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17 June 2016

TO: Brooke Mezzetta – Moreland City Council

RE: Pavilion and Outdoor Sporting Infrastructure Capital Works Contributions Policy

With respect to providing feedback on this proposed draft, I note as follows:

Funds available

- There would be few if any “Community Clubs” in Moreland that would have a spare \$50,000 to \$200,000 sitting in their bank accounts to spend on improvements to capital works, pavilions etc.
- As an aside, if a club did have this level of cash in the bank you would have to question why would have this amount of money and why it was not been spent on the improvement of facilities to date?
- I note that the one example is where the DeChene Reserve was taken over by the Moreland Zebras soccer club on the provision of the upgrading of the facilities to the amount of \$250,000.
- This is an interesting precedent in that a National Premier Soccer club can come into a reserve and buy their way to access, which could gazump any community club.

Policy

- It may be useful from an organisational perspective to have “ticked the box” to have a policy, but its relevance & usefulness will be negligible.
- Also you have to ask yourself that why would a club spend say \$200,000 to only receive a 5/10 year “negotiated term” extension to their lease? I presume the negotiated term means that the normal rental fee applies?
- The development of this policy appears as a way to address the major issue of non-compliance with pavilions with respect to DDA standards and to facilitate the provision of unisex facilities.
- Consequently the policy is a “claytons” and would never be used.



In terms of specific requirements of this policy I advise as follows;

4.1 Approval of capital works projects - criteria

1. Planning & Building approvals: - Town planning permit will not be required on land zoned for PPRZ, given that the pavilions, grounds etc. have been established for some decades and would have existing use rights.
 - The general principles applying to existing use rights (*Shire of Perth V O'Keefe, 1964*) held that there was sufficient evidence to establish the applicant existing use rights in that the reserves had been used as a major sports ground for the purpose of playing football matches and for training since prior to the introduction of planning controls. The lighting of the ground for football training did not change the purposes for which the reserves were used and existing use rights applied.
 - This principle was also applied in *Royal South Yarra Tennis Club v City of Prahran (1985)* and *Essendon Football Club v City of Moonee Valley (1997)*¹.
 - The use of social club rooms is as much part of the use of a major sports ground as is, for the example, the use of the changing rooms and as such no permit is required. (*Collingwood F.C. V City of Collingwood 1992*).
2. The complexity of seeking approval by community organisation would be difficult, given that access to feasibility, master plans, concept and business plans would need to be readily available. Ideally these, if developed, should be on the web for immediate access.
3. Given the age of most pavilions and change rooms precedes the later introduction of DDA's requirements (Disability - Access to Premises – Buildings - Standard 2010) , then Council would be responsible for bringing their buildings into compliance.
4. Moreland CC requirements for ground allocation are for clubs to have female teams, executives etc., yet no feasibility plan for the upgrade of existing male change facilities to female has been completed to facilitate this change? Easy to say with a policy, whilst the reality of facility provision has been omitted.
5. The Gillon Oval upgrade at \$180,000² for toilet/change facilities, including a DDA baby change room within the A.G. Gillon Grandstand is an excellent example where such a cost would be beyond all clubs within Moreland CC.
6. With respect to Council encouraging "external funding "this already occurs with a Council maximum contribution of \$40,000 per project. I note that for the next financial year just under \$290,000 would be available from Council, equating to a maximum of 7 grants being made available to say the 59 pavilions across 56 sporting fields. I.e. over 10 years to complete?

¹ Installation of lights at Windy Hill

² + \$20,000 for architects design & project management



7. Given this issue has an audit been completed of the 59 pavilions/change rooms with respect to DDA compliance and male to female upgrades? It would appear that the policy is seeking to make Clubs raise funds for these upgrades given the extensive time period that may be involved.

4.1.1 Risk Management:

8. From the criteria identified it would appear that the club would be project managing the builder?

4.2.1 Financial risk management

9. If a club came to you with \$50,000-200,000 ready to complete a project why would the clubs financial viability be assessed?

4.4 Contribution framework

10. Already noted above, there would be few clubs is any within Moreland that would have this level of cash, other than those at the National level in soccer, where by registration fees collected at the bottom go to the clubs in the Premier Divisions above.
11. It would appear that the levels of contributions (minor, mid, major) do not count for external grants from the State Government.

