

EXTRACT OF MINUTES OF BODDINGTON COUNCIL MEETING 13 DECEMBER 2011

8.2 DIRECTOR SPECIAL PROJECTS:

8.2.1 SuperTown Growth Plan – Implementation Projects

File Ref. No:	ADM 0620
Disclosure of Interest:	Nil
Date:	6 December 2011
Author:	Terry Pearson, Director Special Projects
Attachments:	8.2.1A SuperTowns Project Development Fund Eligibility & Evaluation Criteria (draft) 8.2.1B Potential Implementation Projects

Summary

Council is to approve a list of potential projects for consideration for inclusion as Implementation Projects in the Boddington SuperTown Growth Plan

Background

The SuperTown objectives will be guided by the development of the Boddington SuperTown Growth Plan for the future development of Boddington Townsite and the sub-region, to the year 2050.

The SuperTown Growth Plan (“GP”) will reflect the aspirational vision of the local community, and provide an “investment blueprint” to attract State and private sector investment and to direct sustainable growth.

The GP will:

- define what the community wants the town to “look and feel like” in 40 years;
- state what the desired population will be by year 2050; and
- identify economic growth potential and targets.

The GP must include a “Feasible Implementation Plan” and project schedules, that identify the projects for which funding is sought by the town. These projects are known as “Implementation Projects” and are to be funded from the “SuperTowns Project Development Fund”.

The timeframe for the preparation of a GP is extremely important, as it will directly influence Council’s capacity to receive a portion of the \$80m of available funding in 2011/12. The finalised GP must be submitted to the SuperTowns Steering Committee by 29 February 2012 and Business Cases for the Implementation Projects (“IP”) by 24 February 2012.

It is therefore necessary to commence work on the Business Cases now, so that this deadline can be met, and to make a judgement now as to which IPs may be included in the final adopted GP. The GP is scheduled to be adopted by Council at a Special Council Meeting on 28 February 2012.

However, the Peel Development Commission has very recently advised that the SuperTowns Steering Committee is aware of concern of the SuperTowns about the tight timeframe in which Business Cases are to be completed and the cost to complete cases for several projects which may well be unsuccessful. The Committee is therefore currently reviewing whether Business Cases should not be as detailed as the template that has been issued for them, and whether a more streamlined process can be used.

Comment

The above advice was only received on 6 December, so the following action was taken well before this date.

Due to the very tight time constraints, Hames Sharley has been commissioned to draft a Business Case for each project that is included in the GP, with work having commenced on the Recreation Centre project. Another consultant has been commissioned to draft the Business Case for the Retirement Village.

Community workshops were conducted by consultants Hames Sharley and Syme Marmion in Boddington on 29 November 2011 (one in the daytime, with 40 attendees and one in the evening with 18 attendees), and in Williams (18 attendees) and Wandering (3 attendees) on 30 November.

It is therefore possible to formulate a draft list of potential IPs, taking into account the views expressed by the three communities at the workshops, together with Council’s knowledge of what is required to ensure the population of Boddington and the sub-region grows at a faster rate than it otherwise would.

Attachment 8.2.1A are the Department for Regional Development and Lands (draft) eligibility and evaluation criteria that projects must satisfy to be able to be funded by the SuperTowns Project Development Fund.

In summary, the most significant eligibility criteria are:

- The project should be aligned to one or more of the six Royalties for Regions policy objectives; and
- The project must be aligned to one or more of the nine key focus areas of the SuperTowns Program.

The three evaluation criteria are:

- Potential to Stimulate and Sustain Economic and Population Growth in the Community;
- Project Readiness and Viability; and
- Leveraging Financial or Other Resources for the Project.

The document makes the following specific comment on whether the purchase of land is an eligible project (having been asked by the Peel Development Commission):

“Using the SDPF to purchase vacant land may only be considered where:

- *No other funds can be secured for this purpose; and*
- *For the provision of affordable land/housing or other strategic land supply purposes.*

The purchase of the land must clearly relate to the establishment of:

- *A fixed community and local government infrastructure asset; or*
- *Residential, commercial or industrial subdivision.*

The SDPF should not be used for the sole purpose of purchasing and selling land in its vacant state. Development of the land needs to commence within 12 months of signing the Financial Assistance Agreement (FAA).”

It should be borne in mind that the whole philosophy of SuperTowns is for a community to be aspirational ... to think big ... and not to look on the initiative as “being more of the same old, same old”. It is therefore expected by the Minister that projects will be significant in size, and not numerous, small projects.

