

# South Gippsland Shire Council

## Municipal Precinct Study

August 2015

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# Contents

<b>Executive Summary/ Key Findings</b>	<b>1</b>
<b>1.0 Introduction</b>	<b>9</b>
1.1 Project Background and Context	9
1.2 Project Objectives	10
1.3 Methodology	11
<b>2.0 Current Council Accommodation Situation</b>	<b>12</b>
2.1 Current Civic Office Accommodation overview	12
2.2 Existing Council Building Assessments	15
2.4 Broad Assessment of Accommodation Issues and Building related Deficiencies	16
2.2 Cultural/ Communications/ Organisation Issues	17
<b>3.0 Workforce Planning and Future Accommodation Requirements</b>	<b>18</b>
3.1 Accommodation Survey Approach	18
3.2 Accommodation Issues Summary	19
3.3 Current Office-Based Staffing numbers	19
3.4 Projected Future Growth in Office-Based Staff Numbers	22
3.5 South Gippsland Shire Relative Comparison to Other Municipalities	23
3.6 Community Facility/ Accommodation Requirements	24
3.7 Concluding Assessment	26
<b>4.0 Council Policy Context and trends in Local Government Service Provision</b>	<b>29</b>
4.1 Council Policy and Strategic Planning Context	29
4.2 Trends in Local Government Service provision models	41
4.3 Other Factors influencing Future Accommodation requirements in Local Government	50
<b>5.0 Assessment of Site Options</b>	<b>55</b>
5.1 Introduction	55
5.2 Description and Assessment of Site Options	59
5.3 Economic Analysis of Site Options	76
5.4 Rated Criteria Evaluation of Site Options	79
5.5 Architectural Concept Options for Shortlisted Candidate Sites	82
<b>6.0 Financial Analysis of Shortlisted Options for Municipal Precinct</b>	<b>87</b>
6.1 Capital Cost Model and Key Assumption and Allowances	87
6.2 Net Present Value Option Comparison	88
6.3 Net Present Value Evaluation and Key Assumptions	89
6.4 Option 0 – Base Case – Do Nothing/ Status Quo	90
6.5 Option 1 – Extension, Adaptive reuse 9-15 Smith Street	91
6.6 Option 2 – Adaptive reuse of 9-15 Smith Street; New Building at 6-12 Smith Street (Carinos building)	92
6.7 Sensitivity Analysis	93
6.8 Financial Analysis Conclusions	93



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<b>7.0 Conclusions and Recommendations /Implementation Actions</b>	<b>95</b>
7.1 Introduction	95
7.2 Key findings and Conclusions	96
7.3 Recommendations	99
7.4 Implementation Strategy/ Next Steps	99

## Appendices

**Appendix A - Leongatha Council Offices, Existing Services Report, November 2012 (Hyder Consulting Pty Ltd)**

**Appendix B - South Gippsland Curves Renovation, Design Report, 25 June 2013 (Mantric Architecture)**

**Appendix C - Accommodation Survey letters of Instructions and Survey Returns, March 2015**

**Appendix D - Essential Economics Pty Ltd, Economic Analysis Report, dated June 2015**

**Appendix E - Perrot Lyon Mathieson Architectural Concept Plans for Schemes**

**Appendix F - Preliminary Cost Plans for Architectural Concept Plans**

**Appendix G - Financial Analysis (NPV) Cashflow for Shortlisted Schemes**

**Appendix H - Indicative Implementation Program**



# Executive Summary/ Key Findings

## 1. Introduction and objectives of Municipal Precinct Study

Sweett (Australia) Pty Ltd has been appointed by South Gippsland Shire Council to prepare a Municipal Precinct Study to investigate and understand what opportunities exist to assemble a development site for a multi-purpose facility that will consolidate and upgrade its accommodation, include community facilities (such as a library) and secure best value for investment.

Council's Civic accommodation is currently provided across four sites. Council has been considering its options to reduce business fragmentation, improving service delivery/communication to the community and assist in the further planning to provide high quality community facilities demonstrating best value for investment within a defined Municipal Precinct.

The objectives of this Municipal Precinct Study, as included in the *Project Brief* are as follows:

- To promote Council's vision for the Shire as described in section 21.03 of Council's Municipal Strategic Statement:
- To develop the Plan in accordance with the direction and outcomes of strategic planning documents and research documents including, but not limited to *Leongatha Structure Plan 2008*, *Korumburra Structure Plan 2010*, *Blueprint for Social Community Infrastructure 2014-2029* ("the Blueprint") and *People Places: A Guide for Public Library Buildings in NSW*.
- To identify opportunities for State and Federal Government contributions and funding.
- To demonstrate business leadership and improved presence (image and accessibility) and communication by investigating: industry trends, the shape and likely future of local government, use of latest customer service technology in a government environment; and what opportunities exist in our towns to use existing community facilities (such as a library, community hub) to improve accessibility by offering a customer service presence.
- To create a functional municipal precinct that includes Council accommodation and a Library.
- To analyse the development viability of the candidate sites identified in Council and any other sites identified by the consultant.
- To realise the highest and best value and alternate development potential of Council's existing sites for office accommodation.
- To renew ageing infrastructure and ensure compliance with Occupational Health & Safety Regulations and current Building Regulations.



## 2. Existing and Future Municipal Precinct Facility Needs

Council's current civic office accommodation and supporting facilities are located across four sites. Figure 1 below provides an outline of the estimated floor space provision for existing Council accommodation based on an assessment of existing site plans provided by Council for the Facilities.

**Figure 1: Existing Council Facilities – Summary of existing Civic office Floor space**

Existing Council Accommodation	Floor space Provision (m <sup>2</sup> )
Main Council offices (9-15 Smith St)	1608
Council Offices (Carinos Building) (6-12 Smith St)	350
Council Chamber, Meeting rooms (6-8 McCartin St)	140
Council Depot (Yarragon St) - (limited office space for Operations Department)	160
<b>Total existing Office based Floor space provision</b>	<b>2,258</b>

An assessment was undertaken of Council's existing accommodation and Community facilities which identified a number of existing accommodation issues including:

- Limited sense of arrival and customer service environment. Inadequate front of house meeting rooms, need to penetrate organisations to access meeting room, i.e. security issues.
- Poor customer interface due to the physical separation of offices.
- Lack of clarity for customers regarding which site to go for what service.
- Limited capacity and/ or functionality of existing offices to expand.
- Inappropriate spatial allocations and limited storage with overcrowding in some areas which has a negative impact on staff morale, retention and attraction.
- Poor proximity of teams to each other leading to difficulties in sustaining effective and open communication, working together, knowledge sharing and poor cultural integration across the organisation.
- No clear symbolism of "seat of governance".
- Existing Leongatha Library on leased site, too small to cater for current and future community needs.
- Need for improved community facilities and accommodation to respond to changing accessibility requirements for the delivery of services by Council.

A further analysis of future accommodation requirements determined a requirement for approximately 4,336 square metres of office accommodation to accommodate the existing 86 office based staff, including allowances for staff growth numbers up to 2031.

A summary of these requirements is included in Figure 2 overleaf.



**Figure 2: Summary of Municipal Precinct Floor space Requirements**

Municipal Precinct Accommodation Requirements	Proposed Area Requirements (m2)
<b>Municipal Accommodation</b>	
Net <b>Office Work Space</b> requirements (for 166 Staff)	1383
<b>Support Spaces</b> (e.g. Meeting Rooms, Storage, toilets, amenities, Customer Service/ Reception, Council Chamber, etc)	645
<b>Grossing Factor</b> (30% for circulation, plant, stairs, etc)	608
<b>Allowance for Staff Growth</b> (17 staff - 2015-2032 - 0.6% p.a.)	230
<b>Subtotal</b>	<b>2856</b>
<b>Community Spaces</b>	
Library (currently in premises leased by Council)	1000
Information Centre (Citizens advice bureau)	60
Exhibition space/art display	120
Gathering spaces/meeting spaces (including for Youth, Community House)	300
<b>Subtotal</b>	<b>1480</b>
<b>Total Floorspace Requirements</b>	<b>4336</b>

The analysis of future floor space requirements includes an allowance of for future staff growth of 0.6% p.a. (or approximately 1 staff member per year) which was in line with the accommodation survey returns and in our view is reasonable give current trends in local government. If Council was to consider utilising a Shared Service Model in the future this could reduce growth in staff requirements.

It is noted that an ensuing organisational restructure occurred in May 2015. The restructure has had minimal impact on floor space/area requirements and we also understand there are likely to be further changes prior to eventual construction.

### 3. Assessment of Candidate Site Options

Seven candidate site options were evaluated against an agreed rated evaluation criteria framework using the following key criteria:

1. **Improved Customer service/ Community accessibility/ Civic Presence and convenience for customers:** integrated customer service, enhanced customer and community accessibility, Capacity to provide high quality public realm/ Place making/ Civic Precinct capacity, future flexibility (expansion capability).
2. **Enhanced Community Facilities/ Civic Office accommodation. Workplace amenity:** Enhanced Community facilities/ Hub, improved workplace amenity, staff productivity, integrated organisation/ culture.
3. **Improved financial outcomes:** optimal and responsible use of funds for land and building construction, minimises project lead time and delivery; recurrent cost implications.
4. **Strategic/ Policy Compliance:** Supports Structure Plans; Principles and directions of *Blueprint for Social Community Infrastructure*.
5. **Site Specific Opportunities and Constraints:** Site size, site conditions, development/ redevelopment costs, development potential (Planning framework – zoning, overlays, heritage, etc.).
6. **Catalyst/ Revitalisation Opportunity for respective townships/ CBD areas:** Commercial and employment stimulus; revitalisation of commercial/ retail precincts.



Based on this rated evaluation the overall rated compliance of the 7 sites is summarised in Figure 3 below.

**Figure 3: Overall rated compliance of Site Options to Evaluation Criteria**

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 this analysis, Option 1 (9 -15 Smith Street, Leongatha, Main Council Administration building) and Option 2 (6 -12 Smith Street, Leongatha, Carinos building) 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.

#### 4. Financial Analysis of Shortlisted Accommodation Options and Architectural Concepts

The accommodation options and architectural concepts plan were developed having regard to the Municipal Precinct Floor space Requirements summarised in Figure 2 and our assessment of the opportunities and constraints of the shortlisted site options.

The accommodation options were also developed based on an analysis of industry trends in local government with the findings detailed in section 4.2 of this report. Relevant key findings are noted as follows:

- Local Government municipal offices are moving away from stand alone dedicated facilities often located in multiple locations within Municipalities towards larger consolidated facilities collocated with other Community and recreational facilities in Precincts.
- This general trend is similarly reflected in other community facility provision with the collocation of multiple community facilities in Community hubs of varying sizes and roles. This has particular been the case for provision of facilities for Early Years (i.e. kindergartens, childcare, MCH, consultant, visiting health specialists).

A Financial Analysis of the two shortlisted options was undertaken using a Net present Value 15 year cashflow approach. This analysis also included sensitivity analysis to consider the range of factors influencing the likely requirement for future accommodation which will provide a financial analysis on the basis of:

- 100% accommodation requirement; and
- 75% Civic Office accommodation requirement provision (e.g. Cardinia Shire model – no dedicated desks, everyone has a locker, etc.).





The sensitivity analysis was included to take into consideration that a range of factors impact on the level of local government service provision now and into the future. These range of factors such as changing community demographics and population growth, community expectations and needs, State and Federal Government policy and funding levels, work practices including the impact of digitation and possible adoption of shared service models have the potential to either increase or reduce local government office accommodation requirements.

The results of this evaluation analysis is summarised in Figure 4 below.

**Figure 4: Summary of Financial (Net Present Value) Evaluation Outcomes for Municipal Precinct Options**

Municipal Precinct Options		Net Present Value outcome (100%)	Net Present Value outcome (75% Sensivity Analysis)
0	Base Case - Maintain Status Quo/ Do Nothing	(6,658,520)	na
1	Adaptive Reuse, Extension of 9-15 Smith Street (Main Administrative Office site)	(23,108,550)	(19,570,427)
2	Combined Smith Street Sites (Adaptive reuse of 9-15 Smith Street; New Building at 6-12 Smith Street, Carino's building)	(23,968,494)	(20,244,793)

Based on this analysis it was determined that both Options 1 and 2 have very similar Net Present Value outcomes. The benefits of both options are summarised as follows:

- Option 1 – Adaptive Reuse, Extension of 9-15 Smith Street (Main Administrative Office site) provides the best net present value of the two options of \$23.1 million, partly reflecting the capacity capital offset from the disposal of the Council owned Carinos site.
- The next best net present value option is Option 2 – Combined Smith Street Sites (Adaptive reuse of 9-15 Smith Street; New Building at 6-12 Smith Street, Carinos building) with a marginally higher net present value of \$23.9 million. The need to retain the Carinos site is a significant factor reducing the NPV outcome for this option.
- Both Schemes are located on candidate site options that scored at 88% (9 -15 Smith Street, Leongatha (Main Admin. building) and 84% (6 -12 Smith Street, Leongatha, Carinos building) compliance against the agreed evaluation criteria, the two highest rated sites of the 7 options evaluated;
- Both options support the Leongatha Structure Plan and principles and directions of *Blueprint for Social Community Infrastructure*;
- Both options allows for the adaptive reuse of existing Council asset/ buildings;
- Both options provide opportunities for functional and linkage to existing Council buildings and functions at 6-8 McCartin Street (Memorial Hall).
- Both options have economic stimulus impacts on Leongatha Township associated with facility construction-related investment. Option 1 has greater economic stimulus impacts associated with the disposal and re-use of the Council owned site at 6 -12 Smith Street, Leongatha (Carinos building).



## 5. Recommendations

1. Council note the findings of this Report.
2. Council adopt Option 1 (Adaptive Reuse, Extension of 9-15 Smith Street) as the preferred option for provision of a new Municipal Precinct accommodation comprising office accommodation and other civic/community spaces.

## 6. Customer Service and Communications Strategy to support further implementation of Municipal Precinct

To further assist with the implementation of a preferred Municipal Precinct option a Communications Strategy and Customer Service Strategy to support the proposed Municipal Precinct have also been developed and are detailed in section 7.4.2 and 7.4.3 of the Report.

The **Communications Strategy** outlines the background, key messages and recommended scope of external stakeholder and community consultation requirements in line with Council's *Communications and Engagement Policy* and the *International Association for Public Participation – (IAP2) Spectrum of Engagement* ([www.iap2.org](http://www.iap2.org)). A Preliminary stakeholder matrix is also included which outlines the key stakeholder audiences for the next phase of the Project (refer section 7.4.2 of this report for further details).

The **Customer Service Strategy** has been developed based on an analysis of current service provision levels and research and case study analysis from other Council's developing new facilities with the key components noted as follows:

- Consolidated customer service facility collocated with Civic offices and other community facilities;
- Face to Face contact is essential, although other digitally accessible mediums need to also be available for various community and customer engagements forums.
- The facility should be easily accessible with supporting convenient car parking and pedestrian access.
- The facility should be conveniently located to enable opportunities for integration with other facilities including community, retail and commercial uses in a Township/ CBD setting.

While a disaggregated customer service model may provide customer services at a more localised level, particularly for larger regional municipalities with disaggregated population centres, in our experience the costs of such a model far outweigh the benefits. The key disadvantages include:

- Lack of clarity for customers regarding which site to go for what service.
- Difficulties in sustaining effective, open communication, knowledge sharing, cultural integration across the organisation due to the physical separation of offices.
- Duplicated processes and equipment, and loss of productivity and general time / logistic inefficiencies moving between office locations.
- Multiple offices also have significant capital and recurrent cost implications.



## 7. Implementation/ Next Steps

Our approach revolves around taking further steps to minimise risk, provide additional detail to support and validate investigations and capital cost assumptions to date, and provide Council with further information regarding a potential way forward. The process outlined below is largely set around a premise where Council is the project proponent and responsible for its development program and funding.

Subject to the outcomes of this Study the *likely next steps* in delivering a new Municipal Precinct would therefore include the following key tasks:

### **Phase 1 Council Endorsement, Further Communication/ Engagement/ Preliminary Investigations**

1. Obtain Council support and endorsement for a preferred Municipal Precinct option.
2. Confirm Project Control/ Steering/ Working group governance structures involving key Council staff (and any other stakeholders) to oversee the progress throughout next steps.
3. Undertake further stakeholder/ community consultation, as required, supported by a Communications Plan consistent with Council's *Communications and Engagement Policy* and the *International Association for Public Participation – (IAP2) Spectrum of Engagement* ([www.iap2.org](http://www.iap2.org)). The key components of this initial Communications Strategy are outlined in Section 7.4.2 of this Report.
4. Investigate potential for government grant assistance with project funding concurrently with investigating/ validation of Council's funding options and capacity.
5. Consider Expression of Interest/ Sales processes for divestment/sale for the Carinos building landholding to confirm market interest and likely order of returns from sale of this landholding.

### **Phase 2: Precinct Masterplanning and Conceptual Design**

6. Confirm and appoint Project Management process and resource requirements to oversee the progress throughout next steps.
7. Procurement of Design and Consultant team.
8. Undertake further **Precinct Masterplanning and Conceptual Design** for the preferred option. Specific further specific technical investigations and reports would be required with regard to the following:
  - Level and feature surveys (highlighting existing levels, the amount of excavation required and location and details regarding potential existing ground services);
  - Geotechnical investigations in order to support ground condition and structural / foundation assumptions;
  - Engineering services investigations including consultation with local authorities in order to confirm and validate the availability and capacity of power, water, drainage, sewer, gas etc. This assessment will need to particular focus on the existing building's infrastructure and services and their capacity for expansion;
  - Building compliance assessment of existing building including support upgrade requirements;
  - Traffic management for the Municipal Precinct redevelopment to confirm and validate car parking numbers and traffic movements and volumes; and
  - Supporting investigations of options for provision of additional car parking in and around the Leongatha CBD.



7. Develop detailed cost planning taking account of all services, infrastructure and geotechnical information – confirming a Total End of Cost (TEC) for the proposed project.
8. Subject to the outcomes of the further funding and technical investigations and the Masterplanning for precinct, consider further community engagement processes to be undertaken for the project, including the development of a formal Communications Plan for the Project.

### **Phase 3: Schematic Design**

9. Undertake a fully costed and detailed **schematic design** process for the development, with referral to Council at key hold points.
10. Review/ validate capital framework following completion of above tasks.
11. Revisit financial models and validate all capital and recurrent cost implications on completion of above.
12. Consider / develop a key milestone date / implementation strategy including contractor appointment processes and procurement strategy options.

The **ensuing project Phases** would likely comprise:

- Design development;
- Development of construction documentation/ Pretender estimate;
- Tender and Construction Contract award; and
- Construction, decanting, construction completion and occupation.



# 1.0 Introduction

Sweett (Australia) Pty Ltd has been appointed by South Gippsland Shire Council to prepare a Municipal Precinct Study to investigate and understand what opportunities exist to assemble a development site for a multi-purpose facility that will consolidate and upgrade its accommodation, include community facilities (such as a library) and secure best value for investment.

This Plan will be used by Council in understanding its options to reduce business fragmentation, improving service delivery/communication to the community and assist in the further planning to provide high quality community facilities demonstrating best value for investment within a defined Municipal Precinct.

The **aims** of this Municipal Precinct Study are to:

- Analyse the current situation and identify the need for additional civic office accommodation and community facilities over a 10 to 15 year timeframe;
- Review available background documentation and policy documentation;
- Identify and assess the locational options in Leongatha township and other locations as identified to address Council's accommodation and community facility requirements;
- Prepare a financial analysis of the options including total project cost estimates and Net Present Value (NPV) comparison;
- Use agreed evaluation criteria to support a preferred Municipal Precinct option; and
- Identify the preferred Municipal Precinct option and develop an implementation strategy to deliver the desired facilities.

It is noted that this report is not intended to be a Customer Service Strategy for the Municipality as a whole but can be used to inform a Municipal Wide Customer Services Strategy and/ or Community Hubs Strategy.

## 1.1 Project Background and Context

The Council's principal administration base for the municipality is located in Leongatha. The current administrative offices have gradually become dated in presentation, overcrowded, and provide inadequate customer service amenity.

In order to provide sufficient accommodation for the expanding service delivery and staff workspace requirements, Council has had to acquire additional facilities and utilise other Council buildings to continue its operations which impacts Council's administration, operations and customer service capabilities. Council's administrative (office based) staff are now located across three (3) different buildings:

- 9-15 Smith Street, Leongatha (the main municipal office building);
- Part of 6-12 Smith Street, Leongatha (known as the "Carinos Building"); and
- Leongatha Depot, 80 Yarragon Road.



## 1.2 Project Objectives

The objectives of this Municipal Precinct Study, as included in the *Project Brief* are as follows:

- To promote Council's vision for the Shire as described in section 21.03 of Council's Municipal Strategic Statement:
- To develop the Plan in accordance with the direction and outcomes of strategic planning documents and research documents including, but not limited to *Leongatha Structure Plan 2008*, *Korumburra Structure Plan 2010*, *Blueprint for Social Community Infrastructure 2014-2029* ("the Blueprint") and *People Places: A Guide for Public Library Buildings in NSW*.
- To identify opportunities for State and Federal Government contributions and funding.
- To demonstrate business leadership and improved presence (image and accessibility) and communication by investigating: industry trends, the shape and likely future of local government, use of latest customer service technology in a government environment; and what opportunities exist in our towns to use existing community facilities (such as a library, community hub) to improve accessibility by offering a customer service presence.
- To create a functional municipal precinct that includes Council accommodation and a Library.
- To analyse the development viability of the candidate sites identified in Section F (or any other sites identified by the consultant).
- To realise the highest and best value and alternate development potential of Council's existing sites for office accommodation.
- To renew ageing infrastructure and ensure compliance with Occupational Health & Safety Regulations and current Building Regulations.

Overall the key project drivers, as reflected in the adopted evaluation criteria for the site Options detailed in Section 5.3 of this Report, for the Project are as follows:

1. **Improved Customer service/ Community accessibility/ Civic Presence and convenience for customers:** integrated customer service, enhanced customer and community accessibility, Capacity to provide high quality public realm/ Place making/ Civic Precinct capacity, future flexibility (expansion capability).
2. **Enhanced Community Facilities/ Civic Office accommodation. Workplace amenity:** Enhanced Community facilities/ Hub, improved workplace amenity, staff productivity, integrated organisation/ culture.
3. **Improved financial outcomes:** optimal and responsible use of funds for land and building construction, minimises project lead time and delivery; recurrent cost implications.
4. **Strategic/ Policy Compliance:** Supports Structure Plans; Principles and directions of *Blueprint for Social Community Infrastructure*.
5. **Site Specific Opportunities and Constraints:** Site size, site conditions, development/ redevelopment costs, development potential (Planning framework – zoning, overlays, heritage, etc.).
6. **Catalyst/ Revitalisation Opportunity for respective townships/CBD areas:** Commercial and employment stimulus; revitalisation of commercial/ retail precincts.



### 1.3 Methodology

The methodology adopted in developing this business case included the following key components:

- An induction meeting and detailed site inspection of existing Council Offices in Leongatha on 30 January 2014.
- Meetings with Council staff, Council Project Reference and Working Groups in February 2015.
- Detailed inspection of Council's current office buildings and a review of the opportunities and constraints.
- A review of relevant Council Policy and Strategy documentation.
- Analysis of office accommodation requirements and validation of Council's office accommodation requirements including a 15 year forecast of staff growth and presentation of an Initial Findings Briefing update to the Council Project Reference and Working Groups on 15 April 2015.
- Formulation of an evaluation criteria and weighted evaluation matrix for comparison of site options.
- Identification and assessment of the locational options to address Council's accommodation requirements including the preparation of an evaluation criteria and weighted matrix for comparison of site options.
- Economic analysis by Essential Economics of the candidate site options to assist to selecting preferred site/s.
- Briefings/ presentations to Council Project Reference and Working Groups on the 15 April 2015
- Key Stakeholder consultation with invited stakeholders on 15 April 2015.
- Development of high level concepts and master plan approaches for the shortlisted site options for further detailed financial analysis
- Consideration of a capital cost framework to deliver the desired facilities.
- Financial modelling comprising a comparative 15 year Net Present Value analysis (NPV) of the shortlisted options.
- Development of an implementation strategy with key milestone dates.



## 2.0 Current Council Accommodation Situation

### 2.1 Current Civic Office Accommodation overview

Council's current civic office accommodation and supporting facilities are located across four sites and are described as follows:

1. **9-15 Smith Street, Leongatha** - Council Main Administrative Office located within the Leongatha CBD including ground floor customer service facilities and smaller second level area of office space accommodation mainly accommodating corporate services and executive management offices.
2. Part of **6-12 Smith Street, Leongatha**, known as the "Carinos building, these offices are located on the opposite site of Smith Street to the main office building in Leongatha CBD.
3. **Leongatha Depot**, (engineering services), located at 80 Yarragon Road on the southern industrial fringe of Leongatha township accommodates Council's main Works Depot with a small office accommodation Engineering services staff.
4. **Memorial Hall building** (6-8 McCartin Street) – Adjoining Council's Main administrative Offices, this building does not contain Council staff office space but includes the Council Chambers and 3 other meeting rooms utilised by Council staff.

**Figure 2.1** below provides an outline of the estimated floor space provision for existing Council accommodation based on an assessment of existing site plans provided by Council for the Facilities.

**Figure 2.1: Existing Council Facilities – Summary of existing Civic office Floor space**

Existing Council Accommodation	Floor space Provision (m <sup>2</sup> )
Main Council offices (9-15 Smith St)	1608
Council Offices (Carinos Building) (6-12 Smith St)	350
Council Chamber, Meeting room (6-8 McCartin St)	140
Council Depot (Yarragon St) - (limited office space for Operations Department)	160
<b>Total existing Office based Floor space provision</b>	<b>2,258</b>





These buildings currently experience a number of deficiencies in capacity, condition and location which in turn negatively impact upon the ability of the organisation to provide services to the Shire at large.

Council also leases premises at 2 Smith Street for provision of Leongatha Library. The building has a gross floor area and has no opportunity for expansion. The West Gippsland Regional Library Corporation has indicated this facility is too small to cater for current and future library service requirements. Council also leases these premises with current rental of \$100,139 (2013-2014) indexed at 2.5% per annum.

Council also leases premises in Michael Place (behind the Library) for storage of Council archives. This space is 436m<sup>2</sup> in size and the current rental is \$35,694 per annum with CPI increases. The lease ends in 2019. It is understood Council does not want to continue with this lease arrangement and is progressing with plans to remove storage to alternative premises that comply with Public Records Storage requirements.

Figures 2.2, 2.3 and 2.4 overleaf provides a Locality Plan and supporting aerials photographs showing the location of each facility within Leongatha.

**Figure 2.2: Locality Aerial Plan of Current Council Accommodation**





Figure 2.3: Leongatha CBD based Council facilities – Aerial Photograph



Figure 2.3: Council Depot – Aerial Photograph





## 2.2 Existing Council Building Assessments

The current administrative offices have also become dated in presentation, overcrowded and provide inadequate customer service amenity.

In 2012, the Council formed a Steering Committee to consider the problems with its existing office accommodation from a short-term perspective. This culminated in a brief to consultants to prepare a design for the fit-out of Council's existing office accommodation which was completed by Mantric Architecture (Mantric).

Council has also obtained service condition assessments for both the Carinos Building and Existing administrative offices. As part of the redevelopment option investigations completed by Mantric Architects in 2012, Hyder undertook an assessment of the Main Council Building at 9-12 Smith Street as well as the Carinos building and former Curves Gymnasium building. A copy of this Report comprises **Appendix A**.

A range of works were recommended with their key conclusions noted as follows:

*These buildings most likely complied with the relevant codes and standards at the time of construction, but are probably well below the energy efficiency standards required for new buildings. A range of works were recommended included:*

- *Energy efficient lighting;*
- *Water efficient tap ware and cisterns (minimum AAA Rated);*
- *Minimised energy use and reclaim energy (where feasible);*
- *Safe working environment;*
- *Durable low maintenance materials and services (e.g. 20 year life);*
- *Cost effective construction; and*
- *Compliance with BCA and relevant codes and standards.*

A further services performance brief was prepared to implement these general recommendations as part of the Mantric design options process.

## 2.3 Previous Building Upgrade Proposal and Design Development by Mantric Architecture

As noted above Mantric were commissioned by Council in 2012 to explore options to address problems with its existing office accommodation from a short-term perspective. Their brief was to investigate design solutions for the fit out of Council offices. A copy of this Report comprises **Appendix B**.

A number of options were developed to provide adequate office accommodation to ensure an allowance of 12m<sup>2</sup> per person including Carinos Restaurant, the former Curves stadium and portable buildings housed in the Curves carpark. Their report concluded that current Government office standards required between 12-15 m<sup>2</sup> per person to provide an adequate standard of amenity. The



assessment by Mantric confirmed a current office accommodation provision of only 10.27m<sup>2</sup> per person confirming the issue of overcrowding.

The preferred option provided upgraded office accommodation utilising the existing Carinos building office space and the redevelopment and adaptive reuse of the adjoining Carinos restaurant and Curves basketball stadium building along with additional portable buildings in the rear car parking area. As noted in the Design Report by Mantric, dated June 2013, cost planning by Slattery Australia initially produced a cost plan for the preferred development option of \$1,098,000. Further value management exercises reduce this to \$822,000, which was significantly over Council's budget at the time of \$400,000.

The report further noted that services upgrades costs comprised \$290,000 and were considered so high that no significant building work could occur within the current Council budget. The options also focussed on short-term design options only and did not consider requirements for longer term customer service needs or the scope for integrating community facilities consistent with the *Blueprint for Social Community Infrastructure 2014-2029*.

## 2.4 Broad Assessment of Accommodation Issues and Building related Deficiencies

From our review of the floor plans, inspection of the existing facilities and consultation with Council officers it is evident that there are a number of accommodation issues and building related deficiencies at these facilities/ sites. These are noted in **Figure 2.3** below.

**Figure 2.3: Accommodation Issues and Building Related Deficiencies**

Identified Office Accommodation Issues and Building Related Deficiencies (* = a problem / issue has been identified)	Main Council offices (9-15 Smith St)	Council Offices (Carinos Building) (6-12 Smith St)	Council Chamber, Meeting room (6-8 McCartin St)	Council Depot (Yarragon St)
Occupational Health and Safety (OHS) issues due to average square metre allocation per employee.	x	x		x
Many offices and spaces are small / cellular in nature and difficult to structurally alter which compromises and segregates the organisation in relation to work practices, communication, integration and efficiencies.	x	x		x
Poor natural light to workspaces.	x	x		x
Inadequate air conditioning. Airflows need rebalancing. Air conditioning regularly breaks down. Poor ventilation.	x	x	x	x
Visitor orientation and access routes are confusing and fragmented. Poor "way finding".	x	x	x	x
More meeting rooms are needed, some existing meeting rooms are not easily accessible, some are too big / small, acoustic separation is an issue. Overall quality and amenity is inadequate.	x	x	x	x



Identified Office Accommodation Issues and Building Related Deficiencies (* = a problem / issue has been identified)	Main Council offices (9-15 Smith St)	Council Offices (Carinos Building) (6-12 Smith St)	Council Chamber, Meeting room (6-8 McCartin St)	Council Depot (Yarragon St)
Front of house (community accessible) / back of house (organisation accessible) delineation needed. The need to bring visitors "inside" for meetings raises security and confidentiality issues.	x	x	x	x
Poor sense of arrival and customer service environment which negatively affects both staff and the community.	x	x		x
Non-compliance in current fire, Disability Discrimination Act (DDA) and other building regulations.		x	x	x
Maintenance and utility costs expected to increase over time as the building ages and reaches the end of its useful life.	x	x	x	x
Energy inefficient.	x	x	x	x
Existing Council Chamber lacks adequate and secure visitor entrance, waiting area and adequate seating for the public attending			x	

A number of these problems / issues were also highlighted in the accommodation surveys completed by the head of each department for this project.

## 2.2 Cultural/ Communications/ Organisation Issues

Council's current office accommodation provision across these sites not only directly impacts on staff productivity, but also raises an increasing prospect of other cultural, communications and organisational issues including:

- Loss of productivity and general time / logistic inefficiencies in moving between office locations.
- Duplicate sites mean duplicate processes.
- Difficulties in sustaining effective, open communication across the organisation.
- Poor customer interface due to the physical separation of offices.
- Multiple office locations also lend itself to confusion and ambiguity within the community about which site they need to attend for specific services.
- Loss of cultural integration, silos have developed and a 'bunker mentality is developing.
- General overcrowding has a negative impact on staff morale, retention and attraction.

Section 3.0 of this report further discusses the current accommodation issues highlighted in the accommodation surveys completed by the head of each Council department for this project.



## 3.0 Workforce Planning and Future Accommodation Requirements

### 3.1 Accommodation Survey Approach

An assessment of Council's current and projected future office-based staff numbers has been undertaken to determine South Gippsland Shire Council's accommodation requirements for the next 15 years.

Sweett Group's approach to this workforce planning included:

- Understanding Council's organisational structure.
- An inspection of the complement of buildings at the Civic Precinct to better understand the scope of the study as well as the current mode of operation and accommodation standard.
- Developing modular office workstation models as well as a proforma accommodation survey tailored to Council's organisational structure was sent to and completed by the head of each department/ directorate.
- The questionnaires required officers to tabulate the special requirements for each staff member within the department (Form B). Support space requirements (i.e. interview rooms, storage, filing, shared work areas) were also tabulated as were particular department requirements (i.e. affinities to other departments and access to meeting rooms) (Forms A and C).

Allowances for additional ancillary space requirements were also included with assumptions as outlined in Section 2.3 below.

Eight (8) completed accommodation surveys were received from the following Council departments/ directorates in March 2015, including:

- **CEO's Office**, including Mayors Offices (1 consolidated form)
- **Corporate Services**, including Customer Service, Finance, Valuations, Communications, Governance Services, Information Systems and Support (1 consolidated form);
- **Engineering Services**, including Property, Engineering & Assets, Operations (Depots) (1 consolidated form);
- **Development Services**, including Development Services Director, Strategic Planning and Development, Planning and Environmental Health, Regulatory Services (4 completed forms by departments);
- **Community Services**, including Sustainability Services, Community strengthening, Aged and Disability services, Children & Family Services, Emergency Management (1 consolidated form)



The completed staff breakdowns (Form B from Accommodation surveys) and the completed surveys provided by Council comprise **Appendix C**. The overall results of the accommodation survey are described and analysed below.

