



Sporting Fees, Charges and Occupancy Agreement Policy 2014

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1. INTRODUCTION

Darebin City Council caters to a wide range of sports and currently maintains a diverse portfolio of outdoor sporting venues. These include:

- 29 outdoor sporting reserves comprising servicing outdoor sports such as cricket, Australian rules football, soccer and rugby
- Three lawn bowling facilities
- One outdoor asphalt track cycling velodrome and one indoor timber international velodrome
- Ten tennis facilities comprising 39 separate courts
- One X six lane athletic track with provision for jumps, javelin and shot-put field events
- One baseball facility with one hard surface and one turf diamond
- One hockey facility with synthetic pitch

In 2013 Council resolved to formulate a new policy for fees, charges and occupancy agreements for Council owned sporting and recreational venues based on the following broad objectives:

- To provide greater transparency and correspondence between the fees that are levied and the venue facilities provided;
- To provide incentives for sporting clubs to achieve increased participation, social equity and inclusion, good governance and financial sustainability targets;
- To balance the need for sustainable and equitable revenue collection with incentives to achieve participation targets;
- To encourage shared use of sporting infrastructure by other community groups;
- To reflect the organisation's capacity to generate revenue, and make sustainable payments for venue access, and to encourage capital co-contributions.

To achieve these objectives the Sporting Fees, Charges and Occupancy Agreement Policy was developed and is based on the size and quality of the venue provided and incorporates performance subsidies targeting increased social inclusion and participation, whilst rewarding good governance and financial sustainability.

The Sporting Fees, Charges and Occupancy Agreement Policy (2014) sets out the fees applicable for the hire of all sports and leisure facilities, pavilions and ovals within the City of Darebin.

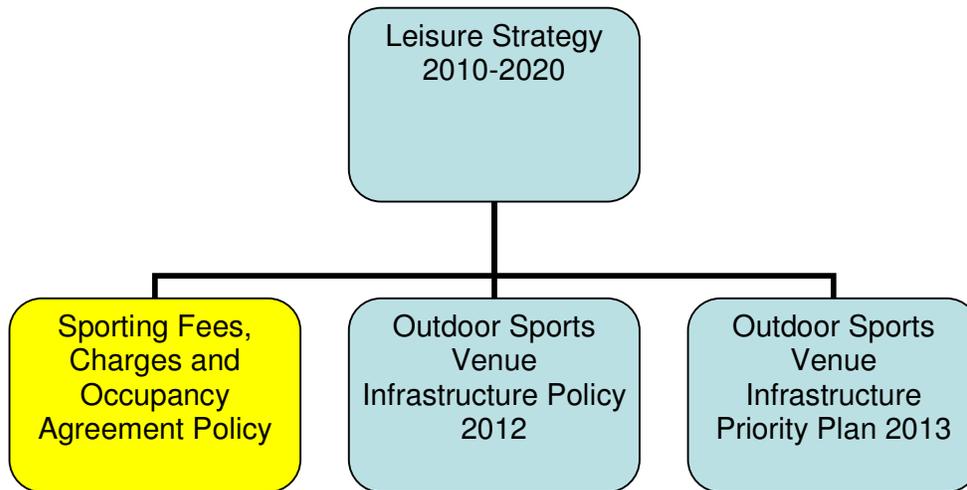
The sports ground fee structure currently in use assumes the recovery of a percentage (approximately 15%) of the maintenance costs for the reserve. This has been used as a basis for the new fees and charges policy.

A suite of occupancy agreements have been created to meet the needs of user groups while providing the Council with a level of monitoring and control with respect to user performance and community access.

1.1 Strategic framework

The Sporting Fees, Charges and Occupancy Agreement Policy complements other key strategies for the delivery of leisure opportunities across the municipality. These include:

- Darebin Leisure Strategy 2010 – 2020
- Outdoor Sports Venue Infrastructure Policy 2012
- Outdoor Sports Venue Infrastructure Priority Plan 2013



2. CASUAL OCCUPANCY AGREEMENTS

Casual use agreements allow persons or organisations to use parkland, buildings and sporting facilities for a one-off or limited number of daily usages.

2.1 Casual access eligibility criteria

To be eligible for a casual occupancy agreement:

- Applicant must be an incorporated body with an appropriate level of public liability insurance;
- Access must be for the purposes of sport and recreation or other use deemed appropriate by Council.

2.2 Key access conditions

- Access between 9.00am and 4.00pm unless otherwise approved in writing by an appropriate Council officer;
- Access to grounds will be subject to ground condition, relevant ground usage caps and availability;
- Access to the playing surface and public toilets only;
- No access to change rooms and amenities unless negotiated with the tenant club.
- Approved casual access will also be subject to Sporting Reserves Conditions of Use Casual Ground Hire.

