

minutes

Major Projects and Finance Committee

MEETING HELD ON

MONDAY 13 SEPTEMBER 2021

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Note:

Clause 15.10 of the City's *Meeting Procedures Local Law 2013* states:

This local law applies generally to committee meetings except for clause 7.1 in respect of members seating and clause 7.8 in respect of limitation on members speaking.

CITY OF JOONDALUP

MINUTES OF THE MAJOR PROJECTS AND FINANCE COMMITTEE MEETING HELD IN CONFERENCE ROOM 1, JOONDALUP CIVIC CENTRE, BOAS AVENUE, JOONDALUP ON MONDAY 13 SEPTEMBER 2021.

ATTENDANCE

Committee Members

Cr John Logan	<i>Presiding Member</i>	
Mayor Hon. Albert Jacob, JP		
Cr John Raftis	<i>Deputy Presiding Member</i>	
Cr Russell Poliwka		
Cr Tom McLean, JP		
Cr Nige Jones		
Cr Suzanne Thompson		<i>from 5.51pm</i>

Officers

Mr James Pearson	Chief Executive Officer
Mr Nico Claassen	Director Infrastructure Services
Mr Mat Humfrey	Director Corporate Services
Mrs Vivienne Stampalija	Acting Manager Governance
Mrs Wendy Cowley	Governance Officer

ACKNOWLEDGEMENT OF TRADITIONAL CUSTODIANS

Prior to the opening of the Major Projects and Finance Committee meeting, the Presiding Member acknowledged the traditional custodians of the land.

DECLARATION OF OPENING

The Presiding Member declared the meeting open at 5.46pm.

DECLARATIONS OF FINANCIAL INTEREST / PROXIMITY INTEREST / INTEREST THAT MAY AFFECT IMPARTIALITY

Nil.

APOLOGIES AND LEAVE OF ABSENCE

Nil.

CONFIRMATION OF MINUTES

MINUTES OF THE MAJOR PROJECTS AND FINANCE COMMITTEE MEETING HELD ON 12 JULY 2021

MOVED Cr Jones, **SECONDED** Cr McLean that the Minutes of the Major Projects and Finance Committee Meeting held on 12 July 2021 be confirmed as a true and correct record.

The Motion was Put and

CARRIED (6/0)

In favour of the Motion: Cr Logan, Mayor Jacob, Crs Jones, McLean, Poliwka and Raftis.

ANNOUNCEMENTS BY THE PRESIDING MEMBER WITHOUT DISCUSSION

Nil.

IDENTIFICATION OF MATTERS FOR WHICH THE MEETING MAY BE CLOSED TO THE PUBLIC

In accordance with Clause 5.2 of the City's *Meeting Procedures Local Law 2013*, this meeting was not open to the public.

PETITIONS AND DEPUTATIONS

Nil.

REPORTS

ITEM 1 STATUS REPORT WARWICK COMMUNITY FACILITIES - WARWICK ACTIVITY CENTRE

WARD	South Ward
RESPONSIBLE DIRECTOR	Mr Mat Humfrey Director Corporate Services
FILE NUMBERS	63627, 105946, 101515
ATTACHMENTS	Attachment 1 Centre Location Plan Attachment 2 Warwick Community Facilities
AUTHORITY / DISCRETION	Information - includes items provided to Council for information purposes only that do not require a decision of Council (that is for 'noting').

PURPOSE

For the Major Projects and Finance Committee (Committee) to note the deferral of the City's exploration of options to progress the development of a multi-functional community facility within the Warwick Activity Centre (Centre) or its proximity.

EXECUTIVE SUMMARY

The three City-owned lots within an area referred to as the Warwick Activity Centre (Centre) (Attachment 1 refers) have facilities that currently accommodate several groups under various occupancy arrangements. Warwick Community Centre, Dorchester Hall and a former leased childcare centre are the facilities at this location that are over 40 years old and need major upgrades or replacement (Attachment 2 refers).

