



Community and Organisational Development Report

Committee Consideration – 12 May 2015
Council Resolution – 26 May 2015

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CM02.15 Nedlands Tennis Club Grant Request Electrical Upgrade
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Committee	12 May 2015
Council	26 May 2015
Applicant	Nedlands Tennis Club
Officer	John Langley (Senior Community Development Officer) Marion Granich (Manager Community Development)
Director	Michael Cole (Director Corporate and Strategy)
Director Signature	
File Reference	CD-003156
Previous Item	Nil

Executive Summary

Nedlands Tennis Club has requested a grant of \$2,167 to undertake an upgrade to the electrical switchboard of the clubhouse. The work is urgent in that it needs to be completed before the Club proceeds with a planned heritage project. If the electrical work is undertaken after the heritage project, it will involve digging up paving that will have been laid as part of the heritage project.

Recommendation to Committee

Council approves a grant of \$2,167 to Nedlands Tennis Club for an electrical upgrade conditional on the club meeting all necessary building and planning approvals required.

Strategic Plan

The City’s Strategic Community Plan identifies the City’s stock of aging community buildings as a high priority to be addressed. Supporting the Club’s request is consistent with this key strategic priority.

The City’s Strategic Recreation Plan gives a priority rating for each sport type as Low, Medium or High. Priority ratings are determined by a combination of:

- demand - current membership and membership trends show the demand for that sport type:
- supply – the facilities that already exist for that sport type indicate the supply.

The Strategic Recreation Plan identifies that tennis facilities within the City are numerous, of good quality and that the sport is well catered for. Therefore, tennis has a 'Low' priority rating within the Strategic Recreation Plan. However, it should be noted that this priority rating is *not a comment on the value of the sport itself or the value of the Club*. Rather, the rating is intended to provide Council with a way of ranking grant applications from sporting groups when there are competing projects being considered at the same time (such as at the time of a major CSRFF funding round). In this case, there are no competing applications and this modest funding request from the tennis club is consistent with the Strategic Recreation Plan's rating for tennis.

Background

The Nedlands Tennis Club was established in the 1930's and is located on the corner of Bruce Street and Gallop Road on Melvista Reserve in Dalkeith. The clubhouse is currently listed on the State Heritage Register.

The Club has 19 grass courts and 7 hard synthetic courts. The Club's membership is 290 with 270 being residents of the City of Nedlands.

The Club leases their premises (building and courts) from the City, the lease expiring in 2016. This lease entitles the Club to exclusive use of the facility on the condition that all maintenance and capital upgrades are the Club's responsibility. While the lease states that the Club is responsible for all maintenance, this does not preclude the Club from being able to approach the City for a grant towards maintenance or capital expenses. Such a request is consistent with Council policy Capital Sporting Grants to Sporting Clubs.

Key Relevant Previous Council Decisions:

N/A

Consultation

Required by legislation:	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>
Required by City of Nedlands policy:	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>

The Club approached the City to formally request assistance with the upgrade to their facility's electrical switchboard. Community Development and Technical Service's staff have liaised closely with the Club on this proposed project.

Legislation / Policy

Heritage Act 1990 – the Club's building is listed on the State Heritage Register.

Council Policy Capital Grants to Sporting Clubs states that:

“To be eligible to apply for a sporting club capital development grant, the applicant must be:

- An incorporated sporting club;*
- Based on a reserve vested in the City.*
- Viable: the applicant club must be able to demonstrate that it is well-managed, has a sustainable membership level and is able to fund its share of the project.*

To maximise opportunity to attract state government funding and to ensure equity of opportunity for sporting clubs, applications for Council support will only be considered as part of the Community Sport and Recreation Facilities Fund (CSRFF) process.”

The Nedlands Tennis Club is an incorporated sporting club, based on a reserve vested in the City, with a strong and sustainable membership level. Therefore it meets the three eligibility criteria specified in Council policy Capital Grants to Sporting Clubs (listed above); and is consistent with the policy in that respect.

However, this application is inconsistent with the policy in that it is not being considered as part of a formal CSRFF grant round, as is required by Council policy. The reason that it is not being considered as part of a formal CSRFF grant round is that electrical upgrades are considered routine maintenance and are therefore not eligible for CSRFF funding.

Budget/Financial Implications

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

\$100,000 has been approved within the City’s Recreation Services budget for small CRSFF grants to sporting clubs. During 2014/2015 the following amounts have already been allocated:

- \$50,000 Associates Rugby clubroom upgrade (approved by Council)
- \$26,000 Nedlands Bridge Club (approved by Council)

The total already allocated is \$76,000, leaving \$24,000 in the approved budget yet to be allocated.