Another way

12. The "Value of a Community Football Club " was examined by the AFL with Latrobe University, whereby it was identified that the social return on investment for an average community football club was \$4.40 return for every \$1 spent to run the club. This return being expressed as a social value in terms of increased social connectors, wellbeing and mental health status, employment outcomes, personal development, physical health, civic pride and support of other community groups. This study also examined the "reach" for every player at a football club, identifying that football clubs reach a further 10 people. Hence their influence is significant.
13. For say the Brunswick (Senior, Junior and Women's) with an annual turnover of \$200,000, this would equate to a value within the Brunswick community of \$880,000³. Note given the amateur status of all three clubs, this money is directly spent on suppliers of all goods and services and not on player payments.
14. In terms of reach this would equate to seniors (90 players), Women's (40 players) & juniors (250) players equating to 380 players, not counting parents (760+). Hence the reach for the Brunswick football Club from Gillon Oval is in excess of 10,000 people. Of say the 250 families that reside in Brunswick, their rate contribution would already be in the order of say \$1000 per property or \$250,000.
15. Hence if Council want to encourage more active communities from male/female, junior and senior players, improved connectedness, improved mental and social outcomes,

³ Average Community football club in Victoria make an economic contribution of \$630,000.



then facility grants to sporting clubs need to be made more often and based on the clubs contribution to the community.

16. I note in the context of the draft policy document that the *strategy highlights that seasonal agreements do not encourage investment by clubs*. The simple reason for this is that expense in renting the facility and the utility charges involved (33%)
17. For example in the Gillon Oval scenario the winter allocation is \$15,000, while the Cricket Club would be more expensive given the use of a caretaker for the wickets at say \$20,000. Hence \$35,000.
18. For this amount there is little maintenance/or upgrades ever conducted on the surrounding buildings, while over the past 10 years both clubs have paid to the Council in excess of \$350,000. Yet the social club rooms for example, would be considered a museum that has not changed since its construction in 1976! The A.G. Gillon⁴ Grandstand has not changed in decades, with the exception of new shower heads and on demand hot water services, installed in 2010.
19. What should occur is that the rental contributions should be reduced by a commensurate amount to facilitate the upgrade of facilities.
20. For example say a master plan is developed for the upgrade of the social club rooms. Say \$100,000 with new kitchen, tiles, benches, painting etc. This could easily be achieved by the Clubs if the rental charge over three years were dedicated to such a project.

Conclusion

21. The policy as proposed would force “not-for-profit” sporting clubs take more money out of their community, through raising funds for major pavilion upgrades, (\$50,000-200,000). The funding for the upgrading of Council buildings would be considered by the ratepayers as “double dipping”.
22. Clubs already pay significant rental charges for maintenance and upgrades, yet there has been little evidence of upgrading of pavilions/change rooms being completed. (I do not count the recent contribution by the State Government to facilitate the upgrade the A.G. Gillon stand, for female players, given that this was never budgeted for by Moreland CC.)
23. At an “active” *vis-a-vis* “passive” level it is clear that not-for profit clubs involved in the provision of active sporting clubs and competitions have a greater benefit on the community than does say a passive park. Hence the preparation of budgets in the improvements to pavilions and grounds needs to factor this into account.
24. For example what has the greater effect, spending say \$500,000 on a park or \$500,000 in the form of 10x 50,000 upgrades to 10 sporting clubs with memberships of several hundred people (say 5000) that reach 50,000 people?

⁴ The surrounds outside the playing surface and clubrooms were upgraded in 2010-11 with new landscaping and a sealed car park for football, cricket, tennis and croquet clubs.



25. We consider that the alternative is for master plans to be prepared and for Clubs rental costs (or a significant proportion) to be allocated directly into these upgrades.
26. This way:
- a. Membership fees can stay at a modest level and,
 - b. Clubs do not create a separate building levy to build up a significant cash reserve to upgrade a Council building
27. Further it needs to be considered that given the Council ground allocation criteria is for increase in participation of junior and female players across all sports and the Brunswick Football clubs (senior & Junior) have been very successful in responding in meeting this criteria.
28. This has taken place at nil cost to Council, while thousands of volunteer hours at the executive level over 6 years have been expended. It follows that "not-for-profit" clubs should not be penalised by having to raise further funds for building upgrades or where this is not possible, having to put up with outdated facilities.
29. Finally I note that council public open space contribution reserve fund has grown from \$7.9 million in 2014 to \$11.9 million, so there are ample funds to update most pavilions to comply with DDA and provide upgraded change rooms.

Should you require further information please contact the undersigned on (03) 9877 2477.

Yours Sincerely,

Trevor Ludeman