

Administrators' Community Update - July 2020



*South Gippsland
Shire Council*



Background

The Minister for Local Government tasked Administrators with the responsibility to implement the recommendations from the *Report of the Commission of Inquiry into South Gippsland Shire Council 2019*. The recommendations are that Council:

- a. Develops and delivers an extensive community leadership development programme that:
 - i. Encourages widespread participation in community and civic life in the municipality;
 - ii. Supports the development of community leadership skills; and
 - iii. Supports an improvement in the relationship between the Council and its community.
- b. Reviews and implements improved Council policies and processes, with a focus on Councillor induction and training, the Councillor Code of Conduct and meeting procedures.

This report is an update on the progress being made on these recommendations.

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Message from the Chair Administrator

Having had a full year in our positions it is heartening to report that the tasks we have been appointed to oversee are well underway.

As Administrators we have done a lot with both Council staff and the community to rebuild relationships and trust, particularly with those who were sceptical given the local politics prior to our arrival. We are proud to report that we have participated in over 140 community engagement opportunities with more than 950 people to hear the views of the South Gippsland community. We understand that only by connecting with the community we serve can we make the best decisions needed for this region.

In February Council appointed Kerryn Ellis as the Chief Executive Officer for South Gippsland Shire Council. Kerryn came to Council from her role as Director of Corporate Services at Victoria's Independent Broad-based Anti-corruption Commission (IBAC). Prior to working at IBAC Kerryn was Director of Corporate Performance with the City of Greater Bendigo, and Manager of Governance and Innovation at Knox City Council. She has also previously worked for the City of Melbourne and Bayside City Council. We look forward to working with her throughout the remainder of our term.

While we have already adopted a number of new policies designed to embed a stronger governance culture within the organisation, our next big challenge is the implementation of the *Local Government Act 2020*. The key priorities are new Governance Rules, Public Transparency Policy, Delegated Committees and setting Audit and Risk Charter and Committees. These policies will provide a strong Good Governance model for the incoming Council in 2021.

We are well on our way to implementing a Community Leadership Program that will provide support to those in the community who wish to build their leadership capacity. This program aims to equip participants with a set of skills that will enable them to effectively work with other people, strengthen their leadership capability, manage conflict, delegate and meet objectives to positively influence and support the development of our local communities.

It is wonderful that we have the capacity to provide the program to up to 25 participants across nine sessions that will be held between October 2020 and March 2021 in locations across South Gippsland.

Council adopted the Council Plan 2020-24 and Annual Budget 2020/21 at its June 2020 Meeting.

The Council Plan incorporates four key objectives:

- United Shire
- Economic Prosperity
- Integrated Services and Infrastructure
- Customer Focused Organisation

By retaining a sound financial base, Council has been able to put together a \$2 million COVID-19 Community Support Package. This package aims to support residents, businesses and community groups impacted by the pandemic.

I would like to commend the adaptability of our staff throughout the last few months. When confirmed COVID-19 cases started to climb in Victoria, we were quick to activate our Pandemic, Municipal Emergency Management, and Business Continuity plans. In particular our Business Recovery Team has done a remarkable job adjusting the way our organisation functions. Despite our Customer Service Centre being closed since March for face-to-face meetings, Council has remained committed and ready to serve our community whether that be via phone, email or online. Particular thanks to those staff unable to work from home due to the nature of their roles, including our Depot crews, Immunisation team, Local Laws officers and Maternal and Child Health nurses. You have done us proud.

I would like to thank the community for their welcome and continued support for myself and Administrator Brown and Administrator Zahra. The positive response from the community during COVID-19 has demonstrated the adaptability, resilience and innovation of regional Victorians.

Finally thank you to my colleagues Administrators Brown and Zahra for their commitment to the Shire as we work with the community to provide a sustainable and thriving community.

The stress and challenges of the COVID-19 pandemic have challenged us and I do look forward to a time where life can return to some sense of normality, but for now we are pleased with what Council has achieved.