2.3 Fees for casual access

Table 1 below shows the fee structure for casual access. It should be noted that:

- Synthetic surface charges reflect the higher replacement and maintenance costs associated with these venues and are in line with similar fees charges by other Councils;
- Fees will be reviewed annually in accordance with CPI.

Table 1 Casual access fees for 2015/16

Venue type	Community group fee	Commercial/elite fee
Neighbourhood & Local level turf venues	Local schools – no charge. Others - \$88 per day	\$176 per day
District level turf venues	\$320 per day	\$640 per day
Regional level turf venues	\$640 per day	\$1,280 per day
Edwardes Lake Athletics track - synthetic	Local schools – no charge. Others - \$320 per day	\$640 per day
Hardiman Reserve hockey pitch - synthetic	Local schools – no charge. Others - \$320 per day	\$640 per day

3. SEASONAL OCCUPANCY AGREEMENTS

Seasonal agreements allow persons or organisations to use parkland, buildings and sporting facilities for the duration of a winter and/or summer season of competition over a period of approximately six to twelve months. Seasonal changeover occurs annually in March (summer to winter) and September (winter to summer).

The seasonal agreement is the preferred base arrangement for sporting club access to facilities in Darebin.

3.1. Seasonal access eligibility criteria

To be eligible for a seasonal occupancy agreement:

- Applicant must be an incorporated body with an appropriate level of public liability insurance;
- Applicant's previous utilisation of facilities must have conformed to Council's behavioural, maintenance, waste and litter management expectations, strategic priorities and Club Kit Conditions of Use;
- Applicant must have no unpaid user charges. This includes utilities, ground fees and overdue capital co-contributions;

Applications by junior development or foundation programs (e.g Auskick, Milo cricket) may be submitted and processed under the umbrella of an affiliate tenant club.

3.2. Priority for allocation of seasonal access agreements

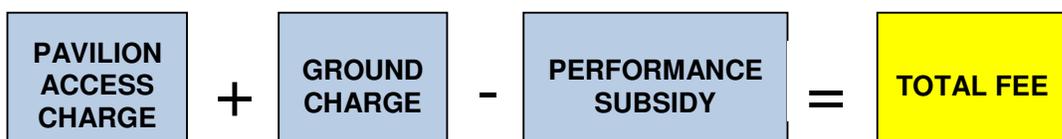
Where there is competing demand for access to a particular facility, allocation will be determined by a panel of Council officers determined by the Manager Leisure Services and Public Realm. Allocation will be guided by the following criteria:

- Proportion of participants residing in Darebin. This criterion will attract a weighting of 35%.
- Demonstrated inclusive practice and increasing participation of target groups from the Darebin Equity and Inclusion Policy. This criterion will attract a weighting of 50%.
- Capital contributions made to developing and improving the facility within the last four seasons. This criterion will attract a weighting of 15%.
- Not-for-profit community groups will be given priority of access over any commercial applicants.

Ground allocations encourage sharing of resources where demand for facilities is strong.

3.3. Fees for seasonal access

The fee structure for seasonal access is based on three components – a pavilion access charge plus a ground charge that form the base fee. The base fee may be reduced by a performance subsidy component. The diagram below demonstrates how seasonal fees are calculated.



3.4. Pavilion Access charge

The pavilion access charge establishes a link between the fees paid by the user group and the quality, amenities and size of the pavilion.

A figure of 0.15 per cent of the building's insurable value has been calculated to retain revenue recoup of approximately 15 per cent of maintenance. Larger, better appointed facilities record a higher value and therefore attract a higher pavilion access charge.

User groups accessing sporting pavilions on a seasonal basis will pay 50 per cent of the annual pavilion access charge where access is limited to a summer or winter season.

To further encourage sharing of pavilion facilities, the pavilion access charge will be apportioned between sharing parties where pavilion facilities are co-tenanted in the same season. Apportionment will be on the basis of the number of user groups using the facility simultaneously.

The insurable value of Council owned buildings is reviewed annually by the City Valuer.

3.5. Ground charge

Ground charges reflect the levels of amenity and support infrastructure at each category level of the reserve hierarchy. All grounds in the city of Darebin have been assigned a ground rating by Council as part of the Outdoor Sports Venues Infrastructure Policy 2012.

