

## **Naval Base Shack Committee**

### **Naval Base Shack Public Meeting Response and Submission**

#### **Will the southern toilets remain public? If they do, will the City cover the maintenance costs instead of using the Naval Base Shack Reserve Fund?**

The two options are to either close the southern toilets to the public or have the City consider contributing to their maintenance. The Officer's recommendation is to keep the southern toilets private, not public.

#### **Why was the project to install new toilets included in the public presentation despite the lack of support from shack owners during the consultation?**

No refurbishment or replacement of the toilets will take place without further consultation.

The City included two cost estimates for replacing the toilets to present a comprehensive view of the options. This information helps shack owners consider the benefits of an initial higher expense for a longer-lasting asset. Without providing all the costs, individuals would not be fully informed to evaluate the options, their potential costs, and the benefits of each project.

#### **Why were only the existing fees and the City's proposed fee presented, without a middle ground figure?**

The proposed fee of \$3,250 represents a middle ground. Although Officer recommendations would be higher to ensure effective financial risk management, the City acknowledges the desire of some lessees to keep the lease fee as low as possible. Therefore, \$3,250 is proposed as a compromise.

#### **Were the proposed CPI increases and potential savings from proactive rather than reactive maintenance considered in the figures?**

Quantifying potential future savings meaningfully is not feasible. The figures provided are intended as a guide, offering an indication of whether the current and proposed fees would support the delivery of projects and improved operational management. It should be noted that the figures did not include CPI adjustments, GST, inflation, or the possibility that some lessees might not pay their arrears.

#### **Can the Naval Base Shack Property Manager start at 0.5FTE instead of full time?**

The calculation for a dedicated Officer was 0.8 FTE, based on the hours required to manage the site.

This approach aimed to minimise operational costs while ensuring improvements to site management.

### **Can we set the fee at \$2,500 and waive the demolition levy?**

The demolition fee ensures sufficient funds are available if a shack owner decides not to remove their property upon termination.

Shack owners who handle their own demolition will have the demolition levy refunded.

### **Why do we need to pay a demolition fee if the site doesn't need to be cleared for Westport?**

The demolition reserve is necessary to cover future costs of clearing the site in case the State decides to no longer permit the Shacks.

### **Will the City ever need to use the entire demolition levy?**

Owners have the option to demolish their own shacks and receive a refund for their portion of the levy. The City reserves the demolition levy for cases where a shack owner is unable or unwilling to carry out the demolition themselves. Refer to the above information regarding the need for the demolition levy.

### **How much would it cost to remove all the shacks?**

The City does not plan to remove all the shacks. The levy ensures funds are available to remove a shack if a lessee's lease is terminated and they choose not to remove their property themselves.

### **Can the City resell the shacks under s3.58 of the Local Government Act?**

No. Section 3.58 of the Local Government Act pertains to disposing of property that is owned by the local government. This means property in which the local government holds an interest.

The shacks are not owned by the City; they are owned by the shack owners. Legal advice obtained by the City confirms that the shacks belong to the shack owners. Therefore, even if a lease is terminated, the City does not have the right to keep or sell the shacks.

### **Could we establish an advisory committee to assist with decisions regarding empty sites instead of hiring a planning consultant?**

An advisory committee might not give every owner or lessee a voice. The City will continue to assist and respond to all lessees and the Naval Base Shack Committee's inquiries and desires for the site. Public consultations ensure that all shack owners and lessees have the opportunity to provide feedback and comments.

A planning consultant will not make decisions about the empty sites but will offer expert advice. This advice can be considered by the City and lessees to optimise the space for the user group and/or future-proof the site.

### **Why do we need to keep vacant sites empty for future relocations?**

Due to their location, the shacks on the limestone cliff edge may need to be relocated if necessary. Keeping vacant sites available is a precautionary measure that ensures the interests of current leaseholders are protected.

### **Has the City considered that removing shacks increases the financial burden on each shack owner and erodes the cultural significance of the site?**

The City's Naval Base Holiday Park Heritage Area LLP4.5 policy supports the cultural significance of the Naval Base Shack Heritage Area and the Reserves.

The lease fee increase is due to changes in the Consumer Price Index (CPI), maintenance requirements, and the existing use requirements of shack owners. Fees are not proposing to be increased due to demolitions on site.

The City does not actively seek to demolish shacks; it enforces lease conditions. Shacks are only terminated and demolished as a last resort if:

1. The owner breaches their lease and cannot rectify the breaches.
2. The owner (or beneficiary in the event of an estate) chooses to terminate the lease without transferring it.

## **Naval Base Shack Lessee – Individual Enquiries**

Naval Base Shack Public Meeting Response and Submission

### **Will shack owners be given the opportunity to vote on capital works projects?**

Yes. The City will liaise with all shack owners to obtain feedback for future capital works projects.

### **How long must the demolition levy be paid?**

The new lease agreement will include a demolition levy for the newly appointed lease term.

The purpose of the demolition levy is to ensure sufficient funds are available in the Demolition Reserve for shack removal, such as in the event of lease termination.

If a shack owner terminates their lease and chooses not to remediate the site themselves, the Demolition Reserve funds are used. If the owner decides to remediate the site, the demolition levy fees they have paid will be refunded.

### **If you sell your shack, do you get your demolition levy back?**

No, the demolition levy must be retained. However, it will be refunded if a shack owner terminates their lease with the City and remediates the site. The demolition levy is associated with the shack, not the owner.

### **Once the laundry block is removed, what will happen to the remaining space?**

Shack owners will be asked to provide feedback on the best use of the space once the laundry block is demolished.

