

Supporting Committee documentation March – April 2019

At the 22 March 2019 meeting, the Joint Finance and Built Environment and Infrastructure Committee (BEIC) endorsed the draft business case which supports the 'City-Centric Campus' model as a basis for the future development of the University's Southern Campuses

These documents provide a number of items relating to the Joint Finance and Built Environment and Infrastructure Committee on 22 March 2019 including:

- a timeline for the consideration of the future location of the Southern Campuses with as summary of key points from the joint BEIC and Finance Committee meeting.
- A paper referred to a 'Future of the Southern Campuses'. The attachments referenced in the paper are posted separately under Southern Future Business Case.
- A summary of the joint BIEC and Finance Committee that was provided to the University Council.

Timeline of events for consideration of the future location of the Southern Campuses (March – April 2019)

The following contextual information is relevant to the matters presented to Council for consideration at the 5 April 2019 Council meeting.

At the 22 March 2019 meeting, the Joint Finance and Built Environment and Infrastructure Committee endorsed the draft business case which supports the ‘City-Centric Campus’ model as a basis for the future development of the University’s Southern Campuses and forwarded to Council for consideration at the 5 April 2019 meeting.

In addition, in considering the future of the University’s southern campuses, there were a number of other matters considered by Joint Finance and Built Environment and Infrastructure Committee and Finance Committee with recommendations made to Council for consideration also at the 5 April 2019 meeting. These include:

Joint Finance and Built Environment and Infrastructure Committee meeting:

- Sequence of transitioning into the Hobart Central Business District
- Framework for managing surplus University property

Finance Committee meeting:

- Southern Infrastructure Plan Funding Strategy

The progressed timeline of consideration of these matters as at 27 March 2019 is presented in the following table:

Date	Forum	Matter for consideration and actioning
22 March 2019	Joint Finance and Built Environment and Infrastructure Committee meeting	<p>Title: Future location of the Southern Campuses</p> <p>Action: Endorsed and forwarded to 5 April 2019 Council meeting</p> <p>Recommendation(s): <i>The Committee endorsed the draft business case which supports the ‘City-Centric Campus’ model as a basis for the future development of the University’s Southern Campuses</i></p>
		<p>Title: Sequence of transitioning into the Hobart Central Business District</p> <p>Action: Endorsed and forwarded to 5 April 2019 Council meeting</p> <p>Recommendation(s): <i>The Committee endorsed the proposed sequencing of relocation to the Hobart Central Business District.</i></p>
		<p>Title: Framework for managing surplus University property</p> <p>Action: Endorsed and forwarded to 5 April 2019 Council meeting</p> <p>Recommendation(s): <i>The Committee endorsed:</i></p> <ul style="list-style-type: none"> • <i>The proposed approach for managing the University’s surplus property assets.</i> • <i>The establishment of a new entity (wholly-owned by the University) for managing the University’s surplus property assets.</i> <p><i>The Committee noted the intention that future Council approval will be sought in respect to the new entity’s constitution, appointment of Directors and the transfers of specific land holdings to the new entity.</i></p>

Date	Forum	Matter for consideration and actioning
22 March 2019	Finance Committee meeting	<p>Title: Southern Infrastructure Plan Funding Strategy</p> <p>Action: Endorsed and forwarded to 5 April 2019 Council meeting</p> <p>Recommendation(s): <i>The Committee endorsed:</i></p> <ul style="list-style-type: none"> • <i>proceeding to the planning phase of the proposed funding strategy 1(a), which comprises: sale and leaseback for the Science, Technology, Engineering and Mathematics (STEM) building and central library; establishment of debt facilities; partial utilisation of the University's investment portfolio and partial value realisation of surplus property.</i> • <i>delegation of authority to the Vice-Chancellor to engage Flagstaff as advisers for the sale and leaseback transaction via direct negotiation, subject to undertaking independent market testing.</i>
5 April 2019	Council meeting (Burnie)	<p>Title: Future location of the Southern Campuses</p> <p>Action: Council to consider the endorsed Joint Committee business case which supports the 'City-Centric Campus' model as a basis for the future development of the University's Southern Campuses</p> <p>Action: Council to consider the following further matters on recommendation of the Joint Finance and Built Environment and Infrastructure and Finance Committee meetings:</p> <ol style="list-style-type: none"> 1. Sequence of transitioning into the Hobart Central Business District 2. Framework for managing surplus University property 3. Southern Infrastructure Plan Funding Strategy

The matters shaded have been completed as at 27 March 2019.