Total Funds Available (Small Grants to Sporting Clubs)	\$100,000
Less Funds Already Allocated	-\$ 76,000
Funds Remaining	\$ 24,000

Therefore, sufficient funds remain in the approved budget to provide a grant of \$2,167 to the Nedlands Tennis Club.

Risk Management

The main risk of approving this request is that it will potentially open the floodgates for future requests of this nature from the various sporting groups within the City of Nedlands.

The City's mitigation of this risk is to approve a fixed total amount in the annual budget for small grants to sporting clubs, and only to approve eligible applications until the budget allocation is depleted.

Discussion

The electrical switchboard for the Club's facility requires an upgrade to ensure it complies with Australian Standards. The switchboard is at risk of system failure or causing damage as a consequence of a system failure. An upgrade to the switchboard will also increase the electrical capacity of the site and assist with any future floodlight upgrades.

The Club has recently received a Heritage Grant to undertake some works outside their building. This includes paving, upgrading the reticulation system and building a retaining wall, all of which will be done to heritage requirements.

However, the Club has recently become aware that an electrical upgrade is required. This electrical work will involve laying a cable underneath paving – the same paving that will be installed as part of the heritage project. To undertake the electrical work after the heritage project has been completed will be more expensive, as it will involve removing the recently-installed paving. Therefore it is the Club's preference to undertake the electrical work before the heritage project begins. However, the Club does not currently have the funds to undertake this electrical work, because their available resources are focused on other up-coming facility-related projects to which the Club has already committed. Therefore the Club has requested that Council assist them by funding the electrical upgrade, so that it can be undertaken in a cost-effective way.

Planned expenditure by the Club before 30 June includes \$10,000 expenditure on their heritage project; and \$11,000 towards an upgrade of two courts surfaces. Therefore, although the electrical upgrade is only modest in cost, the timing (needing it to be completed before the heritage project starts) makes it difficult for the Club to find the additional funds.

This electrical upgrade will address potential safety issues and will also assist with any floodlight upgrades that the Club may undertake in future, aimed at increasing the Club's capacity to cater for night games, an increasing need in a sun-sensitive environment.

While the facility is mainly used by Nedlands Tennis Club, there is some level of additional use as local schools, Tennis West and a range of local community groups regularly book the facility.

Electrical works of this nature are not eligible for CSRFF grant funding. Therefore, the Club is seeking a grant from Council to enable them to undertake the electrical work before the heritage project, rather than having to take up the heritage paving again.

Conclusion

The grant request is for a modest amount, ensures the safety of the premises and will allow the Club to continue to progress the other key projects aimed at upgrading their facility. The application is consistent with Council policy Capital Grants to Sporting Clubs, with the exception of the request not being considered as part of a CSRFF funding round, the reason for this exception being that the project is not eligible for CSRFF funding.

Therefore, it is recommended that Council approves a grant of \$2,167 for the Nedlands Tennis Club's electrical switchboard upgrade, conditional on the Club securing all required statutory approvals.

Attachments

Nil.

CM03.15	Report on the City Continuing Provision of Child Care Services at Point Resolution Child Care (PRCC)
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Committee	12 May 2015
Council	26 May 2015
Applicant	City of Nedlands
Officer	Patricia Panayotou – Manager Community Service Centres
Director	Michael Cole – Director Corporate and Strategy
Director Signature	
File Reference	CD-003384
Previous Item	CM09.13 - Meeting of Council 10 December 2013

Executive Summary

This report is submitted to advise Council of compliance and with the outcomes to conditions applied for the continued operation of Point Resolution Child Care, as resolved by Council at the Ordinary Meeting of Council held on 10 December 2013, item CM09.13.

Recommendation to Committee

Council agrees to continue to operate Point Resolution Child Care at 53 Jutland Parade, Dalkeith, subject to the following conditions:

- 1. Fees continue to be increased annually in-line with other local long day care centres, which allows Point Resolution Child Care (PRCC) to operate on a cost-neutral basis;**
- 2. \$10,000 continues to be set aside annually in the PRCC budget for the Point Resolution Building Reserve account; and**
- 3. The viability of the service is reviewed again at the end of the 2015/16 financial year to ensure it is operating without subsidisation from the City.**

Strategic Plan

KFA: Community Development

The City provides a service which contributes to community wellbeing.

KFA: Governance and Civic Leadership

The City demonstrates good governance and civic leadership with sound financial decisions which are in the best interests of the community, whilst maintaining the City's high level of service delivery.

