2 and 15.1 of the “Service Specifications” which required the Consultant to suggest and investigate other sites outside of the Leongatha Township.

The architectural concept plans and estimated costs for this Project are available in **Appendix 1 – Municipal Precinct Study Final Consultants Report (Sweett) - Version 3 - August 2015**.

The conceptual drawings confirmed that option 1 (9-15 Smith Street, Leongatha – main office building) as the preferred location. This was for a variety of advantages as listed in the Final Consultants Report. They include locational benefit, ownership, existing zoning and surrounding use synergies, development cost and decanting opportunities.

The other candidate sites were eliminated, leaving the opportunity open for Council to consider alternative development options or sale of these sites.

Options

The options available to Council are as follows:

1. To note the findings of the Final Consultants Report (**Appendix 1**) and refer the recommendations in item 7.4 (Implementation Strategy / Next Steps) of the report to the new Council in 2017 for further consideration.

2. To adopt the recommendations of the Final Consultants Report and proceed with the implementation of the recommendations in item 7.4 (Implementation Strategy / Next Steps).

Proposal

It is recommended that Council proceed with option 1. This option will provide Council with the opportunity of time to progress work identified or derived from the Municipal Precinct Study including:

- Progress work on sites identified as unsuitable for development as a Municipal Precinct.
- Consider the development of a Landscape Masterplan for the Leongatha Railyards site as part of the 2015/16 budget.

FINANCIAL CONSIDERATIONS

By proceeding with option 1, the financial considerations are limited to agreeing to establish a budget to undertake a Landscape Masterplan for the Leongatha Railyards site.

It is estimated that a Landscape Masterplan for the Leongatha Railyards site would cost in the vicinity of \$100,000 given the need to further explore contamination issues. Opportunities for State Government and/or VicTrack funding would be pursued.

RISKS

Reputational risk exposure is reduced by progressing with option 1. This is because a new Council will be afforded time to plan to address the recommendations of the Final Consultants Report as well as the existing Council demonstrating consideration to the projects derived from the Municipal Precinct Study project.

CONCLUSION

By completing the Municipal Precinct Study, Council can demonstrate its attention to the issues it is facing with aged offices and community infrastructure. It is important that Council's decisions are based around the findings from the various studies completed to date. Council should pro-actively implement the option with regards to noting the findings of the Final Consultants Report and proceeding with the new projects derived from this work until such time as a new Council is appointed to implement the strategic direction.

RECOMMENDATION

That Council:

1. Adopt the Municipal Precinct Study Final Consultants Report (Sweett) - Version 3 - August 2015 (Appendix 1).
2. Refer the recommendations in item 7.4 (Implementation Strategy / Next Steps) of the report to the newly elected Council in 2017 for further consideration.
3. Progress work on sites identified as unsuitable for development as a Municipal Precinct.
4. Consider the development of a Landscape Masterplan for the Leongatha Railyards site as part of the 2015/16 budget.

MOVED: Cr Hutchinson-Brooks SECONDED: Cr Davies

THAT COUNCIL:

1. **ADOPT THE MUNICIPAL PRECINCT STUDY FINAL CONSULTANTS REPORT (SWEETT) - VERSION 3 - AUGUST 2015 (APPENDIX 1).**
2. **REFER THE RECOMMENDATIONS IN ITEM 7.4 (IMPLEMENTATION STRATEGY / NEXT STEPS) OF THE REPORT TO THE NEWLY ELECTED COUNCIL IN 2017 FOR FURTHER CONSIDERATION.**
3. **PROGRESS WORK ON SITES IDENTIFIED AS UNSUITABLE FOR DEVELOPMENT AS A MUNICIPAL PRECINCT.**
4. **CONSIDER THE DEVELOPMENT OF A LANDSCAPE MASTERPLAN FOR THE LEONGATHA RAILYARDS SITE AS PART OF THE 2016/17 BUDGET.**

CARRIED

FOR: Crs Hutchinson-Brooks, Davies, Brunt, Fawcett, Harding and Newton.

AGAINST: Crs Hill and McEwen.