

STRATEGY AND POLICY REVIEW COMMITTEE

1 JUNE 2009

POLICY AND PLANNING

A4	CLARENDON CHILDREN'S CENTRE FEASIBILITY STUDY
LOCATION/ADDRESS:	400-412 CLARENDON ST, SOUTH MELBOURNE
RESPONSIBLE EXECUTIVE DIRECTOR:	DAVID YEOUART, EXECUTIVE DIRECTOR, COMMUNITY ASSETS AND SERVICES
AUTHOR:	SHEENA FROST, SPECIAL PROJECTS COORDINATOR, COMMUNITY SERVICES
FILE NO.:	36/02/16
ATTACHMENTS:	ATTACHMENT 1. SUBMISSION FROM CLARENDON FAMILY CHIROPRACTIC

1. EXECUTIVE SUMMARY

- 1.1. In a resolution of December 2008, Council requested a feasibility study ("study") to determine the actions, costs and timelines necessary to increase the Clarendon Children's Centre Cooperative in South Melbourne by 20 places.
- 1.2. The study has been completed, and demonstrates there is space to achieve 20 additional licensed children's services places, provided that the area currently tenanted at 400 Clarendon St is able to be used to expand the children's centre.
- 1.3. The areas of the existing tenancy not required for the children's centre are of a suitable size to accommodate two maternal and child health consulting suites, a waiting room/new parents group area, kitchenette, toilet facilities and a meeting space/joint staff lounge (children's centre and maternal and child health staff). This proposal is consistent with Council's policy of co-locating services where possible, and expanding family and children's services.
- 1.4. The total project cost, as at May 2009, is approximately \$800,000 and would require a six month construction timeline.

2. RECOMMENDATION

That the Strategy and Policy Review Committee recommend that Council resolve to:

- 2.1. Proceed to detailed design on the concept for 400-412 Clarendon St, to increase the capacity of Clarendon Children's Centre by 20 licensed places, and create two new maternal and child health consulting suites, shared space and associated facilities by incorporating the existing tenancy at 400 Clarendon St.

- 2.2. Conduct consultations with Clarendon Children’s Centre and the Maternal and Child Health Service on the detailed design.
- 2.3. Note that Napier St Hostel will also be consulted around any impact on car parking and access to their facility.

3. DISCUSSION

3.1. Background:

3.1.1 At the Ordinary Council meeting of 18 December 2008, at Order 5, the Family & Children’s Services Special Projects progress report, the council resolved to (relevant section noted only):

- 1. That in the context of Council’s Child Care Strategy and noting the current increased pressure on child care places, particularly in the Albert Park and South Melbourne neighbourhoods, a feasibility study be developed, with respect to Clarendon Street Centre, to determine the actions, costs and timelines necessary to expand the Centre by up to 20 places and that a sum of \$20,000 be allocated in the mid-year budget review, to undertake this study.
- 2. That Council commence consultation with Clarendon Child Care Committee of Management on this proposal.

3.1.2 Clarendon Children’s Centre Co-operative operates from a council owned building at 400-412 Clarendon St. It occupies one part of the building, and the other part (400 Clarendon) is leased by Clarendon Family Chiropractic.

3.1.3 Clarendon Family Chiropractic has leased the building since 2001. Its original lease expired in 2006. It successfully tendered for a new lease in 2006, but this has not been finalised.

3.1.4 The owners of Clarendon Family Chiropractic have been notified about the study, and the potential for it to impact on their tenancy.

3.1.5 As a result of the Council decision in December 2008, an architect was appointed in January to conduct the feasibility study.

3.1.6 A meeting between Clarendon Children’s Centre Co-op and the architect was held in February 2009. In addition site surveys were conducted in February.

3.1.7 The building is subject to a heritage overlay; therefore restrictions will apply as to how additional places can be accommodated without significantly altering the exterior of the building.

3.1.8 To achieve increased places, incorporating the existing tenancy at 400 Clarendon St is required to meet licensing requirements as the site is compact.

3.1.9 The study shows a 20 place room could be created for Clarendon Children’s Centre provided there is ability to move into spaces currently occupied by Clarendon Chiropractic.

