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INTRODUCTION

1.1 WHY WERE THESE GUIDELINES DEVELOPED

In 2009 the Local Government Recreation Forum developed an “Issues and Directions Paper for Local and Regional Sport and Recreation Facilities” titled “A Time For Fundamental Change”, which highlighted a range of issues facing Local Government.

As a direct result of the Issues and Directions paper, the Local Government Recreation & Sport Facilities Sustainability Group was convened to strengthen the financial sustainability of local government owned local and regional level sport and recreation facilities and/or built assets. A key role of the Group was to investigate specific opportunities, methods, guidelines that will assist Local Government to sustainably manage local and regional recreation and sport facilities.

The objective of these Guidelines for the Sustainable Management of Community Recreation Facilities is to provide a resource that Local Governments can use to ensure community clubs are viable, able to manage their facilities effectively, encouraging maximum community participation and provide a safe and healthy sport and social environment.

The Guidelines will benefit Local Government by:

- Creating a more financially sustainable environment in the provision and management of sport and recreation facilities
- Encouraging sustainable approaches to management of community facilities across Local Government.
- Assisting Councils to establish best practice management for new and/or existing facilities.
- Supporting asset planning and provide management solutions to cater for the changing demands and future trends in facility management.
- Encouraging sustainable growth of sporting clubs.
- Identifying leasing/licence/hire arrangements that support sustainable club development and an equitable approach for sporting clubs facility users to ensure activities with lower participation rates or lower funding availability are supported.
- Identifying management models that will support the development of community sporting hubs.

1.2 WHAT IS SUSTAINABLE MANAGEMENT

Sustainability is not a mono-dimensional concept. Financial or economic sustainability is the primary focus of these Guidelines. In addition, recreation delivers many community benefits, hence three other elements of sustainability must also be addressed when establishing sustainable management models - social, environmental and cultural.

Many definitions of each element of sustainability exist, the following definitions are indicative of the general meaning of financial, social, environmental and cultural sustainability.

**Financial sustainability** is an important concern of Local Government. It has been defined by the LGASA in these terms:

“A Council’s long-term financial performance and position is sustainable where planned long-term service and infrastructure levels and standards are met without unplanned increases in rates or disruptive cuts to services.”

**Social sustainability** occurs when the formal and informal processes, systems, structures and relationships actively support the capacity of current and future generations to create vibrant, healthy and liveable cities. [from City of Adelaide]

**Environmental sustainability** refers to “development which meets the needs of the present without compromising the ability of future generations to meet their own needs”. [from World Commission on Environment, Bruntland Report 1997 as adopted by City of Norwood Payneham & St Peters]

**Cultural sustainability** refers to “developing, renewing and maintaining human cultures that create positive, enduring relationships with other peoples and the natural world” [from City of Marion]

**How Were These Guidelines Produced**

In preparing these Guidelines, research was conducted involving a series of methodologies. These methodologies and the results of the research are detailed in a Research Report, which is a separate volume to these Guidelines.

1 This definition was adopted in 2006 by the Local Government Association of SA and the Australian Local Government Association.
CHOOSING THE RIGHT MANAGEMENT MODEL

2.1 WHAT MANAGEMENT MODELS EXIST

Six primary management models exist, although each model can have multiple variations. In practice, management models fit into three categories:

1. In house management by local government:
   - Direct management by Council staff
   - Management by a Section 41 Committee of Management or Section 42 or 43 Subsidiary of Council
   - License or season permit to use a recreation facility

2. External management by a non local government organisation:
   - Contract management
   - Lease

3. Shared management whereby a formal Agreement will establish the basic operating responsibilities of parties to the agreement. Once the Agreement has been negotiated, the facility will be managed either in house or by an external management organisation.

2.2 WHAT FACTORS ARE IMPORTANT

When deciding on the most appropriate management model, it must be recognised that no one management model will suit all facilities and situations. Consequently, a unique solution must be designed to meet the specific needs of Council, the facility and its community.

When determining a unique management solution, the relative importance of a suite of factors must be considered. The following factors were identified in the research conducted during the preparation of these Guidelines.

<table>
<thead>
<tr>
<th>Factor</th>
<th>Issues to consider</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Asset management</strong></td>
<td>Local Government invests substantial funds into the development and operation of recreation facilities. Asset management involves at least three elements, which are not necessarily mutually exclusive:</td>
</tr>
<tr>
<td></td>
<td>Day to day (i.e minor) maintenance and repairs</td>
</tr>
<tr>
<td></td>
<td>Cyclical and major maintenance and repairs</td>
</tr>
<tr>
<td></td>
<td>Structural maintenance and repairs</td>
</tr>
<tr>
<td><strong>Presentation of the facility</strong></td>
<td>The quality and standard of maintenance and cleaning of a recreation facility will have a significant impact on its presentation. Consumers have increasing expectations regarding the level of presentation and the quality of maintenance.</td>
</tr>
<tr>
<td><strong>Finance</strong></td>
<td>The cost of operating recreation facilities varies substantially. When full cost accounting for a recreation facility is used it will include:</td>
</tr>
<tr>
<td></td>
<td>Overhead costs (e.g. IT, management supervision, payroll, bookkeeping and accounting functions).</td>
</tr>
<tr>
<td></td>
<td>Depreciation and/or loan servicing costs.</td>
</tr>
<tr>
<td></td>
<td>Operating costs (e.g. income and expenditures related directly to the facility).</td>
</tr>
<tr>
<td></td>
<td>Capital development, capital upgrades and major restorative maintenance works.</td>
</tr>
<tr>
<td></td>
<td>In addition the certainty of operating within a predetermined budget may be important.</td>
</tr>
<tr>
<td>Factor</td>
<td>Issues to consider</td>
</tr>
<tr>
<td>--------</td>
<td>-------------------</td>
</tr>
<tr>
<td><strong>Financial contribution</strong></td>
<td>Long term financial sustainability of recreation facilities can be enhanced through financial contributions to use of the facility and for capital development and upgrades. Wherever possible some form of guaranteed income stream should be generated.</td>
</tr>
<tr>
<td><strong>Control</strong></td>
<td>The level of control a Local Government wishes to retain over various facets of a recreation facility’s operation, from staff selection to pricing to programming priorities, has a direct influence on the management model selected.</td>
</tr>
<tr>
<td><strong>Cost of changing management model</strong></td>
<td>Local Government tends to employ recreation facility staff under a range of tenures - such as contract, full time, temporary for a fixed period and casual. Consequently, short term redundancy payments or redeployment costs have to be weighed against long term staff cost savings.</td>
</tr>
<tr>
<td><strong>Responding to market demands</strong></td>
<td>Local Government has high levels of governance and probity. Consequently, strict protocols and procedures must be observed. Conversely, staff working in a dynamic industry, such as recreation facility management, should not be unduly constrained when responding to an evolving market place. For example, promotional strategies and program pricing may need to be implemented on short notice.</td>
</tr>
</tbody>
</table>
### Longevity of management
Local government must determine the importance of stability and longevity of management and relationships.

A consistent approach to management is usually in the best interests of all stakeholders. It allows for relationships between owner, operator and consumers to be developed. Conversely frequent changes in management structures can have a negative influence on the operational viability.

### Performance indicators
Local government must determine the importance of meeting KPI's.

Recreation facilities are developed to meet the needs and wants of the community and market. Managers of recreation facilities are also required to deliver specific outcomes, based on the policy and priorities of Local Government.

### Core purpose
Local government must determine the importance of the facility as a public – merit – private good or service.

Recreation facilities tend to be developed as community infrastructure as a public service. Examples exist of local government owned recreation facilities which are specifically developed as commercial facilities. Where a recreation facility sits on the public – merit – private good/service continuum will have a significant impact on the management model adopted.

### Management capability
Local government must determine the importance of providing industry knowledge, support and guidance to operational staff.

Managing a recreation facility requires specific skills at all levels. At the facility level skills can be obtained through staff selection. At the senior organisational levels (eg local government senior and executive staff), another set of recreation facility management skills are required. Management capability is a reflection of the skills of staff at all levels, and especially at the higher levels who are required to provide support and guidance to operational staff.

### Risk management
Local government must determine the importance of managing risk through the management model.

Risk management is the joint responsibility of the owner, operator and user of a recreation facility. From a local government perspective a key issue to be addressed is its level of risk, which is directly related to the management model adopted. It is also apparent that local government will not eliminate risk whilst retaining ownership of the recreation facility.
2.3 FEATURES OF EACH MANAGEMENT MODEL

Features of each primary management model are summarised, including a review of respective responsibilities of local government and potential partners.

2.3.1 Direct Management by Council

Direct management by Local Government involves employing staff. Council is responsible for all aspects of the facility’s operation including operating policies, financial performance and asset management. In some cases, a management committee may be established to help with policy development and to ensure community involvement in management decisions.

The following table summarises responsibilities and comments on the implications of the direct management model for each management factor.

### 2.3 Table: Features of each Management Model

<table>
<thead>
<tr>
<th>Criteria</th>
<th>Local Government</th>
<th>User Responsibilities</th>
<th>Comment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Asset management</td>
<td>All asset management functions</td>
<td>None</td>
<td>Adequate budget provisions needed</td>
</tr>
<tr>
<td>Presentation of the facility</td>
<td>Presentation of the facility</td>
<td>None</td>
<td>Adequate budget provisions needed</td>
</tr>
<tr>
<td>Finance</td>
<td>Meeting budget</td>
<td>None</td>
<td>Local Government tends to have a higher staff cost structure that the community and private sector (e.g. penalty rates on weekends)</td>
</tr>
<tr>
<td>Financial contribution</td>
<td>Sets fee structure for users</td>
<td>None</td>
<td>Users may require a formal guarantee of ongoing use or access to the recreation facility</td>
</tr>
<tr>
<td>Control</td>
<td>Control over all aspects of the facility</td>
<td>None</td>
<td>Local Government can make politically based operational decisions e.g. pricing. Local Government can modify its operating policies at short notice. Not the preferred management model for many rural Local Governments</td>
</tr>
<tr>
<td>Cost of changing management model</td>
<td>None</td>
<td>None</td>
<td>Unlikely to be any costs in addition to operational costs</td>
</tr>
<tr>
<td>Responding to market demands</td>
<td>Delegate authority to staff to respond to changing market</td>
<td>None</td>
<td>Local Government deals directly with users and user groups. Tends to have low level of volunteerism</td>
</tr>
<tr>
<td>Longevity of management</td>
<td>None</td>
<td>None</td>
<td>Tends to be a long term management solution</td>
</tr>
<tr>
<td>Performance indicators</td>
<td>Establish Performance indicators</td>
<td>None</td>
<td>Incentives and penalties to be agreed for meeting or failing to meet performance indicators. Staff tenure to be tied to performance indicators.</td>
</tr>
</tbody>
</table>
Core purpose

None

None

Local Government is best placed to manage public services, rather than private or commercial services.

Management capability

None

None

Local Government which manages a range of recreation facilities will usually have the necessary management capability.

