
8 GOVERNANCE AND CORPORATE PERFORMANCE

8.1 REQUEST FOR LEASE - 12 MOYLE STREET SEYMOUR

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File No: CP/07/051

Attachments: 1. Location Plan of 12 Moyle Street
2. Premise Currently Leased at 12 Moyle Street

SUMMARY

A report to the 18 March 2019 Council Meeting discussed the request from Goulburn Valley Health for a new lease for the premise at 12 Moyle Street Seymour for a term of 12 months from 1 July 2019 to 30 June 2020.

At the March 2019 Ordinary Council Meeting, the following resolutions were carried:

THAT Council:

1. Authorise the giving of Public Notice under sections 190 and 82(A)2 of the *Local Government Act 1989* to advertise the intention to enter into a lease for the premise at 12 Moyle Street Seymour with Goulburn Valley Health for a term of 12 months, being from 1 July 2019 until 30 June 2020.
2. Seek and accept public submissions under s223 of the *Local Government Act 1989* in response to the Public Notice.
3. Hear submitters at a meeting of the Community Questions and Hearing Committee.

Public Notice has now been completed for the intention to enter into the lease and this report discusses the results of the public notice process and makes recommendations that a new lease be entered into with Goulburn Valley Health.

RECOMMENDATION

THAT Council:

1. Note that the legislative processes as required under section 190, section 82A and section 223 of the *Local Government Act 1989* have been completed in relation to the proposal to enter into a lease with Goulburn Valley Health for the occupation of the Council owned property known as 12 Moyle Street, Seymour.
2. Having completed the legislative processes as noted in Recommendation 1 of this report with no submissions received, resolve that Council enter into a lease with Goulburn Valley Health on the proposed terms, being a 12 month lease from 1 July 2019 to 30 June 2020 and the lease fee of \$95,751.26 for the occupation of the premise at 12 Moyle Street Seymour.
3. Authorise the signing of the lease with Goulburn Valley Health for the premises at 12 Moyle Street Seymour for the 12 month term of 1 July 2019 to 30 June 2020 and the lease fee of \$95,751.26.

REQUEST FOR LEASE - 12 MOYLE STREET SEYMOUR (CONT.)

BACKGROUND

12 Moyle Street, Seymour has been leased to Goulburn Valley Health (GVH) since 2002 for the purposes of a primary care facility for health and related services.

Specifically, GVH's operations in Moyle Street provide adult mental health care to the Seymour community. The GVH website defines their services as:

Goulburn Valley Area Mental Health Service provides an innovative range of services for individuals suffering from, or at risk of, serious mental health problems requiring short and long-term treatment and support.

As the GVH lease is due to expire on 30 June 2019, Council approached GVH to request their intentions regarding future plans for the occupation of the premises. In response, GVH have requested a new lease for a term of 12 months. This would be from 1 July 2019 to 30 June 2020.

ISSUES AND DISCUSSION

There is no equivalent service provider in Seymour to fill the service gap should GVH remove their services from the Seymour area for lack of accommodation. GVH offer their services to adult community members while other providers, such as The Bridge Youth Services, cater to children and youth and Scope Australia cater for the disabled. There are no other known options for alternative accommodation for GVH in Seymour.

Given the important role GVH play in supporting the Seymour community, and their good record as a tenant, it is proposed to offer GVH a new lease as requested.

Under the *Local Government Act 1989* (the Act), s190, Council has responsibilities to be met prior to entering into a lease with GVH. Section 190 of the Act requires that:

(2) Subject to any other Act, if a Council leases any land to any person subject to any exceptions, reservations, covenants and conditions, it must comply with this section.

(3) If the lease is to be—

(a) for 1 year or more and —

(i) the rent for any period of the lease is \$50 000 or more a year; or

(ii) the current market rental value of the land is \$50 000 or more a year;

(b) for 10 years or more; or

(c) a building or improving lease—

the Council must at least 4 weeks before the lease is made publish a public notice of the proposed lease.

As the current market rental value of the premise is over \$50,000, Council must give public notice of the intention to enter into a lease for the premise for 1 year or more.

Attachments

Attachment 1 shows the location in Seymour of the building at 12 Moyle Street.

