# CITY OF WEST TORRENS



# Confidential Report Items 9.1 and 21.1

of the

**COUNCIL MEETING** 

of the

# **CITY OF WEST TORRENS**

will be held in the Council Chambers, Civic Centre 165 Sir Donald Bradman Drive, Hilton

on

TUESDAY, 16 APRIL 2019 at 7.00pm

Pursuant to Section 83 (5) of the *Local Government Act 1999* the Confidential Item for the Council meeting is delivered to the Council Members upon the basis of my recommendation that the matters to which the Agenda relates be received, considered and discussed by the Council in confidence under Part 3 of the Act.

Terry Buss PSM Chief Executive Officer

# **City of West Torrens Disclaimer**

Please note that the contents of these Council and Committee Agendas have yet to be considered by Council and officer recommendations may be altered or changed by the Council in the process of making the <u>formal Council decision</u>.

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# 9 CONFIDENTIAL DEPUTATION

# 9.1 Plympton Residential DPA

# **Reason for Confidentiality**

The Council is satisfied that, pursuant to Section 90(3)(m) of the *Local Government Act 1999*, the information to be received, discussed or considered in relation to this agenda item is:

(m) information relating to a proposed amendment to a Development Plan under the Development Act 1993 before a Plan Amendment Report relating to the amendment is released for public consultation under that Act.

# RECOMMENDATION

It is recommended to Council that:

- 1. Pursuant to Section 90(2) of the Local Government Act 1999, Council orders, that the public, with the exception of the Chief Executive Officer, members of the Executive and Management Teams in attendance at the meeting, meeting secretariat staff, and Holmes Dyer Consultants be excluded from attendance at so much of the meeting as is necessary to receive, discuss and consider in confidence, information contained within the confidential report Item 9.1 Plympton Residential DPA, attachments and any associated documentation submitted by the Chief Executive Officer, specifically on the basis of the provisions of Section 90(3)(m) because the deputation will present information relating to a proposed amendment to a Development Plan under the Development Act 1993 before a Development Plan Amendment proposal relating to the amendment is released for public consultation under that Act.
- 2. At the completion of the confidential session the meeting be re-opened to the public.

# **DEPUTATION**

# **Plympton Residential DPA**

Holmes Dyer Senior Consultant, Sarah Gilmour wishes to address Council in relation to the Plympton Residential Development Plan Amendment (DPA).

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# 21 CONFIDENTIAL REPORT

# 21.1 Future of Cummins House

# **Reason for Confidentiality**

The Council is satisfied that, pursuant to Section 90(3)(j)(i) and (j)(ii) of the *Local Government Act* 1999, the information to be received, discussed or considered in relation to this agenda item is:

- (j)(i) information the disclosure of which would divulge information provided on a confidential basis by or to a Minister of the Crown, or another public authority or official (not being an employee of the Council, or a person engaged by the Council).
- (j)(ii) information the disclosure of which would, on balance, be contrary to the public interest.

# **RECOMMENDATION**

It is recommended to Council that:

- 1. Pursuant to Section 90(2) of the *Local Government Act 1999*, Council orders, that the public, with the exception of the Chief Executive Officer, members of the Executive and Management Teams in attendance at the meeting, and meeting secretariat staff, be excluded from attendance at so much of the meeting as is necessary to receive, discuss and consider in confidence, information contained within the confidential report Item 21.1 Cummins House, attachments and any associated documentation submitted by the Chief Executive Officer, specifically on the basis of the provisions of Section 90(3)(j)(i) and (j)(ii) because the disclosure of this information as requested could materially impact on negotiations between the parties and as such the request by the Public Official to maintain confidence is required to be upheld until such times as matters are finalised and Council has considered its position.
- 2. At the completion of the confidential session the meeting be re-opened to the public.

# **Brief**

This report provides Members' with the options available to Council relating to its' involvement in the future of the Cummins House property.

