

Community Development Report

Committee Consideration – 11 August 2020
Council Resolution – 25 August 2020

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Committee	11 August 2020
Council	25 August 2020
Applicant	City of Nedlands
Employee Disclosure under section 5.70 Local Government Act 1995	Nil
Director	Lorraine Driscoll – Director Corporate and Strategy
Attachments	Nil
Confidential Attachments	Nil

Executive Summary

This item seeks Council's endorsement of three grant applications to the Department of Local Government, Sport and Cultural Industries (DLGSCI) for the Community Sport and Recreation Facilities Fund (CSRFF) Annual and Forward Planning Grant Round. The applications are as follows:

- Swanbourne Nedlands Surf Life Saving Club (SNSLSC) - Extension and renovation of changerooms and storage; and
- UWA Sport – Development of the western precinct and central clubroom facility
- Peak Trampoline Inc - Construction of a new Gym Sports facility at UWA Sports Park

All CSRFF applications to DLGSCI must be accompanied by a formal Council resolution. As the grant round closes on 11 September 2020, it is important that Council makes a decision on this matter at the Council meeting on 25 August.

Recommendation to Committee

Council:

1. **advises Department of Local Government, Sport and Cultural Industries (DLGSCI) that it has ranked and rated the application to the Community Sport and Recreation Facilities Fund Annual Grant round as follows:**
 - a. **Swanbourne Nedlands Surf Life Saving Club (A Rating);**
 - b. **UWA Sport (A Rating);**
 - c. **Peak Trampoline (A Rating).;**
2. **endorses the above applications to DLGSCI on the condition that all necessary statutory approvals are obtained by the applicant;**

3. **approves an amount of \$248,400 (ex GST) for Swanbourne Nedlands Surf Lifesaving Club for consideration in the 2021/22 draft budget, conditional on the project receiving DLGSCI funding; and**
4. **considers the Swanbourne Nedlands Surf Life Saving Club request to partially waive the Development Applications fees for their project and:**
 - a. **Approves a 50% waiver of the development application fee: or**
 - b. **Does not approve a waiver of the development application fee.**

Discussion/Overview

Community Sporting and Recreation Facilities Fund

DLGSCI administers the CSRFF. The purpose of the fund is to provide financial assistance to sporting clubs, community groups and local government authorities to develop basic infrastructure for sport and recreation. The program aims to increase participation in sport and recreation, with an emphasis on physical activity, through rational development of sustainable, good quality, well designed and well utilised facilities. This fund has three categories, shown below:

Table 1: CSRFF Grant Categories

Grant Category	Total Project Cost Range	Standard DLGSCI Contribution	Frequency
Small Grant	≤ \$300,000	\$2,500 – \$100,000	Bi-annual
Annual Grant	\$300,001 - \$500,000	\$100,001 - \$166,666	Annual
Forward Planning Grant	≥ \$500,000	\$166,667 - \$1,000,000	Annual

For applications to be supported by DLGSCI, they must firstly be endorsed by the relevant Local Government Authority. For approved projects, DLGSCI will provide a grant of a maximum of 1/3 of the total project costs.

Ranking: The City is by required by DLGSCI to rank in priority order the applications received for each CSRFF round.

Rating: The City is required by DLGSCI to rate each application against the categories below:

- A - Well planned and needed by municipality
- B - Well planned and needed by applicant
- C - Needed by municipality, more planning required
- D - Needed by applicant, more planning required
- E - Idea has merit, more preliminary work needed
- F - Not recommended

The Annual and Forward Planning Grant round occurs annually, with the current round closing on 11 September.