In considering the future of these three facilities, a needs, planning and commercial analysis was conducted and finalised in 2020 with the consultant's report provided to Council at its meeting held on 17 November 2020 (CJ176-11/20 refers). The consultant's report highlighted that a new multi-functional community facility to replace the three aging facilities would benefit the City over several areas. The financial benefit being a reduction in the sites' operating expenditure without compromising the service delivery to the community. Amongst other matters, Council supported the City's exploration of options to develop a multi-functional community facility within the Centre or its proximity.

Notwithstanding the above, the City is now conducting a Social Needs Analysis where the outcome should provide additional clarity on the overall fit and function of community facilities at the Warwick location. Additionally, redevelopment of community facilities at Warwick resulted in being a low priority based on the City's prioritisation framework, which was presented to Elected Members as part of a 2021-22 budget workshop.

Based on the foregoing, it is recommended that post-presentation to Council on the outcome of the Social Needs Analysis, and once the City is cognisant of Council's position, a report is submitted to the Committee on the future of the Warwick Community Facilities.

It is therefore recommended that the Major Projects and Finance Committee:

- 1 *NOTES that the City's investigations on how to progress the development of a multi-functional community facility within the Warwick Activity Centre or its proximity are deferred until the evaluation of the City's Social Needs has been finalised, and the City has allocated and prioritised resources to this project;*
- 2 *NOTES that on finalisation of the City's evaluation of the Social Needs Analysis, a report will be submitted to a future Major Projects and Finance Committee meeting that assesses the City's position on the future of community facilities in the Warwick Activity Centre and its proximity.*

BACKGROUND

The Warwick Activity Centre (the Centre) is located at the corner of Erindale Road, Beach Road and Dorchester Avenue (Attachment 1 refers) and is zoned 'Centre' under *Local Planning Scheme No 3 (LPS3)*. The Centre includes the Warwick Grove Shopping Centre, Warwick Commercial Park, Warwick Entertainment Centre, a childcare centre, a church, three City-owned lots and several other commercial lots.

In 2013, representatives of the two main commercial landowners in the Centre advised the City that they were considering major redevelopment options. As part of these proposed plans, interest was indicated in the City's freehold land at this location, making it timely for the City to consider investigating the upgrade or replacement of its community facilities and potentially rationalisation of its freehold land.

Due to major redevelopment intentions by commercial landowners within the Centre, a report was submitted to Council's meeting held on 17 February 2014 (CJ008-02/14 refers) concerning the requirement for an activity centre plan.

At the same meeting, Council endorsed the philosophy and parameters for the upgrade of the City's community facilities within the Centre (CJ009-02/14 refers).

During 2014, the intended preparation by adjoining landowners of an activity centre plan did not progress.

Activity Centre Plan

The Centre is designated as a 'secondary centre' under *State Planning Policy 4.2 – Activity Centres for Perth and Peel (SPP4.2)*. Under SPP 4.2, an activity centre plan is required prior to any major development occurring. Activity centre plans coordinate and guide development and are particularly relevant when centres are held in multiple ownership, such as the Warwick Activity Centre.

Two planning reports have been submitted to Council regarding the circumstances of when an activity centre plan is required and how to deal with land use permissibility in the absence of an activity centre plan (CJ008-02/14 and CJ051-05/19 refer).

The resultant situation is that development approvals can continue in the absence of an activity centre plan, providing the overall development potential of the area is not prejudiced and is consistent with the principles of proper and orderly planning. Council has noted that an activity centre plan is only required when major development occurs, and a definition of 'major development' has been explained and supported by Council.

To determine minor development applications in the absence of an activity centre plan, Council has supported the 'Commercial' zone in LPS3, and the development provisions of the *Commercial, Mixed Use and Service Commercial Zone Local Planning Policy*.

City Facilities within Warwick Activity Centre

The three City-owned community facilities within the Centre are on a land area of 13,045m² that accommodates several groups under various occupancy arrangements as follows:

- Lot 3 (12) Dorchester Avenue, Warwick (Warwick Community Care Centre and Warwick Hall). Land area - 8,908m².
- Lot 920 (2) Dugdale Street, Warwick (Dorchester Hall). Land area - 2,323m².
- Lot 905 (6) Dugdale Street, Warwick (formerly a leased childcare centre). Land area - 1,814m².

