CORRECTED VERSION

OUTER SUBURBAN/INTERFACE SERVICES AND DEVELOPMENT COMMITTEE

Inquiry into growing the suburbs — infrastructure and business development in outer suburban Melbourne

Broadmeadows — 6 March 2012

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Kangan Institute
Mr P. Dixon, facilities manager
The CHAIR — I welcome Mr Dixon. The material in terms of our discussion and your responses to questions today is going to be recorded by the Hansard team. A transcript of that will be available to you in about two weeks time; you can only make changes to typographical and spelling errors. It is important to stress that to facilitate open dialogue and for people to give us frank responses, there are acts of Parliament that are applied during the course of the hearing in this time and in this place. Parliamentary privilege is extended to you and is not extended outside of this domain even though some aspects of it might be either directly or indirectly related to the topics that are actually discussed. Whilst we are in this environment parliamentary privilege prevails.

I now invite you to start your side of things with any opening remarks you have. Then we are going to move very quickly to the members of the committee to be interactive with you and put questions to you. Because time is against us, I am just going to ask each member of the committee and yourself, Mr Dixon, if we can come to succinct responses so we can get as broad range of input as we possibly can in the time that is left to us. Please proceed.

Mr DIXON — I do not have a formal presentation as such. My involvement at Kangan Institute has only been for three years. I have had over 31 years in the TAFE arena, so I have had a vast experience. Just to give you a quick snapshot of Kangan’s position at the moment — and bearing in mind that my focus is primarily towards infrastructure — about seven years ago a strategic decision was made by the institute board to focus on a two-campus model, which at the time was going to be Docklands and Broadmeadows. For the last seven years the strategic direction of institute has been towards establishing those two campuses.

As of Wednesday last week Minister Hall opened the second stage of our ACE development at Docklands, which is a fantastic milestone for us. That campus has been in operation since the start of this year. Our focus from now on, while stage 3 at Docklands is a vision and will be progressed, is on the Broadmeadows campus to consolidate the old degraded facilities that we have moved out of and improve the facilities we have here at the Broadmeadows campus.

That is just a really broad snapshot of where the institute is. I am happy to take your questions and answer them as best I can.

The CHAIR — Is your referral to degraded facilities here in the Broadmeadows campus?

Mr DIXON — No, I was referring to the campuses we have moved out of at Coburg, which is where automotive was being delivered, and the Moreland campus, which is where we delivered some health education programs. We have moved entirely out of those campuses. Those properties have been sold as part of the funding arrangements for the Docklands development. Things are on the improve.

The CHAIR — What strategic view does Kangan have considering there is going to be an enormous population growth north of where we currently are beyond Craigieburn into the Mitchell shire as well as within the confines of Hume City Council’s LGA boundary? What strategic outlook do you have in terms of accommodating that population growth?

Mr DIXON — We have an institute master plan for the Broadmeadows campus, and we have specifically homed in on that because it is the campus that requires the most significant redevelopment. We develop our master plan based on our strategic plans from each of our teaching departments and the marketing areas. From all of the input that goes into those strategic plans we then develop an institute strategic plan, and that feeds the master plan which then determines our campus development plan. Our campus development plan then becomes part of the integrated asset management plan that goes into Skills Victoria, which refers to the entire redevelopment of either the Broadmeadows campus or any other, but in our case at the moment it is purely the Broadmeadows campus.

If you know the campus at all, we have buildings that were built about 30 to 35 years ago. They were built at a time when land was, I suppose, more available than it is in this area now. You got the biggest bang for your buck that you could out of building, so not a lot of thought was given to the adaptability and flexibility in the future of those buildings. Those buildings at the moment do not represent good, quality building stock.
We have a number of buildings that have been built in the last 15 years that represent a higher level of building stock and lend themselves to be modified. They can be built upwards and outwards, and they can contain and have built in all of the ESD requirements necessary for buildings nowadays. The buildings that there are 35 years old do not have the capacity to build up or out. They are just sprawling across the campus. It is a 21-acre campus, which gives us an abundance of space. So the redevelopment proposal is to start multilevelling buildings more like a university campus. We often talk about it representing or wanting to represent a university campus.