Table 2. Ground charge schedule per season for sporting reserves in Darebin (community sporting clubs) 2015/16

Ground Rating	\$ Sole use	\$ Shared use (75% sole use)	\$ Additional Oval Sole use (50% of sole use)	\$ Additional Oval Shared use (38% sole use)
Regional	\$7,687	\$5,766	\$3,845	\$2,921
District	\$1,522	\$1,038	\$762	\$578
Local	\$1,384	\$1,023	\$692	\$526
Neighbourhood	\$923	\$692	\$481	\$351

4. PERFORMANCE SUBSIDIES

Upon clubs meeting certain performance requirements, they become eligible for performance subsidies. The level of performance subsidy applicable is based on the following criteria:

1. Social inclusion and participation growth,
2. Governance,
3. Community/Council relations.

Table 3 - Performance subsidy assessment criteria

Assessment criteria	Performance requirements	Score/100 total
Part 1	In this section clubs can provide evidence on their social inclusion and diversity for the following population groups. 10 points per criteria met (max. 50 points)	
Social inclusion and participation growth	Women's participation	10 points
	Junior participation	10 points
	Older adults (55 years and older) participation	10 points
	Inclusion of culturally and linguistically diverse (CALD) groups	10 points
	Inclusion activities for people with disabilities or socio economic disadvantage or Aboriginal, Torres Strait Islanders; or gay, lesbian, bisexual, transgendered, Intersex, Queer (GLBTIQ) people	10 points
	In this section clubs can provide evidence of new teams and participation (max. 10 points)	
	Evidence of new team(s) registration OR Evidence of >10% per cent increase in participants for non-team based activities	10 points
	In this section clubs can demonstrate promotion of women in sports administration (max. 10 points)	
	Current serving female committee member(s).	5 points
	Club representative is an active member of the Darebin Women in Sport Network (DWISN)	5 points
Part 2	In this section clubs can demonstrate a current Code of Conduct, and accreditation or involvement with club development and quality programs. 2.5 points per criteria met (max. 10 points)	
Governance	Club Code of Conduct	2.5 points
	Public commitment to increasing participation of disadvantaged groups. E.G. Press Release or Mission Statement	2.5 points
	Participation in certified club development/accreditation scheme E.G. Good Sports, Respect and Responsibility	2.5 points
	Accreditation with a State or Local Sporting Association's club quality program. E.G. AFL Community Club Improvement Program	2.5 points
Part 3	In this section clubs can demonstrate a record of community and Council engagement, with participation in community health promotional events, programs or projects targeting the environment and Council club development events. 5 – 10 points per criteria met (max. 20 points)	

Community/ Council engagement	Club involvement in community initiatives E.G White Ribbon Campaign, Fair Go Sport	5 points
	Environmental sustainability programs or projects, including waste, litter, water and energy. E.G Cleaning Up Our Game	5 points
	Attendance at 2 or more Council club development events or workshops. E.G Presidents' Breakfast, International Women's Day	10 points

4.1. Sporting fee performance subsidy application process

User groups will be annually assessed for performance subsidies based on the criteria presented in Table 3 (above). Clubs will be required to complete a sporting fee performance subsidy application form to determine the performance subsidy applicable for each season.

The Darebin City Council Leisure Services team will appraise club performance against the criteria to determine fees payable for a given season. Evidence must be provided where required. Darebin City Council Leisure Services maintain the final right of authority in determining the fees due. All membership data must relate to the current playing season. Any activities recorded must have been undertaken in the past 12 months.

Note – it the responsibility of each club to annually complete the sporting fee performance subsidy application form and return it to Council by the specified due date. Late applications will not be accepted.

4.2. Scoring

Based on the assessment criteria detailed in Table 3 user groups will receive a total score, and the level of performance subsidy for which the group may be eligible will depend on the number of points gained. The levels of performance subsidy discount are shown in Table 4 below.

Table 4. Levels of fee subsidies

Level	Score	Fee subsidy
Gold	85 plus	50%
Silver	70 - 84	25%
Bronze	55 - 69	10%

3.9 Eligibility for subsidies

Community groups with seasonal, licence or lease sporting occupancy agreements with the Council are eligible. Only not-for-profit community groups are eligible to apply for, and receive, performance subsidies.

5. LICENCE AGREEMENTS

A licence is a form of permission to enter and use land or a facility for an agreed purpose for a stated period. The licensee does not have exclusive use of the facility allowing Council to allocate to other user groups at different times and for access by the general public.

5.1. Licence Agreement access eligibility criteria

A licence will be the preferred arrangement where user groups:

- Have an exemplary access history over at least five seasons;
- Wish to secure a longer period of tenancy in exchange for a partnership program or capital contribution to develop a facility Capital contributions made by the club towards a project, must be paid in full prior to the commencement of the project;
- Demonstrate financial resources to ensure continued operational viability and sustainability.

Not-for-profit community groups will be given priority of access over any commercial applicants.

5.2. Length of tenure

Licence agreements will be for a standard period of three years, with options to extend for a further one or two periods of three years (3x3 or 3x3x3). This will depend on the duration of the partnership program and/or extent of capital contribution.