FINANCE COMMITTEE AND BUILT INFRASTRUCTURE COMMITTEE PAPER

From: Professor Rufus Black, Vice-Chancellor

Date: 22 March 2019

Subject: Future of the Southern Campuses

RECOMMENDATION

The Vice-Chancellor recommends that Finance Committee and Built Infrastructure and Environment Committee endorse the city-centric model as a basis for the future development of the University's Southern Campuses and forwards to Council for consideration.

EXECUTIVE SUMMARY

- University Council approved the development of a masterplan and business case for a Hobart CBD campus and a comparison with a realistic alternative for the Sandy Bay campus which, given the existing city footprint, would be a continuation of a distributed-campus model.
- Two concept plans have been prepared to assess the impact and provide a comparison between a city-centric and distributed model. Criteria for assessing the two options has been established and an initial analysis of the options against these criteria has been undertaken.
- Engagement around these options, the criteria for assessing options and an initial assessment of the criteria has been undertaken with staff, students and community representatives through focus groups, working groups, formal surveys and informal feedback.
- A full document has been prepared and is attached to describe the analysis and conclusions
- Taking into account the assessment criteria and feedback captured during the engagement process, the city-centric model is the preferred option.

CURRENT SITUATION

The University's southern campus has evolved and can be mapped over key phases:

- establishment on the Domain (1890-1945)
- transition to Sandy Bay (1945-1961)
- expansion at Sandy Bay (1961-1983)
- an era of strategic opportunism (1984-2019) which saw the University utilise options for key developments as they made sense and as funding was available – for example, Institute for Marine and Antarctic Studies (IMAS), Medical Science Precinct (MSP) etc.

The University has reached a point of needing to decide a strategic direction which will shape the nature of our southern campus in the decades ahead. The need for this decision is being driven by five things:

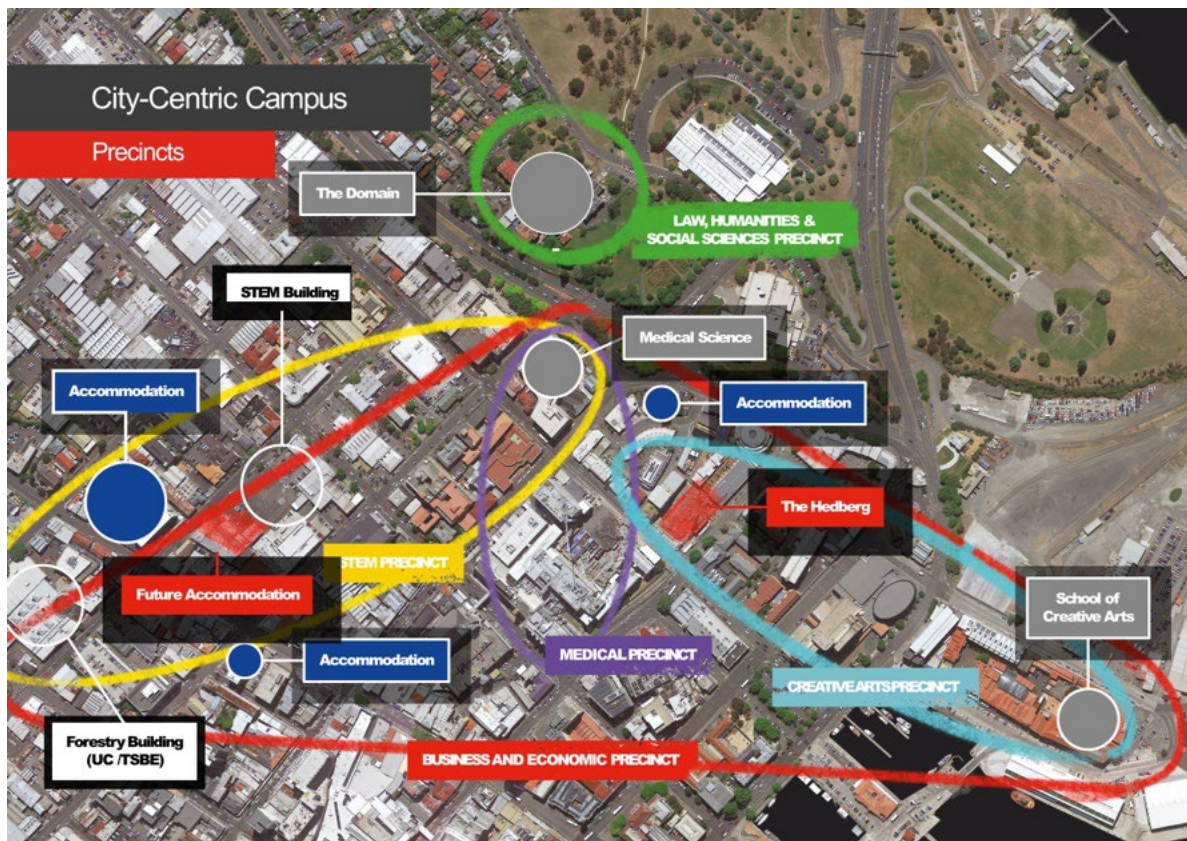
1. The condition and functionality of our Sandy Bay buildings means two-thirds need replacing
2. Student satisfaction surveys show students are unsatisfied with the current facilities especially at Sandy Bay where only 56% are satisfied with the study spaces
3. The age and state of our buildings does not align with our institutional values around sustainability, access, and health and safety
4. Low utilisation of our buildings (e.g. utilisation of teaching space at 17% verses a benchmark of 56%) which drives poor outcomes in cost, efficiency and sustainability
5. Our facilities are not competitive with other universities, with the University of Tasmania's facilities ranked the worst in Australia and New Zealand.

