

## ITEM NUMBER: 18.2

### CONFIDENTIAL REPORT

### HOARDING FEE RELIEF

*Pursuant to Section 83(5) of the Local Government Act 1999 the Report attached to this agenda and the accompanying documentation is delivered to the Council Members upon the basis that the Council consider the Report and the documents in confidence under Part 3 of the Act, specifically on the basis that Council will receive, discuss or consider:*

- b. Information the disclosure of which could reasonably be expected to confer a commercial advantage on a person with whom the council is conducting, or proposing to conduct, business, or to prejudice the commercial position of the council; and would, on balance, be contrary to the public interest.**
  
- d. Commercial information of a confidential nature (not being a trade secret) the disclosure of which could reasonably be expected to prejudice the commercial position of the person who supplied the information, or to confer a commercial advantage on a third party; and would, on balance, be contrary to the public interest.**

**Recommendation – Exclusion of the Public – Section 90(3)(b & d) Order**

1. That pursuant to Section 90(2) of the *Local Government Act 1999* Council hereby orders that the public be excluded from attendance at this meeting with the exception of the Chief Executive Officer and Staff in attendance at the meeting in order to consider Report No: 239/23 Hoarding Fee Relief in confidence.
  2. That in accordance with Section 90(3) of the *Local Government Act 1999* Council is satisfied that it is necessary that the public be excluded to consider the information contained in Report No: 239/23 Hoarding Fee Relief in confidence on the following grounds:
    - b. pursuant to section 90(3)(b) of the Act, the information to be received, discussed or considered in relation to this Agenda Item is information the disclosure of which could reasonably be expected to confer a commercial advantage on a person with whom the Council is conducting business; or would prejudice the commercial position of Council.
    - d. pursuant to section 90(3)(d) of the Act, the information to be received, discussed or considered in relation to this Agenda Item is commercial information of a confidential nature (not being a trade secret) the disclosure of which could reasonably be expected to prejudice the commercial position of the person who supplied the information, or to confer a commercial advantage on a third party.

In addition, the disclosure of this information would, on balance, be contrary to the public interest. The public interest in public access to the meeting has been balanced against the public interest in the continued non-disclosure of the information. The benefit to the public at large resulting from withholding the information outweighs the benefit to it of disclosure of the information.
  3. The Council is satisfied, the principle that the meeting be conducted in a place open to the public, has been outweighed by the need to keep the information or discussion confidential.
-

Item No: 18.2  
Subject: **HOARDING FEE RELIEF**  
Date: 25 July 2023  
Written By: Manager, Development Services  
General Manager: Strategy and Corporate, Ms P Jackson

---

## **SUMMARY**

Following Council's decision from its meeting held on 14 December 2021 to grant partial dispensation for the payment of hoarding fees associated with the hotel and retail development occurring on the corner of Jetty Road and Colley Terrace, Glenelg, the developer, Andrew Taplin, has formally requested an extension to the initial discount period of twelve months. This report recommends that Council provide conditional support for a modest extension of six months to the current discount period on the basis that the project has been delayed by some unforeseen challenges, and that its continual progress towards completion is in the community's best interest.

---

## **RECOMMENDATIONS**

1. **That Council accede to the request made by Andrew Taplin in the email dated 6 July 2023 for an extension to the initial twelve-month discount period for the payment of hoarding fees associated with the retail and hotel development occurring on the corner of Jetty Road and Colley Terrace at Glenelg, on the basis that:**
  - a) **the hoarding fee payable to Council is \$31,075 incl. GST and limited to a six month period from 8 September 2023 to 8 March 2024; and**
  - b) **the fee reduction ends on 8 March 2024, after which time the hoarding fees payable shall be in-line with Council's Fees and Charges schedule published at the time.**

### **RETAIN IN CONFIDENCE – Section 91(7) Order**

2. **That having considered Agenda Item 18.2 Report No: 239/23 Hoarding Fee Relief in confidence under section 90(2) and (3)(b) and (d) of the *Local Government Act 1999*, the Council, pursuant to section 91(7) of that Act orders that the report and attachments be retained in confidence until further notice and the Chief Executive Officer is authorised to release the documents when the matter is concluded, giving due consideration to any relevant legal considerations, and that this order be reviewed every twelve months.**
-

## STRATEGIC PLAN

Sustainability Objectives 2020-2030 – Support businesses to operate in mixed use neighbourhoods.