Julie Eisenbise

Chair Administrator



Response to Objectives

Response to Objective One

That Council develops and delivers an extensive community leadership development programme that:

- i. Encourages widespread participation in community and civic life in the municipality;*
- ii. Supports the development of community leadership skills; and*
- iii. Supports an improvement in the relationship between the Council and its community.*

From the time of their appointment Administrators have seen building strong networks with regional stakeholders as key to improving community leadership and improving relationships between Council and its community. To that end they have met with local businesses and business associations, community groups and one-on-one with community members. Site visits have also been made to many of the Shire's major employers.

Administrators have also met with many stakeholders of regional significance such as:

- Gippsland Local Government Network (GLGN)
- Federal and State Politicians
- Parks Victoria
- MAV Regional
- Regional Development Victoria
- Destination Gippsland
- Rail Freight Alliance
- South Gippsland Health Service

Council has established a range of direct community cluster meetings that provide a platform for Administrators and Council staff to engage with community groups and towns on topics related to particular areas within the Shire. These meetings aim to:

- Provide a greater level of community participation in planning and implementation of Council services, projects and initiatives;
- Support small communities to implement projects and initiatives and undertake larger and more complex initiatives than could be achieved by individual communities;
- Access a higher level of external and local grant funds and provide support across the locality in times of difficulty or crisis;
- Create effective avenues for communities to partner with and advise Council on local priorities;
- Provide an avenue for other agencies whose work involves South Gippsland communities;
- Bring together representatives of a number of communities with a common interest; and
- Support a number of communities to collaborate on prioritising works that could be included in an external grant justification.

Council received Expressions of Interest from people keen to participate in the Community Leadership Program throughout April and May. The Program aims to equip participants with a set of skills that will enable them to effectively work with other people, strengthen their leadership capability, manage conflict, delegate and meet objectives. It is hoped participants will use the skills they gain through the Program to positively influence and support the development of local communities in South Gippsland.

Council sees that building community leadership is best achieved by supporting communities to support themselves. With that in mind Council funded 68 community groups through its 2019/20 Community Grants Program. The grants support and help fund the development of community assets, build community capacity, strengthen community sport and create community culture. The total grant funding allocated by Council was over \$257,000 for a range of projects within the Shire. This funding will support community projects with a value of over \$774,000. The 2020/21 Community Grants Program will have expanded criteria to broaden the reach and impact of the scheme.

Council is considering a suite of policies that relate to community engagement and public participation. It is our aim in everything we do to add value to our decision making through the involvement of the local community.



Response to Objective Two

That Council reviews and implements improved Council policies and processes, with a focus on Councillor induction and training, the Councillor Code of Conduct and meeting procedures.

Council adopted the *Local Law No.2 2020 - Processes of Municipal Government - Meeting Procedures and Common Seal* at its 27 May 2020 Meeting. The *Local Law No.2 2020* is an interim measure for governing Council Meetings and was required due to the previous *Local Law No. 3 - Meeting Procedures* sunset date ending on 4 June 2020. Under Section 60 of the 2020 Act, it is required for all councils to establish a set of Governance Rules which will replace this meeting procedure Local Law. The Governance Rules will be adopted by Council by 1 September 2020 in accordance with Act.

The 2020 Act also outlines the timelines and requirements for the review of the Councillor Code of Conduct and the meeting procedures. The changes to the Act include a State-wide Councillor Code of Conduct.

Council has been reviewing the suite of good governance policies and has introduced the *South Gippsland Good Governance Framework* (SGSC Framework) (Appendix One), which was adopted in December 2019. It aims to guide good governance practices and prioritises the work to be done over the next two years. A range of projects have already been implemented with updated policies and plans adopted, improvements made to communication avenues with the community and further projects under development.

The Good Governance Framework sets out:

- Good Governance Outcomes to be achieved;
- Eight Pillars of Good Governance to achieve the outcomes;
- Principles and behaviours that demonstrate good governance in practice and;
- Key Performance Indicators (KPI) that assist in monitoring performance trends.

The Good Governance Framework is attached to this report.

