



13.1 **CHILDCARE CENTRE PORTFOLIO IMPROVEMENT -
CONSULTATION ON PROPOSAL TO SELL THREE
PROPERTIES - REPORTING OF SUBMISSIONS**

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1. PURPOSE

- 1.1 To report the submissions in response to Council's community engagement under section 114 of the *Local Government Act 2020* ("Act") on its intention to sell three Council owned properties, namely: 17 Eildon Road, St Kilda; 46 Tennyson Street, Elwood; and 39 The Avenue, Balaclava, being Council owned properties currently leased as early childhood education and care ("childcare") centres.

2. EXECUTIVE SUMMARY

- 2.1 On 1 December 2021 Council resolved to commence consultation on the proposal to sell three childcare centres - at 17 Eildon Road, St Kilda, 46 Tennyson Street, Elwood and 39 The Avenue, Balaclava - reinvesting the proceeds in the provision of children's facilities, including the planned redevelopment of the North St Kilda Children's Centre into a contemporary, fully accessible and purpose built facility.
- 2.2 Notices of Intention to Sell were published on Council's website on 14 December 2021, and supplemented with notices in *The Age* on 14 December 2021, 1 January 2022, and 5 February 2022. (See Attachment 1 for an example). The notices informed the public of Council's intention to sell the three centres, inviting submissions of feedback.
- 2.3 13,082 letters were distributed via mail to owners and residents in the surrounding streets to support awareness of the proposal.
- 2.4 Targeted consultation was also carried out with the volunteer governance committees of the lessees. This involved two meetings with each committee, chaired by an external mediator. A summary of those discussions is provided in Attachment 3. The committees have each indicated their preferred alternatives to sale. These are respectively noted in Attachments 4, 5 and 6.
- 2.5 Awareness of Council's proposal was also boosted by media coverage.
- 2.6 We received:
- 131 submissions for 17 Eildon Road, St Kilda;
 - 128 submissions for 46 Tennyson Street, Elwood; and
 - 76 submissions for The Avenue, Balaclava.
- 2.7 Most submissions received were against selling the properties.
- 2.8 Common themes raised were:
- closing community run, non for-profit early childhood services;
 - concern over the wellbeing of children and staff;
 - Council's purported disconnect with the wider community;



- reduction in community childcare resulting in parents having to send their children to private centres costing more; and
- concern over the potential development of the site should Council resolve to sell the property.

2.9 The submissions will be considered and at a subsequent Ordinary Meeting of Council, a recommendation will be made whether to proceed with the sales. That meeting is anticipated in July 2022.

3. RECOMMENDATION

That Council:

- 3.1 Notes that it has formally sought and received feedback in relation to its intention to sell 17 Eildon Road, St Kilda, 46 Tennyson Street, Elwood and 39 The Avenue, Balaclava, properties leased as early childhood education and care centres.
- 3.2 Notes the submissions of response received by the end of the notice period (of 28 February 2022).
- 3.3 Thanks the submitters for their submissions.
- 3.4 Further notes that targeted consultation has been undertaken with the committees of the three incorporated associations respectively leasing the properties.
- 3.5 Thanks the committees for their participation in that consultation.
- 3.6 Formally considers the submissions received at a subsequent meeting of Council, once the feedback has been considered.

4. KEY POINTS/ISSUES

- 4.1 At its Ordinary Meeting on 1 December 2021 Council resolved to consult with the community on its intention to sell 17 Eildon Road, St Kilda, 46 Tennyson Street, Elwood and 39 The Avenue, Balaclava, being Council owned properties currently leased as childcare centres.
- 4.2 Council commenced the community consultation period by publishing a notice on the relevant section of Council's website. Requests for feedback were also published in The Age newspaper.
- 4.3 The consultation was designed to:
 - present the community with the proposed sale of the three childcare centres, information about the proposed sale, and to receive submissions from any person or organisation concerning that proposed sale;
 - ensure the neighbouring properties and residents are aware of the proposed sale and are provided with an opportunity to comment;
 - comply with section 115 of the Local Government Act 2020; and
 - assist members of the public to register comments concerning the proposed sale for Council's consideration, prior to a decision on whether to sell the three centres.
- 4.4 Additionally, Officers carried out targeted consultation with the committees of the three incorporated associations respectively leasing the properties. This was intended to support dialogue and information sharing with the committees, and to identify alternative viable options to sale.
- 4.5 This included six facilitated meetings – two with each committee.