We have got a current submission in. It went to the expenditure review committee last year and failed. It is again in this year with a high chance of being successful, but until the day comes we will not know. If it is not successful this year, it will probably go up again next year. That is for a new $60 million health education building which will also house a new computer centre, library, facilities for IT training and health education programs, which are quite significant. That would be the first of a number of buildings proposed. There are two more buildings proposed after that over the next 15 years. We work on an average of expecting one new building every five years if we can achieve that. What was proposed in the new health education building was a new tri-generation plant to make us self-sufficient in regards to energy. We are proposing to run all the services generated within that building right around the campus to all of the multilevel buildings and in time the buildings would then replace the single-level buildings. The strategy is a high emphasis on redeveloping the Broadmeadows campus and getting the buildings up to the stage where they are both functional and fit the purpose now and are very adaptable and flexible for the future.

One of our greatest challenges is space utilisation. We achieve about 40 to 50 per cent utilisation. The difficulty with that is getting people to be flexible enough and meeting students’ requirements to come in early in the mornings, later in the afternoons and sometimes on a Saturday. We put a lot of emphasis on trying to utilise our spaces better.

Ms GRALEY — What is Kangan Institute doing? This might be a little bit outside of your area of expertise, because you are in facilities. One of the things we are trying to make sure happens, and all the presenters have emphasised this, is about lifting aspiration and getting more kids to go to state schools, go to TAFE and maybe take a step from TAFE to university. Do you know of any programs that Kangan is doing within schools or out there in the community that may be part of the lifting this aspiration?

Mr DIXON — I could not name the programs. I am aware that there are such programs. I suppose what we try to do from an infrastructure perspective is make the campuses as standardised, I suppose, and as friendly as possible. We try to achieve a situation where when students approach a site, it does not feel unfamiliar or unwelcoming. We are trying to standardise each of our campuses to resemble something very similar, which is a standard, more corporate approach. But there are people out there. We have student counsellors and liaison officers who are doing all of that wonderful work to try to generate interest in the institute.

Mr ONDARCHIE — You also have a facility at the youth justice centre as well. I think that you do some —

Mr DIXON — We do a lot of youth justice centre training around the state.

Mr ONDARCHIE — How is that working for you?

Mr DIXON — It goes very well. I have only had very marginal involvement in it. One of the main ones is in Parkville. That is coming up for tender again. It is operated by the Department of Human Services I believe, which is different to the others which are run by the department of corrections. Staff members are complaining about the differences in the tendering processes now being imposed to the point where in order to re-tender — and it is an equal playing field; everyone has to tender the same — you have to put together a full exit strategy. If you are unsuccessful or if in the future you are unsuccessful, you have to have a fully documented exit strategy. Everyone has to do the same. In a sense it may put us in a better position to tender, because we can actually go through that process. A lot of private providers probably would not bother or cannot afford to.

Mr ONDARCHIE — In the area where you are located some of the data suggests that there is a high level of youth unemployment. Does that manifest itself in any trouble for you?
Mr DIXON — My understanding of the trouble is that is improving significantly, but that is probably a bit to do with the management. We have security guards onsite and they have cultural backgrounds similar to a lot of the students. We have a lot of CCTV around the place and we are putting more of that in. We are trying to make it as passive as possible so it is not quite so obvious, but at the same time you have to manage those situations. I suppose the other side of it is we have a good team who are building very strong relationships with the local community and local authorities so that we know where we all stand and that we are all working towards the same goal.

The other thing that we are looking at at the moment, and it is highly likely we will achieve it, is a 40-bed Youth Foyer on the site. That will hopefully happen later this year, if there is an announcement. Not that that makes a huge contribution but it can be perceived as a good neighbourly thing to do, I suppose, and it provides educational opportunities for those students who will be in residence.