# RECOMMENDATION

It is recommended to Council that the State Government be advised that following further consideration, Council reaffirms its previous advice and seeks to terminate its "holding over" lease for the Cummins House property (The current "holding over" arrangements terminate on 31 May 2019 or such earlier date as may be agreed between the parties).

# **FURTHER**

- 1. In accordance with Sections 91(7) and 91(9) of the *Local Government Act 1999* the Council orders that the report item Future of 1.2 Cummins House, the Minutes arising, attachments and any associated documentation, having been considered by the Council in confidence under Section 90(3)(j)(i) and (j)(ii), be kept confidential and not available for public inspection for a period of 12 months from the date of this meeting, on the basis that the disclosure of this information as requested could materially impact on negotiations between the parties and as such the request by the Public Official to maintain confidence is required to be upheld until such times as matters are finalised and Council has considered its position.
- 2. Council delegates the power of review, but not the extension, of the confidential order to the Chief Executive Officer on a monthly basis in accordance with the provisions of Section 91(9)(c) of the *Local Government Act 1999*.

# Introduction

At its meeting held on 26 March 2019, the City Facilities and Waste Recovery General Committee considered an update report on the Cummins House property. A deputation from representatives of the Department of Environment and Water (DEW) and Crown Lands was also received. This deputation was considered in confidence at the request of DEW and Crown Lands on the basis "that the disclosure of this information as requested could materially impact on negotiations between the parties".

Following the information provided by representatives of the DEW and subsequent to a number of questions raised by Committee Members along with the Committee's consideration, the Committee resolved that:

- 1. The report be noted.
- 2. The Administration report back to Council at its meeting on 16 April 2019 regarding the options available to it relating to Council's involvement in the future of Cummins House.
- 3. The existing hold-over arrangements in place for Cummins House continue until Council resolves otherwise.

The recommendations of the Committee were subsequently endorsed by Council at its meeting of 2 April 2019.

# **Background**

Council has held a "peppercorn" lease from the State Government over the Cummins House property since 1 July 1987. The original lease term of 20 years was extended by an extra 10 years by agreement between the parties on 24 October 1991 as such the lease being for 30 years.

The lease agreement also provided for an additional extended term of 20 years on proviso that the Council sought the extension in writing no less than 3 months prior to expiry of the initial (extended) term. Prior to seeking the extension, the Administration met with representatives from the Department of Planning, Transport and Infrastructure (DPTI) to commence negotiations relating to the extended term provided under the lease.

At that time preliminary advice was received from DPTI representatives that "should Council be considering entering into the further extended term, it was likely that Cummins House would be offered to the Council for little or no consideration" (The rationale for this comment being that, as the property lease is for a peppercorn/nominal rental, and given the lease term is for a period of 20 years, effectively the State Government "relinquishes ownership and control" of, and receives no revenue from, the property for this substantial time period). Given this advice, Council sought an additional short term extension to the initial 30 year term to enable negotiations between the parties to potentially proceed with the acquisition of Cummins House by Council. Throughout this time, and given the departure of the previous resident caretakers, Council sought new caretaker/managers and subsequently appointed the National Trust to undertake this role.

During the negotiation period, DPTI's position evolved to the point that it advised Council that, "should the Council intend to utilise the premises for any form of commercial purpose, including the current use of functions, the property could not be offered to the Council other than through a competitive market based approach". Upon receipt of such advice, Council reconsidered its position, determined to not invoke the extended term lease term which was provided within the lease agreement and advised DPTI that it would relinquish its lease over Cummins House on 31 December 2018 (Council also terminated the arrangement it had with the National Trust as of 31 December 2018).

In late December 2018, Council was contacted by representatives from the Department of Environment and Water (DEW) advising that responsibility for/ownership of Cummins House (along with a number of other heritage listed properties) was to be transferred to their departmental portfolio from 1 January 2019. As DEW indicated that it was not constrained to the same degree as DPTI, the DEW sought to explore opportunities for Council's ongoing participation in the management of the Cummins House property. DEW further advised that it would provide an options paper for Council's consideration at a future meeting. To allow this process to occur, Council agreed to enter into a short term holding over arrangement.