The table at Attachment 8.2.1B lists suggested IPs and the Officer Recommendation is that this list (as amended by Council) be evaluated by the consultants as a matter of urgency; Councillors can, of course, add or delete projects from the list. The table shows how many of the eligibility criteria each project meets and gives a score to each project based on the extent to which the project meets the three evaluation criteria.

In order to have time to complete a Business Case for each project (in addition to drafting the Growth Plan and Visioning Report), it is essential to decide which IPs will be included in the GP as early as possible.

The program for the GP contains the following key milestones:

MILESTONE	DATE
Council to consider the draft Growth Plan & Business Cases	Either at the Ordinary Council Meeting on 17 January 2012, or at a Special Council Meeting between 18 & 23 January 2012
Community Consultation on the draft GP	During 23 January to 3 February 2012
Submission of draft GP to WA Planning Commission Statutory Planning Committee for "noting"	By 9 February, for meeting on 28 February 2012
Council to endorse the draft final GP & provide feedback	About 22 February 2012
Council to adopt the final GP	Special Council Meeting 28 February 2012
Submit Business Cases to S/T Steering Committee	24 February 2012
Submit GP to S/T Steering Committee	29 February 2012

Strategic Implications

The SuperTowns initiative is strategically very important, as it will enable the growth of Boddington and the sub-region to occur quicker than it otherwise would, bringing with it numerous benefits to the whole community in the form of increased and better-quality services and facilities.

Statutory Environment – Nil

Policy Implications - Nil

Financial Implications

The financial assistance paid to the Shire by the Department of Regional Development and Lands (“DRDL”) to fund the current planning phase of the SuperTowns initiative is \$323,000.

The notional budget and actual committed expenditure to date for this planning phase is comprised:

ITEM	NOTIONAL BUDGET	COMMITTED
Growth Plan	\$170,000	\$157,000
Economic Development Plan	\$60,000	\$60,000
Corporate Business Plan and Long Term Financial Planning	\$65,000	0
Administration support, including input into project business cases – note 1	\$28,000	\$29,000
SUB-TOTAL	\$323,000	\$246,000
Uncommitted	\$77,000	

Note 1: Assumes six Business Cases are prepared (subject to the Steering Committee revised requirements).

The Financial Assistance Agreement executed with RDL only shows the total of \$323,000 and not these notional elements, which gives the Council flexibility in funding the various elements of the planning phase. Staff salaries are an eligible item of expenditure, so the cost of the time of the Director Special Projects spent on this planning phase could be treated as a charge against this planning budget, and also as one of the costs of project implementation.

Economic Implications - Nil

Social Implications - Nil

Environmental Considerations - Nil

Consultation - Nil

Options

Council can:

1. Adopt the Officer's Recommendation; or
2. Amend the Officer's Recommendation and add or delete a project or projects.

Voting Requirements - Simple Majority

OFFICER RECOMMENDATION – ITEM 8.2.1

Council Resolution 201/11 Moved Cr Carrots

That Council approves the list of projects at Attachment 8.2.1B to be assessed by the project consultants for potential inclusion in the Boddington SuperTown Growth Plan and authorises the commencement of the preparation of Business Cases for whichever of those projects are included in the draft Growth Plan.

Seconded Cr Crilly Carried 7/0

ATTACHMENT 8.2.1B

BODDINGTON SUPERTOWN - POTENTIAL PROJECTS FOR INCLUSION IN THE SUPERTOWNS GROWTH PLAN

The two eligibility criteria columns (“meets R4R policy objectives” & “meets SuperTowns focus areas”) show which objectives and focus areas that the project satisfies (refer notes 1 and 2 for details).

The three evaluation criteria (“stimulates economic and population growth”, “project readiness and viability” & “leveraging financial or other resources”) have been scored on a 10 point scale in regard to the extent to which they meet the criteria.

