

AGENDA ITEM NO.: 11.1 ON AGENDA

TO: Audit Committee on 12 January 2017

DIRECTOR: Nathan Cunningham, Director Community & Planning

REPORT AUTHOR: Brendan Lott, Manager Community Development

SUBJECT: Community Hub, Library & Innovation Centre (CLIC) – Project Management Process

1. EXECUTIVE SUMMARY

- 1.1 Council has held a long-term lease with SA Department for Education and Child Development (DECD) since the mid 1970's to operate a range of community services, including a Library, from the property located at 1 Thomas Street, Nailsworth; referred to as Thomas Street Centre (TSC).
- 1.2 Council received correspondence from DECD in August 2015 that provided formal notification that the lease will not be renewed due to the future requirements of the Nailsworth Primary School. The current lease expires on 2 August 2019.

The following provides a summary of key project tasks and processes completed until December 2016:

- 1.3 Libraries Alive! Consultant was engaged to deliver a report on current service provision and recommendation for future library services in May 2015.
- 1.4 Discussions were held with City of Port Adelaide Enfield about possible partnership in August 2015.
- 1.5 Libraries Alive! 'Library Services to the Future' report and recommendations were endorsed by Council in August 2015.
- 1.6 List of potential sites/options for location, assessed by Council staff in September 2015.
- 1.7 Elected Member workshop to discuss potential sites according to a SWOT analysis, and community engagement process was held in November 2015.
- 1.8 Four potential sites adopted by Council for further consideration were Prospect Oval Precinct, Depot/Tram Barn, Prospect Civic Centre and Northpark Shopping Centre in December 2015.
- 1.9 Community consultation process on aspirations for a new facility was conducted in January to March 2016.

- 1.10 Elected Member toured fourteen Libraries in metropolitan Adelaide and Melbourne during February to April 2016.
- 1.11 Community consultation report was received and noted by Council in May 2016.
- 1.12 Inizio Consulting engaged to assist with the process of refining the shortlist from the 4 sites to identify 1-2 final preferred site locations from which to scope and develop the project – June 2016.
- 1.13 Elected Member workshop to draft locational criteria to assist staff to create a final criteria list prioritised by Elected Members – June 2016.
- 1.14 Council report endorsed the Prospect Civic Centre (Prospect Road) and the Tram Barn/Depot site (Corner Main North Road and Johns Road) for further detailed analysis - June 2016.
- 1.15 SGS Economics and Planning consultants engaged to analyse and provide a balanced approach to the true costs and benefits (and options) for the delivery of the Community Hub, Library and Innovation Centre across either site – August 2016.
- 1.16 Project Executive Group established to oversee the project September 2016.
- 1.17 Elected Member workshop presentation from SGS Economics and Planning on the economic and social analysis report – November 2016.
- 1.18 Working title for the Project developed – Community Hub, Library and Innovation Centre (CLIC).
- 1.19 CLIC Project Executive Group (PEG) Terms of Reference (**Attachments 1-2**), Decision Making Framework (**Attachment 3**), community engagement strategy, communication plan and Community Reference Group Terms of Reference (**Attachments 4-7**) and draft project plan endorsed by Council in November 2016.
- 1.20 CLIC information report endorsed by Council in December 2016.
- 1.21 BRM Holdich consultants engaged to prepare Council report on research and findings for a recommendation on location in December 2016.

2. RECOMMENDATION

- (1) That the Audit Committee having considered Item 11.1 Community Hub, Library & Innovation Centre (CLIC) – Project Management Process receives and notes the report as being satisfied with the processes undertaken for the CLIC Project.**
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3. RELEVANCE TO CORE STRATEGIES / POLICY

- 3.1 Council's Community Engagement and Consultation Policy 2012.