Local Governments which have a small number of recreation centres (e.g., multipurpose leisure centre) tend not to have the management capability.

Risk management

All risk management

None

-  

2.3.2 Committee of Management or Subsidiary of Council

An extension of the direct management model is a formally constituted Committee of Management under Section 41 of the Local Government Act (1999). A Council may establish committees to assist in the performance of its functions, for example, to manage or administer property, facilities or activities on its behalf. A Council must, when establishing a committee, determine the reporting and other accountability requirements. Establishment of a committee does not derogate from the power of the Council to act in a matter.

Alternatively a Council or group of Councils can establish a subsidiary body corporate under Section 42 or 43, respectively of the Local Government Act (1999) to provide a specified service or services to manage or administer property, facilities or activities on behalf of the Council(s).

The following table summarises responsibilities and comments on the implications of the committee of management model for each management factor.

2.3.2 Table: Committee of Management or Subsidiary of Council

<table>
<thead>
<tr>
<th>Criteria</th>
<th>Local Government</th>
<th>User Responsibilities</th>
<th>Comment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Asset management</td>
<td>All asset management functions</td>
<td>None</td>
<td>Adequate budget provisions needed</td>
</tr>
<tr>
<td>Presentation of the facility</td>
<td>None</td>
<td>Presentation of the facility</td>
<td>Adequate budget provisions needed</td>
</tr>
<tr>
<td>Finance</td>
<td>Meeting budget</td>
<td>None</td>
<td>As the Committee is not separately incorporated for Local Government it may be required to abide by the employment terms and conditions of its host Council</td>
</tr>
<tr>
<td>Financial contribution</td>
<td>Sets fee structure for users</td>
<td>Committee to negotiate financial contribution with users and make recommendation to Council</td>
<td>Users may require a formal guarantee of ongoing use or access to the recreation facility</td>
</tr>
<tr>
<td>Criteria</td>
<td>Local Government</td>
<td>User Responsibilities</td>
<td>Comment</td>
</tr>
<tr>
<td>----------------------------------</td>
<td>--------------------------------------------------------</td>
<td>------------------------------------------------------</td>
<td>-------------------------------------------------------------------------</td>
</tr>
<tr>
<td>Financial contribution</td>
<td>Sets fee structure for users</td>
<td>Committee to negotiate financial contribution with users and make recommendation to Council</td>
<td>Users may require a formal guarantee of ongoing use or access to the recreation facility</td>
</tr>
<tr>
<td>Control</td>
<td>Total control over all aspects of the facility</td>
<td>None</td>
<td>Local Government has to work through the Committee</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Local Government, through the Committee, can make politically based operational decisions eg pricing</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Local Government can modify its operating policies at short notice</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Traditional management model for many rural Local Governments</td>
</tr>
<tr>
<td>Cost of changing management model</td>
<td>None</td>
<td>None</td>
<td>Unlikely to be any costs in addition to operational costs</td>
</tr>
<tr>
<td>Responding to market demands</td>
<td>Delegate authority to Committee to respond to changing market</td>
<td>Maintain effective relationships with users and user groups</td>
<td>Local Government deals with users and user groups through the Committee</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Tends to have higher level of volunteerism than direct management</td>
</tr>
<tr>
<td>Longevity of management</td>
<td>None</td>
<td>None</td>
<td>Tends to be a long term management solution</td>
</tr>
<tr>
<td>Performance indicators</td>
<td>Establish Performance indicators</td>
<td>None</td>
<td>Incentives and penalties to be agreed meeting or failing to met performance indicators</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Committee tenure to be tied to performance indicators</td>
</tr>
<tr>
<td>Core purpose</td>
<td>None</td>
<td>None</td>
<td>Committees as an arm of Local Government tend to be better at managing public services, rather than private or commercial services</td>
</tr>
<tr>
<td>Management capability</td>
<td>None</td>
<td>None</td>
<td>Committees rely upon the skill set of appointed members</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Ensure a range of skills are available through the appointees</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Conflict of interest exists in most Committees</td>
</tr>
<tr>
<td>Risk management</td>
<td>All risk management</td>
<td>None</td>
<td>--</td>
</tr>
</tbody>
</table>

10 | Guidelines for the Sustainable Management of Community Recreation Facilities
### 2.3.3 License agreement

A license agreement exists where Council enters into a licence detailing the rights and responsibilities of Council and the licensee. Council receives an agreed rental or income (or a percentage of the net surplus) but has no direct control over the day to day management.

A licence is used where the licensee has management rights only of grounds and or a facility. A licence does not convey or create an interest in a building or the land to a particular party and is typically utilised for shared use arrangements by sporting associations.

### 2.3.3 Table: License Agreement

<table>
<thead>
<tr>
<th>Criteria</th>
<th>Local Government</th>
<th>User Responsibilities</th>
<th>Comment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Asset management</td>
<td>All asset management functions</td>
<td>None</td>
<td>Adequate budget provisions needed</td>
</tr>
<tr>
<td>Presentation of the facility</td>
<td>None</td>
<td>Presentation of the facility</td>
<td>Adequate budget provisions needed</td>
</tr>
<tr>
<td>Finance</td>
<td>Meeting budget Fund budget short falls</td>
<td>None</td>
<td>As the Committee is not separately incorporated for Local Government it may be required to abide by the employment terms and conditions of its host Council</td>
</tr>
<tr>
<td>Financial contribution</td>
<td>Sets fee structure for users</td>
<td>Committee to negotiate financial contribution with users and make recommendation to Council</td>
<td>Users may require a formal guarantee of ongoing use or access to the recreation facility</td>
</tr>
<tr>
<td>Control</td>
<td>Total control over all aspects of the facility</td>
<td>None</td>
<td>Local Government has to work through the Committee Local Government, through the Committee, can make politically based operational decisions eg pricing Local Government can modify its operating policies at short notice Traditional management model for many rural Local Governments</td>
</tr>
</tbody>
</table>

Whilst the contract management model may be based on a licence agreement, this management model relates mainly to sporting clubs or associations which use a building or sports facility on a seasonal or other short term, periodic basis.

The following table summarises responsibilities and comments on the implications of the license agreement management model for each management factor.
<table>
<thead>
<tr>
<th>Criteria</th>
<th>Local Government</th>
<th>User Responsibilities</th>
<th>Comment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cost of changing management model</td>
<td>None</td>
<td>None</td>
<td>Unlikely to be any costs in addition to operational costs</td>
</tr>
<tr>
<td>Responding to market demands</td>
<td>None</td>
<td>None</td>
<td>Licensees conduct programs and tend to have the capacity to respond to changing market conditions Local Government has contact with users and user groups through the license Community based licensees tend to be volunteer based organisations</td>
</tr>
<tr>
<td>Longevity of management</td>
<td>None</td>
<td>None</td>
<td>Tends to be a long term management solution, although each license is likely to be a short term license</td>
</tr>
<tr>
<td>Performance indicators</td>
<td>Establish</td>
<td>None</td>
<td>Incentives and penalties for meeting or failing to met performance indicators can be included in license, although this is not normal practice</td>
</tr>
<tr>
<td>Core purpose</td>
<td>None</td>
<td>None</td>
<td>Most licensees are not for profit, membership based organisations</td>
</tr>
<tr>
<td>Management capability</td>
<td>None</td>
<td>None</td>
<td>Many licensees are affiliated with state or national organisations although management support varies</td>
</tr>
<tr>
<td>Risk management</td>
<td>Risk management relating to the physical condition of the facility, plant and equipment used by the licensee</td>
<td>Risk management relating to activities it conducts</td>
<td>Both Local Government and the Licensee will be required to ensure they are adequately insured</td>
</tr>
</tbody>
</table>
2.3.4 Contract Management

Contract management exists where Council contracts out the management of the centre to an individual manager, a community based organisation or a facility management company.

Responsibilities of the owner and contractor are set out in a formal contract for a fixed period of time, which may be a License, Lease or Management Agreement.

The following table summarises responsibilities and comments on the implications of the contract agreement management model for each management factor.

2.3.4 Table: Contract Management

<table>
<thead>
<tr>
<th>Criteria</th>
<th>Local Government Responsibilities</th>
<th>Contractor Responsibilities</th>
<th>Comment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Asset management</td>
<td>Asset management functions which ensure the facility is maintained in the long term. This will usually include structural and cyclic maintenance</td>
<td>Day to day maintenance and cleaning</td>
<td>Adequate budget provisions needed</td>
</tr>
<tr>
<td>Presentation of the facility</td>
<td>None</td>
<td>Presentation of the facility</td>
<td>Standard of presentation needs to be clearly defined in agreement</td>
</tr>
<tr>
<td>Finance</td>
<td>None</td>
<td>Meeting budget Fund budget short falls</td>
<td>Not for profit and private sector contractors tend to have greater flexibility in the employment market and the capacity to have lower staffing Local Government may receive a return on its asset/investment through a profit share arrangement</td>
</tr>
<tr>
<td>Cost of changing management model</td>
<td>None</td>
<td>None</td>
<td>Substantial costs may be incurred in moving from a direct management model to contract management Local government can require the contractor to engage existing facility staff and specific terms and conditions [Note: this approach may incur a financial penalty on Council]</td>
</tr>
<tr>
<td>Criteria</td>
<td>Local Government Responsibilities</td>
<td>Contractor Responsibilities</td>
<td>Comment</td>
</tr>
<tr>
<td>----------------------------------</td>
<td>-----------------------------------</td>
<td>----------------------------</td>
<td>--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------</td>
</tr>
<tr>
<td>Responding to market demands</td>
<td>None</td>
<td>None</td>
<td>Contractors tend to have the capacity to respond to changing market conditions. Local Government has no direct contact with users and user groups, except through other consultative mechanisms. Not for profit contractors tend to have higher level of volunteerism than private sector contractors. Contractors are likely to develop new programs or target new markets if it at least break even financially. Local Government may be required to subsidise programs targeted to low income markets.</td>
</tr>
<tr>
<td>Longevity of management</td>
<td>None</td>
<td>None</td>
<td>Tends to be a long term management solution, with contracts often having at least one right of renewal.</td>
</tr>
<tr>
<td>Performance indicators</td>
<td>Establish Performance indicators in the contract</td>
<td>None</td>
<td>Incentives and penalties for meeting or failing to met performance indicators can be included in contract.</td>
</tr>
<tr>
<td>Core purpose</td>
<td>None</td>
<td>None</td>
<td>Private or commercial sector contractors are better placed to manage commercial services than Local Government.</td>
</tr>
<tr>
<td>Management capability</td>
<td>None</td>
<td>None</td>
<td>A contractors management capacity and capability will often be directly related to the size of the organisation and its current range of contracts.</td>
</tr>
<tr>
<td>Risk management</td>
<td>Risk management relating to the structural integrity of the facility, plant and equipment</td>
<td>Risk management relating to operational matters</td>
<td>Each party to the contract will be required to ensure they are adequately insured.</td>
</tr>
</tbody>
</table>
2.3.5 Lease Agreement

A lease agreement exists where Council enters into a lease detailing the rights and responsibilities of Council and the lessee. Council receives an agreed rental or income (or a percentage of the net surplus) but has no direct control over the day to day management.

