

ITEM 2. MEMORANDUM OF UNDERSTANDING WITH THE DEPARTMENT OF EDUCATION - POTENTIAL JOINT USE PROJECTS WITH THE CITY OF SYDNEY**FILE NO: S100177.012****SUMMARY**

This report proposes that the City enter into a Memorandum of Understanding with the NSW Department of Education (the Department) for the purpose of investigating potential joint use opportunities, consistent with the Department's Joint Use Projects Guidelines. The need and opportunities for better sharing of school and community facilities to maximise usage of public assets is a key consideration of this report.

The proposed Memorandum of Understanding provides a framework for discussion of joint use project agreements, which will be developed and brought before Council for subsequent consideration. It also establishes the mutual benefits, for schools and the broader community, to be achieved within this framework. The proposed Memorandum is not intended to be a legally binding document.

The scope of potential joint use arrangements includes, for example: outdoor sports fields and courts, indoor recreation and fitness spaces, communal halls and meeting rooms, creative arts spaces, specialised learning facilities (for learning cooking or technical skills, for example), and facilities for out-of-school-hours care and holiday programs.

Implementing the Memorandum of Understanding at this time has the potential to:

- support the City to more effectively meet the needs of the growing population (for example - the Open Space and Recreation Needs Study adopted by Council in November 2016, identifies that a number of sports fields and multi-purpose courts will be required to meet community demand);
- assist schools to meet demand more cost-effectively (refer to the Schools Assets Strategic Plan summary at Attachment A developed by the Department of Education);
- influence planning of current school redevelopment projects within the Local Government Area with a view to creating spaces suitable for shared use; and
- maximise use of existing and planned public assets (facilities can be used by schools within school hours and by community groups on evenings and weekends).

The business case for each joint use agreement will outline the risks and mutual benefits to schools and the broader community, prior to the finalisation. The Memorandum of Understanding sets out a process to progress options from feasibility to detailed project agreements and the roles and responsibilities for both parties.

RECOMMENDATION

It is resolved that:

- (A) Council approve the key terms of the Memorandum of Understanding in Attachment B to the subject report;
- (B) authority be delegated to the Chief Executive Officer to finalise and enter into a Memorandum of Understanding with the Department of Education to investigate joint use projects within the City of Sydney;
- (C) Council note that any subsequent agreements for joint use projects with the Department of Education will be reported to, or approved by, the Council, subject to the relevant delegations; and
- (D) Council note that a statement of mutual benefits will be prepared for every joint use project, to clearly identify the benefits to the community of each project.

ATTACHMENTS

Attachment A: NSW Department of Education School Assets Strategic Plan Summary

Attachment B: Asset Management Planning and Strategy – Joint Use Project –
Memorandum of Understanding – City of Sydney

BACKGROUND

1. This report provides context for recent discussions between the City of Sydney and the NSW Department of Education regarding shared use opportunities and the proposal to now enter into a Memorandum of Understanding.
2. The new School Assets Strategic Plan developed by the Department of Education proposes shared and joint use of school and community facilities as one of the core strategies for meeting demand cost-effectively.
3. Currently, there are a limited number of formal arrangements between the City of Sydney and the Department of Education regarding shared use of assets. Examples include the sharing of a sports field and courts at the Newtown Public School and a recently signed agreement for a temporary school to be located in Wentworth Park, during the reconstruction of the Ultimo Public School.
4. Schools frequently make use of City facilities, such as aquatic centres and sports fields, via normal booking arrangements, and use public spaces on a more informal basis.
5. Facilities within schools are frequently made available to community organisations and clubs, as determined by the Principal. Arrangements vary amongst different schools.
6. The scope of potential joint use arrangements includes, but is not limited to, outdoor sports fields and courts, indoor recreation and fitness spaces, communal halls, meeting rooms, creative arts spaces, specialised learning facilities (for learning cooking or technical skills, for example), and facilities for out of school hours care and holiday programs.
7. Consideration of joint use projects is timely because the Department of Education has initiated a number of school redevelopment projects within the municipality. These include: Alexandria Park Community School; the new inner city high school in Cleveland Street; Ultimo Public School; relocation of the Intensive English Language School; Fort Street Public School; and, potentially, other school expansion and refurbishment projects. Early engagement with these redevelopment projects may identify adjustments to allow for more effective shared use arrangements and mutual benefits. At the same time, the City of Sydney continues to advocate for provision of schools and services to meet the needs of major urban renewal centres, such as Green Square or Ashmore.
8. Recent discussions between the Department of Education and the City of Sydney have explored the opportunity for joint use agreements, which will formalise mutual benefits for both school communities and the broader City of Sydney community. These discussions have taken place in the context of:
 - (a) rapid population growth within the City of Sydney and the endorsed strategies of the City to efficiently meet community needs, such as those outlined in the Recreation and Open Spaces Needs Study (2016), the Social Sustainability Policy (2016) and the Green Square Infrastructure Strategy and Plan (2015);
 - (b) the School Asset Strategic Plan, developed by the Department of Education, which proposes joint use of school and community facilities; and