- 3.2 **Strategic Plan to 2020 Theme 1 – People** “Know, empower, celebrate, educate and activate our community”
- Strategy 1.1 Know our community
 - Strategy 1.3 Active living for every age, every stage
 - Strategy 1.4 Celebrate our diverse and creative community
- 3.3 **Strategic Plan to 2020 Theme 2 – Place** “Loved heritage, leafy streets, fabulous places”
- Strategy 2.2 Loved parks and places
- 3.4 **Strategic Plan to 2020 Theme 4 – Services** “Leaders of the sector providing efficient, responsive, accessible services”
- Strategy 4.1 Excellence in Infrastructure
 - Strategy 4.2 Sound Financial Management
 - Strategy 4.4 Accountable and people-focused services
- 3.5 Development of a Community Hub, Library and Innovation Centre will contribute to the achievement of a number of Council’s strategies forming the Strategic Plan to 2020.

Knowing our community will be essential to ensure the new Centre reflects both the current needs and future aspirations of our diverse communities and will ensure a continuation of Council’s support of an active and creative community through the development of a loved facility according to standards of excellence for both design and construction, completed according to sound financial management practices balanced alongside positive social outcomes.

4. COMMUNITY INVOLVEMENT

- 4.1 A wide range of community engagement and consultation processes are described within the body of this report as key aspects of work completed for the CLIC project.

5. DISCUSSION

- 5.1 Council has held a long-term lease with SA Department for Education and Child Development (DECD) since the mid 1970’s to operate a range of community services, including a Library, from the property located at 1 Thomas Street, Nailsworth; referred to as Thomas Street Centre (TSC).
- 5.2 Council received correspondence from DECD in August 2015 that provided formal notification that the lease will not be renewed due to the future requirements of the Nailsworth Primary School. The current lease expires on 2 August 2019.

- 5.3 The requirement to find a new home for the TSC was initially discussed at Council Workshops on both the 10 February and 10 March 2015, with support received from Elected Members that staff evaluate current services and functions of the Library and obtain expert advice in relation to future development of the Library service.
- 5.4 On 8 May 2015, Libraries Alive! Pty Ltd signed a service agreement with Council to evaluate current services and functions of the Library, the Art Gallery and the Digital Hub located in the leased premises at TSC, as well as the provision of professional advice in relation to future development of the Library service.
- 5.4.1 The final report 'Library Services to the Future' project was endorsed at Council's August 2015 meeting; see the below five recommendations contained within the report:

16. Recommendations

1

Planning for a new library should start immediately. Given lead times for site identification, construction, fitout, service and staff development, the clock is already ticking down to August 2019. If planning is delayed, and a new facility is not ready at the end of the lease, and DECD resume their building, Council faces capital and operating costs to move and fit out a temporary location, and then additional costs to move again to a permanent home.

2

For forward planning purposes, Council needs to make financial provision of \$8m for a new library, subject to updates on construction costs, fitout costs, and professional fees.

3

That participation rate, the percentage of eligible residents actually using the library, be adopted as the library's most important performance indicator, and that the participation rate headline all formal reporting by the library to the Council.

4

That in its forward planning the library embrace a community participation model for the design of future spaces and the development of future services, and establish appropriate consultative mechanisms, for example, a Library Reference Group, for establishing community requirements and preferences.

5

That the library develop and implement a social media strategy that recognises a new people-centred service delivery model and uses social media to encourage not just contact but co-operation on content creation with its customers.

5.5 The final 'Library Services to the Future' Project report was endorsed at Council's August 2015 meeting, details as follows:

Item 15.2 Future of Library Services

Cr Bowman moved Cr Groote seconded

- (1) The 'Library Services to the Future' Project report (Attachments 2-25) is endorsed and the following recommendations (taken from the report) are adopted:
 - a. Planning for a new library to commence immediately
 - b. Financial provision of up to \$8m be made in the Long Term Financial Plan for a new library, (subject to updates on construction costs, fit out costs, and professional fees). Note – Lease options to also be considered in detail, for further discussion.
- (2) Staff to commence the process of exploring new sites that meet the building size and layout requirements as outlined in the report.
- (3) Staff to continue discussions with the Department of Education and Child Development (DECD) regarding the end of lease at 1 Thomas Street, Nailsworth to reach mutually agreeable outcomes regarding timing.
- (4) Staff to continue discussion with neighbouring Councils to continue to explore what services may look like more broadly across the region and how this may influence future planning of Library Services.