The lessee has full property rights and is responsible for financial performance, asset maintenance and operational policies. A lease is used where the group has exclusive possession of the premises for a fixed period of time.

The following table summarises responsibilities and comments on the implications of the lease agreement management model for each management factor.

<table>
<thead>
<tr>
<th>Criteria</th>
<th>Local Government Responsibilities</th>
<th>Lessee Responsibilities</th>
<th>Comment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Asset management</td>
<td>Asset management functions will be detailed in the lease agreement</td>
<td>Tend to have greater asset management responsibilities than Local Government</td>
<td>The level of responsibility is often a function of the term of the lease</td>
</tr>
<tr>
<td>Presentation of the facility</td>
<td>None</td>
<td>Presentation of the facility</td>
<td>Standard of presentation needs to be clearly defined in agreement</td>
</tr>
<tr>
<td>Finance</td>
<td>None</td>
<td>Funding its responsibilities as detailed in the lease Pay the agreed lease fee</td>
<td>Local Government may receive a return on its asset/investment through the lease fee Local Government has limited financial responsibility</td>
</tr>
<tr>
<td>Control</td>
<td>None</td>
<td>To use the facility within the terms and conditions of the lease</td>
<td>Local Government has limited control of the facility Difficult for either party to withdraw from or change the terms of the lease without the consent of both parties.</td>
</tr>
<tr>
<td>Cost of changing management model</td>
<td>None</td>
<td>None</td>
<td>Substantial costs may be incurred in moving from a direct management model to contract management</td>
</tr>
<tr>
<td>Responding to market demands</td>
<td>None</td>
<td>None</td>
<td>Lessee conduct programs and tend to have the capacity to respond to changing market conditions Local Government has contact with users and user groups through the lease Community based lessees tend to be volunteer based organisations</td>
</tr>
<tr>
<td>Criteria</td>
<td>Local Government Responsibilities</td>
<td>Lessee Responsibilities</td>
<td>Comment</td>
</tr>
<tr>
<td>-------------------------------</td>
<td>----------------------------------</td>
<td>-------------------------</td>
<td>-------------------------------------------------------------------------</td>
</tr>
<tr>
<td>Performance indicators</td>
<td>Establish Performance indicators in the lease</td>
<td>None</td>
<td>Incentives and penalties for meeting or failing to meet performance indicators can be included in lease, although this is not normal practice</td>
</tr>
<tr>
<td>Core purpose</td>
<td>None</td>
<td>None</td>
<td>Most leases are not for profit, membership based organisations</td>
</tr>
<tr>
<td>Management capability</td>
<td>None</td>
<td>None</td>
<td>Many lessees are affiliated with state or national organisations although management support varies</td>
</tr>
<tr>
<td>Risk management</td>
<td>None</td>
<td>Risk management relating to activities it conducts Risk management relating to the physical condition of the facility, plant and equipment</td>
<td>Both Local Government and the Licensee will be required to ensure they are adequately insured</td>
</tr>
</tbody>
</table>
### 2.3.6 Shared Management

Shared management exists where a management agreement is prepared detailing cost sharing, legal and access arrangement for a jointly developed recreation facility. This may be between Council, club, schools and other private organisations.

The following table summarises responsibilities and comments on the implications of the shared management model for each management factor.

### 2.3.6 Table: Shared Management

<table>
<thead>
<tr>
<th>Criteria</th>
<th>Local Government Responsibilities</th>
<th>Partner Responsibilities</th>
<th>Comment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Asset management</td>
<td>None</td>
<td>None</td>
<td>Responsible for asset management functions will be detailed in the joint use agreement Usually greatest asset management responsibility remains with the owner of the facility ie owner of the land on which the facility is constructed</td>
</tr>
<tr>
<td>Presentation of the facility</td>
<td>None</td>
<td>None</td>
<td>Joint use agreement details responsible for presentation of the facility</td>
</tr>
<tr>
<td>Finance</td>
<td>None</td>
<td>None</td>
<td>All financial matters are detailed in the joint use agreement, including capital development, capital upgrades and operating costs</td>
</tr>
<tr>
<td>Financial contributions</td>
<td>None</td>
<td>None</td>
<td>Financial contributions are detailed in the joint use agreement</td>
</tr>
<tr>
<td>Control</td>
<td>None</td>
<td>None</td>
<td>Local Government level of control will be detailed in the joint use agreement Difficult for either party to withdraw from or change the terms of the joint use agreement without the consent of both parties Whilst DECS “broadly support” the concept of shared use, however arranging longer term agreements through DECS can be time consuming and difficult to achieve</td>
</tr>
<tr>
<td>Cost of changing management model</td>
<td>None</td>
<td>None</td>
<td>Unlikely to be any substantial costs, as these arrangements tend to relate to new facilities</td>
</tr>
<tr>
<td>Responding to market demands</td>
<td>None</td>
<td>None</td>
<td>Operational responsibilities will be detailed in the joint use agreement</td>
</tr>
</tbody>
</table>
### Criteria Local Government Responsibilities Partner Responsibilities Comment

<table>
<thead>
<tr>
<th>Criteria</th>
<th>Local Government Responsibilities</th>
<th>Partner Responsibilities</th>
<th>Comment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Performance indicators</td>
<td>None</td>
<td>None</td>
<td>Performance indicators can be established in the joint use agreement. Incentives and penalties for meeting or failing to meet performance indicators can be included in joint use agreement.</td>
</tr>
<tr>
<td>Core purpose</td>
<td>None</td>
<td>None</td>
<td>Most joint use agreements involve education institutions or community based organisations such as religious organisations.</td>
</tr>
<tr>
<td>Management capability</td>
<td>None</td>
<td>None</td>
<td>Very few joint use agreement partners will have recreation facility management capacity or capability.</td>
</tr>
<tr>
<td>Risk management</td>
<td>None</td>
<td>None</td>
<td>Each party to the joint use agreement will be responsible for risk management relating to activities it conducts. All parties to the joint use agreement will be required to ensure they are adequately insured.</td>
</tr>
</tbody>
</table>

### 2.4 ASSESSMENT

In each case a unique solution must be designed to meet the specific needs of each Council and its community. There is no single best solution or approach.

In simple terms, there are good and bad examples of in house managed recreation facilities and good and bad examples of externally managed recreation facilities.

The relative importance of the factors discussed above will vary from Council to Council and within each Council from facility to facility. Consequently, an assessment of the relative importance of each factor has to be made before choosing a management model.

A key point to note is that both in house and external management of recreation facilities will achieve policy outcomes desired by Council if the management model is correctly structured.

Given this caveat, in practice the relative importance of a small number of criteria will suggest whether in house or external management is most appropriate.

### In house management is best suited to situations where:

- Council wishes to exert a high level of control over the day to day operation of the facility, including elected members making operational decisions on an ad hoc basis.
- Council wants to ensure that the facility is maintained to a high standard and has the capacity to provide adequate funds for all categories of asset management including cyclical and structural maintenance.
- Council wants to directly manage its potential risk exposure.

### External management is best suited to situations where:

- Council wishes to minimise the cost of operating the recreation facility.
- Council wants to attract a substantial capital investment in the facility or plant and equipment.
- Council wants a fixed budget to operate a recreation facility.
- The recreation facility competes in a dynamic market, requiring rapid response to changing market conditions.

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18 | Guidelines for the Sustainable Management of Community Recreation Facilities
WHO PAYS

3.1 IS FUNDING A LOCAL GOVERNMENT RESPONSIBILITY

3.1.1 Public and Private Goods and Services

The notion of public and private goods and services provide a basis for deciding the level of financial support a recreation facility will receive from Local Government.

A public good or service is an item whose consumption is not decided by the individual consumer but by the society as a whole, and which is financed by taxation. A public good or service may be consumed without reducing the amount available for others, and cannot be withheld from those who do not pay for it. Public goods and services include parks. No market exists for such goods, and they are provided to everyone by governments.

A private good or service is an item of consumption that, if used by one party, may not be available for others, such as food and clothing.

The characteristics of pure public goods are the opposite of private goods:

- The benefits derived from the provision of pure public goods cannot be confined to only those who have actually paid for it.
- Consumption of a public good by one person does not reduce the availability of a good to everyone else.

Public goods or services are fully funded by taxes, whereas private goods or services are fully funded by the user. Parks and reserves have elements of public and private goods or services. The greater the element of public good, the greater the financial contribution from the public purse. Conversely, the greater the element of private good, the greater the financial contribution from users.

In a recreation facility:

- Public goods or services include access and use of a park, and the physical amenity of parks as an element of the urban landscape. Thus parks and reserves which have full and free access for the general public will be fully maintained through taxes, eg beaches.
- Private goods or services are for the exclusive use of a group eg members, to which the general public is excluded, except by payment of a fee. Thus members of a health and fitness club for which membership is paid will be totally funded by users.

3.1.2 Community Benefits

The public/private good model must be considered within the context of community benefits.

Use of public land for recreation purposes provides a series of community benefits. These benefits may be delivered to individuals and also to the wider community. For example individual benefits may include increased health and community benefits may include reduced health care costs, and improved liveability due to availability of, and access to, a range of recreation activities.

The greater the number of community benefits provided at a facility the greater the level of financial support likely to be provided by Local Government. Hence, a bowling club may be for the exclusive use of its members, yet the activity of bowling may produce community benefits which can be supported by Local Government. Conversely, it may be difficult to identify any community benefits from a fully licensed club rooms, which is effectively a commercial activity competing with the private sector for patronage.
### 3.2 PRINCIPLES FOR CALCULATING COST SHARING

#### 3.2.1 In house Management Models

The following table provides basic principle for calculating cost sharing responsibilities for in house management models.

#### 3.2.1 Table: In house Management Models

<table>
<thead>
<tr>
<th>Management</th>
<th>Capital</th>
<th>Operational</th>
</tr>
</thead>
<tbody>
<tr>
<td>Direct management</td>
<td>Ownership of the asset remains with Local Government.</td>
<td>Local Government responsible for all operating costs. Users and user groups pay a fee for use of the facility. Local Government sets the fee structure based on market rates, the extent of public/private good and the community benefits from the activity.</td>
</tr>
<tr>
<td></td>
<td>Local Government will usually provide the funding for the recreation facility and major upgrades and renovations.</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Limited, if any funding will be expected from users and user groups without some form of long term tenure.</td>
<td></td>
</tr>
<tr>
<td>Committee of Management or Subsidiary</td>
<td>Ownership of the asset remains with Local Government.</td>
<td>Local Government through the Committee of Management or Subsidiary responsible for all operating costs. Users and user groups to pay a fee for use of the facility. Local Government, on the recommendation of the Committee of Management sets the fee structure based on market rates, the extent of public/private good and the community benefits from the activity.</td>
</tr>
<tr>
<td></td>
<td>Local Government will usually provide the funding for the recreation facility and major upgrades and renovations.</td>
<td></td>
</tr>
<tr>
<td></td>
<td>In rural communities a Committee of Management will often include local residents who are also representative of user groups.</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Fundraising is often a responsibility (and expectation) of the Committee of Management.</td>
<td></td>
</tr>
<tr>
<td>License</td>
<td>Ownership of the asset remains with Local Government.</td>
<td>Local Government responsible for all operating costs. Users and user groups to pay a license fee for use of the facility. Local Government to set the license fee based on market rates, the extent of public/private good and the community benefits from the activity.</td>
</tr>
<tr>
<td></td>
<td>Local Government will usually provide the funding for the recreation facility, major upgrades and renovations.</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Some funding can be obtained from users and user groups in return for long term tenure.</td>
<td></td>
</tr>
<tr>
<td></td>
<td>The level of funding will be directly related to the length of tenure.</td>
<td></td>
</tr>
</tbody>
</table>
### 3.2.2 External Management Models

The following table provides basic principle for calculating cost sharing responsibilities for external management models.