Based on the future EFTSL modelling, needs analysis and Gross Floor Area calculation previously shared with Council, two broad directions have been modelled to form the basis of this decision:

- a **city-centric model**, in which much of the teaching and research from Sandy Bay shifts into a modern, fit-for-purpose green campus in the city
- a **distributed model**, in which the University's city operations remain, and activities on Sandy Bay are redesigned and rebuilt into a more sustainable configuration at the south end of the current campus.

City-centric model

The city-centric campus would be built around a university precinct starting at the Domain and picking up the Medical Sciences buildings and then coming down Melville Street. Permeable, attractive buildings and good urban and street design will create a strong sense of a campus which is inviting to all. The heart of the campus will be a University Square on Melville Street where the Library will be located, along with student and staff facilities. A second 'cultural spine' would connect the core precinct to the Hedberg and Arts School. Almost the entire campus would be within walking distance, taking less time than it takes to traverse the length of the current Sandy Bay campus. IMAS and the Media School would be linked by cycling. A city-centric campus creates contrasting experiences between the sandstone heritage of the Domain which is set in gardens and parklands and the vibrant contemporary city campus closely engaged with the partners we are there to serve.



A city-centric model would see the University remain involved with Sandy Bay as a home to some recreation facilities, specialist research and teaching spaces (much as we have Taroona) and student accommodation. The master plan for the future of the Sandy Bay campus would be developed in consultation with all levels of government and the community, and would be shaped in line with our core values to ensure a socially, environmentally and economically sustainable suburb.

Distributed model

A rebuilt Sandy Bay campus would be very different to that which exists today. While retaining a green spine, the University would need to consolidate below Churchill Avenue as close to the cricket oval as feasible. A consolidated STEM facility would be built on the current Rugby oval, new buildings for Humanities, student services and support, hospitality and retail areas, along with facilities for administrative support, would then be built on the areas vacated by the engineering, geology, physics and chemistry buildings. A green spine flowing through the campus would provide strong place-making opportunities as part of the masterplan, utilising a smaller footprint to promote vibrancy,

cohesion and facilitate the resurrection of a campus heart.



To minimise disruption to staff and students, careful consideration would need to be given to the planning, timing and construction of buildings. A distributed model would see STEM built first, with associated schools and faculties decanting into the building upon completion. While the initial STEM building should cause limited disruption to the day-to-day operations of the University, the subsequent activity of demolishing and rebuilding the engineering and geology areas, would split the campus for many years. Combined with general noise and construction traffic this would cause considerable disruption to operations, and which would need to be addressed during the master-planning process.

EVALUATION OF THE OPTIONS

In order to assess the two options, criteria aligning with the University's strategic direction were established. The criteria were tested and scrutinised as during the engagement process and there was a high degree of alignment about them being important criteria, and no significant suggestions of other criteria were forthcoming.