# Discussion

At Council's Committee meeting held on 26 March 2019, representatives from DEW/Crown Lands presented a deputation and provided Council with a discussion paper detailing the following two options for the Cummins House property.

# Either:

- (a) Council determines to enter into a proposed revised lease arrangement with DEW for a term of an additional 9 months (as it wishes to participate as an active agent in a future EOI or similar process which would seek to deliver an optimal outcome for the property in the future); or
- (b) Council determines to end its existing involvement with Cummins House (i.e. it wishes to have no further formal interest in the property).

Refer to Attachment 1 for the full discussion paper.

The State Government representatives indicated that there was no merit in identifying an option which envisaged retention of the status quo arrangements given that Council, and thus its ratepayers, had been subsidising the operation of Cummins House for some considerable time. However, the Government did identify a number of possible future uses of the property, e.g.

- Residential purposes
- Commercial purposes
- Opportunities for shared use with community groups

It also acknowledged that any impediments which may impact those uses will need to be identified and addressed (if possible). However, as indicated above, at this time feedback regarding the possible future use of the property are not being sought and those decisions will be made subsequent to a public consultation process. At present, Council's decision is constrained to which of the two options identified above it wishes to proceed with.

The choice of option (b) effectively confirms or reaffirms the current formal position of the Council. That decision was made at Council's meeting of 21 August 2018, at which time the Council resolved to advise the State Government of its intention to vacate the Cummins House property on expiry of the current extended/varied lease term on 31 December 2018.

Also, the choice of option (b) would result in the current holding over arrangements being terminated in which Council would hand over the keys of the property back to DEW and have no ongoing involvement (as lessee) with the property (The holding over arrangement would generally terminate one month after the notification provided (by either party)).

At present, Council has no booking commitments for the property which need to be honoured or cancelled. Whilst the Administration has received a number of booking enquiries for the property, it has informed enquirers that it is currently not in a position to take or confirm any bookings.

Option (a) provides for State Government and Council to collaboratively proceed with public consultation and subsequently an expression of interest (EOI) process in an endeavour to secure a future operator or tenant for the property.

Under this alternative, the Government would also share in the holding/running costs for Cummins House during the conduct of these processes. As the Government expects that both of these processes should conclude within a period of 9 months, this is the proposed length of the lease term and the extent of any ongoing financial commitment from the Council.

Entering into the additional suggested lease term, of 9 months, does not itself bind the Council into entering a further short or long term commitment to manage or have an interest (as lessee or similar) in the property.

Committee Members also raised a number of concerns or issues during the deputation at the meeting of 26 March. For example, the following questions were posed:

Should the Council not contribute via the proposed funding arrangements for a further 9 months, would the EOI outcome be sub-optimal?

The State Government representatives indicated that whilst funding had been allocated for the public consultation and EOI processes a better outcome would be able to be delivered should Council also participate in the process (as the cost sharing arrangements would allow additional funding to be allocated to the costs of running these campaigns).

Given that the Council has effectively been "carrying" the property for the past 30 years, why is it now necessary for the Council to provide an additional contribution to facilitate an improved EOI process?

The State Government response was similar to that detailed above, albeit it was also indicated that Council's influence would be less than if it were to not actively participate as a funding partner.

There may be an argument that participation in this process may give rise to a better outcome from a Council perspective. However, such outcome would be dependent on the actual weighting that is accorded to Council's views, opinions or concerns in the decision making process. In this regard, one must acknowledge that, as the owner of the property, it is likely and expected (not unreasonably) that the opinions and recommendations of the Minister and or the Minister's departmental officers would usurp those of Council in regard to the future use of the Cummins House property (should there be any difference of opinion). This may also introduce an element of reputational risk for Council, particularly if the final decision, that is made, is not "popular" with the community or other key stakeholders and Council is perceived to have supported that decision via its "active participation" in the process.