### 3.2 Accommodation Issues Summary

Based on the responses included within the survey forms and our discussions with the project Working Group, the following key accommodation issues were highlighted:

- Lack of clarity for customers regarding which site to go for what service.
- Limited sense of arrival and customer service environment. Inadequate front of house meeting rooms, need to penetrate organisations to access meeting room, i.e. security issues.
- Difficulties in sustaining effective, open communication, knowledge sharing, cultural integration across the organisation due to the physical separation of offices.
- Inappropriate spatial allocations and limited storage. Space allocated to each staff member varies across the organisation with areas being overcrowded. General overcrowding which has a negative impact on staff morale, retention and attraction.
- Duplicated processes and equipment, and loss of productivity and general time / logistic inefficiencies moving between office locations.
- Limited capacity and/ or functionality of existing offices to expand.
- Existing Leongatha Library on leased site, too small to cater for current and future community needs.
- Need for improved community facilities and accommodation to respond to changing accessibility requirements for the delivery of services by Council.

### 3.3 Current Office-Based Staffing numbers

In line with the survey returns received, as of March 2015, office-based staff numbers (full time and part time) in Leongatha comprised 166 persons.

***It is noted that an ensuing organisational restructure occurred in May 2015. The restructure has had minimal impact on floor space/area requirements and we also understand there are likely to be further changes prior to eventual construction.***

**Figure 3.1: Current Office-Based Staff Numbers**

Directorate	Current Staff Numbers
CEO	3
Corporate Services	51
Development Services	34
Engineering Services	36
Community Services	42
Total	166



Our appraisal of Council's existing office accommodation requirements has had regard to the following floor space to staff ratio assumptions (refer Figure 3.2 below).

**Figure 3.2: Workspace Models**

Model Type	Description	Area
A – CEO / Mayor	Enclosed office	29.1m <sup>2</sup>
B – Director	Enclosed office	23.0m <sup>2</sup>
C – Manager	Enclosed office	15.0m <sup>2</sup>
D – Clerical staff	Open workstation	6.0m <sup>2</sup>
E – Technical staff	Open workstation	7.5m <sup>2</sup>
Hot Desks	Open workstation	6.0m <sup>2</sup>

On the basis of these assumptions, Council's existing office-based staff requirements on a net basis are outlined below in Figure 3.3.

**Figure 3.3: Office-Based Staff Requirement (Net Workspace), March 2015**

GROUP	Staff Work space No.s	Workstation Module (Enclosed) (m2)				Workstation Module (Open Plan) (m2)		Hot Desks	Total Staff Workspace Requirement (m2)
		CEO/ Mayor	Director	Manager	Section Head	Clerical	Technical		
		A	B	C	D	E	F	E	
1. CEO	3	2	0	1	0	0	0	0	73
2. Corporate Services	51	0	1	4	0	41	3	2	364
3. Engineering Services	34	0	1	4	0	2	26	1	296
4. Development Services	36	0	1	3	3	1	28	2	332
5. Community Services	42	0	1	4	0	36	1	2	319
<b>Total</b>	<b>166</b>	<b>2</b>	<b>4</b>	<b>16</b>	<b>3</b>	<b>80</b>	<b>58</b>	<b>7</b>	<b>1383</b>

It is noted that as per the survey returns some staff are part time and share desks whilst a number of engineering staff have been allocated a "technical" open desk allowing for a larger workspace for drawing and design layout space as per the assumptions listed in Figure 3.2.

It is also noted that as per the survey returns an assumption of 7 hot desks have been allocated across the organisation on the basis of 6m<sup>2</sup> per space (i.e. spaces in total). These are for contractors, consultants and student placement where required.





Allowances for a range of other ancillary spaces have been included based on benchmark information collected from similar civic office developments and accommodation studies as well as the completed Form C. The assumptions for these additional allowances and provision for growth are noted as follows:

- Organisation Meeting Rooms (assumes 25m<sup>2</sup> for 3 Departments plus CEOs Office) bulk allowance of 100m<sup>2</sup>.
- Customer service counter / call centre / foyer / exhibition space / meeting rooms / public toilets / entrance airlock: bulk allowance of 100m<sup>2</sup>.
- Staff toilets / amenities / lunch room / mail room: bulk allowance of 150m<sup>2</sup>.
- Information Technology (IT) / computer room: bulk allowance of 25m<sup>2</sup>.
- Staff Training/ Multipurpose meeting room: bulk allowance of 25m<sup>2</sup>.
- Miscellaneous storage / utility space: bulk allowance of 20m<sup>2</sup> for each of the 4 Directorates, a total of 80m<sup>2</sup>.
- Miscellaneous Specialist Storage (i.e. Health Department): bulk allowance of 40m<sup>2</sup>.
- Assumes archives are located offsite.
- Council chamber / meeting rooms / Mayor and Councillor lounge facilities / Councillors' amenities / furniture storage / kitchenette bulk allowance of 100m<sup>2</sup>.
- An additional grossing factor of 30% for circulation, plant, stairs etc.

The result of this additional assessment which includes allowance for other ancillary area allocations and projected growth is shown in **Figure 3.4** below.

**Figure 3.4: Projected Total Civic Office Area Requirement, March 2015 Assessment**

OTHER ANCILLARY SPACE REQUIREMENTS - Form C	Floorspace (m2)
<b>1. Organisation Meeting Rooms</b> (assume 25 m2 for each of the 4 Departments plus CEO office)	100
<b>2. Ancillary Space/ Storage</b> (assume 20 m2 for each of the 4 Departments)	80
<b>3. Assume Archives Offsite</b>	0
<b>4. Toilets, Lunchrooms, mail room, amenities</b>	150
<b>5. IT/ Computer Room/ Dedicated Storage</b>	25
<b>6. Training/ Multipurpose meeting room</b>	25
<b>7. Front of House - Customer Service/ Foyers/ Exhibition Space</b> Meeting rooms/ Public Toilets	100
<b>8. Miscellaneous Specialist Storage</b> (i.e. Health Department)	40
<b>9. Council Chamber/ Meeting Room</b> (Chamber to be multi-purpose in function )	100
<b>10. Mayor meeting room, Councillors Meeting/ Lounge Facilities</b>	25
<b>SUBTOTAL</b>	<b>645</b>
STAFF FLOORSPACE (from above)	1383
<b>TOTAL</b>	<b>2028</b>
Add Grossing Factor of 30% (allows for circulation, plant, stairs, etc.)	608
<b>CURRENT OFFICE SPACE REQUIREMENTS</b>	<b>2636</b>



### 3.4 Projected Future Growth in Office-Based Staff Numbers

Future growth in local government staff numbers is not easy to predict, particularly beyond 7 years, as it can be influenced by many factors including:

- Changing community demographics.
- Changing community attitudes.
- Changing environmental influences.
- Changing State and Federal government policy.
- Changing funding sources.

All factors have the potential to increase service provision requirements in the local government sector. Future growth in staff numbers is predicted by looking at population forecasts projected future staff growth and staff numbers of similar Councils.

As outlined in *Social Community Infrastructure Blueprint, 2014* Population forecasts for South Gippsland Shire in 2031 the Shire population is forecast to be 36,511 residents, an increase of 9001 or 1.42% per annum from 2011.

From our experience with other Council accommodation studies an assumption of growth midway between the projected annual population growth rate and the stated growth

The results from the proforma questionnaires completed in March 2015 indicate that stated future office-based staff growth is approximately 1 Full time equivalent (FTE) staff or 0.6% per annum from 166 staff in 2015 comprising a modest growth of 7 staff to 2022, for the initial 7 year projection and 10 additional staff from 2022 to 2032. Additional floor space requirements for staff growth in summarised in Figure 3.5 below.

**Figure 3.5: Projected Future Office-Based Staff Numbers**

Provision for Staff Growth	Area Requirement (m <sup>2</sup> )
<b>Add Growth in Staff Nos over 7 years (2015-2022) (based on 0.6% p.a.)</b> (assuming occupation in 2017 - (allowance of 10 m <sup>2</sup> for 7 additional staff)	70
<b>Add Growth in Staff Nos (2022-2032) (based on 0.6% p.a.)</b> (allowance of 15 m <sup>2</sup> / staff member grossing allowance for 10 additional staff)	150
<b>Overall Growth allowance (up to 2032)</b>	<b>230</b>

It should be noted that an initial 7 year growth period has been nominated to project the required building area (m<sup>2</sup>) on the basis that an average development duration (design and construction) could take up to 2 years and therefore on completion, we would expect an inherent 5 years growth capacity of the newly completed building – prior to requiring any major expansion and/or redevelopment.



Given the small additional amounts of floor space to accommodate growth, it is assumed that the floor space to accommodate growth up to 2031 would be constructed as a single stage.

A further discussion relating to the factors influencing future accommodation requirements is included in Section 4.3 of this Report.

### 3.5 South Gippsland Shire Relative Comparison to Other Municipalities

An analysis of other regional and metropolitan Council Equivalent Full Time (EFT) Benchmarks is presented in Figure 3.6 overleaf. This analysis is based on total EFT and floor space data from a range of other Civic accommodation projects Sweett has been involved with and provides a relative understanding of other municipal areas comparable to South Gippsland Shire.

The analysis shows that EFT per gross floor area ranges from 14.53 (Mitchell) to 22.92 (Hindmarsh) with an average of 18.4.

Based on Southern Grampians Shire's total EFT of 166 and a current gross floor area requirement of 2,636 m<sup>2</sup>, the total m<sup>2</sup>/EFT is in the order of 15.9 m<sup>2</sup> per person which is at the lower value compared to other Municipalities.

**Figure 3.7: Total EFT/Gross Floor Area Benchmark**

Municipality	Gross Floor Area	Number of Staff	Total M2 per person (gross)
Hindmarsh	1100.00	48	22.9
Ballarat	6650.00	309	21.5
Knox	5650.00	285	19.8
Wellington	3350.00	175	19.1
Southern Grampians	1629.00	86	18.9
Stonnington	7632.00	386	19.8
Brimbank	5350.00	289	18.5
Banyule	5254.00	284	18.5
Shire of Yarra Ranges	4215.00	230	18.3
Whittlesea	6011.60	330	18.2
Campaspe	2481.00	137	18.1
Surf Coast	3800.00	210	18.1
Baw Baw	4313.00	240	18.0
Dandenong	6530.00	365	17.9
Frankston	5805.00	331	17.5
Yarra	6537.00	376	17.4
Moira	2614.60	159	16.4
<b>South Gippsland</b>	<b>2636.00</b>	<b>166</b>	<b>15.9</b>
Mitchell	2776.00	191	14.5
<b>Averages</b>	<b>4317.98</b>	<b>227.67</b>	<b>18.4</b>



### 3.6 Community Facility/ Accommodation Requirements

Based on a review of the recommendations of the *Blueprint for Social Community Infrastructure and Community Infrastructure Plans* for Leongatha and Korumburra a range of Community facility requirements have also been identified for inclusion within a Municipal Precinct to be located in Leongatha.

Council Officers have further confirmed the following details which has also assisted in determining the primary community facility requirements. These are summarised as follows:

- **Expanded library**, currently in premises leased by Council at 2 Smith Street.
- **Information centre**, currently provided in Leongatha via Citizens Advice Bureau from Council owned premises at 6-8 McCartin Street (Memorial Hall building).
- **Exhibition space/art display space** currently provided in Leongatha in Council owned premises at 6-8 McCartin Street (Memorial Hall building). However this would need to be twice the floor area of the current provision.
- **Youth gathering space/informal meeting space** – This is not currently provided because the facility built for this purpose is now used by Council for storage purposes and is also not suitable for current meeting space requirements (i.e. former Curves Gymnasium building).
- **Community House service** which essentially would comprise meeting rooms – This is currently provided in Leongatha in former residential dwelling of (approximately 110m<sup>2</sup>) house owned by Council.
- **Gathering space/informal meeting space** not currently provided elsewhere to supplement library/ community spaces (including for Youth, other community organisations).

Council has further advised that any community hub would not include facilities such as a dedicated-seniors citizens centre, maternal child health or general health related facilities.

#### 3.6.1 Future South Gippsland Principal Library requirements

The West Gippsland Regional Library Corporation (WGRLC) has prepared an assessment of the future requirements for a Principal library to be located in Leongatha.

There detailed report entitled, *Future South Gippsland Principal Library (undated)* provide extensive case study analysis confirming the expanded role of Libraries around Australia and the world as providing an expanded role as a principal meeting place providing opportunities for community connection, learning, creativity and collaboration.

The assessment also provided a detailed floor space specification which included an overall requirement for 1,453m<sup>2</sup>, including 293m<sup>2</sup> for multipurpose community/ meeting spaces. Our assessment below provides for a bulk allowance of 1,000m<sup>2</sup> for dedicated library space with other common areas/ meeting spaces shared within a community hub/ administrative Civic office complex.



### 3.6.2 Assessment of Community space requirements in Municipal Precinct

Based on the above assessments, **Figure 3.8** below outlines a summary of additional community facility requirements that would be accommodated in a Community Hub facility collocated with Civic Administration.

It is noted that where the requirements are for meeting spaces (i.e. Community House, Youth, Gathering space/informal meeting space) these would be provided as a bulk allowance on the basis that these would be multi-purpose and flexibly used by a range of users which is consistent with the facility principles outlined in the *Blueprint for Social Community Infrastructure*.

**Figure 3.8: Summary of Community Facility Floor space Requirements**

Community Spaces	Proposed Area Requirements (m2)
Library (currently in premises leased by Council)	1,000
Information Centre (i.e. Citizens advice bureau)	60
Exhibition space/art display	120
Gathering space/informal meeting space (including for Youth, Community House)	300
<b>Total</b>	<b>1,480</b>



### 3.7 Concluding Assessment

The overall assessment of Council's accommodation requirements are summarised overleaf in **Figures 3.9**. Based on this analysis the following future office space requirements for South Gippsland Shire are noted:

- The current office space requirements for Council's 166 office based staff in a consolidated facility is assessed as comprising 2,636 m<sup>2</sup>. This provides floor space to staff ratio of 15.1m<sup>2</sup> including ancillary area allocations and a 30% grossing factor. A figure of around 15m<sup>2</sup> per person is considered to provide a good level of comfort for productive working environments including allowance for storage, meeting rooms, circulation etc. while also providing an efficient building footprint and internal layout.
- The projected office space requirement to cater for current requirements and 15 years growth (2015 – 2030) is in the order of 2,856 m<sup>2</sup> with only modest allowances of 230m<sup>2</sup> for 17 additional staff members at a modest rate of 0.6% per annum.
- Existing office accommodation and Council meeting rooms are provided across four sites comprising approximately 2,258 m<sup>2</sup> floor space (9-15 Smith Street, 6-12 Smith Street, 6-8 McCartin Street and Yarragon Street Depot) which is not adequate for current and future accommodation needs.
- Additional community facilities would also be required within the Municipal Precinct, including a Library, community meeting spaces, Art display and information centre spaces with an additional 1,480 m<sup>2</sup> required.



**Figure 3.9: Summary of Office Floor space Accommodation Needs for Shire, March 2015**

<b>PROFORMA WORKSTATION REQUIREMENTS - Form B</b>									
GROUP	Staff Work space No.s	Workstation Module (Enclosed) (m2)				Workstation Module (Open Plan) (m2)		Hot Desks	Total Staff Workspace Requirement (m2)
		CEO/ Mayor	Director	Manager	Section Head	Clerical	Technical		
		A	B	C	D	E	F	E	
1. CEO	3	2	0	1	0	0	0	0	73
2. Corporate Services	51	0	1	4	0	41	3	2	364
3. Engineering Services	34	0	1	4	0	2	26	1	296
4. Development Services	36	0	1	3	3	1	28	2	332
5. Community Services	42	0	1	4	0	36	1	2	319
<b>Total</b>	<b>166</b>	<b>2</b>	<b>4</b>	<b>16</b>	<b>3</b>	<b>80</b>	<b>58</b>	<b>7</b>	<b>1383</b>
<b>Notes:</b>									
Based on appraisal of Offices (enclosed) and desks (workstations) with module sizes as follows:									
CEO	29 m2	A	Section Head	12 m2	D				
Director	23 m2	B	Standard	6.0 m2	E				
Manager	15 m	C	Technical	7.5 m2	F				
Staffing/ workspace requirements includes hot desks, part-time and casual positions.									
<b>OTHER ANCILLARY SPACE REQUIREMENTS - Form C</b>									Floorspace (m2)
<b>1. Organisation Meeting Rooms</b> (assume 25 m2 for each of the 4 Departments plus CEO office)									100
<b>2. Ancilliary Space/ Storage</b> (assume 20 m2 for each of the 4 Departments)									80
<b>3. Assume Archives Offsite</b>									0
<b>4. Toilets, Lunchrooms, mail room, amenities</b>									150
<b>5. IT/ Computer Room/ Dedicated Storage</b>									25
<b>6. Training/ Multipurpose meeting room</b>									25
<b>7. Front of House - Customer Service/ Foyers/ Exhibition Space</b> Meeting rooms/ Public Toilets									100
<b>8. Miscellaneous Specialist Storage (i.e. Health Department)</b>									40
<b>9. Council Chamber/ Meeting Room (Chamber to be multi-purpose in function )</b>									100
<b>10. Mayor meeting room, Councillors Meeting/ Lounge Facilities</b>									25
<b>SUBTOTAL</b>									<b>645</b>
STAFF FLOORSPACE (from above)									1383
<b>TOTAL</b>									<b>2028</b>
Add Grossing Factor of 30% (allows for circulation, plant, stairs, etc.)									608
<b>CURRENT OFFICE SPACE REQUIREMENTS</b>									<b>2636</b>
Staff/ Floorspace (m2) Ratio: <b>15.9</b>									
<b>Add Growth in Staff Nos over 7 years (2015-2022) (based on 0.6% p.a.)</b> (assuming occupation in 2017 - (allowance of 10 m2 for 7 additional staff)									70
<b>OVERALL TOTAL (up to 2021)</b>									<b>2706</b>
<b>Add Growth in Staff Nos (2022-2032) (based on 0.6% p.a.)</b> (allowance of 15 m2 / staff member grossing allowance for 10 additional staff)									150
<b>OVERALL TOTAL (up to 2032)</b>									<b>2856</b>



As indicated in **Figure 3.10** below, the overall requirement for Community and Civic and facility accommodation is assessed at 4,336m<sup>2</sup>.

**Figure 3.10: Summary of Municipal Precinct Civic and Community facility accommodation Requirements**

<b>Community and Civic Accommodation Requirements</b>	<b>Proposed Area Requirements (m<sup>2</sup>)</b>
<b>Civic Office Space Requirements</b> (Office space and support space)	<b>2856</b>
<b>Community Spaces</b>	
Library (currently in premises leased by Council)	1000
Information Centre (Citizens advice bureau)	60
Exhibition space/art display	120
Gathering spaces/meeting spaces (including for Youth, Community House)	300
<b>Subtotal</b>	<b>1480</b>
<b>Total Floorspace Requirements</b>	<b>4336</b>





## 4.0 Council Policy Context and trends in Local Government Service Provision

This section outlines the Council and strategic policy context in consideration of the need for consolidated facilities to accommodate South Gippsland Shire staff along with a discussion of trends in local government service provision which are relevant to this Municipal Precinct Study.

### 4.1 Council Policy and Strategic Planning Context

#### 4.1.1 Council Plan, 2013-2017

The community's aspirations have been documented in the Shire's *Council Plan 2013 – 2017*. The *Council Plan 2013 – 2017* outlines the Vision, Mission and Values of Council which are noted as follows:

***Vision***

*Communities in charge of their destinies in partnership with Council*

***Mission***

*To achieve a resilient & sustainable community*

**Values**

- Integrity
- Community engagement
- Collaboration
- Innovation & achievement
- Openness and Honesty
- Equity
- Diversity and inclusion

*(Council Plan 2013 – 2017, p. 9)*

Relevant Outcomes, Objectives and Strategies in in the Council Plan include (noting underline included to highlight relevant strategy directions):

**OUTCOME 1: A Prosperous Shire**

**Objective 1.1: Work with the business community to support existing businesses, diversify employment opportunities and to attract new businesses.**

Strategy 1.1.1: We will actively plan for growth and economic development.

Strategy 1.1.2: We will protect and retain the unique identity of towns, villages and farming districts.

Strategy 1.1.4: We will promote and encourage tourism through development support.

**Objective 1.2: Raise the awareness of local and regional issues with State and Federal decision makers.**

Strategy 1.2.2: We will advocate for priority projects that assist in stimulating economic growth, agricultural development, tourism infrastructure and community facilities.

**Objective 1.3: Improve the sustainability of the local and regional environment**

Strategy 1.3.1: We will actively engage businesses, farmers, industries and individuals in creating a clean, green Shire, where environmental sustainability is embraced and practiced.

Strategy 1.3.2: We will promote sustainable waste management practices, energy efficiency and management of our natural resources.

**OUTCOME 2: Closely Connected Communities**

**Objective 2.1: Engage and work collaboratively with our community.**

Strategy 2.1.1: We will develop a continually evolving Vision for the Shire that encourages community participation in defining what it wants, needs and can afford to guide rationalisation, consolidation and achievement of desired community outcomes.

Strategy 2.1.2: We will develop an integrated approach to planning with the community incorporating budgeting/funding strategies and project development.

Strategy 2.1.3: We aim to minimise barriers and find ways to support our volunteers, community groups and committees to provide services beyond those that Council, by itself, can provide.

**OUTCOME 3: 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.

Strategy 3.1.2: We will collaborate with other agencies and service providers to focus attention on growth areas and avoid duplication of services.

Strategy 3.1.3: We will develop an integrated planning approach for our townships and villages, so that facilities are located in areas where they are most appropriate

Strategy 3.1.4: We will plan for the service needs of the Shire's changing demographic.

Strategy 3.1.6: We will refine the provision of Council services through reviews focused on evolving community needs, realistic and affordable service standards and efficient management of resources.



## **OUTCOME 4: A Leading Organisation**

### **Objective 4.1: Improve the financial sustainability of Council, including diversifying revenue streams.**

Strategy 4.1.1: We will explore innovative ways of increasing revenue and reducing expenditure.

### **Objective 4.2: Pursue best practice in organisational development and operations of the organisation**

Strategy 4.2.4: We will create an environment for people to be their best, to optimise the performance of the organisation and to deliver quality outcomes for the community.

Implications for this Study

The Council Plan supports this Municipal Precinct Study which will assist in the implementation of a number strategies and priorities including:

- Assists in the planning for service needs and provision of Council services.
- Modern Municipal Precinct facilities will create an environment for people to be their best, to optimise the performance of the organization (e.g. staff productivity and morale, cultural integration, knowledge sharing) and to deliver quality outcomes for the community.
- Provides for an integrated approach to planning for Council service provision.
- Providing an opportunity to facilitate growth and revitalisation in the Shire, particularly in the respective main Townships and CBD's.

#### **4.1.2 Blueprint for Social Community infrastructure, 2014**

The *Blueprint for Social Community infrastructure, 2014-2029*, dated September 2014 establishes the decision-making framework for the provision of community infrastructure over the next 15 years. The Blueprint was based on an audit of over 905 community facilities within the Shire with Council owning or managing 525 (or 58%) of these facilities.

Relevant outcomes and key findings of the Audit are noted as follows:

1. There is not a large demand for new infrastructure;
2. The number of facilities has potential to place a large time/organisational burden on the community resulting in the loss of volunteer support;
3. There is a need for a range multi-function facilities that allow for the co-location of a number of existing services and functions that can operate collaboratively;
4. There are some discrepancies in resourcing for some facilities which in most cases are historical, i.e. Council has inherited some facilities where community groups have been unable to continue for a variety of reasons;
5. There are issues around equity of access and cost to community groups.



In terms of specific relevant findings to this Study, the following are noted:

### **Multipurpose District Community Hubs**

- Although best practice, there are only two purpose-built Multipurpose District Community Hubs (MDCH) in the Shire, being at Venus Bay and Sandy Point. The remaining facilities identified are halls or other structures that operate with a multiple function;
- Three strategically placed MDCH's have been identified for in Nyora, Korumburra and Leongatha to co-locate a number of existing functions. Proportionally scaled MDCHs for other settlements (to small town level) will also be considered by Council;
- Funding has been allocated in the SGSC capital works budget for Nyora in 2021 that may include a meeting space, pre-school, library, child care, commercial space etc. Other community infrastructure may require significant external funding.

### **Library**

- Council's five library buildings are highly utilised and popular community facilities within the Shire;
- They are functioning as libraries and community centres providing space for youth programs, social groups, and community exhibitions; and
- A review of the current site of the Leongatha library is underway, due to space and operational costs. Options include incorporating the library into a future Leongatha Municipal Hub or by occupying a vacant main street commercial space.

### **Youth Spaces**

- Youth spaces should be designed into and co-located within a multipurpose community centre; and
- Plan/design for dedicated youth spaces in Libraries.

### **Neighbourhood Houses/Community Hubs**

- Upgrade existing facilities to meet demand; and
- Co-locate into Community hubs where required.

### **Key Directions**

The Blueprint identified 8 key directions with relevant directions to this Study noted as follows:

2. Focus Council's capital investment in the major growth towns of the Shire by consolidating existing community infrastructure in those towns;
4. Korumburra: Identified in the Korumburra Infrastructure Plan and opportunity with the Korumburra Integrated Children's Centre. Leongatha: Due to the need for a new location of the Library and other facilities. Population justifies both and availability of ageing and little used infrastructure to sell to fund the hubs through the development of a business case which also includes funding sources.



5. Community hubs will incorporate a range of compatible groups and functions, be designed with ultimate flexibility in order to cater for more than one concurrent activity and may incorporate a commercial component.

7. Plan for the potential future growth areas such as Nyora and the Coastal towns (p. 20).

Relevant recommended actions (p. 21-22) are noted as follows:

	Action	Timeframe	Opportunities and constraints
1.	In collaboration with the community, review underutilised facilities to optimise use to a smaller number of strategically located multipurpose facilities. This may include a reassessment of some facilities, redevelopment of others and change of use for some community facilities.	Short Term	This will require the identification and planning for facilities that are currently under-utilised to be redeveloped into multipurpose facilities.
2.	Investigate staffing of future multipurpose community centres by Identifying a lead agency such as a neighbourhood house, library or Visitor Information Centre and <u>Incorporate Council customer service into the model.</u> Consider the location of commercial activities on site and a range of government and non-government services should also be considered.	Short Term	Staffing. It is important to identify not only staff funding sources but to clearly define and articulate any benefits to the community and/or Council. Council to investigate methods to staff future community facilities. Investigate the Welshpool RTC model for providing extended services based on commercial principles
3.	Provide spaces for the <u>delivery of youth programs and services within future multipurpose community facilities</u>	Short Term	Initially focus on Leongatha and Korumburra e.g. Skate parks, Flexible Youth Spaces and Drop-In Centres. To be determined on a case by case basis.
11.	<u>Develop 2 strategically located community hubs in Leongatha and Korumburra</u> that are well connected to public transport (where available), pedestrian and cycle links, commercial, retail and community activity centres;	Medium Term	This will require the identification of appropriate sites and funding opportunities. The need for a new library in Leongatha and the relocation of the Birralee Child Care Centre and the Korumburra Kindergarten to the Integrated Children's Centre are drivers
13.	Plan to upgrade or extend the existing and available library floor space for current population needs in Foster. <u>Investigate new static libraries in growth towns and as demanded by the community and growth within multipurpose facilities</u>	Medium Term	Part of community hubs plans
19.	Investigate the need for a community hub in Nyora when population triggers are activated	Long Term	Population triggers used in conjunction with a range of criteria

The *Blueprint* notes:

*Current best practice in community facility design and provision recommends a range of different spaces and functions within the one building or a cluster of buildings. Where, in the past, these spaces may have been provided in standalone buildings, the benefits of co-locating these spaces onsite with a range.*



The following seven Principles will guide the planning, building, refurbishment and redevelopment, acquisition and sale of community facilities across the South Gippsland Shire.

- **Principle: 1.** Multi-purpose and flexible;
- **Principle: 2.** Promote a positive local identity and social connection;
- **Principle: 3.** Managed in partnership and consultation with key stakeholders and communities;
- **Principle: 4.** Socially, financially and environmentally sustainable;
- **Principle: 5.** Access for all;
- **Principle: 6.** Safe and fit for purpose; and
- **Principle: 7.** Equitably and appropriately located (p. 23)

#### **Implications for this Study**

- There is a need for a range multi-function facilities that allow for the co-location of a number of existing services and functions that can operate collaboratively.
- The need to improve the utilisation of existing facilities and provide new facilities in Multipurpose District Community Hubs with projects identified for Leongatha and Korumburra.
- The focus and prioritisation of community facility provision and capital investment is to be in major growth towns (e.g. Leongatha and Korumburra).
- The need for Library upgrades to be integrated within multipurpose facilities, particularly in Leongatha and these Hubs to also incorporate spaces for youth. A review of the current site of the Leongatha library is underway, due to space and operational costs. Options include incorporating the library into a future Leongatha Municipal Hub.

#### **4.1.3 Community Infrastructure Plan, Leongatha, 2014**

This Plan guides the development, timing, design and location of community infrastructure over the next 20 years in Leongatha.

Key relevant findings, conclusions and recommended actions are noted as follows:

**Multipurpose community hubs** are central to the Plan noted as follows:

International, Commonwealth and state policy direction encourages the development of integrated hubs which support the co-location and/or integration of services. These can include education hubs, sporting hubs or community hubs. Hubs provide multiple spaces clustered together on one site servicing the neighbourhood / district / sub-region / region (p. 101)

#### **Library**

The current principal library based in Leongatha services the needs of the broader South Gippsland community in addition to those living in Leongatha. The current venue provides limited public access space (361m<sup>2</sup>) and cannot provide the variety of study and meeting spaces required in a modern library. A new library would serve the needs of the community for another 30 – 50 years (p. 3).



Recommendations:

- Investigate a new library site close to the town centre with high public exposure to be constructed in 10 years.
- Consider in planning the co-location of a library with other community or civic buildings providing increased and varied spaces providing varied activity and study areas.

It is planned that the West Gippsland Regional Library Corporation work with Council to develop a concept plan for a new Principal Library located in Leongatha. Future library planning aims to create library spaces that are multi-functional community hubs. There is strong support for the notion of the library as a community hub or 'piazza', co-located with other Council/community services and/or a café or other traffic-generating commercial enterprises (p. 99)

### Youth

Leongatha has become a hub for youth in South Gippsland. The range of education opportunities available in the town bring many young people to Leongatha for school and further education. Sport, the cinema, other entertainment retain young people within the town. Leongatha businesses provide part time work positions filled by students who attend school in Leongatha living in the town or in neighbouring towns or rural areas.

Recommendations:

- Re investigate the Leongatha railway station as an area suitable for youth to meet, both indoor and outdoor.
- Safe indoor areas for quiet study, informal meeting with others, youth specific service provision considering expansion of space available in library or other centrally located space.

A key identified need is for:

***A centrally located public meeting space which includes a library may provide a focus for the Leongatha community. This venue would provide a place which would not be commercial or member based and could provide a place for community members to meet informally, get out of extreme weather to rest and relax*** (p. 4)

#### 4.1.4 Leongatha Structure Plan, June 2008

The Structure Plan identifies a future vision for the town that captures the community's objectives and aspirations for Leongatha. It also provides planning, design or development objectives to be pursued in order to achieve the vision.

Relevant aspects of this plan are noted as follows:

- With a projected residential population of 6,820 in the year 2026 (a growth by more than 2,000 persons), Leongatha will maintain its current status and extend its roles as:
  - An attractive, sustainable and vibrant residential location in the heart of South Gippsland.
  - A dairy industry centre of state significance.
  - A regional industrial service centre.



- A regional health centre.
  - Headquarters for the South Gippsland Shire Council.
  - *A regional transport hub with road and rail (long-term) connections to Melbourne and Gippsland and air connections to other regional centres.*
  - *A regional community services and facilities hub.*
  - *A regional education, entertainment and recreation centre.*
  - *A regional retail and business centre.*
  - *A tourist service centre (p. 4).*
- A vibrant Town Centre that is the primary location for business, retail, entertainment and community activities, providing a full range of goods services and facilities for the local and regional populations, with all facilities within easy walking distance of Bair and McCartin Streets (p. 5).
  - To recognise and protect the role of the Leongatha Town Centre as the location for retail, commercial, civic, community and entertainment, and tourism facilities in the town and ensure that adequate land is available within the Town Centre to accommodate future activity and development (p. 6).
  - An Essential Economics report indicates a requirement of an additional 5ha of retail floor-space by 2020 in the town centre (p. 10). The report also identifies the need for an additional 5,200sqm of commercial offices within the Town Centre by 2020. If a car-parking rate of 3.5 spaces per 100sqm is applied, the land requirement grows to 10,660sqm or 1.07Ha. It is essential that all major commercial offices are located within the Town Centre (p. 14).

### **Railway Reservation**

The existence of the railway reservation and supporting infrastructure represents a significant strategic advantage for Leongatha given energy, sustainability and climate change issues. Key stated strategies include:

1. To ensure that the necessary infrastructure and reservations to enable the provision of passenger rail services to Leongatha are retained.
2. To ensure that future planning and development proposals do not jeopardise the reestablishment of rail services to the town.

The Structure Plan further notes a Strategy relevant to the railway land as follows:

*Facilitate and promote the appropriate redevelopment of the Railway land in an integrated fashion with Bair Street, as the prioritised commercial expansion area of the Town Centre (p. 27).*

### **4.1.5 Leongatha CBD Parking Strategy (AECOM, February 2013)**

South Gippsland Shire Council has commissioned AECOM to undertake a car parking study and strategy for Leongatha's Central Business District (CBD) to enable the Council to deliver sustainable parking solutions for the town. The expected increase in population and intensified land uses in Leongatha is likely to have an impact on the supply and demand of parking provided in the CBD.





It was found that there is sufficient parking within the core parking area of the CBD overall to cater for existing peak parking demand. Depending on the growth of demand for parking associated with businesses in the future, and based on the historical parking waiver, the current parking surplus could be exhausted in the near future.