#### 3.2.1 Table: In house Management Models

<table>
<thead>
<tr>
<th>Management</th>
<th>Capital</th>
<th>Operational</th>
</tr>
</thead>
</table>
| Contract management | Ownership of the asset remains with Local Government.  
Contribution to capital works will be negotiated in the Contract.  
Local Government will usually provide the initial funding for the recreation facility and major upgrades and renovations.  
Contractor will expect to generate a return on any investment over the life of the Contract.  
Contractor can be expected to provide consumable plant, equipment and materials which have a life less than the term of the contract.  
Fit out of a recreation facility will be negotiated in the Contract.  
An open tender process will determine the level of funding to be provided or received by Local Government. | Local Government will provide an operating subsidy or receive a rent and/or share of profit.  
Financial arrangements will depend upon the nature of the recreation facility and the terms of the contract.  
An open tender process will determine the level of funding to be provided or received by Local Government.  
Local Government responsible for all costs related to supervision and monitoring the contract. |
| Lease | Ownership of the asset reverts to Local Government at the expiry of the lease.  
Lessees will expect to generate a return on any investment over the life of the lease and/or pay out any loans for the capital works.  
Lessees can be expected to provide consumable plant, equipment and materials which have a life less than the term of the lease.  
Local Government contribution to the initial funding for the recreation facility and major upgrades and renovations will be dependent on the type of facility, the level of public good and the community benefits derived from the facility | Lessee responsible for all operating costs, except as provided in the lease.  
Local Government responsible for operating costs specified in the lease as being its responsibility.  
Local Government responsible for all costs related to supervision and monitoring the lease |
3.3 SUMMARY

Funding the capital and operating costs may involve a mix of funding sources:

1. Government (Local, State and Federal) is responsible for providing community infrastructure which is recognised as a public good or service and generates significant community benefits.

2. Not for profit organisations are often reliant upon using community infrastructure, and usually aim to operate on a financial break even basis.

3. Commercially based organisations expect to generate a return on their investment.

Governments will resource a recreation asset in direct proportion to its position on the public/merit/private continuum and the community benefits it generates. Not for profit organisations will contribute to a recreation asset based on its capacity to financially break even. Commercial organisations will invest in a recreation asset if it can demonstrate a financial return. Both not for profit and commercial organisations will require tenure which enables them to generate sufficient revenues to meet their financial targets (e.g. repay loans and return on investment).

The level of contribution from not for profit and commercial organisations will be directly related to the terms, conditions and the risk profile of the project’s financial structure.
IMPROVING SUSTAINABILITY

4.1 INGREDIENTS FOR SUCCESS

A suite of management models are available to use in different circumstances for a variety of recreation assets eg indoor/outdoor, wet/dry, passive/active and single/multipurpose. No one best management model is available for any category of asset, or particular situation.

There are however, common features or elements of a well managed, and hence sustainable recreation asset:

- A manager and/or management team which is proactive, provides leadership, makes decisions, motivates and innovates
- A Business Plan which details how the asset will be managed to achieve its KPI’s
- A strong focus on achieving its aims and objectives
- Ongoing analysis and review of KPI’s based on valid and reliable data collection
- Customer focussed management and staff
- Appropriately skilled and experienced staff
- A commitment to continuous improvement
- Proactive and innovative programming strategy
- Regular evaluation of programs and services offered, including feedback from customers

4.1.1 The Planning Sequence

A new or refurbished recreation facility which is based on research regarding the need and financial implications has more probability of being sustainable in the long term. The planning sequence incorporates the elements detailed above.

4.1.2 Preparing KPI’s

Key performance indicators can be difficult to establish and monitor. Outcomes which are easily quantified, and relatively easy to prepare, include indicators such as income and expenditure, and patronage levels. On the other hand, qualitative outcomes which are much more difficult to draft, include customer satisfaction levels and social outcomes such as contribution to the health of the community and quality of life issues.

Both quantitative and qualitative performance measures are needed to reflect the ‘public’ service aspect of leisure.
Key performance indicators establish what is expected from the facility, by setting service level expectations. Performance indicators, once established, become the benchmark against which performance is evaluated.

Overseas experience indicates that where quantitative performance indicators are used, greater emphasis is placed on efficiency and in particular financial performance, and less emphasis is given to meetings social objectives.

Two types of performance indicators are:

1. Specifications which focus on the end product of service delivery and may be referred to as outcomes, outputs, descriptive specifications or performance based specifications.
2. Specifications which focus on how the facility, programme or service will be delivered may be referred to as inputs, methods based specifications or prescriptive specifications.

Experience from the UK, Australia, North America and New Zealand indicate that while the inputs, methods based or prescriptive approach to specifications is the easiest, it does not necessarily result in effective service delivery which meets social and leisure objectives. Consequently, specifications must focus on outcomes or outputs and be descriptive and performance oriented.

In drafting key performance indicators the following aspects must be considered:

- Each performance indicator must be measurable.
- Performance indicators must focus on outcomes rather than inputs. For example, a specification relating to learn to swim should specify that children are taught to swim rather than detailing the teacher/pupil ratio.
- Performance indicators must be written so that they are clear, concise, easily understood and unambiguous.
- Performance indicators must establish minimum standards and refer to appropriate industry specifications. For example standards in the Guidelines for Safe Pool Operation.
- Performance indicators must identify core elements which must be achieved and are not negotiable, such as safety and public access.
- Performance indicators can be drafted to address equity issues by identifying specific populations who must be given access and changes in participation levels by specific target groups, for example older adults.
Key performance indicators should be designed to address outcomes directly relevant to the facility. Examples of Key Performance Indicators for the most common outcomes sought by facility owners are:

<table>
<thead>
<tr>
<th>Management</th>
<th>Capital</th>
</tr>
</thead>
<tbody>
<tr>
<td>Financial performance</td>
<td>Operate the facility within the budget set by Council.</td>
</tr>
<tr>
<td></td>
<td>Increase revenues by X% each year.</td>
</tr>
<tr>
<td></td>
<td>Provide monthly financial reports within X days of the end of each (month/quarter).</td>
</tr>
<tr>
<td>Attendances, use and occupancy</td>
<td>Increase total attendances by X% each year.</td>
</tr>
<tr>
<td></td>
<td>Increase attendances by (eg older adults) by X%.</td>
</tr>
<tr>
<td></td>
<td>Maintain minimum attendance of X participants in program Y.</td>
</tr>
<tr>
<td></td>
<td>Achieve X% occupancy during peak periods.</td>
</tr>
<tr>
<td></td>
<td>Establish at least X new programs for (eg indigenous people) in Year Z.</td>
</tr>
<tr>
<td></td>
<td>At least two lanes must be available for public use at all times except when approved by Council.</td>
</tr>
<tr>
<td></td>
<td>Provide reports on attendances within X days of the end of each (month/quarter).</td>
</tr>
<tr>
<td>Customer service</td>
<td>Measure and maintain a customer satisfaction rating of X</td>
</tr>
<tr>
<td></td>
<td>Respond to all customer complaints within X hours</td>
</tr>
<tr>
<td>Maintenance and cleaning</td>
<td>Water quality to meet SA Health regulations.</td>
</tr>
<tr>
<td></td>
<td>All plant and equipment to be maintained in accordance with manufacturers recommendations</td>
</tr>
<tr>
<td>Safety</td>
<td>Advise Council in writing of all major accidents/incidents within X hours of it occurring</td>
</tr>
<tr>
<td></td>
<td>Meet the supervision standards detailed in the RLSSA Guidelines for Safe Pool Operation</td>
</tr>
<tr>
<td></td>
<td>Conduct a risk assessment each (quarter/year)</td>
</tr>
<tr>
<td></td>
<td>Meet relevant OH&amp;S standards and regulations (specify each standard)</td>
</tr>
</tbody>
</table>
## 4.2 OVERCOMING EXISTING PROBLEMS

Improving management of recreation assets may involve a change in the management model, alternatively it may require other actions unrelated to the management model.

The following issues may impact on the sustainability of a recreation asset, and remedial strategies or actions are proposed.

<table>
<thead>
<tr>
<th>Issue</th>
<th>Strategy or Action</th>
</tr>
</thead>
</table>
| **Many clubs:**  
- are managed by untrained volunteers  
- operate facilities without a strategic plan, budgets etc.  
- operate without succession plans |  
- Provide access to club development programs  
- Require clubs to meet STARCLUB standards of governance and management  
- Link competencies of clubs with management responsibilities (eg low level of competence à low level of management responsibility)  
- Provide incentives to up skill volunteers and prepare business plans. |
| **Reviewing agreements** – many in place for a number of years without review |  
- Introduce agreements with short fixed terms with rights of renewal subject to meeting agreed KPI’s.  
- Formally review all agreements on a regular basis, prior to the expiration of, and during the term of the agreement.  
- Commence the renewal negotiations at least six months prior to the expiration of each term/option. |
| **Councils operating** without policies and procedures, service standards |  
- Establish and adopt policies, procedures and service standards  
- Refer to existing policy documents from LGA SA |
| **Councils imposing** arrangements on clubs without consideration of the impacts on the user groups |  
- Local Government to establish clear objectives and outcomes for each recreation asset based on market research, benchmarking and community consultation.  
- Market test all arrangements by publicly advertising terms and conditions of use of the recreation asset and inviting expressions of interest in use. |
| **Capacity** of local and neighbourhood level facilities vs. regional centres |  
- Individually assess the capacity, role and function of each recreation asset.  
- Prepare strategic plans which clearly designate the capacity, role and function of each recreation asset. |
| **Sense of ownership** by user groups impacts on shared use opportunities and consolidation – not willing to share |  
- Prepare formal written contracts (hire agreement, licence, lease, management agreement) with all users of Councils recreation assets, regardless of the management model.  
- Ensure all contract specify the terms and conditions of use, including use by third parties |
**Quality of facilities** affects use and income
- Ensure adequate funds are provided to implement a maintenance regime which keeps the recreation asset in fit for purpose condition
- Ensure adequate finds are available for refurbishment or redevelopment of the recreation asset

**Oversupply of facilities** where demographics have changed and demand has reduced
- Prepare strategic plans which project the long term future of each facility.
- Undertake a review of under used recreation assets to assess the best long term use of each asset.
- Where appropriate prepare strategies to consolidate recreation assets and relocate displaced user groups to alternative venues

**Duplication of facilities**
- Determine demand for each facility
- Recycle facilities which are not required, for alternative uses

**Environment** – technologies to reduce costs
- Conduct feasibility studies to assess the short and long term cost and benefits, including pay back periods, of new technologies.
- Test the viability of new technologies on one facility before extending to multiple facilities.
- Include provision for environmentally sustainable technologies in all new facilities or refurbishment of existing facilities

Most councils do not **benchmark facilities**
- Refer to section 4.4

### 4.3 HOW TO IMPROVE PERFORMANCE

Improving the performance of a recreation asset must be considered within the context of the objectives and outcomes required by Council. It is only possible to assess improvements using valid and reliable data to measure progress.