Good Governance Framework Summary

Outcomes of Good Governance

**Sustainable
Outcomes
Achieved**

**Shire Health,
Wellbeing
and Economy
Strengthened**

**Efficient (Quality)
Community
Services**

**Council Directions
and Priorities
Achieved**

**Informed Decisions
Made**

**Drives
Outcomes**

Pillars that Drive the Achievement of Outcomes

1	Direction and Leadership	5	Communications and Community Engagement
2	Culture and Behaviour	6	Capability
3	Decision Making	7	Risk and Compliance
4	Structure Systems and Policies	8	Monitoring and Performance Review

Principles and Behaviours of Good Governance

Good Governance is...

accountable	equitable and inclusive	good relationships
transparent	effective and efficient	trust
the rule of law	participatory	appropriate decision making
responsive	diversity	acting with integrity and impartiality

Key Performance Indicators

**Legislated measures
required under Local
Government Performance
and Reporting Framework**

**External measures
required by Government
or auditing
requirements**

**Council measures
required under
Community Vision and
Council Plan**

**Corporate measures
based on SGSC data for
internal and external
organisational
management**

**Department measures
based on SGSC data
for service standards,
performance and
team based requirements**





**Individual
measures based
on personal
work plans**





Actions Summary

The following tables outline the summary of actions under each pillar of Council's Good Governance Framework - to ensure the suite of financial governance plans and Council policies are reviewed and refined to prepare the foundation for the Council to be elected on October 2021. All 33 action items are either complete or on track.








Progress Status Definition		Number
 Complete	Action item has achieved target and is completed. No further action is required.	13
 On Track	The progress performance for the action item is achieving target. All elements of the action item is on track.	20
 Monitor	The progress performance for the action item is close to target and is being monitored to achieve target. All elements of the action item is improving to 'On-Track' or 'Complete' status.	–
 On Hold	Action item has been placed on-hold due to a set of circumstances or changes in legislation.	–




Pillar One - Direction and Leadership			Progress
1	Community Leadership Program	Expressions of Interest were advertised during April to May 2020 for community members to join Council's Community Leadership Program. Based on the number of applications the Program will be outlined in July 2020.	
2	Council Plan 2020 to 2024	Proposed new Council Plan endorsed at the April 2020 Council Meeting. Formal public consultation process took place between 28 April to 28 May 2020. This Plan was endorsed at the 24 June 2020 Council Meeting.	
3	Capital Works Program – Priority Projects	Capital Works Program reviewed. Priority Projects adopted in September 2020. Removal of equestrian and exhibition centre and cantilever at Agnes Falls. 2020/21 Priority Projects are on schedule to be adopted at the July 2020 Council Meeting.	
4	Long Term Financial Strategies	Review completed November 2019.	
5	Community Vision	As per the 2020 Act the scope of the Community Vision is not due until October 2022 after the Council Election in 2021. In the interim, Council has considered at the 27 May 2020 Council Meeting to prepare a draft governance and engagement structure, to assist the new Council in the development of the Community Vision.	
6	Appointment of Chief Executive Officer (CEO)	CEO of South Gippsland Shire Council was appointed on 5 February 2020.	
7	Gippsland Local Government Network (GLGN)	Administrator Chair and CEO representing South Gippsland at GLGN meetings. There has been 88 per cent attendance at these meetings (or one meeting missed in September 2019) for this financial year.	

Pillar Two - Culture and Behaviour			Progress
1	Councillor Code of Conduct review	Scheduled for review in 2021 as per the 2020 Act this is due after Council Election in October 2021. An interim measure for a draft Councillor Code of Conduct policy is planned for review in late July 2021.	
2	Council to develop shared values for the community and the organisation	In progress with the Council Plan's community consultation process and the development and collation of the Organisational Effectiveness Survey.	