PROJECT TITLE	DESCRIPTION	MEETS R4R POLICY OBJECTIVES (note 1)	MEETS SUPERTOWNS FOCUS AREAS (note 2)	STIMULATES ECONOMIC AND POPULATION GROWTH	PROJECT READINESS AND VIABILITY	LEVERAGING FINANCIAL OR OTHER RESOURCES
Increase water capacity to Ranford	There is insufficient water capacity between Boddington and Ranford, a distance of about 2.5kms. Sub-division of residential land along this corridor is being delayed. This project is to pay the Water Corporation for the pre-funding component (approx. \$1m) of the cost of a second pipe. This will accelerate the release of residential land along this corridor, leading to a more competitive land market and more choice. This expenditure will be recovered from Water Corporation after the work is complete, enabling the grant of \$1m to be re-allocated to a further project.	1,3,4,5	1,2,3,5,7	8	10	10
Retirement Village & Aged Care Facility	There is an urgent need for Independent Living Units for aged persons, and a (residential) Aged Care Facility. There are 15 interested parties, of which 5 wish to rent, 3 lease for life and 7 undecided. This project is to fund the construction of eleven units on a site that is immediately available (stage 1). SuperTowns funding of 7 rental units, with 4 funded by Shire.	3,4,5,6	2,3,5,	8	9	10
Key-worker	High rents and house prices are driven by the mining industry,					

PROJECT TITLE	DESCRIPTION	MEETS R4R POLICY OBJECTIVES (note 1)	MEETS SUPERTOWNS FOCUS AREAS (note 2)	STIMULATES ECONOMIC AND POPULATION GROWTH	PROJECT READINESS AND VIABILITY	LEVERAGING FINANCIAL OR OTHER RESOURCES
Housing	resulting in staff for retail shops and the Shire being difficult to attract. This project is to sub-divide and develop five key-worker housing units at Lot 62 Pollard St.	1,2,3,4,5,6	3,4	8	6	6

Youth Centre	<p>The need for a new Youth Centre has been established and has strong community support.</p> <p>The current total cost is approximately \$750,000. The project will be fully planned and construction-ready by May 2012.</p>	2,3,4	1,3,5	5	9	6
Recreation Centre	<p>The need for a new indoor Recreation Centre has been established and has strong community support.</p> <p>The current total cost is approximately \$10m. The project will be fully planned and construction-ready by August/October 2012. If a DSR grant is sought, the date becomes May 2013.</p> <p>It will be the single most significant facility to date that will serve to act as an attractor to families to decide to settle in</p>	1,3,4	1,2,3,5,7	8	9 (subject to DSR grant)	8

	Boddington.					
Main Street Upgrade	This project is to beautify the main street through the centre of town – it is the main retail shopping location. The first stage is to place the power lines on the west side of Bannister Road underground, and then to renew all footpath paving, plant shade trees and undertake other improvements to the appearance of this prime road.	1,4,6	1,2,3,4,6	8	6	7
Facilitate sub-division of Lot 8016	This land, which comprises 406.6 hectares, will be placed on the market in early 2012, by the owner’s financier. It is the most significant parcel of land in the town that can provide significant future residential land. It has been sub-divided into 5 superlots, one of which is 76.8ha and has received sub-division approval for 233 lots. Whilst the land, or a portion thereof, could be purchased in early 2012, due to the complexities, the project’s ‘readiness’ involves a significant lead-time.	1,2,4,5,6	2,3,4	8	8 to acquire land 4 to bring lots to market	6
Develop vacant main street land	This project is to purchase the land at the corner of Bannister Road and Forrest Street (assuming it would be for sale), and construct retail premises, for rental (at a subsidised rate) to attract new businesses to town.	1,3,4,5,6	1,2,3,4,6	10	5	5

Tourism Development & Facilities	This project recognises that there is significant potential in a tourism industry, with the intention of Newmont Boddington Gold to commence mine tours in 2012. The Williams and Wandering communities expressed high interest in a sub-regional approach to tourism. Funding could be used to develop tourist facilities and/or subsidise operators to minimise the commercial risk in starting a new venture.	1,4,5,6	3,4,9	10	6	5
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NOTES:

1. The six Royalties for Regions Policy Objectives are:
 1. Building capacity in regional communities
 2. Retaining benefits in regional communities
 3. Improving services to regional communities
 4. Attaining sustainability
 5. Expanding opportunity
 6. Growing prosperity

2. The nine SuperTowns key focus areas are:
 1. Governance, strategic planning and community engagement;
 2. Development of healthy, attractive and well-planned communities – including streetscape, business and revitalisation programs;
 3. Sustainable communities
 4. Economic activity and employment opportunities – including industry attraction, workforce planning, skills development and technology and innovation;
 5. Community engagement and more specifically Aboriginal involvement;
 6. Maximisation of the benefits of technology and innovation;
 7. Asset and infrastructure management;

8. Integrated transport and key infrastructure linkages; and
9. Marketing and strengthening of identity.