A multi-step approach can be used:

**Step 1**
Establish objectives or key performance indicators (KPI) for the recreation asset

**Step 2**
Identify data to measure each objective or KPI, eg revenue, attendances, operating costs, customer satisfaction and number of complaints

**Step 3**
Collect and analyse data collected to assess improvement against the KPI’s

**Step 4**
Identify areas which are underperforming

**Step 5**
Establish and implement strategies to improve performance in underperforming areas

**Step 6**
Determine Council’s role and responsibility for implementing the strategies and allocate appropriate resources

#### Tips:

- Establish a broad range of KPI’s in the areas of finance, attendances/use, customer/user satisfaction, condition/maintenance of the asset, reporting.
- Establish KPI’s that relate specifically to the recreation asset
- Ensure the objectives and outcomes are realistic and achievable within the terms and conditions of the management model and budget allocation
- Up skilling of personnel involved in management, maintenance and operation of the recreation asset may be required – responsibility and funding may have to be negotiated between Council and its partners
- Additional resources may need to be allocated to increase the skills and capabilities of underperforming managers
- Financial arrangements may need to be changed to improve performance against some KPI’s
- If performance does not improve, review and if necessary change the management model – the management model is a means not an end
4.4 HOW DOES YOUR FACILITY COMPARE

Benchmarking is an effective tool for assessing the performance of a recreation asset compared with similar assets. Benchmarking involves collecting data to measure key performance indicators. Effective benchmarking involves the following steps:

Step 1: Establish objectives or key performance indicators (KPI) for the recreation asset.
Step 2: Identify data to measure each objective or KPI, e.g., revenue, attendances, operating costs, customer satisfaction, and number of complaints.
Step 3: Identify criteria for selecting comparative recreation assets, e.g., type of asset, size of asset, age of asset, and demographic composition of primary catchment.
Step 4: Identify recreation assets which meet the criteria in Step 3 and collect relevant data.

Effective benchmarking relies upon collecting relevant data from comparable facilities. Very few industry benchmarks currently exist, and the facility level. Two existing benchmarking products have been identified.

4.4.1 CERM

CERM Performance Indicators (CERM PI) is the main benchmarking tool relating to recreation and sport centres. It is based on data from over 200 sport, leisure & aquatic facilities in Australia and New Zealand. For more information refer to: http://www.unisa.edu.au/cermpi

CERM PI are compiled from information supplied by centre managers. Consequently, longitudinal variations and trends can be assessed. Operational management benchmarks have been developed for over 70 performance indicators in areas such as finance, services, promotion, staffing, facility presentation, utilities, memberships, equipment, and sustainability.

Benchmarks are published for groupings of centres according to centre type, size, and location.

The CERM PI customer service quality (CSQ) questionnaire measures how well a service is provided or how successful a leisure service management team is in meeting its service objectives. A representative sample of customers complete a short questionnaire that includes customer’s expectations compared with their perceptions of the facility’s performance. The questionnaire also includes sections to record customer benefits, demographic and use characteristics, problem resolution as well as customer advocacy and loyalty.

4.4.2 STARCLUB

The STARCLUB - Club Development Program, developed by the Office for Recreation and Sport was designed for use by sport and active recreation clubs of all sizes. Clubs are able to assess their level of governance, administration, and operation by completing a 25 step questionnaire.

4.4.3 Longitudinal Benchmarking

The CERM benchmarks will provide an indication of the efficiency of a facility (e.g., maintenance cost per m²), however, it is unlikely to measure its effectiveness (e.g., improved wellbeing of customers).

It is equally difficult to obtain qualitative data from similar facilities to enable a true comparison of performance. To overcome this deficiency, longitudinal data to measure outcomes or KPI’s can be collected for the recreation asset.

A longitudinal approach will ensure that the same data can be compared over time, to assess increases or decreases in performance.
4.5 HOW TO INCREASE USE

Promoting access to wider community usage of space and facilities is not dependent upon the management model or structure. All management models have the capacity to promote access and use of community recreation and sport resources. Increasing access and use is a function of the relative importance that local government places on this outcome.

It can be achieved by:

1. Defining what is meant by “promoting access to wider community use”.
2. Establishing “promoting access to wider community use” as an outcome or objective for the asset.
3. Developing KPI’s which measure “promoting access to wider community use”.
4. Require the asset manager to collect data and measure performance against the KPI’s.

Tips

- Include the KPI’s in all tenure documents, such as licence agreements and management contracts
- Require facility managers to prepare a business plan which states how these KPI’s will be met
- Review reports on KPI’s and require explanation and/or corrective action when not met
- Link renewal of tenure to meeting KPI’s

4.6 HOW TO SUPPORT GROWTH OF SPORTING CLUBS

Encouraging sustainable growth of sporting clubs and guiding consistent approaches to management is not dependent upon the management model. All management models have the capacity to encourage sustainable growth of sporting clubs and guide consistent approaches to management.

Sustainable growth of sporting clubs is the joint responsibility of individual clubs, state sporting organisations, the Office for Recreation and Sport and local government. Local government can assist by:

1. Supporting the delivery of club development programs
2. Supporting the delivery of volunteer development programs
3. Providing access to appropriate sporting facilities on sustainable terms and conditions
4. Provide links to resources (e.g., STARCLUB) on Council’s web site

Tips

- Include the KPI’s in all tenure documents, such as licence agreements and management contracts
- Require facility managers to prepare a business plan which states how these KPI’s will be met
- Review reports on KPI’s and require explanation and/or corrective action when not met
- Link renewal of tenure to meeting KPI’s

4.7 HOW TO INCREASE THE EFFECTIVE USE OF COUNCIL AND COMMUNITY RESOURCES

Promoting the effective and efficient use of Council and Community resources is not dependent upon the management model. All management models have the capacity to promote effective and efficient use of Council and Community resources.

Promoting the effective and efficient use is a function of the relative importance that local government places on this outcome. It can be achieved by:

1. Defining what is meant by “promoting effective and efficient use”.
2. Establishing “promoting effective and efficient use” as an outcome or objective for the asset.
3. Developing KPI’s which measure “promoting effective and efficient use”.
4. Require the asset manager to collect data and measure performance against the KPI’s.

Tips

- Include the KPI’s in all tenure documents, such as licence agreements and management contracts
- Require facility managers to prepare a business plan which states how these KPI’s will be met
- Review reports on KPI’s and require explanation and/or corrective action when not met
- Link renewal of tenure to meeting KPI’s
4.8 HOW TO ESTABLISH MANAGEMENT OF A HUB AND MULTIFUNCTIONAL FACILITY

Establishing a suitable management model for a hub or multifunctional facility development will require a unique solution to reflect type of facility and funding arrangements. It will require a multistep approach:

Step 1  Establish clear outcome or objectives for the hub or multifunctional facility
Step 2  Determine the individual components of the hub or multifunctional facility
Step 3  Determine capital and operational funding requirements and sources of funds
Step 4  Determine the tenure needs of funding parties
Step 5  Develop a management model which satisfies the needs of all funding parties and meets the outcomes or objectives established in Step 1

Tips
- Prepare a detailed feasibility study and business plan for the hub or multifunctional facility, including a management strategy
- A commercial investment will require a commercial tenure arrangement eg lease
- Where local government is the major source of funds it will have the greatest say in the management model
- Link tenure to capital investment, to enable funding parties to recoup their investment – including not for profit clubs and associations
- Select a single entity to manage the hub or multifunctional facility, and all tenure arrangements [Note: this body may be Council, and existing organisation or a new organisation]
- Negotiate individual tenure agreements (sub lease, licence, permissive occupancy, hire fee, user fee) with individually tailored terms and conditions with all user groups and/or tenants.

4.9 HOW TO ESTABLISH MANAGEMENT MODELS THAT SUPPORT SPORTING CLUBS

Identify management models that will support an equitable approach for sporting clubs.

An equitable approach for sporting clubs is not dependent upon the management model. All management models have the capacity to support an equitable approach for sporting clubs.

An equitable approach for sporting clubs is a function of the relative importance that local government places on this outcome. It can be achieved by:

1. Defining what is meant by “an equitable approach for sporting clubs”.
2. Establishing an “equitable approach for sporting clubs” as an outcome or objective for the asset.
3. Developing KPI’s which measure an “equitable approach for sporting clubs”.
4. Require the asset manager to collect data and measure performance against the KPI’s.

Tips
- Include the KPI’s in all tenure documents, such as licence agreements and management contracts
- Require facility managers to prepare a business plan which states how these KPI’s will be met
- Review reports on KPI’s and require explanation and/or corrective action when not met
- Link renewal of tenure to meeting KPI’s
4.10 HOW TO PROVIDE SUSTAINABLE SUPPORT

Local Government will only be required to provide support to in house management models as summarised in the following table. All external management models are based on the premise that the external partner has the capacity and resources to manage the recreation asset within the terms and conditions of the formal contract, lease or agreement. Local Government may be required to provide support to organisations which use Council’s recreation assets, to ensure their sustainability. This is unrelated to the management model.

<table>
<thead>
<tr>
<th>Management model</th>
<th>Support</th>
</tr>
</thead>
<tbody>
<tr>
<td>In house management</td>
<td></td>
</tr>
<tr>
<td>Direct management by Council staff</td>
<td>■ Capital and operating funds</td>
</tr>
<tr>
<td></td>
<td>■ Trained and qualified staff to manage and maintain the asset</td>
</tr>
<tr>
<td>Management by a Section 41 Committee of Management</td>
<td>■ Capital and operating funds</td>
</tr>
<tr>
<td></td>
<td>■ Access to training for volunteer members of committee</td>
</tr>
<tr>
<td></td>
<td>■ Professional and technical advice (eg accounting, legal, planning, management, maintenance, and asset management)</td>
</tr>
<tr>
<td>License or season permit to use a recreation facility</td>
<td>■ Capital and operating funds</td>
</tr>
<tr>
<td></td>
<td>■ Trained and qualified staff to manage and maintain the asset</td>
</tr>
<tr>
<td></td>
<td>■ Access to training for volunteer members of licensee</td>
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<td></td>
<td>■ Access to resources eg club development guides</td>
</tr>
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<td></td>
<td>■ Assistance with applications for license</td>
</tr>
<tr>
<td>External management</td>
<td></td>
</tr>
<tr>
<td>Contract management</td>
<td>No support required except where specified in the contract</td>
</tr>
<tr>
<td>Lease</td>
<td>No support required except where specified in the contract</td>
</tr>
<tr>
<td>Shared management</td>
<td>No support required except where specified in the contract</td>
</tr>
</tbody>
</table>

Tips

- Do not negotiate external management contracts or shared use agreements with organisations which do not have the capacity to manage and maintain the asset.
- Do not impose unrealistic terms and conditions on user groups and licensees, which sets them up to fail.
- Clearly distinguish between support to community organisations which use Council’s recreation assets (eg club development programs) and support to ensure the management model is sustainable (eg rent or rate relief and operating subsidies).
4.11 HOW TO EQUITABLY SHARE COSTS

Principles for cost sharing of capital and operating costs for multi-use and/or shared use facilities are outlined in section 3. Financial arrangements between Council and management and between user groups must be documented so that roles and responsibilities are clear and equitable.