Similarly, and from an opposing perspective, one could ask the question as to whether Council's stakeholder opinion, which could be registered in an envisaged public consultation process (as the local authority within which the Cummins House property is located), would or should be "less valued" if it were not a "partner participant" and, if that were the case, is there a fair and equitable basis for such "discount"?

Whilst the comments provided by the State Government representatives, during the deputation, suggested that Council's active participation in the process (as a funding partner) would likely result in a better outcome for the Cummins House property, the benefits that may accrue to Council via this involvement are difficult to quantify.

The Council has previously made its position clear to both DEW and the predecessor managing department (the Department for Planning, Transport and Infrastructure) that, should ownership of the Cummins House property not be offered to Council at a substantial discount to market value, any future or further involvement of Council in the operation or management of Cummins House would not be likely.

On this basis, it is difficult to propose other than that the Administration recommends that Council should consider terminating its leasehold interest in the Cummins House property and advise the State Government accordingly.

# Conclusion

Following an agreement to enter into a "holding over" leasing arrangement for the Cummins House property, representatives from the State Government presented a deputation to Council at its meeting of 26 March 2019 and tabled a discussion paper. At that time, the State Government sought an indication from Council as to whether it wished to have any involvement with the planned public consultation and expression of interest (EOI) processes which the State Government is proposing to undertake or whether it wished to cease its involvement with the Cummins House property.

# **Attachments**

1. Discussion paper from State Government



CONFIDENTIAL: City of West Torrens Council and Department for Environment and Water

# Cummins House, Future Planning

Discussion Paper, March 2019





Heritage South Australia & Crown Lands Economic & Sustainable Development

CONFIDENTIAL: City of West Torrens Council and Department for Environment and Water

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# **Executive Summary**

Cummins House (State Heritage Place 10552) is a unique place within the City of West Torrens and within South Australia as a whole. As the ownership Cummins House transferred in January 2019 to the Department for Environment and Water (the Department), the Department now has the opportunity to review the potential future outcomes for Cummins House.

The Department recognises that Cummins House is a place with considerable potential and a number of challenges. For a long-term plan for Cummins House to be successful, it will need to: be economically sustainable, consider community impact, be environmentally responsible and deliver strong Heritage stewardship.

This discussion paper sets out a proposed process to consult and explore the long-term options for Cummins House. This will involve community forums and online surveys, for stakeholders, such as: the City of West Torrens Council (the Council), the local



community, the Cummins Society and other interested groups. The Department recognises that engagement with these stakeholders is a fundamental part of the planning process for this site. The feedback from this community consultation process will guide the Minister for Environment and Water (the Minister) in determining which approach for Cummins House achieves the right balance for the site.

The decision for the Council is to choose either option (a), or option (b) below:

- (a.) Enter a revised lease arrangement with DEW for nine months, involving:
  - operating expenditure for Cummins House to be shared equally between the Department and Council.
  - The Department will also commit to additional spending (equal to Council's contribution for operating expenditure) to run a community consultation and potential Expression of Interest process for the site.
  - Council to have increased influence with a formal role in the committee that will provide recommendations to the Minister.
- (b.) End the existing lease arrangements with DEW, involving:
  - Sublease between Council and Sublessee ends. Site will be vacant.
  - Operating expenditure will solely be responsibility of the Department.
  - o Council no longer involved with operation of Cummins House.

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# Discussion

This discussion paper has been prepared to provide Council with the following:

- sufficient information in order to determine what level of involvement the Council wishes to have in the management and control of Cummins House;
- budget savings, no matter which option the Council choses; and
- transparency to Council for how the future planning for Cummins House will be project-managed.

