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1. Acknowledgement to Country

Shellharbour City Council acknowledges the Traditional Owners and Custodians of the Land on which we are meeting and pays its respects to Elders past and present.

Webcasting Comment

The public gallery should note that Council records and webcasts its Council Meetings live to enhance the accessibility of Council Meetings to the broader Shellharbour City Community.

Council Meetings can now be viewed live via webcast, downloaded from Council's website for later viewing, or purchased from Council for viewing on a computer.

At the appropriate time during the meeting pre registered or invited members of the gallery may Address the Council at which time their image, comments or submissions will be broadcast live and recorded.

Council accepts no responsibility for any defamatory or offensive statements.

Please ensure that mobile phones and other electronic devices are turned off or are in silent mode for the duration of the meeting.

2. Apologies / Leave of Absence

3. Confidential Business (Committee of the Whole)

4. Pecuniary Interest and Conflict of Interest Declarations

Note: Councillors who declare a Pecuniary Interest at the Council Meeting are also required to complete a Pecuniary Interest Declaration form.

5. Addresses to Council

13.3.1 The duration of individual addresses is strictly limited to four minutes with no extensions permissible

13.3.2 Only the Chairperson is permitted to ask questions of any person addressing the Council.

6. Reports

6.1 National Stronger Regions Fund (10307841)

To the General Manager

Directorate: City Outcomes
Department: Corporate Strategy

Manager: Geoff Hoynes – Acting Director City Outcomes
Author: Trevor James – Economic Development Manger

Summary

The purpose of this report is to seek Council's approval to offer a portion of Council owned land to Wollongong Adult Education Illawarra (WEA) for the purpose of establishing a Community College in the Shellharbour Local Government Area and to make an application for funding from the National Stronger Regions Fund (NSRF) to assist in the construction of that facility.

Council considered this matter at its meeting on 11 November 2014 and resolved:

- 1 That Council authorise officers to continue to work with WEA Illawarra to develop a Community College project in the Shellharbour LGA.
- 2 That there be an extraordinary meeting of Council as soon as possible after conclusion of those investigations but before the 28th November to allow Council to consider the parcel/s of land identified.

Subsequently, Council officers continued to liaise with WEA on the proposal and also undertook detailed assessments of a number of sites that could be suitable for the location of a Community College.

This report provides the outcome of those assessments and recommends a preferred site on Pioneer Drive, Oak Flats.

Background

The National Stronger Regions Fund (NSRF) is a Federal Government initiative to boost social and economic development in Australia's regions by funding priority infrastructure projects in local communities. The Government has committed \$1 billion to the fund over five years (\$200 million per year), commencing from 2015–16. Applications have been called for Round 1 of the funding. The closing date for applications is **Friday 28 November 2014**.

Funding will be provided for capital projects which involve construction of new infrastructure, or the upgrade, extension or enhancement of existing infrastructure. The NSRF is a competitive program and projects selected for funding will deliver an economic benefit to the

region beyond the period of construction and should support disadvantaged regions or areas of disadvantage within a region.

Local Government and incorporated not-for-profit organisations are eligible to apply for grants of between \$20,000 and \$10 million. Grant funding must be matched in cash on at least a dollar for dollar basis and the funded part of the project must be completed on or before 31 December 2019.

The purpose of the NSRF is to provide direct investment into major projects that deliver economic and social benefits. It also encourages the formation of strong partnerships that engage project proponents with the private sector and local, state and territory governments. Only one application per organisation or consortium will be considered.

The objective of the NSRF is to fund investment ready projects which support economic growth and sustainability of regions across Australia, particularly disadvantaged regions, by supporting investment in priority infrastructure.

The desired outcomes of the program are:

- improved level of economic activity in regions;
- increased productivity in the regions;
- increased employment and a more skilled workforce in regions;
- increased capacity and improved capability of regions to deliver major projects, and to secure and manage investment funding;
- improved partnerships between local, state and territory governments, the private sector and community groups; and
- more stable and viable communities, where people choose to live.

Appraisal of Applications

Applications will be appraised against specific eligibility and assessment criteria by the Department. The appraisal will be based on information provided in the application form, supporting documentation and advice from other parties. Following advice from the Department on the individual and relative merits of eligible applications, the Ministerial Panel will make decisions on projects to be funded in consultation with the National Infrastructure Committee of Cabinet.

Assessment Criteria

Applications will be appraised against each of the following assessment criteria:

Assessment Criterion 1: The extent to which the project contributes to economic growth in the region;

Assessment Criterion 2: The extent to which the project supports or addresses disadvantage in the region;

Assessment Criterion 3: The extent to which the project increases investment and builds partnerships in the region; and

Assessment Criterion 4: The extent to which the project and proponent are viable and sustainable.