Relevant key findings (pp. 13-14) of the Strategy of existing car parking provision are noted as follows:

- There is a good mix of short term and long term parking options in the core parking area with roughly half of publicly available spaces allocated to short terms spaces (15 minute to 2 hour) and half allocated to longer term parking (4 hour and unrestricted).
- There are 1,369 short and long term parking spaces in the core parking area of the CBD of which 1,008 parking spaces were occupied during the peak period.
- The peak demand for longer term parking spaces in the core parking area is approximately 69%. At the peak period of the day, there were 212 longer term parking spaces unoccupied in the core parking area.
- The current demand for available parking (i.e. for short and longer term parking) is below the generally accepted effective capacity of parking (i.e. 85% occupancy levels). The current surplus of parking (i.e. number of spaces available below 85% occupancy levels) is estimated to be 156 spaces.
- Outside of the core parking area the demand for parking is 17%. Land uses outside of the core parking area are mostly residential which would not be expected to generate a high parking demand during the survey period.
- The peak demand for public off-street parking spaces in the core parking area is

Approximately 85%. During the peak period of the day, there were 108 off-street parking spaces unoccupied in the core parking area.

In conclusion the strategy identified that there is a current surplus of car parking for short and long term parking in the order of 108 to 156 car spaces.

As shown in Figure 5 in the Strategy public off-street car parking spaces in Pern Street (behind Council's Offices in the Carinos Building) and in Smith Street (at the front of the Carinos building) have occupancy rates of between 50%-75% and 75%-85%. Along South Gippsland Highway, adjoining the Railway alignment, existing off street parking has occupancy rates of between 50%-75%.

The **implications for this Study** is that there is capacity within existing Public car parking areas within the CBD to cater for any additional car parking requirements associated with the Municipal Precinct.



#### 4.1.6 Korumburra Infrastructure Assessment, 2013

This Plan guides the development, timing, design and location of community infrastructure over the next 20 years in Korumburra.

A central premise of community facility provision in Korumburra is the provision of two integrated hubs which support the co-location and/or integration of services including:

- The Korumburra Integrated Children's Centre would include kindergarten, long day childcare, occasional childcare, maternal and child health service, a multipurpose meeting room to cater for specialist consultations, toy library, playgroup, new parents groups and immunisations (p. 7)
- A community hub located within the central business district in a prominent main street location is proposed. The Korumburra Library and Milpara Community House as key tenants in the community hub could extend the range of courses and services available to the growing community. Ideally this multi-purpose facility would also provide a range of training rooms, art display space and a commercial kitchen (p. 8).

With regard to the existing Library site the following matters are noted

- Korumburra Library is located on the corner of King and Commercial Streets Korumburra. Leongatha is the principal library in South Gippsland. Korumburra is a community level library.
- The current library service is co-located with an art gallery, meeting rooms and historical society storage, customer service counter and meeting room. There is ample car parking behind the building however the terrain is steep and there is no lighting available at night from the Library entry to the rear car park. This site is currently being investigated as part of the broader Korumburra Town Centre Framework Plan..... (p. 84).

It is also understood that vacant land also adjoins the site which could provide an opportunity to be purchased by Council and redeveloped as part of a community hub.

#### 4.1.7 Korumburra Structure Plan, 2010

The Structure Plan identifies a future vision for the town that captures the community's objectives and aspirations for Korumburra. It also provides planning, design or development objectives to be pursued in order to achieve the vision.

Relevant aspects of this plan are noted as follows:

- The town was projected to grow in population to 4,550 persons in the year 2026 (a growth of 1,290 persons on 2006 figure of 3,260).
- Korumburra will maintain its current status and extend its roles as:
  - An attractive, sustainable and vibrant residential location that is easily accessible from Melbourne.
  - A tourism destination.
  - An agricultural and dairy industry centre.



- A retail and business centre.
- A local community services and facilities hub.
- A health, education, entertainment and recreation centre (p. 6).

Similar to Leongatha, the Plan relevant aspects of the vision for the Town in 2026 are noted as follows:

- Having a vibrant Town Centre as the primary location for business, retail, entertainment and community activities, providing a full range of goods, services and facilities for the local and regional population, and tourists.
- Providing its community with a comprehensive range of health, education, leisure, recreation and social facilities.

Relevant strategies with regard to community facility provision are noted as follows:

*7. Council will use its role as a planning authority, its land holdings and the location of community services and facilities to encourage and support future development and activity in the Town Centre.*

*8. Maintain a compact Town Centre with all key features and major retail activities within easy walking distance of the intersection of Commercial Street and Radovick Street.*

*11. Review the location and operation and adequacy of community services and facilities in the Korumburra Town Centre and pursue opportunities to improve and potentially consolidate the range of services and facilities available to the community (p. 31).*

#### **4.1.8 Library Provision and Planning in South Gippsland Shire**

##### ***People Places, A Guide for Public Library Buildings in New South Wales, prepared by State Library New South Wales, dated June 2012***

This guide forms the principal basis for benchmarking facility provision for libraries across Australia. In particular the report outlines a range of current trends in public library provision and their developing and expanded role as providing “not just books” but as a place for community connection, gathering and information exchange and as a community cultural focal point. The report also identifies a range of design issues and floor space benchmarks for future facility provision.

##### ***Future South Gippsland Principal Library (undated), prepared by West Gippsland Regional Library Corporation (WGRLC)***

The West Gippsland Regional Library Corporation (WGRLC) has prepared an assessment of the future requirements for a Principal library to be located in Leongatha.

There detailed report entitled, *Future South Gippsland Principal Library (undated)* provide extensive case study analysis confirming the expanded role of Libraries around Australia and the world as providing an expanded role as a principal meeting place providing opportunities for community connection, learning, creativity and collaboration.



The proposed floor space provision attached to this assessment was based on benchmarking accommodation requirements included within the *People Places, A Guide for Public Library Buildings in New South Wales*. The document noted the need for a Library of approximately 1,453m<sup>2</sup>, including an allowance of 293m<sup>2</sup> for shared community meeting rooms and gathering spaces.

#### **4.1.9 Environmental Site Assessment for Leongatha Railway Yards**

An Environmental Assessment of the VicTrack landholdings has been provided by VicTrack, entitled *Environmental Site Assessment - Leongatha Goods Yard*, by Parson Brinkerhoff, dated May 2004.

The assessment comprised a Phase 1 (desktop) and Phase 2 (sampling) assessment comprising 21 soil samples and one groundwater monitoring bore utilising a broad grid based approach across the site. It is noted the report was prepared as a due diligence exercise prior to divestment for commercial/ industrial development (page. b).

A range of contaminants were found across the site which exceeded the adopted assessment criteria (i.e. for future commercial/ industrial development) including Hydrocarbons (petroleum), polycyclic Aromatic Hydrocarbons (PAHs) (Oil, Coal Tar), heavy metals (arsenic, cadmium, chromium, Nickel, Zinc) and Phosphate (fertiliser). Benzene, Chromium and zinc concentrations were also found in the groundwater.

It is noted that this was a broad grid based assessment with the adopted assessment criteria being for future commercial/ industrial development. No assessments of remediation costs are included. It is likely a Municipal Precinct with Civic Office and community uses would be considered a more sensitive use requiring the adoption of a more rigorous assessment criteria which would likely increase the level of contamination exceedance and cost of soil remediation required.

In conclusion, in our view there are substantial risks associated with the contamination of this site which would require further extensive sampling and an associated remediation cost estimate to confirm the order of remediation costs. Based on the current assessment, these costs could be substantial.

In a recent similar Civic and Community development being constructed in Sunshine on a site of approximately 2,200m<sup>2</sup>, the costs associated with site remediation associated with hydrocarbon contamination was in the order of \$1.5million with the need for a costly physical barrier and ventilation system included in the foundation of the development.

#### **Policy and Strategy Context - Implications for Municipal Precinct**

Based on the above overview of relevant Policy directions in a local, regional and state context, relevant implications for this Study are noted as follows:

- The Council Plan supports this Municipal Precinct Study with the need for Modern Municipal Precinct facilities to create an environment for people to be their best, to optimise the performance of the organization and to deliver quality outcomes for the community.
- The *Blueprint for Social Community infrastructure, 2014-2029 highlights the need to improve the utilisation of existing facilities and provide new facilities in Multipurpose District Community Hubs with projects identified for Leongatha and Korumburra.*



- The focus and prioritisation of community facility provision and capital investment is to be in major growth towns (e.g. Leongatha and Korumburra).
- *The Community Infrastructure Plan, Leongatha identifies a specific need for a centrally located public meeting space which includes a library may provide a focus for the Leongatha community. This venue would provide a place which would not be commercial or member based and could provide a place for community members to meet informally, get out of extreme weather to rest and relax (p. 4)*
- The Leongatha Structure Plan key objective for Leongatha to maintain its current status and particular role as the Headquarters for the South Gippsland Shire Council.
- Emerging policy directions around the potential benefits, efficiencies and cost savings of collocation of Government services and agencies.
- Developing and revitalizing the Leongatha and Korumburra CBD areas as the preferred locations for higher order retail, office, entertainment, civic and community facilities.

## 4.2 Trends in Local Government Service provision models

### 4.2.1 Contemporary and Emerging Service Models in Local Government

In line with the findings and recommendations of the *Blueprint for Social Community Infrastructure, 2014-2029*, dated September 2014 over the past 20 years there has been a trend away from single purpose, stand alone facility provision offering single services towards the provision of community infrastructure services in an integrated manner in the form of activity or community hubs.

A community hub is a space where communities gather and meet, supported by a range of compatible land uses including residential, retail, commercial, open space, community infrastructure, education, transport, essential services and technology uses. Community hubs may be a single purpose-built building or several buildings within close proximity that form an accessible service network.

These hubs can be large in size and contain Council and non- Council facilities which serve a municipal/sub-municipal catchment or smaller in size and comprise facilities that cater for district or neighbourhood catchments area. In some cases, the hubs may have a mix of facilities which serve a number of catchment levels.

The move towards a more integrated approach to local government community service provision is also influenced by the following factors including:

- Changing community demographics, particular in new growth areas and regional towns where young families are clustered demanding more local area based facilities.
- Changing community attitudes including greater participation in recreation and sporting activities and community activities involving a range of meeting and congregating spaces.
- Changing environmental influences including more effective local area neighbourhood planning and provision of integrated recreational and community facilities through Precinct Structure Planning processes.



- Changing State and Federal government policy towards only funding community infrastructure provision where collocation is proposed.

All factors have the potential to increase service provision requirements in the local government sector.

This trend is also reflected in varying forms for different types of community services which are briefly outlined below.

#### **4.2.1.1 Children and Family/ Early Years Services**

A move away from the traditional facility model of stand-alone preschool/ kindergartens/ centres combined with maternal and child health consulting rooms to Preschools are now being located in multifunctional children's service centres or general community centres situated within community facility hubs.

This facility model emerged as a means of reducing the number of stand-alone facilities Councils would need to construct and thereby deliver more efficient capital and maintenance outcomes. It also provided a means of giving the preschools greater prominence and integrating different services under the one roof with the intention of improving service linkages, referral outcomes and service accessibility for users.

Early Years' service/ facility model in more recent years, in response to the State Government's policy, are being encouraged encouraging to integrate preschools with primary schools.

#### **4.2.1.2 Libraries**

Libraries role is continuing to evolve away from simply a 'repository of books' to delivering sub-municipal level library programs, computer, internet access and providing more general flexible spaces for learning activities and community meeting spaces. Part of the library could look like a lounge room; another part could look like a typical library with shelves of books. Many will offer a multimedia experience with facilities for creating music, video and web content.

While some are stand-alone in prominent residential/commercial settings, others are integrated with community/civic facilities and are located in predominantly commercial hubs and in community hubs in residential settings. Libraries are also developing a significant role as key anchor or customer service hub directing residents to a range of Council and non-Council services.

#### **4.2.1.3 Neighbourhood House/ Community Centres programs**

Community houses, living and learning centres and neighbourhood centres have traditionally operated from domestic dwellings which often have been modified and extended to cater for the diverse activities offered by the Houses – personal development and education activities, arts and craft, health programs and recreation activities, children's programs and information services.

In recent years, there has been a move away from the domestic dwelling setting towards multipurpose community centres, facilities integrated with libraries, facilities integrated with community learning centres etc. In other cases, the programs typically offered by the Houses are being split and offered across a network of community facilities.



#### 4.2.1.4 Youth services

The diverse models and services provided by Local Government for youth is seeing a range of metropolitan fringe and Regional Councils providing (or planning to provide) dedicated youth facilities at the municipal or sub-municipal level, supported by dedicated or youth friendly multipurpose spaces at the neighbourhood/district level.

The dedicated facilities are/will contain a diverse mix of component elements including offices for Council's youth staff, rooms for visiting or permanent services delivered by non-council providers, general activities rooms, cafes/ lounge/ information areas, music/ drama rehearsal rooms, community arts spaces etc. In many cases the collocation and sharing of such spaces within a Library are also a common manner to address these accommodation requirements.

The municipal/sub-municipal facility may accommodate a number of youth agencies including Council. This integrated 'one stop shop' approach provides an opportunity for DHS, Council and non-Government agencies to cooperatively plan for the delivery of youth services in growth areas. Partnerships and facility sharing with schools are also emerging.

#### 4.2.1.5 Older Persons/ Aged Care

A move out of provision of dedicated residential aged care facilities and dedicated senior citizens facilities to planned activity groups (PAG), delivered meals programs, general domestic assistance, personal care, respite care programs and support for senior citizens' clubs.

The 'high support' planned activity groups are typically provided in purpose built facilities that are part of larger multipurpose community centres or in some cases stand alone facilities. The centres can be used for other group activities when not required by the PAG.

The 'moderate or low support' PAGs are provided from similar spaces, multipurpose rooms in community facilities or halls. The delivered meals program is coordinated by the Councils, but meal preparation in recent years has been undertaken by contractors at their own kitchens. Personal care services including respite care are also coordinated by Council and provided in the clients' homes. Open space is required for the administration of personal care services. Dispatch facilities may be needed for the delivered meal service.

Senior citizens' clubs are increasingly undertaking their activities at general meeting spaces in community centres or church halls including provision of fitness session and/or other programs which target the over 55 population placing considerable emphasis on 'active ageing' where, through the facilitation or direct provision of services and activities, older people are being encouraged to remain active and involved in community life.

#### 4.2.1.6 Community and performing arts

Local Government has gradually increased their involvement in community arts programs through the provision of facilities for arts activities and administration/promotion support to artists and arts groups.

Community arts activities are commonly undertaken in libraries, multipurpose centres, halls and neighbourhood houses. Some councils are developing dedicated community arts centres and others are providing dedicated or multipurpose spaces within multipurpose community centres.



The trend toward dedicated facilities at the municipal/sub-municipal level will continue in the future. Larger dedicated performing arts facilities with auditoriums for 500+ persons have also been developed but rely on a metropolitan/ regional rather than municipal wide catchment to support their viable operation. The development of these facilities has required significant State and Federal Government funding supported by comprehensive Market Feasibility and Business Case Frameworks to support these larger capital projects.

#### **4.2.1.7 Aquatic/ Swimming Facilities**

Newer Council aquatic facilities are becoming multi-functional facilities comprising a number of water spaces, weights training areas, health and fitness spaces, sports medicine facilities, meeting areas, child minding and/or café areas. Facilities are also become larger with a Municipal wide or sub regional catchment. The facilities are often located in major recreation precincts and are near or attached to complementary facilities, e.g. multi-purpose courts, sports fields, etc.

Innovative collocation models have also started to emerge, including for example with Civic Offices collocated with Council Offices (e.g. Banyule City Council) and a Library (e.g. Greater Geelong, Greater Dandenong, Brimbank).

#### **4.2.1.8 Indoor Sports Facilities**

Indoor sport and recreation activities have expanded in scope from team sports like basketball and netball to include badminton, volleyball and more recently indoor soccer and hockey as well as health and fitness activities like martial arts, aerobics, weight training, exercise/movement activities like gymnastics and dance, and aquatic activities such as recreational and competition swimming. Spaces are starting to be more designed to cater for a flexible range of uses. Often such indoor sports facilities are collocated with aquatic facilities allowing provision of wet and dry facilities.

#### **4.2.1.9 Open Space/ Outdoor Recreation**

Open space provision is becoming more formalised within Strategic Planning processes (Precinct Structure Plans) ensuring such facilities are well located within precincts allowing for sharing of facilities (e.g. change rooms, car parking, sharing of cricket/ football ovals). The use of synthetic surfaces and the growing emergence of Soccer are also significant trends.

#### **4.2.1.10 Civic Administrative Offices**

Council offices are moving away from stand alone dedicated facilities often located in multiple locations within Municipalities towards larger facilities collocated with other Community and recreational facilities in Precincts, collocated with a range of other community facilities (e.g. libraries, performing arts), community meeting spaces and in some case open space and recreation facilities.

The benefits of collocation of community and civic facilities in Precincts are noted as follows:

- Improved accessibility and "way finding" for the community.
- Enhanced community facilities and customer services provision.
- Improved congregation, exhibition and function spaces.
- Reduced rate of sick leave and staff turnover due to a modern office building.
- Building interior conducive to staff interaction, fostering team building, knowledge sharing and engagement.





- Unified corporate culture that assists staff to develop a better overall sense of the aims, objectives and operational responsibilities of South Gippsland Shire Council.
- A physical and cultural working environment that attracts and retains staff and increases productivity.
- Reduced maintenance and utility costs through savings in water, power and gas consumption associated with a single building/ facility with improved energy efficiency design and features.
- Reduced duplication of infrastructure, equipment and IT based resources.

Selected case studies for these facilities are noted below in Section 4.2.3 and Figure 4.1 detailing a number of recent developments that have occurred in the Victorian Local Government sector.

#### 4.2.2 Implications for Service Models for this Study

Based on this above analysis the key emerging trends in Local Government service provision includes:

- A general trend towards the collocation of multiple facilities in Community hubs of varying sizes and roles. This has particular been the case for provision of facilities for Early Years (i.e. kindergartens, childcare, MCH, consultant, visiting health specialists).
- A move towards collocated, multipurpose spaces and facilities that are flexible and can be used by a range of varying user groups.
- Larger more capital intensive facilities (performing arts facilities, Aquatic facilities) are developed on the basis of extensive Business case frameworks and often have a municipal wide and wider sub regional catchment to ensure operational viability.
- Libraries are also developing a significant role as key anchor or customer service hub directing residents to a range of Council and non-Council services.
- Open space provision is occurring in larger strategically located facilities planned in advance of residential development.

#### 4.2.3 Local Government Case Study Analysis

Sweett Group has had extensive (and ongoing) strategic planning/ implementation roles for a range of new Council Civic office facilities (e.g. Brimbank, Greater Dandenong, SurfCoast, Baw, Whittlesea, Moira, Southern Grampians and Macedon Ranges). Sweett Group also inspected new premises at Officer and met with the Chief Executive Officer of Cardinia Shire Council in April 2015. A summary assessment of selected Civic and Community Precinct developments, including the applicable learnings for this Study is included in **Figure 4.1** overleaf.



**Figure 4.1: Summary Assessment of Recent Service Models for New Council Civic office facilities**

Municipality (Project Stage)	Capital Cost/Year	Service Model Type/ Project Context	Range of Services/ Facilities	Issues/ Challenges/ Learnings
<p><b>City of Greater Dandenong</b> (constructed)  <i>South-eastern metropolitan based Council</i></p>	<p>\$65 Million (opened in March 2014)</p>	<ul style="list-style-type: none"> <li>Centralised Civic Offices supported by outlying community hubs/ customer service points.</li> <li>Based on a consolidation of Dandenong and Springvale office facilities collocated with the new Dandenong Library.</li> <li>Part of a larger urban renewal project for Dandenong project, overseen by Places Victoria that involved \$290 million in state government funding.</li> <li>Catalyst project to initiate change in the surrounding area profile and encourage further development.</li> </ul>	<ul style="list-style-type: none"> <li>Landmark 5 level building with 13,500 square metres of space for the council offices, library and community rooms.</li> <li>Includes significant Civic square/ open space area together with major projection screen.</li> <li>Council chamber augments as flexible community meeting space.</li> <li>Includes approx. 7,000 m2 of offices provided for 370 staff.</li> </ul>	<ul style="list-style-type: none"> <li>Project developed based on extensive Business case framework.</li> <li>Landmark development with design secured through a Design Competition process.</li> <li>Project had significant external funding provided through the State Government as part of the urban renewal of Dandenong.</li> <li>Partly funded by sale of other Council assets/ land.</li> <li>Built on Council owned land – negotiated sale from Places Victoria.</li> <li>Located in Dandenong Principal Activity Centre as a catalyst project to encourage urban renewal.</li> </ul>
<p><b>Brimbank City Council</b> Community and Civic Centre (Construction to commence Nov. 2014)  <i>Western metropolitan Council</i></p>	<p>\$52 million (tender price, 2015 under construction)</p>	<ul style="list-style-type: none"> <li>Centralised Civic Offices hub collocated with a library and external agencies/ tenancies who lease space (set aside for future growth of Council offices).</li> <li>Based on a consolidation of existing Sunshine and Keilor office facilities.</li> <li>Catalyst project to initiate change in the surrounding area profile and encourage further development.</li> </ul>	<ul style="list-style-type: none"> <li>Landmark building of 12,000 m2 over 7 levels.</li> <li>Civic offices (approx. 5,500m2 for 300 staff), Library, Tenant partner space, outdoor forecourt in masterplan.</li> </ul>	<ul style="list-style-type: none"> <li>Precinct developed based on extensive master planning and Business case framework.</li> <li>Landmark development with design secured through a Design Competition process.</li> <li>Built on Council owned land.</li> <li>Located in Sunshine Principal Activity Centre.</li> </ul>
<p><b>Macedon Ranges Shire</b> (constructed)  <i>Rural/ Metropolitan fringe based Shire</i></p>	<p>\$7.76 million (2012)</p>	<ul style="list-style-type: none"> <li>Civic and Community Hub redevelopment, Bacchus Marsh (6.5ha site)</li> <li>Based on a consolidation of existing Ballan and Bacchus Marsh office facilities</li> </ul>	<p>Civic offices (approx. 1,500m2 for 85 staff), car parking upgrade of existing sports oval, open spaces for community use</p>	<ul style="list-style-type: none"> <li>Managing scope, community expectations within available budget.</li> </ul>



APPENDIX 1

Municipality (Project Stage)	Capital Cost/Year	Service Model Type/ Project Context	Range of Services/ Facilities	Issues/ Challenges/ Learnings
<p><b>SurfCoast Shire</b> (constructed) <i>Rural/ Coastal based Shire, experiencing significant population growth</i></p>	<p>\$25m (2012)</p>	<ul style="list-style-type: none"> <li>Acquisition and refurbishment of former Secondary School site.</li> <li>Additional buildings leased to external agencies.</li> <li>Civic and Community precinct, Torquay (20ha site).</li> <li>Located adjoining significant residential growth fronts to north and south.</li> <li>Adjoining new State School developed allowing for sharing of recreational facilities.</li> </ul>	<p>Civic Offices (approx. 3,800 m<sup>2</sup> for 200 staff), car parking, recreational facilities (2 x AFL Ovals, 6 x netball courts, 3 x soccer fields, large pavilion for sports change rooms, Community functions)</p>	<ul style="list-style-type: none"> <li>Precinct developed based on extensive master planning and Business case framework.</li> <li>Land acquisition occurred prior to urban development at lower land prices.</li> <li>Located within a growing residential area with growth fronts to north and south.</li> <li>Staged development occurring as funding is obtained.</li> <li>Land area includes capacity for future growth, additional facility requirements and potential land sale to release future equity.</li> <li>Project was developed utilising significant State government funding.</li> </ul>
<p><b>Whittlesea City Council</b> (constructed, further expansion mooted, at Business case stage) <i>Metropolitan growth municipality</i></p>	<p>\$35 million (estimate for Business case 2009)</p>	<ul style="list-style-type: none"> <li>Original office (approx. 5,000m<sup>2</sup>) built in 1993 at capacity.</li> <li>Two additional spaces offsite leased for staff overflow.</li> <li>Disaggregation of staff leading to significant organisation and cultural issues and poor staff productivity.</li> <li>Feasibility confirms need for approx. 8,000 m<sup>2</sup> of additional office space for staff growth.</li> </ul>	<p>Existing Civic Offices, Council Chamber, Community meeting rooms. Extensive open space and at grade car parking. Vacant land for future expansion Includes Plenty Ranges Arts and Convention Centre (PRACC) multi-purpose venue with 500 seat theatre and functional spaces.</p>	<ul style="list-style-type: none"> <li>Facility expansion has been the subject of extensive Business case and precinct master planning.</li> <li>Precinct land strategically acquired prior to urban development at lower land prices.</li> <li>Project delays due to capital cost of project and additional Precinct master planning.</li> <li>Adjoins significant Plenty Valley Activity Centre and South Morang railway station.</li> <li>Significant population growth is driving staff numbers growth and demand for additional office space/ community facilities.</li> <li>Significant peaks and “clashes” of uses requiring facility, car parking and vehicle access management issues to be addressed.</li> </ul>



Municipality (Project Stage)	Capital Cost/Year	Service Model Type/ Project Context	Range of Services/ Facilities	Issues/ Challenges/ Learnings
<b>Moira Shire</b> (Business case stage) <i>Rural based municipality</i>	\$12-13 million (estimate for Business case 2011)	<ul style="list-style-type: none"> <li>Centralised Civic and Community hub</li> <li>Business Case to consolidate 3 separate offices in Cobram Included consideration of refurbished community space, outdoor plaza and library collocation.</li> </ul>	Consolidated Civic Offices (approx. 3,000 m2 for 180 staff) with community meeting rooms and library facility/ customer service point.	Preferred site developed on Council landholdings removing land acquisition costs from the project.
<b>Southern Grampians Shire</b> (Business case stage) <i>Rural based municipality</i>	\$9.0 million (estimate for Business case 2014)	<ul style="list-style-type: none"> <li>Centralised Civic Offices, collocation with Community meeting rooms</li> <li>Business Case to consolidate 3 separate offices in Hamilton.</li> <li>Relocation of offices allows existing Cultural Precinct to be redeveloped</li> </ul>	Consolidated Civic Offices (approx. 2,000 m2 for 80 staff). with community meeting rooms and collocation with potential external agency tenants	<ul style="list-style-type: none"> <li>Business Case was developed requiring external government funding.</li> <li>Preferred site on developed on Council landholdings removing land acquisition costs from the project.</li> </ul>
<b>Baw Baw Shire</b> (Business case stage) <i>Rural/ Metropolitan fringe based municipality</i>	\$20.0 million (estimate for Business case 2012)	Centralised Civic Offices collocated with new Library. Business Case to consolidate 5 separate offices in Warragul. Relocation of offices allows existing Cultural Precinct to be redeveloped	Consolidated Civic Offices (approx. 4,000 m2 for 160 staff). with Library facilities. Extensive at grade car parking required to serve offices, library and performing arts centre uses.	<ul style="list-style-type: none"> <li>Proposal was the subject of extensive Business case and precinct master planning strategy.</li> <li>Adjoins the Warragul Performing Arts Centre/ precinct.</li> <li>Significant peaks and "clashes" of uses requiring facility, car parking and vehicle access management issues to be addressed</li> </ul>
<b>Cardinia Shire Council</b> (constructed) <i>Metropolitan growth municipality</i>	\$25 million (2014)	<ul style="list-style-type: none"> <li>Single Council Civic office facility located in Officer township.</li> <li>Involved negotiations and land acquisition from Places Victoria.</li> <li>Adjoins Officer Railway Station.</li> </ul>	Civic Offices (5,000 m2 for 262 EFT, approx. 20m2/EFT gross. While an innovative approach to office space allocation has been adopted, the facility was built to 100% capacity with spare space available for future growth in staff requirements	<ul style="list-style-type: none"> <li>Innovative approach to Office provision involving provision of a shared desk space provision for 7 out of 10 staff.</li> <li>Considers productivity savings of between 15%-20% may have been achieved. This is still to be validated.</li> </ul>

APPENDIX 1



#### 4.2.3.1 Key Learnings/ Challenges for Case Studies

Some of the Key Learnings from these case studies are noted as follows:

- Extensive Business case frameworks and analysis, built upon Civic precinct master plans and detailed financial analysis of options were developed to support all of the above projects.
- The basis for all projects involved the consolidation of multiple Civic offices disaggregated through the municipalities into consolidated larger facilities, collocated with other community facilities.
- Where larger Civic Precincts have been developed (e.g. SurfCoast, Whittlesea) these involved the strategic purchase of a large landholding prior to significant urban development occurring in the Municipality often taking advantage of rural/ farmland level land prices.
- The development of larger Civic Precincts involved the provision of Municipal wide and sub-regional, regional facility provision such as performing arts facilities (e.g. Whittlesea, Baw Baw), regional sports facilities (e.g. SurfCoast).
- The larger precinct developments often lead to significant peaks and “clashes” of uses requiring significant car parking and vehicle access management issues. (e.g. Whittlesea) together with conflicting arrival and visitation access problems with crows at performing arts centres (PACs), for example.
- Where larger Precincts have been developed, significant staging of facility provision is usually required as Commonwealth, State and Local Government funding becomes available.
- Larger scale Precinct developments are often developed on Council landholdings removing land acquisition costs from the project cost.
- Most hubs or precincts have included the capacity to cater for additional growth in facility requirements, including growth in staff numbers and office space requirements and other future facility requirements.
- Most centralised office developments have also relied on a “localised’ customer service model and strategy that often include shopfronts and/ or collocated customer service points into libraries/ community hubs.
- In a number of cases this involved the development of a formalized *Community Hubs Strategy* which guides the redevelopment of a network of multipurpose community facilities throughout municipalities (e.g. Brimbank, Dandenong...other?)
- The newly constructed civic offices at Cardinia Shire Council adopted an innovative approach to Office provision involving provision of a shared desk space provision for 7 out of 10 staff. This innovative approach is supported by:
  - Extensive research and ownership of the strategy from the CEO downwards.
  - Provision of Lockers for each staff member.
  - All records/ information fully digitized and online reducing paper usage by 70%. Archives/ records kept offsite.
  - High quality workspace fit-out including a range of different workspaces and meeting spaces for collaboration for smaller and larger groups.
  - High quality staff congregation/ staff room facilities provided on each floor.
  - Smaller utility, stationary and printer facilities provided.

## 4.3 Other Factors influencing Future Accommodation requirements in Local Government

### 4.3.1 Introduction

As already noted in Section 3.4 of this Report accommodation requirements for local government is impact by a range of factors including:

- Changing community demographics;
- Changing community attitudes, needs and expectations;
- Changing environmental influences;
- Changing State and Federal government policy and redistribution of service provision responsibilities to Local Councils;
- Changing funding sources, including the impact of Rate capping; and
- Changing work practices including the impact of digitization of services.

Since substantial restructuring and amalgamations of Local Council's has occurred in Victoria in 1995, the role of local government has been significantly transformed from the '3 Rs' (i.e. roads, rates and rubbish), which are still the core business of councils to one of 'serving the community' and 'to meet the community's needs'. The role and responsibilities of Local Government now places a greater emphasis on planning, reporting, accountability and closer integration of planning and activities with other tiers of Government. Council's today are more than a service provider, but now play an integral part of the community and acts as a catalyst for community activities and initiatives, community development and economic development.

An overview analysis of the influences of these various factors is outlined below.

### 4.3.2 Changing demographics/ Population growth

The changing nature of the sector partly reflect changes to the demographic composition of council areas including growth in population numbers, the ageing population as well as the "tree-change" and "sea change" phenomenon which has seen an increase in demand for services from Local Council's, particular in regional areas.

The growth in community service provision to the Aged/ elderly as well as to children's' and families with staff numbers in these areas particularly increasing.

The *Blueprint for Social Community infrastructure*, 2014 and the Community Infrastructure Plans for Leongatha and Korumburra also identify the impact of population growth (projected at 1.42% p.a. for the Shire up to 2032) and demographics impacting on the need for increases in service provision and the provision of modern multi-purpose community facilities.

This factor has the potential to **increase** customer service requirements and hence accommodation needs.



### 4.3.3 Community needs/ expectations

In line with the demographic changes, community expectations have also changed as to the role of Local Government. Examples of this include:

- Expectation to not only maintain but improve facilities, assets, lifestyle of the Community to meet the community's needs.
- The added responsibility of economic development, to identify opportunities, to get state and federal support for things like cultural development and maximising our tourism potential.
- The establishment of economic development groups to promote regions to seek to obtain competitive advantage, to stem population flow, to decrease unemployment.
- Increasing community engagement, consultation and involvement in Council decision-making particularly around town planning and strategic projects and plans.
- Increasing the availability and provision of information about Council decisions, proposals and processes with a desire for greater transparency and accountability in decision-making.
- Desire for higher levels of community engagement, development, activity provision and hence gathering opportunities.

This factor has the potential to **increase** accessibility needs and provision of programmable spaces.

### 4.3.4 Government service redistribution (from Federal, State Governments)

As councils have expanded the range of services they offer, often the additional services are those that were once performed by state and federal governments, particularly in the community services area. This ongoing transfer of functions has not been met by a corresponding transfer of funds to provide the service often leading, to increased tax of the local community by way of rates.

This factor has the potential to **increase** asset provision requirements.

### 4.3.5 Rate Capping and reductions in Government Funding

The expansion of Council services has generally not been matched by an expanding revenue base with a general trend seeing a decrease in State and Federal grants and funding. In addition the recent State Government announcement of a policy to cap Council rates to inflation (CPI) has the potential to significantly impact on Council's ability to provide services in the future. While the Government announced the policy was to apply from the 2016-2017 financial year, it is understood this has now been delayed, pending a further inquiry.

This factor has the potential to **reduce** capital works and/ or service provision.

### 4.3.6 Changes in Work Practices and Digitisation of Services

Since the inclusion of requirements in the Local Government Act in 2008 that a *Council must maintain an Internet website* (section 82A, Local Government Act 1989), there has been a significant increase in service provision through the use of internet and digital technologies. The use of Online/ Digital Technology has the potential to improve productivity/ decision-making, information accessibility and retrieval. Some examples of these emerging technologies are noted as follows:



- **Online Services** - lodgement of customer service requests, payment of rates, licences, infringements, etc.
- **Social Media** - online media platforms allowing users to generate/ share content online using technologies that promote engagement, sharing and collaboration.
- **Community/ Social engagement** - online surveys and social sites to collect feedback, share information.
- **Smart Phones and Devices** - mobile phones and tablet devices to work in the field, access information.
- **Data Storage and Analysis** - "Cloud" storage and accessing/ analysing large volumes of information on municipal activities to support real-time decision making support and can reduce the requirements for storage requirements of hard copy files within the Office.

It is further noted that Council Officers indicated in the accommodation surveys plans to employ an additional one (1) customer service officer and two (2) communications officers for increasing online management of service provision.