Legislation/Policy

Council Policy:

Council's Capital Grants to Sporting Clubs Policy states that:

To ensure the financial support it provides to sporting clubs is effectively targeted to achieve maximum community benefit, Council will consider the following key priorities:

- 1. Multi-use: priority will be given to developing facilities that will be used by more than one sporting club or type, particularly where such clubs are not yet sharing facilities. This is to facilitate the intent of maximising efficiencies and encouraging clubs to share some facilities while still retaining each club's separate management and identity.*
- 2. Recreation Plan rating: priority will be given to supporting sports identified as a high priority in the City's Strategic Recreation Plan. The Strategic Recreation Plan provides a rating for each sport type, based on two factors: the demand to play that sport type and the facilities already provided for that sport type. These two factors result in a rating for each sport type as high, medium or low priority for facility development. Sport types with a high level of demand (growing membership) and a low level of existing facilities receive the highest rating.*
- 3. Other funding: priority will be given to projects that are eligible for funding for other government bodies such as the Department of Recreation's Community Sport and Recreation Development Fund (CSRFF) or Lotterywest funding. This is to facilitate the overall financial viability of the project and contribute most effectively to the upgrade of community facilities.*
- 4. Level of community benefit: priority will be given to projects that demonstrate a high level of benefit to the local City of Nedlands community. This will include, but is not limited to, City of Nedlands resident membership of the applicant sporting club (total and proportional), support for junior sport and the level of community access (i.e. by non-club members and by community groups and organisations).*

Local Planning Policy – Refunding and Waiving Development Applications Fees states that:

- 1. Development applications fees will not be entirely waived under any circumstance.*
- 2. A request for partial waiver of an application for development approval fee may be approved by the Director Planning and Development.*
- 3. Circumstances in which a request for partial waiver of an application for development approval fee will ordinarily receive favourable consideration include:*
 - (a) Where the applicant is a government recognised charity;*
 - (i) has obtained an income tax exemption status from the Australian Taxation Office; and*
 - (ii) the application is either for a change of use or has a value of less than \$500,000.*

4. *An application for a partial waiver of fees will be required to provide sufficient proof of current “government recognised charity” status at the time of submitting the request.*
5. *Ordinarily, a successful application will result in a reduction of 50% of the applicable planning fee.*

DLGSCI Requirements:

In general, DLGSCI will fund up to 1/3 of the total cost of an approved project, with the remaining 2/3 to be funded by either the applicant sporting club or a combination of the applicant sporting club and the relevant local government authority.

Overview of Clubs and projects

An overview of the CSRFF applications for the next Annual and Forward Planning round are listed below. All CSRFF applications to DLGSCI must be accompanied by a formal Council resolution.

Table 2: CSRFF Annual and Forward Planning Grant Applications 2020/21 Round

Applicant	Project	Grant Type	Total Project Cost (EX GST)
SNSLSC	Extension and renovation of changerooms/storage	Forward Planning Grant	\$1,521,243
UWA Sport	Development of the western precinct and central clubroom facility	Forward Planning Grant	\$6,000,000
Peak Trampoline	Construction of a new Gym Sports facility	Forward Planning Grant	\$1,834,866

Swanbourne Nedlands Surf Life Saving Club (SNSLSC)

No of Members	No. of City of Nedlands members
741	201

SNSLSC has 741 members of which 27% are City of Nedlands residents with a ratio of 53% male and 47% female. Their membership includes 227 junior members which are a priority growth area for the Club.

SNSLSC operates out of a purpose-built clubhouse and boat shed facility on Swanbourne Beach. The Club’s relationship with the site dates back to 1932 when the club was formed, and the City gave them permission to use a shed located onsite. The Club has a 21-year peppercorn lease of the facility which expires in December 2034.

The Club last received a CSRFF grant in 2004 for an upgrade to their clubhouse facilities. As part of the lease, the Club receives an annual grant from the City which

at 2019/20 was \$44,364.58. The annual grant was to compensate the Club for loss of income from their kiosk which was demolished upon the establishment of the Naked Fig Café, now known as The Shorehouse. The provision of this grant expires on 1 March 2021.

The surf club is not a shared use facility given the nature of the sport and service, However, the Club does have multiple Yoga/Pilates groups who use the venue as well as ad-hoc use from Scotch College, Leading Youth Forward and other local and regional surf lifesaving clubs for training, education and competition purposes.

The City's Strategic Recreation Plan 2005-2015 states that Surf Life Saving facilities are a low priority for City funding and developments at the time the plan was commissioned envisaged facilities to be sufficient for 10 years. This period is now expired. The Allen Park Masterplan which was endorsed by Council in December 2017 recommended the City support SNSLSC to develop their facilities by supporting grant and funding applications as the changerooms and storage facilities were no longer suitable for their needs.