The project team considered the analysis addressing each of the criteria and ranked the two options. These were then tested and moderated with the University's Executive Team. A snapshot of this assessment is captured below:

Assessment criteria, informed by our Strategic Direction



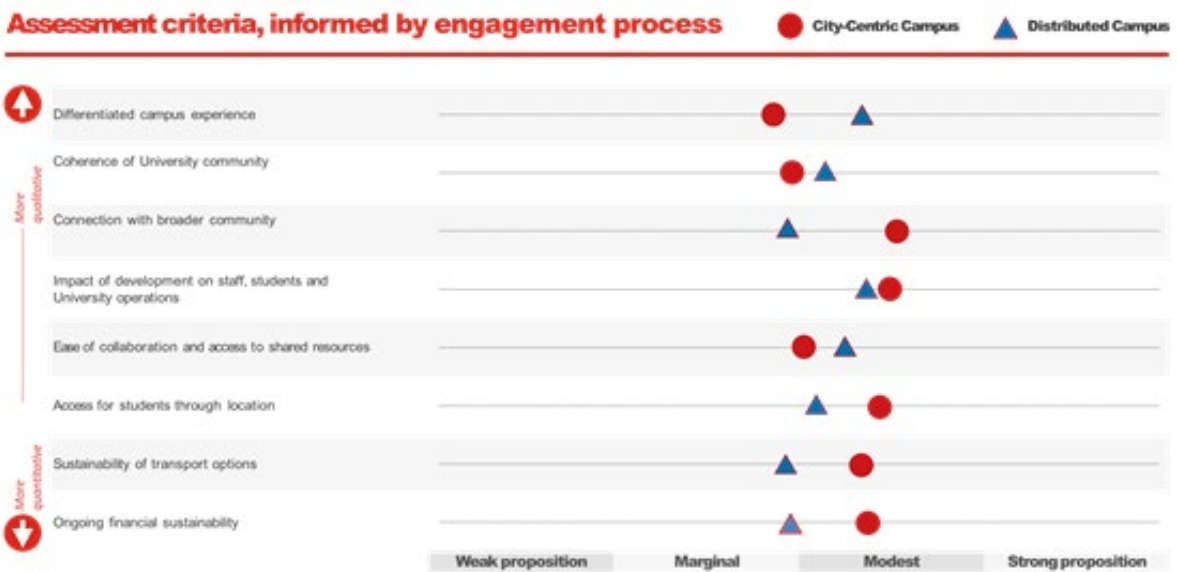
The detailed assessment of these options is set out in the attached Business Case.

The data and analysis were also made available to all staff, students and key external stakeholders as part of an installation room, which was open for a four-week period.

Staff from all colleges and divisions were invited to participate in a guided tour of the room, along with student groups and external stakeholder groups. Over the viewing period there were more than 1100 visits to the room and an associated website received around 700 unique page views (with an average time of 5.5 minutes spent on the website). More than 400 feedback surveys were completed and returned (40% of those being completed by students), and a further 270 comments were captured from directly in the room.

Survey respondents were asked to rate the criteria based on their own views, having considered the content of the room. A summary of this assessment is below:

Assessment criteria, informed by engagement process



In terms of the emerging feedback we have made a number of important observations:

- Compared with the project team's assessment the relative assessment of the options narrows because it compares the average of how people scored the criteria with a specific assessment.

- The main criteria containing points of difference are those that are qualitative: differentiated campus and coherence of the University community. Responses to the criteria based on quantitative assessments are generally aligned.
- Where there are differences in the relative assessment it is important to assess how it impacts the evaluation and the development of the project.

Differentiated campus. The qualitative feedback suggests the reason staff prefer the distributed model as offering a distinctive campus is because of their experiences of the environment and green spaces which form an integral part of the current Sandy Bay campus. The feedback also reflects an understandable scepticism about whether the University can deliver a truly distinctive environment across the Domain and the city.

In assessing this criteria, it is important to recognise that under the distributed model the Sandy Bay campus will change significantly as it moves below Churchill avenue and the site is used much more intensively to ensure it operates with the necessary efficiency for long-term sustainability. Equally, there is the potential in the city of having the best of both worlds, in the green spaces of the Domain and nearby gardens, along with the life of the city and amenity of the waterfront.

If we do proceed with a city-centric option, attending to the question of green space and access to nature will need to be central to the considerations of the campus design.

Interestingly, students surveyed during the focus group indicated they preferred the city centric option, predominantly around reasons of access and connectivity with the broader community. Students rated access particularly highly, with 75% of student respondents reporting that this was one of the most important criteria to consider.

Coherence of the University and Ease of Collaboration and Access to Shared Resources

Both of these criteria connect to how well the parts of any campus relate to each other. The qualitative feedback suggested there are two broad reasons why people prefer the distributed model.

The first is that they believe Sandy Bay currently provides for coherence and collaboration. It may be that for those on the Sandy Bay campus this is true but the feedback from the majority of staff who currently operate in the city is that they often feel disconnected from their colleagues and operations at Sandy Bay. It may be that those on the Sandy Bay site without links to the city sites are less aware that for students and staff in the city it is significantly less convenient to access shared resources like the Library. The hard evidence available also indicates physical proximity does drive collaboration and the city-centric option will enable a greater percentage of staff to be within easy walking distance of campus facilities. Equally, a distributed model will require duplication of at least some student and staff resources.