Determining cost sharing arrangements is a five step process:

Step 1  Determine where the facility, element of the facility, program or service sits on the public/merit/private service continuum.

Step 2  Assess the level of community benefits delivered by the facility, element of the facility, program or service.

Step 3  Determine the proportion of operating and asset management costs to be borne by Council and its partners (eg user groups, licensees, lessees and contractors).

Step 4  Negotiate a contribution to operating and asset management costs with each partner based on the deliberations in Steps 1 – 3.

Step 5  Include the contribution to operating and asset management costs in all documents relating to the management, maintenance and use of the recreation asset.

Tips
- Each facility, program or service is unique, hence a single solution will not fit all.
- Document the roles and responsibilities of all user groups and partners in a formal agreement, license, lease or contract.
- Regularly monitor adherence to the terms and conditions of the negotiated contract.
- Recognise that user groups have varying capacity to pay, based on variables such as size, type of organisation, fund raising capacity and demographic characteristics of members or program participants.

4.12 HOW TO ASSESS THE EFFECTIVENESS OF MANAGEMENT STRUCTURES

Assessing the effectiveness of management structures can be achieved by:

1. Establishing qualitative and quantitative outcome or objective for the asset.
2. Developing KPI’s which measure each outcome or objective.
3. Require the asset manager to collect data and measure performance against the KPI’s and provide regular reports to Council.
4. Reviewing the reports from the asset manager.

Tips
- Include a mix of quantitative and qualitative outcomes and objectives for the recreation asset.
- Include the KPI’s in all tenure documents, such as licence agreements and management contracts.
- Require facility managers to prepare a business plan which states how these KPI’s will be met.
- Review reports on KPI’s and require explanation and/or corrective action when not met.
- Link renewal of tenure to meeting KPI’s.
CASE STUDIES

A series of case studies are presented which are examples of sustainable recreation and sport facilities. These case studies were selected to include facilities in rural, provincial and metropolitan areas, wet and dry facilities, and local and regional facilities.

5.1 WUDINNA SWIMMING POOL

Wudinna Swimming Pool is a public facility operated by a community based incorporated association, on Crown land leased from Wudinna District Council. Wudinna is located on central Eyre Peninsula, South Australia. In 2009 the population of the district was at 1,333.

5.1.1 Management Model

This case study is presented as an example of external management under a lease agreement with a not for profit association.

It is a good example of the following assessment criteria:

<table>
<thead>
<tr>
<th>Criteria</th>
<th>✔</th>
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<tbody>
<tr>
<td>Asset management</td>
<td>✔</td>
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<tr>
<td>Presentation of the facility</td>
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<tr>
<td>Finance</td>
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<tr>
<td>Financial contribution</td>
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<td>Control</td>
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<tr>
<td>Cost of changing management model</td>
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<tr>
<td>Responding to market demands</td>
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<tr>
<td>Longevity of management</td>
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<tr>
<td>Performance indicators</td>
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<tr>
<td>Core purpose</td>
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<tr>
<td>Management capability</td>
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<tr>
<td>Risk management</td>
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</table>

5.1.2 Facilities

Wudinna Swimming Pool comprises three pools including:

- Main pool - 25m x 8 lane (19.5m), one third of the pool has a graded depth of 1m – 1.2m, the middle third is 3.5m deep and the final third is 1.5m deep.
- Splash pool - approximately 3m x 4m and 0.3 deep
- Kidney shaped teaching pool approximately 15m x 6-8m and 0.9m deep.

Additional amenities include showers, toilets, untreated tank water, canteen, grassed and sheltered areas.

The pool opens between November – March, and from 4pm until 6pm on weekdays and 2pm - 6pm on Saturdays and Sundays. During the school holidays the pool opens from 3pm - 6pm during the week.

Casual entry is $5.50 for an adult and $3.50 for a child.

5.1.3 Governance and Management

Wudinna Swimming Pool is located on Crown Land, under the car and control of Wudinna District Council. It is leased to Wudinna District Swimming Pool Incorporated (the Association) for a five year term, with a peppercorn rental ($1 Payable upon demand).

Council has no role in the development, operation or maintenance of the pool. It does provide an annual grant of $4,000 to the Association.

Under the lease the Association is responsible for capital development, operation and maintenance of the pool. The Association also owns all improvements on the land i.e the pool and all buildings and facilities. This arrangement results in all risk and liability issues being the responsibility of the Association. Conversely Council has no risk or liability associated with the pool.

The issue of risk to Council must be qualified. The Local Government Association Mutual Liability Scheme (LGAMLS) is still concerned about potential risk given that the facility is ultimately on Council controlled land. Consequently, any failure in the Association’s insurance would see a reversion to Council liability by default. LGAMLS conducts risk audits from time to time, and advises outcome to the committee, usually a copy of the report.

Membership of the Association is by subscription and open to all residents. Membership also entitles individuals and families to use the pool. An Annual General Meeting elects office bearers and presents the annual report and financial statements.
5.1.4 Finance

The District Council of Wudinna provide an annual grant of $4,000 to the Association. All operating costs and local contribution to capital improvements are funded by the Association.

Currently, the Association has in excess of $100,000 in cash to support the cash flow of the pool and for capital improvements.

All expenses are paid from income from users, profit from the kiosk, fundraising and the grant from Council. An indicative operating budget for the pool is summarised in Table 5.1.

5.1.3 Staffing

Approximately 60 residents are actively involved in operating and maintaining the pool. It includes volunteers on the Association committee, and people who volunteer in the kiosk, maintaining the grounds and maintaining the water quality.

All lifeguards are trained locally by a qualified Royal Life Saving Society examiner. Lifeguards tend to be school students who have obtained their Bronze Medallion or Bronze Cross. They are paid an honorarium or out of pocket expenses of $7 per hour.

All other personnel operating and maintaining the kiosk, pool grounds and plant are volunteers. Pool plant operators have current pool operators certification.

<table>
<thead>
<tr>
<th>Table 5.1: Indicative Operating Budget</th>
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<tbody>
<tr>
<td><strong>Revenue</strong></td>
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<tr>
<td>Memberships</td>
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<td>Casual Entry</td>
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<td>Kiosk profit</td>
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<td>Fundraising</td>
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<td>Donations</td>
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<td><strong>Total</strong></td>
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<td><strong>Expenses</strong></td>
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<td>Chemicals</td>
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<td>Insurance</td>
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<td>Lifeguards</td>
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<tr>
<td>General expenses</td>
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<tr>
<td><strong>Total</strong></td>
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<tr>
<td><strong>Profit</strong></td>
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5.1.6 Other Information

Members of the Association, that is those that have paid a membership fee are able to use the pool outside of the normal operating hours subject to at least one other person being on site who is qualified in resuscitation techniques.

Council has an Environmental and Community Health Manager (Health Inspector) based in Wudinna and shared with other Councils. He has inspectorial responsibility for water and infrastructure quality, so in turn Council does assume some responsibility there in terms of regulation and risks associated. This covers all public pools and spas in his area, including motels, caravan parks, but not Education Department facilities.
5.1.7 Assessment of Sustainability

An assessment of how the Wudinna Swimming Pool compares with the four elements of sustainability is provided:

1. Social sustainability

Wudinna is a small, isolated rural community, with limited resources. Ensuring the community has access to a wide range of recreation and sport opportunities requires the combined effort of local residents. The swimming pool is one of a number of facilities in the township and district of Wudinna which are operated by volunteers. Without the input of these volunteers, it is possible the facilities may not exist or at best will not be of the same high standard.

A key feature of this case study is that the initiative to establish and operate the swimming pool emanated from the community, rather than being a Council driven strategy. The Association is an incorporated body which represents the interests of the community. It is committed to ensuring Wudinna residents have access to a quality swimming pool.

The importance that the Wudinna community places on having a community swimming pool is indicated by the significant number of residents who are members, but do not use the pool.

2. Environmental sustainability

Wudinna Swimming Pool has no features which make it especially environmentally sustainable. It is not mechanically heated, and is operated to meet health standards.

3. Cultural sustainability

Wudinna has a culture of volunteerism. It is the community norm for residents to volunteer for one of many community based organisations. In addition to providing valuable volunteer services, these organisations are important social networks. In other words they are a way of meeting people and becoming an integral part of the local community. Community based associations are a basic building block of the social fabric of Wudinna.

3. Financial sustainability

Wudinna Swimming Pool operates with a fixed grant from Council of $4,000 per annum. The Association operates the pool at a profit most years and has built a reserve of $100,000 to enable upgrades to buildings and plant.

A major reason for the financial performance is the large number of volunteers who donate their time and effort into ensuring the pool continues to function.
5.2 WEST LAKES SPORTS & COMMUNITY CLUB

The West Lakes Sports and Community Club is situated on land owned by the City of Charles Sturt at Edwin Street, West Lakes Shore, South Australia. The club has operated since 1986 and currently comprises 5 sub tenants; lawn bowls, tennis, croquet, senior citizens, and bridge. Combined, the Club has over 800 registered members.

In July 2011 Club West Lakes was created as the trading business for the Lakes Sports and Community Club.

5.2.1 Management Model

This case study is presented as an example of external management under a management agreement with a community based group.

It is a good example of the following assessment criteria:

<table>
<thead>
<tr>
<th>Criteria</th>
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<tbody>
<tr>
<td>Asset management</td>
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<td>Presentation of the facility</td>
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<td>Finance</td>
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<td>Financial contribution</td>
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<td>Control</td>
<td></td>
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<tr>
<td>Cost of changing management model</td>
<td>✓</td>
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<tr>
<td>Responding to market demands</td>
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<tr>
<td>Longevity of management</td>
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<td>Performance indicators</td>
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<td>Core purpose</td>
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<td>Management capability</td>
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<td>Risk management</td>
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5.2.2 Facilities

West Lakes Sports and Community Club comprise two function rooms, kitchen, licensed bar and sport facilities including:

- 12 hard court tennis courts.
- 3 lawn bowls bowling greens.
- 2 croquet greens.

Additional amenities include change rooms, showers, toilets and outdoor viewing/bar area.

