

7.2.2 Youth Hub

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Recommendation(s)

That Council endorse proceeding with 41 James St, Pakenham as the location for the construction of a new Cardinia Youth Hub.

Attachments

Nil

Executive Summary

The Youth Hub project working group (PWG) has concluded a comprehensive evaluation of alternative options following a pause in construction due to structural concerns identified in 2023.

The initial assessment process was undertaken on twelve options across the Shire. A rigorous evaluation process narrowed the options to five that were considered viable for further analysis. At the June 17th, 2024, Council meeting five options were endorsed for further assessment to determine the best course of action.

Following this second stage assessment the recommended option is to construct the Youth Hub at the original 41 James Street, Pakenham location.

Officers have reaffirmed Councils approval of James St Pakenham as the right location for a new Cardinia Youth Hub. It completes a thorough governance process in testing the rationales and applying a critical assessment to ensure this remained the right location and an essential project.

This preferred option is based on several key factors:

1. **Alignment with service objectives:** The James Street location best aligns with the service delivery goals of the Shire and its partners.
2. **Cost and risk management:** Costs associated with this option are more accurately able to be estimated and loss and damages are easier to quantify for potential recovery.
3. **Timeline adherence:** Construction at James Street can be completed within the established timelines outlined in grant agreements.

The challenges with the building under construction have been identified and were beyond Council control. A process is underway to explore the recovery of loss and damages and options have been comprehensively assessed to build a Youth Hub. Mitigation of political, financial, and reputational impacts relies on keeping these processes moving and delivering the facility as soon as possible. The caretaker period for the forthcoming municipal elections sets a deadline for a decision on how the Council intends to proceed if the deadlines in the existing grant agreements are to be met.

Building the Youth Hub in James Street means that it can be provided in the least time and with greater certainty than other options. It also reaffirms the previous Council decision to select this location.

The key risk is that if the building is not completed by October 2027, further extension of time will be required for intergovernmental grants. The control is to commit to an option that enables completion of building construction and commissioning by October 2027.

Council's intentions for youth services are clear in the service model, and this is reflected in the commitment to working with partners in designing and building the Youth Hub in James Street. Nothing has happened since 2019 to change that commitment and the forecast growth in population and young people in Cardinia reinforces the need for a Youth Hub to be provided as soon as possible to support service provision and expansion.

Background

The Youth Hub project was initiated in 2019 and aimed to relocate and expand youth services through investment from the Victorian Government's Growing Suburbs Fund, the Australian Government's Department of Health and Ageing, and Council. By partnering with multiple agencies, the project sought to provide place-based holistic support to young people in Cardinia from central Pakenham.

Construction began in 2022 and halted in 2023 when the builder went into liquidation. This necessitated a project pause and provided an opportunity to comprehensively assess the project to fully inform the next steps. It also enabled emerging concerns about the building's structural engineering to be examined.

A broad review was undertaken to identify and assess all options in planning the next steps with this project. An internal project working group (PWG) was engaged to support the decision-making throughout the assessment process.

Since the project commenced in 2019, Cardinia and the Pakenham precinct have undergone significant development and investment. However, the core community needs remain unchanged: a growing population with high rates of socio-economic complexity requires expanded, accessible youth services. Recognising this ongoing need, a comprehensive review ensured good governance by rigorously evaluating all critical factors before seeking endorsement for the project's next phase.

An assessment framework was developed and endorsed through the PWG to critically analyse several options.

The following aspects were considered priority factors.

- Sites that are available now and owned by the Shire or another public authority.
- Funding partner advice on alignment with the grant's intent
- Legal advice on recovery of loss and damages.
- Service partner advice on current and future needs.
- Cost and time implications.
- Strategic planning decisions since 2019 in the Officer and Pakenham town centers.

The PWG considered three scenarios which resulted in twelve options, including maintaining current facilities, remediating, or rebuilding at the current site, or constructing a new facility elsewhere. Each option was assessed using a 2-stage process. Stage 1 assessment used primary criteria, which are critical factors that directly impact the option's viability. These criteria are essential for determining if an option achieves the project's core objectives. A failure to meet any of these primary criteria meant the option was not viable.

Twelve options were originally considered. Afterwards, the application of the criteria and extensive evaluation process was completed and left five viable options requiring further assessment.

At the 17 June 2024 Council meeting, the five options considered to be viable were approved to be further assessed to prioritise options for a decision on how best to proceed.

The five viable options were:

1. Build the Youth Hub in James St as planned.
2. Expand/redevelop My Place.
3. Build a new facility at PB Ronald or redevelop an existing building.
4. Build a new facility at The Point or redevelop an existing building.
5. Explore opportunities within the vicinity of the Pakenham Major Activity Centre.

The summary of the final assessment of each of these options is shown below in Table 1.

Table 1: Stage 2 assessment of all viable options approved by the Council.