# 1 Heritage Significance of Cummins House

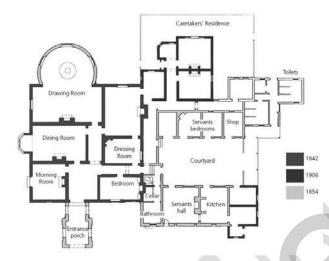
Built in 1842, Cummins House it is one of South Australia's oldest surviving buildings and is remarkable for its intactness and quality of construction. Built by prominent early settler John Morphett, the building still retains its original layout and design, and demonstrates the way of life of early South Australian settlers. Cummins House was occupied by five generations of the Morphett family until sold to the State Government in the 1970s.

Cummins House was included as a State Heritage Place in the South Australian Heritage Register on 24 July 1980 (SHP 10552). The Statement of Significance says:

..."Cummins House is of significance as one of South Australia's earliest extant buildings. Its design and construction method and materials reveal a great deal about the nature of building, the conditions under which people lived and the lifestyle of the wealthy settlers in the first few years of European settlement in South Australia. It was the residence of John Morphett, purpose-built for him and lived in by five generations of the Morphett family until sold to the State Government in the 1970s. There are very few residences in South Australia occupied by one family for such a long period. Morphett was of considerable significance to the establishment and development of the Colony of South Australia. It is likely, but not proven, that Cummins House is the work of George Strickland Kingston, a noted early South Australian architect."...

In addition to the building itself, the property also contains a number of significant furnishings and artefacts many of which are original or have long associations with the Morphett family. A number of these furnishings were purchased with the house in 1976 and are now the property of the Minister for Environment and Water. Some of the most significant furnishings would potentially be eligible for listing as State Heritage Objects.

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# 2 Strategic Context

The State Government's comprehensive Built Heritage Policy aims to rejuvenate our built heritage, through adaptive reuse, in order to protect and preserved these assets for future generations.

Heritage South Australia's goal is that "South Australia is a place where people value, benefit and care for our heritage". A high-level strategic outcome that "the economic, social and cultural benefits of heritage are realised and optimised by business and the community. Relevant intermediate outcomes include:

- · Places, Objects and Areas that are significant to South Australia are protected
- South Australians are able to maximise the value of heritage to improve economic and community outcomes
- The significance of our cultural and natural heritage is understood and promoted to enrich experiences

The City of West Torrens has a community vision: 'West Torrens - committed to being the best place to live, work and enjoy life'. A Towards 2025 Community Plan has been developed with the objective of being responsive to the needs, interests and aspirations of individuals and groups within its community. In the Plan, one short-term strategy is to: 'Facilitate public awareness and appreciation of our local history'.

# 3 Current Situation

The Council agenda and minutes of 21 August 2018 indicate that due to expenditure incurred by the Council "in the order of \$100,000 pa", the Council were exploring other options for the management and control of Cummins House, including request to purchase for nil consideration and for Council to end of lease.

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The letter from the Department of Planning, Transport and Infrastructure (DPTI) to Council, indicates that ultimately DPTI determined that under 'Premier and Cabinet Circular 114: Government and Real Property Management' (PCC114), it could not provide the nil consideration purchase that was requested. The Department has not reviewed and does not have a view on that determination, however the Department is also bound by the process set out in PCC114.

On 5 September 2018, Council wrote to DPTI advising "of its intention to vacate the Cummins House property on expiry of the current extended/varied lease term"

Following this, the ownership of Cummins House was transferred over from DPT to the Department on 1 January 2019 as part of the of a Machinery of Government change.

On 29 January 2019, the Council met with the Department and advised that, as an interim measure the Council would agree to put plans on hold in order to enable the Department to develop and present a plan to Council on the future of Cummins House.

# 4 Financial Management of Cummins House

Cummins House is currently leased between the Council and the Department for a peppercorn, \$1 rent basis, which is an arrangement which has occurred with the State Government since 1987. Under this arrangement the Council is responsible for operational expenses related to the property, such as electricity, water, security and insurance.