Approximately 18 months ago, the facilities underwent significant redevelopment costing just under $1.4m. Specifically, the bar and dining/function area was increased in size and reconfigured along with resurfacing of the tennis courts. The upgrade works were funded by the clubs through their own funds and successful grant funding.

General office hours are 4pm-10pm Monday to Friday; the bar is licenced for daily service.

5.2.3 Governance and Management

West Lakes Sports and Community Club land and facilities are owned by the local Council; the City of Charles Sturt. Council have one license agreement with the “West Lakes Sports and Community Club” offered for up to 5 years at any one time.

The West Lakes Sports and Community Club Board of Management comprise the 5 clubs which make up the Community Club. These clubs are sub-tenants of this broader club. The sub-tenants include:

- West Lakes Bowling Club;
- West Lakes Tennis Club;
- West Lakes Croquet Club;
- West Lakes Senior Citizens; and,
- West Lakes Bridge Club.

The main building is a shared space between all the above clubs with each club having equal representation on the Club’s board of management.
**5.2.4 Finance**

Charles Sturt charges clubs for three items:

1. Land rent (only if the facility in question is locked for exclusive use for the club/license holder in question)
2. Building rent (charged at 2.5% of Council’s equity in the building/facility. The exception to this is if the Club has invested into the facility themselves)
3. Ground maintenance (only if the club does not do this themselves)

General maintenance responsibilities are defined in the license agreement. In a broad sense, each club does their own maintenance however Council is responsible for larger scope capital maintenance.

**5.2.5 Staffing**

No Council staff is directly based at the facility. The respective clubs have a mixture of staff and volunteers.

**5.2.6 Other Information**

The Club generates income through bar and kitchen revenue, functions and membership fees. The Club charge sub-tenants membership fees and facility rental fees to pay for utilities and general operational expenses.

**5.2.7 Assessment of Sustainability**

An assessment of how the West Lakes Sports and Community Club compares with the four elements of sustainability is provided:

1. **Social sustainability**
   The Sports and Community Club is the major multipurpose sporting facility in West Lakes. The club has been structured to represent all five tenants of the complex. It has shared social facilities which benefit all clubs and are available to the wider community.

2. **Environmental sustainability**
   West Lakes Sports and Community Club has no features which make it especially environmentally sustainable.

3. **Cultural sustainability**
   West Lakes Sports and Community Club operates with a mix of volunteers and paid staff. Without volunteers, it is likely that the facility would not be financially or culturally sustainable.

4. **Financial sustainability**
   A financially sustainable arrangement has been negotiated between the Club and Council. The Clubs are responsible for operating the facilities and routine or day to day maintenance. Council is responsible for major structural maintenance. Jointly the club and Council has funded a major upgrade of facilities with a mix of grant funding and a local contribution.

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**5.3 NARACOORTE SPORTS COMPLEX**

Naracoorte Sports Complex is a multi-sport complex located on Crown Land, under the care and control of Naracoorte Lucindale Council. It is leased to the sport complex’s incorporated body. The complex is located in the centre of Naracoorte Lucindale Council which is located in the centre of the Limestone Coast region of South Australia. The Council is approximately 300 kilometres from Adelaide and 450 kilometres from Melbourne.

**5.3.1 Management Model**

This case study is presented as an example of external management under a management agreement with a community based group.

It is a good example of the following assessment criteria:

<table>
<thead>
<tr>
<th>Criteria</th>
<th>Score</th>
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<tbody>
<tr>
<td>Asset management</td>
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<tr>
<td>Presentation of the facility</td>
<td></td>
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<tr>
<td>Finance</td>
<td>✓</td>
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</tr>
<tr>
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<td>✓</td>
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<tr>
<td>Management capability</td>
<td></td>
</tr>
<tr>
<td>Risk management</td>
<td></td>
</tr>
</tbody>
</table>
5.3.2 Facilities

Naracoorte Sports Complex comprises nine sporting clubs and their associated facilities. All facilities are owned by the respective clubs.

Football Club:
- Football oval with double storey scoreboard structure, time keepers box, perimeter fencing, bench seating and lighting towers
- Club bar – corrugated galvanised iron shed
- Playground
- Separate toilet block
- Headquarters building comprising meeting areas, kitchen, storerooms and toilets and showers.

Netball and Tennis Club:
- Plexi-paved sealed playing courts configurable for both netball and tennis
- Lighting towers

Soccer Club:
- Soccer field
- Player shelters
- Lighting towers
- Clubroom

Hockey Club:
- Grass hockey field
- Clubroom
- Playground

Angling Club:
- Clubhouse and storage area

Basketball and Squash Club:
- 2 indoor basketball courts
- 4 squash courts with glass backing

Shared between football club, netball and tennis club:
- Clubhouse built in the early 1980's and comprises clubroom/bar area, toilets, canteen/kitchen, change rooms and veranda.

5.3.3 Governance and Management

Naracoorte Sports Complex is a multi-sport complex located on Crown Land, under the care and control of Naracoorte Lucindale Council. It is leased to the sport complex’s incorporated body and comprises nine separate organisations:

- Naracoorte Football Club
- Kowree Naracoorte Football League
- Naracoorte Netball Club
- Naracoorte Tennis Club
- Naracoorte Soccer Club
- Naracoorte Hockey Club
- Naracoorte Angling Club
- Naracoorte Basketball Club
- Naracoorte Squash Club
5.3.4 Finance

As building and fixed facilities are owned by the clubs, all capital improvements and maintenance is the responsibility of the clubs. Council is responsible for roads and car parks, drainage and common landscaping (as shown in the example below).

5.3.5 Staffing

The complex appoints a president to reside over the incorporated body which represents all clubs. The clubs are volunteer based.

5.3.6 Assessment of Sustainability

An assessment of how the Naracoorte Sports Complex compares with the four elements of sustainability is provided:

1. Social sustainability

Naracoorte Sports Complex is the main sports complex in Naracoorte. It comprises the major sports codes in the town, and is hence a centre of community activity.

2. Environmental sustainability

Naracoorte Sports Complex has no features which make it especially environmentally sustainable.

3. Cultural sustainability

Ike many smaller rural communities, there is a general understanding that “the community” must be self-reliant. In other words if the community wants facilities and activities to occur they must provide them from within the communities resources. Essentially, Council assists with maintenance of common areas, and the user groups are responsible for the areas they occupy and use.

4. Financial sustainability

From a Council perspective this is a financially sustainable facility. Council have minimal responsibility for the complex. The users, through volunteers and community fund raising are responsible for the development and upkeep of the facilities.
5.4 GOLDEN GROVE RECREATION CENTRE

Golden Grove Recreation and Arts Centre is located on Council land on separate freehold title and is owned and operated by the City of Tea Tree Gully. The facility is located approximately 20km north east of the Adelaide CBD.

5.4.1 Management Model

This case study is presented as an example of direct in house management of a multipurpose facility, with cost sharing under a joint use agreement with three public and private schools. It is a good example of the following assessment criteria:

<table>
<thead>
<tr>
<th>Criteria</th>
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<tr>
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<td>Presentation of the facility</td>
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<tr>
<td>Finance</td>
<td>✔</td>
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<tr>
<td>Financial contribution</td>
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<td>Control</td>
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<tr>
<td>Cost of changing management model</td>
<td>✔</td>
</tr>
<tr>
<td>Responding to market demands</td>
<td>✔</td>
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<tr>
<td>Longevity of management</td>
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<tr>
<td>Performance indicators</td>
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<tr>
<td>Core purpose</td>
<td>✔</td>
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<tr>
<td>Management capability</td>
<td>✔</td>
</tr>
<tr>
<td>Risk management</td>
<td>✔</td>
</tr>
</tbody>
</table>

5.4.2 Facilities

Golden Grove Recreation Centre features:
- 3 x multi-purpose indoor courts (netball, basketball, volleyball, badminton, futsal)
- Crèche – indoor and outdoor areas
- Kiosk and lounge area
- Meeting room
- Amenities including toilets, showers and change areas

The adjoining theatre/arts centre is only used by the schools and includes:
- Indoor theatre – stage, lighting
- Foyer and kiosk/bar area
- Catering kitchen and dining room

5.4.3 Governance and Management

The Centre currently operates under a joint use agreement with three secondary schools adjoining the facility. Council acts as a manager for the day to day promotion and administration of the facilities within the complex.

According to Council, the Centre functions as a business unit/cost Centre and its operating costs are fully covered by income generated from the Centre’s users. Approximately 4,000 users attend the Centre each week.

5.4.4 Finance

The schools are charged a percentage of agreed costs based on what is used.

The arrangement is primarily with DECS. Facility maintenance is all done through Council’s building and property works area. Consequently, it is difficult to quantify the annual expenditure.
5.4.5 Staffing

The facility is operated only by council staff with a mixture of fulltime and contract staff. As a general overview, there is a Facility Manager, Line Manager Customer Service, customer service staff, and program staff such as sport umpires.

5.4.6 Other Information

The courts cannot be programmed for any community use during the school hours, Monday-Friday, due to joint use agreement with schools.

5.4.7 Assessment of Sustainability

An assessment of how the Golden Grove Recreation and Arts Centre compares with the four elements of sustainability is provided:

1. Social sustainability
Golden Grove Recreation and Arts Centre is an excellent example of maximizing use of community resources, through a joint use agreement. During school hours the facilities are extensively used by the three schools and are available for community use in the evenings and during school holidays.

2. Environmental sustainability
No environmentally sustainable features were identified.

3. Cultural sustainability
The shared use and funding model ensures that all users groups are required to cooperate and share resources. Consequently, collaborative decision making processes are used to ensure that the whole community has equitable access to facilities.

4. Financial sustainability
Operational and capital funding responsibility is shared between all parties to the joint use agreement. In addition, fees generated from community use of the sporting facilities reduce the financial contribution of Council and the three schools.

5.5 IPSWICH SPORTS HOUSE

Ipswich Sports House operates as a business unit within the Ipswich City Council, occupying office space within Council owned and operated buildings. Ipswich Sports House was developed by Ipswich City Council to assist sport and recreation organisations deliver services to the community.

Ipswich is located approximately 40km south east of Brisbane and comprises an area of 1,090km2 and has a population of approximately 180,000 people.

5.5.1 Management Model

This case study is presented as an example of a service jointly funded by local and state government to support community based sporting clubs and associations.

5.5.2 Facilities

As a business unit within the Ipswich City Council, Ipswich Sports House occupies Council office space in their Civic precinct. However, as Ipswich Sports House is designed to be a ‘one-stop-shop’ for everything sport and recreation for the Ipswich community, they sub-lease office space to the following groups:

- Australian Sports Commission;
- Little Athletics; and,
- Australian Football League.

Additionally, Ipswich Sports House services 120 organisations as clients across 34 different sports plus various community groups.

5.5.3 Governance and Management

While in its current form, Ipswich Sports House is a business unit within Council, the goal is for it to become self-sustainable as its own entity financially and operationally by November 2014. Until then, the Ipswich Sports House has been funded equally by the State Government and Council.