- 3.1.10 The external site area also needs to be maximized to achieve the licensing requirement of 7sqm of outdoor space per child. As a minimum, the yard fencing needs to be re-aligned to the title boundary. Currently some car parking spaces are provided in the area proposed to be included in a yard. The outdoor space restrictions prevent expansion beyond 20 licensed children's services places.
- 3.1.11 The detailed design process will examine the use of the remaining on site car parking spaces and the impact this might have on parking in the area and access to Napier St Hostel. This would enable more than the minimum outdoor space requirements for children of Clarendon Children's Centre.
- 3.1.12 The study shows there is remaining interior space at 400 Clarendon to provide two maternal & child health consulting rooms, a waiting room/new parents group area, toilet facilities, kitchenette and a meeting space/joint staff lounge that would be used by the Clarendon Children's Centre and Maternal and Child Health.
- 3.1.13 The feasibility study shows a total project involving:
- 220sqm of internal renovations
 - 18sqm of additions
 - 71sqm of refurbishment
 - Additional landscaping and civil works
- 3.1.14 The total project cost, as at May 2009, is estimated to be approximately \$800,000.
- 3.1.15 The time required to complete the project (construction only) is six months. Detailed consultation with Clarendon Children's Centre Cooperative would be required if the project proceeds to a detail design stage, which is not included in the estimated project timeline.
- 3.1.16 Detailed design should be completed in time to allow for construction to be considered for the 2010/2011 Capital Works Budget.

3.2 Consultation

- 3.2.1 The Clarendon Children's Centre Committee of Management was informed of the decision to conduct the study, as were the tenants of 400 Clarendon St.
- 3.2.2 Members of council's design panel were invited to quote for this study, and an appointment was made in January 2009.

- 3.2.3 A meeting was held between the architect and Clarendon Children's Centre Co-operative in February 2009 to inform this feasibility study.
- 3.2.4 A meeting was held with Clarendon Family Chiropractic and Council where the feasibility process was discussed. Council was represented at this meeting by Cr Klepner, Deputy Mayor and Greg Wood, Manager Community Services.
- 3.2.5 At this meeting the owners of Clarendon Family Chiropractic expressed concern about the negative impact on their business of losing their tenancy. They were invited to provide a submission to Council detailing their concerns and this submission is attached to this report.
- 3.3 Options
 - 3.3.1 Recommended option
 - 3.3.1.1 The recommended option is to proceed to a detailed design stage
 - 3.3.1.2 It is consistent with council's Municipal Early Years Plan, support for expanding family and children's services and co-locating services where possible.
 - 3.3.1.3 It progresses efforts to increase the number of childcare places in the city.
 - 3.3.1.4 The existing commercial tenancy will not continue and the space will be utilised for co-located family & children's services.
 - 3.3.1.5 Council would lose the current rental income from the tenants of 400 Clarendon St.
 - 3.3.2 Option 2
 - 3.3.2.1 Council can elect to note the feasibility study and not progress to detailed design stage
 - 3.3.2.2 This option will not progress efforts to increase childcare places, expand family and children's services or co-locate services where possible.
 - 3.3.2.3 The existing commercial tenancy will be able to remain operating and the proposed lease agreement could be finalised.
 - 3.3.2.4 Rental income would be maintained under this option.

- 3.4 Council Policies
 - 3.4.1 Council's child care policy is committed to ensuring access to quality, affordable childcare.
 - 3.4.2 The recommended option supports co-location of early years services, which is consistent with council's Municipal Early Years Plan
- 3.5 Financial implications
 - 3.5.1 An estimate of costs for the work, at May 2009, is approximately \$800,000 excluding GST.
 - 3.5.2 Rental income (currently \$41,600 annually) from the tenants of 400 Clarendon St would be forgone.
 - 3.5.3 There would be an increase in subsidies payable to Clarendon Children's centre but this would be offset by an increase in levies collected, based on the current user profile.
- 3.6 Risk implications
 - 3.6.1 Council has an existing tenant in the premises of 400 Clarendon St, and Council may need to seek further advice regarding not renewing the tenancy, if the recommended option was to proceed.
- 3.7 Implementation
 - 3.1.7 June 09: Inform stakeholders of decision
Aug 09: Commence the tender process for architectural services
Oct 09: Appoint architect
Oct 09: Commence consultations on detail design with key service users and stakeholders
Mar 10: Detailed design and full costing developed in time for consideration in 2010/2011 budget
- 3.8 Key messages
 - 3.8.1 Council is fulfilling its commitment to increasing the number of childcare places in the city
 - 3.8.2 Council will co-locate related services where feasible, to provide a benefit to local families now and in the future.
 - 3.8.3 Council's design process will be informed by consultation with key stakeholders including the Clarendon Children's Centre Co-op and families who use MCH services.