## STATUTORY PROVISIONS

*Local Government Act 1999 [s221]*

## BACKGROUND

At its meeting held on 14 December 2021, Council resolved in confidence to grant partial dispensation from the hoarding fees attributable to the Taplin Group's hotel and retail development located on the corner of Jetty Road and Colley Terrace, Glenelg (Resolution No. C121021/2517). The decision to grant a 60% discount on the statutory hoarding fees was made in recognition of the development site's strategic value as a gateway location for the economic functioning of the Glenelg District Centre, with the broader benefits of continued access through the public realm during the period of construction facilitated by a unique hoarding solution, the cost of which is partly offset by a discount of fees otherwise payable directly to Council. The resolution reads as follows:

*That Council:*

1. *Accede to the request made by Andrew Taplin in the email dated 15 November 2021 for partial dispensation from future hoarding fees (estimated at \$219,000 incl. GST) associated with the construction of a multi-storey retail and hotel building located at 13-23 Jetty Road and 1-3 Colley Terrace, Glenelg and approved by the State Commission Assessment Panel in Development Application Number 110/M104/20, on the basis that:*
  - a) *the hoarding fee payable to Council is \$85,000 incl. GST; and*
  - b) *dispensation from the hoarding fees is based on the hoarding design shown on the Builder's Site Management Plan prepared by Alexander Brown Architects and provided by Andrew Taplin in support of the request in Attachment 1 to this report; and*
  - c) *dispensation from hoarding fees cease to be offered following a period of twelve (12) months from the commencement date of construction, after which time all aboveground hoardings will be invoiced at the full amount found in Council's fees and charges schedule operative at the time; and*
  - d) *dispensation from hoarding fees is provided in recognition of the development site's strategic value as a gateway location for the economic functioning of the Glenelg District Centre, with the broader benefits of continued access through the public realm during the period of construction facilitated by a unique hoarding solution, the cost of which is partly offset by a discount of fees otherwise payable directly to Council.*

2. *Part 1(a) to (c) of this resolution is valid until 30 March 2022, with construction commenced after this date not entitled to dispensation from hoarding fees otherwise attributable to the construction of a multi-storey retail and hotel building located at 13-23 Jetty Road and 1-3 Colley Terrace, Glenelg and approved by the State Commission Assessment Panel in Development Application Number 110/M104/20.*

A subsequent decision made at Council's meeting held on 22 February 2022 extended the construction commencement date to 30 April 2022 (Resolution No. C220222/2554).

## REPORT

Following the decision of Council to grant partial fee relief for the cost of hoardings associated with the construction of the approved hotel and retail building located on the corner of Jetty Road and Colley Terrace at Glenelg, construction commenced prior to 30 April 2022, thereby entitling Andrew Taplin to the discount rate. However, unforeseen challenges experienced at the onset of the project delayed the installation of the scaffolding until 7 September 2022, meaning the hoarding fees were not charged until that time. Andrew Taplin has now written to Council seeking an extension to the initial twelve-month discount period based on the following circumstances:

- Whilst construction commenced in late April 2022, the actual hoarding (scaffolding) was not installed until much later, on 7 September 2022.
- The project encountered some unforeseen delays at the commencement of construction due to discovery of significant problems with the existing footings.
- There were significant delays in having public infrastructure removed and/or relocated, including power and NBN facilities, preventing work from progressing to subsequent stage.
- The general shortage of building materials has required the postponement of several stages of construction, adding to the overall construction timeframe.
- The shortage of tradespersons has delayed progress on various stage of the development.
- Notwithstanding the unforeseen circumstances that have caused delays to the project, there is merit in extending the discount period on the basis that construction has progressed well, without incident, whilst maintaining access through the corner for pedestrians and vehicles.

*Refer Attachment 1*

Many of the City's construction sites have been negatively impacted by the material shortages and unavailability of tradespeople following the Covid19 pandemic, but the vast majority of the City's development sites are not financially encumbered by the type of hoarding fees attributable to this particular development. At the time of granting dispensation from the hoarding fees to Andrew Taplin, it was not known that the building sector would continue to experience difficulties through 2022 and into 2023. Further to this, the exploratory work undertaken at the development site prior to construction had not

identified the significant challenges that would be presented by the historic footings, which only became apparent at the commencement of construction (i.e. well after Council's decision to grant twelve months of fee relief).

It should be noted that a similar dispensation from the payment of hoarding fees was also granted by Council at its meeting held on 25 January 2022 (Resolution No. C250122/2532) to the Karidis Corporation for its construction of the Avista Retirement Apartments occurring immediately opposite the Andrew Taplin development site on Durham Street. However, the discount period for hoarding fee relief offered to the Karidis Corporation was greater, at eighteen months. In this regard, it would seem equitable for Council to afford a similar overall discount period (i.e. initial period of twelve months plus a six months extension) to Andrew Taplin for an equally complex construction project in the same locality.

As evident from the images in Attachment 2, the current scaffolding presents neatly to the public realm, and continues to provide a safe and continuous path of travel for pedestrians. It is in the community's best interest that the current hoarding solution remain in place for the period of construction, and that a reduction in fees is extended in recognition of the unique design that enables both the road and footpath to remain accessible to the public during construction.

*Refer Attachment 2*

In determining the discount amount for the hoarding fee, the same formula is used that has been applied for the existing hoarding fee attributable to Andrew Taplin's development, thereby simply extending the current arrangement. In this regard, the fee otherwise payable by Andrew Taplin for his hoarding over a six-month period equates to \$109,500 including GST. Applying the current discount rate of 60%, the reduced fee is \$31,075 including GST.