Interest and responses

- 4.6 There were 3,140 visits to the “Have Your Say” page.
- 4.7 We received 335 submissions (total) for the three centres. They are provided in Attachment 2, with personal information and content that is potentially defamatory redacted.
- 4.8 Most submitters were not in favour of selling the three centres.
- 4.9 Attachment 3 summarises the interactions of the facilitated consultation with the three committees, including participants, agenda and outputs.
- 4.10 During those discussions, the viable alternative options to sales were considered, and the centres asked to indicate their preferred options. Their responses are noted in **Attachments 4, 5 & 6.**

5. CONSULTATION AND STAKEHOLDERS

- 5.1 In line with *Council’s Community Engagement Policy 2021*, individuals who engaged in the Have Your Say process were provided with the opportunity to provide feedback on Councils proposal to sell three childcare centres.
- 5.2 The participants were asked to what extent they agreed or disagreed with the statement “Council provided me with access to information to enable me to meaningfully participate in this process”. Approximately 97 participants agreed or strongly agreed with this statement, and 83 were neutral. Together, this represents approximately 54% of the total submissions.
- 5.3 Within the submission process participants were asked to disclose their gender: “Man or Male”, “Woman or Female”, “Non-binary” or “Prefer not to answer”.
- 5.4 317 responses to this question were received, comprising:
 - 93 (29%) responding as Man or Male;
 - 207 (65%) responding as Woman or Female;
 - 1 responding as non-binary; &
 - 16 (5%) not indicating a gender.
- 5.5 One or more of the centres undertook a (change.org) petition “Save your community -run early childhood centres and kindergartens”, but this was not part of Council’s consultation and is not considered here. It was tabled at the Ordinary Meeting of Council of 6 April 2022.
- 5.6 Facilitated discussions were held were undertaken with each of the three lessee centre committees.

6. LEGAL AND RISK IMPLICATIONS

- 6.1 All three properties have signification condition and compliance issues.
- 6.2 In performing its function and exercising its powers City of Port Phillip can acquire, deal with and disposes of property. Its right to do so is confirmed in Part 5 Division 4 of the Act.

7. FINANCIAL IMPACT

- 7.1 The cost of undertaking this consultation is approximately \$240k. This includes independent facilitation, publishing notices, mail distribution, and numerous reports to



respond to requests for independent information regarding the three facilities. It excludes Officer time.

7.2 Under the proposal the intent is to use the proceeds of the potential sales for development of the Children's services portfolio.

8. ENVIRONMENTAL IMPACT

8.1 No material environmental arise from the recommendations of this report.

9. COMMUNITY IMPACT

9.1 The availability of childcare services is critical to the ongoing social development and economy of our community. The availability of fit for purpose facilities supports these services.

10. ALIGNMENT TO COUNCIL PLAN AND COUNCIL POLICY

10.1 Consultation on Council's proposal to sell the three properties aligns with Council Plan direction "Well Governed Port Phillip".

10.2 The intention to reinvest the proceeds of the sales in the children's services portfolio supports Council Plan direction "Inclusive Port Phillip".

10.3 Proactive planning for Council's childcare facilities supports Council's Asset Management Strategy 2018-21, including its underlying objectives, namely: fit-for purpose assets; delivery of community benefit; environmental sustainability (including climate resiliency); financial sustainability; and advanced asset management practice.

11. IMPLEMENTATION STRATEGY

11.1 TIMELINE

11.1.1 Officers will consider the responses received and provide a recommendation report to an Ordinary Meeting of Council. This is anticipated to occur in July 2022.

11.2 COMMUNICATION

11.2.1 Council is committed to the performance of its property portfolio, including its childcare facilities.

11.2.2 Prior to making any final decision to sell its land Council undertakes community consultation in accordance with the *Local Government Act 2020*.

12. OFFICER DIRECT OR INDIRECT INTEREST

12.1 No officers involved in the preparation of this report have any material or general interest in the matter.

ATTACHMENTS

1. Public notice - The Age
2. Submissions in response to Notice of Intention to Sell
3. Consultation with committees of management - "What was said" report (MosaicLab, May 2022)
4. Preferred options to sale - Eildon Road Childcare & Kindergarten
5. Preferred options to sale - Elwood Children's Centre
6. Preferred options to sale - The Avenue Children's Centre & Kindergarten