While we are aware of anecdotal evidence of productivity savings associated with the use of online technologies in Local Government in Australia, we are not aware of any comprehensive research that validates this finding.

Our discussions with Chief Executive Officers of a range of local Council's across Australia in recent months has also not been able to ascertain any clear trend towards a reduction in staff and accommodation requirements associated with new technologies, although the feedback to date has suggested the use of online technologies has reduced the rate at of growth in new staff requirements.

This factor has the potential to **reduce** asset provision requirements.

### **Changes in Work Practices**

A range of other physical trends in office based work has also been occurring corresponding with changes in work practices. These include:

#### **Hot desking**

Hot desking involves multiple workers using a single physical work station or surface during different time periods. In most office based work environments, there is a component of hot desks allocated for those workers and work practices that align with sharing of workspaces. Advantages to hot desking include reduced office costs, networking opportunities, and it makes use of desks that are not occupied.

The disadvantages are shared computers, computer interface devices, and telephones can act as harbours for viruses and bacteria that cause illnesses like cold and flu. With many users using a computer station, if the computer is not secured and maintained carefully, viruses can compromise the security of every user on the workstation. However it does not suit all work practices particularly where issues of customer interaction, confidentiality and where access to technical workspaces (engineering) maybe required.





### Working from Home/ Mobile Workstyle programs

These types of flexible work practices creates a more flexible, agile workplace, lowers employee-related costs and real estate costs and can act to attract and retain staff. For employees, workshifting offers more flexibility increases personal, shorter commutes and a better work/life balance.

### Outsourcing and Shared Services

Shared services involve councils working together and/or with other organisations to share costs and resources, including delivering external services, such as libraries and waste collection, or providing back office functions, such as human resources and payroll, or the procurement of goods and services (*Shared Services in Local Government*, Victorian Auditor-General's Report, May 2014, p. 1).

The Victorian Auditor-General's Report identified cost savings among selected Councils of 5%, However even though most councils identified cost savings as an expected benefit for most of their initiatives, they often could not quantify the expected cost saving, or the cost saving actually delivered.

The Report also noted that the successful delivery of shared service initiatives was particular dependant on the support of the chief executive officer, senior staff, and staff implementing the as well as a shared commitment and alignment of decision-making by all partners (*Shared Services in Local Government*, Victorian Auditor-General's Report, May 2014, p. xiii).

### The Cardinia Shire Council Model

A already note, the newly constructed civic offices at Cardinia Shire Council adopted an innovative approach to Office provision involving provision of a shared desk space provision for 7 out of 10 staff. This innovative approach is supported by:

- Extensive research and ownership of the strategy from the CEO downwards.
- Provision of Lockers for each staff member.
- All records/ information fully digitized and online reducing paper usage by 70%. Archives/ records kept offsite.
- High quality workspace fit-out including a range of different workspaces and meeting spaces for collaboration for smaller and larger groups.
- High quality staff congregation/ staff room facilities provided on each floor.
- Smaller utility, stationary and printer facilities provided.

These factors all have the capacity to **reduce** storage/ accommodation requirements.

#### 4.3.7 Concluding Assessment

- In summary a range of factors have impacted on Local Government service provision which have led to an **increase in provision of accommodation** and facilities including:
  - Changing community demographics;
  - Changing community attitudes, needs and expectations;



- Changing environmental influences;
  - Changing State and Federal government policy; and
  - Government service redistribution (from Federal, State Governments).
- In addition a range of factors have the **potential to reduce accommodation requirements** including:
    - Changing funding sources, including the impact of Rate capping;
    - Changing work practices including the impact of digitization of services; and
    - Scope and adoption of Shared Service models.
  - In responding to these factors a number of Council's have adopted a range of strategies (as outlined in section 3.1.1 of this Report including:
    - Develop a proportion of calculated need together with short term leases for Tenant partners and/ or community uses (e.g. Brimbank)
    - Use of space allocated for future growth for a range of community uses;
    - Adopting the Cardinia Shire Council model involving provision of a shared desk space provision for a proportion of the total staff contingent noting this model requires extensive change in culture and strong leadership and ownership from the CEO and management.
    - Design and Construction of buildings which allow for additional floor provision at upper levels at a later stage.

All such strategies allow for future growth (if any) and address risk management associated with future unforeseen changes (rate capping, shrinking organisation, collocation of allied agencies).

***However the extent to which any such strategies are adopted by Council is subject to Council's adopted Customer Service Strategy which details how and where Council services will be provided.***

- It should be noted that this Municipal Precinct Study will respond to these issues by ensuring Sensitivity/ Scenario Analysis is considered as part of the Financial modelling of the short listed options (see Section 6.0 of this Report) which will provide a Financial analysis on the basis of:
  - 100% accommodation requirement; and
  - 75% accommodation requirement provision (e.g. Cardinia Shire model – no dedicated desks, everyone has a locker, etc.).



## 5.0 Assessment of Site Options

### 5.1 Introduction

A range of candidate site options were nominated by Council officers for the potential accommodation of the Municipal Precinct requirements. These sites along with other sites were also evaluated.

Arising from our documentation reviews and assessment of the requirements for the Municipal Precinct, key evaluation considerations or drivers used in identifying suitable site options have included:

- Improved accessibility and convenience for customers and community for service provision and community facilities.
- Improved financial outcomes for Council.
- Identified site specific opportunities and constraints.
- Compliance with Council Strategic/ Policy frameworks and directions.
- Catalyst Opportunity/ revitalisation of Townships, particularly the CBD areas.

Furthermore we have considered the following **minimum requirements** for candidate site options:

- Capacity to accommodate floor space requirement –Community and Civic spaces (i.e. approximately 4,200m<sup>2</sup> – single level building; 2,100+m<sup>2</sup> – 2 level building, plus provision of/ access to car parking).
- Preferably CBD/ Township based – with issues of community access and convenience, public car parking provision and potential to integrate with other community, retail and commercial facilities.
- Preferably on Council owned land, possible vacant land (which removes acquisition costs and reduces site preparation/ redevelopment costs).

Based on these considerations 7 site options have been identified for assessment as a preferred location for the Municipal Precinct. See **Figure 5.1** below for summary details of site options and **Figure 5.2** for the locations of the site options in Leongatha and **Figure 5.3** (Korumburra site option).

**Figure 5.1: Candidate Site Options for Municipal Precinct**

Property	Address	Comments
1 Council Offices, "Carinos" Building, Cinema, carpark	6-12 Smith Street, Leongatha and abutting carpark to rear	Operates in addition to principal offices, adjoining Restaurant and rear former Curves building also owned by Council
2 Current Civic Offices	9-15 Smith Street, Leongatha	Currently the main Council office accommodation adjoins large carpark and Council Chamber/ facilities in 6-8 McCartin Street (Memorial Hall Building). Former uses included a library and Council chamber.
3 Council Chamber/ Memorial Hall Buildings	6-8 McCartin Street, Leongatha	Heritage values of Memorial Hall likely to impact on redevelopment/ adaptive reuse for expanded Civic uses.
4 VicTrack Land	Abuts train line to southwest, Strzelecki Highway, Routhead Street, Leongatha	Not in Council ownership, poor connectivity with township, site condition likely to constrain development (i.e. topography, potential for environmental contamination)
5 Daker Centre	23 Smith Street, Leongatha	Includes a 10 year old building currently used for senior citizens/ community meetings
6 Council Depot	Yarragon Rd, Leongatha	Located on fringe of Leongatha Township
7 Korumburra Art Gallery/ Library Cnr. Commercial and King Street	Cnr. Commercial and King Street	Former Municipal building located in Korumburra CBD, with adjoining vacant land providing a potential option for expansion. Would require relocation of Civic functions from Leongatha to Korumburra.

Each of the 7 location options will be assessed utilising a range of evaluation criteria to develop a short list of preferred site options which would then be the subject of detailed financial analysis.

No other site options have been identified which meet the above evaluation considerations/ requirements, i.e. being of a suitable location, size; being available (vacant and/ or Council owned); and have a township/ CBD orientation.

The following provides a brief description and assessment of each site option and its capability to accommodate a Municipal Precinct.

Figure 5.2: Aerial Plan showing 6 Site Options located in Leongatha Township





**Figure 5.3: Map showing the location of Site Option in Korumburra**





## 5.2 Description and Assessment of Site Options

### 5.2.1 Main Civic Offices, 9-15 Smith Street, Leongatha

This site currently accommodates Council's main administrative offices and adjoins a Council owned carpark to the south-west and the Leongatha RSL to the north-east. The site is situated centrally within the Leongatha CBD and the adjoining Council carpark also serves a range of speciality shops and Woolworths Supermarket. The overall site has an area of approximately 2,550m<sup>2</sup> and is zoned Business 1.

The Council owned land is legally described as Lot 1 on Title Plan 535697J and Lot 1 Title Plan 411710. A separate title adjoins this title at right angles comprising a narrow strip of land (of approximately 4.7m in width) providing a link to Michael Place to the east of the main land parcel. This title is also owned by Council and is legally described as Lots 1 and 2 on Title Plan 162925A. This land has an area of approximately 130m<sup>2</sup>.

The land has legal access to Smith Street at its main frontage and McNamara Place at its rear. A narrow lane access is also provided between the RSL site and Council Offices. A landscaped buffer of approximately 15m in width also adjoins the land between the Council carpark and the Council administrative building. The site option is centrally located within the Leongatha CBD township area as shown in the locality plan in Figure 5.4 below.

**Figure 5.4: Aerial Plan showing Site Option at 9-15 Smith Street, Leongatha**



The key **advantages and disadvantages** of this site option for a Municipal Precinct are noted as follows:

#### Advantages

- The site is owned by Council negating the need for land purchase to accommodate the development.
- The site appears to be of an adequate size to accommodate Council's floor space and facility requirements without the need to acquire additional landholdings not owned by Council.
- The Council owned land is zoned Business 1/ Commercial 1 zone and is appropriately zoned to accommodate a Municipal Precinct with community hub and administrative offices, subject to planning permit approval.
- The site is centrally located in Leongatha CBD providing good accessibility for customers and the community.
- The location and site has the potential to provide for other community facility provision such as a Library provision which would maximises community benefit and leverage potential funding opportunities for such facilities.
- Additional activity arising from a community hub on this site has the potential to have employment and investment catalyst impacts on Leongatha CBD.
- The development provides for a potential linkage/ integration to existing Council buildings, including the Memorial Hall building at 6-12 McCartin Street.
- This site option also has the potential to achieve the objective of placing a Community Hub collocated on a single site and importantly demonstrates a commitment by Council to implementing the Leongatha Structure Plan.
- Development on the site could comprises the redevelopment and adaptive reuse of the exiting building providing cost savings and sustainability outcomes to Council.

#### Disadvantages

- The redevelopment and more intensive use of this site may place greater strain on existing car parking in the surrounding area. The site is unable to accommodate car parking requirements onsite.
- The site maybe be better used for commercial uses, such as retail shops or a supermarket, including returns from sale to Council if the Municipal precinct was located on another site.
- Any redevelopment of this site would have significant disruptive impacts on Council's current operations and customer service from this site. A decanting strategy would be required if this site was to be redeveloped.





### 5.2.2 Council Offices “Carinos Building”, 6-12 Smith Street, Leongatha

This property comprises a single level office building used by Council of approximately 350m<sup>2</sup> in floor area and adjoining restaurant as well as the former Curves Gymnasium building which is currently being utilised for storage by Council situated at the rear of the Office building with a floor area of 316m<sup>2</sup>. A small area of at-grade asphalt car parking adjoins the former gymnasium building which appears to accommodate approximately 10 vehicles, although car spaces are not clearly marked.

The land is owned by Council and is legally described as Lot 2 on Plan of Subdivision 431803F comprising an area of approximately 2,040 m<sup>2</sup>. Refer red dashed line in **Figure 5.5** below.

A large Road Reserve (R1) comprising an area of 3,422 m<sup>2</sup> is situated at the front of the Council owned land and is currently utilised for car parking and roadway. This land is owned by Council and also wraps around Lot 3 in Michael Place (see blue boundary land in Figure 5.5 below).

To the north of the Council landholding is Larkins Lane which provides legal and practical access to the Council land. The road appears to comprise Crown Land, although ownership and management status is not clear from the documentation provided.

Further to the north of the Council Offices is a Council owned at grade carpark which appears to accommodate approximately 55 car spaces accessed from Pern Lane.

**Figure 5.5: Aerial Plan showing Site Option at 6-12 Smith Street, Leongatha**



Adjoining certificates of title/ land uses within this Precinct include:

- Lot 3 on Plan of Subdivision 431803F owned by the Returned and Services League of Australia (Victorian Branch) (RSL) with an area of 1,265 m<sup>2</sup>.
- Lot 1 on Plan of Subdivision 431803F being a Cinema which is privately owned. The title notes a party wall with the adjoining Council owned Title (Lot 2) of approximately 30m in length along the eastern lot boundary. The lot has an area of approximately 1,417 m<sup>2</sup>.

A section 173 Agreement is noted on the Title for the Cinema building with key conditions being that the use and development of the land for a Place of Assembly (Cinema), Food and Drink Premises and Family Entertainment Venue in accordance with the approved planning permit. The Agreement appears to have a termination date, being on practical completion of the Cinema building, which appears to have occurred. Therefore it appears the Agreement does not provide on ongoing restriction on future use of this Title. Council's legal advisors should further review the title and confirm this preliminary view, if required.



Other privately owned land titles located in this Precinct in the north-eastern corner include:

- 2 Michael Place currently used for what appears to comprise a Car Repair business at the rear and a residential dwelling facing Michael Place. This land is legally described as Lot 1 and 2 on Plan of Subdivision 426194J with lot areas of 201m<sup>2</sup> and 542m<sup>2</sup> (a total area of 752m<sup>2</sup>). The land is privately owned and an Owners Corporation is noted on the Title.
- 4 Michael Place currently appears to be used a residential dwelling. This land is legally Lot 4 on Plan of Subdivision 030342 with a total lot area of 752m<sup>2</sup>). The land is privately owned by two landowners on a "Tenants in Common" basis.

The key **advantages and disadvantages** of this site option for a Municipal Precinct are noted as follows:

#### Advantages

- The site is owned by Council negating the need for land purchase to accommodate the development.
- The site appears to be of an adequate size to accommodate Council's floor space and facility requirements without the need to acquire additional landholdings not owned by Council (i.e. Lot 2 PS 431803F and Road Reserve land). A multi-level development would be required.
- Surrounding landholdings provide opportunity for facility expansion but would require land acquisition by Council.
- The Council owned land is zoned Business 1/ Commercial 1 zone and is appropriately zoned to accommodate a Municipal Precinct with community hub and administrative offices, subject to planning permit approval.
- The site is centrally located in Leongatha CBD providing good accessibility for customers and the community.
- The location and site has the potential to provide for other community facility provision such as a Library which would maximises community benefit and leverage potential funding opportunities for such facilities.
- The development of a Municipal Precinct on this site would enable the release of the main office site which may be better used for commercial uses, such as retail shops or a supermarket, including returns from sale to Council.
- Additional activity arising from a community hub on this site has the potential to have employment and investment catalyst impacts on Leongatha CBD.
- The Road Reserve land at the front of the site has the capacity to be reconfigured and redevelopment to provide open space/ forecourt entrance to the Precinct activating the street and also benefiting the adjoining Cinema complex.
- A Municipal Precinct on this site could also access and be serviced by the public carparks at the rear of this site accessed from Pern Lane.
- This site option also has the potential to achieve the objective of placing Council services on a single site and importantly demonstrates a commitment by council to implementing the Leongatha Structure Plan.



### Disadvantages

- The redevelopment and more intense use of this site may place greater strain on existing car parking in the surrounding area.
- The Road Reserve status of land at the front of the Carinos site and its capacity to be developed for Municipal Precinct purposes may require the road reserve status of the land to be revoked requiring a legal/ public process.
- The site may be better used for commercial uses, such as retail/ commercial purposes, including returns from sale to Council if the Municipal Precinct was located on another site.
- The redevelopment of this site would require the demolition of the existing Office building, former gymnasium building and the Carinos Restaurant which will add to the cost of the Project.

### 5.2.3 Council Chamber/ Memorial Hall Buildings, 6-8 McCartin Street, Leongatha

This site currently accommodates a range of Council and public uses including the Memorial Hall building and adjoining Council and public meeting spaces including Council Chamber, Leongatha Art Gallery, Public Toilets and the Citizens Advice Bureau. Refer **Figure 5.6** below provides an aerial photograph of the land and surrounding area.

The land is legally described at crown Allotment 6 and 7, section 17, Township of Leongatha. It is understood Council acts as the Committee of management for these allotments. The land is also reserve for Council Purposes as noted in a Government Gazette notice in 1925.

The two crown allotments appear to have a total area of approximately 1,868m<sup>2</sup>. The two titles have legal access to McCartin Street at their main frontage, Michael Place (Allotment 6 only) and McNamara Place at their rear. The allotments adjoin the main Council office building located at 9-12 Smith Street at their rear. Pedestrian thoroughfares are located along the western lot boundary of Lot 7 and along McNamara Place at their rear.



**Figure 5.6: Aerial Plan showing Site Option at 6-8 McCartin Street, Leongatha**



The key **advantages and disadvantages** of this site option for a Municipal Precinct are noted as follows:

#### Advantages

- The site is owned by Council negating the need for land purchase to accommodate the development.
- The option allows for the adaptive reuse of this facility for ongoing Council and community purposes.
- The Council owned land is zoned Public Use Zone (Local Government) and is appropriately zoned to accommodate a Municipal Precinct with community hub and administrative offices and no planning permit is required.
- The site is centrally located in Leongatha CBD providing good accessibility for customers and the community.
- The location and site has the potential to provide for other community facility provision such as a Library which would maximises community benefit and leverage potential funding opportunities for such facilities.
- A Municipal Precinct on this site on this site would enable the release of the main office site which may be better used for commercial uses, such as retail shops or a supermarket, including returns from sale to Council.
- Additional activity arising from a community hub on this site has the potential to have employment and investment catalyst impacts on Leongatha CBD.



## Disadvantages

- The redevelopment and more intense use of this site may place greater strain on existing car parking in the surrounding area. The site is unable to accommodate car parking requirements onsite.
- The site is likely to be too small to accommodate all of the Council and community facility requirements, particularly if the Memorial Hall component of the complex cannot be easily redeveloped.
- The site may be better used for commercial uses, such as retail shops or a supermarket, including returns from sale to Council if the Municipal precinct was located on another site.
- The redevelopment of this site would require the demolition of the existing buildings which will add to the cost of the Project.
- A Heritage Overlay covers this site which is likely to significant impact on the cost and ability to redevelop, demolish or adaptively reuse the site for Municipal Precinct purposes, particular the Memorial Hall component of the existing facility.
- The use of this site for Civic Offices may displace existing community uses of this site, particularly the use of Memorial Hall which is well utilised for community purposes and events.

### 5.2.4 VicTrack Land, Roughead Street, Leongatha

This site option comprises an elongated land parcel accessed from Roughead Street, which practically comprises the Strzelecki Highway or key roadway through Leongatha Township.

The land comprises land formerly used for the main VLine railway line servicing Leongatha which is currently not operational. The land is legally described as Crown Allotment 38Y, Section 22, Township of Leongatha and has an overall land area of 9,662m<sup>2</sup>. The land comprises Crown land vested in VicTrack Rail. Refer **Figure 5.7** below provides an aerial photograph of the land and surrounding area.

A further survey plan indicates a land area of 8,671m<sup>2</sup> with land width at Roughead Street of 52m narrowing to a title width of 24m at its rear. Three easements for Pedestrian access (E-1), drainage and sewerage (E-2/3) are noted on Title intersecting across the land on an east-west alignment. A 3.69m wide road aligns with the E-1 connecting the site to Bair Street.

The northern frontage of the land to Roughead Street comprises public open space and an adjoining car parking area which appears to be well utilised by customers of nearby commercial/ retail premises. The larger rear part of the site is situated at a lower elevation and is accessed by a one way gravel vehicular track. This lower area of land is currently vacant.

The site abuts the disused railway line to the south-west and adjoining station building which appears to be used for public purposes. The main Leongatha Bus terminal and supporting car park is also located adjoining the Station building. To the east the site abuts the rear of adjoining retail premises is Bair Street. Part of this rear frontage comprises elevated structures on larger pillars due to the lower elevation of the subject land and provides a challenging interface with poor amenity.



Figure 5.7: Aerial Plan showing VicTrack land, Roughead Street, Leongatha



The key **advantages and disadvantages** of this site option for a Municipal Precinct are noted as follows:

#### Advantages

- The site appears to be of an adequate size to accommodate Council's floor space and community facility requirements.
- The larger size of the site may provide opportunity for facility expansion to cater for future growth requirements.
- A Municipal Precinct on this site on this site would enable the release of the two main office sites which may be better used for commercial uses, such as retail shops or a supermarket, including returns from sale to Council.
- The site has the capacity cater for all car parking requirements onsite.
- This site option also has the potential to achieve the objective of facilitating the redevelopment of this identified redevelopment site which demonstrates a commitment by council to implementing the Leongatha Structure Plan.

#### Disadvantages

- The site is not owned by Council and would be required to be purchased from VicTrack at a potentially significant cost to Council.
- The site is not centrally located in Leongatha CBD and does not provide good accessibility for customers and the community.
- The narrow road frontage to Roughead Street and the proximity to the busy nearby intersection with the Strezlecki Highway may make the more intensive use of this site difficult to accommodate in terms of vehicular access.
- The difficult topography and ground conditions of this site will likely have a significant impact on the cost of redevelopment.
- The existing Contamination Report for the site identifies a range of contaminants on the site and appears to limited future uses to commercial/ industrial purposes without significant remediation of soil on the site prior to redevelopment which will likely have a significant impact on the cost of redevelopment.
- The rear of the site comprises elevated structures on larger pillars due to the lower elevation of the subject land and provides a challenging interface with poor amenity.
- The site may be better used for other uses, such as retail/ commercial/ industrial/ residential purposes.
- The redevelopment of this site for Municipal purposes would best be sited at the Roughead Street frontage which would require the relocation of existing car parking and open space which would likely receive significant negative feedback from the community and adjoining businesses that use these existing improvements.
- The VicTrack owned land is zoned Public Use Zone 4 (Transport) which would likely prohibit the Municipal Precinct uses without a Planning Scheme Amendment rezoning the site to an appropriate zoned to accommodate a Municipal Precinct.





### 5.2.5 Daker Centre, 23 Smith Street, Leongatha

The land at 19-26 Smith Street mainly comprises the Daker Centre, adjoining car parking and a privately owned land with an overall land area of 4,650m<sup>2</sup>. The Daker Centre accommodates the Leongatha Senior Citizens Club and community meeting rooms. See **Figure 5.8** overleaf.

Overall Council appears to own approximately 3,565 m<sup>2</sup> of this site. The titles for this site option comprise the following:

Title/ Ownership Details	Lot Area (approx.)
Lot 1 on Plan of Subdivision 519056E on the corner of Smith Street and Edney Lane comprising vacant land in Council ownership	740m <sup>2</sup>
R-1 on Plan of Subdivision 519056E owned by Council generally comprising the Car parking area serving the Daker Centre	700m <sup>2</sup>
Crown Allotment 16 Section 15 Township of Leongatha Parish of Leongatha owned by Council generally comprising the Car parking area serving the Daker Centre	1,100m <sup>2</sup>
Crown Allotment 18 and 20, Section 15 Section 15 Township of Leongatha which accommodates the Daker centre Building	1,025m <sup>2</sup>
Crown Allotment 14 Section 15 Township of Leongatha Parish of Leongatha which is privately owned and appears to comprise a residential dwelling	1,100m <sup>2</sup>

The key **advantages and disadvantages** of this site option for a Municipal Precinct are noted as follows:

#### Advantages

- The site appears to be of adequate size to accommodate the Municipal Precinct floor space requirements, although the capacity to accommodate onsite car parking requirements is likely to be limited.
- Most of the site is owned by Council negating the need for significant land purchase to accommodate the development.
- Surrounding landholdings provide opportunity for facility expansion but would require land acquisition by Council.
- The Council owned land is zoned Business 1/ Commercial 1 zone and is appropriately zoned to accommodate a Municipal Precinct with community hub and administrative offices, subject to planning permit approval.
- A Municipal Precinct on this site would enable the release of the main office site and the Carinos Office site which may be better used for commercial uses, such as retail/ commercial uses, including returns from sale to Council.



### Disadvantages

- The site is located outside of the Leongatha CBD and is not centrally located in Leongatha township and provides only fair accessibility for customers and the community.
- This site option also has only limited potential to achieve the objective of placing council services on a single site and importantly demonstrates a commitment by council to implementing the Leongatha Structure Plan.
- The existing Daker Centre use would have to be relocated or incorporated within the Municipal precinct on this site adding to the overall floor space requirements for community uses and development costs.
- The site is in a location with significant residential interfaces on three sides which would likely lead to amenity impacts from more intense use of the site for Civic and community purposes, including additional traffic.
- The redevelopment of this site would require the demolition of the existing Daker Centre which will add to the cost of the Project.

**Figure 5.8: Aerial Plan showing Daker Centre land and surrounds, 23 Smith Street, Leongatha**





### 5.2.6 Council Depot, Yarragon Road, Leongatha

This site option comprises the current Council Depot and is situated on the northern fringe of Leongatha Township with main frontage to Yarragon Road and rear access to Ashendon Street. The land is legally described as Lots 1 and 2 on Title Plan 220880A and Lots 2 and 3 on Plan of Subdivision 086522. The site option has an overall land area of approximately 1.74 ha. It is understood the entire landholding is owned by Council. Refer **Figure 5.9** below provides an aerial photograph of the land and surrounding area.

#### **The key *advantages and disadvantages* of this site option for a Municipal Precinct are noted as follows:**

##### Advantages

- The site is owned by Council negating the need for land purchase to accommodate the development.
- The larger size of the site may provide opportunity for facility expansion to cater for future growth requirements.
- A Municipal Precinct on this site would enable the release of the two main Council owned office sites in central Leongatha which may be better used for commercial uses, including returns from sale to Council.
- The site has the capacity cater for all Municipal precinct requirements, including car parking requirements onsite.
- A Municipal Precinct on this site would enable the release of the two main office sites which may be better used for commercial uses, such as retail shops or a supermarket, including returns from sale to Council.

##### Disadvantages

- The site is not centrally located in Leongatha CBD and is located in a fringe location on the edge of Leongatha township and does not provide good accessibility for customers and the community.
- The existing Depot use suggests that ground conditions and associated potential for soil contamination would need to be addressed at potentially significant cost prior to redevelopment.
- The existing Depot uses would need to be relocated to a new site at additional cost to prior to redevelopment.
- The redevelopment of this site would require the demolition of the existing Depot uses which will add to the cost of the Project.
- The industrial nature of the surrounding area is likely to have amenity impacts on the Municipal Precinct on this site and is not appropriate location for such community and Council uses.
- The site is located on the fringe of Leongatha Township and does not provide good accessibility for customers and the community with little public car parking and poor public transport.



- 
- The Council owned land is zoned Public Use Zone 6 (Local Government) and part Industrial 1 Zone. While the PUZ6 zone is appropriately zoned, the industrial 1 Zone component is not appropriate to support the Municipal Precinct uses.
  - This site option also has only limited potential to achieve the objectives of the Leongatha Structure Plan

Figure 5.9: Aerial Plan showing Council Depot, Yarragon Road, Leongatha





### 5.2.7 Korumburra Art Gallery/ Library, Corner Commercial and King Street, Korumburra

This site is located on the main roadway into Korumburra township at the corner of Commercial and King Street in Korumburra and is known as the Korumburra Library and Art Gallery. The current building accommodates a Library and Art Gallery, meeting spaces and the Korumburra and District Historical Society and was formerly the Korumburra Shire Offices. The existing site slopes down from Commercial Road and as a result comprises a two level building with main entrances from King Street. The site also has frontage to a roadway at the rear comprising Little Commercial Street. To the south of Little Commercial Street is land accommodating a Council owned Day Care Centre.

The site also adjoins a vacant area of land to the south with frontage to Commercial Street and Little Commercial Street. It is understood Council has had previous discussions with the landowner or maybe open to a sale of this vacant land parcel.

The land on which the Korumburra Library and Art Gallery comprises an area of approximately 1,976 m<sup>2</sup>. The land is legally described as six separate parcels including Lots 1 and 2 on Title Plan 3495L2M, Lot 1 on Title Plan 345497B, Lot 1 on Title Plan 63566TY, Lot 1 on Title Plan 444530E and Crown Allotment 4 Section 2 Township of Korumburra all in the ownership of Council. There appears to be no restrictions, easement or encumbrances noted on these titles.

The adjoining vacant landholding comprises an area of approximately 1,500 m<sup>2</sup>. The land is legally described as three separate parcels including Crown Allotments 5, 6 and 7 Section 2 Township of Korumburra. These titles appear to be privately owned with the landowner noted on Title as Rossi Group Pty Ltd.

Refer **Figure 5.10** overleaf provides an aerial photograph of the land and surrounding area.

The key **advantages and disadvantages** of this site option for a Municipal Precinct are noted as follows:

#### Advantages

- The site option allows for the adaptive reuse of the existing Community facility for Council and community purposes.
- The site already accommodates a Library and other community uses which would complement Civic uses.
- The Council owned land is zoned Business 1/ Commercial 1 zone and is appropriately zoned to accommodate a Municipal Precinct with community hub and administrative offices, subject to planning permit approval.
- The site is located within the Korumburra Town centre/ CBD providing good accessibility for customers and the community.
- Additional activity arising from the relocated Municipal Precinct has the potential to have employment and investment catalyst impacts on Korumburra CBD.
- Adjoining vacant land provides an opportunity for additional facilities but would require land acquisition by Council.
- The site has three street frontages allowing for flexible development opportunities.



- A Municipal Precinct on this site would enable the release of the two main Council owned office sites in Leongatha which could be better utilised for commercial uses, including returns from sale to Council.

#### Disadvantages

- The Council owned landholdings are not large enough to accommodate the Municipal Precinct requirements and additional land acquisition is required, adding to the cost of the Project.
- The relocation of Council's Civic Office functions to Korumburra is likely to have significant political backlash from the Leongatha community.
- The relocation of Council's Civic Office functions to Korumburra is not consistent with the Leongatha Structure Plan which clearly identifies the need to maintain its role as the headquarters for the South Gippsland Shire Council.
- The existing Community uses would need to be relocated to alternative premises during redevelopment and a decanting strategy would need to be developed.
- The sloping nature of the site will likely add to the development costs for the Project.

**Figure 5.10: Aerial Plan showing Korumburra Art Gallery/ Library, Corner Commercial and King Street, Korumburra**



## 5.3 Economic Analysis of Site Options

Essential Economics have prepared an assessment of the economic implications of developing the site options assessed above for a Municipal Precinct containing Council offices and community facilities, including a regional Library. In assessing the potential for positive economic outcomes arising from developing a Municipal precinct on a site options and final architectural schemes the following matters were considered:

- The general location of the preferred site and the implications this has for delivering 'spin-off' benefits to the surrounding areas and the efficient delivery of services to residents and visitors to the municipality.
- The potential for sites to be developed for alternative uses that deliver economic benefits, including jobs and local investment.
- The strategic location of sites with respect to contributing to the revitalisation of town centres.

A copy of the Essential Economics Report comprises **Appendix D**

### 5.3.1 Key Findings of Assessment

The key findings of the Assessment are summarised as follows:

- From an economics perspective, a site located within the Leongatha CBD would be the preferred location for a Municipal Precinct in terms of facilitating the provision of services to residents of South Gippsland Shire and visitors to the region, and in terms of generating economic benefits associated with the spending of employees. In addition, Council offices throughout regional Victoria are generally located in the regional centre serving each municipality. These regional centres tend to have larger populations and provide a wider array of facilities and services that residents use on a more frequent basis compared with the smaller towns. In the case of Leongatha, given its current role, size and future population growth, it will therefore continue to be the main centre serving the Shire. By implication this assessment does not support the relocation of Council's office functions to the site in Korumburra.
- Due to identified site constraints and its locational attributes, the VicTrack site in Roughead Street, Leongatha limit the opportunity to develop the Municipal Precinct on this site.
- A Municipal Precinct containing Council offices and a regional library in the Leongatha CBD has the potential to generate important spin-off benefits for the surrounding businesses and the CBD in general including employee spending, opportunities for reuse of surplus sites (including direct and indirect employment, construction employment and additional expenditure/ output generally).
- In terms of staff spending, the Municipal Precinct, if located in Leongatha CBD could generate a spend estimated at \$1.5 million a year at retailers in the Leongatha CBD. The same level of spending by employees would not be generated from the development of a Municipal Precinct at a site beyond the Leongatha CBD, such as the Council Depot site (Site 6, refer Figure 1) on





Yarragon Road. However the assessment did note that **staff expenditure is not of a scale that would support the revitalisation of town centre on its own.**

- Much of the economic stimulus that could be derived from the development of a Municipal Precinct in Leongatha CBD will be the result of the release of those surplus Council-owned sites that maybe release for alternative uses. In particular the assessment noted the following with regard to the two Smith Street Council owned sites:
  - The **current Civic Offices site at 9-15 Smith Street, Leongatha** is unlikely to be large enough to accommodate a major supermarket or DDS; however, potential may exist to consolidate adjoining carpark site and the Woolworths site to form a major redevelopment site for the Leongatha CBD. This would result in a redevelopment site of approximately 1ha in size, which would be sufficient to accommodate a full-line supermarket, which Leongatha currently lacks, and associated speciality retailing. In the Leongatha CBD context, only limited opportunities exist for this form of development.
  - The site at **6 -12 Smith Street, Leongatha (Carinos building site)** has the potential may exist for the redevelopment of the site to accommodate a mix of speciality retail (or a mini-major retailer) along the frontage to Smith Street, with dedicated offices at rear. Potential may exist for the development of this precinct as a dining and entertainment precinct associated with the cinema.

The economic benefits of the development of a Municipal Precinct and re-use of either of the two Smith Street Council sites considered surplus to requirements is summarised in the following Table:

Economic Measure	Current Civic Offices site at 9-15 Smith Street, Leongatha	6 -12 Smith Street, Leongatha (Carinos building site)
Employment (retail and office ) derived from the Re-use of Site	185	150
Construction related Employment derived from the Re-use of Site	20	16
Investment derived from 'alternative' sites if site is considered preferred option for Municipal Precinct	\$5.2 Mil.	\$5.8 Mil.
Investment-related employment derived from 'alternative' sites if site is considered preferred option for Municipal Precinct	34 direct and indirect FTE jobs	38 direct and indirect FTE jobs
Total Output* (derived from the re-use of site)	\$29.1 Mil.	\$24.6 Mil.

