Administrators’ Community Update - July 2020
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.


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
2. Culture and Behaviour
3. Decision Making
4. Structure Systems and Policies
5. Communications and Community Engagement
6. Capability
7. Risk and Compliance
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.

<table>
<thead>
<tr>
<th>Progress Status Definition</th>
<th>Number</th>
</tr>
</thead>
<tbody>
<tr>
<td>Complete</td>
<td>13</td>
</tr>
<tr>
<td>The progress performance for the action item is achieving target. All elements of the action item is on track.</td>
<td>20</td>
</tr>
<tr>
<td>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.</td>
<td>–</td>
</tr>
<tr>
<td>Action item has been placed on-hold due to a set of circumstances or changes in legislation.</td>
<td>–</td>
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</tbody>
</table>
## Pillar One - Direction and Leadership

<table>
<thead>
<tr>
<th></th>
<th>Progress</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Community Leadership Program</td>
</tr>
<tr>
<td>2</td>
<td>Council Plan 2020 to 2024</td>
</tr>
<tr>
<td>5</td>
<td>Community Vision</td>
</tr>
<tr>
<td>6</td>
<td>Appointment of Chief Executive Officer (CEO)</td>
</tr>
<tr>
<td>7</td>
<td>Gippsland Local Government Network (GLGN)</td>
</tr>
</tbody>
</table>

## Pillar Two - Culture and Behaviour

<table>
<thead>
<tr>
<th></th>
<th>Progress</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Councillor Code of Conduct review</td>
</tr>
<tr>
<td>2</td>
<td>Council to develop shared values for the community and the organisation</td>
</tr>
<tr>
<td>Pillar Three - Decision Making</td>
<td>Progress</td>
</tr>
<tr>
<td>-------------------------------------------------------------------</td>
<td>------------------------------------------------------------------------------------------------------------------------------------------</td>
</tr>
<tr>
<td>1  2019/20 Annual Budget</td>
<td>Reviewed and completed July 2019.</td>
</tr>
<tr>
<td>3  Community Participation in Meetings with Council Policy (C65)</td>
<td>C65 - reviewed, updated and completed 18 December 2020 Council Meeting.</td>
</tr>
<tr>
<td>4  Management of Unreasonable Conduct Policy (C79)</td>
<td>New policy currently under development and scheduled to be completed by the end of 2020.</td>
</tr>
<tr>
<td>5  Local Law No.3 2010 (Meeting Procedures) reviewed before sunset date of 4 June 2020</td>
<td>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.</td>
</tr>
</tbody>
</table>
### Pillar Four - Structure, Systems and Policies

<table>
<thead>
<tr>
<th>No.</th>
<th>Policy</th>
<th>Progress</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>South Gippsland Shire Council Good Governance Framework</td>
<td>Adopted at the December 2019 Council Meeting. Second report to Council was considered at a Special Council Meeting on 8 July 2020.</td>
</tr>
<tr>
<td>2</td>
<td>Councillor Support and Expenditure Policy (C51)</td>
<td>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.</td>
</tr>
<tr>
<td>3</td>
<td>Sound Recording of Council Meetings Policy (C48)</td>
<td>C48 - being reviewed and updated for consideration at a future Council Meeting.</td>
</tr>
<tr>
<td>5</td>
<td>Council meeting and briefing schedule structure review</td>
<td>Under review and to be implemented in second half of 2020 after the 2020-2024 Council Plan is scheduled to be endorsed by Council.</td>
</tr>
</tbody>
</table>

### Pillar Five - Communication and Community Engagement

<table>
<thead>
<tr>
<th>No.</th>
<th>Communications to the community on Council activities review</th>
<th>Progress</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Communications include:</td>
<td></td>
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<tr>
<td></td>
<td>• Undertaking a review of Council’s weekly Noticeboard section in the four local newspapers.</td>
<td></td>
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<tr>
<td></td>
<td>• 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.</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Investigating the use of social media advertising.</td>
<td></td>
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<td></td>
<td>• Administrators’ Message weekly in the local papers</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Minimum of three media releases on Council activities per week.</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Continued live streaming of Council Meetings.</td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>Community Engagement Policy (C06)</td>
<td>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.</td>
</tr>
<tr>
<td>3</td>
<td>Public Transparency Policy (New)</td>
<td>New policy currently under development and scheduled to be completed by 1 September 2020 as per 2020 Act.</td>
</tr>
</tbody>
</table>
### Pillar Six - Capability

<table>
<thead>
<tr>
<th></th>
<th>Councillor Induction Program</th>
<th>Progress</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>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.</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>Business Continuity and Disaster Recovery Plan</th>
<th>Progress</th>
</tr>
</thead>
<tbody>
<tr>
<td>2</td>
<td>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.</td>
<td></td>
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</tbody>
</table>

