

9.2 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. 12 Moyle Street Lease Area

SUMMARY

This report follows on from a report to the April 2020 Council Meeting which discussed the request from Goulburn Valley Health for a new lease for the premise at 12 Moyle Street, Seymour. The proposed new lease is for a 12-month term commencing 1 July 2020 through to 30 June 2021, with an option for a further term of 12 months.

The resolution of the April 2020 Ordinary Council Meeting required the giving of Public Notice under sections 190 and 82(A)2 of the *Local Government Act 1989* in order to advertise the intention to enter a lease for the premise. The Public Notice process included seeking and accepting public submissions under s223 of the *Local Government Act 1989* in response to the Public Notice and to hear submitters at a meeting of the Community Questions and Hearing Committee.

The giving of Public Notice has now been completed for the intention to enter the lease, and no submissions were received. This report makes recommendations that a new lease be entered with Goulburn Valley Health.

RECOMMENDATION

THAT Council:

1. Note that the legislative processes as required under section 190 (s115 of the *Local Government Act 2020*), 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 with no submissions received.
2. Resolve to enter into a lease with Goulburn Valley Health on the proposed terms, being a 12-month lease from 1 July 2020 to 30 June 2021 for the lease fee of \$108,373, with an option for a further term of 12 months, 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 2020 to 30 June 2021 and the proposed lease fee of \$108,373 and one further term of 12 months.

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

BACKGROUND

Goulburn Valley Health (GVH) has leased Council's property at 12 Moyle Street since 2002 for the purposes of a primary care facility for health and related services. Attachment 1 shows the location of the building at 12 Moyle Street, Seymour.

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 2020, Council approached GVH to request their intentions regarding the occupation and lease of the premises. In response, GVH have requested a new lease for a term of 12 months. This would be from 1 July 2020 to 30 June 2021. Attachment 2 illustrates the whole of the premise currently leased to GVH.

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 due to a 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 identified 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 a lease with GVH.

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

It is acknowledged that the *Local Government Act 2020* (Act) passed the Victorian Legislative Assembly on 17 March 2020 and received Royal Assent on 24 March 2020 however, as the new Act is being implemented in stages, the clauses of the *Local Government Act 1989* relating to property leasing still apply.

CONSULTATION

A Public Notice for the intention to lease the premises was published in the Seymour Telegraph of Tuesday 28 April 2020 and placed on Council's website, with submissions closing Thursday 28 May 2020.

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.

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

FINANCIAL, RESOURCE AND ASSET MANAGEMENT IMPLICATIONS

In the report to the Council Meeting of 20 April it was estimated that Council would receive rental income of \$108,373 from the new lease and GVH would 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 2020 to 30 June 2021, and the option of one further term of 12 months, 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 services from Seymour.	High	Agree to new lease agreement to GVH.	Yes
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	Medium	Agree to new lease agreement to GVH.	Yes

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

Risk	Risk Ranking	Proposed Treatments	Within Existing Resources?
deterioration while empty.			
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 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 Seymour. The service supports the welfare of the town residents, which in turn contributes to the overall wellbeing and benefit of the wider community.

Entering 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 under the terms discussed in this report 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

22 JUNE 2020

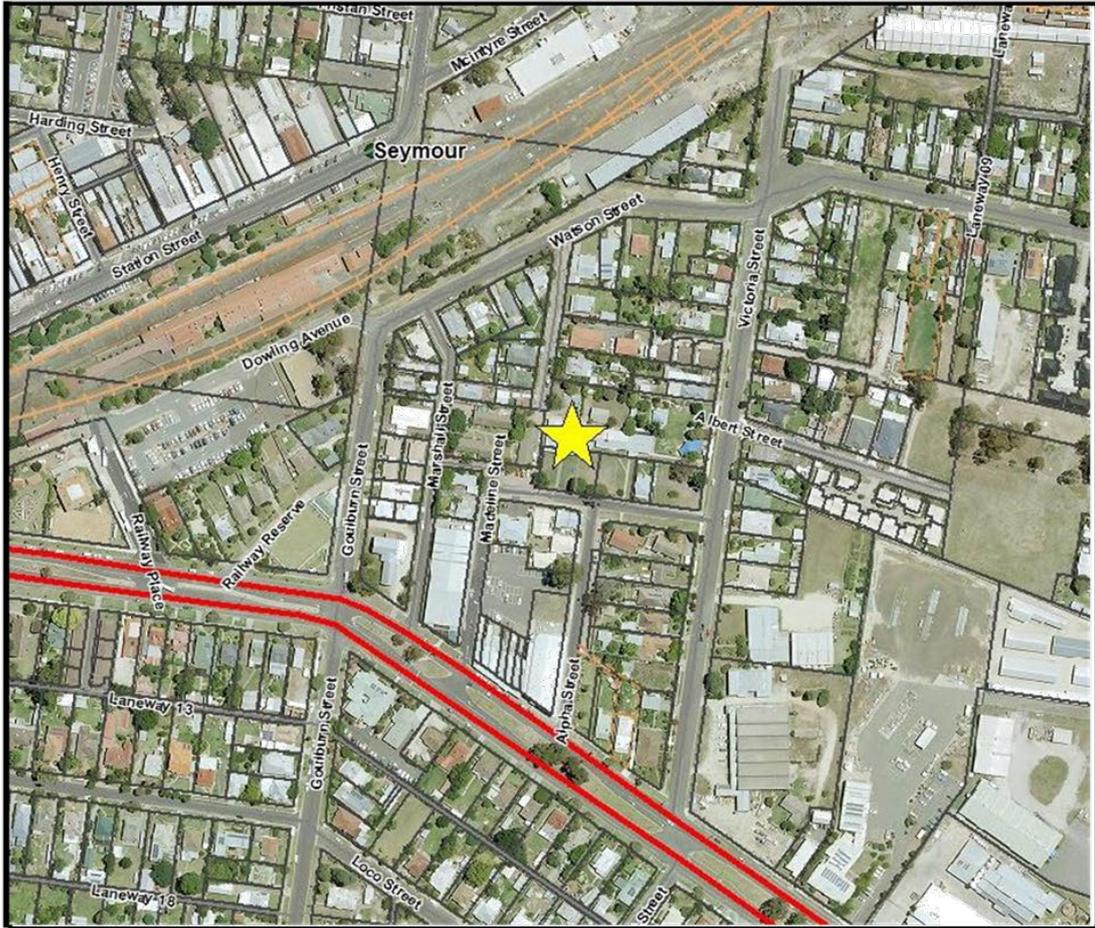
9.2

**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

22 JUNE 2020

9.2

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

**Attachment No: 2
12 Moyle Street Lease Area**

12 Moyle Street Seymour – Lease area outlined in red