### **Why do Capital Works projects cost so much?**

Costings are price estimates to give shack owners a guide on expenses.

All projects need to consider:

- The ground surface and heritage surface restrictions set by the state.
- The location and quality of projects for the area.

### **What can the City do to support shack owner's in complying with lease requirements?**

The City will liaise directly with the shack owners regarding compliance and outstanding fees relating to their shack/s.

The City provides additional support to shack owners by:

- Sending lease fee statements annually
- Providing payment plans
- Sending liability insurance reminders

- Sending outstanding payment reminders
- Sending removal or breach notices within suitable timeframes to act.

### **Can the City send "Now Compliant " notices?**

The City does not provide "Now Compliant" notices as an additional service. It is the responsibility of each shack owner to ensure their insurance is provided and their fee payments are up to date. If you are the owner and need an update about your shack, you can inquire at [shacks@cockburn.wa.gov.au](mailto:shacks@cockburn.wa.gov.au).

### **What is the legal basis for the City electing not to re-sell the shacks?**

The lease agreement specifies the procedures for handling terminated leases. Although the City has state approval to lease land within the Reserve, it does not own the shacks; they are all privately owned. This means the City cannot re-sell a shack, even if the lease is terminated.

Furthermore, there are liability concerns associated with selling structures that may contain asbestos or fail to meet current Building Code of Australia standards.

### **Can we get other quotes for demolition?**

No. The City's procurement process is designed to balance value-for-money with quality of service and other criteria, such as supporting local and environmentally responsible businesses. Additionally, this site requires specialised knowledge for asbestos removal and appropriate management of its archaeological potential.

### **What is the responsibility of the Naval Base Property Manager?**

Managing the site, including facility maintenance and lease management.

### **Are the costs associated with capital works projects quotes or estimates, and how were they obtained?**

A combination of methods was used to obtain these quotes. A quantitative surveyor was consulted for complex items, while other costs were based on recent purchases or quotes for the City, such as those for parks, BBQs, outdoor furniture, pergolas, and advice from contractors who install infrastructure like pontoons.

### **Could the south ablution blocks be restricted to shack owners only?**

Yes, the City recognises this issue and will consider whether public access to the ablutions at the Naval Base Shacks should be removed.

## **Why provide calculations for no additional site work?**

The City aimed to present a comprehensive view of our current situation and the various possible outcomes, including a scenario where no further capital works are undertaken.

Could we have minimal repairs at the toilet blocks, with more regular scheduled maintenance for the facilities?

. We aim to enhance preventative maintenance as part of our efforts to improve site management.

## **Can we have a defibrillator installed on site?**

Currently, the City does not provide defibrillators for leased sites. The only defibrillator units the City has are in City-staffed buildings.

Note: St John's run a Lotterywest Heart Grant. This may be something that could be investigated by lessees - [St John Heart Grant | Thanks to Lotterywest | Information Kit \(stjohnwa.com.au\)](#)

## **Can and is the City paying for the maintenance of the south ablution block public toilet?**

The City is considering two options regarding the southern toilet block: either closing it to the public or having the City contribute to its maintenance. The Officer's recommendation is to make the southern ablution block private, not public.

## **What is the new Management Plan? More information required, please.**

The Management Plan is a document that outlines administrative changes and additions to the site's history, along with details of the new lease.

The Plan also includes potential upgrades or developments, such as:

- Roads
- Drainage
- Street lighting
- Beach Access
- Pontoon
- Laundry building demolition; and
- Redeveloped ablution buildings

The previous Management Plan covered the initial 10-year leasing period. A draft of the updated Management Plan will be included in the council's agenda in June 2024.

## **Does the City of Cockburn put any money in as well or is it just our lease fees that goes towards Capital Improvements?**

No, the Naval Base Shacks are entirely self-funded. No municipal funds are used for maintaining this Reserve; it is financed by the lease fees paid by the user group. It would not be fair for ratepayers to cover the costs of maintaining or managing private holiday accommodations.

**Can shack owners obtain outside quotes for capital works projects?**

No, shack owners cannot obtain outside quotes for capital works projects. The provided quotes are indicative of the costs and may not be 100 per cent accurate. Public works are expensive, and the coastal site requires more durable items, such as public furniture that can withstand the environment. If and when capital works projects are undertaken, shack owners will be consulted to ensure the best value for money is achieved.

**Was any contribution from the City of Cockburn included in the capital upgrade expenditure budget? If not, why not, given that these facilities (playground and pontoon) will be open to the general public?**

The Naval Base Shacks are self-funded, with no municipal funds allocated for the maintenance of this Reserve. The maintenance is entirely funded by the lease fees paid by the user group. It would be inappropriate for ratepayers to cover the maintenance or management costs of private holiday accommodations.

**How much say will Shack Owners have on the capital expenditure choices? To what extent will shack owners influence capital expenditure decisions?**

When capital works projects are undertaken, shack owners will be consulted to ensure the best value for money.

**Will there be a committee of shack owners to provide input on all capital expenditure items?**

No. Instead, all shack owners will have the opportunity to provide feedback on capital works projects. A committee might limit the ability of each owner to voice their views.

**Can the Naval Base Holiday Association be responsible for the demolition of terminated shacks? In collaboration with the City, they may be permitted to re-issue a lease via submission from the Naval Base Holiday Association.**

Demolitions should be considered only as a last resort.

Lease agreements are between individual shack owners, the City, and the State Government. While the Naval Base Holiday Association is an organisation available to all shack owners, it is not a government body and cannot approve the removal or demolition of a shack, nor can it re-issue a lease.