


CM06.16	Additional Funding – Hollywood Subiaco Bowling Club
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Committee	6 December 2016
Council	20 December 2016
Applicant	City of Nedlands
Officer	Amanda Cronin – A/Manager Community Development
Director	Lorraine Driscoll – Director Corporate & Strategy
Director Signature	
File Reference	CD-008740
Previous Item	None

Executive Summary

This item seeks Council's approval of additional financial support to the Hollywood Subiaco Bowling Club (HSBC) project for the refurbishment of their building. The additional funding is required due to extra costs that arose due to electrical compliance and overall compliance in the kitchen and bar areas.

Recommendation to Committee

Council approves additional funding of \$10,000 as a contribution to the additional renovation costs of the Hollywood Subiaco Bowling Club.

Strategic Plan

KFA: Community Development

The City's current Strategic Community Plan identifies the City's stock of ageing community buildings as a high priority to be addressed. This project aligns with the Strategic Plan's priority of upgrading community facilities.

Background

HSBC is located on a portion of Highview Park (Reserve 22384). The Club's tenancy of the facility is on the basis of a lease. This lease provides the Club with the right to exclusive use of the facility, while still enjoying the right to generate income by hiring the facility to other users. The Club is responsible for all maintenance and utility costs associated with the facility. The Club has approximately 45 bowling members and 240 social members, 90% of which are from Nedlands and neighboring suburbs. Aside from usage by the club itself, the bowling club's facilities are also booked for corporate and social bowls functions. Their facilities are also used by a wide range of community groups for meetings and functions.

On 30 June 2015, Council approved the 2015/16 budget. \$252,000 was allocated to HSBC for renovations to be undertaken at the Club. The funding for this project

came largely from a fee for the parking arrangement with Hollywood Hospital. The renovations included a new access ramp, an accessible toilet, upgraded toilet facilities, upgraded kitchen and catering facilities and an upgraded bar area.

Key Relevant Previous Council Decisions

- Special Council Meeting 30 June 2015 – Adoption of Annual Budget 2015/16

Consultation

Required by legislation: Yes No
 Required by City of Nedlands policy: Yes No

There has been consultation with the Hollywood Subiaco Bowling Club in the process of the Club completing this project.

Legislation / Policy

Council policy 'Use of Council Facilities for Community Purposes' outlines that sporting clubs leasing buildings from Council do so on the basis of paying no rental fee and the club being responsible for all maintenance costs.

While Council policy 'Use of Council Facilities for Community Purposes' outlines that Council is under no obligation to contribute to the maintenance or capital development of a club's leased building, Council may choose to do so under Policy 'Capital Grants to Sporting Clubs'.

Budget/Financial Implications

Within current approved budget: Yes No
 Requires further budget consideration: Yes No

Table 1 – CSRFF Small Grants to Sporting Clubs budget line item

2016/17 Budget – CSRFF Small Grants to Sporting Clubs	\$182,800
Less funds already spent / allocated	\$82,721
Remaining	\$100,079

Council has approved \$182,800 in the current financial year's budget for expenditure on small CSRFF grants to sporting clubs, within the Community Development section of the budget under Recreation. (Major developments are budgeted for separately, as capital expenditure within the Technical Services section of the budget.)

Of the \$182,800 allocated in the current financial year's budget, a grant of \$49,027 was allocated to Dalkeith Tennis Club. The grant will be paid to the club on completion of the project. A grant of \$33,697 was allocated to Dalkeith Nedlands Bowling Club to replace their boundary hedge with a fence. This grant was approved by Council in May

2016 for completion in the 2016/17 financial year. The grant will be paid to the club on completion of the project.

\$100,079 remains unspent against the Small CSRFF Grants to Sporting Clubs budget line item. There is 1 more CSRFF small grant round in the current financial year. Therefore there is existing budget capacity to approve a grant of \$10,000 to HSBC.

Risk Management

The main risk in allocating this grant to HSBC is that of sending a signal to sporting clubs that Council will necessarily contribute to their building projects, which would result in an unsustainable call on Council's budget.

Mitigation of this risk is to allocate a specific amount for small grants to sporting clubs in the annual budget, and to approve grants only to the limit of that budget allocation. This is the City's practice. Providing a grant of \$10,000 to HSBC is consistent with this practice.