- (c) current major school developments, including Alexandria Park Community School, the new inner city high school in Cleveland Street, Intensive English Language School and Ultimo Public School.
9. An inherent opportunity is that peak demand for some facilities, such as sports fields, generally matches availability from the perspectives of both schools and community groups. That is, high demand during school hours for school communities, and during evenings and weekends for clubs and other community users. Higher usage of public assets is achievable, provided the asset is serviceable for this purpose. For example, in the case of a sports field, a grass surface may not cope with such maximised usage, whereas a synthetic field can meet this demand.
10. For joint use projects to succeed, the inherent risks must also be evaluated. Matters to be addressed include: funding; safety and security; day-to-day operational management; timing; assessment; and dispute resolution. The business case for each joint use agreement must be carefully considered.
11. The proposed Memorandum of Understanding is not a legally binding document. Instead, it provides a framework for further investigations with the Department of Education and the development of joint use project agreements for Council's subsequent consideration. Also, it firmly establishes the expectation that mutual benefits, for both schools and the broader community, must be achieved within this framework.
12. The Memorandum of Understanding represents a commitment by both parties to pursue joint and shared use opportunities. This is especially the case for the existing major school projects which are being implemented by the Department of Education, and in response to growth in demand for school and community assets in areas of rapid population change.
13. The Memorandum of Understanding sets out a process to progress options from feasibility assessment to project development through to detailed project agreements. It includes the roles and responsibilities for both parties and arrangements for sharing of information and resources.

KEY IMPLICATIONS

Strategic Alignment - Sustainable Sydney 2030 Vision

14. *Sustainable Sydney 2030* is a vision for the sustainable development of the City to 2030 and beyond. It includes 10 strategic directions to guide the future of the City, as well as 10 targets against which to measure progress. This report is aligned with the following *Sustainable Sydney 2030* strategic directions and objectives:
- (a) Direction 6 - Vibrant Local Communities and Economies – schools are an important part of the fabric of the community. Delivering guaranteed community access to existing school facilities, or negotiating innovative joint use arrangements for new school facilities, will contribute to equitable access to community, cultural and recreation facilities to support wellbeing in daily life.

- (b) Direction 10 - Implementation through Effective Governance and Partnerships – effective joint use agreements represent a strategic partnership with the NSW Government to deliver public facilities, on a value for money basis. This needs to be demonstrated on a project-by-project basis.

Organisational Impact

15. The proposed Memorandum of Understanding does not have a direct organisational impact. However, any subsequent agreements for joint use projects will need to be assessed, in every case, for impacts on service levels, staffing, processes or other commitments by the City.

Risks

16. The proposed Memorandum of Understanding does not involve direct risks, other than expectations that effective joint use projects will be subsequently delivered. Matters to be addressed for each project include: funding; safety and security; day-to-day operational management; timing; assessment and dispute resolution. The business case for each joint use agreement must be carefully considered, and will require a clear statement of mutual benefits that are sought from the arrangement.

Social / Cultural / Community

17. This report provides a framework for the investigation of projects to deliver outcomes for the community. Both the City and the Department of Education have control over major public assets across the municipality where greater access can be achieved, particularly in line with peak demand periods.

BUDGET IMPLICATIONS

18. There are no direct budget implications of this report. Every subsequent proposal for a joint use agreement will require its own financial assessments. In broad terms, the capacity for joint use agreements to demonstrate value for money outcomes is an expectation.

OPTIONS

19. Not proceeding with the proposed Memorandum of Understanding will not preclude the subsequent consideration by Council of joint use project agreements. However, the Memorandum of Understanding is consistent with the Department of Education's framework for working with municipalities to explore joint use opportunities.

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Chief Operating Officer

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