From this, the Council has then subleased to the Cummins Society to enable this community group to hold historical tours, offer high tea, nursery sales and to conduct commercial functions. The Cummins Society was established in 1984, has enabled the site to remain open to the community to access the building and attractive gardens.

This management model is not financially sustainable as, the site does not bring in any revenue in order to meet the site expenditure of approximately \$100,000 p.a for the Council that pays for electricity, water, security and other costs. Additionally this management model does not provide the Department with any revenue to contribute to the landowner responsibility of major structural repairs that are required from time to time in managing heritage sites.

### 5 Activation Considerations

If it is determined through the stakeholder consultation that the site should not be used for commercial (non-residential) purposes, then the Department will need to resolve commercial issues through the Expression of Interest (EOI) process:

- designing the site to allow shared use with Community Groups such as the Cummins Society; and
- if used for events, the site is likely to require some sensitive redesign (such as kitchen or parking) to enable it to become financially viable to hold events.

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# Consultation Process

### 1 Stakeholder Consultation

It is proposed that the community consultation process involves actively seeking the views of a range of stakeholders, such as:

- City of West Torrens
  - currently lease Cummins house on a peppercorn lease and manage the property on behalf of the community
  - Council currently pays for the property to stay open, including water, security and insurance
  - Council owns assets such as commercial fridges
  - Council is concerned to deliver a positive outcome to the community that is also financially sustainable for Council.

# Cummins Society

- Incorporated not-for-profit organisation made up of 40 active volunteers.
- has been looking after the house and gardens for several decades based on an agreement with City of West Torrens. Activities include open days, afternoon teas and occasional functions such as weddings and funerals.
- keen to see the heritage significance of Cummins House protected, and to continue with an active involvement in maintaining the gardens.

# National Trust of SA

- have provided some support in managing bookings for Cummins House
- Minister for Environment and Water
  - interested in finding a financially sustainable viable future for Cummins House that balances the interests of: heritage stewardship, community considerations, environmental responsibility.
  - feedback from specialists in Heritage South Australia and Crown Lands within Department for Environment and Water act on behalf of the Minister.
- Local residents, Novar Gardens
  - may have concerns relating to future development or activation of Cummins House, including commercial activities within a residential zone (e.g. parking and noise levels).
- South Australians with an interest in Cummins House.
- Business SA and other industry stakeholder groups.
- South Australian Tourism Commission, to provide market sounding.

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Items to be contained in potential tender/EOI Should it be delivered by Council, the Shared use with Community outcomes for the site Department, or commercial party What are you willing to concede community Heritage outcomes for the site groups Site parking arrangements What are you value most What do you value least Commercial Use Improvement of Site Sale of Property **Residential Use** Community outcomes for the site Heritage outcomes for the site Possible Outcomes Rental stakeholders want for Cummins Consideration by Stakeholder Step 3: Other issues for consideration How should this be delivered What type of use does the community and other House? Step 2: Step 1:

**Issues for Consultation** 

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# Site Activation (Residential or Commercial)

# 1 Transfer of Property Protocol

PC114 is a protocol that covers the State Government and governs the sale and lease of State Government land, to ensure that a whole of government strategic assessment prior to the disposal (or long-term lease) of land. Land cannot be disposed of unless it is determined as surplus, including if it may have use to another government agency. Other relevant sections of PCC114 include:

- Section 68 which prohibits the Department from disposing of land to Council for less than market value; and
- Section 72 which requires the Department to dispose of the land to any party (outside of Council) for no less than market value.

### 2 Commercial Risks

Risks relating to the management and activation for Cummins include the following:

- Residents expectations: Balancing current zoning and parking and noise restrictions with increased visitation and activation of the site (e.g., functions or similar to make property more financially sustainable).
- No caretaker security is currently an issue.
- Size of carpark is relatively small and parking on the street may cause disruption to neighbouring residents.
- Cost of conservation works.
- Cost of building improvements required to make the site profitable.