Pillar Three - Decision Making			Progress
1	2019/20 Annual Budget	Reviewed and completed July 2019.	
2	Revised Council Plan 2017-2021	Reviewed and completed July 2019.	
3	Community Participation in Meetings with Council Policy (C65)	C65 - reviewed, updated and completed 18 December 2020 Council Meeting.	
4	Management of Unreasonable Conduct Policy (C79)	New policy currently under development and scheduled to be completed by the end of 2020.	
5	Local Law No.3 2010 (Meeting Procedures) reviewed before sunset date of 4 June 2020	The Local Law No.2 2020 – Processes of Municipal Government - Meeting Procedures and Common Seal was adopted at the 27 May 2020 Council Meeting. The consultation phase occurred in April 2020 and there were no community submissions received.	
6	2020/21 Annual Budget and review of Long Term Financial Strategies	Proposed 2020/21 Annual Budget endorsed at the 22 April 2020 Council Meeting. Community consultation took place from 28 April to 28 May 2020. The Annual Budget also included a \$2M Community Support Package in response to the COVID-19 Pandemic. It was adopted at the 24 June 2020 Council Meeting.	

Pillar Four - Structure, Systems and Policies			Progress
1	South Gippsland Shire Council Good Governance Framework	Adopted at the December 2019 Council Meeting. Second report to Council was considered at a Special Council Meeting on 8 July 2020.	
2	Councillor Support and Expenditure Policy (C51)	C51 - reviewed, updated and completed November 2019. This Policy is on the review schedule for 2020 to ensure it complies with the new 2020 Act, with a deadline of 1 September 2020.	
3	Sound Recording of Council Meetings Policy (C48)	C48 - being reviewed and updated for consideration at a future Council Meeting.	
4	Live Streaming of Council Meetings Policy (C67)	C67 - scheduled for review second half of 2020.	
5	Council meeting and briefing schedule structure review	Under review and to be implemented in second half of 2020 after the 2020-2024 Council Plan is scheduled to be endorsed by Council.	

Pillar Five - Communication and Community Engagement			Progress
1	Communications to the community on Council activities review	<p>Communications include:</p> <ul style="list-style-type: none"> • Undertaking a review of Council's weekly Noticeboard section in the four local newspapers. • Developing a marketing campaign to increase the subscriber numbers for Council's fortnightly e-newsletter, In The Know. Membership has increased from 650 members to over 1,800 subscribers since July 2019. • Investigating the use of social media advertising. • Administrators' Message weekly in the local papers • Minimum of three media releases on Council activities per week. • Continued live streaming of Council Meetings. 	
2	Community Engagement Policy (C06)	C06 - scheduled for review in the second half of 2020. As per the 2020 Act it is to be reviewed by 1 March 2021 to ensure it meets legislative requirements.	
3	Public Transparency Policy (New)	New policy currently under development and scheduled to be completed by 1 September 2020 as per 2020 Act.	



Pillar Six - Capability





Progress

- | | | | |
|---|--|---|--|
| 1 | Councillor Induction Program | Scheduled 2021 in line with South Gippsland Shire Council Election to be held in October 2021. Candidate and Councillor (once elected) training is mandatory as per the 2020 Act. | |
| 2 | Business Continuity and Disaster Recovery Plan | Due to COVID-19 Pandemic, Council reviewed and revised Council's Business Continuity Plan in February 2020. Council moved staff in March 2020 to work remotely, promptly and efficiently to ensure their safety. Despite this change, Council was able to continually provide the majority of services to the community. Council also took preventative action and closed recreation facilities, halls, pool facilities and Caravan Parks to the public to ensure community safety. | |

Pillar Seven - Risk and Compliance

Progress

- | | | | |
|---|--|---|--|
| 1 | Report on the Audit Committee Chair | Open public session held on 11 December 2019 by South Gippsland's Shire Council Audit Committee Chair. | |
| 2 | Risk Management Framework - Annual Risk and Strategic Risk Update to Council | Council's Risk Management Framework provides for an Annual Risk Strategic Briefing to Council on the key strategic risks impacting the organisation which was held on 19 February 2020. | |
| 3 | Procurement Policy (C32) | C65 - reviewed, updated and was adopted at the 24 June 2020 Council Meeting. | |

Pillar Eight - Monitoring and Performance Review			Progress
1	Audit of the Capital Works planning and scheduling program	Internal Audit review completed. Recommendations are being prepared into an Implementation Plan for the Audit Committee to consider prior to commencing the actions arising.	
2	Organisational Effectiveness Survey	Distributed to staff in November 2019. Due to COVID-19 Pandemic another staff effectiveness survey was distributed to staff to ensure that Council followed the Business Continuity Plan appropriately and working from home arrangements were suitable.	
3	Quarterly financial and performance reporting	Organisational Performance Reports were adopted by Council for each financial quarter in November 2019, February 2020 and May 2020.	
4	Integrated planning, monitoring and reporting framework (LGPRF)	Internal audit conducted by VAGO in March 2020 completed to ensure Council is meeting audit and financial legislative requirements before the full year review to be held in September 2020.	