Council Resolution (CJ176-11/20) – Meeting of 17 November 2020

Confidential progress reports on the needs, planning and commercial analysis were provided to the Committee on 9 March 2020 (Item 17 refers), 13 July 2020 (Item 7 refers), and 7 September 2020 (Item 7 refers). A report was also submitted to the Committee at its meeting held on 2 November 2020 (Item 5 refers), which resulted in the Committee making a recommendation to Council.

At its meeting held on 17 November 2020 (CJ176-11/20 refers), Council resolved the following:

- “1 *NOTES the consultant's draft report on the finalisation of the needs, planning and commercial analysis concerning the Warwick Community Facilities on Lot 3 (12) Dorchester Avenue, Warwick, Lot 920 (2) Dugdale Street, Warwick and Lot 905 (6) Dugdale Street, Warwick;*
- 2 *NOTES that the philosophy and parameters associated with the redevelopment of community facilities within the Warwick Activity Centre or its proximity endorsed by Council at its meeting held on 17 February 2014 (CJ009-02/14 refers), and the content of the consultant's draft report on the needs, planning and commercial analysis will form the basis of the City's progress towards the development of a multi-functional community facility;*
- 3 *AUTHORISES the Chief Executive Officer to explore options on how to progress the development of a multi-functional community facility within the Warwick Activity Centre or its proximity including making contact with the two major landowners in the Warwick Activity Centre to determine their level of interest in acquiring City land;*
- 4 *REQUESTS the Chief Executive Officer to provide ongoing progress reports to the Major Projects and Finance Committee on a six monthly basis.”*

DETAILS

The following matters have arisen since Council's decision made on the 17 November 2020 that suggests the timing of any land rationalisation and redevelopment concerning the City's land within the Centre should be reconsidered:

- The City is currently conducting a Social Needs Analysis where the aim is to objectively define the current and future needs of the City's residents in terms of service provision and infrastructure.
- On analysis of the City's major projects in preparation for the 2021-22 budget, information was presented to Elected Members recommending the Warwick Community Facilities project be deferred in the Strategic Financial Plan to 2027-28 to 2028-29. This recommendation was based on the project resulting in a low priority on the City's project prioritisation framework and the need to allocate resources to other high-priority projects.
- There has been no indication from the adjoining landowners that there is currently any interest in the redevelopment of their land or purchasing City land within the Centre.

Issues and Options Considered

Based on the above details, deferring the project potentially presents the City and Council with the following benefits:

- The Social Needs Analysis is a significant research project that will provide independent, robust data about current and future social services and infrastructure needs for the whole of the City. The fit and function of community facilities in the Warwick location will be an outcome.
- Deferring the project will allow time to potentially advocate for funding towards developing an activity centre plan, providing an overarching guide to the future major redevelopment of the Centre.
- The City's project resource allocation can continue to be examined to ensure the timing of the project takes all related matters into account.
- Extending the project timeframe may provide an opportunity for the City to examine grant funding towards the construction of a community facility.
- The City can continue to monitor the intentions of major landowners in the Centre.

Legislation / Strategic Community Plan / Policy Implications

Legislation Sections 3.58 and 3.59 of the *Local Government Act 1995*, together with the *Local Government (Functions and General) Regulations 1996* determine how a local government may dispose of property.

Strategic Community Plan

Key theme Quality Urban Environment.

Objective Quality built outcomes.

Strategic initiative Buildings and landscaping are suitable for the immediate environment and reflect community values.

Key theme Financial Sustainability.

Objective Financial diversity.

Identify opportunities for new income streams that are financially sound and equitable.

Policy *Asset Management Policy.*
Sustainability Policy.
Community Consultation Policy.

Risk Management Considerations

Council has endorsed the philosophy and parameters regarding the opportunity to upgrade the Warwick Community Facilities (CJ009-02/14 refers), and a needs, planning and commercial analysis specific to the Warwick Community Centre was finalised in 2020. Notwithstanding the details of these documents, it is considered prudent for the City to await the overarching Social Needs Analysis before any commitment to progress redevelopment.

The recommendations for land disposal are based on a combination of the best financial return, planning outcomes, and community benefit.

Rationalisation of the three aging facilities will provide a financial benefit to the City due to a reduction in the operating deficit without compromising the services to the community.