SNSLSC is seeking a CSRFF Forward Planning grant to assist in funding an extension and renovation of their changerooms and storage facility at the Club. SNSLSC applied for a grant in the 2019 funding round. While Council supported the application, the Club were not successful with funding from DLGSCI. Therefore, the Club are reapplying in this round.

The current changeroom facility was constructed in 1959 when the Club had 138 members and no female members. The current changerooms are inadequate for club members especially female members and provide no universal access. Extending and renovating the changerooms will provide an equal level of service to all members. The part of the project will include the following:

- Increasing the number of lockable toilets
- Increase size of female changerooms
- Install secure showering facilities and increase number of showers
- Provide universal access facilities
- Provide parent room/baby changing facilities

The Club's storage facilities were constructed in 1979 when the club had 122 members and has not changed since. The club cannot support their growing junior contingent with their current storage space, and they are unable to keep lifesaving equipment 'rescue ready'. This part of the project will include the following:

- Extend the existing club building to the north (within their existing lease boundary)
- Relocate the existing training gym which will be fortified to allow for the changeroom extension.
- Add additional storage space to store and protect existing assets, keep emergency rescue equipment rescue ready and increase storage space for training and education equipment

SNSLSC are also requesting Council to consider a partial waiver of the development application fee for their project. SNSLSC are a not for profit volunteer community organisation. The proposed works incorporate the extension of a City asset on land that is controlled by the City. The fee amounts to \$2,979.86.

The planning policy allows for favorable consideration of fee waiver requests when the applicant is a government recognised charity, have obtained an income tax exemption from the Australian Tax Office and the application is either for a change of use or has a value less than \$500,000. SNSLSC are a government recognised charity. They have been advised that don't need a tax exemption as they are a registered charity. Their application has a value of \$1,521,243.

While SNSLSC do not fully meet the criteria for a waiver, the Club provide a valuable community service by providing lifesaving services at Swanbourne Beach. The project will extend the life of a City asset and provide fit for purpose facilities for the Club to carry out their lifesaving services.

UWA Sports Park

UWA Sports Park is located adjacent to HBF Stadium in Mt Claremont and is home to 12 UWA sporting clubs and groups including Rugby, AFL, Hockey, Tennis, Soccer, Baseball, Cricket and Athletic. A masterplan for the sports park was finalised in 2017 to provide a guide for future development. Development of the western precinct was identified as a strategic priority.

UWA Sport are seeking a CSRFF Forward Planning grant to assist in funding the development of new and refurbishment of existing facilities in the western precinct combined with the addition of a new central clubroom facility. The existing facilities are in poor condition and no longer fit for purpose.

Improving the facilities at the western precinct will enhance the service offering of clubs, increase the number and type of events that can be catered for and attract and retain future members. The project includes the following:

- New changeroom facilities
- New storage facilities
- New toilet facilities
- New umpire/officials' facilities
- Universal access solutions
- New club and social spaces

The project is recommended for Council endorsement. However, it is not recommended that Council provides funds for this project. Council's policy priorities facilities on local government-controlled land. While UWA Sports Park is in the City of Nedlands, it is managed and controlled by UWA.

Peak Trampoline Inc.

Peak Trampoline are a community trampoline gymnastics club, currently operating out of Lords Recreation Centre in Subiaco. Their current facility is at capacity and cannot cater for more programs as they do not have any more floor space. Since its establishment 10 years ago, Peak Trampoline has steadily built its membership to 486 members with a further 2,290 people accessing their programs. The Club offer a variety of trampoline, tumbling and acrobatic programs that cater for recreational, developmental, and elite levels. The club also run a Gymability program designed for

those with a range of abilities, giving them access to physical activity suitable to their needs. The Club has outgrown its current facility and are seeking to expand to better serve their members, grow and diversify.