Carried Unanimously 139/15

5.6 Council's Workshop on 10 November 2015 included discussion of seven possible sites utilising a Strength, Weaknesses, Opportunities and Threats analysis (SWOT).

- Depot/Tram Barn, Main North Road
- North Park Shopping Centre (Upper Floor Lease)
- Toyota / Prospect Oval
- North Hollywood Plaza (Sefton Park), Main North Road
- Location outside the City of Prospect area, Regency Road
- Civic Centre / Prospect Road
- Port Adelaide / Enfield partnership opportunity

5.7 Council confirmed the requirements of site analysis at their December 2015 meeting, details as follows:

Item 15.2 Library PLUS Update – Shortlist of Potential Locations

Cr Harris moved Cr Barnett seconded

- (1) That Council staff commence an in-depth analysis using a detailed locational matrix criteria of the following four shortlisted potential sites for a future Library PLUS facility being:
 - a. Prospect Depot/Tram Barn on Main North Road
 - b. Northpark Shopping Centre Precinct – Main North Road
 - c. Prospect Oval Precinct – Main North Road/Willcox Avenue
 - d. Prospect Civic Centre (all services) – Prospect Road

- (2) The Chief Executive Officer establish a Library PLUS project working group comprised of an evolving group of stakeholders with its role and purpose to work collaboratively for an overall development plan for the project. Initially, the working group is to comprise all Elected Members, with key Directors and Management representatives.
- (3) Staff to commence the community engagement process in line with the Council's 'Community Engagement and Consultation Policy'. The first stage is to inform the community with a clear statement on the project and what has occurred to this point whilst being sure to gather community aspirations.

Carried Unanimously 224/15

Key tasks completed in preparation for Council's May 2016 meeting

5.8 Library Tours – Elected Members and staff attended tours of the following Adelaide and Melbourne metropolitan libraries:

2 February 2016

- Walkerville Library (Town of Walkerville)
- St. Peters Library (City of Norwood, Payneham and St. Peters)
- City Library (City of Adelaide)
- Cove Civic Centre – Hallett Cove (City of Marion)

29 February 2016

- Melton Library & Learning Hub (Melton City Council)
- Braybrook Community Hub (Maribyrnong City Council)
- Library @ the Dock (City of Melbourne)
- Boyd Community Hub (City of Melbourne)
- Melbourne City Library (City of Melbourne)
- Kathleen Syme Library & Community Centre (City of Melbourne)

19 April 2016

- Civic Centre, Prospect Oval precinct and depot site (City of Prospect)
- Strathalbyn Library (Alexandrina Council)
- Coventry (Stirling) Library (Adelaide Hills Council)
- Burnside Library (City of Burnside)
- Campbelltown Library (City of Campbelltown)

5.9 In late 2015 and early 2016 Council staff met with representatives at City of Port Adelaide Enfield to discuss a potential partnership arrangement for joint library services.

5.10 Community consultation – City of Prospect's plan for a new 'LibraryPLUS' facility at the end of lease of the Thomas Street Centre attracted overwhelming positive feedback from the community who participated in the first consultation phase from January to March 2016. The overall feeling expressed by those who responded is that a LibraryPLUS facility is essential for City of Prospect.

- 5.11 Site Selection Locational Criteria Matrix - The tool used by Council staff for an initial analysis of future library needs, including locational needs, was based on 'site selection locational criteria' from *People, Places: a Guide for Public Library Buildings in New South Wales*. 3rd edition 2012. Commissioned by The State Library of New South Wales, Australia and undertaken by architects Francis-Jones Morehan Thorp (FJMT) and a number of other sources.
- 5.12 Findings from the Adelaide and Melbourne Library site tours, Community Consultation and site location criteria were confirmed at Council's May 2016 meeting, details as follows:

Item 15.2 LibraryPLUS – Consultation Feedback and Tour Notes

Cr Standen moved Cr Evans seconded

- (1) Receive and note the Adelaide and Melbourne library site tour workshop information, including the revised matrix 1.1 'Emerging Site Selection Locational Importance Criteria' as tabled.
- (2) Receive and note the LibraryPLUS community consultation report.
- (3) CEO to investigate an expert Project Manager who will deliver the LibraryPLUS project.