The following contribution thresholds will be used to determine the length of tenure for longer term licence agreements:

Capital contribution	Length of agreement
<\$10,000	Season
\$10,000 - <\$50,000	3 years
\$50,000 - \$100,00	6 years
Over \$100,000	9 years

Where clubs negotiate longer term agreements based on participation partnership programs, the tenure of the agreement would match the expected duration of the participation program.

5.3. Fees for licensed access

Fees for licenced access will be the same as those for seasonal access detailed in Section 3 above.

6. LEASE AGREEMENTS

A Lease is a contract under which a tenant (or lessee) is granted exclusive possession of property for an agreed period in return for rental fees.

Leases will be restricted to a relatively small number of venues where single users such as tennis, or bowls clubs have exclusive use or management responsibilities for the entire year. Leases are subject to relevant laws and regulations, in particular:

- The *Local Government Act 1989* that legislates restrictions on the maximum duration of leases and specifies advertising requirements for leases of 10 years or more and for properties with rental fee value of more than \$50,000 per annum and;
- The *Retail Leases Act 2003* that controls leases for premises that are used wholly or predominantly for retail goods and services.

6.1. Lease agreement access criteria

Eligibility for the granting of lease agreements will be determined by the following:

- Where the facility is occupied by one user group exclusively;
- That the organisation is a legal entity registered under appropriate legislation such as the Associations Incorporations Act 1981;
- That the organisation has an Australian Business Number (ABN);
- That the organisation is financially viable, with annual financial statements provided to Council, audited according to relevant legislative requirements;
- That the organisation complies with relevant legislation governing its activities, and holds any licenses or registration certificates required for continued operation;
- That the organisation has a committee or team of management and appropriate governance arrangements with established accountability and reporting methods to Council, its members and/or to the community;
- That the organisation has a business plan for the period of the lease detailing current and projected access hours, participation and memberships, social inclusion initiatives, revenue and expenditure forecasts;
- That there are reasonable grounds to believe a need or demand exists for the service or activity to be provided;
- That the facility use is consistent with Council's vision, mission and goals as stated in the Council Plan;
- That the service or activity can be accessed by groups targeted in the Darebin Equity and Inclusion Policy, with strategies in place to review and remove barriers to participation;
- That the proposed use of the facility is suitable for the nature and location of the site.

6.2. Length of tenure

Length of tenure will be negotiated taking into account the particular circumstances of the facility and tenant, including capital investment and long term planning, and the intended use of the facility in line with the vision and goals of the Council Plan and Leisure Strategy. Length of tenure will be guided by the following principles:

- The preferred lease term will be five years. Terms longer than five years may be offered where a prospective tenant invests or has invested significantly in a fixed asset (such as a building or playing surface) and/or assumes a portion of maintenance of the asset. The term offered will be calculated with reference to the projected asset life and the capital contribution by the tenant.
- Options to extend will be broken into periods of no longer than five years with options for the tenant to review on the same terms and conditions dependent on meeting community benefit criteria and continued demand for the activity and service.
- Terms up to ten years or longer may be offered for categories of tenants who do not meet these criteria but who are identified by Council from time to time as requiring long term planning certainty.

6.3. Fees for lease access

The rental fees for lease access will be calculated as per the following table

Category	User type	Basis for rental calculation
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Category 1	Lease for Commercial purposes only – no Community Benefit	Market rental plus 50 per cent for loss of community benefit.
Category 2	Lease for commercial purposes with Community Benefit	Market rental – no discount
Category 3	Lease for non-profit community use	As per Seasonal and Licence Agreements

6.4. Leases for tennis club and users of synthetic playing surfaces

Where leases are proposed at tennis or other venues that have synthetic or hard court surfaces, the contribution to a replacement sinking fund may be negotiated as part of the lease. Tennis clubs are responsible for 50 per cent of resurfacing costs in accordance with Darebin Council's Outdoor Sports Venue Infrastructure Policy 2012.

Replacement costs will be determined by values within the Rawlinson's Construction Cost Guide current at the time of lease negotiation.

7. MISCELLANEOUS CHARGES

7.1. Utility Charges

All tenant clubs will continue to be responsible for the payment of utilities in accordance with the occupancy agreement terms and conditions.

7.2. Security Bonds

A key security bond of \$50 will be payable for casual users wishing to be issued key to public toilets attached to pavilions repayable on the return of keys

A security bond of \$400 per season will be payable by seasonal and licence agreement holders as an incentive for user groups to maintain venues in good order. The bond will be repaid at the completion of the season following the return of all keys, an inspection of the venue and review of the club's record of behaviour.

Where a security bond is revoked due to behavioural issues, non-return of keys or unsatisfactory cleaning or maintenance, the bond will be increased by \$100 in the following season. Clubs with a continual poor record may be denied a ground allocation in the following season.