Attachment 2 illustrates the whole of the premise currently leased to GVH.

REQUEST FOR LEASE - 12 MOYLE STREET SEYMOUR (CONT.)

CONSULTATION

A Public Notice for the intention to lease the premises was published in the Seymour Telegraph of Tuesday 23 March 2019 and placed on Council's website, with submissions closing Friday 26 April 2019.

Submissions were invited and any submitters were able to appear, or be represented, at a meeting of the Community Questions and Hearing Committee if they wished to do so.

There were no submissions received in response to the Public Notice.

FINANCIAL, RESOURCE AND ASSET MANAGEMENT IMPLICATIONS

Council will receive rental income of \$96K from the new lease and GVH will continue to pay all outgoings for their occupation and carry out general maintenance, including the mowing of the grassed area in front of the building which is included in the lease area.

Council is accountable for standard Lessor maintenance responsibilities such as structural repairs, replacement of installations such as heating and cooling units and Essential Safety Measures.

The processes required to be undertaken under the Act, liaising with GVH have to date been carried out within existing staff resources and, should the new lease be supported, the lease documentation and execution can be completed within existing resources.

POLICY AND LEGISLATIVE IMPLICATIONS

The support for GVH to continue their operations in Seymour under a lease for the 12 months of 1 July 2019 to 30 June 2020 would be consistent with the Mitchell Shire Council Plan 2017-2021 and the Mitchell 2020 Community Plan.

RISK IMPLICATIONS

Risk Ranking is determined using [ROHS201-G1- Corporate Risk Matrix](#). Risk is identified as Low, Medium, High or Very High.

Risk	Risk Ranking	Proposed Treatments	Within Existing Resources?
New lease not issued – GVH leave Seymour and there is a lack of, or no support services in Seymour for adult mental health.	High	Agree to new lease agreement to GVH.	Yes
New lease not issued – possible community dissatisfaction for the withdrawal of GVH	High	Agree to new lease agreement to GVH.	Yes

REQUEST FOR LEASE - 12 MOYLE STREET SEYMOUR (CONT.)

Risk	Risk Ranking	Proposed Treatments	Within Existing Resources?
services from Seymour.			
New lease not issued – may not find another tenant.	Medium	Agree to new lease agreement to GVH.	Yes
New lease not issued – building general internal condition deterioration while empty.	Medium	The building is kept in good order by the Tenant and Council would need to keep the building clean and tidy during any time the building was vacant.	No – would need to engage cleaner.
New lease not issued – insurance excess greatly increased while building is vacant.	Medium	Agree to new lease agreement to GVH.	Yes

SUSTAINABILITY IMPLICATIONS (SOCIAL AND ENVIRONMENTAL)

The service offered by GVH is an important social support service for the Seymour community and, should GVH remove their service, there could be a variety of adverse implications, both for individuals and their families and the general community.

There are no known environmental sustainability implications.

CHARTER OF HUMAN RIGHTS IMPLICATIONS

The rights protected in the *Charter of Human Rights and Responsibilities Act 2006* were considered in preparing this report and it's determined that the subject matter does not raise any human rights issues.

CHILDREN AND YOUNG PEOPLE IMPLICATIONS

While the GVH service does not consult with children and youth, their service supports parents and therefore there is a direct link with supporting the family unit and consequential implications if the service was to be withdrawn. Whilst some people may

REQUEST FOR LEASE - 12 MOYLE STREET SEYMOUR (CONT.)

travel to Shepperton or elsewhere to continue consultation, others may choose not to seek further support and assistance.

OFFICER DECLARATION OF CONFLICT OF INTEREST

No officers involved in the preparation of this report have any direct or indirect interest in this matter.

CONCLUSION

The support service offered by Goulburn Valley Health is an important one for the township of Seymour. The service supports the welfare of Shire residents, which in turn contributes to the overall wellbeing and benefit of the wider community.

Entering into the lease with Goulburn Valley Health as proposed will endorse the work of Goulburn Valley Health within the Seymour community. The recommendations of this report are to enter into a new lease to continue to support the existing arrangements for the provision of mental health services.

REQUEST FOR LEASE - 12 MOYLE STREET SEYMOUR (CONT.)