Background

Point Resolution Child Care was established in 1983 to provide occasional care services to residents and ratepayers of the City of Nedlands. Due to increased operational costs over the last few years, and trying to keep fees for clients down, the centre was unable to operate without substantial subsidization from Council.

At the Council meeting of 22 October 2013, Council resolved:

“Administration to conduct a thorough investigation with the users of the Jutland Parade site regarding their willingness to pay fees which would make it break even.”

Families registered at PRCC were invited to complete a survey, and 61% supported continuing to use the service if fees were increased.

To encourage parents to keep their children at PRCC, and provide more services and benefits for their fees, the following changes were made without impact to the running costs of the centre:

- Centre successfully changed from an occasional care centre to a long day care centre;
- Increased number of weeks open from 44 to 49;
- Hours of opening were increased to 8.30am – 5.30pm;
- Number of children able to attend the centre at one time increased from 22 to 24;
- Eligible parents can apply for the Child Care Benefit and/or Child Care Rebate.

At the Council meeting of 10 December 2013, council supported the City continuing to provide child care services from PRCC, with the conditions as stated in the next section - Key Relevant Previous Council Decisions.

Fees increased from 1 January 2014 and then again at 1 July 2014, to offset expenditure, with the intent to run a cost-neutral service.

Key Relevant Previous Council Decisions:

Item 9.13, meeting of Council 10 December 2013, Council agreed to operate Point Resolution Child Care at 53 Jutland Parade, Dalkeith, subject to the following conditions:

- Fees are increased in-line with other local long day care centres, which allows Point Resolution Child Care (PRCC) to operate on a cost-neutral basis;
- The establishment of a Point Resolution Building Reserve Account to fund ongoing building maintenance and ground maintenance and the \$10,000 be set aside annually in the PRC budget for the Point Resolution Building Reserve account; and

- The viability of the service is reviewed again at the end of the 2014/15 financial year to ensure it is operating without subsidization from the City.

Consultation

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

N/A

Legislation / Policy

N/A

Budget/Financial Implications

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

Risk Management

PRCC currently has a 90% average monthly utilization rate and while that rate remains stable, or increases, then the City is more likely to be able to continue to operate PRCC on a cost-neutral basis. If the usage were to drop significantly, then the revenue would decrease and operational costs would not be offset at a level to keep it cost-neutral. If this continued for any sustained length of time, the City would eventually need to subsidize the service to keep it operating. Significant changes to any operating costs, either from increased costs from external providers, or changes to child care licensing which required additional staff or resources, would be reported to Council, as appropriate.

The service will continue to be closely monitored and reviewed. The centre is actively promoted with open days and advertising, to encourage new members. Fees charged to parents are reviewed annually to ensure they are generally consistent with other service providers, while increasing at a reasonable rate that will continue to meet operational requirements, without severe impact on parents' ability to pay. Services provided, including hours of opening, programme provision, compliance with legislative requirements and centre amenity, are designed to make the centre competitive with other service providers in the community.

Discussion

In response to Council's decision at the meeting of Council on 10 December 2013, all three conditions for the continued operation of PRCC have been met:

1. Fees have been increased in-line with other local long day care centre's;
2. A Point Resolution Building Reserve Account to fund ongoing building maintenance and ground maintenance has been established, and currently has \$15,000.

3. The viability of the service has been reviewed at the end of the 2014/2015 financial year to ensure it is operating without subsidization.

The table below indicates the centre’s projected revenue and expenditure, as at June 2015, which includes updates as approved in the Mid-Year budget Review 2014/15. These are projected figures and so are indicative only at this time. If there are any increases in child attendance at the centre, then the revenue will increase. Any increases in expenditure will reduce the savings accordingly.

	Projected June 2015 actual
Operating costs	\$571,254
Building Maintenance/Garden Maintenance costs	\$46,100
Total Expenditure	\$617,354
Fees and charges	\$630,200
Projected savings	\$12,846

The following table shows the projected costs for the 2015/2016 financial year. The figures may alter slightly once the budget is adopted. Every effort will be made to keep expenditure aligned to revenue.

	Projected 2015/2016 Budget
Operating costs	\$614,152
Building Maintenance/Garden Maintenance costs	\$44,300
Total Expenditure	\$658,452
Fees and charges	\$661,710

Conclusion

Administration recommends that Council authorizes the continued operation of Point Resolution Child Care at 53 Jutland Parade, Dalkeith.

As at June 2015 it is expected that the PRCC budget will have achieved the requirement to be cost-neutral. The budget is continually reviewed throughout the year and staff manage the service very carefully to ensure that where-ever possible, expenditure does not exceed revenue. This is while still providing a high quality, licensing compliant service for children and their families, in a family-style based centre.

Attachments

Nil.