Advancing Major Projects within the Shire

Leongatha Revitalisation Project - Bair Street

Works have commenced on Bair Street, Leongatha as part of the Revitalisation Project for the town. South Gippsland Water replacement of the sewer main is complete. The project is progressing with water mains being relocated and the underground power being constructed. These works aim to limit disruption to retail stores.

This project secured \$4.2M in Federal and State Government funding and Council has committed \$1.2M.



The Leongatha Revitalisation Project provides the means to create a vibrant CBD for Leongatha.

Mirboo North Pool Redevelopment

Works are progressing well for the Mirboo North Pool Redevelopment Project. All demolition has been completed and the establishment of the new pavillion structure has begun.

The completed project will design and construct a new 25 metre long, eight lane wide swimming pool and a new children's splash park. The project is expected to be completed by the end of 2020.



Mirboo North community contributed \$1 million towards fundraising for the project.

Korumburra Community Hub

The location of the Korumburra Community Hub has been finalised at 4 Victoria Street. Detailed design documentation has commenced and is scheduled to be completed in soon.

State Government funding of \$5M as part of the Community Infrastructure Loans Scheme and \$750,000 as part of the Living Libraries Infrastructure Program have been secured.



The role of the community hub is to provide a focus for community life centered on a modern library.

Korumburra Streetscape

Concept plans have been completed which includes works to the Korumburra Railway Station (Upper Commercial Street), Commercial Street and Little Commercial Street. This aims to enhance and integrate the Korumburra Community Hub project.

State Government funding of \$5M as part of the Community Infrastructure Loans Scheme has been secured.



The Korumburra Streetscape project will revitalise the CBD of Korumburra.

Great Southern Rail Trail

The removal of rail assets (steel rail and sleepers) between Leongatha and Nyora is on track to be completed soon. The planning and design is also near completion.

A grant application to Regional Infrastructure Fund of \$500,000 has been secured to extend the rail trail between Leongatha and Korumburra. An application totalling \$800,000 in State Government grant funding has also been lodged and currently pending for the extension between Korumburra and Nyora.



The Great Southern Rail Trail extension will enhance tourism opportunities in South Gippsland.