MITCHELL SHIRE COUNCIL

Council Meeting Attachment

GOVERNANCE AND CORPORATE PERFORMANCE

20 MAY 2019

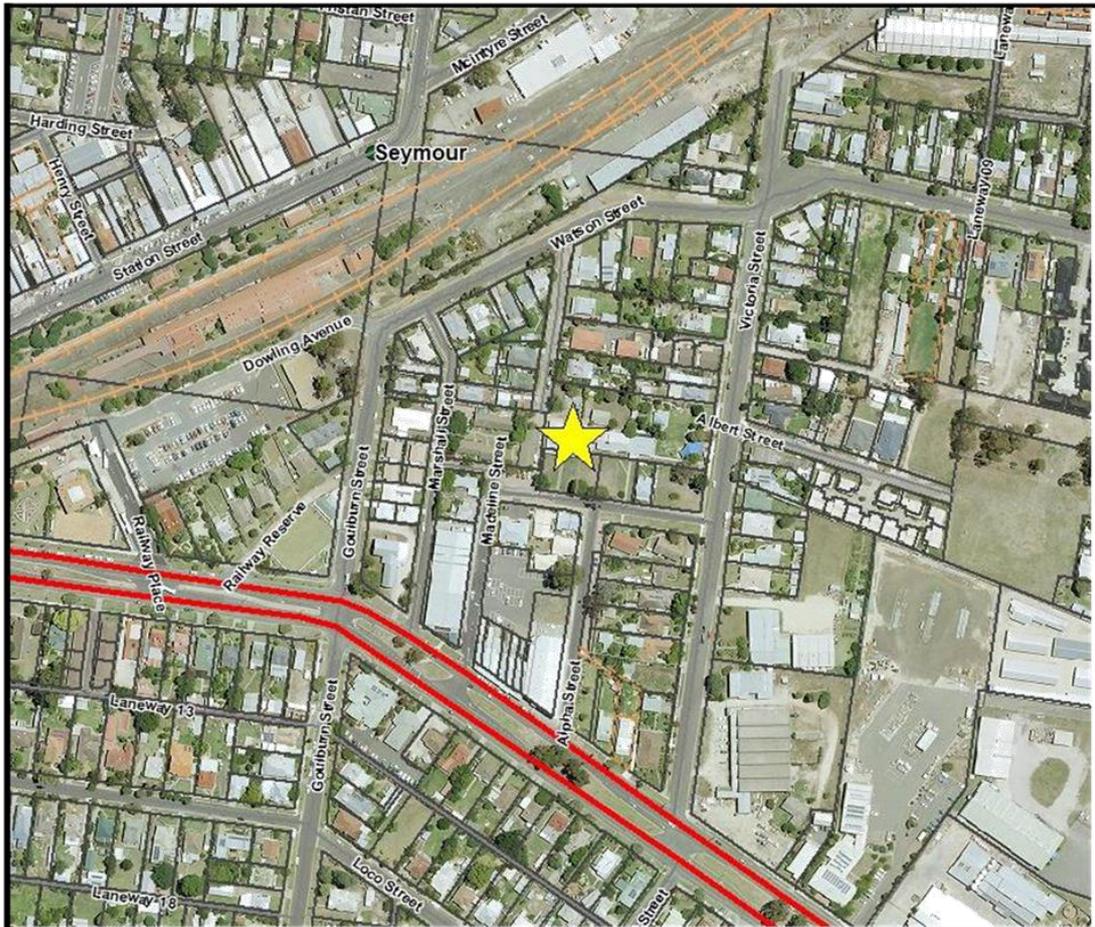
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**REQUEST FOR LEASE - 12 MOYLE STREET
SEYMOUR**

Attachment No: 1

Location Plan of 12 Moyle Street

Locality Plan – 12 Moyle Street marked with yellow star symbol



MITCHELL SHIRE COUNCIL

Council Meeting Attachment

GOVERNANCE AND CORPORATE PERFORMANCE

20 MAY 2019

8.1

**REQUEST FOR LEASE - 12 MOYLE STREET
SEYMOUR**

Attachment No: 2

Premise Currently Leased at 12 Moyle Street

12 Moyle Street Seymour – leased area outlined in red.