Source: Table, 2, Table 3 and Table 4 *Economic Analysis*, dated June 2015, Essential Economics Pty Ltd  
\*Output provides an estimate of the total gross value of sales (including costs of production) generated by new businesses and activities.



Based on this analysis the following can be concluded:

- If the **current Civic Offices site at 9-15 Smith Street, Leongatha** was surplus to Council requirements and re-used for other purposes (i.e. commercial/ retail purposes) the economic benefits would comprise 185 jobs (retail and office), 20 construction related jobs, 38 direct and indirect jobs and estimated output of \$29.1 million total gross sales (including costs of production) generated by new businesses and activities on this site.
- If the **6 -12 Smith Street, Leongatha (Carinos building site)** was surplus to Council requirements and re-used for other purposes (i.e. commercial/ retail purposes) the economic benefits would comprise 150 jobs (retail and office), 16 construction related jobs, 34 direct and indirect jobs and estimated output of \$24.6 million total gross sales (including costs of production) generated by new businesses and activities on this site.

It is noted that under the two Architectural schemes prepared by Perrot Lyon Mathieson (see section 5.4 of this report) only Scheme 1 allows for the site at 6 -12 Smith Street, Leongatha (Carinos building site) to be surplus to requirements realising the above economic benefits.

- There is very little difference between the economic outcomes resulting from the development of the Municipal Precinct at either of the two Smith Street sites. Having regard for the potential for 6 -12 Smith Street not being of sufficient size to accommodate the Municipal Precinct, the current Civic Offices site at 9-15 Smith Street site would be the preferred site from an economic perspective.
- Both Smith Street sites are considered strategic sites in terms of the revitalisation of the Leongatha CBD, and a development scheme that enables the divestment of one or either of these sites would generate positive economic benefits to the region.



## 5.4 Rated Criteria Evaluation of Site Options

A qualitative evaluation of the options was undertaken against a series of critical evaluation criteria to confirm the option that best aligns with the project objectives.

In consultation with Council, Sweett Group developed an evaluation criteria and weighted matrix to assess the locational options and identify the preferred location for a new office building. The evaluation criteria and the relative importance of each of the 4 project objectives are summarised in **Figure 5.11** below.

**Figure 5.11: Evaluation Criteria and Allocation of importance weighting to Project Objectives**

Options Evaluation Criteria		Weighting of Importance
<b>Improved Customer Service/ Community accessibility/ Civic Presence</b>		<b>25%</b>
1	Provides a single, integrated customer service interface for Council Customer Service	
2	Enhances customer and community accessibility and wayfinding	
3	Capacity to provide high quality public realm/ Place making/ Community engagement	
4	Enhanced sense of Civic Presence/ Civic Precinct capacity	
5	Maximises future flexibility (i.e. expansion capability and/or community use/ Hub arrangements)	
<b>Enhanced Community Facilities/ Assets; Civic Office accommodation/ Workplace amenity opportunity</b>		<b>10%</b>
6	Opportunity to improve staff productivity and morale	
7	Provides for a unified, integrated organisation / culture	
<b>Improved Financial Outcomes</b>		<b>20%</b>
8	Delivers outcomes minimising 15/20 year project cashflows/ capital development costs	
9	Ability to attract external Funding sources	
10	Minimises use of funds for land acquisition (Council owned, nil/ limited requirement to acquire private land)	
11	Lead time and delivery program implications	
12	Recurrent cost implications (including ESD outcomes)	
<b>Strategy/ Policy Compliance</b>		<b>10%</b>
13	Supported by the relevant Township Structure Plan	
14	Located identifiably within the Township CBD.	
15	Supports <i>Blueprint for Social Community infrastructure</i> criteria - Multi-purpose and flexible uses	
16	Supports <i>Blueprint for Social Community infrastructure</i> criteria - Co-located; equitably and appropriately located	
17	Supports <i>Blueprint for Social Community infrastructure</i> criteria - Linked to other commercial, retail and community activities	
18	Supports <i>Blueprint for Social Community infrastructure</i> criteria - Promote a positive local identity and social connection	
<b>Site Specific Opportunities and Constraints</b>		<b>25%</b>
19	Site of Adequate Size to cater for current/ future development requirements	
20	Development/ Redevelopment Costs	
21	Existing Site Conditions (demolition, remediation, major ground works, etc)	
22	Development Potential (planning framework context - zoning, overlays, heritage, heights, setbacks etc.)	
<b>Catalyst/ Revitalisations opportunity for Township/ CBD</b>		<b>10%</b>
23	Commercial, employment stimulus affects for respective Townships/ CBD areas	
24	Revitalisation of surrounding commercial/ retail Precinct	
<b>TOTAL WEIGHTING</b>		<b>100%</b>



Each of the options was then rated utilising the following 10 point rating system noted as follows:

Scoring	
1 - Unsatisfactory, fails criteria	6 - Above average compliance with criteria
2 - Very poor, below standard compliance with criteria	7 - Average to good compliance with criteria
3 - Poor, poor compliance with criteria	8 - Good, complies with criteria with deficiencies
4 - Below average, just acceptable compliance with criteria	9 - Very good, complies with criteria with only minor deficiencies
5 - Average, acceptable compliance with criteria	10 - Excellent, fully complies with criteria

The results of this weighted qualitative evaluation are presented in Figure 5.12 overleaf.

Figure 5.12: Rated Evaluation of Site Options

Options Evaluation Criteria		1		2		3		4		5		6		7	
		Raw Score	Weighted Score	Raw Score	Weighted Score	Raw Score	Weighted Score	Raw Score	Weighted Score	Raw Score	Weighted Score	Raw Score	Weighted Score	Raw Score	Weighted Score
<b>Options Evaluation Criteria</b>		<b>Weighting of Importance</b>		<b>Raw Score</b>		<b>Weighted Score</b>		<b>Raw Score</b>		<b>Weighted Score</b>		<b>Raw Score</b>		<b>Weighted Score</b>	
<b>Improved Customer Service/ Community accessibility/ Civic Presence</b>		<b>25%</b>													
1	Provides a single, integrated customer service interface for Council Customer Service	9	2.25	8	2	6	1.5	8	2	8	2	5	1.25	5	1.25
2	Enhances customer and community accessibility and wayfinding	9	2.25	9	2.25	6	1.5	4	1	5	1.25	1	0.25	1	0.25
3	Capacity to provide high quality public realm/ Place making/ Community engagement	10	2.5	9	2.25	6	1.5	4	1	5	1.25	1	0.25	1	0.25
4	Enhanced sense of Civic Presence/ Civic Precinct capacity	9	2.25	9	2.25	7	1.75	3	0.75	3	0.75	1	0.25	1	0.25
5	Maximises future flexibility (i.e. expansion capability and/or community use/ Hub arrangements)	9	2.25	8	2	5	1.25	5	1.25	5	1.25	5	1.25	5	1.25
<b>Enhanced Community Facilities/ Assets; Civic Office accommodation/ Workplace amenity</b>		<b>10%</b>													
6	Opportunity to improve staff productivity and morale	9	0.9	9	0.9	6	0.6	8	0.8	8	0.8	6	0.6	7	0.7
7	Provides for a unified, integrated organisation / culture	9	0.9	9	0.9	7	0.7	8	0.8	8	0.8	6	0.6	7	0.7
<b>Improved Financial Outcomes</b>		<b>20%</b>													
8	Delivers outcomes minimising 15/20 year project cashflows/ capital development costs	9	1.8	8	1.6	6	1.2	4	0.8	7	1.4	6	1.2	7	1.4
9	Ability to attract external Funding sources	8	1.6	8	1.6	6	1.2	7	1.4	6	1.2	6	1.2	6	1.2
10	Minimises use of funds for land acquisition (Council owned, nil/ limited requirement to acquire private land)	9	1.8	9	1.8	9	1.8	2	0.4	9	1.8	9	1.8	4	0.8
11	Lead time and delivery program implications	8	1.6	7	1.4	4	0.8	2	0.4	4	0.8	5	1	4	0.8
12	Recurrent cost implications (including ESD outcomes)	9	1.8	9	1.8	6	1.2	8	1.6	8	1.6	6	1.2	7	1.4
<b>Strategy/ Policy Compliance</b>		<b>10%</b>													
13	Supported by the relevant Township Structure Plan	9	0.9	9	0.9	9	0.9	6	0.6	4	0.4	2	0.2	5	0.5
14	Located Identifiably within the Township CBD.	9	0.9	9	0.9	9	0.9	7	0.7	4	0.4	2	0.2	9	0.9
15	Supports <i>Blueprint for Social Community infrastructure</i> criteria - Multi-purpose and flexible uses	9	0.9	9	0.9	7	0.7	9	0.9	8	0.8	6	0.6	9	0.9
16	Supports <i>Blueprint for Social Community infrastructure</i> criteria - Co-located; equitably and appropriately located	9	0.9	9	0.9	7	0.7	5	0.5	3	0.3	2	0.2	7	0.7
17	Supports <i>Blueprint for Social Community infrastructure</i> criteria - Linked to other commercial, retail and community activities	9	0.9	9	0.9	8	0.8	4	0.4	4	0.4	2	0.2	8	0.8
18	Supports <i>Blueprint for Social Community infrastructure</i> criteria - Promote a positive local identity and social connection	9	0.9	9	0.9	8	0.8	3	0.3	4	0.4	2	0.2	9	0.9
<b>Site Specific Opportunities and Constraints</b>		<b>25%</b>													
19	Site of Adequate Size to cater for current/ future development requirements	9	2.25	8	2	2	0.5	9	2.25	2	0.5	8	2	6	1.5
20	Development/ Redevelopment Costs	9	2.25	7	1.75	3	0.75	1	0.25	3	0.75	3	0.75	5	1.25
21	Existing Site Conditions (demolition, remediation, major ground works, etc)	7	1.75	8	2	3	0.75	1	0.25	4	1	3	0.75	6	1.5
22	Development Potential (planning framework context - zoning, overlays, heritage, heights, setbacks etc.)	9	2.25	9	2.25	3	0.75	3	0.75	4	1	6	1.5	9	2.25
<b>Catalyst/ Revitalisations opportunity for respective Townships/ CBD areas</b>		<b>10%</b>													
23	Commercial, employment stimulus affects for respective Townships/ CBD areas	8	0.8	8	0.8	6	0.6	6	0.6	5	0.5	1	0.1	8	0.8
24	Revitalisation of surrounding commercial/ retail Precinct	8	0.8	8	0.8	6	0.6	6	0.6	5	0.5	1	0.1	8	0.8
<b>TOTAL WEIGHTING</b>		<b>100%</b>													
<b>TOTAL SCORE</b>		211.0		37.4		204.0		15.8		145.0		23.8		121.0	
<b>% Compliance</b>		88%		84%		56%		48%		51%		42%		54%	
<b>Overall Relative Ranking</b>		1		2		3		6		5		7		4	



The key findings of this rated matrix analysis are summarised as follows:

- **Option 1 – 9 -15 Smith Street, Leongatha (Main Admin. building)**, ranked the highest with an overall score of 88%. This option ranked highly because it has a central CBD location – with good community accessibility, it is Council owned (negating site acquisition costs), has good access to car parking and provides an opportunity for adaptive reuse of existing Council buildings and links to adjoining Council buildings (i.e. McCartin Street building).
- **Option 2 – 6 -12 Smith Street, Leongatha (Carinos building site)** ranked second highest with an overall score of 84%. This site option also offers an opportunity for Municipal Precinct facilities in a central CBD location with good community accessibility and potential economic stimulus impacts on a Council owned site, the site size to accommodate all uses is a constraint and reduces the rated evaluation outcome for this option.
- **Option 3 - Memorial Hall building (McCartin St, Leongatha)** ranked third highest with a much lower overall score of 56%. While it has similar location attributes (i.e. central CBD location) to the Smith Street options, critical constraints which reduced its overall rating included small site size, Heritage constraints/ impacts on development/ costs; impact on available car parking, and displacement community uses (from the Memorial hall). This site was not considered suitable for further consideration.
- **Option 7 Korumburra Art Gallery/ Library (Cnr. King & Commercial St, Korumburra)** ranked four highest at a much lower rating of 54%. While this Council owned site has a central CBD location with good community accessibility critical constraints included small site size, likely need to acquisition of adjoining privately owned land and the likely significant political/ customer service implications of relocation of current services from Leongatha. This site was not considered suitable for further consideration.
- **Options 4, 5 and 6** – including the VicTrack landholding (in Roughead Street Leongatha), Daker Centre site and the existing Council Depot site in Yarragon Road, Leongatha all had lower overall ratings of 48%, 51% and 42% respectively. All of these sites ranked poorly in terms of customer service and community accessibility due to their remote locations and existing site specific constraints.

On the basis of this evaluation Option 1 (9 -15 Smith Street, Leongatha, Main Admin. building) and Option 2 (6 -12 Smith Street, Leongatha, Carinos building) have been short listed for further consideration and Municipal Precinct masterplanning development as they both rated the highest and have the potential to fully address the project objectives.



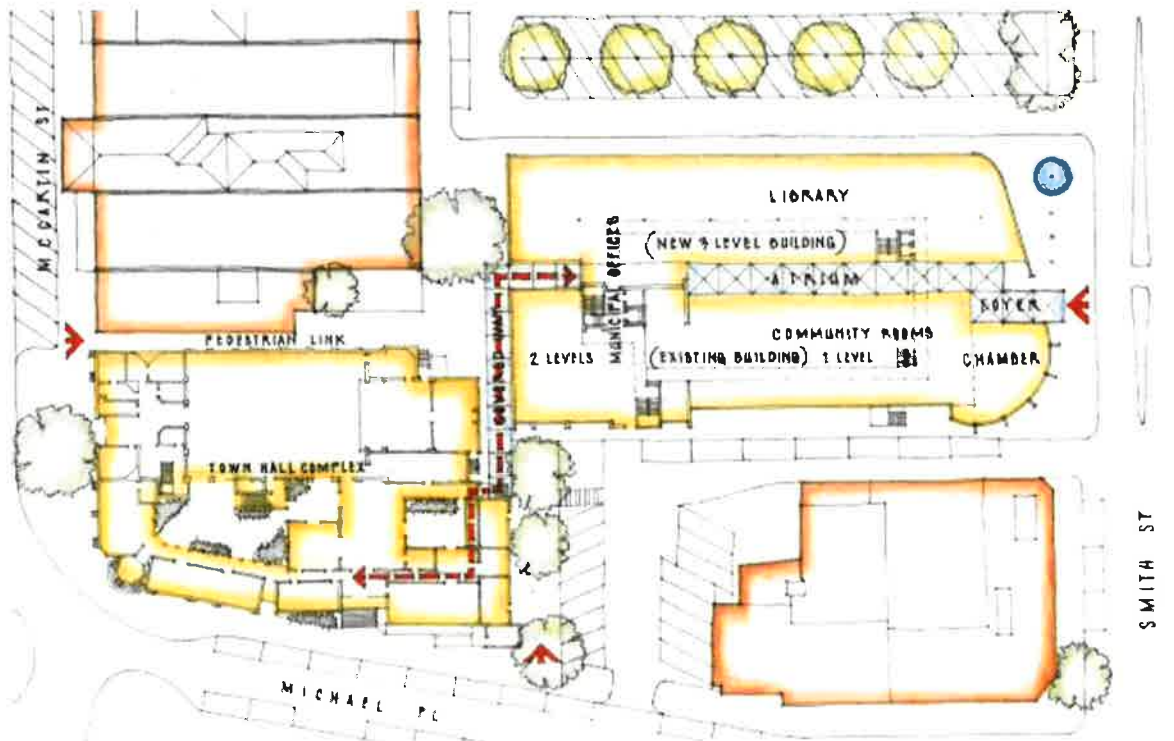
## 5.5 Architectural Concept Options for Shortlisted Candidate Sites

Perrot Lyon Mathieson Architects have developed high level architectural concepts for the two short listed site options. These are briefly described below along with their respective advantages and disadvantages. Copies of the Architectural Concept plans are included in **Appendix E** and in Figures 5.13 to 5.14 and 5.15 below.

### 5.5.1 Scheme 1: Extension, Adaptive reuse 9-15 Smith Street

As shown in Figure 5.13 below, this architectural scheme involves the adaptive reuse of existing Council Municipal building for Community uses and additions of up to 3 levels to Main Administration Building with linkages with the McCartin Street building which would have minor refurbishment works to improve functionality. The existing building is also refurbished with new façade treatment and Council Chamber facing Smith Street.

**Figure 5.13: Scheme 1 Architectural Concept Plan**





The key **advantages and disadvantages** of this Architectural Scheme are noted as follows:

#### Advantages

- Enables the development of a Municipal Precinct in a Central CBD location with good community accessibility.
- Enables the adaptive reuse existing Council building and improved linkages to the adjoining Council owned McCartin street building.
- Provides for the Colocation of Community and Civic facilities on one site.
- The Carinos Building site can be considered surplus to operational requirements and could be sold to offset the Municipal Precinct development costs.
- This option will have economic revitalisation impacts on Leongatha CBD as detailed in section 5.3 of this Report, primarily associated with the economic spin-offs from the re-use of the Carinos Building site.

#### Disadvantages

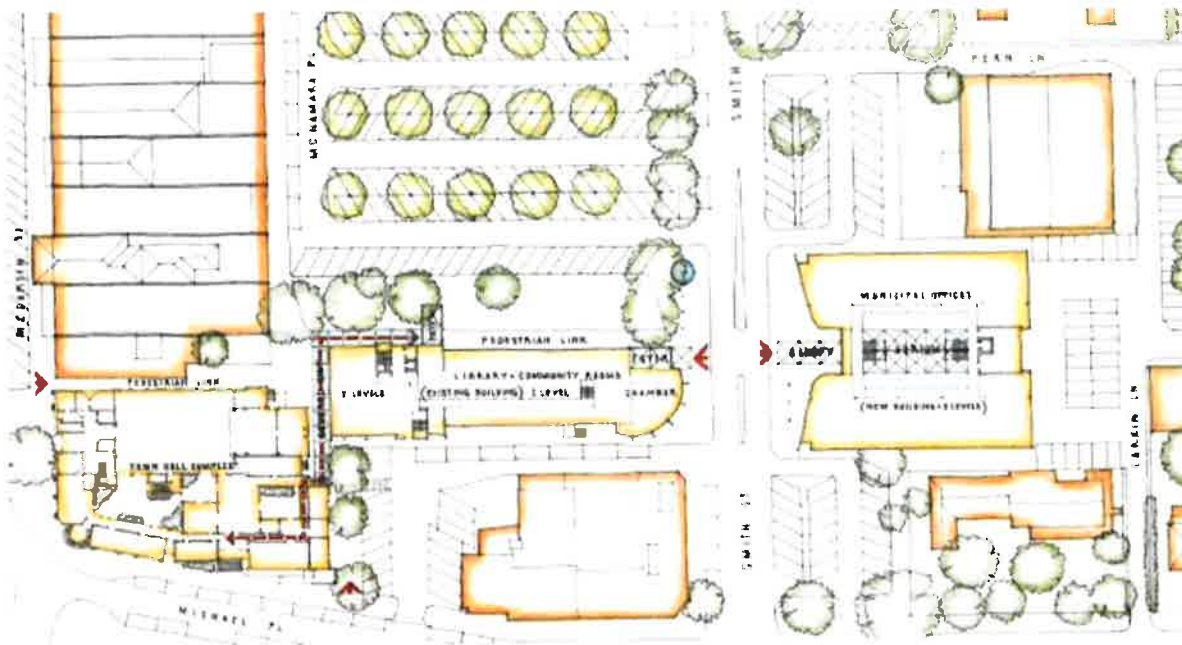
- The redevelopment on this site for more intensive uses is likely to require additional car parking. We do note the existing car parking Strategy does note that existing car parking is below capacity and also understand a number of additional car parking options for Council staff have been identified.
- This site could be better utilised for commercial purposes which may provide some economic revitalisation impacts on Leongatha CBD.
- A detailed funding strategy would need to be developed to assist in provision of funding for the Municipal precinct.

#### **5.5.2 Adaptive reuse of 9-15 Smith Street; New Building at 6-12 Smith Street (Carinos site)**

As shown in Figure 5.14 below, this architectural scheme involves the adaptive reuse of existing Council Administrative building for Community uses and development of a new Municipal Office building of up to two levels on the Carinos Site. This Scheme provides an opportunity to provide for an integrated Civic Space (around Smith Street) utilising a new office building on the Carinos Site linked to the adaptive reuse of the Main Administration Building with linkages to the McCartin Street building which would have minor refurbishment works to improve functionality.



**Figure 5.14: Scheme 2 Architectural Concept Plan**



The key **advantages and disadvantages** of this Architectural Scheme are noted as follows:

#### Advantages

- Enables the development of a Municipal Precinct in a Central CBD location with good community accessibility.
- Enables the adaptive reuse existing Council buildings and improved linkages between the three Council owned buildings (including to McCartin Street Memorial Hall building)
- Potential for creation of a link/ integration of buildings across Smith St and the development of an active open space/ street frontage in Smith Street with potential for community gatherings.
- This option will have some economic revitalisation impacts on Leongatha CBD, although they are less than Scheme 1 as no sites are surplus to Council requirements and can be re-used for alternate purposes.

#### Disadvantages

- The redevelopment of the two sites for more intensive uses are likely to require additional car parking. We do note the existing car parking Strategy does note that existing car parking is below capacity and also understand a number of additional car parking options for Council staff have been identified.
- None of the existing Council owned sites are surplus and could be sold to offset development costs.
- The Council owned sites could be better utilised for commercial purposes which may provide some economic revitalisation impacts on Leongatha CBD.





- A detailed funding strategy would need to be developed to assist in provision of funding for the Municipal precinct.

### **5.5.3 Municipal Precinct on VicTrack landholding, (Roughead Street, Leongatha)**

While not a shortlisted Option, a scheme was development for this site due to Council and stakeholder interest in confirming its suitability for Council uses.

The architectural scheme on this site is shown in Figure 5.15 overleaf. The Scheme comprises the development of a two level Civic office facility at the Roughead frontage to the site with at grade car parking provided at the rear of the site with capacity for approximately 100 car spaces.

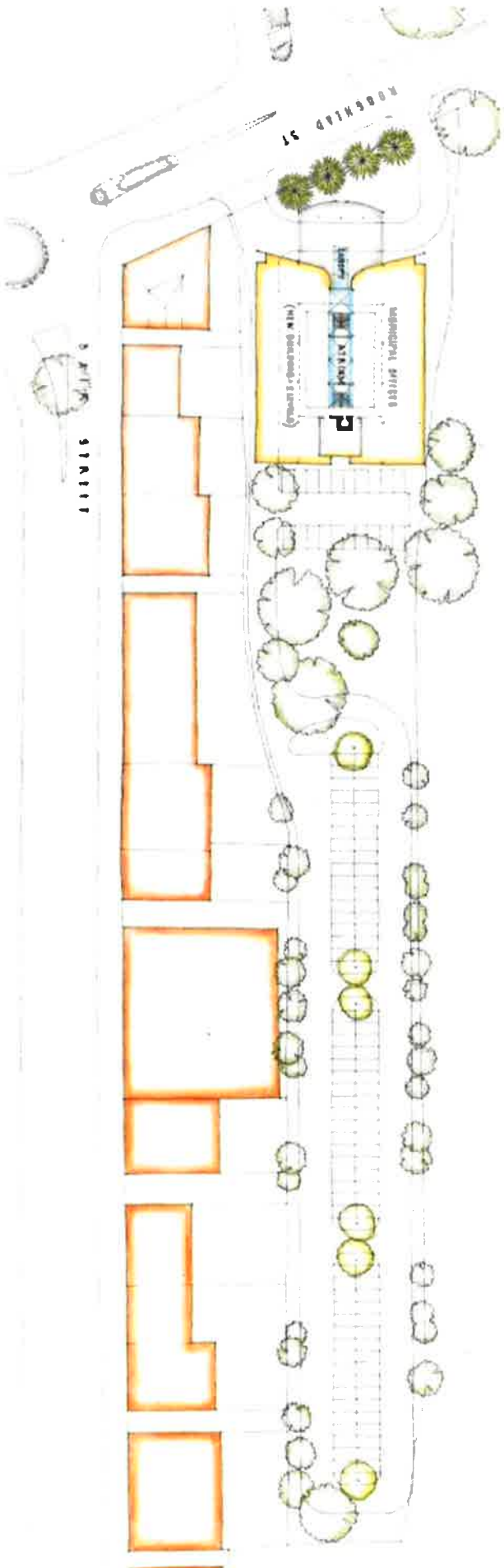
In our view this is a very constrained scheme due to the narrow configuration of the site. The site also does not have the capacity to accommodate the community facility components of the Municipal Precinct, which would to be accommodated on existing Council owned land in Smith Street.

The key disadvantages or constraints of this option are noted as follows:

- This is a very constrained scheme due to the narrow configuration of the site which does not have the capacity to accommodate the community facility components of the Municipal Precinct, which would to be accommodated on existing Council owned land in Smith Street.
- Poor/ difficult access from Roughead Street (potential traffic impacts/ issues) and adjoining busy intersection.
- Land acquisition required will be required adding to the cost of the Project.
- There are also significant topographic/ level issues with this site which will add to the development costs.
- Environmental Contamination risks will significantly impact on development costs.
- The site has poor accessibility to the public/ community.
- The site may be better utilised for other commercial/ community/ recreation purposes given its location and proximity to the rail trail.



**Figure 5.15: Architectural Scheme on the VicTrack landholding, off Roughhead Street, Leongatha**



## 6.0 Financial Analysis of Shortlisted Options for Municipal Precinct

### 6.1 Capital Cost Model and Key Assumption and Allowances

Based on the architectural option concepts prepared by PLM, Sweett Group Quantity Surveyors provided an estimated capital cost framework for each scheme. The key assumptions, inclusions and exclusions are noted as follows:

- Capital costs include new building works and refurbishment of existing buildings as described for each Scheme as well as external landscaping provisions as shown on the concept plans.
- Additional car parking requirements are excluded from each option.
- Capital costs include allowances for site works, demolition costs to remove existing improvements/ buildings, external service upgrades, authority charges (1%), design and construction contingency (10%), ESD allowance (2.5%), Information, Communication and Technology allowances (1.5%), allowance for Furniture, fittings and equipment (FFE) (6%), Consultant costs up until construction (7%) and escalation beyond June 2015.
- Design and construction occurs over a 3 year period for each option.

The estimated capital cost model for the options is summarised in **Figure 6.1** below with the detail of the cost plans included in **Appendix F**.

Although not considered a short listed option, a preliminary cost plan for the VicTrack site has also been prepared which is also included in Figure 6.1 below.

**Figure 6.1: Preliminary Capital Cost Plan results for Schemes**

Scheme/ Concept Option		\$Total
1	Extension, Adaptive reuse 9-15 Smith Street	\$21.926 million
2	Adaptive reuse of 9-15 Smith Street; New Building at 6-12 Smith Street (Carinos)	\$21.356 million
3	Council Accommodation on VicTrack landholding in Roughead St and adaptive reuse of the existing Administration building at 9-15 Smith Street for community facilities	\$23.264 million

With regard to the preliminary cost plan for the development on the VicTrack landholding in Roughead St, this cost plan includes the development of Council Accommodation on the Roughead Street site plus the development of community facilities through the adaptive reuse of the existing Administration building at 9-15 Smith Street.

## 6.2 Net Present Value Option Comparison

The concept plans and capital cost models presented 2 options for Municipal Precinct facilities, in addition to the Do Nothing/ Base Case. The options which have been used for financial assessment are noted as follows:

- Option 0**     Base Case - Maintain Status Quo/ Do Nothing
- Option 1**     Extension, Adaptive reuse 9-15 Smith Street
- Option 2.**     Adaptive reuse of 9-15 Smith Street; New Building at 6-12 Smith Street  
(Carinos Building)

A comparative financial analysis of the options has been undertaken using Net Present Value (NPV) analysis. Net Present Value (NPV) is a widely accepted method of financial evaluation of long term projects whereby all cash flows are discounted back to present day values. NPV uses the time value of money to summarise a cash flow forecast to a single value. The concept is that the value of cash in the future is less than the value of cash today. This is expressed in the "discount rate". Therefore, all cash flows are brought back to their present day or current values by discounting (or reducing the value of) the future dollars to account for the fact that they are worth less in the future.

For example, as shown in Figure 6.2 below, if a project has an expenditure or cost of \$1,000 over a 10 year period, with the application of a discount rate, the present value of the \$1,000 is worth less than \$1,000 today. As shown in this simple example below, if the applicable discount rate is 5%, the NPV of \$1,000 over a 10 year period is \$772.

**Figure 6.2: Net Present Value Example**

	Total 10 Year Cost	Year 0	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
<b>Expenditure</b>	(\$1,000)	-	(\$100)	(\$100)	(\$100)	(\$100)	(\$100)	(\$100)	(\$100)	(\$100)	(\$100)	(\$100)
<b>Total Net Cash Flow</b>	(\$1,000)	-	(\$100)	(\$100)	(\$100)	(\$100)	(\$100)	(\$100)	(\$100)	(\$100)	(\$100)	(\$100)
<b>Net Present Value 5%</b>	(\$772)	-	(\$95)	(\$91)	(\$86)	(\$82)	(\$78)	(\$75)	(\$71)	(\$68)	(\$64)	(\$61)



### 6.3 Net Present Value Evaluation and Key Assumptions

A financial analysis of the three Municipal Precinct options (including the Do Nothing Option) has been undertaken utilising a NPV evaluation which considers all the costs and benefits over a 15 year period.

General assumptions adopted in this discounted cash flow analysis are noted as follows:

- Recurrent operating, leasing and other cost allowances for the existing facilities based on 2013/2014 data provided by Council.
- Maintenance and operating costs for a new and refurbished office build options based on Property Council of Australia Benchmarks for Office buildings.
- No allowances for capital grants/ other government funding have been included in any options with total capital borrowings being financed. Based on feedback from Council financing costs for capital costs, to be funded through the Local Government Funding Vehicle. An interest rate of 6% has been adopted for capital works costs on the basis of the following for each option:
  - Allowances for refurbishment and upgrades to buildings to allow for churn over a 15 year period. Allowances of \$1.5 million for each option to occur over 15 year project period have been.
  - An annual inflation rate of 2.5%.
  - A discount rate of 7% for the calculation of NPV data (this rate was discussed with and agreed with Council's Finance Department).
  - Residual value calculation discounted by 4% per annum for the model duration, in line with local Government depreciation rates. The residual value is included to reflect the Council asset created by each option which could be realised at the end of the project period.
  - Proceeds from Council Property Disposals have been included based on the following:
    - Allowance of \$1.874 million for sale of Carinos Building property included in Option 1 only (based on book value data provided by Council).
    - A transaction cost of 2.5% to be applied for this property sale.

It is noted that a general allowance of \$2 million for sale of other surplus Council properties has been excluded in Option 1 and 2, based on advice from Council Officers. Of course any additional capital inputs Council could allocate to the project, including from sale of other surplus Council property, will only improve the net present value outcomes for the Project.

Spreadsheets outlining the details of the NPV Analysis for each shortlist scheme are included as **Appendix G**.



## 6.4 Option 0 – Base Case – Do Nothing/ Status Quo

Under this base case option, Council would maintain the existing sites/ facilities and leased Library with no option to accommodation future growth or improve service delivery.

Key specific assumptions for this option include:

- A total of \$2.1 million upgrade works spread across the existing 3 facilities occurring in Year 1 and Year 10 based on advice and estimates provided by Council Officers and additional allowance for capital upgrades from years 10 to 15.
- Debt finance costs of Capital Upgrade works.
- Retaining the lease cost per annum (\$95,829 in current year) and maintenance costs of the Library.
- Operating costs based on Council's actual costs for 2014/2015 year.

The results of this analysis are summarised in Figure 6.3 overleaf, and indicate that to maintain the status quo the total cost to Council over a 15 year period is \$11.12 million with a net present value of \$6.65 million.

**Figure 6.3: Option 0 –Base Case/ Status Quo Financial Appraisal over 15 Years**

Item	Total 15 Year Cost (\$)
<b>Expenditure - Owned Accommodation</b>	
<b>Main Administration Building (9-15 Smith Street)</b>	
Operational	(2,397,296)
Maintenance	(1,347,156)
Capital Works	(2,105,626)
<b>Carino's Building (6-12 Smith Street)</b>	
Operational	(487,441)
Maintenance	(662,593)
Capital Works	(756,363)
<b>Financing Costs</b>	
Financing Costs (Interest on loan for Capital/ Constru	(1,496,997)
<b>Leongatha Library (Leased space)</b>	
Rental	(1,857,193)
Maintenance	(11,780)
Outgoings (excluded - paid by Library Corporation)	0
<b>Property Divestment</b>	
No allowance	0
<b>TOTAL COSTS</b>	<b>(11,122,446)</b>
<b>AVERAGE COST OVER 15 YEARS</b>	<b>(741,496)</b>
<b>NET PRESENT VALUE (@7% discounte rate)</b>	<b>(6,658,520)</b>



## 6.5 Option 1 – Extension, Adaptive reuse 9-15 Smith Street

Under this option, Council would construct an extension to the existing building at 9-15 Smith Street for municipal offices, and refurbish and adaptively reuse the existing building for new Community facilities (including a library) with linkages and upgrades for the buildings at 6-8 McCartin Street.

Key specific assumptions for this option include:

- \$21.926 million estimated total construction cost over years 1, 2 and 3.
- \$1.5 million in ongoing churn and capital works over a 15 year period (to occur in year 5, 10 and year 15).
- Total interest costs of \$11.378 million (based on a loan of \$21.926 million at 6% interest).
- Maintenance and operating costs based on Property Council of Australia Benchmarks for Office Buildings from Year 4 to 15.
- Offset of facility operating costs from the WGRLC (Library Corporation) based on a commencing rate of \$70,000 p.a.
- \$1.874 million from the sale/ divestment of surplus Council properties (i.e. Carinos site).
- \$13.4 million residual value at the end of 15 years from the Council owned asset, based on annual depreciation of 4% over the life of the project.

The results of this analysis are summarised in Figure 6.4 below, and indicate the total cost to Council over a 15 year period is \$23.03 million with a net present value of \$21.1 million.