Peak Trampoline are seeking a CSRFF Forward Planning grant to assist in funding the construction of a purpose-built gymnasium to cater for trampoline, tumbling, double-mini trampoline, acrobatic gymnastics, and rebound therapy for members of all ages and abilities. The new facility will be located at UWA Sports Park. Peak Trampoline have a MOU with UWA Sport to construct the new facility at the sports park.

The project is recommended for Council endorsement. However, it is not recommended that Council provides funds for this project. Council's policy priorities facilities on local government-controlled land. While UWA Sports Park is in the City of Nedlands, the land is managed and controlled by UWA.

Key Relevant Previous Council Decisions:

Item 13.5 – 19 December 2017 - Allen Park Master Plan

CM03.19 – 24 September 2019 - Community Sport and Recreation Facilities Fund Applications – Swanbourne Nedlands Surf Life Saving Club and Nedlands Golf Club

SNSLSC CSRFF application was unsuccessful in the last funding round in 2019. Council support was conditional on receiving state government support therefore no Council grant was provided to the Club.

Consultation

The applicants have completed formal applications to submit to DLGSCI for this grant round. The applications are available to Councillors on request from the CEO's office.

Strategic Implications

How well does it fit with our strategic direction?

The applications are consistent with Council's strategic priorities being renewal of community infrastructure and providing for sport and recreation. The projects will benefit the club members as well as the wider community who use the facilities.

Who benefits?

Club members as well as other community users of the facilities will benefit from this Council decision.

Does it involve a tolerable risk?

The risks associated with providing grants to sporting clubs are mitigated by:

- Only providing grants to incorporated sporting clubs;
- Making the Council grant conditional on receipt of a grant from the state government;
- Making the Council grant conditional on the applicant club meeting all necessary approvals.

Do we have the information we need?

Yes. The City has received a full and detailed applications from each organisation, summarized in this Council report and available to Councillors from the CEO's office, on request. The grant applications meet the necessary state government requirements.

Budget/Financial Implications**DLGSCI Funds Available for CSRFF**

Funding available to DLGSCI for distribution throughout the state under the CSRFF program has been cut in recent years from \$20 million in the 2014/15 financial year to \$12 million in the current financial year. Therefore, it is anticipated that this round of CSRFF funding will be highly competitive, increasing the risk of not receiving funding approval from DLGSCI.

Council Budget Implications

Table 3: Proposed Project Funding

Project	City	Applicant	DLGCSI	Federal	Total Project Cost (EX GST)
SNSLSC	\$248,400	\$248,400	\$415,806	\$608,636	\$1,521,243
UWA Sport	N/A	\$4,000,000	\$2,000,000	N/A	\$6,000,000
Peak Trampoline	N/A	\$1,223,244	\$611,622	N/A	\$1,834,866

SNSLSC project is recommended for Council endorsement and for Council funding given this project was supported in the recent Allen Park Master Plan. SNSLSC are requesting a Council grant of \$248,400 towards the project. Further budget consideration is required as this has not been included in the 2020/21 approved budget. If the Club is successful with other funding sources, the project hopes to start construction in July 2021 which will be timely for 2021/22 budget deliberations.

SNSLSC have also requested Council consider waiving a portion of the Development application fee for their project. The fee amounts to \$2,979.86. Council could consider a 50% reduction to the fee.

No budget consideration is required for the UWA Sport & Peak Trampoline projects as Council policy priorities project on local government-controlled land.

Can we afford it?

Council will need to consider the grant request for \$248,400 in the 2021/22 draft budget deliberations.

How does the option impact upon rates?

This will be determined by Council in the context of the 2021/22 Council Budget. Expenditure of \$248,400 represents approximately 1.04% of rates.

Conclusion

It is recommended that Council endorses these CSRFF applications for funding to Department of Local Government Sport & Cultural Industries. Council's support of these applications will generate broader economic stimulus from these capital projects being undertaken by these sporting clubs. Support for these applications will reinforce Council's position that supporting and developing sport and recreation infrastructure is essential for creating healthy communities.

While the current economic environment is a difficult one, approving to consider a grant of \$248,400 to SNSLSC will assist the Club to upgrade their facilities, in a year that will also be a difficult one for them.