

**ITEM-69 CCL 24/07/18 - RELOCATION OF COUNCIL CHAMBER TO
12 STEWART AVENUE (FORMER CONFIDENTIAL ITEM 14
24/07/18 - RELOCATION OF COUNCIL CHAMBER TO 12
STEWART AVENUE)**

**REPORT BY: INFRASTRUCTURE AND PROPERTY
CONTACT: DIRECTOR INFRASTRUCTURE AND PROPERTY / INTERIM
MANAGER ASSETS AND PROJECTS**

REASON FOR CONFIDENTIALITY

This report has been classified confidential in accordance with the provisions of the Local Government Act 1993 (Act) as follows:

- Section 10A(2)(c) information that would, if disclosed, confer a commercial advantage on a person with whom the Council is conducting (or proposes to conduct) business.
- Section 10A(2)(d) of the Act provides that Council can close a meeting to consider commercial information of a confidential nature that would, if disclosed, prejudice the commercial position of the person who supplied it.
- Section 10B(1)(a) and (b) of the Act provides that the discussion of the item in a closed meeting must only:
 - (a) include as much of the discussion as is necessary to preserve the relevant confidentiality, privilege or security; and
 - (b) occur if the Council is satisfied that discussion of the matter in an open meeting would, on balance, be contrary to the public interest.

GROUND FOR CLOSING PART OF THE MEETING

In respect to Section 10D(2) the grounds on which part of a meeting is to be closed for the discussion of the particular item must be stated in the decision to close that part of the meeting and must be recorded in the minutes of the meeting. Accordingly an appropriate resolution to proceed is required first.

MOTION TO PROCEED

The discussion of the confidential report take place in a closed session, with the press and public excluded, for the following reasons:

- A The matter relates to:
- Section 10A(2)(c) information that would, if disclosed, confer a commercial advantage on a person with whom the Council is conducting (or proposes to conduct) business.

- B The closed session involves only as much of the discussion as is necessary to preserve the relevant confidentiality, privilege or security.
 - C The matter relates to estimated fit-out costs which are contained in the report. The release of such information would prejudice a good commercial outcome from a fit-out tender.
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PURPOSE

To seek support for Council to relocate the existing Council Chamber to 12 Stewart Avenue, Newcastle West.

RECOMMENDATION

- 1 Council resolves to relocate the Council Chamber to 12 Stewart Avenue, Newcastle West.
- 2 Council grant authority to the Chief Executive Officer or his delegate to finalise arrangements for the design, fit-out, and relocation of the Council Chamber.
- 3 This confidential report relating to the matters specified in s. 10A(2)(d) of the Local Government Act 1993 be treated as confidential and remain confidential until Council determines otherwise.

KEY ISSUES

- 4 Council has resolved to lease and move to new office accommodation at 12 Stewart Avenue, however the existing Council Chamber is in City Hall. This distance of 1.6km between the Administration building and the existing Chamber will create work inefficiencies and be counter-productive to the intended objectives of the relocation from the Frederick Ash Building and the City Administration Centre (CAC).
- 5 The new modern Chamber can be accommodated in the leased space on Level 1 (Ground Floor) which will have fully accessible and convenient public access, including for those with mobility issues.
- 6 When not in use for Council meetings, the Chamber can be utilised as a multi-purpose space by Council staff and possibly for select public groups.

FINANCIAL IMPACT

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- 8 It is proposed to hand over the existing Chambers, Lord Mayor's Office (LMO) and Lord Mayor's Reception Room (LMRR) to the Museum for future heritage curation, preservation and reuse for commercial purposes. Any repurposing costs associated with achieving this will be subject to future budget approval.

COMMUNITY STRATEGIC PLAN ALIGNMENT

- 9 The report recommendation is consistent with the 2030 Community Strategic Plan objective of 'Liveable and Distinctive Built Environment'.

IMPLEMENTATION PLAN/IMPLICATIONS

- 10 The proposed relocation of the Council Chamber would be implemented as part of the overall project to relocate the Council administration to 12 Stewart Avenue. This will not have any significant impact on the delivery and resourcing of the overall project.
- 11 There are some, yet to be determined, implications for the Museum on the costs and resources associated with repurposing the existing Council Chamber, LMO and LMRR. However, they are unlikely to be significant and may be offset from the benefits that are realised from the commercial repurposing of the areas.

RISK ASSESSMENT AND MITIGATION

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- 13 The new premises is due for Practical Completion in May 2019 and it is proposed to fit-out the Chamber over the ensuing six month period. However, the first Council meeting will not likely be held there until February 2020. This additional time will be used to commission the new Chamber.
- 14 Relocating the Council Chamber to 12 Stewart Avenue could impact on the quantity of surplus space that can be sub-leased within the building. (As identified as an option in the original business case put forward to Council.) The preliminary work done to date suggests that relocating the Chamber will not reduce available space for sub-lease.

RELATED PREVIOUS DECISIONS

- 15 On 24 October 2017 Council resolved to grant authorisation to the Chief Executive Officer to proceed to finalise commercial terms for appropriate new office accommodation on terms as outlined, provided they are favourable to Council. An agreement to lease has been entered into with occupation expected mid-2019.

CONSULTATION

- 16 The Asset Advisory Committee was consulted on 19 April 2018 and endorsed the recommendation.
- 17 Discussions have been held with the Museum Director about repurposing the Chamber, LMRR and LMO for use by the Museum.

BACKGROUND

- 18 City Hall has been the home to Council Chambers for some 80 years, but the space is not well suited to modern meetings. The current fixed seating configuration is inflexible and does not enable the Councillors to be public facing. Currently the Chamber is utilised for just twelve hours monthly, which is less than 2% of its available operating hours of 9am to 9pm Mon-Fri. Furthermore, by building a more modern Chamber, flexibility can be built into the space to allow the Chamber to be utilised as a multi-use space for other meetings during the week, thereby, improving overall productivity.
- 19 The majority of Councils across NSW have their Chamber located in the same building as their administrative staff. This allows for a more efficient and productive operation of council meetings. Having Council meetings at City Hall and Council operations at 12 Stewart Avenue would create logistical issues in part due to the 1.6km distance between the two buildings. These issues include: the need for staff to access the Chamber multiple times for set-up on the day of meetings and workshops, security of the Chamber and IT equipment, access to IT systems and printing capabilities during meetings, and time in transit potentially impacting the ability to facilitate late items.
- 20 12 Stewart Avenue is in a more central location to the new CBD of Newcastle, being just 100m from the Newcastle Transport Interchange and is more accessible for staff and members of the public.
- 21 The 12 Stewart Avenue location will have 100 car spaces, as well as modern end-of-trip facilities. This will provide options for Councillors, and Council Officers. Once Council sells (or leases) the CAC building there will be no dedicated parking at City Hall for Councillors or staff. Locating the Chamber at 12 Stewart Avenue ensures the safety of Council staff during the meeting and when walking from the Council meeting to their car, often late at night.

OPTIONS

Option 1

- 22 The recommendations at Paragraphs 1 - 3. This is the recommended option.

Option 2

- 23 Council does not approve the recommendations at Paragraphs 1 - 3. This is not the recommended option.

CONFIDENTIALITY

- 24 The matter relates to estimated fit-out costs which are contained in the report. The release of such information would prejudice a good commercial outcome from a fit-out tender.

REFERENCES

ATTACHMENTS

Nil.