**Figure 6.4: Option 1 Extension, Adaptive reuse 9-15 Smith Street, Financial Appraisal over 15 Years**

Item	Total 15 Year Cost (\$)
<b>Building/ Construction Works</b>	
Capital Construction Costs	(21,926,000)
Capital / Churn Works	(1,500,000)
Financing Costs (Interest on loan for Capital/ Construction Costs - \$21.926M at 6%)	(11,378,329)
<b>Maintenance &amp; Operating Costs</b>	
Operational (\$25/m2 - PCA benchmark rate)	(1,615,623)
Maintenance (\$45/m2 - PCA benchmark rate)	(2,908,121)
<b>Revenue offset for outgoings from WGRLC (Library Corporation)</b>	
Outgoings (\$70/m2 for 1000m2 GLA)	989,831
<b>Property Divestment</b>	
Carinos Building property	1,874,000
Sale of other surplus Council properties	0
Less Transaction Costs	(46,850)
<b>Residual Value of New &amp; Refurbished Buildings</b>	
Residual Value of Council Assets	13,434,274
<b>TOTAL COSTS</b>	<b>(23,029,967)</b>
<b>AVERAGE COST OVER 15 YEARS</b>	<b>(1,535,331)</b>
<b>NET PRESENT VALUE (@7% discounte rate)</b>	<b>(23,108,550)</b>

## 6.6 Option 2 – Adaptive reuse of 9-15 Smith Street; New Building at 6-12 Smith Street (Carinos building)

Under this option, Council would demolish the existing Carinos building and construct a new 2 level municipal office building and refurbish and adaptively reuse the existing building at 9-15 Smith Street for new Community facilities (including a Library) with linkages and upgrades for the buildings at 6-8 McCartin Street.

Key specific assumptions for this option include:

- \$21.356 million estimated total construction cost over years 1, 2 and 3.
- \$1.5 million in ongoing churn and capital works over a 15 year period (to occur in year 5, 10 and year 15).
- Total interest costs of \$11 million (based on a loan of \$21.356 million at 6% interest).
- Maintenance and operating costs based on Property Council of Australia Benchmarks for Office Buildings from Year 4 to 15.
- Offset of facility operating costs from the WGRLC (Library Corporation) based on a commencing rate of \$70,000 p.a.
- No revenue from the sale/ divestment of surplus Council properties (i.e. Carinos site is retained in this scheme).
- \$13.085 million residual value at the end of 15 years from the Council owned asset, based on annual depreciation of 4% over the life of the project.

The results of this analysis are summarised in Figure 6.5 below, and indicate the total cost to Council over a 15 year period is \$24.4 million with a net present value of \$23.97 million.

**Figure 6.5: Option 2 Adaptive reuse of 9-15 Smith Street; New Building at 6-12 Smith Street (Carinos building), Financial Appraisal over 15 Years**

Item	Total 15 Year Cost (\$)
<b>Building/ Construction Works</b>	
Capital Construction Costs	(21,356,000)
Capital / Churn Works	(1,500,000)
Financing Costs (Interest on loan for Capital/ Construction Costs - \$21.356M at 6%)	(11,082,532)
<b>Maintenance &amp; Operating Costs (PCA Benchmarking categories)</b>	
Operational (\$25/m2 - PCA benchmark rate)	(1,615,623)
Maintenance (\$45/m2 - PCA benchmark rate)	(2,908,121)
<b>Revenue offset for outgoings from WGRLC (Library Corporation)</b>	
Outgoings (\$70/m2 for 1000m2 GLA)	989,831
<b>Property Divestment</b>	
Sale of other surplus Council properties	0
Less Transaction Costs	0
	0
	0
<b>Residual Value of New &amp; Refurbished Buildings</b>	
Residual Value of Council Assets	13,085,030
<b>TOTAL COSTS</b>	<b>(24,387,415)</b>
<b>AVERAGE COST OVER 15 YEARS</b>	<b>(1,625,828)</b>
<b>NET PRESENT VALUE (@7% discounte rate)</b>	<b>(23,968,494)</b>





## 6.7 Sensitivity Analysis

As outlined in section 4.3 of this Report, It should be noted that this Municipal Precinct Study will consider the range of factors influencing the likely requirement for future accommodation through the inclusion of Sensitivity Analysis as part of the financial modelling of the short listed options which will provide a financial analysis on the basis of:

- 100% accommodation requirement; and
- 75% Civic Office accommodation requirement provision (e.g. Cardinia Shire model – no dedicated desks, everyone has a locker, etc.).

The Key assumptions that have been varied in this analysis include the following:

- Civic Office accommodation requirement reduced by 25% in floor space and a corresponding reduction in capital works and debt financing costs. For the two Options the preliminary cost plan comprise:
- Ongoing Capital upgrades and churn costs reduced by approximately 25% for the Project.
- Operating and maintenance costs reduced in line with the reduction in Civic Office accommodation floor space provision.

The results of this analysis are detailed below in Section 6.8.

## 6.8 Financial Analysis Conclusions

Overall, the financial analysis of the two options concluded that Option 1 provided the best net present value outcome for the project with the NPV outcomes for the options analysis summarised in Figure 6.10.

**Figure 6.10: Summary of NPV Financial Outcomes for Options**

Municipal Precinct Options		Net Present Value outcome (100%)	Net Present Value outcome (75% Sensivity Analysis)
<b>0</b>	Base Case - Maintain Status Quo/ Do Nothing	(6,658,520)	na
<b>1</b>	Adaptive Reuse, Extension of 9-15 Smith Street (Main Administrative Office site)	(23,108,550)	(19,570,427)
<b>2</b>	Combined Smith Street Sites (Adaptive reuse of 9-15 Smith Street; New Building at 6-12 Smith Street, Carino's building)	(23,968,494)	(20,244,793)

The key findings of this financial analysis are noted as follows:

- **Option 1 – Adaptive Reuse, Extension of 9-15 Smith Street (Main Administrative Office site)** provides the best net present value of the two options of \$23.1 million, partly reflecting the capacity capital offset from the disposal of the Council owned Carinos site.



- 
- The next best net present value option is **Option 2 – Combined Smith Street Sites (Adaptive reuse of 9-15 Smith Street; New Building at 6-12 Smith Street, Carinos building)** with a marginally higher net present value of \$23.9 million. The need to retain the Carinos site is a significant factor reducing the NPV outcome for this option.
  - **Option 0 – Base Case/ Do Nothing** provides a net present value of \$6.658 million and does not achieve any of the Project objectives or leads to the long term Council aim of providing Municipal Precinct facility outcomes.
  - The **sensitivity analysis** of the two options based on provision of 75% of the Council Office accommodation floor space improves the net present value of both options on a similar basis by in the order of \$3.1-\$3.2 million.



## 7.0 Conclusions and Recommendations /Implementation Actions

### 7.1 Introduction

Sweett (Australia) Pty Ltd has been appointed by South Gippsland Shire Council to prepare a Municipal Precinct Study to investigate and understand what opportunities exist to assemble a development site for a multi-purpose facility that will consolidate and upgrade its accommodation, include community facilities (such as a library) and secure best value for investment.

Council's Civic accommodation is currently provided across four sites. Council has been considering its options to reduce business fragmentation, improving service delivery/communication to the community and assist in the further planning to provide high quality community facilities demonstrating best value for investment within a defined Municipal Precinct.

The objectives of this Municipal Precinct Study, as included in the *Project Brief* are as follows:

- To promote Council's vision for the Shire as described in section 21.03 of Council's Municipal Strategic Statement:
- To develop the Plan in accordance with the direction and outcomes of strategic planning documents and research documents including, but not limited to *Leongatha Structure Plan 2008*, *Korumburra Structure Plan 2010*, *Blueprint for Social Community Infrastructure 2014-2029* ("the Blueprint") and *People Places: A Guide for Public Library Buildings in NSW*.
- To identify opportunities for State and Federal Government contributions and funding.
- To demonstrate business leadership and improved presence (image and accessibility) and communication by investigating: industry trends, the shape and likely future of local government, use of latest customer service technology in a government environment; and what opportunities exist in our towns to use existing community facilities (such as a library, community hub) to improve accessibility by offering a customer service presence.
- To create a functional municipal precinct that includes Council accommodation and a Library.
- To analyse the development viability of the candidate sites identified in Section F (or any other sites identified by the consultant).
- To realise the highest and best value and alternate development potential of Council's existing sites for office accommodation.
- To renew ageing infrastructure and ensure compliance with Occupational Health & Safety Regulations and current Building Regulations.

## 7.2 Key findings and Conclusions

An assessment was undertaken of Council's existing accommodation and Community facilities which identified a number of existing accommodation issues including:

- Limited sense of arrival and customer service environment. Inadequate front of house meeting rooms, need to penetrate organisations to access meeting room, i.e. security issues.
- Poor customer interface due to the physical separation of offices.
- Lack of clarity for customers regarding which site to go for what service.
- Limited capacity and/ or functionality of existing offices to expand.
- Inappropriate spatial allocations and limited storage with overcrowding in some areas which has a negative impact on staff morale, retention and attraction.
- Poor proximity of teams to each other leading to difficulties in sustaining effective and open communication, working together, knowledge sharing and poor cultural integration across the organisation.
- No clear symbolism of "seat of governance".
- Existing Leongatha Library on leased site, too small to cater for current and future community needs.
- Need for improved community facilities and accommodation to respond to changing accessibility requirements for the delivery of services by Council.

A further analysis of future accommodation requirements determined a requirement for approximately 4,336 square metres of office accommodation to accommodate the existing 166 office based staff, including allowances for staff growth numbers up to 2031. A summary of these requirements is included in Figure 7.1 below.

**Figure 7.1: Summary of Municipal precinct Floor space Requirements**

Municipal Precinct Accommodation Requirements	Proposed Area Requirements (m2)
<b>Municipal Accommodation</b>	
Net <b>Office Work Space</b> requirements (for 166 Staff)	1383
<b>Support Spaces</b> (e.g. Meeting Rooms, Storage, toilets, amenities, Customer Service/ Reception, Council Chamber, etc)	645
<b>Grossing Factor</b> (30% for circulation, plant, stairs, etc)	608
<b>Allowance for Staff Growth</b> (17 staff - 2015-2032 - 0.6% p.a.)	230
<b>Subtotal</b>	<b>2856</b>
<b>Community Spaces</b>	
Library (currently in premises leased by Council)	1000
Information Centre (Citizens advice bureau)	60
Exhibition space/art display	120
Gathering spaces/meeting spaces (including for Youth, Community House)	300
<b>Subtotal</b>	<b>1480</b>
<b>Total Floorspace Requirements</b>	<b>4336</b>



It is noted that an ensuing organisational restructure occurred in May 2015. However it is unlikely to impact on floor space/ area requirements and we also understand there are likely to be further changes prior to construction.

Seven candidate site options were evaluated against an agreed rated evaluation criteria framework using the following key criteria:

1. **Improved Customer service/ Community accessibility/ Civic Presence and convenience for customers:** integrated customer service, enhanced customer and community accessibility, Capacity to provide high quality public realm/ Place making/ Civic Precinct capacity, future flexibility (expansion capability).
2. **Enhanced Community Facilities/ Civic Office accommodation. Workplace amenity:** Enhanced Community facilities/ Hub, improved workplace amenity, staff productivity, integrated organisation/ culture.
3. **Improved financial outcomes:** optimal and responsible use of funds for land and building construction, minimises Project lead time and delivery; recurrent cost implications.
4. **Strategic/ Policy Compliance:** Supports Structure Plans; Principles and directions of *Blueprint for Social Community Infrastructure*.
5. **Site Specific Opportunities and Constraints:** Site size, site conditions, development/ redevelopment costs, development potential (Planning framework – zoning, overlays, heritage, etc.).
6. **Catalyst/ Revitalisation Opportunity for respective townships/ CBD areas:** Commercial and employment stimulus; revitalisation of commercial/ retail precincts.

Based on this rated evaluation the overall rated compliance of the 7 sites is summarised in Figure 7.2 below.

**Figure 7.2: Overall rated compliance of Site Options to Evaluation Criteria**

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 this analysis, Option 1 (9 -15 Smith Street, Leongatha, Main Council Administration building) and Option 2 (6 -12 Smith Street, Leongatha, Carinos building) 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.



Further to this, Financial Analysis of the two shortlisted options was undertaken using a Net present Value 15 year cashflow approach. This also included sensitivity analysis to consider the range of factors influencing the likely requirement for future accommodation which will provide a financial analysis on the basis of:

- 100% accommodation requirement; and
- 75% Civic Office accommodation requirement provision (e.g. Cardinia Shire model – no dedicated desks, everyone has a locker, etc.).

The results of this evaluation analysis is summarised in Figure 7.3 below.

**Figure 7.3: Summary of Financial (Net Present Value) Evaluation Outcomes for Municipal Precinct Options**

Municipal Precinct Options		Net Present Value outcome (100%)	Net Present Value outcome (75% Sensivity Analysis)
0	Base Case - Maintain Status Quo/ Do Nothing	(6,658,520)	na
1	Adaptive Reuse, Extension of 9-15 Smith Street (Main Administrative Office site)	(23,108,550)	(19,570,427)
2	Combined Smith Street Sites (Adaptive reuse of 9-15 Smith Street; New Building at 6-12 Smith Street, Carino's building)	(23,968,494)	(20,244,793)

Based on this analysis it was determined that both Options 1 and 2 have very similar Net Present Value outcomes. The benefits of both options are summarised as follows:

- Option 1 – Adaptive Reuse, Extension of 9-15 Smith Street (Main Administrative Office site) provides the best net present value of the two options of \$23.1 million, partly reflecting the capacity capital offset from the disposal of the Council owned Carinos site.
- The next best net present value option is Option 2 – Combined Smith Street Sites (Adaptive reuse of 9-15 Smith Street; New Building at 6-12 Smith Street, Carinos building) with a marginally higher net present value of \$23.9 million. The need to retain the Carinos site is a significant factor reducing the NPV outcome for this option.
- Both Schemes are located on Site options that scored at 88% (9 -15 Smith Street, Leongatha (Main Administration building) and 84% (6 -12 Smith Street, Leongatha, Carinos building) compliance against the agreed evaluation criteria, the two highest rated sites of the 7 options evaluated;
- Both options support the Leongatha Structure Plan and principles and directions of *Blueprint for Social Community Infrastructure*;
- Both options allows for the adaptive reuse of existing Council asset/ buildings;
- Both options provide opportunities for functional and linkage to existing Council buildings and functions at 6-8 McCartin Street (Memorial Hall).
- Both options have economic stimulus impacts on Leongatha Township associated with facility construction-related investment. Option 1 has greater economic stimulus impacts associated



with the disposal and re-use of the Council owned site at 6 -12 Smith Street, Leongatha (Carinos building).

- As outlined in Section 5.3 of this Report, the Economic Analysis prepared by Essential Economics concluded that if the Carinos building site was surplus to Council operational requirements and re-used for other purposes (i.e. commercial/ retail purposes) the economic benefits would generate positive economic benefits to the region.

If a preference is to be explored it is our view that Scheme 1 (Adaptive Reuse, Extension of 9-15 Smith Street) is the better option as it consolidates all Civic and community facilities onto one site at a marginally lower net present value to Council of \$23.1 million, partly reflecting the capacity capital offset from the disposal of the Council owned Carinos site.

### 7.3 Recommendations

1. Council note the findings of this Report.
2. Council adopt Option 1 (Adaptive Reuse, Extension of 9-15 Smith Street) as the preferred option for provision of a new Municipal Precinct accommodation comprising office accommodation and other civic/community spaces.

### 7.4 Implementation Strategy/ Next Steps

#### 7.4.1 Likely next steps to Implement Municipal Precinct

Our approach revolves around taking further steps to minimise risk, provide additional detail to support and validate investigations and capital cost assumptions to date, and provide Council with further information regarding a potential way forward. The process outlined below is largely set around a premise where Council is the project proponent and responsible for its development program and funding.

Subject to the outcomes of this Study the *likely next steps* in delivering a new Municipal Precinct would therefore include the following key phases/ tasks:

#### **Phase 1 Council Endorsement, Further Communication/ Engagement/ Preliminary Investigations**

1. Obtain Council support and endorsement for a preferred Municipal Precinct option.
2. Confirm Project Control/ Steering/ Working group governance structures involving key Council staff (and any other stakeholders) to oversee the progress throughout next steps.
3. Undertake further stakeholder/ community consultation, as required, supported by a Communications Plan consistent with Council's *Communications and Engagement Policy* and the *International Association for Public Participation – (IAP2) Spectrum of Engagement* ([www.iap2.org](http://www.iap2.org)). The key components of this initial Communications Strategy are outlined in Section 7.4.2 of this Report.
4. Investigate potential for government grant assistance with project funding concurrently with investigating/ validation of Council's funding options and capacity.
5. Consider Expression of Interest/ Sales processes for divestment/sale for the Carinos building landholding to confirm market interest and likely order of returns from sale of this landholding.



### Phase 2: Precinct Masterplanning and Conceptual Design

6. Confirm and appoint Project Management process and resource requirements to oversee the progress throughout next steps.
7. Procurement of Design and Consultant team.
8. Undertake further **Precinct Masterplanning and Conceptual Design** for the preferred option. Specific further specific technical investigations and reports would be required with regard to the following:
  - Level and feature surveys (highlighting existing levels, the amount of excavation required and location and details regarding potential existing ground services);
  - Geotechnical investigations in order to support ground condition and structural / foundation assumptions;
  - Engineering services investigations including consultation with local authorities in order to confirm and validate the availability and capacity of power, water, drainage, sewer, gas etc. This assessment will need to particular focus on the existing building's infrastructure and services and their capacity for expansion;
  - Building compliance assessment of existing building including support upgrade requirements;
  - Traffic management for the Municipal Precinct redevelopment to confirm and validate car parking numbers and traffic movements and volumes; and
  - Supporting investigations of options for provision of additional car parking in and around the Leongatha CBD.
9. Develop detailed cost planning taking account of all services, infrastructure and geotechnical information – confirming a Total End of Cost (TEC) for the proposed project.
10. Subject to the outcomes of the further funding and technical investigations and the Masterplanning for precinct, consider further community engagement processes to be undertaken for the project, including the development of a formal Communications Plan for the Project.

### Phase 3: Schematic Design

11. Undertake a fully costed and detailed **schematic design** process for the development, with referral to Council at key hold points.
12. Review/ validate capital framework following completion of above tasks.
13. Revisit financial models and validate all capital and recurrent cost implications on completion of above.
14. Consider / develop a key milestone date / implementation strategy including contractor appointment processes and procurement strategy options.

The **ensuing project Phases** would likely comprise:

- Design development;
- Development of construction documentation/ Pretender estimate;
- Tender and Construction Contract award; and
- Construction, decanting, construction completion and occupation.





Supporting tasks for these final phases would include:

- Further develop and document the project brief including calling for expressions of interest/ Request for Tender (EOI/ RFT) for construction team proposals.
- Complete associated legal documentation to support EOI and RFT processes.
- Develop a comprehensive communications strategy and action plan for the project as it proceeds.
- Development of a Customer Service Strategy for the Municipality with an outline of the recommended Strategy components to support this Municipal Precinct included in Section 7.4.3 of this Report.

A Workplan outlining the key milestones and indicative timeframes for these actions comprises **Appendix H**.

## **7.4.2 Communication Strategy to support Proposed Municipal Precinct**

### **1. Introduction and Purpose**

In line with the Project Brief, the following outlines an appropriate communications strategy to support the development of and further implementation of the proposed Municipal Precinct Study outcomes.

### **2. Background**

Sweett (Australia) Pty Ltd has prepared this Municipal Precinct Study to investigate and understand what opportunities exist to assemble a development site for a multi-purpose facility that will consolidate and upgrade its accommodation, include community facilities (such as a library) and secure best value for investment.

In developing the Study a range of communications and engagement tasks were undertaken which are summarised as follows:

*Council Internal communication and engagement* - In the development of the Municipal Precinct Study Council internal consultation has comprised the following:

- Induction meeting with Council, the Project Working Group and Project Reference Group on 11 February 2015.
- Consulting with Council through undertaking of an Accommodation Survey, including receipt and analysis of survey returns.
- Ongoing briefings during the Project with the Project Working Group and Project Reference Group on 15 April and 15 June 2015.
- Review and reporting of written material, background documentation provided by Council, and the Project Working Group and Project Reference Group.
- Briefing sessions for 2 way communication and directions.

*External Communications and engagement* - In the development of the Municipal Precinct Study Council external (key stakeholders and the community) consultation has comprised the following:

- Briefing and consultation meeting with Key community and other Stakeholders, 15 April 2015.
- Review of written submissions received from Council.
- Review of background documentation provided by Council and the Western Regional Library Corporation to understand needs and facility models.

### **3. Key Findings and recommended Strategic Directions for the Municipal Precinct**

The key findings and conclusions of this Municipal Precinct Study have included:

- The current administrative offices have become dated in presentation, restricted in space and provide inadequate customer service amenity.
- The current administrative offices are located in three different buildings which hinder Council's administration, operations and customer service capabilities.
- Existing Leongatha Library on leased site, too small to cater for current and future community needs and there is a demonstrated need for improved community facilities and accommodation to respond to changing accessibility requirements for the delivery of services by Council.

The key conclusions of this Municipal Precinct Study is there is a need for:

- Additional Municipal Office space to address the identified deficiencies in the existing disparate accommodation and customer service capabilities.
- Expanded Library and community meeting rooms/ space to accommodate current and future needs for groups including for Youth, Community House, Citizens Advice Bureau and Exhibition/ art display.

The **recommended strategic direction** and preferred Municipal Precinct option is to refurbish and adaptively reuse and extend the existing Council Administrative Building at 9-15 Smith Street, Leongatha consolidating Municipal Office and Community Facilities onto one site.

The key benefits of this preferred option have been articulated in this Report including compliance with the Leongatha Structure Plan and principles and directions of *Blueprint for Social Community Infrastructure*.

An outline of the *next steps* to implement the preferred option are included in Section 7.4.1 of this Report.

### **4. Recommended additional External Stakeholder/ Community Consultation to assist with the further implementation of the Municipal Precinct Study**

Based on our experience with similar Civic Precinct Projects ongoing communication and engagement with key stakeholders and the community is a critical component to the ensuing successful implementation of the project. However this needs careful and considered implementation as the project progresses.

The key principles that should be considered in next phase include:

- To be undertaken following, Council endorsement of a preferred Municipal Precinct Strategy and way forward needs to be in place.



- It needs to be consistent with Council's *Communications and Engagement Policy* and the *International Association for Public Participation – (IAP2) Spectrum of Engagement* ([www.iap2.org](http://www.iap2.org)).
- Should eventually be based on a more detailed Communications Plan to be developed in Phase 2 of the Project Implementation plan outlined earlier in Section 7.4 of this Report.

The **main objectives** of the further communication and engagement for the project are to:

- Initially to communicate likely next steps for implementing the Project;
- Seek feedback and comment from the Community/ Key stakeholders to refine the vision, components of the Municipal Precinct;
- engender support and ownership of the project to ensure stakeholder support for the final Master Plan output; and
- Will assist in developing options for governance and management of the Precinct in the longer term.

The Stakeholder Communication and Engagement Strategy will focus on achieving the objectives of the consultation by following a consultation process during each ensuing Phase of the project.

#### Preliminary Stakeholder Matrix

The following stakeholder Matrix outlines the key stakeholder audiences/ categories for the next phases of the project. A more detailed tabulation of key stakeholder groups would need to be developed as part of Phase 1 of the project as outlined in Section 7.4

Target Stakeholder Audience/ Category	Key Communication/ Engagement Methodologies
Wider Community	<ul style="list-style-type: none"> <li>• "Posting" of various information in digitally accessible forms on Council's webpage.</li> <li>• Dedicated communication sessions/ briefings and/ or Information sessions to comment on Council's preferred development scenario.</li> </ul>
Key Stakeholders (e.g. Western Regional Library Corporation, Leongatha based community Groups)	<ul style="list-style-type: none"> <li>• Dedicated communication sessions/ briefings/ forums to comment on Council's preferred development scenario.</li> <li>• One of One meetings</li> <li>• Establishing Community Reference Groups (as required)</li> </ul>
Councillors	<ul style="list-style-type: none"> <li>• Presentations/ Briefing Updates to/ through the existing Project Reference Group.</li> <li>• One on One meetings (as required)</li> </ul>
Council Staff	<ul style="list-style-type: none"> <li>• Regular updates via Executive Leadership Team meetings/updates</li> <li>• One on One meetings with specific Directorate/ Departments to confirm specific feedback and operational requirements.</li> <li>• Presentations/ Briefing Updates through the existing Project Working Group.</li> </ul>



### 7.4.3 Customer Service Strategy to support Proposed Municipal Precinct

#### 1. Introduction and Purpose

In line with the Project Brief, the following outlines an appropriate Customer Service Strategy to support preferred outcome for the Municipal Precinct to be located in Leongatha.

It is noted that this outline is not intended to be a Customer Service Strategy for the Municipality as a whole but can be used to inform a Municipal Wide Customer Services Strategy and/ or Community Hubs Strategy.

#### 2. Background

Based on our assessment of industry trends and case study analysis the following common components of modern customer service strategies from other Council's developing new facilities are noted as follows:

- Consolidated customer service facility collocated with Civic offices and other community facilities;
- Face to Face contact is essential, although other digitally accessible mediums need to also be available for various community and customer engagements forums.
- The facility should be easily accessible with supporting convenient car parking and pedestrian access.
- The facility should be conveniently located to enable opportunities for integration with other facilities including community, retail and commercial uses in a Township/ CBD setting.

It is important that services provided in the Municipal Precinct, including Council services and a regional library and community meeting and gathering spaces, are easily accessible to residents and visitors to South Gippsland.

Based on our analysis, including case study analysis included in Section 4.2.3 of this Report, Local Government offices throughout regional Victoria are generally located in the regional centre serving each municipality. These regional centres tend to have larger populations and provide a wider array of facilities and services that residents use on a more frequent basis compared with the smaller towns. More specifically, Council services and regional libraries have greater access to customers (i.e. residents and visitors) when located in regional centres compared to locations in smaller towns.

As noted in the Essential Economics Economic Analysis in Appendix D to this Report, in regional Victoria, 30 municipalities had a 2014 resident population of 20,000 residents or more; the main Council offices for 86% (or 26 municipalities) of these regional Victorian municipalities were located in the larger towns serving the region. Against this pattern, only the municipalities of Latrobe (Council offices located in Morwell), Macedon Ranges (Kyneton), Mitchell (Broadford) and Moorabool (Ballan) were the municipalities where a Council's main offices were located in smaller towns rather than the regional centre.

In the case of Macedon Ranges and Mitchell, these municipalities are located on the fringes of metropolitan Melbourne and the traditional hierarchy of centres has been challenged by population



growth occurring in towns closer to Melbourne. Hence the location of their municipal offices in centres located close to Melbourne's expanding urban fringe

With regard to South Gippsland, Leongatha is the regional centre serving residents and visitors to the municipality and the town provides a greater level of facilities and services than nearby Korumburra. Furthermore, Leongatha has a larger population and this situation is forecast to continue over the next 20 or so years based on population forecasts prepared for Council by id Consulting. These forecasts show that Leongatha's resident population in 2011 was 5,430 residents and is forecast to increase to 8,260 residents in 2036 (a net increase of +2,830 residents). In contrast, Korumburra's population was estimated at approximately 4,190 in 2011 and is forecast to increase to 6,600 residents in 2036 (a net increase of + 2,410 residents). Leongatha will therefore continue to be the main centre serving the Shire.

The **recommended strategic direction** and preferred Municipal Precinct option is therefore to consolidate customer service facilities with Municipal offices and other community facilities utilising the existing Council Administrative Building at 9-15 Smith Street, Leongatha. The key benefits of this preferred option have been articulated in this Report including compliance with the Leongatha Structure Plan and principles and directions of *Blueprint for Social Community Infrastructure*.

This preferred customer service strategy for the Leongatha Municipal precinct has been developed based on an assessment of industry trends and case study analysis in local Government and has regard to supporting requirements for customer service, accessibility, and supporting technology.

While a disaggregated customer service model may provide customer services at a more localised level, particularly for larger regional municipalities with disaggregated population centres, in our experience the costs of such a model far outweigh the benefits. The key disadvantages include:

- Lack of clarity for customers regarding which site to go for what service.
- Difficulties in sustaining effective, open communication, knowledge sharing, cultural integration across the organisation due to the physical separation of offices.
- Duplicated processes and equipment, and loss of productivity and general time / logistic inefficiencies moving between office locations.
- Multiple offices also have significant capital and recurrent cost implications. We note Baw Baw Shire Council has recently implemented a multi-office strategy, partly in response to a lack of accommodation and funding capacity, which we understand has had significant capital and recurrent cost impacts on Council's budget.

Other customer service solutions that partly address a disaggregated model include:

- Providing visiting customer services in local/ regional centres on a part-time basis; or
- Multi-skilling Council staff at located community centres or libraries to provide Council Customer Service roles (e.g. Mitchell Shire Council).

It is critical to also differentiate between a Customer Service strategy whereby Council service provision is addressed and a Community Hubs/ facility Strategy whereby community facilities are provided for casual and permanent use by the Community and other User Groups at a localised level.

### **Municipal Precinct Customer Service Strategy components**

In the case of the recommended Municipal Precinct within Leongatha, the following key components of the recommended Customer Service Strategy are noted as follows:

- Provision of an accessible customer service space (front of house) to enable face to face interaction between Council staff and the Community.
- Co-locate the customer service function which also allows access and engagement with a new Council Chamber, adjoining community meeting rooms and a library.
- Ensure the customer service facility is easily found and accessible with supporting car parking, pedestrian access.
- Ensure the customer service facility to provide opportunities to complement/enhance Council's retail strategies, linkages and presentation of the CBD retail shopping precinct.
- Technology - other digitally accessible mediums need to also be available for various community and customer engagements. These could include teleconference facilities, kiosk/computer access to Council's webpage and other map/ plan based systems.

It should be noted that this particular strategy outline should "mesh" with Council's Municipal wide Customer Service Strategy and is not a Community Hubs Strategy.

Of course this strategy should be further refined and developed during the ensuing Project Phases to ensure the Functional Design Brief and eventual building design fully integrates to effectively address Council's and other Community user group's customer service requirements for the Municipal Precinct.



South Gippsland  
Shire Council



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# Appendices



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# Appendix A - Leongatha Council Offices, Existing Services Report, November 2012 (Hyder Consulting Pty Ltd)





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# MANTRIC ARCHITECTURE LEONGATHA COUNCIL OFFICES EXISTING SERVICES REPORT

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## MECHANICAL, ELECTRICAL AND HYDRAULIC SERVICES

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**Report No** AA005513-01

**Date** 25th November 2012

This report has been prepared for Mantric Architecture in accordance with the terms and conditions of appointment for Leongatha Council Offices dated 16<sup>th</sup> October 2012. Hyder Consulting Pty Ltd (ABN 76 104 485 289) cannot accept any responsibility for any use of or reliance on the contents of this report by any third party.



## CONTENTS

1	INTRODUCTION .....	1
1.1	SUMMARY .....	1
1.2	PROJECT DESCRIPTION .....	1
2	COMPARISON WITH NEW OFFICE BUILDINGS .....	2
2.1	BUILDING STANDARDS GUIDELINES .....	2
3	MAIN COUNCIL BUILDING .....	3
3.1	DESCRIPTION OF THE BUILDING .....	3
3.2	MECHANICAL SERVICES .....	3
3.3	ELECTRICAL SERVICES .....	7
3.4	HYDRAULICS SERVICES .....	10
4	CARINO'S OFFICES .....	11
4.1	DESCRIPTION OF THE BUILDING .....	11
4.2	MECHANICAL SERVICES .....	11
4.3	ELECTRICAL SERVICES .....	14
4.4	HYDRAULICS SERVICES .....	16
5	CURVES BUILDING .....	17
5.1	DESCRIPTION OF THE BUILDING .....	17
5.2	MECHANICAL SERVICES .....	17
5.3	ELECTRICAL SERVICES .....	18
5.4	HYDRAULICS SERVICES .....	20
6	DESIGN CRITERIA – NEW OFFICE BUILDINGS .....	21
6.1	BUILDING STANDARDS GUIDELINES .....	21
6.2	MECHANICAL SERVICES .....	21
6.3	ELECTRICAL SERVICES .....	25
6.4	HYDRAULIC SERVICES .....	28

## APPENDICES

### Appendix A Electrical Sketches

# 1 INTRODUCTION

## 1.1 SUMMARY

This documentation has been prepared for Mantric Architecture to evaluate the existing services condition for use for the redevelopment of the Council Office buildings in Smith St, Leongatha, Victoria, including:

- The main council office building at 9-15 Smith St,
- The offices in Carino's Building at 6-12 Smith St,
- The existing hall referred to as the Old Curves building, at the rear of Carino's building

This report will:

- Identify the existing mechanical, electrical, fire protection and hydraulic services for the buildings
- Review the existing services for expected remaining useful life and suitability for re-use in the redevelopment of these buildings

The information contained in this report has been based upon the following information:

- Discussions with Mantric Architecture and the project team
- Previous architectural drawings by P&J Milkins of the main council office building, offices in Carino's Building, and the old Curves building.

## 1.2 PROJECT DESCRIPTION

The project consists of:

- Redevelopment of the three (3) buildings
- Modifications to the Curves building to transform the public hall type building to an office building

In addition to general building services for code compliance and amenity, the services will be reviewed with the intent of proposing energy efficiency initiatives as detailed below.

The energy efficiency measures proposed for the building services designs include:

- Energy efficient lighting
- Water efficient tap ware and cisterns (minimum AAA Rated)
- Minimised energy use and reclaim energy (where feasible)
- Safe working environment
- Durable low maintenance materials and services (e.g. 20 year life)
- Cost effective construction;
- Compliance with BCA and relevant codes and standards

This document includes recommendations to achieve the above objective and is not a fixed scope of works.

## 2 COMPARISON WITH NEW OFFICE BUILDINGS

### 2.1 BUILDING STANDARDS GUIDELINES

New office buildings have to comply with the latest edition (e.g. 2012 edition) of the National Construction Code (NCC), previously called the Building Code of Australia (BCA). The buildings reviewed were originally constructed before the introduction of the energy efficiency section in the NCC/BCA, and would have lower levels of insulation in the walls and roofs, and less shading and/or lower efficiency glazing that required by this edition of the NCC/BCA.

As mentioned in the request for tenders new office accommodation should be designed to the Victorian Government Office Accommodation Guidelines 2007, and also the Victorian Government Office Building Standards 2008 which is referenced in the Office Accommodation Guidelines.