Chief Executive Officer
Kerry Ellis



Administrators

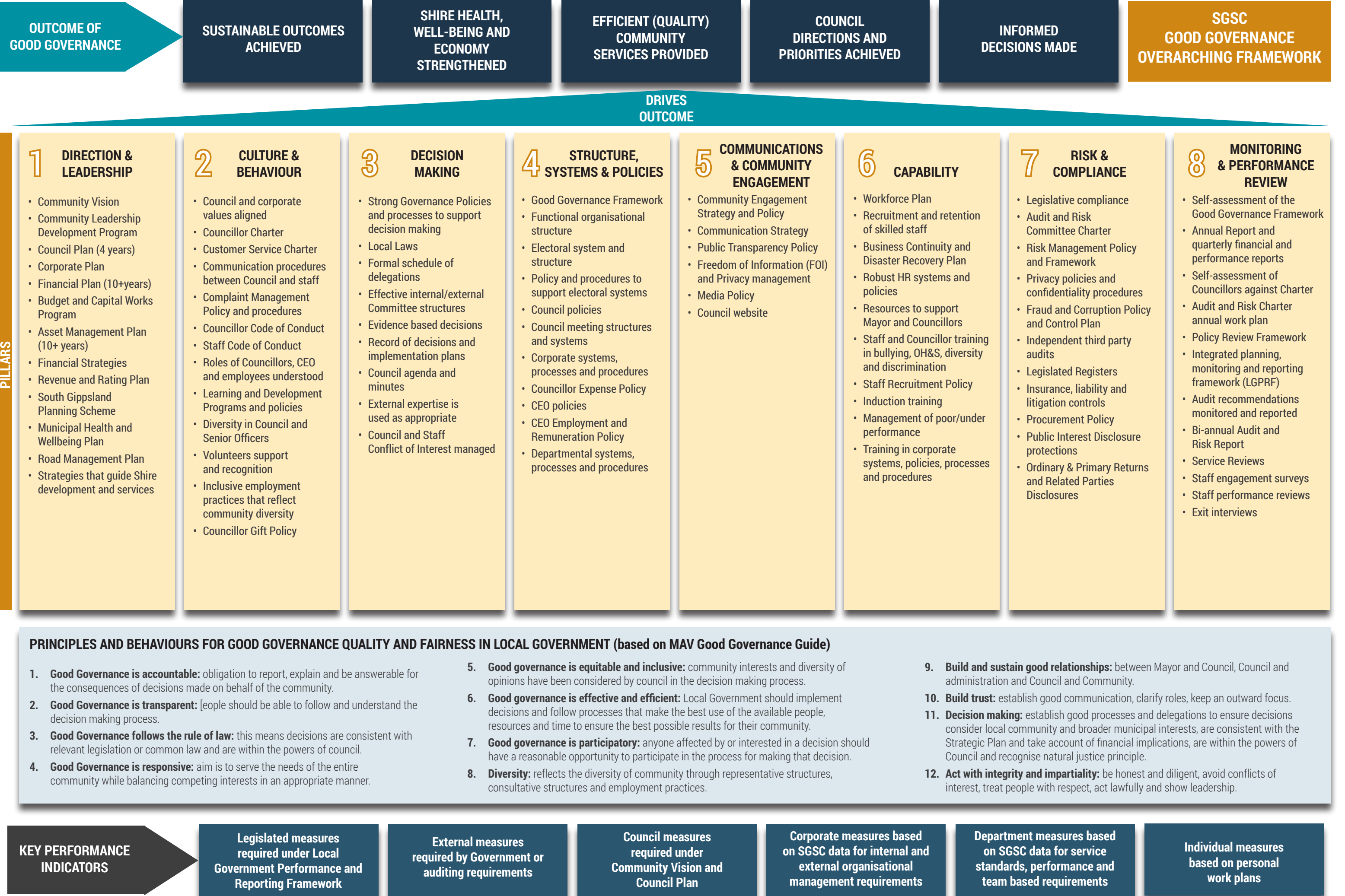
Christian Zahra (Deputy Chair)
Julie Eisenbise (Chair)
Rick Brown (Administrator)



Appendices

Appendix One: Good Governance Framework

Appendix Two: Good Governance Framework Update



KEY
Previously implmented or completed since last report December 2019
Progress conducted since last report December 2019
Does not exists or requires investigation and development

OUTCOMES OF GOOD GOVERNANCE				
SUSTAINABLE OUTCOMES ACHIEVED	SHIRE HEALTH, WELL-BEING AND ECONOMY STRENGTHENED	EFFICIENT (QUALITY) COMMUNITY SERVICES PROVIDED	COUNCIL DIRECTIONS AND PRIORITIES ACHIEVED	INFORMED DECISIONS MADE