Carried 84/16

Key tasks completed in preparation for Council's June 2016 meeting

- 5.13 Andrew Russell of *inizio Consulting* was engaged by Council in June 2016 to assist with the process of identifying and further refining preferred site locations from which to scope and develop the project on one or two preferred sites.
- 5.14 The approach by Andrew Russell to this process was to utilise the *inizio icara* (software) suite of decision making tools integrating multi-criterion analysis (MCA) and risk analysis processes to guide and manage the business decision making across project and strategic options.
- 5.15 The Elected Member Workshop on 14 June 2016 included discussion of locational criteria which assisted staff to develop the following key criteria (in order of preference) for the City of Prospect's LibraryPLUS facility;
- Criteria 1 Ease of access to City of Prospect Community (incl. local schools)
 - Criteria 2 Highly visible, street frontage location (main street/shopping centre)
 - Criteria 3 High amenity/ character/ walkable area or setting
 - Criteria 4 Part of a multi trip destination
 - Criteria 5 Maximises the development opportunities of the site
 - Criteria 6 Convenient and safe parking and service access
 - Criteria 7 High levels of personal & property safety
 - Criteria 8 Opportunity for compatible/synergistic commercial activity
 - Criteria 9 Potential for outdoor spaces
 - Criteria 10 Geographically fills gaps in library service

- 5.16 This final list of criteria was prioritised as above and then the rating by consensus was applied to each site options. The MCA scores are calculated by the relative decision weighting and criteria based assessment (score of 1-5) to determine the ranking.
- 5.17 Andrew Russell explained the finance matrix and cost considerations. The factors that influence these high order estimates range from relocation costs, potential capital outlay including purchase (if required) and construction as well as car park and library fit-out costs. These cost estimates were then applied to the criteria to assess the comparative value of the options and to balance this against the 'value' judgements made.
- 5.18 The decisions of Council from the June 2016 meeting are as follows:

Item 15.2 LibraryPLUS – Locational Site Analysis

Cr Evans moved Cr Harris seconded

- (1) Council endorses the Prospect Civic Centre (Prospect Road) and the Tram Barn/Depot site (Cnr Main North Road and Johns Road) for further detailed analysis as the site for the City of Prospect LibraryPLUS. The analysis of these two sites is to include:- concept plan preparation, market testing, risk analysis, site opportunities and constraints, opportunity cost consideration, staff / operational impact assessment and financing options.
- (2) In shortlisting the two sites above, Council acknowledges that no further assessment is to occur on any other sites for a new LibraryPLUS facility. The group multi-criterion assessment process considered the Prospect Oval Precinct, options in and around Northpark Shopping Centre and Audley House as potential locations, however, these sites failed to rate highly.

Carried 95/16

Key tasks in preparation for Council's October 2016 meeting

- 5.19 A Project Executive Group (PEG) has been established internally to guide the steps and give oversight to the project. This group will consider the business issues and make recommendations to Council on budgetary strategy, defining and realising benefits, whilst assisting in monitoring risks, quality and timeliness.
- 5.20 To assist the process of determining the site for the new facility, SGS Economics and Planning were engaged in August 2016 to analyse and provide a balanced approach to the true costs and benefits (and options) for the delivery of the Community Hub, Library and Innovation Centre across either site.
- 5.21 Staff developed a "working brand" to assist in identification of the project which takes the acronym CLIC, according to Community Hub, Library and Innovation Centre.
- 5.22 Completion of the above tasks was reported to Council's October 2016 meeting, details of the Council resolution is provided as follows:

Item 15.1 Community Hub, Library and Innovation Centre Project Update

- (1) That Council receives and notes the Community Hub, Library and Innovation Centre Project Update Report.

Carried Unanimously 180/16

Key tasks completed in preparation for Council's November 2016 meeting.