The government accommodation documents indicate that an existing building intended for office accommodation should be designed to achieve at least 4 stars NABERS energy rating and a 5 star Green Star rating. These ratings would require the energy efficiency aspects of the design to be significantly better than the minimum to comply with BCA/NCC 2012.

#### 2.1.1 COMPARISON WITH BCA/NCC 2012 SECTION J

These buildings most likely complied with the relevant codes and standards at the time of construction, but are probably well below the energy efficiency standards required for new buildings.

Leongatha is in climate zone 6 in the current NCC/BCA. If built today the buildings would require a roof R-value of 3.2 and an R-value for the walls of 2.8. The glazing would have to comply with the glazing calculation.

The levels of insulation in the walls and roofs are most likely lower than the levels that would be installed if the building was constructed to comply with Section J of the current edition of the NCC/BCA.

The glazing appears to be single glazing with some tinting. The buildings have limited on glazing on the four sides. To comply with the current regulations the windows would most likely be treated with a low-E coating and/or double glazed.

Section J3 "Building Sealing" of the NCC/BCA requires roofs, walls, floors and any opening such as a window, door or the like to be constructed to minimise air leakage, and miscellaneous exhaust fans to be fitted with a sealing device such as a self-closing damper. Buildings built prior to this requirement generally have higher rates of air leakage allowing conditioned air to escape and/or unconditioned air into the building.

Section J6 "Artificial Lighting and Power" of the NCC/BCA requires the artificial lighting in a building not exceed the illumination power allowance tabled in Section J6, if the building is built today. Interior lighting, perimeter lighting and power control will also need to be incorporated.

We would expect from experience with similar buildings that they would not comply with the NCC/BCA 2012 sections identified above.

## 3 MAIN COUNCIL BUILDING

### 3.1 DESCRIPTION OF THE BUILDING

The main council building is located on a sloping site on the south east side of Smith St, Leongatha, Victoria. The building is essentially rectangular and has been built into the sloping ground to provide a basement or lower ground level at the front of the site.

The building comprises of an original single storey rectangular building with a part lower level at the front and an additional 2-storey extension on the end away from Smith St. The building has two entrances on the Ground Floor as the top floor of the 2-storey extension was originally used as the council chambers.

The building is used as office area and has ducted air conditioning to provide heating, cooling and ventilation, and also has open-able windows. The general orientation of the building is with the long axis approximately north-west to south-east. The building is of concrete construction, with brick external cladding, and has single glazed windows, and metal deck roofs.

The lower ground (basement) area houses the main electrical switchboard, a lunch room, phone MDF room, server room, records storage, and male and female toilets.

#### 3.1.1 COMPARISON WITH BCA/NCC 2012 SECTION J

The building most likely complied with the relevant codes and standards at the time of construction, but is probably well below the energy efficiency standards required for new buildings.

The glazing appears to be single glazing with some tinting. The building has limited on glazing on the four sides, with the main glazing facing north east and south west, with horizontal overhangs shading most windows. To comply with the current regulations the windows would most likely be treated with a low-E coating and/or double glazed.

We would expect from experience with similar buildings that the building would not comply with the NCC/BCA 2012 sections identified above.

### 3.2 MECHANICAL SERVICES

The air conditioning plant mainly consists of two roof-top type packaged units located on the roof of the older section of the building serving the north east and south west zones of this section of the building. Two roof-top type packaged units for the extension are located on the roof of the newer extension of the building, with the units apparently serving the ground floor and the first floor zones respectively.

The APAC roof top packaged units serving the older section are nominally 30 kW each, and the YORK roof top packaged units serving the newer 2-storey section are nominally 44 kW each. All of these units have two (2) compressors each, utilising refrigerant R22 (which is becoming quite expensive as this refrigerant is being phased out due to its Ozone Depletion Potential).



## APPENDIX 1



*Main air conditioning units for original section (viewed from 1<sup>st</sup> floor roof)*

The current APAC units for the older section were manufactured in 2005 (to replace earlier units). Based on the advice from the council representative the air conditioning units are considered to be of adequate capacity. As these units are only 7 years old and in good condition, they are expected to provide another 10 – 15 years of service (if well maintained).

The YORK units for the 2-storey section were manufactured in 2001 (likely to replace earlier units). Based on the advice from the council representative the air conditioning units are considered to be of adequate capacity. As these units are about 11 years old and in good condition, they are expected to provide another 7 – 12 years of service (if well maintained).



*Main air conditioning units for extension section (viewed from 1<sup>st</sup> floor roof)*



*Main air conditioning units for new section (viewed from 1<sup>st</sup> floor roof)*

## APPENDIX 1

Parts of the support frames and duct flanges for the AC units on the 2 storey section are rusting and should be cleaned of loose rust and painted with suitable products to stabilise the rust and prevent further corrosion (refer to photo at right)



The AC units shown in the photo on the left are redundant air conditioning units, previously used the old location of the computer server room (units on ground floor roof). These units can be removed from the roof.

New air conditioning units, located at front end of building, (on ground floor roof) for new computer server room in the lower ground floor. (see photo on right)



These new units are connected to the new in-rack air conditioners for the server area, and are expected to provide another 15 – 20 years of service (if well maintained).

N.B. The server room temperature set point was observed to be 18°C, and electricity consumption could be reduced by revising this set point to at least 24°C.

In addition to revising the server room this set point to at least 24°C, implementing "Hot aisle/Cold aisle" design could further improve the energy efficiency. This could be implemented by adding containment components to avoid mixing warm air from the rear of the server rack with cool air from the in-rack air conditioners at the front of the rack. Containment means partitioning off the hot and cold aisles, (e.g. with plastic sheeting and with doors to the rear hot aisle) preventing the air from mixing and compromising the temperatures."

Other air conditioning units include split air conditioning units for the lower ground lunch room and the ground floor reception area. These units are in reasonable condition and are expected to provide another 12 – 15 years of service (if well maintained).

The various offices are served by ceiling mounted diffusers. As internal partition walls have been installed and relocated over the years as the office layout configuration is revised each time, the air quantities supplied from each diffuser have not been adjusted to suit the revised room sizes served by each diffuser, resulting in variations in heating and cooling provision and temperature variations throughout the building.

In addition the building occupants are able to open the windows at any time, and during the site visit (when the outside air temperature was estimated to be about 30°C, it was observed that a number of windows were partly open, resulting in leakage of air conditioned air from the building and/or intake of warmer outside air. This may impact on the energy efficiency of the air conditioning.

The outside air ventilation rates may be based on the 1980 edition of AS1668.2 with 3.5 - 5.0 l/s per person compare to the 7.5 – 10 l/s per person of the AS1668.2-1991 edition recognised by



## APPENDIX 1

the current BCA/NCC. The existing outside air provision does not include and economy cycle for "free cooling" when ambient conditions are suitable.

The toilets are ventilated by window mounted exhaust fans in the older section and ceiling mounted exhaust fans in the new section.

Gas is not currently connected to the site.

### 3.2.1 COMPARISON WITH BCA 2012 SECTION J

The services in the building were originally constructed before the introduction of the energy efficiency section in the NCC/BCA.

Leongatha is in climate zone 6 in the current NCC/BCA. If built today the mechanical building services would include energy efficiency measures such as higher efficiency air conditioning units, increased amounts of insulation on the ductwork, and installation of outside air economy cycles on the packaged roof top air conditioning units where above 35 kW.

(N.B. Economy cycle operation can take advantage of cool outdoor air for up to 100% outdoor air ventilation when it is available (e.g. In Melbourne the outdoor air is below 15°C for approximately 5000 hours, or approximately 57% of the year)).

New packaged and split air conditioning units must comply with MEPS (Minimum Efficiency Performance Standards) to ensure that they are more efficient than older air conditioning units.

## 3.3 ELECTRICAL SERVICES

The current systems provided in the building include switchboards, power supply, general lighting, voice and data communications, access control, intruder detection, closed circuit television and smoke detection systems.

### 3.3.1 POWER SUPPLY AND DISTRIBUTION

Electricity to the building is supplied from Smith Street via a pillar located in the median strip to the Main Switchboard (MSB). The consumer mains cable run in ground to the MSB which is located in the lower ground floor. The current supply capacity is unknown; however council maintenance personnel advised the electricity supply is at the limit and has tripped out on multiple occasions.

A short term remedy is carried out to re-balance the electrical load across 3 phases of supply and this has helped to minimise the tripping for now.

From discussion with council staff, new electrical loads have been added to the building to cater for additional staff and technology. A server room with UPS and air-conditioning have been added approximately 12 months ago.

### 3.3.2 SWITCHBOARDS

The MSB is General Electric (GE) manufacture and comprises current transformers chamber, kilowatt-hour meter, and main switches to other sections and sub-boards.

Main switches identified include:

- Main Switch Light & Power (75 Amp 3ph)
- Main Air Conditioning Council Chamber (65 Amp 3ph)
- Main Switch Lift (65 Amp 3ph)
- Main Switch Air Conditioning (60 Amp 3ph)
- Main Switch Server Room (200 Amp 3ph)



*Photo: Main Switchboard*

The main switchboard is estimated to be 30 to 40 years old and is already at the end of its designed life.

The recently added sub-board for server room (next to MSB) appears to be new and in good condition.

## APPENDIX 1

Power is then reticulated to the remaining of the building via sub-mains cables, sub-boards and final sub-circuits via ceiling space.

### 3.3.3 METERING

The kilowatt-hour meter provided in the MSB is of "Smart Meter" type.

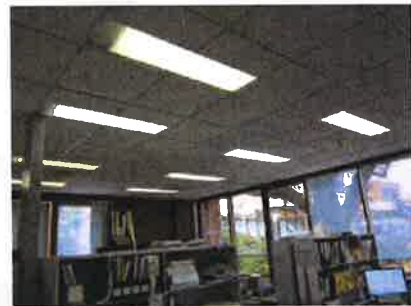


*Photo: Smart Meter*

### 3.3.4 LIGHTING

Lighting in the office building is generally of fluorescent type.

Luminaire in the general office area on ground and first floors are of T-Bar recessed type, with linear fluorescent lamps and prismatic diffusers. Lighting in the lower ground floor are surface mounted fluorescent battens.



*Photo: Office General Lighting*

Majority of the lights are functional and in fair to good condition.

Emergency and exit lighting are provided throughout the building and generally consist of fluorescent emergency lights and illuminated exit signs.

There is no lighting control system in the building.

### 3.3.5 COMMUNICATIONS

A telephone main distribution frame (MDF) is provided in the lower ground floor server room. From the record book, it appears there is 100-pr lead in cable from Telstra, however the number of active pair will need to be confirmed (with Telstra).



*Photo: Main Distribution Frame*



*Photo: Telstra Optical Fibre*

## APPENDIX 1

The MDF equipment is still in good condition with some spare space available for Kronos termination modules.

From the MDF, 50-pr cable is provided to an Intermediate Distribution Frame (IDF) on ground floor, 50-pr cable to Carino's building.

The building is also provided with Optical Fibre connection to Telstra's network. An active equipment cabinet is located in the server room. It is maintained by Telstra. The number of optical fibre cable cores is unknown. From the server room, an optical fibre connection is also provided to Carino's building.

Both copper and optical fibre cables are also provided to Memorial Hall located behind this office building, where the council chamber has been relocated to.

### 3.3.6 SMOKE DETECTION

Smoke detectors are provided throughout the building; these are maintained and tested regularly. The smoke detectors are linked to the security system such that on activation, the security monitoring company will be notified.



*Photo: Smoke Detector (Unknown manufacture)*

### 3.3.7 BUILDING OCCUPANT WARNING



The building is equipped with building occupant warning system (BOWS) to provide warning in case of fire. The system head-end is located in the server room in lower ground floor and interconnected to ceiling mounted speakers and visual warning devices (Red strobe light). On the detection of smoke, the BOWS will sound through the building.

The system is maintained and tested regularly.

*Photo: Building Occupant Warning System (Black cabinet)*

### 3.3.8 SECURITY

The building is provided with access control and intruder detection systems, which are monitored by a security monitoring company, Chubb Security. After hour access to the building is via proximity card at the designated building entry points. There are also passive infra-red (PIR) sensors throughout the building to identify intruders.



The security head-end panel is located on first floor near the stair access to lower ground floor. A computer is connected to the panel to provided system logging and remote monitoring.

Duress button is provided under the reception desk with direct link to Chubb Security.

The access control and intruder detection system is based on Inner Range Concept 4000 manufacture.

The system is operational and in good condition.

*Photo: Security Panel (Wall mounted) connected to a Computer*

There are 3 no. closed circuit television (CCTV) cameras altogether. 2 cameras are located in the reception area and 1 on the external building near main entry. A digital video recorder with real time monitoring is provided in an administration room behind the reception.

### 3.3.9 COMPARISON WITH NCC 2012 AND AS/NZS 3000-2007

Electrical services meet the present basic requirements for the building with power supply capacity at its limit. The supply capacity to the building should be reviewed and upgraded if any new electrical load is to be added to the building.

The services in the building were originally constructed before the introduction of the energy efficiency section in the BCA/NCC. If the building were to be built today, lighting control system would be included, and the illumination power density will need to comply with BCA 2012.

**To comply with NCC 2012 and AS/NZS 3000-2007 the MSB would need to be in a 2-hr fire rated enclosure, and the lift supply fed from the live side of MSB main switch.**

Sub-circuits supply general purpose outlets and lighting on all switchboards will have residual current device (RCD) fitted.

## 3.4 HYDRAULICS SERVICES

### 3.4.1 GENERAL

The Domestic Hot water is provided via an electric hot water system with 325 litre storage cylinder in the Lower Ground level store room. A new hot water cylinder was installed in 2010. The hot water usage was advised as minimal for hand washing in the toilets and use in the tea rooms.

The hydraulic services in the toilets and tea rooms were in reasonable condition.

The cold water supply and sewerage should prove adequate as the number of toilets is not anticipated to be increased

The water based fire services (hose reels) have recently been upgraded with additional hose reels installed.

## 4 CARINO'S OFFICES

### 4.1 DESCRIPTION OF THE BUILDING

The offices in Carino's building are located on a sloping site on the north west side of Smith St, Leongatha, Vic. The building was originally used as an elderly citizen's centre and is essentially a rectangular building. The single storey building has two entrances, at the south west side near the cinema's, and the north east side.

The general orientation of the building is with the longer axis approximately north-west to south-east. The building is of brick construction, has single glazed windows, and metal deck roofs.

#### 4.1.1 COMPARISON WITH BCA 2012 SECTION J

The building most likely complied with the relevant codes and standards at the time of construction, but is well below the energy efficiency standards required for new buildings.

The glazing appears to be single glazing. The building has limited on glazing on the four sides, with the main glazing facing north east, with horizontal overhangs shading most windows. To comply with the current regulations the windows would most likely be treated with a low-E coating and/or double glazed.

We would expect from experience with similar buildings that the building would not comply with the NCC/BCA 2012 sections identified above.

### 4.2 MECHANICAL SERVICES

The building is used as office area and has a combination of ceiling mounted 4-way blow units and a ducted air conditioning system at the south west end, to provide heating, cooling and ventilation. The previous air conditioning plant consisted of a ducted evaporative cooling system, and the old outlets have been blanked off.

The open area is also served by the ceiling mounted 4-way blow units, with ceiling mounted fans for additional air movement.

The ceiling mounted 4-way blow units (see photo at left) are mounted in dedicated enclosures as there is not sufficient ceiling height for mounting within the ceiling.



The ducted system serves the offices along the south west side and part of the open area via wall mounted grilles (refer to photo at right).

## APPENDIX 1



*Carino's Building – Three air conditioning units for main office area (photo above) and two more air conditioning units for main office area (photo below) (all condensing units on roof)  
N.B. some capping on the top of the walls is quite rusted.*



*Carino's Building – Condensing unit for meeting room AC unit on roof (photo below).*



The meeting room next to the café, and the office on the north-west corner, are served by wall mounted split air conditioning units (nominal 5 kW capacities).

The ducted unit and the two wall mounted split units are Mitsubishi Electric brand, and the 4-way blow units are Daikin units (nominal 14 kW capacities). These units utilised R22 refrigerant (which is becoming quite expensive as this refrigerant is being phased out due to its Ozone Depletion Potential). Based on the advice from the council representative the air conditioning units are considered to be of adequate capacity. These units are all less than 10 years old and are expected to provide another 5 – 10 years of service (if well maintained).

The outside air is supplied to the building via the roof top air conditioning units. Based on the estimated age of the building the outside air ventilation rates may be based on the 1980 edition of AS1668.2 with 3.5 - 5.0 l/s per person (compared to the 7.5 – 10 l/s per person of the AS1668.2-1991 edition recognised by the current BCA/NCC). The existing outside air provision does not include an economy cycle for "free cooling" when ambient conditions are suitable.

## APPENDIX 1



*As shown in these photos, some of the insulation on the refrigerant pipes exposed on the roof was in poor condition.*



We recommend replacing the damaged insulation, and fitting galvanised covers over the full length of all refrigerant pipes (compare to the partial coverage in the current installation).

N.B. The insulation on the refrigerant pipes exposed on the roof would need to be thicker insulation if required to comply with the current NCC/BCA (to reduce the heat gain/ heat losses).

The toilets are ventilated by window mounted vents.

Gas is not currently provided for the site.

### 4.2.1 COMPARISON WITH NCC/BCA 2012 SECTION J

The services in the building were originally constructed before the introduction of the energy efficiency section in the BCA/NCC.

Leongatha is in climate zone 6 in the current NCC/BCA. If built today the mechanical building services would include energy efficiency measures such as higher efficiency air conditioning units, increased amounts of insulation on the ductwork, and installation of outside air economy cycles on the packaged roof top air conditioning units where above 35 kW.

(N.B. Economy cycle operation can take advantage of cool outdoor air for up to 100% outdoor air ventilation when it is available (e.g. In Melbourne the outdoor air is below 15°C for approximately 5000 hours, or approximately 57% of the year)).

New packaged and split air conditioning units must comply with MEPS (Minimum Efficiency Performance Standards) to ensure that they are more efficient than older air conditioning units.

To comply with the current NCC/BCA the insulation on the refrigerant pipes exposed on the roof would need to be thicker insulation (to reduce the heat gain/ heat losses).



## 4.3 ELECTRICAL SERVICES

The current systems provided in the building include switchboards, power supply, general lighting, voice and data communications, access control and intruder detection systems.

### 4.3.1 POWER SUPPLY AND DISTRIBUTION

Electricity to the building is supplied from the street to the Main Switchboard (MSB) via a pillar located in the median strip on Smith Street. The consumer mains cable run in ground to the MSB which is located in the entry foyer on ground floor. The recently upgraded supply capacity is reported to be 125 Amp 3ph.

### 4.3.2 SWITCHBOARDS

The MSB is NHP manufacture and comprises 84-pole chassis. The main switchboard was manufactured in 20 May 2004 and is in good condition.

Power is then reticulated to the building via sub-circuits in ceiling space.



*Photo: Carino's Main Switchboard*

### 4.3.3 METERING

A kilowatt-hour meter is provided outside the building in an enclosure. A current transformer for metering purpose is mounted directly below meter enclosure.



*Photo: Outdoor Metering Enclosure*

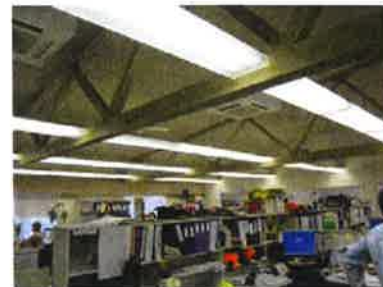
### 4.3.4 LIGHTING

Lighting in the building are of fluorescent and low voltage halogen types.

Luminaire in the general office area are suspended type with linear fluorescent lamps.

Majority of the lights are functional and in good condition.

Emergency and exit lighting are provided throughout the building and generally consist of fluorescent emergency lights and illuminated exit signs.



*Photo: Office Lighting*

There is no lighting control system in the building.

#### 4.3.5 COMMUNICATIONS



Both copper and optical fibre link to this building originates from the main council building via underground conduits.

The comms cabinet, patch panel and equipment are new and in very good condition. There is also spare space available in the cabinet.

*Photo: Communications Cabinet and Security Panel*

#### 4.3.6 SMOKE DETECTION

There is no smoke detection in this building.

#### 4.3.7 BUILDING OCCUPANT WARNING

There is no building occupant warning system (BOWS) in this building.

#### 4.3.8 SECURITY

The building is provided with access control and intruder detection systems, which are linked to the security head-end panel in Main Council Building. The system is remotely monitored by a security monitoring company, Chubb Security. After hour access to the building is via proximity card at the designated building entry points. There are also passive infra-red (PIR) sensors throughout the building to identify intruders.

The security head-end panel for this building is wall mounted in the entry foyer and in a new condition.

The access control and intruder detection system is based on Inner Range Concept 4000 manufacture.

There is no closed circuit television (CCTV) system in this building.

#### 4.3.9 COMPARISON WITH BCA 2012 AND AS/NZS 3000-2007

Electrical services meet the present requirements for the building. All currently installed equipment appears to be operational and in good condition.

The services in the building were originally constructed before the introduction of the energy efficiency section in the BCA/NCC. If the building were to be built today, lighting control system would be included, and the illumination power density will need to comply with BCA 2012.

Sub-circuits supply lighting on the switchboard will have residual current device (RCD) fitted.

The building will also have smoke detection and warning system provided.

## 4.4 HYDRAULICS SERVICES

### 4.4.1 GENERAL

The Domestic Hot water is provided via a small electric hot water system with single storage cylinder mounted at high level in the male toilets. The hot water usage is anticipated as minimal for hand washing in the toilets and use in the tea room.

The hydraulic services in the toilets and tea rooms were in reasonable condition.

The cold water supply and sewerage should prove adequate as the number of toilets is not anticipated to be increased

There is a hose reel at the entrance next to Carino's Café.

## 5 CURVES BUILDING

### 5.1 DESCRIPTION OF THE BUILDING

The "Curves" building is a public hall type building located behind the Carino's building on the sloping site on the north west side are of Smith St, Leongatha, Vic. The building is referred to as the "Curves" building due to the previous use as a women's fitness centre. This single storey building has a single entrance on the ground floor at the northern end facing north east.

The general orientation of the building is with the longer axis approximately north-east to south-west. The building is of brick construction, has high level single glazed windows, and a metal deck roof.

#### 5.1.1 COMPARISON WITH BCA 2012 SECTION J

The building most likely complied with the relevant codes and standards at the time of construction, but is well below the energy efficiency standards required for new buildings.

The levels of insulation in the walls and roof are most likely lower than the levels that would be installed if the building was constructed to comply with Section J of the current edition of the BCA. The existing straw insulation under the roof would not comply with the current requirements.

The glazing appears to be single glazing. The building has limited on glazing on the two longer sides, with the main glazing facing north west and south east, with horizontal overhangs providing very limited shading of the windows. To comply with the current regulations the windows would most likely be treated with a low-E coating and/or double glazed, with additional shading.

Section J3 "Building Sealing" of the BCA requires roofs, walls, floors and any opening such as a window, door or the like to be constructed to minimise air leakage, and miscellaneous exhaust fans to be fitted with a sealing device such as a self-closing damper. Buildings built prior to this requirement generally have higher rates of air leakage allowing conditioned air to escape and/or unconditioned air into the building.

N.B. the high level windows appear to have permanent openings along the bottom edges, and there are a number of ventilation louvres in the brick walls that would not seal air tight even when in the closed position

### 5.2 MECHANICAL SERVICES

The building has a single packaged air conditioning unit serving two offices on the northern end with one grill supplying air to the main hall area. The other rooms are not connected to the air conditioning unit, and it appears that the unit may not be of sufficient capacity to air condition the whole building for use as office area. The return air duct uses one of the door ways into the hall as a return air entry.

The ducted system is connected to an old EMAIL air conditioner of unknown capacity. This unit is likely to be more than 15 years old, as this brand is no longer manufactured. The unit would utilise R22 refrigerant (which is becoming quite expensive as this refrigerant is being phased out due to its Ozone Depletion Potential). It is not recommended that



## APPENDIX 1

this unit be used for any future development as an office building. It is recommended that a completely new air conditioning system be installed; the new system should be a new roof-top type packaged unit, VRF or split air conditioning units, or other type of air conditioning, as required to suit the layout and energy efficiency targets for the new office fit out proposed for this building.

The toilets are ventilated by louvre windows, but the louvre windows do not vent to outside and it was not able to be determined how the air from the toilets is vented to the outside of the building. The windows may vent into a void connected to the roof space of the adjacent cafe, and this roof space is vented by wind driven rotary cowls.

The ventilation rates may be based on the 1980 edition of AS1668.2 with 3.5 - 5.0 l/s per person compare to the 7.5 - 10 l/s per person of the AS1668.2-1991 edition recognised by the current BCA/NCC. The existing outside air provision does not include an economy cycle for "free cooling" when ambient conditions are suitable.

Gas is not currently provided for the site.

### 5.2.1 COMPARISON WITH BCA 2012 SECTION J

The services in the building were originally constructed before the introduction of the energy efficiency section in the BCA/NCC.

Leongatha is in climate zone 6 in the current BCA. If built today the mechanical building services would include energy efficiency measures such as higher efficiency air conditioning units, increased amounts of insulation on the ductwork, and installation of outside air economy cycles on the packaged roof top air conditioning units where above 35 kW.

(N.B. Economy cycle operation can take advantage of cool outdoor air for up to 100% outdoor air ventilation when it is available (e.g. In Melbourne the outdoor air is below 15°C for approximately 5000 hours, or approximately 57% of the year)).

New packaged and split air conditioning units must comply with MEPS (Minimum Efficiency Performance Standards) to ensure that they are more efficient than older air conditioning units.

New insulation on any refrigerant pipes would need to be thicker insulation to reduce the heat gain/ heat losses.

## 5.3 ELECTRICAL SERVICES

The current systems provided in the building include switchboards, power supply, general lighting and communications systems.

### 5.3.1 POWER SUPPLY AND DISTRIBUTION

Electricity to the building is supplied from a MSB located in corridor area. The current supply capacity is 63Amp 3ph.



Photo: Main Switchboard with Metering

### 5.3.2 SWITCHBOARDS

The switchboard for the building is General Electric (GE) manufacture and comprises 12-pole chassis, located in the entry foyer. The switchboard is estimated to be 30 to 40 years old and is already at the end of its designed life.

Power is then reticulated around the building via sub-circuits in ceiling space.



Photos: Curves Switchboard

### 5.3.3 METERING

Kilowatt-hour meter for the Curves building is located in the MSB in corridor.

### 5.3.4 LIGHTING

Lighting in the building is of fluorescent type.

Luminaire in the main hall area are ceiling mounted T8 linear fluorescent lamps.

Majority of the lights are functional and in good condition, however these are not suitable for office type environment.

Emergency and exit lighting are provided throughout the building and generally consist of fluorescent emergency lights and illuminated exit signs.

There is no lighting control system in the building.



Photo: Main Hall Lighting

### 5.3.5 COMMUNICATIONS

A local distributor (LD) termination frame is provided next to the switchboard in entry foyer.

There is no copper or optical fibre link to the main office building.

### 5.3.6 SMOKE DETECTION

There is no smoke detection in this building.

### 5.3.7 BUILDING OCCUPANT WARNING

There is no building occupant warning system (BOWS) in this building.

### 5.3.8 SECURITY

There are no access control or intruder detection systems in this building.

There is no closed circuit television (CCTV) system in this building.

### 5.3.9 COMPARISON WITH BCA 2012 AND AS/NZS 3000-2007

The services in the building were originally constructed before the introduction of the energy efficiency section in the BCA/NCC. If the building were to be built today, lighting control system would be included, and the illumination power density will need to comply with BCA 2012.

Sub-circuits supply lighting on the switchboard will have residual current device (RCD) fitted.

The building will also have smoke detection and warning system provided.

## 5.4 HYDRAULICS SERVICES

### 5.4.1 GENERAL

The domestic hot water unit was not located, and is anticipated to be a small electric hot water cylinder. The hot water usage for the proposed use as an office area is anticipated as minimal for hand washing in the toilets and use in a tea room.

The cold water supply and sewerage should prove adequate as the number of toilets is not anticipated to be increased.

The water based fire services may have to be upgraded with additional hose reels etc. to suit the proposed use as an office area, but the authority water supply pressure and available flow would need to be confirmed to determine this.

## 6 DESIGN CRITERIA – NEW OFFICE BUILDINGS

### 6.1 BUILDING STANDARDS GUIDELINES

As mentioned in the request for tenders new office accommodation should be designed to the Victorian Government Office Accommodation Guidelines 2007, and also the Victorian Government Office Building Standards 2008 which is referenced in the Office Accommodation Guidelines.

These documents indicate that an existing building intended for office accommodation should be designed to achieve at least 4 stars NABERS energy rating and a 5 star Green Star rating. These ratings would require the energy efficiency aspects of the design to be significantly better than the minimum to comply with BCA/NCC 2012.

The following MEP design criteria outlines the minimum requirements to meet these guidelines. The detailed design criteria to meet the Green Star and NABERS requirements would be further refined following a detailed understanding of the building use.

### 6.2 MECHANICAL SERVICES

#### 6.2.1 GENERAL

This section outlines the scope of works associated with the mechanical services design criteria.

- Provision of outside air ventilation and toilet/shower exhausts for the offices and shops.
- Provision of air conditioning for the offices, including riser space and supports for refrigerant pipes to roof mounted condensing units.
- Provision of outside air to the common corridor areas.
- Specification of provision of twelve months Warranty and Free Service on all equipment supplied and installed.
- Specification of provision of Maintenance Manuals, Operating Instructions and 'As-Installed' Drawings.

#### 6.2.2 DESIGN CRITERIA

##### External Design Conditions

External Design Conditions (Maximum/Minimum)

Summer: 35°C Dry Bulb, 19°C Wet Bulb

Winter: 3.5°C Dry Bulb

##### Internal Conditions

###### Offices

Internal Design Conditions (while air conditioning is operating).

Summer: 24.0°C +/- 1.5°C

Winter: 22.0°C +/- 1.5°C



## APPENDIX 1

The air conditioning system design shall be based on 50% relative humidity at peak design cooling loads. Standard air conditioning equipment (e.g. split type packaged air conditioning units) will typically achieve a relative humidity of 40% - 60% at other operating conditions.

### Storage Areas

Non-air conditioned spaces

## Occupancy

### Offices

Main areas 1 person per 10 m<sup>2</sup> (as per Appendix A of AS1668.2)

Other areas Number of people as per details on architectural drawings.

## Ventilation

### Offices

Outside air to be provided to via the air conditioning as per Appendix A of AS1668.2

(i.e. outside air of 10l/s per person, or 7.5 l/s per person where suitable higher efficiency filters are provided).

### Toilets

Natural ventilation or Mechanical exhaust as per AS 1668.2 – 2002 (or performance based system).

## Internal Heat Gains

### Lighting heat gains

Office General: 12 watts/ m<sup>2</sup> (N.B. BCA is 10 watts per m<sup>2</sup>)

### Equipment heat gains

Office General: 15 watts/ m<sup>2</sup>

## Noise levels

### Noise levels (due to mechanical services)

Office areas and staff rooms 45 dB(A)

Toilets/change areas 55 dB(A)

(N.B. generally the noise levels shall be as per AS 2107)

Noise from equipment to be limited to the following at the site boundary:

Day time 65 dB(A).

Night time 40 dB(A) (or as advised).

### Building Fabric and Glazing Allowance

The air conditioning loads and internal conditions anticipated are based on the following assumptions regarding the building fabric and glazing, as anticipated to comply with the minimum requirements of BCA/NCC Section J.

The external walls, floors and ceilings are anticipated to have the following features (or better):

- Any new external walls with minimum R-value of 2.8.
- Walls adjoining non-conditioned spaces with minimum R-value of 1.8.
- Roofs with minimum R-value of 3.2.
- Ground floor – slab-on-ground with no insulation.
- Ground floor – slab above car park with insulation with minimum R-value of 2.0
- Window Shading – Windows shaded from direct sunlight in December - February (at 10am for East facing windows, mid-day for North facing windows and 4pm for West facing windows).
- Window U-values – Typical U-values and solar heat gain coefficients of windows of 3.8 and 0.80 respectively for shaded windows (or 2.8 and 0.50 for non-shaded windows).

Final values should be confirmed after completion of the Section J calculations.

## 6.2.3 AIR CONDITIONING

### Office areas

Offices would typically have roof top packaged equipment and/or ducted split AC systems with indoor units and ductwork located in the ceiling space, with a rigid main duct and flexible ductwork to square diffusers in the main areas.

Variable speed AC units, and options such as heat exchangers, or AC combined with natural ventilation, should be considered to achieve higher energy efficiency to meet the NABERS and Green Star targets.

### Common Corridors

Ventilation systems with no heating or cooling to provide outside air for the corridors as per AS 1668.2 -1991/ 2002.

## 6.2.4 MECHANICAL EXHAUSTS

### Toilets and Shower rooms

The toilets and bathroom areas will be served by ducted mechanical exhaust based on the 25 l/s per fixture or 10 l/s.m<sup>2</sup> (as per AS 1668.2) with egg crate type exhaust grilles, flexible ductwork, and in ceiling ducts, connected to central exhaust ducts in the vertical riser shaft, with 2 roof mounted exhaust fans (1 for the shops and offices, 1 for the restaurant)

Exhaust fans would be connected to the relevant time switches for the tenancy.

## 6.2.5 PRELIMINARY COSTS

In order to achieve higher energy efficiency to meet the NABERS and Green Star targets variable speed AC units, and options such as heat exchangers, or AC combined with natural ventilation, should be considered. The cost estimate range is \$250 to \$350/m<sup>2</sup>, depending on factor including the final architectural details and whether mixed mode/natural ventilation is included.

## 6.3 ELECTRICAL SERVICES

### 6.3.1 GENERAL

This section outlines the scope of works associated with the electrical services design criteria.

Coordination of the incoming power supply to the building, including allowances for power supply upgrade to site.

- Supply and installation of switchboards
- Power reticulation, switchgear and cabling for building
- General lighting for offices spaces including corridor areas
- Lighting controls system
- Emergency and exit lighting system
- Coordination of new incoming communications cable, including copper and optical fibre
- Access control and intruder detection system
- Closed circuit television system
- Smoke detection and alarm system in accordance with BCA
- Specification of provision of twelve months Warranty and Free Service on all equipment supplied and installed.
- Specification of provision of Maintenance Manuals, Operating Instructions and 'As-Installed' Drawings.