# 3 Opportunities

Cummins House has the potential to build on the existing qualities for the site, in order to deliver a better outcome for heritage and the community that is also economically sustainable. These existing qualities include:

- Heritage qualities of the building, site history and character for memorable functions and events.
- Committed volunteers.
- Commercial kitchen with an adjacent dining room (~60 seated).
- Small carpark and further parking on street.
- Attractive gardens.

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# Project Plan, Cummins House Reactivation

This sets out the high-level project plan for the reactivation of Cummins House. This is proposed to occur over a nine-month period in which the Department will pay for the full costs associated with project managing this process (including any external consultants). Additionally the overheads to manage Cummins House during this period would be shared equally between Council and the Department.

Stage 1: Consultation		Sta	Stage 2: EOI or Sale of Land	>	Š	Stage 3: Assessment
Community workshops.		(a.)	Minister for Environment and Water determines site use.		(a.)	Executive to review EOI applicants or sale offers.
Online survey.	Y		based on community		( <del>b</del> )	Negotiation of FOI or
Meetings with stakeholders.			outcomes and economically sustainable outcomes.		ì	sale,
Committee with Department and Council Staff to review findings.		( <del>p</del> )	Design of EQI or sale document, following feedback.	1	<u>(C</u>	Outcome announcement.
Report delivered to the Minister for Environment and Water.		ũ .	Expert reports and/or consultant designs.			
		( <del>p</del> )	(if EOI) selection criteria designed considering community feedback.			
	)_	(e.)	Release of EOI or sale document and advertising.			

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# **Options for Council**

# 1 Proposal

The Department would like to offer the Council a revised nine-month leasing arrangement which provides reduced financial liabilities for Council. This offer includes the opportunity for the Council to have a greater influence on the outcome for Cummins House, through the involvement in the committee responsible for the final report on community consultation. This report will guide the Minister in determining the future direction for Cummins House, including, but not limited to:

- stakeholder interest in the site being used for residential purposes;
- o stakeholder interest in the site being used for commercial purposes;
- o ability to adapt the site to become viable for commercial use; and
- options to enable shared use with community groups.

# 2 Financial Arrangements

This proposal includes the Department for paying for at least two thirds of the total project costs for the management, stakeholder consultation and activation of Cummins House. The Department will evenly split the costs of site management and will additionally contribute at least the same amount to the EOI and Community Consultation as the Council contributes for site management.

This table sets out the cumulative costs for the project over the nine month period:

Responsible Party	Project Expense Type	Allocation
The Council	Lease management expenses	A maximum of 33% of the cumulative costs of this project.
The Department	Lease management expenses	A maximum of 33% of the cumulative costs of this project
The Department	Community Consultation, Expression of Interest, 3 <sup>rd</sup> party consultants, advertising.	A minimum of 33% of the cumulative costs of this project. If 3 <sup>rd</sup> party expenses for the EOI escalate, then this will be met by the Department, not Council.

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### 3 Decision for Council

The decision for the Council is to choose either (a), or (b) below:

# (a.) Enter the revised lease arrangement with DEW for nine months.

This will include a revised arrangement, with costs shared equally between the Department and Council, as well as providing Council with a greater influence in the outcome for the future of Cummins House.

### (b.) End the existing involvement with Cummins House

This involves Council ending its lease, which in turn ends the sublease and vacating the site at a date determined by Council.

# 4 Conclusion

The Department acknowledges and respects that the Council will need to come to an independent determination if the proposal set out in this discussion paper is in the best overall interests for the Council, taking into consideration the local community and any financial determinations.

The Department proposes to work with partners and the community to explore the potential for Cummins House, and to plan for a future that is both financially sustainable for the long-term, and balances good heritage outcomes with the needs of the community.

The proposal set out in this discussion paper allow Council to continue to have a role and influence in the future of Cummins House, whilst reducing overheads for the site. The project management approach out in this discussion paper is to provide transparency to Council as to the decision making for this site.