Ms McLEISH — As the facilities manager, which faculties within Kangan are on your back all the time telling you that they currently do not have enough room to operate? I am looking at where the demand internally is coming from.

Mr DIXON — Sure. The built and natural environment, which is building and construction, has by far the greatest amount, and it has for the three years I have been there. It is just the nature of the way the institute developed, I suppose. There are disparate areas across the campus that are trying to deliver built and natural environment subjects. You have furniture studies, building and construction, electrical, carpentry and joinery. We do horticulture, which is considered part of the same. We would desperately like to run plumbing, gasfitting, plastering, painting and those trades but simply do not have the space to do that.

Whilst it is not a no. 1 priority, it is certainly no. 2 because in our master plan — I am not sure whether you would be aware — there was a proposal for us to try to conduct aviation training at Tullamarine airport at one stage. That is not happening at present. Had that occurred it would have given us the opportunity to create what is currently a purpose-built aviation facility to become a built and natural environment training facility. That would have been a $15 million conversion of a building, but it would have delivered a huge benefit to us in doing that. The other option is to put a proposal up for a completely new building and construction building; another $40 million, I suppose, would do it.

Our health education program and our general IT courses and business courses are the ones in greatest demand at this point in time, followed closely by built and natural environment. But unfortunately when you are putting submissions through to government you have to put them in the priority of one, two and three. No. 1 happens to be health education at the moment.

The CHAIR — Mr Dixon, has anybody been in a position to argue the case? Because it was my understanding that in providing facilities for plumbing and gasfitting there is obviously a ratio of teaching staff and the space around each pupil. I was of the understanding that it might be something like 15 to 1. Regarding the building envelope for that to be performed in, would it not be a strategic advantage for Kangan, with all the space that you have, and as you are thinking of re-utilising land, and a leap forward to offer that because you have the space concurrent with the demand in this area? Can you respond to that?

Mr DIXON — We do not have the space. We have the demand; we do not have the space.

The CHAIR — But you are planning to reconfigure the campus?

Mr DIXON — Yes, if we had the opportunity. But as I said before, the health education building, which is a $60 million project with a $15 million contribution by the institute, is our no. 1 priority. In the media at the moment we have seen Qantas looking at moving its aviation maintenance overseas. If that occurs, it will be devastating for our aviation maintenance training. The good side of that, however, would be that it would free up the facility perhaps for us to convert it. Construction or fabrication of a new facility to deliver our building and construction programs, gasfitting and plumbing would mean a minimum of $5 million to $10 million and we do not have anywhere that could offer us that amount at this point in time.
The only other option we have is to lease the facility. We are leasing a building at Moonee Ponds at this point in time from which we deliver our health education programs. This was done on the assumption that at the end of the five-year lease we would have a new building sitting at Broadmeadows into which we could move those people. Every year that goes by that we do not get funding — and this is the second year for our health education building — we get a year closer to the termination of that lease and so we have some serious considerations as to where we put our health education and whether we extend the lease — —

Ms HUTCHINS — What do you need in terms of funding from the state government to fulfil the master plan for Kangan?

Mr DIXON — We need $45 million.

Ms HUTCHINS — Forty-five million dollars?

Mr DIXON — It is a $60 million project. You do not get a look in if you do not make an institute contribution. The institute has put up $15 million and it is a $60 million project, so we need $45 million to kick-start the redevelopment of the Broadmeadows campus. That would be a very serious kick-start. If we get a Youth Foyer on the site and we get a new health education building in the next three years, it just gives us the opportunity to kick-start the whole redevelopment program. All the programs that are in high demand or growing demand at the moment would be satisfied through that process.

The CHAIR — Mr Dixon, the time that we can spend with you has now elapsed. We thank you very much for coming along and joining us today. Your input has been very insightful and we value it, so thank you very much for joining us.

Mr DIXON — Good. Thank you.

Committee adjourned.