Key: Green = Meets Criteria, Amber = Partially Meets Criteria, Red= Does not meet criteria					
Assessment criteria	Option 1 James St	Option 2 Redevelop My Place	Option 3 PB Ronald	Option 4 The Point	Option 5 Central Pakenham
Primary Criteria					
Achieves community outcomes for youth services (equitable, accessible and responsive)	Green	Green	Green	Amber	Green
Meets youth service partner requirements for location, spaces and functionality	Green	Amber	Green	Amber	Green
Time to deliver facility	Green	Amber	Amber	Amber	Red
Cost to build facility	Amber	Red	Amber	Red	Amber
Secondary Criteria					
Grant funding implications	Green	Amber	Amber	Amber	Amber
Legal implications for entitlement to loss recovery	Green	Green	Amber	Green	Amber
Design or planning approvals required	Green	Red	Red	Red	Red
Building and construction	Green	Red	Red	Red	Amber
Political and reputational impacts	Green	Amber	Red	Amber	Red
Fit with major plans	Amber	Amber	Red	Red	Amber
Summary/conclusion	Green	Amber	Red	Amber	Red

Following analysis of the five options the recommendation is to build the Cardinia Youth Hub in James Street as originally planned.

The reasons for this recommendation are summarised as follows;

1. It will fully achieve all community outcomes sought by the Council.
2. It comprehensively meets service partner requirements.
3. Grants will be retained because timelines can be met, and the intention of grant funding will be achieved.

4. The costs are most accurately able to be estimated and loss and damages are most easily quantified for potential recovery efforts.
5. Community and Service partner engagement has been comprehensive, commitment is assured.
6. A standalone facility will require the least time and have the least risk to build.
7. Achieves all commitments made by Council, State and Federal governments.
8. It does not conflict with any further recent plans for Pakenham

Policy Implications

There are no policy implications as part of this report.

Relevance to Council Plan

1.1 We empower our communities to be healthy, connected and resilient

1.1.1 Plan for, and support the delivery of, accessible health and social services that address critical gaps in provision.

1.1.3 Lead by example in creating an inclusive and welcoming community for all by facilitating community education, capacity building, connection and celebration of our diversity.

1.1.4 Facilitate a partnership approach to create safer communities.

2.1 We support the creation of liveable spaces and places

2.1.1 Advocate, plan for and deliver accessible community infrastructure and services that address community need.

5.1 We practise responsible leadership

5.1.2 Manage our finances responsibly and leave a positive legacy for future generations.

5.1.4 Maximise value for our community through efficient service delivery, innovation, strategic partnerships and advocacy.

Climate Emergency Consideration

There are no climate emergency consideration as part of this report.

Consultation/Communication

A comprehensive engagement and communication plan has been developed and implemented throughout the life of this project. Recent updates have been provided in Councillor Briefings and outlined stakeholder support for Council having been left impacted by actions of others.

Both funding bodies are seeking the intent of the provided grants to be met with an operational Youth Hub in central Pakenham by late 2027. Funding is assured if this commitment can be achieved.

An internal project working group (PWG) was engaged to support the decision-making throughout the assessment process. Representation within this group include an SLT sponsor, Buildings and Facilities, Property, Risk & Governance, Major Projects, Communications and Community & Family Services. SLT are the project control group within the governance structure.

Following endorsement of a decision by Council engagement of all stakeholders remains a high priority to work through the next steps.

Risk Assessment

Deferred Decision

A decision from Council confirming 41 James Street as the preferred site for the Youth Hub is required before the caretaker period and the election to ensure that grant funding timelines can be met. The consequences of not meeting the timelines are that Ministerial approval will be required for an extension of time which will take up to 12 months, with some uncertainty if it would be supported. It also further delays the much-needed services being available for residents to access. Further delays may result in services choosing not to co-locate or relocating out of the shire.

The control is to commit to an option that enables completion of building construction and commissioning by October 2027.

Building

Delegation was provided to the CEO at the May 2024 Council meeting to demolish the partially constructed Youth Hub should this be required. This provision has not been required to be used. Whilst several defects have been identified, no immediate safety concerns have been determined.

Financial and Resource Implications

The cost to build the Youth Hub currently under construction in James Street has been revised from \$6.85 million to \$10.92 million in advice provided to the Council in February 2024. The cost increases mainly relate to a competitive pre-Covid tender having been accepted, and the subsequent impact of Covid disruption and inflation on construction costs. The net cost to the Shire is now approximately \$6.16 million.

In parallel with the construction of a Youth Hub, legal action is being explored to recover loss and damages associated with the Youth Hub currently under construction in James Street.

The relevant cost for comparison of options is the net cost budgeted by the Shire, and this has been used for comparison of costs for all options being assessed.

The grant funding for the Youth Hub is \$3m from the Victorian Government Growing Suburbs Fund and \$1.5m from the Commonwealth Department of Health and Ageing. This funding is critical to reduce the Shire's financial contribution, and it reflects the value placed on co-location of State and Commonwealth funded services in the new Youth Hub.

The costs have been estimated, however the greater expenditure will be the construction phase, this actual amount will be presented for endorsement by Council in 2025 when they will be recommended to award the construction contract for the building.

Conclusion

Following a comprehensive evaluation of alternative options for the Youth Hub project, endorsement is sought to proceed with construction at the original James Street, Pakenham location. This decision aligns with service objectives, minimises cost and risk, and adheres to project timelines.

This rigorous assessment process reaffirms Council's original decision and endorsement.

While challenges have been encountered, the proposed course of action mitigates political, financial, and reputational impacts. Timely approval is crucial to avoid potential grant loss and ensure the Youth Hub is delivered as planned to meet the growing needs of Cardinia's youth population.