The second concern was that a city-centric campus wouldn't have 'a heart' and would simply be a collection of buildings distributed in city. This highlights how vital it is to get design of the campus right, in particular, ensuring the 'heart' features university public space, a central library, and staff and student resources, and that the urban design creates a strong sense of a university precinct. In the presentation of the conceptual masterplan options this wasn't a noted feature and so the concern is particularly understandable. Based on the experience of other universities these are certainly addressable and would clearly need to be central to the design.

Fourth, where the results are aligned there are some important insights about the relative merits of the options. Two are particularly notable:

Connection to the Broader Community. Given the University's mission to serve Tasmania this is a particularly important criterion. The ratings of the options of those staff who considered this an important criterion is worthy of note. Those who considered this to be an important criterion for assessment thought the city-centric option provided a strong proposition around connection to the broader community whereas the distributed option is only a marginal one. This is a significant perspective given it is likely that those staff who rated this criterion highly are also those for who such connections are important to their work.

Access, as noted above, students in particular feel that the ability to easily access the University is highly important, with 75% considering this to be an important criterion. The 50% of staff who

considered this to be of high importance thought that the city-centric option provided a strong proposition whereas the distributed model was a marginal proposition. Importantly, across all respondents there was only one demographic who considered the distributed model to be a stronger proposition in terms of access, being students currently based at Sandy Bay. While the city-centric option is seen as preferable in terms of access, the qualitative feedback highlights concerns about increased cost of living and parking costs in the city. Making available through effective design a range of indoor and outdoor spaces where students can study and socialise without a cost impact will clearly need to be central to the design, as will the work to deliver sustainable and low-cost transportation options.

Overall, the survey data tells us there are some serious enthusiasts for the city-centric model and people who are very attached to Sandy Bay. These amount to about 15% of respondents. For the remaining 85% this is a close call. On the issues of connection to the broader community, access, sustainability, financial viability and disruption to staff and students the weight for staff and students see the relative strength of the city-centric option as the project team does. There is a lack of confidence in our ability to create a distinctive and coherent campus in the city. We see this as absolutely the right concerns but have confidence that these can be achieved by a sound collaborative process and an excellent urban and architectural design team.

CONCLUSION

Based on modelling of the two options - enriched by the perspectives of staff, students and stakeholders – we conclude that, on balance, the city-centric model is the one that best aligns with the University's long-term strategic direction but that great care needs to be taken to ensure that we design and deliver a truly distinctive campus that strengthens the University's community and capability for collaboration and has affordable and effective transport solutions for staff and students.

ATTACHMENTS

Attachment 1 - Southern Future Summary Business Case

Attachment 2 – Southern Future Summary of Feedback (Appendix 2 of the Business Case)

RESPONSIBLE OFFICER

NAME: Professor Rufus Black

TITLE: Vice-Chancellor

The **attached** papers were considered by a joint meeting of Built Environment & Infrastructure Committee (BEIC) and Finance Committee on 22 March 2019.

Discussion at the joint meeting included:

- The future location of administrative functions has not yet been determined and would be considered as part of a detailed master planning process
- The range of staff and student perceptions and preferences identified through the feedback process means that, whichever decision is made, there will be a need to manage and engage with staff, students and other stakeholders whose preference has not been supported. This will include acknowledging the underlying issues that drive stakeholder concerns and including these stakeholders in the master planning process to identify how these issues could best be addressed in the chosen option
- The full range of external stakeholders that have now been consulted through the engagement process should be referenced in the Business Case, as well as clarification of how genuine the process has been to solicit input and enable full consideration by Council of the two options
- From a financial perspective, the City-Centric option is preferred due both to the lower net funding requirement and the ability for a more accessible and “customer centric” campus to attract students and associated student revenues
- From a built environment perspective, while there is the ability to upgrade the Sandy Bay campus facilities to a high standard, the City-Centric option is preferred as it enables a range of other benefits to be achieved, including improved accessibility and connectedness both across disciplines and with community and industry.

The Committee acknowledged the extensive work that has been undertaken by management over an extended period to prepare a high-quality suite of materials and undertake an effective engagement and consultation process to enable the Committee and Council to make an informed decision on the future of the southern campus.

The Joint Committee endorsed the draft business case which supports the ‘City-Centric Campus’ model as a basis for the future development of the University’s southern campuses.

Also **attached** is paper outlining the timeline of events for consideration of the future location of the Southern Campuses (March – April 2019).