Discussion

HSBC have formally requested assistance with covering the extra renovation costs. (Attachment 1). The project is now completed however it has exceeded the original budget allocated by Council. This was due to extra costs that arose due to electrical compliance and overall compliance in the kitchen and bar areas.

The renovations have made a huge difference to the Club already. The Club have begun a campaign to address declining membership and revenue. Results to date have been encouraging and the Club can see positive future for the Club within the community.

The upgrade will continue to have a high level of community benefit. The Club is not a shared use facility because of the nature of bowls as a sport (unlike sports such as Football which can share ovals with other sports). However this project will have a high level of community benefit. The facilities are extensively used by a wide range of community groups for meetings and functions and are booked regularly for corporate and social bowls.

Conclusion

It is recommended that Council agrees to provide an additional \$10,000 grant to the Hollywood Subiaco Bowling Club. This project has made a huge difference to the functionality, cleanliness and ambience at the Club. The renovation enabled HSBC to undertake a well-planned and much needed upgrade of their facilities. The project is part of Council's overall approach to upgrading community facilities.

Attachments

1. Letter from HSBC

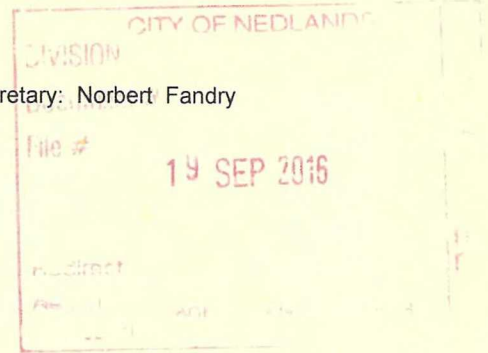


Hollywood-Subiaco Bowling Club (Inc)

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President: Bill Ford

Secretary: Norbert Fandry



Mr Greg Trevaskis
CEO
City of Nedlands
Nedlands 6009

Dear Greg

Firstly, my apologies for the delay in contacting you regarding the Hollywood Subiaco Bowling Club. Until all our outstanding accounts had been received and paid, we could not have the overall financial situation of the Club clarified.

Thank you again for your interest and the time you spent with Bill and me last time we met. At that time, we could only guess at the situation of the Club finances. As we explained then, the Club is very grateful to you and the Nedlands City Council for its financial assistance in getting the renovations completed. The renovations have made a huge difference to the ambiance, cleanliness and functionality at the Club. Members and visitors will benefit for years to come. All this has come at considerable cost to the Club, as we explained to you. The extra costs, many hidden, have left us somewhat short in our budget, as can be seen in the figures below.

You were very kind, in your verbal response at our meeting, in indicating that the Nedlands City Council would look favourably at financially assisting our Club to meet these extra costs. These arose due to such things as electrical compliance and overall compliance, both in the bar area and the new kitchen.

The following figures and payments can all be substantiated, with copies of paid invoices, if required.

HOLLYWOOD
PRIVATE HOSPITAL
Major Sponsor

All correspondence should be addressed to the Secretary

DEVCO	
Claim 1	51,790.00
Claim 2	125,585.00
Claim 3	6,602.00
Variations	7,317.00
Kitchen	47,992.80
	230,287.60
Architect Fees	26,800.00
	266,087.60
Commercial grade extractor hood	5,000.00
Dishwasher	1,500.00
plumbing/electrics	
	272,587.60

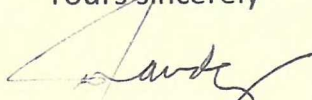
As you can see, the amount spent exceeds the Nedlands City Council allocated budget by approximately \$20,000.

In addition to the above costs, members have been generous in volunteering their time to repaint the hall and generally tidy the premises to the standard of the renovations. New carpet was also laid at a cost to the Club.

Currently we have begun a campaign to address declining membership and bar takings. Results so far have been encouraging, and we can see the future for the Club as being one for the community of all ages.

We are confident we can meet our recurrent expenses for the future. However, the shortfall due to the renovations places us in a precarious financial position. We look forward to a positive response from you and the Nedlands City Council, to help cover the extra renovation costs which had to be met, unexpectedly, but the Club.

Yours sincerely



Norbert Fandry

16 September, 2016