### Pillar Seven - Risk and Compliance

<table>
<thead>
<tr>
<th></th>
<th>Report on the Audit Committee Chair</th>
<th>Progress</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Open public session held on 11 December 2019 by South Gippsland's Shire Council Audit Committee Chair.</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>Risk Management Framework - Annual Risk and Strategic Risk Update to Council</th>
<th>Progress</th>
</tr>
</thead>
<tbody>
<tr>
<td>2</td>
<td>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.</td>
<td></td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>Procurement Policy (C32)</th>
<th>Progress</th>
</tr>
</thead>
<tbody>
<tr>
<td>3</td>
<td>C65 - reviewed, updated and was adopted at the 24 June 2020 Council Meeting.</td>
<td></td>
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</tbody>
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*South Gippsland Shire Council - Meetin No. 447 - 22 July 2020*
## Pillar Eight - Monitoring and Performance Review

<table>
<thead>
<tr>
<th></th>
<th>Description</th>
<th>Progress</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Audit of the Capital Works planning and scheduling program</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Internal Audit review completed. Recommendations are being prepared into an Implementation Plan for the Audit Committee to consider prior to commencing the actions arising.</td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>Organisational Effectiveness Survey</td>
<td></td>
</tr>
<tr>
<td></td>
<td>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.</td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>Quarterly financial and performance reporting</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Organisational Performance Reports were adopted by Council for each financial quarter in November 2019, February 2020 and May 2020.</td>
<td></td>
</tr>
<tr>
<td>4</td>
<td>Integrated planning, monitoring and reporting framework (LGPRF)</td>
<td></td>
</tr>
<tr>
<td></td>
<td>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.</td>
<td></td>
</tr>
</tbody>
</table>
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.*

**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
Kerryn Ellis

Administrators

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

Appendix One: Good Governance Framework
Appendix Two: Good Governance Framework Update
1. **GOOD GOVERNANCE PILLARS**

   - Community Vision
   - Community Leadership Development Program
   - Council Plan (4 years)
   - Corporate Plan
   - Financial Plan (10 years)
   - Budget and Capital Works Program
   - Asset Management Plan (10+ years)
   - Financial Strategies
   - Revenue and Rating Plan
   - South Gippsland Planning Scheme
   - Municipal Health and Wellbeing Plan
   - Road Management Plan
   - Strategies that guide Shire development and services

2. **OUTCOME OF GOOD GOVERNANCE**

   - Sustainable Outcomes Achieved
   - Efficient (Quality) Community Services Provided
   - Council Directions and Priorities Achieved
   - Informed Decisions Made
   - Shire Health, Wellbeing and Economy Strengthened

3. **PRINCIPLES AND BEHAVIOURS FOR GOOD GOVERNANCE QUALITY AND FAIRNESS IN LOCAL GOVERNMENT** (based on MAV Good Governance Guide)

   1. **GOOD GOVERNANCE IS ACCOUNTABLE:** Obligation to report, explain and be answerable for the consequences of decisions made on behalf of the community.
   2. **GOOD GOVERNANCE IS TRANSPARENT:** People should be able to follow and understand the decision making process.
   3. **GOOD GOVERNANCE FOLLOWS THE RULE OF LAW:** This means decisions are consistent with relevant legislation or common law and are within the powers of council.
   4. **GOOD GOVERNANCE IS RESPONSIVE:** Aim is to serve the needs of the entire community while balancing competing interests in an appropriate manner.
   5. **GOOD GOVERNANCE IS EQUITABLE AND INCLUSIVE:** Community interests and diversity of opinions have been considered by council in the decision making process.
   6. **GOOD GOVERNANCE IS EFFECTIVE AND EFFICIENT:** Local government should implement decisions and follow processes that make the best use of the available people, resources and time to ensure the best possible results for their community.
   7. **GOOD GOVERNANCE IS PARTICIPATORY:** Anyone affected by or interested in a decision should have a reasonable opportunity to participate in the process for making that decision.
   8. **DIVERSITY:** Reflects the diversity of the community through representative structures, consultative structures and employment practices.
   9. **BUILD AND SUSTAIN GOOD RELATIONSHIPS:** Between Mayor and Council, Council and administration and Council and Community.
   10. **BUILD TRUST:** Establish good communication, clarify roles, know your role.
   11. **DECISION MAKING:** Establish good processes and delegations to ensure decisions consider local community and broader municipal interests, are consistent with the strategic plan and take account of financial implications, are within the powers of Council and recognise natural justice principles.
   12. **ACT WITH INTEGRITY AND IMPARTIALITY:** Be honest and diligent, avoid conflicts of interest, treat people with respect, act lawfully and show leadership.

4. **DRIVES OUTCOME**

   - Decision Making
   - Structure, Systems & Policies
   - Communications & Community Engagement
   - Capability
   - Risk & Compliance
   - Monitoring & Performance Review

5. **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 requirements
   - Department measures based on SGSC data for service standards, performance and team based requirements
   - Individual measures based on personal work plans

South Gippsland Shire Council - Meeting No. 447 - 22 July 2020