It is important to note that consistent with the policy intent of the NSRF and given that all projects must deliver an economic benefit, Assessment Criterion 1 will be given an increased weighting in the appraisal process.

Assessment Criterion 1 will be weighted at 50 per cent of the total assessment criteria. Remaining criteria will be weighted equally. It is, therefore, critical that applications demonstrate how the project contributes to economic growth.

Value for Money

The NSFR Guidelines state that value for money is achieved when Government resources are used in an efficient, effective, economical and ethical manner. Value for money will also be considered on an ongoing basis during and after the delivery of the project, including by ensuring that Government funding is expended and acquitted in accordance with contracted requirements and all other conditions of funding are met, and through monitoring and evaluating the extent to which a funded project achieves its objectives and contributes to the outcomes of the NSRF.

Possible Projects Suitable for Funding

Council officers considered a standing list of projects that may be suitable to access funding when funding opportunities arise. Only a small number of projects were considered able to meet the criteria set for Round 1 of the NSRF and funds do not currently exist to meet what would be Council's one to one funding obligations under the program.

As part of their consideration, Council officers also sought possible partner organisations that could form a consortium with Council and thereby enable the resources of both organisations to be brought to bear on a particular project.

Officers have discussed with WEA, the possibility of establishing a Community College in the City. The WEA would potentially bring financial resources to the partnership; while Council would potentially bring a land component.

WEA Illawarra is a registered Not-For-Profit Charity and a Registered Training Organisation which has been in operation in the Illawarra for over 100 years providing the local community quality educational and training opportunities.

WEA offers a broad range of training and education opportunities courses across four main areas:

1. Management, Business, IT & Training - which caters for the needs of small and growing businesses and for those transitioning to new employment (retraining) and those looking to up skill for promotion and employment mobility.
2. Job seekers and people with a disability – specific training programs are developed and delivered for these groups in partnership with a range of agencies.
3. Lifestyle courses – these short courses are extremely popular right across the age spectrum and cover a very broad range of subjects across cultural, languages, hobbies, sports and other interests. Lifestyle courses are real community building

courses because they provide an excellent opportunity for people to meet others and life long bonds are formed through a shared learning experience.

4. ALESCO Illawarra – is a small holistic boutique education facility for young people aged 15-18 who do not thrive in the mainstream. Students work towards the HSC and come to ALESCO because of some disadvantage or disability in their lives. Approximately 35% of ALESCO students are indigenous. The ALESCO experience is transformational and there is significant unmet demand in the Shellharbour region.

For some years now WEA has been wanting to expand its very popular and successful community education and training programs to the faster growing areas of the region, in particular Shellharbour, where there is a clear and demonstrated need for the type of educational opportunity that WEA best delivers.

For this reason WEA has indicated it would like to pursue an application for funding under round one of the NSRF to establish a Community College facility in Shellharbour and would be pleased to have Shellharbour City Council (SCC) as a partner in this application.

The type of facility that would notionally be required would be around 200m² (3-4 classrooms), but would need to be designed to have the capacity to be easily extended by adding additional classrooms in the future - a site of approximately 1200m² is preferred.

The facility would need to be well located as many clients would be using public transport. WEA has said it could contribute up to \$600,000 to attract a similar amount from the Federal Government to establish this facility and would explore additional funding opportunities over the next few years to expand the College. It is envisaged that at least four full time equivalent staff would be permanently employed at the facility in the initial stage of operation.

Possible Sites

A number of sites that could be suitable for the location of a Community College were considered. This included detailed assessments against specific criteria relating to site suitability and constraints. The criteria were:

- Land Zoning and Usage
- Allotment size – to match requirements
- Physical site considerations and expense to develop the land
- Flood risk based on compliance with Shellharbour City Council Development Control Plan (DCP) 2013
- Visibility and street location
- Accessibility to the site
- Accessibility to public transport
- Parking considerations – including access to overflow parking
- Co-location to public spaces and other services

The three sites that achieved the most favourable assessments are identified in the following Matrix.

Possible Locations	Weighting Percentage	Site A Pioneer Drive Oak Flats Land - adjoining train station	Site B 164 Princess Hwy, Albion Park Rail	Site C Government Road / New Lake Entrance Road
Land use zoning	Y/N	Y	Y	N
Allotment size requirement	Y/N	Y	Y	Y
Development constraints resulting in higher development costs	20%	7	8	7
Flood Risk – Development Area	15%	7	8	8
Visibility	5%	8	8	10
Good access to the site	15%	9	8	8
Parking - including access to overflow parking	5%	10	8	8
Close to public transport	30%	10	8	6
Co-location to public spaces, other services and town centre	10%	8	9	9
Total Score	100%	85.0	81.0	74.0
Comments			Permissible land use, but does not meet IN1 objectives – adjacent to Illawarra Regional Airport	Not permissible

