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## 8 ADVOCACY AND COMMUNITY SERVICES

### 8.1 UPPER PLENTY MECHANICS INSTITUTE ('THE SHACK') - COMMITTEE OF MANAGEMENT APPOINTMENT

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**Attachments:** Nil

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#### SUMMARY

On 15 October 2018, Council considered a report on the Upper Plenty Mechanics Institute ('The Shack') land and building. The building was destroyed by fire in 2015. Council resolved to agree in principle to appointing the Upper Plenty Mechanics Institute Hall Association Inc as a Committee of Management operating under a Funding and Service Agreement to manage the hall when it was rebuilt.

Until Council has resolved which community-based management model it wishes to adopt for the future, it is recommended that the Upper Plenty Mechanics Institute Hall be managed under the same arrangements as Council's current Committees of Management. This report is seeking Council's approval for this appointment.

#### RECOMMENDATION

**THAT** Council:

1. Appoint the Upper Plenty Mechanics Institute Hall Association Inc (A0014945R) as the Committee of Management for the Upper Plenty Mechanics Institute Hall (and surrounds) site.
2. Negotiate a Funding and Service Agreement with Council, effective from 1 July 2020 with an operational subsidy of \$5,100 per annum.
3. Will review this matter when the model of Governance for Committees has been resolved.

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UPPER PLENTY MECHANICS INSTITUTE ('THE SHACK') - COMMITTEE OF MANAGEMENT APPOINTMENT (CONT.)

## **BACKGROUND**

### Upper Plenty Mechanics Institute Hall ('The Shack')

The Upper Plenty Mechanics Institute Hall was co-located with the Upper Plenty Primary School on land owned and managed by the Department of Education and Training (DET). The land was Crown land reserved for educational purposes.

In 2015, the Hall was destroyed by fire. Council representatives worked closely with the Hall's committee and its insurers on rebuilding. A Building Permit was issued in 2017 however landowner permission had not been obtained from DET. There was also some doubt the Department still required the land. Council and the Victorian Government agreed to better protect the land for community use. The statutory and administrative processes to do so take some time. Planning and approvals for the rebuilding of the Hall continued throughout the necessary processes.

The land is now Crown land reserved for public purposes and under the Department of Environment, Land, Water and Planning (DEWLP). The Minister has appointed Council as Crown land Committee of Management for the site.

Construction of the new building is now well-advanced and there is a need to formalise its future operational management.

### Council's Committees of Management

Until 2011 Council had, under the provisions of the *Local Government Act 1989*, appointed Section 86 Committees to manage community facilities. Section 86 Committees operated under delegations from Council.

In 2011, Council adopted an incorporated associations model. Most Committees of Management became separately incorporated associations (some already were). Since then, Committees of Management have operated under Funding and Service Agreements (FASAs) with Council. The Agreement is a license-based occupancy agreement, as well as a funding and service agreement. The funding is a subsidy towards operational expenditure and Committees of Management have the power to set their own fees and retain all income. The subsidies vary depending on the nature of the facility.

Council currently has some community halls (and surrounds) being managed by Committees of Management. Those similar to the Upper Plenty Mechanics Hall are Tooborac Hall, Wandong Hall and Tallarook Mechanics Institute Hall (also being rebuilt).

## **ISSUES AND DISCUSSION**

Since 2011, there have been a number of reviews of Council's Committee of Management model, various recommendations from the last, in 2016, were not accepted or implemented. The Committees have continued operating under the overholding provisions of the Funding and Service Agreements.

Around the same time as the 2016 review, the Victorian Government announced its intention to introduce a new Local Government Act. As there had been concerns about regulatory burdens on volunteer community-based committees, the new Act is going to include changes to Section 86 provisions. The changes will result in an alternative

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management model option for Council to consider. The development of the new Act took longer than anticipated.

Council was also developing its *Community Facilities Leasing and Licensing Policy* which was adopted. It can form the basis of new occupancy arrangements with Committees of Management. A separate Funding and Service Agreement for the Committees is being developed for Council's consideration.