### 6.3.2 DESIGN CRITERIA

Electrical Services for the facility shall be designed in accordance with:

Building Code of Australia

AS 3000 – Wiring Rules

AS 3008 – Electrical installations – Selection of cables

AS 2293 – Emergency escape lighting and exit signs for buildings

AS 1670 – Fire detection, warning, control and intercom systems – System design, installation and commissioning

AS 1680.1 – Interior and workplace lighting

AS/ACIF S009 – Installation requirements for customer cabling

All other relevant standards

### 6.3.3 ELECTRICAL SUPPLY INFRASTRUCTURE

Local Distribution Company for this area is SP Ausnet. Power supply to each building shall be assessed separately to cater for the building electrical demand respectively.

The maximum demand calculation for each building shall be estimate using AS/NZS Table C3 initially and verified using Table C2 at design development and tender stage.

### 6.3.4 COMMUNICATIONS SERVICES

Incoming communications copper cabling from the street shall be provided to each building and terminated on Main Distribution Frame (MDF). Arrange with Telstra to install suitable quantity of lead-in cable to the building based on specific office requirements.

A communications cabinet shall be provided with CAT.6 grade cabling star wired to each communications field outlet from the cabinet. Patch panels shall be provided in the cabinet for cable termination.

A tie-cable shall also be provided from the MDF to the cabinet, terminated on patch panel.

A dedicated telephone line is to be provided to the main fire indicator panel located at the main entrance as well as the lift as required.

### 6.3.5 MAIN SWITCHBOARD (MSB)

Relevant Standards: AS/NZS 3439 - Low Voltage Switchgear and Control gear Assemblies

A main switchboard on shall be provided and installed in a suitable position to supply light and power sub-circuits and other electrical loads.

Switchboard enclosure shall be fabricated of minimum 2mm mild steel and have minimum rating of IP42 if located indoor or IP56 if located outdoor.

This electrical cupboard shall be 2-hr fire rated if supplying safety services.

### 6.3.6 DISTRIBUTION SWITCHBOARDS

Distribution switchboards shall be provided as required for power reticulation.

### 6.3.7 GENERAL LIGHTING

General lighting system will consist of energy efficient light fittings, such as high output T5 linear fluorescent, compact fluorescent and metal halide light fittings.

The building internal lighting levels will be designed in accordance with the recommendation from AS1680. A summary of the lighting levels for different type of interior is listed below.

Type of Interior	Maintained Illuminance
Lobby, Entrances and Foyers	160 lx
Office areas	320 lx
Public corridors and passageways	40 lx
Carpark	40 lx
Store room	40 lx
Plant rooms with control panels	160 lx
Internal Stairs	80 lx

Selection of light fittings will depend on the size of ceiling tiles and ceiling type.

### 6.3.8 LIGHTING CONTROL SYSTEM

An intelligent lighting control system utilizing timers, motion sensors, daylight sensors and/or dimmers is recommended to be provided to all areas to reduce building electricity usage.

We propose Clipsal C-Bus or Dynalite intelligent lighting control system to be utilized as the building lighting control/ management system, as it is reliable and widely used in the industry.

The lighting control system is also required to comply with the Building Code of Australia – Part J - Energy Efficiency.

### 6.3.9 GENERAL POWER

The number of outlets to each office workstation shall be confirmed with the building occupier.

We propose general purpose cleaner's outlets to be provided within corridors, in strategic locations and equipped with residual current protection.

### 6.3.10 EMERGENCY EVACUATION LIGHTING

Emergency lighting and exit signage to be self-contained and either monitored or non-monitored type. All exit signs are to be maintained type.

New emergency lighting test switches, in accordance with AS2293, are to be installed on all switchboards where emergency and exit lighting circuits originates.

### 6.3.11 SMOKE DETECTION AND ALARM

Relevant Standards: AS1670 Fire detection, warning, control and intercom systems standard for residential.

Smoke detection and alarm system shall be provided to meet BCA requirement.

## 6.4 HYDRAULIC SERVICES

### 6.4.1 GENERAL

This section outlines the scope of works associated with the hydraulic services design criteria.

- Provision of sanitary drainage and plumbing to all the fixtures documented on the architectural drawings as well as connection to the existing sewer.
- Cold water reticulation to all fixtures documented on the architectural drawings complete with appropriate individual metering to achieve Green Star requirements
- Supply and installation of hot water units to serve toilets and hot water reticulation to all the fixtures
- Supply and installation of hose reels, as required.

### 6.4.2 DESIGN CRITERIA

The design criteria for hydraulic services are as follows:

Hydraulic services to comply with the relevant Building Code of Australia

Hydraulic services to comply with all the current statutory requirements and guidelines.

Hydraulic services to comply with the current relevant Australian Standard where applicable and particularly the following:

AS 3500 – National Plumbing and Drainage Code incorporating:

Part 1:2003 – Water Services

Part 2:2003 – Sanitary Drainage and Plumbing

Part 3:2003 – Stormwater Drainage

Part 4:2003 – Heated Water Services

AS 5601 – Gas Services Design Standard

AS 2419 – Fire Hydrants

AS 2441 – Fire Hose Reels

### 6.4.3 SANITARY DRAINAGE

The existing sanitary drainage system is considered adequate to service any modification to the building. Any extensive changes would require extension of the existing system and extend from the existing sewer within the site boundary.

Any upgrade of the fixtures requires the following:

1. 100dia outlets for toilets
2. 40dia outlets for basins
3. 40dia outlets for urinals
4. 100dia grates for floor wastes

#### 6.4.4 DOMESTIC COLD WATER SUPPLY

The existing cold water distribution system is considered adequate to service any modification to the building. Any extensive changes would require a review of the water meter and service size extending from the authorities main.

Any upgrade of existing fixtures would be required to include water saving (AAA or greater) devices to meet green star objectives.

#### 6.4.5 DOMESTIC HOT WATER SUPPLY

The domestic hot water supply for the toilets is intended to be off a solar boosted electric hot water unit installed on the roof of the building.

All hot water fixtures to DDA areas require thermostatic mixing valves

#### 6.4.6 NATURAL GAS SERVICE

As the gas usage would be minimal it is not proposed to install a gas tapping.

#### 6.4.7 FIRE HYDRANT AND FIRE HOSE REEL SERVICE

Based on the current and proposed future usage it is not proposed to install fire hydrants. The installation of fire hose reels will require discussion with the building surveyor.

#### 6.4.8 FIRE SPRINKLER SERVICES

Based on the current a proposed future usage it is not proposed to install sprinkler services.

#### 6.4.9 PORTABLE FIRE EXTINGUISHERS

Portable fire extinguishers shall be provided as required in the BCA to conform with current architectural proposal.

#### 6.4.10 PRELIMINARY COSTS

The costing at this stage would only relate to any replacement of existing fixtures as would be specified by the architect. We do not envisage any direct costs associated with the hydraulic services.



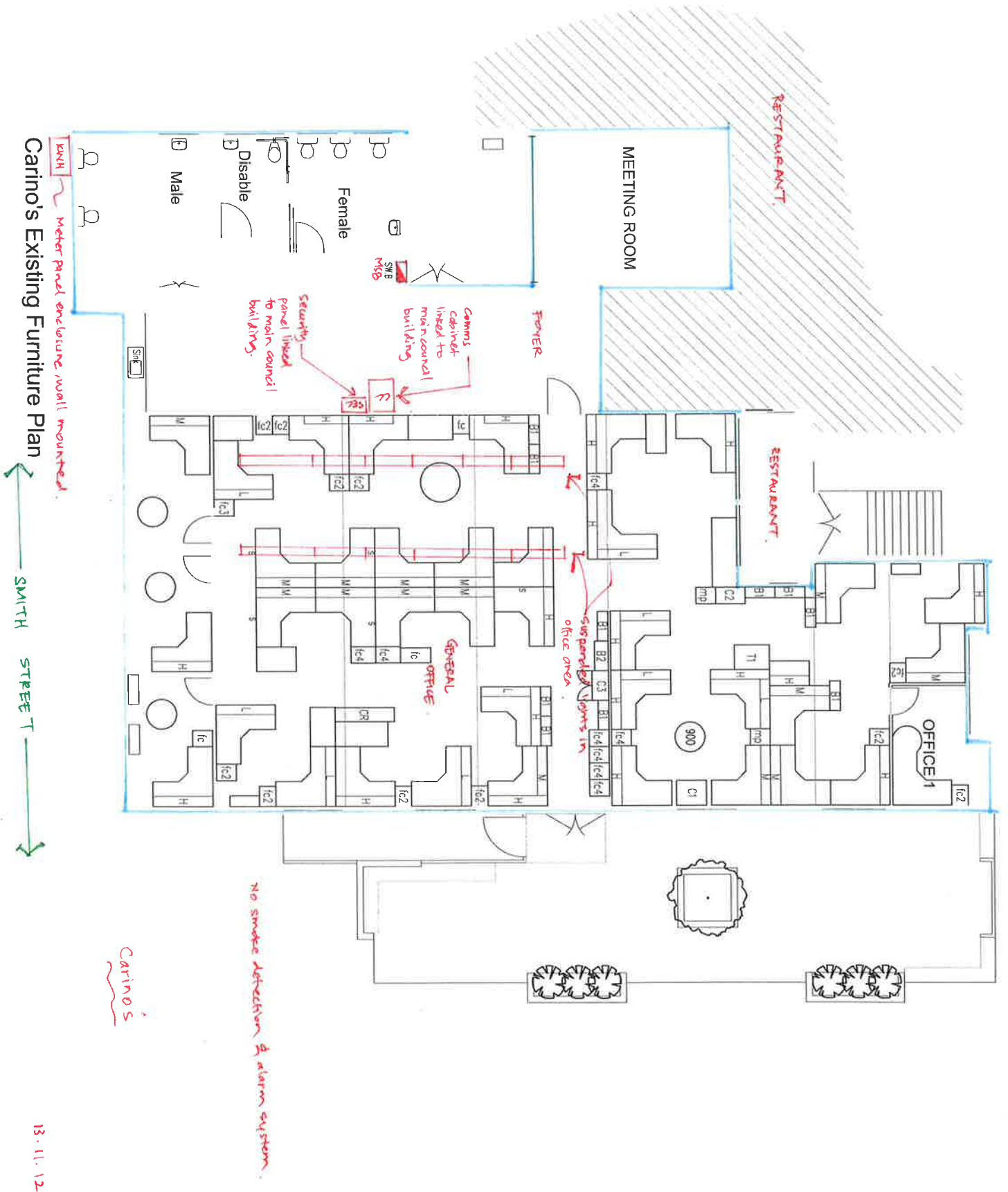
## APPENDIX A

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## ELECTRICAL SKETCHES



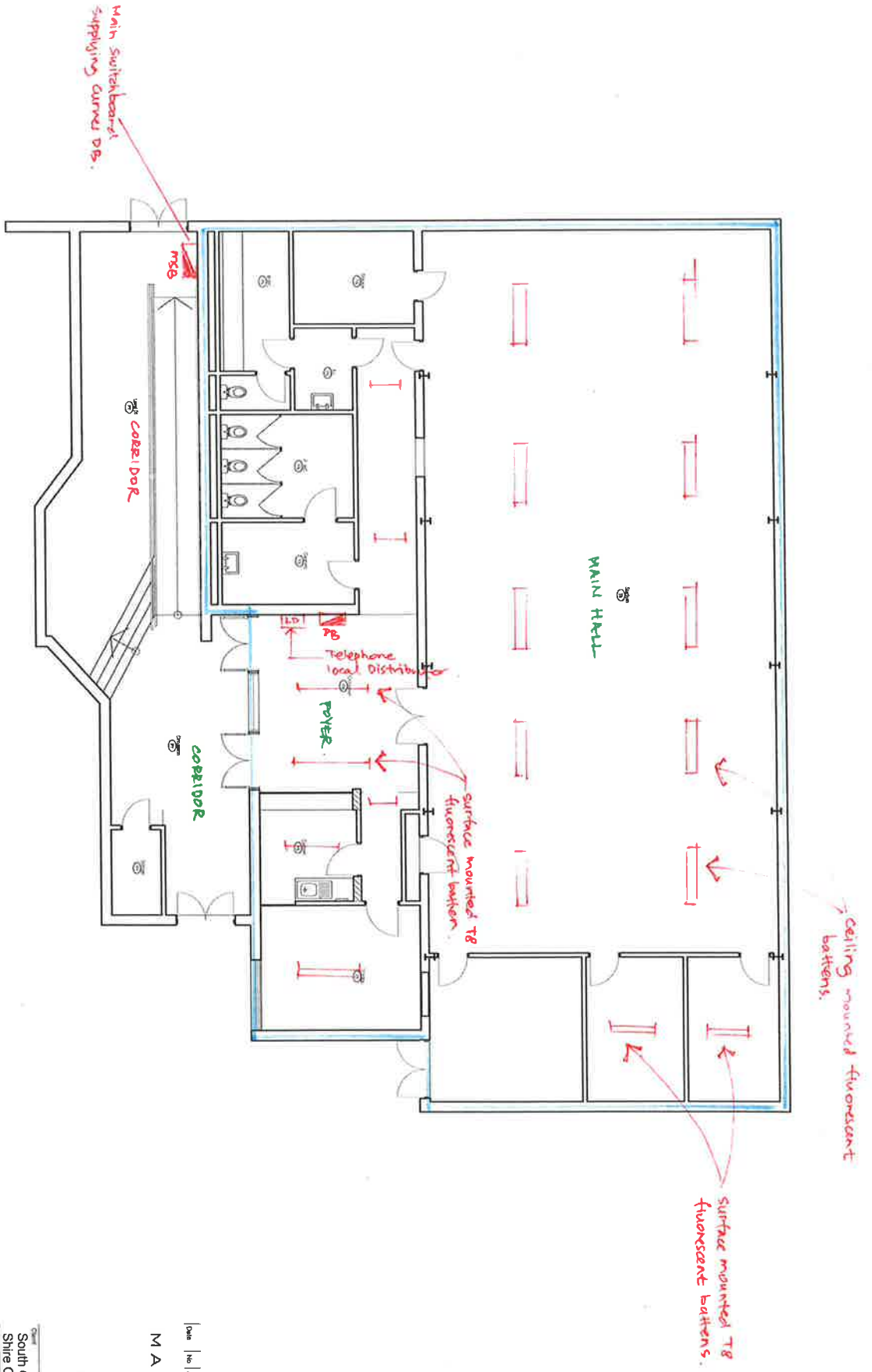
APPENDIX 1



13.11.12

APPENDIX 1

1 Existing Ground Floor Plan  
1:50



CURVES BUILDING

Client  
South Gippsland  
Shire Council  
Project  
Office Refurb. 9 Smith  
St. Leongatha  
Drawing  
Existing Ground Floor

Date  
13/11/12

Drawn  
DM

Scale  
1:50 @A1

Project No.  
254

Drawing No.  
EX01

Revision

MANTRIC

13.11.12



South Gippsland  
Shire Council



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# Appendix B - South Gippsland Curves Renovation, Design Report, 25 June 2013 (Mantric Architecture)



MANTRIC  
ARCHI  
TECTURE

MANTRIC.COM.AU

SOUTH GIPPSLAND  
CURVES RENOVATION

DESIGN REPORT

25.06.13

**CONTENTS**

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EXECUTIVE SUMMARY ..... 3

EXISTING BUILDING ..... 4

SERVICES REPORT ..... 4

MASTERPLANNING OPTIONS ..... 5

PROPOSED LAYOUT ..... 8

SERVICES OUTLINE BRIEF ..... 8

COST PLAN FOR PROPOSED LAYOUT ..... 8

VALUE MANAGEMENT ..... 9

REVISED COST PLAN ..... 10

APPENDIX 1 - MASTERPLAN OPTIONS ..... 11

APPENDIX 2 - SERVICES REPORT ..... 12

APPENDIX 3 - PROPOSED LAYOUT AND ASSOCIATED DRAWINGS ..... 13

APPENDIX 4 - SERVICES OUTLINE PERFORMANCE BRIEF ..... 14

APPENDIX 5 - COST PLAN FOR PREFERRED LAYOUT ..... 15

APPENDIX 6 - VALUE MANAGEMENT PLAN ..... 16

APPENDIX 7 - COST PLAN FOR VM PLAN ..... 17

EXECUTIVE SUMMARY

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South Gippsland Council, with the help of Mantric Architecture, has explored options for the relocation of council departments, into alternative locations close to the Main Council Office Building on Smith Street.

These options included - Carino's Restaurant, Curves Stadium and portables housed in the Curves Carpark and the depot.

Mantric were commissioned initially to renovate the Curves Stadium into office accommodation, but the exploration of all options was completed first. This process was to provide direction for the ultimate design to Curves, so that should the Carino's restaurant (sitting between the current Carino's offices and Curves Stadium) become available to council in the future, the renovation to Curves would suit the joining of the 2 sites.

The Curves renovation was documented and costed by Slattery Australia. This costing came in at \$1,098,000, which is significantly over council's budget of approx. \$400,000.

A Value Management Plan was drawn up by Mantric, reducing all building work to an absolute minimum, whilst still achieving the special outcomes required by council and the proposed group to be relocated.

The final cost plan for the reduced scope to Curves Stadium came in at \$822,000 plus GST. It must be noted that the services costings alone (approx. \$290,000 - over 70% of the total building budget of approx. \$400,000) are so high, that no significant building work can occur within the current council budget.





## EXISTING BUILDING

The existing building is an old basketball stadium 'Curves', with associated store rooms, change/amenities, tea room and meeting room. It connects to the Carino's restaurant, where it also provides an alternative Exit path for the adjacent cinema's. The proposal from South Gippsland

Council is to renovate the Curves building into something suitable for offices and open plan workstations. This new office space also needs to have compliant toilets, utility area, tea/breakout and meeting rooms.

CURVES - PROPOSED  
MAIN WORKSTATION AREA



## SERVICES REPORT

As the existing building is old, an audit of the services was undertaken by Hyder consulting. They looked at the existing mechanical and electrical systems, and made recommendations relating to the quality and potential re-use of existing equipment.

The existing main office building for the Council was also audited as part of this project.

Please refer to Appendix 2 for the report.

MASTERPLANNING OPTIONS

The Curves building was not looked at in isolation, but rather a wholistic approach was taken to all of the building options for Council. This included the Carino's restaurant, Curves and also the main building. First though, criteria for design was collected, as discussed below.

**Design Parameters :**

The Exec outlined their design criteria – parameters and priorities to work within for the re-design :

1. All teams needing to deal with the public at reception, are to be housed in the Main Building
2. All teams within each department to stay together
3. All departments with working synergies to be adjacent one another (lower priority)

Departments within the buildings were then located depending on these parameters :

- Corporate Services and Development Services needed to be in the main building with access to reception ( or an alternative reception point would need to be created – a planning desk for example).
- Community Services have many meetings with Community Groups, but don't need reception as a meeting point. Therefore, Community Services can be housed in Carino's or Curves, as long as a meeting room is provided.
- Engineering have a relationship with Development services, but do not require immediate proximity (although

it would be good), and can therefore be housed in Curves away from other teams, or at worst, in a portable at the Depot. Engineering don't have a need to meet with public other than with prior organisation.

During this early process, the areas of the existing buildings and the numbers of staff were looked at. These areas showed that council staff are more tightly packed than any Government department that has had work done in the last 10+ years, with new design standards of 12-15sqm per person being allocated. Refer to details below :

**Areas :**

Existing (current situation) –  
Main Building – 1387sqm total  
(Gnd – 887sqm, First – 328sqm, Basement – 172sqm. Basement incl storage and IT area, Gnd doesn't include reception)  
Carino's – 350sqm.

Based on current no's, the sqm per person in the existing buildings is – 10.27sqm. (8.75 sqm/person in Carino's and 10.75sqm/person)



Government standards say ideally aim for 15sqm/person, where 12sqm/person is still an acceptable area (and one common in many businesses). This allows for storage around staff, meeting rooms and support rooms (such as utility and breakout etc). The current allowance of 10.27sqm/person is very low – which is consistent with comments from staff regarding overcrowding, not enough meeting rooms and storage areas.

Main Building – 1387sqm total  
 Carino's – 350 sqm  
 Curves – 316 sqm  
 Portable addition – 140 min. Sqm (portable allowance if portable is in carpark behind Carino's) – Option 5  
 Portable addition – 290 min sqm (portable allowance at Depot – incl. meeting rooms, breakout, utility and storage) – Option 6  
 Total – 2193sqm Option 5, or 2343sqm Option 6

For the council workplace to be significantly improved, it was agreed at the Exec meeting that 15sqm/person was not practical whilst maintaining existing buildings, but 12sqm/person would be ideal to aim for.

As shown with these numbers, it is clear that extending to Curves plus adding Portable's to either the carpark or the depot, will keep the council at 12sqm per person for the short and long term.

Proposed new works -  
 Current Staff No's : 169                      12sqm/  
 person – 2028 sqm                              15sqm/  
 person – 2535 sqm  
 Proposed 5-10yrs staff no's :  
 186                      12sqm/person – 2232 sqm  
 15sqm/person – 2790 sqm

We note that these numbers do not include moving the Council Chambers and Dining room back into the Main Building. Should this occur, areas will be –  
 Main Building – 1242 sqm  
 Total – 2048 sqm Option 5, or 2198 sqm Option 6

**OPTION 6 - LOOKING AT ENTIRE ORGANISATION**



As shown here, the areas per person are OK for now, but a little light on for the future growth.

Therefore, in the shorter term it may be practical to shift the Council Chambers back to the first floor of the main building, but in 5 years, this will, again, put pressure on the building areas, and staff will become too tightly packed.

We also note that as council is divided into work teams under one general manager, there is general agreement that these departments do not want to be split across 2 buildings and ideally, not split across 2 floors. This means that as the main building gets more limited in space (with the council chambers moving in), there is less flexibility for departments to remain together and as such, become more tightly packed to retain team cohesion.

Through the various options we learned : With the addition of Curves and a portable, council can maintain 12sqm per person for 10 years, thus providing a better work environment for staff (and therefore retention of staff will be improved).

With the Chambers moving to First Floor, pressure to the ground floor is not relieved, as 2 departments will need to be housed there. Even in the first 5 years, without the option to spread to First Floor, Ground floor will be as tightly spaced as it is now.

Additional options were completed exploring which groups would be re-housed upstairs if the chambers doesn't move back.

Full size masterplan options are available in Appendix 1.

OPTION 7.2 - EXPLORATION OF GROUP LOCATIONS THROUGH-OUT BUILDING



## PROPOSED LAYOUT

The Mantric brief was to develop the preferred layout for Curves into a set of documents suitable for pricing for a D&C building contractor. These drawings include demolition plans, floor and ceiling plan, workstation plan and details, joinery

drawings, amenity drawings, schedules and finishes.

A copy of this package has been included in Appendix 3.

## SERVICES OUTLINE BRIEF

To support the architectural drawings, the services engineers provided an outline performance brief for the selected builder and subsequent contractors to use to provide suitable services. This covers mechanical, electrical, fire and hydraulic services.

Please refer to Appendix 4 for a copy of the services outline performance brief.

## COST PLAN FOR PROPOSED LAYOUT

Slattery Australia were engaged to do a cost plan prior to the tender process happening. The initial cost plan that we received had some items that needed adjusting, but as the cost plan was so much above the budget, these figures were not adjusted. For example, the workstation figure is too high, the design contingency is also too high.

fees and charges, the total works were noted to be \$1,098,000 plus GST. Hyder consulting provided services figures based on the square meter area of the building. It is possible that these prices could be reduced with alternate heating and cooling solutions.

Please refer to Appendix 5 for a copy of the cost plan.

The building works came in at \$844,030, plus design and building contingencies,

## VALUE MANAGEMENT

The cost for the new building works far exceeds Council's budget. It should be noted that the services costs alone are very close to Council's budget and therefore any building works are in addition to the budget - and thus, it is not really possible to achieve the budget at all.

Mantric performed a quick value management (VM) exercise to reduce down the building scope as much as possible, while still providing the required workstation, office, meeting and utility areas. The summary of VM changes are as follows :

## DEMOLITION CHANGES

- Bathroom plumbing to remain where it is, upgrade of toilets and new tray urinal
- Demolition for only 2 windows and a door opening to external wall
- Minimal internal demolition
- Removal of ramp and stairs
- Leave high level windows as they are
- Accessible – remove cleaners sink and replace with accessible toilet, grab rails etc. Add new basin in in-filled doorway.
- Utility – Add joinery similar to previous.
- Tea Room – demolish existing joinery and sink – replace with new joinery and sink in same location.
- Walls – all to paint all walls. NO wall linings required.
- Walls in office and meeting room – one wall to be echo panel finish for acoustic absorption rather than acoustic ceiling.
- Entry – remove double doors and frame. Replace with single door and side light.
- Ramps and Stairs – external concrete ramp and stairs to remain. Internal stairs as per original docs.
- Windows – all for 2 no. Low level windows. All works to upper level windows is removed. Allow for motorised blinds on upper level windows and normal blinds to lower level.

## NEW BUILDING WORKS

- Amenities –
  - Relocate basin in Male WC to opposite wall, and add a basin
  - New entry into Male WC – demolish existing entry part wall and door
  - Remove extg. urinal tray and replace with new
  - Change over toilet for new.
  - Female toilets – replace toilets and toilet partitions with new. Add new basins on entry wall. Add new doorway in existing wall, and demolish existing entry door and infill wall.

## FLOORING AND FINISHES

- New carpet tiles to open area, offices, meeting rooms, utility, Store – over existing flooring
- Vinyl flooring to Tea Room
- New tiling to amenities area – over existing flooring
- Minimal wall tiling – only over vanity basins
- Allow to paint all walls

## CEILINGS

- No work to the main ceiling. Only patch and repair work following removal of walls required, plus paint finish. No acoustic ceilings to be installed etc.

## FURNITURE AND WORKSTATIONS

- Allow for \$2000 per workstation – including side table, screen, cpu holder etc. \$350 per mobile pedestal. (your prices are extremely high here). Monitor arms are around \$150 each.
- Please add in a loose furniture budget – as a separate item with the Consultants fees – of - \$40,000.

## GENERAL

- Consultants fees to read \$70k
- Remove the design contingency completely.
- Ensure the preliminaries includes the D&C design and documentation fees.
- Very minor structural work required now – very minimal demolition work. Ensure rate reflects minimal works.

Revised drawings to go with this reduced scope can be found in Appendix 6.

## REVISED COST PLAN

Slattery Australia have now adjusted their cost plan to suit the revised scope. As noted above, it will not be possible to actually meet council's budget with the services costs up around \$300,000. This exercise provides council with the flexibility of saving several hundred thousand dollars by adjusting the scope and therefore the finish and outcome and should be considered a 'minimal works' option.

A copy of this revised cost plan can be found in Appendix 7.

APPENDIX 1 - MASTERPLAN OPTIONS

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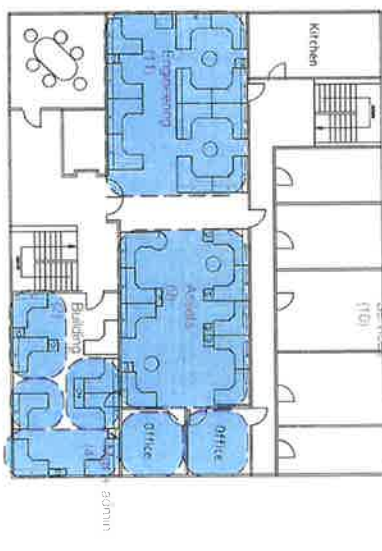


APPENDIX 1

Carino's



Main Building - Ground Floor



Main Building - First Floor

Schematic SOUTH GIPPSLAND OFFICE FITOUT

Mud Map Stacking . Option 1



PROJECT  
 1. SOUTH GIPPSLAND OFFICE FITOUT  
 2. NOV 2012  
 3. 100 DRAWS  
 4. 100 DRAWS  
 5. 100 DRAWS  
 6. 100 DRAWS  
 7. 100 DRAWS  
 8. 100 DRAWS  
 9. 100 DRAWS  
 10. 100 DRAWS

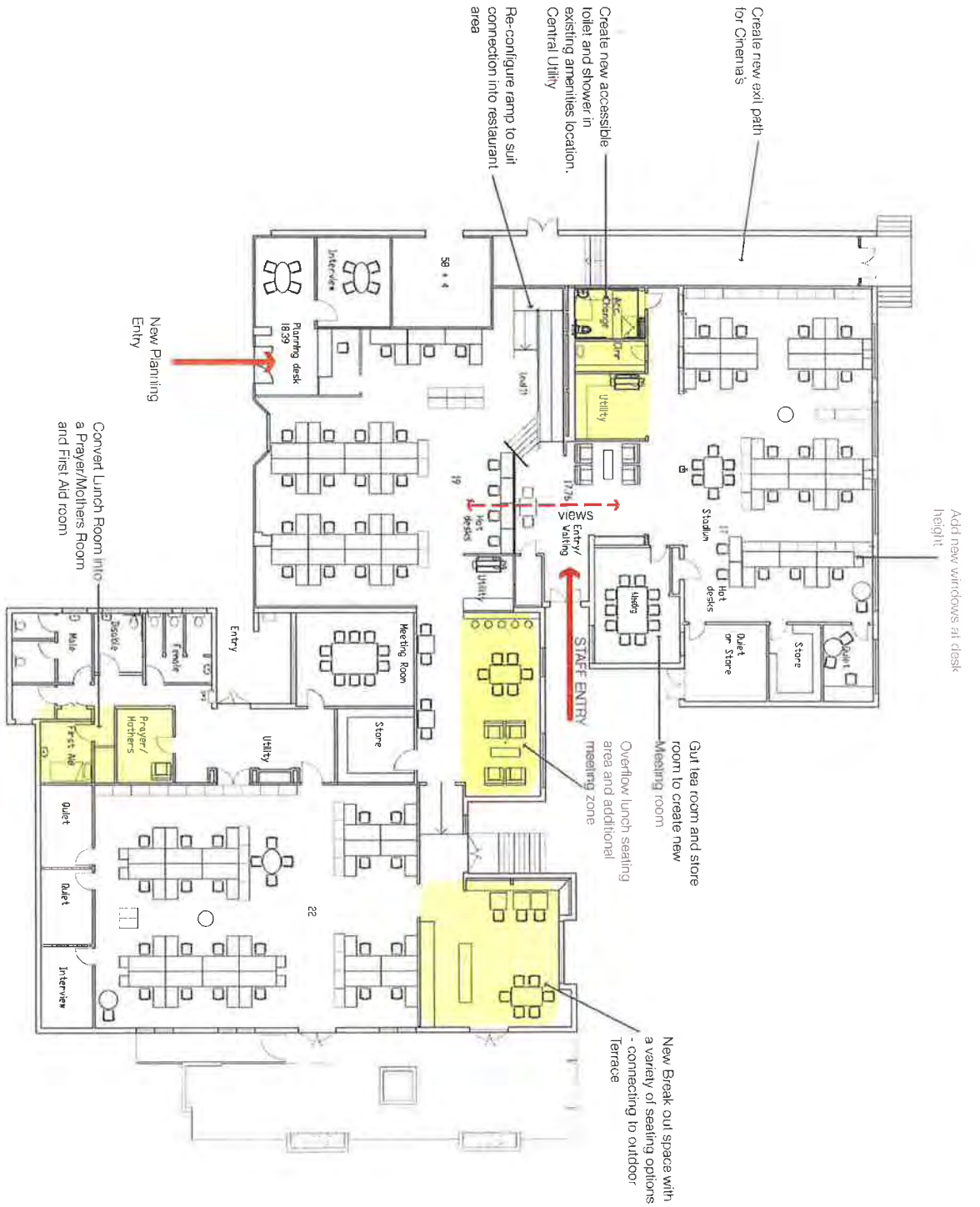
MANTRIC ARCHITECTURE

MANTRIC ARCHITECTURE



APPENDIX 1

Carinos



Schematic

SOUTH GIPPSLAND OFFICE FITOUT

Mud Map Stacking - Option 2



Scale: 1:200  
 1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30 31 32 33 34 35 36 37 38 39 40 41 42 43 44 45 46 47 48 49 50 51 52 53 54 55 56 57 58 59 60 61 62 63 64 65 66 67 68 69 70 71 72 73 74 75 76 77 78 79 80 81 82 83 84 85 86 87 88 89 90 91 92 93 94 95 96 97 98 99 100

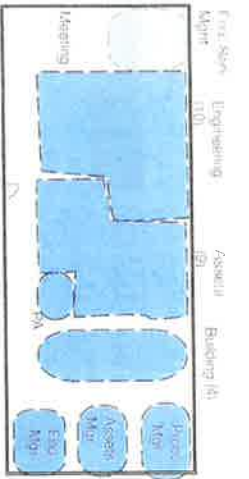
DATE: 11/01/2023  
 DRAWN BY: [Name]  
 CHECKED BY: [Name]  
 APPROVED BY: [Name]







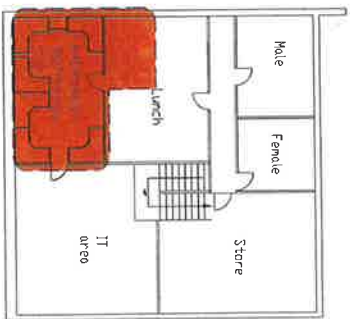




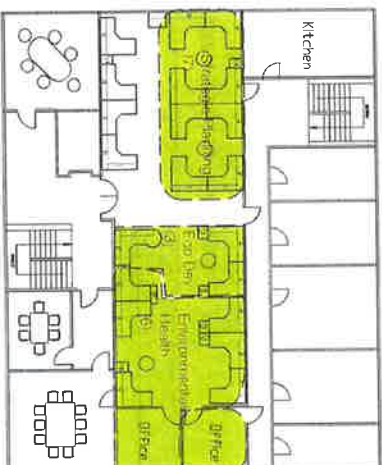
Portable at Depot  
(Engineering Dept to move)



Main Building - Ground Floor



Main Building - Basement



Main Building - First Floor

APPENDIX 1



Carino's

Schematic

SOUTH GIPPSLAND OFFICE FITOUT

Mud Map Stacking - Option 7.1



CFA Building



North

4. Plans 3 - 10 indicate fit out  
 1. ASSESSMENT  
 2. DESIGN  
 3. CONSTRUCTION  
 4. FINISHES  
 5. FURNITURE  
 6. EQUIPMENT  
 7. SERVICES  
 8. UTILITIES  
 9. STRUCTURE  
 10. EXTERIOR





APPENDIX 2 - SERVICES REPORT

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