Agenda - 22 July 2020
SGSC GOOD GOVERNANCE FRAMEWORK - LEVEL 1 - OVERARCHING FRAMEWORK PROGRESS

DRIVES OUTCOME								
PILLARS	1 DIRECTION & LEADERSHIP	2 DECISION MAKING	3 STRUCTURE, SYSTEMS & POLICIES	4 CULTURE & BEHAVIOUR	5 COMMUNICATIONS AND COMMUNITY ENGAGEMENT	6 CAPABILITY	7 RISK & COMPLIANCE	8 MONITORING & PERFORMANCE REVIEW
	Community Vision established	User-friendly governance processes	Organisational structure functionality is effective	Organisational culture aligns values and engenders excellence, empowerment, accountability, responsibility and respect	Corporate marketing, branding and media management is proactive	Workforce Plan established and managed	Legislative compliance managed	Audit and Risk Charter and annual work plan adopted
	Good Governance Framework adopted	Legislated requirements and frequencies are met	CEO recruitment process managed appropriately			Gender Equality Action Plan established	Audit Committee Charter	Integrated planning, monitoring and reporting framework adopted
	Community Leadership Development Program builds capacity for future leaders	Evidence based decisions made	CEO and Employment and Remuneration Policy adopted		Communication Plan and protocols for media and social media are user friendly and applied consistently	Staff Recruitment Policy established and monitored	Audit Committee and VAGO identify compliance and establish controls	Audit review recommendations monitored and reported
	Council Plan (4 years) adopted	Governance Rules, Local Laws and Policies are current, effective and applied consistently	Council and CEO policies developed and adopted	Councillor Charter defines Councillor values, expected conduct and the benefits of diversity in representation	Community Engagement Strategy and Policy adopted	Staff and Councillor Induction training is provided	Risk Management Framework implemented	Bi-annual Audit and Risk Report presented to Council
	Financial Plan (10+years) adopted	Council agenda and minutes published on Council website	Electoral structures and election procedures compliant	Roles of Councillors, CEO and employees are understood	Community engagement stakeholder plans developed and utilised to inform decisions	Resources and support for Mayor and Councillors are regularly reviewed	Fraud and corruption controls managed	Policies compliant, reviewed and monitored (by Audit Committee)
	Financial Policies and Strategies that drive sustainability adopted	Confidential items for Council decision are managed as per legislation	Election Period Policy adopted twelve months in advance of a Council election	Councillor and Staff Codes of Conduct adopted	Council website ensures current information and legislated requirements are publically accessible	Staff and management development, talent attraction and succession planning is relevant	Codes of conduct for staff and Councillors monitored	Best Value/Service Reviews conducted and service standards monitored
	Budget adopted	Delegations to CEO and Officers are understood and practiced	Meeting structures and systems support decision making	Internal communication strategies between Council/CEO, CEO/Executive, CEO/ Staff, Director and Departments and between Departments are effective	Public Transparency Policy adopted	Training and education across the organisation in corporate systems, policies, processes and procedures is provided	Legislated Registers are controlled	Self-assessment of good governance framework
	Asset Management Plan (10+ years) adopted	Terms of Reference of Committees and Delegations established, reviewed and monitored	Corporate systems are robust, user friendly and functional	Learning and Development Programs and Policies delivered	Freedom of Information (FOI), Privacy documentation and accessible data meeting legislative requirements	Staff and Councillor training in bullying, OH&S and discrimination	Incident management claims handled accordingly	Self-assessment of Councillors against Charter
	Capital Works Program	Financial delegations are managed	Internal committees have appropriate Terms of Reference	Customer service standards, and protocols proactively focus on delivering excellence		Review and management of staff under performance is effective and fair	Insurance, liability and litigation controls and claims managed to limit Council exposure	Staff engagement surveys conducted
	Annual Report	Record control of Council, Committees and Delegation decisions are managed	Council representation on external committees is beneficial for the Shire	Volunteers supported		Resources and workloads of staff are regularly reviewed	Privacy policies and confidentiality protocols developed and maintained	Executive Team 360 surveys conducted
	Corporate Plan established	Conflict of Interest declared and monitored	Department systems, processes and procedures are functional	Complaint Handling Policy is adopted		Councillor Expense Policy adopted	Contract management and procurement are managed	Staff performance reviews conducted and managed
	Planning Scheme managed	External expertise is used appropriately		Councillor Gift Policy adopted			Public Interest Disclosure protections followed	Staff exit interviews managed and reviewed
	Municipal Strategic Statement adopted	Revenue and Rating Policy adopted					Ordinary & Primary Re- turns and Related Parties Disclosures managed	Regularly reporting and monitoring of code of conduct, risks and OHS
	Municipal Health and Wellbeing Plan adopted							Organisational and finance performance reports
	Road Management Plan adopted							Financial and Performance Statements audited by VAGO
	Strategies that guide Shire development and Services adopted							