### **Summary**

The primary reason for Council having previously granted dispensation from hoarding fees to the Taplin Group was in recognition that the costly hoarding solution greatly benefitted the business community and visitors to Glenelg during the period of construction. In this same light, granting a modest timeline extension on the basis that construction has been delayed by unforeseen circumstances would be consistent with Council's fundamental objective of supporting the business and visitor community through challenging times over the past three years. Given that the fees received from an extension to the hoarding payments are classified as unbudgeted revenue, there is no financial impost resulting from such a decision. It may also be worth mentioning that the twelve month construction timetable for this development was ambitious, with Andrew Taplin entitled to request a dispensation period of eighteen months at the time, akin to that sought by the Karidis Corporation.

### **BUDGET**

There is no financial impact to this decision.


### **LIFE CYCLE COSTS**


There are no life cycle costs associated with this matter.

## Hoarding Fees - Jetty Road Development



Andrew Taplin <at@taplin.com.au>

To  Anthony Marroncelli

 You replied to this message on 6/07/2023 10:31 AM.



Hi Anthony

As you are aware the development of the new hotel and rooftop bar is now progressing well and we are very excited and believe this is going to be a fantastic asset for Jetty Road and Glenelg generally.

Unfortunately when we commenced construction we encountered some delays, please see points below:

1. Whilst construction commenced in late April 2022, the actual hoarding (scaffolding) was not installed until the 7<sup>th</sup> September 2022.
2. The project encountered some unforeseen delays at the commencement of construction due to discovery of significant problems with the existing footings
3. There were significant delays in having public infrastructure removed and/or relocated, including power and NBN facilities, preventing work from progressing to subsequent stage
4. The general shortage of building materials has required the postponement of several stages of construction, adding to the overall construction timeframe
5. The shortage of tradespersons has delayed progress on various stage of the development
6. Notwithstanding the unforeseen circumstances that have caused delays to the project, there is merit in extending the discount period on the basis that construction has progressed well, without incident, whilst maintaining access through the corner for pedestrians and vehicles

We would appreciate Council giving consideration to our request for an extension to the current 12 month discount period for the hoarding fees. We expect hoarding to be in place until April 2023.

If you have any further queries, or require further information please do not hesitate to contact me.

Kind regards

**Andrew Taplin** Director

.....  
**T** (08) 8295 4104 • **DL** (08) 8350 3088 • **M** 0418 820 977

Office address: 79 Jetty Rd, Glenelg SA 5045

Mail address: PO Box 541, Glenelg SA 5045

Facebook • Instagram • taplin.com.au

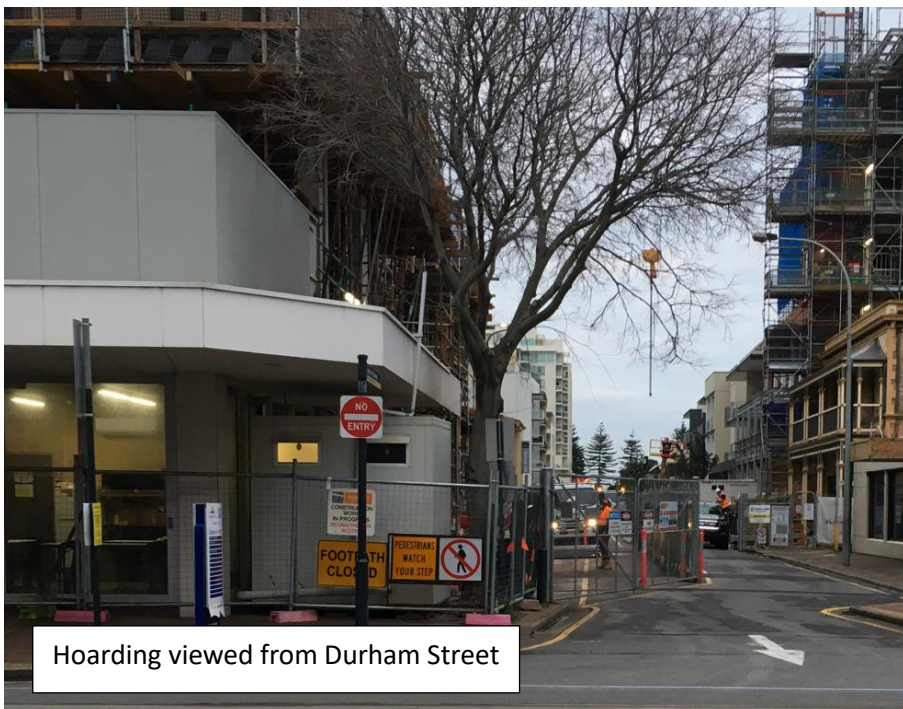




Hoarding viewed from Colley Terrace



Hoarding viewed from Moseley



Hoarding viewed from Durham Street