Financial / Budget Implications

The 2020 needs, planning and commercial analysis indicated that this project would likely have recurring financial benefits to the City. This prediction was based on the rationalisation of three community facilities into one multi-functional facility. The analysis indicated that surplus land could be made available for disposal, contributing to the capital costs of a new facility. The reduction in recurring expenses would allow the project to 'pay back' the net one-off costs within a reasonable timeframe.

The project has been included in the *Strategic Financial Plan* for several years, albeit with only a high-level estimate of costs. The 2021 update of the *Strategic Financial Plan* proposed that the project be moved out to 2027-28 and 2028-29 to take account of the outcome of the Social Needs Analysis and the project being considered a low priority as a result of the review of the project prioritisation framework 2021-22 which was presented to Elected Members.

Regional Significance

Not applicable.

Sustainability Implications

City freehold land set aside for community use should not be disposed of without there being a nominated purpose addressing a community need. The outcome of the City's Social Needs Analysis will guide the overall community needs for Warwick and the surrounding area.

The replacement of three aging City facilities with one aesthetically designed, multipurpose facility with 'flexible space' can enhance the City's community service provision. The facility could provide for longevity, diversity, accessibility, and inclusiveness.

The Council endorsed philosophy and parameters concerning the upgrade of the City's community facilities within the Centre (CJ009-02/14 refers) also deals with sustainability principles and will be adhered to as part of any redevelopment project.

Consultation

At a time considered appropriate by Council and prior to any changes concerning City land and facilities within the Centre, community consultation will be conducted in accordance with the City's approved *Community Consultation Policy*.

COMMENT

The City is conducting a Social Needs Analysis, encompassing the City's entire community service provision, and supporting infrastructure. It would therefore appear prudent to defer any decision-making on the proposed rationalisation and redevelopment of the City's facilities and land in the Warwick Activity Centre until its finalisation. The outcome may concur that this project is a low priority for the City compared to other major projects.

The deferral of the project will allow time to advocate towards funding for the preparation of an activity centre plan, consider future project resourcing, and when the timing is appropriate, examine the potential for grant funding.

VOTING REQUIREMENTS

Simple Majority.

MOVED Cr Jones, SECONDED Mayor Jacob that the Major Projects and Finance Committee:

- 1 NOTES that the City's investigations on how to progress the development of a multi-functional community facility within the Warwick Activity Centre or its proximity are deferred until the evaluation of the City's Social Needs has been finalised, and the City has allocated and prioritised resources to this project;**
- 2 NOTES that on finalisation of the City's evaluation of the Social Needs Analysis, a report will be submitted to a future Major Projects and Finance Committee meeting that assesses the City's position on the future of community facilities in the Warwick Activity Centre and its proximity.**

The Motion was Put and

CARRIED (6/0)

In favour of the Motion: Cr Logan, Mayor Jacob, Crs Jones, McLean, Poliwka and Raftis.

Appendix 1 refers

To access this attachment on electronic document, click here: [Attach1MPFC210913.pdf](#)

BACKGROUND

At its meeting held on 4 November 2019 (JSC03-11/19 refers), Council resolved, in part as follows:

“That Council:

- 1 *BY AN ABSOLUTE MAJORITY ESTABLISHES a Major Projects and Finance Committee, with the role being to:*
 - 1.1 *oversee the progress of the City’s annual capital works program and review of the City’s Five Year Capital Works Program;*
 - 1.2 *make recommendations to Council on modifications of capital works projects and major strategic capital projects;”*

The Major Projects and Finance Committee requested that the following project be reported on in detail:

Project Code	Project Description
BCW2562	Ellersdale Park Clubrooms Refurbishment
BCW2629	Emerald Park Community Facility Upgrade
FNM2054	Whitfords Nodes Park Health and Wellbeing Hub
FPN2240	Burns Beach to Mindarie Dual Use Path
PDP2118	Moolanda Park Landscape Master Plan
MPP2050	Craigie Leisure Centre Upgrades Stage 1
MPP2058	Chichester Park Clubrooms Redevelopment
MPP2069	Percy Doyle Floodlighting Upgrades
SSE2057	Leafy City Program
STL2003	Joondalup City Centre Lighting
STL2051	Emerald Park Floodlighting

The following projects which required a Bi-monthly Project Status Report have been completed and the final reports were presented to a former Major Projects and Finance Committee:

- Burns Beach to Mindarie Dual Use Path.
- Whitfords Nodes Park Health and Wellbeing Hub.
- Moolanda Park Landscape Master Plan.
- Ellersdale Park Clubrooms Refurbishment.