Scoring Criteria: 9-10 = excellent
7-8 = Good
5-6 = satisfactory
3-4 = poor
1-2 = Unsatisfactory
0-1 = Unacceptable

Site Location Summary

Site A – Pioneer Drive, Oak Flats

It was determined that Site A is the preferred site, based on assessment outcomes. Council owns the land and while some parts of the entire parcel are flood affected, there is more than 1200m² unaffected that would be suitable for WEA use. It has the following benefits:

- Zoned appropriately
- Excellent public transport access (rail and road)
- Good access and visibility
- Close to other services and public spaces.
- Excellent overflow public parking

Site B – 164 Princes Highway, Albion Park Rail

While the site has a number of advantages, it does not align with all objectives of IN1 zoning. That is: *To provide a wide range of industrial and warehouse uses; to encourage employment opportunities; to minimise any adverse effect of industry on other land uses; to support and protect industrial land for industrial uses; to encourage development of industries; and to diversify the industrial base of Shellharbour in a manner compatible with the use of the adjacent Illawarra Regional Airport.*

Site C – Corner, Government Road/New Lake Entrance Road

This site has a number of advantages, but is not permissible under current zoning. A planning proposal would need to be prepared to change this zoning, but there is no guarantee that such planning proposal would be successful.

Financial Implications

There are no financial implications of making an application for funding, other than Council staff time.

If an offer of funding is made and accepted, Council would be expected to bring to the project a land component. The value of that land would represent a financial implication for Council, as would the cost of receiving a current valuation of the land.

Legal and Policy Implications

There are no such implications as a result of making an application. If a funding application was successful a commercial lease arrangement would need to be entered into with WEA, that is consistent with Council's policies and with the terms of other leases Council has over property that is used for community purposes.

This proposal aligns with Council's Economic Development Strategy 2014 – 2018 that identifies *Education and Skills Development* as a key area of focus. Specifically, that Council collaborate with education providers 'to ensure that appropriate programs are delivered locally so that our residents will have appropriate qualifications and experience to be

prepared for jobs available now and in the future' (p.11). That is, improved education attainment will improve individual job prospects and, in turn, life outcomes.

Link to Community Strategic Plan

The project supports the following objectives and strategies of the Community Strategic Plan:

Objective: 1.2 Active and healthy community

Strategy: 1.2.1 Provide resident's access to a range of services and facilities that are relevant and responsive to health and wellbeing

Objective: 2.3 A liveable City that is connected through places and spaces

Strategy: 2.3.4 Facilitate the provision of development that meets the changing needs and expectations of the community

Objective: 3.1 Infrastructure is planned and managed in a way that meets the community's needs

Strategy: 3.1.1 Provide the community with a broad range of quality infrastructure, assets and facilities delivered in a cost-effective and sustainable manner

Objective: 3.2 Supported by a strong local economy with business and employment opportunities

Strategy: 3.2.4 Support educational and employment opportunities that retain young people attract new workers and provide opportunities for the unemployed.

Consultations

Internal

Manex

Group Manager Corporate Strategy

Group Manager City Strategy

Group Manager Infrastructure Services

Group Manager Community Connections

Manager Property and Recreation

Manager Assets and Projects

Project and Contracts Manager

Manager Engineering Services

Team Leader Water Engineering and Design

External

Mr David Fuller, CEO of WEA Illawarra

Political Donations Disclosure

Not applicable.

Recommendation

That Council;

- 1. Authorise that Council partner with WEA Illawarra in making an application for financial assistance under the National Stronger Regions Fund (NSRF) for the establishment of a Community College in the Shellharbour LGA.**
- 2. Approve that a 1200m² parcel of land on Pioneer Drive, Oak Flats, identified as the preferred site in this report, be offered to WEA Illawarra under a commercial lease arrangement to be used for the establishment of a Community College.**
- 3. Approve that a current valuation of the relevant parcel of land be obtained, if the NSRF funding application is successful.**
- 4. Authorise Council officers to pursue negotiations with WEA on the terms of a commercial lease for the relevant parcel of land that is consistent with Council's policies and with the terms of other leases Council has over property that is used for community purposes – for later consideration by Council.**
- 5. Consider a later report from Council officers that details the proposed terms, conditions and rental of a proposed lease for this portion of land.**



Approved for Council's consideration: _____

Date of Meeting: 26 November 2014

Attachments

1. Site Location Maps

Attachment 1 – Site Location Maps

Site A – Pioneer Drive Oak Flats – Land adjoining train station



Site B – 164 Princess High Way, Albion Park Rail



Site C – Corner Government Road / New Lake Entrance Road