- 5.23 SGS Economics and Planning – Economic and Social Analysis was discussed at the Council Workshop 15 November.
- 5.24 Project Executive Group (PEG) Terms of Reference have been established (for Council endorsement).
- 5.25 PEG has been meeting regularly to work through the detail of the documentation and research associated with the CLIC Project. An Action List is created at each meeting with items then progressed by key staff.
- 5.26 A CLIC Decision Making Framework document has also been prepared through the work of PEG (for Council endorsement).
- 5.27 A Community Engagement Strategy/ Communication Plan was developed for noting by Council.
- 5.28 A Community Reference Group (CRG) is being established as part of the Community Engagement Strategy. Terms of Reference for this group have been prepared (for Council endorsement). The Expression of Interest process to secure input from key stakeholders has commenced.
- 5.29 A Draft Project Plan has been prepared which will continue to be discussed and refined as the project evolves. Upon appointment, a Project Manager will lead to a refined Project Plan for consideration by Council in 2017. An indicative
- 5.30 Details of the Council resolutions from the November 2016 meeting as provided as follows:

Item 15.3 Project Update – Community Hub, Library and Innovation Centre (the CLIC)

- (1) Council receives and notes the progress update for the Community Hub, Library and Innovation Centre (CLIC) for the period 25 October until 22 November 2016.
- (2) Council endorses the Terms of Reference for the CLIC Project Executive Group (as presented in Attachments 1-2).
- (3) Council endorses the Terms of Reference for the CLIC Community Reference Group (as presented in Attachments 4-7) allowing the membership appointment process through PEG to occur.
- (4) Council endorses the CLIC Project Decision Making Framework (as presented in Attachment 3).
- (5) Council notes the Draft CLIC combined Communication Plan and Community Engagement Strategy (as presented in Attachments 8-19).
- (6) Council notes the indicative CLIC Project Plan and Critical Path document (as presented in Attachments 20-24).

Carried Unanimously 201/16

Key tasks completed in preparation for Council's December 2016 meeting

5.31 An update was reported to Council's December 2016 meeting as part of a commitment to provide regular updates on progress towards completion of the project. Progress occurred under the following key tasks:

5.31.1 SGS Economics and Planning - Economic and Social Analysis report was received after some refinement following Special Council Workshop presentation on 15 November.

5.31.2 The Project Executive Group (PEG) continues to meet regularly to work through the detail of the documentation and research associated with the CLIC Project.

5.31.3 The Actions List has been updated with items progressed by key Council staff.

5.31.4 Community Reference Group (CRG) call for expression of interest for key stakeholders has been completed with appointments to be made by PEG on 20 December 2016.

5.31.5 Since the Council workshop of November, SGS Economics and Planning refined their detailed report which analyses nine project scale options across the two sites and ranks them according to three distinct criteria – 1 True financial analysis, 2 Benefit cost ratio and 3 Net community benefit.

5.31.6 In order to move towards a decision (for January 2017), BRM Holdich have been engaged to assist in interpreting the detail and cross referencing with previous reports, workshop and tour notes, best practice as well as previous consultation outcomes.

5.32 Details of the Council resolutions from the December 2016 meeting as provided as follows:

Item 15.1 Project Update – Community Hub, Library and Innovation Centre (CLIC)

Cr M Standen moved Cr M Groote seconded

- (1) Council receives and notes the progress update for the Community Hub, Library and Innovation Centre (CLIC) for the period 23 November until 20 December 2016.
- (2) Council adopts the content of the 'Library/Community Hub: Economic and Social Analysis' report prepared by SGS Economics and Planning (as presented in Attachments 1-40)
- (3) Council notes that a decision on site and scale of project will be informed by an independent analysis report and recommendation to be provided by BRM Holdich in January 2017.
- (4) Council receives and notes the Project Executive Group (PEG) Actions List (as presented in Attachments 41-43).

Carried Unanimously 208/16

ATTACHMENTS

Attachments 1-2: Project Executive Group (PEG) Terms of Reference

Attachment 3: Decision Making Framework

Attachments 4-7: Community Reference Group (CRG) Terms of Reference