The *Local Government Act 2020* includes an alternative Committee of Management model option which, once more details are available, Council may wish to consider. It provides for councils to appoint members to a Community Asset Committee which operates under delegation from a council's Chief Executive Officer. These committees would be part of the council rather than separately incorporated bodies. Council is currently seeking legal advice on this possible option.

Until Council has resolved which community-based management model it wishes to adopt for the future, it is recommended that the Upper Plenty Mechanics Institute Hall be managed under the same arrangements as Council's current Committees of Management.

This report is recommending that Council appoints the Upper Plenty Mechanics Institute Hall Association Inc (A0014945R) as Committee of Management for the Upper Plenty Mechanics Institute Hall, Upper Plenty. Also, that this be based on a similar Funding and Service Agreement to those with other Council-appointed Committees of Management of community halls, with the Agreement to be effective from 1 July 2020, to be reviewed when all other Committee of Management/Funding and Service Agreements are updated.

## **CONSULTATION**

A very strong working relationship has been established between the Association's Committee representatives and Council officers during the planning and delivery of the hall rebuild.

Based on Council's October 2018 resolution, the Association's Committee is of the understanding that it will be appointed by Council as a Committee of Management, under a Funding and Service Agreement. The Committee have advised that they are happy with the FASA.

## **FINANCIAL, RESOURCE AND ASSET MANAGEMENT IMPLICATIONS**

Based on Council's current subsidies for committees of management of similar facilities, it is proposed that the subsidy within the Funding and Service Agreement for the Upper Plenty Mechanics Institute Hall Committee of Management be \$5,100 for 2020/21. Provision for this has been made in Council's 2020/21 draft budget. This rate is commensurate with other similar Halls.

## **POLICY AND LEGISLATIVE IMPLICATIONS**

The *Local Government Act 2020* provides another possible option for Council's future management of its community facilities although details are unclear at this stage.

Council has now adopted its *Community Facilities Leasing and Licensing Policy*. If Council determines to continue with the incorporated associations model for

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Committees of Management of its community facilities, this Policy will be applied to all sites, together with a separate and revised Funding and Service Agreement.

### 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?
The Upper Plenty Mechanics Institute Hall Association may not agree with all terms of the Funding and Service Agreement.	Low	Officers have negotiated with the Committee and explained that the terms are those which apply to all Committees of Management and that level of subsidy is comparable with similar facilities. The Committee have indicated that they are comfortable with the terms.	Yes
Complications could arise as the Committees transition between models due to the transition in the Local Government Act	Low	Officers have identified the issues and have sought legal advice and will work with the Committee and advise Council in a timely manner.	Yes

### SUSTAINABILITY IMPLICATIONS (SOCIAL AND ENVIRONMENTAL)

The Upper Plenty Mechanics Institute Hall has a rich social history and the loss of the hall in 2015, not long after being upgraded, significantly impacted on the Upper Plenty community and those with connections to the community and its history. Acknowledging the past but also looking to the future, the Hall's Committee has worked closely with their insurers and Council to rebuild a similar but more functional and environmentally sustainable building. The social capital of these types of community facilities is significant and the new building will 'hold' and grow this through future generations. Sustainability features include a solar panel, compliant sewerage systems, LED lighting and Internal toilets.

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### **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.

### **CONCLUSION**

The Upper Plenty Mechanics Institute Hall has been a key asset for the Upper Plenty community for over 100 years. Reflecting its Mechanics Institute past, it was located on Crown land reserved for educational purposes over this time. The land is now under the Department of Environment, Land, Water and Planning, with a Crown land reservation for public purposes and Council appointed as manager. This better protection must be of some relief to the Upper Plenty community.

It also provides the opportunity for Council to correct an inequity in past service provision through the introduction of the Funding and Service Agreement and support from Council.

The Upper Plenty Mechanics Institute Hall Association Inc has very successfully managed the hall and site in the past and it is fitting they do so under the new land management arrangements. It is recommended that Council appoint the Association as the Committee of Management, operating under a Funding and Service Agreement with Council.