Following a request at the Major Projects and Finance Committee meeting held on 8 March 2021, Attachment 1 has been updated to now also include the year-to-date budget and project actuals. Please note that although the construction status might be shown as completed (blue), the project financials might not reflect this as final payments might still be outstanding.

DETAILS

The Capital Works Project Report for the 2021-22 program as at 31 July 2021 is provided as Attachment 1 to this Report.

A summary of the projects and their current status is detailed in the Bi-monthly Project Status Reports forming Attachments 2 to 8 to this Report.

The following project which required a bi-monthly project report have been completed and no further reports will be presented to the Major Projects and Finance Committee:

- Leafy City Program.

Issues and Options Considered

Not applicable.

Legislation / Strategic Community Plan / Policy Implications

Legislation Sections 5.17 and 6.8 of the *Local Government Act 1995*.

A committee cannot make decisions, on behalf of the Council, that require an absolute majority decision (section 5.17 of the *Local Government Act 1995*), in which case, and in accordance with Section 6.8 of the *Local Government Act 1995*, includes approving expenditure not included in the City's Annual Budget. The Major Projects and Finance Committee may only recommend to Council to approve or modify capital works projects.

Strategic Community Plan

Key theme Financial Sustainability.

Objective Major project delivery.

Strategic initiative Not applicable.

Policy Not applicable.

Risk Management Considerations

Not applicable.

Financial / Budget Implications

Not applicable.

Regional Significance

Not applicable.

Sustainability Implications

Not applicable.

Consultation

Not applicable.

COMMENT

The attached Bi-monthly Project Status Reports provide an update on the activities undertaken.

VOTING REQUIREMENTS

Simple Majority.

MOVED Cr Jones, SECONDED Cr McLean that the Major Projects and Finance Committee NOTES:

- 1 the report on the Capital Works Projects for 2021-22 as at 31 July 2021 forming Attachment 1 to this Report;**
- 2 the Bi-monthly Project Status Reports forming Attachments 2 to 8 to this Report.**

The Motion was Put and

CARRIED (6/0)

In favour of the Motion: Cr Logan, Mayor Jacob, Crs Jones, McLean, Poliwka and Raftis.

Appendix 2 refers

To access this attachment on electronic document, click here: [Attach2MPFC210913.pdf](#)

URGENT BUSINESS

Nil.

MOTIONS OF WHICH PREVIOUS NOTICE HAS BEEN GIVEN

Nil.

REQUESTS FOR REPORTS FOR FUTURE CONSIDERATION

10 Year Strategic Financial Plan

Cr Raftis requested a report to be presented to the Major Projects and Finance Committee detailing the options and risk analysis of the *10 Year Strategic Financial Plan* in order for the Committee to fulfill its role, and advise the date on which that report will be presented, and the date on which a Strategy Session will be held as per the Council resolution from the Council meeting held on 20 July 2021.

Standards of service delivery

Cr Raftis requested a report to be presented to the Major Projects and Finance Committee in relation the standards of service delivery, outlining the following:

- a A list of the reports presented to the Committee over the past five years to enable the Committee to make recommendations on standards of service delivery.
- b Details of any recommendations given by the Committee to Council regarding standards of service delivery over the same five year period.
- c The outcomes of any implementation of recommendations provided by the Committee in (b) above.

CLOSURE

There being no further business, the Presiding Member declared the Meeting closed at 6.03pm the following Committee Members being present at that time:

CR JOHN LOGAN
MAYOR HON. ALBERT JACOB, JP
CR NIGE JONES
CR TOM McLEAN, JP
CR RUSSELL POLIWKA
CR JOHN RAFTIS
CR SUZANNE THOMPSON