5.5.4 Finance

Income streams for Ipswich Sports House, other than funding, are derived from the following:

- Local event services;
- Leasing of office space;
- External contract work – tender work;
- Education programs; and,
- Corporate support – sponsorship.
5.5.5 Staffing

Ipswich City Council operates with a Sport and Recreation staff team separate to Ipswich Sports House. Ipswich Sports House has an Executive Officer and approximately 10 Sport and Recreation Officers who work directly in the sport and recreation community. These officers work at the association and club levels with the aim of building capacity to ensure the long term viability and sustainability of sport and recreation delivery across Ipswich.

Additionally, Ipswich Sports House has an advisory board made up of local professionals representing sport and recreation, finance, law, local government, state government and education fields.

5.5.6 Other Information

Services being provided are club development, education and training, business services and professional services.

The stated benefits to the Ipswich sport and recreation community are identified as follows:

- Direct access to Sport and Recreation Officers experienced in developing Sport and Recreation Organisations in the areas of planning, management programming, governance, volunteer management and marketing;
- Production and implementation of Operational and Strategic Plans to grow business participation;
- Increased managerial and business skills through training programs;
- Increased efficiency in running the organisation (saving your volunteers time);
- Access to meeting and office space;
- Assistance meeting State Sporting Organisations expectations and maximising their support; and,
- Access to education and training programs.

5.5.7 Assessment of Sustainability

An assessment of how the Ipswich Sports House compares with the four elements of sustainability is provided:

1. Social sustainability

The intention of the service is to build the capacity of community recreation and sporting clubs and associations. In the long term this will increase the efficiency and effectiveness of community organisations.

2. Environmental sustainability

No environmentally sustainable initiatives were identified.

3. Cultural sustainability

In addition to supporting community volunteers, and increasing the capacity of these volunteers, the service also taps into local skills and knowledge through its advisory Board.

4. Financial sustainability

Currently, the service is funded jointly by local and state government. It has been established with a brief to become financially self sufficient. In the long term, it is expected that minimal or no external funding will be required for either state or local government sources.
5.6 THE REX, BAROSSA AQUATIC FITNESS CENTRE

The Rex, Barossa Aquatic Fitness Centre is a local community facility located in the Barossa Valley area of Tanunda, South Australia. The facility is owned the Barossa Council and operated under a management agreement by Belgravia Leisure.

5.6.1 Management Model

This case study is presented as an example of external management under a management agreement with a commercial organisation. It is a good example of the following assessment criteria:

<table>
<thead>
<tr>
<th>Criteria</th>
<th>Score</th>
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<tbody>
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<td>Asset management</td>
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<td>Finance</td>
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<tr>
<td>Financial contribution</td>
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<tr>
<td>Responding to market demands</td>
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<tr>
<td>Longevity of management</td>
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<tr>
<td>Performance indicators</td>
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<tr>
<td>Core purpose</td>
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<tr>
<td>Management capability</td>
<td>✓</td>
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<tr>
<td>Risk management</td>
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</tbody>
</table>

5.6.2 Facilities

The Rex, Barossa Aquatic Fitness Centre comprises:
- 3 x multi-purpose indoor sports courts
- 6 x international competition standard indoor squash courts with movable internal walls
- Gym/health club comprising weights, cardio and RPM areas
- 25 metre indoor, 8 lane heated pool
- Separate leisure pool with beach entrance, water features, incorporated spa
- Crèche with outdoor breakout area
- Meeting room
- Café/kiosk
- Treatment room (for physiotherapy etc)
- Amenities including toilets, change rooms and showers

In November 2011 a three stage facility upgrade was completed to the Rex, Barossa Aquatic Fitness Centre:
- Stage 1 & 2 – 8 lane 25m indoor, heated swimming pool for leisure and training; separate pool for group rehabilitation and learn to swim classes; international standard multi-purpose court and refurbished second court; fully equipped gym; separate rpm/static bike room; new changing rooms and toilets; cafe area; administration area; treatment rooms and sports equipment shop.
- Stage 3 – was facilitated by external Federal Government funding of $2m and includes 6 glass-backed squash courts converting to multi-function movement space; Court 3, dual function crèche and youth space; refurbished changing rooms and toilet.

Redevelopment of the Centre included a number of environmentally sustainable initiatives:
- Refurbishment of the existing buildings rather than demolishing and rebuilding
- Lighting systems included low output lights, zoned to allow unoccupied areas to be turned off
- Skylights in main stadium to reduce lighting during daylight hours
- Insulation in walls and ceilings
- Storm water recapture for toilets and irrigation
5.6.3 Governance and Management

The Rex, Barossa Aquatic Fitness Centre is operated under a management agreement by Belgravia Leisure. There are agreed thresholds within this agreement with regards to operational and maintenance expenses. Essentially, Council pay for general operational and maintenance expenses up to the agreed threshold.

5.6.4 Finance

Belgravia Leisure operates with a fee for service (management fee). Council bears any operating loss.
Council approve member and entrance fees on consultation/recommendation from Belgravia Leisure. Further, Council offer a 10% discount for local rate payers on an annual basis; this can be redeemed for membership, program fees etc.

5.6.5 Staffing

Belgravia Leisure are responsible for staffing the Centre.

5.6.6 Assessment of Sustainability

An assessment of how the Rex, Barossa Aquatic Fitness Centre compares with the four elements of sustainability is provided:

1. Social sustainability
Redevelopment of the facility has converted an old and poorly functioning recreation centre into a modern, multipurpose leisure complex. It is used by a wide range of demographic groups within the Barossa community.

2. Environmental sustainability
Redevelopment of the Centre enabled to installation of environmentally sustainable features, including the lighting system, skylights and recycling storm water.

3. Cultural sustainability
Local sporting groups and schools are able to use the facility on a hire basis. Most of these groups are managed by volunteers, and serve the local community.

4. Financial sustainability
The arrangement with the commercial operator does not offer a financially sustainable outcome for Council. Council is responsible for funding any operating losses, which are not capped. Capital funding of the facility was possible due to a cocktail of funding sources including grants from State and Federal governments and funds from Council sources.

5.7 NURIOOTPA CENTENNIAL PARK – BAROSSA VALLEY TOURIST PARK

The Nuriootpa Centennial Park comprises the Barossa Valley Tourist Park and Nuriootpa Sports and Function Centre on Council owned land and facilities. The Park is situated 70 km north of Adelaide, South Australia.

5.7.1 Management Model

This case study is presented as an example of direct management by a Subsidiary of Council appointed under Section 42 of the Local Government Act.

It is a good example of the following assessment criteria:

<table>
<thead>
<tr>
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<td>Cost of changing management model</td>
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<td>Responding to market demands</td>
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<tr>
<td>Longevity of management</td>
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<td>Performance indicators</td>
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<td>Core purpose</td>
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<td>Management capability</td>
<td>✔</td>
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<tr>
<td>Risk management</td>
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</table>
5.7.2 Facilities

Centennial Park is a multi functional recreation, sport and tourism complex. Recreation and sporting facilities include:

- Two football/cricket ovals (one with turf wicket)
- Soccer pitch
- Eight synthetic tennis courts
- Playgrounds

The Nuriootpa Sports and Function incorporates the Nuriootpa Football Clubrooms, which was built in 1999, which include:

- Multi-purpose and multi-configuration function/meeting hall/room
- Bar and kitchen facilities
- Separate meeting areas

Barossa Valley Tourist Park features:

- 45 cabins; 37 with an ensuite.
- Approximately 150 powered tent sites; approximately 20 non-powered.
- Kiosk
- 3 separate amenity blocks, special needs friendly, two of which have showers, toilets, and laundry facilities.
- Camp kitchen with 2 covered BBQs, microwave, fridge and seating
- User pay washing machines and dryers, and clothes lines
- Two children’s playgrounds
- Man-made lake
- Sullage and porta dump
- Car wash area

5.7.3 Governance and Management

The Nuriootpa Centennial Park Authority operates as a ‘Section 42’ Committee, that is as a subcommittee of Council. The Committee appoints a CEO and employees and operate largely independently from Council, although under the auspice of Council.

The Authority includes representatives of Council and recreation and sporting groups based at the Park, including tennis, football, cricket, bush gardens, sports centre and soccer.

5.7.4 Finance

The Park Committee prepares its own financials and budgets which be submitted to Council. All Park financials are audited by Council auditors.

Maintenance and operational expenses are the responsibility of the Nuriootpa Centennial Park.

The Authority operated at a surplus of $120,000 in 2012/13, with income of $1,348,734, which represented an increase of $137,000 over the previous year.

5.7.5 Staffing

All staff are employed by the Section 42 Committee, including a CEO and staff working in the Barossa Valley Tourist Park and Nuriootpa Sports and Function Centre.

5.7.6 Assessment of Sustainability

An assessment of how the Nuriootpa Centennial Park compares with the four elements of sustainability is provided:

1. Social sustainability

Centennial Park is the main recreation and sporting venue in Nuriootpa. It is managed by the Nuriootpa Centennial Park Authority on behalf of The Barossa Council. Its composition is reflective of the local community. Hence, it is effectively operated by the local community, to meet the needs of the local community.

2. Environmental sustainability

No environmentally sustainable initiatives have been identified.

3. Cultural sustainability

Centennial Park is a major local sporting facility and also acts as a tourist facility. Hence it caters for a wide range of users. It has a local, regional and national catchment, and helps to promote Nuriootpa and the broader Barossa Valley to a wide target market.

4. Financial sustainability

The Authority operates at a surplus, and hence is financially sustainable. The has an unusual mix of community and commercial components. The community facilities are predominantly managed by volunteer based community groups, whereas the commercial elements are managed and operated by paid staff.
5.8 MELBOURNE SPORTS AND AQUATIC CENTRE

Melbourne Sports and Aquatic Centre (MSAC) is the largest indoor sporting and leisure facility in the Southern Hemisphere. The facility is located less than 5km south of the Melbourne CBD in Albert Park.

Since opening in 1997, the Melbourne Sports and Aquatic Centre have hosted major events including:
- 2007 FINA World Swimming Championships
- 2006 Commonwealth Games
- 2002 World Masters Games
- 2001 World Squash Championships

5.8.1 Management Model

This case study is presented as an example of direct management by a Trust responsible to a State Government Minister. In principle it has many of the same features of direct management through a Section 42 or 43 Subsidiary of Council.

MSAC is one of a group of facilities referred to as the Melbourne Sports Hub that is managed by the State Sport Centres Trust on behalf of the Victorian Government. State Sports Centres Trust is a statutory authority which governs MSAC. The Trust acts as the committee of management for Crown lands.

It is a good example of the following assessment criteria:

<table>
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<tr>
<th>Criteria</th>
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<td>Control</td>
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<tr>
<td>Management capability</td>
<td>✔</td>
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<tr>
<td>Risk management</td>
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</table>

5.8.2 Facilities

Melbourne Sports and Aquatic Centre has core facilities centred on aquatics and sports:

Seven pools (including six indoor):
- 50m indoor Competition Pool – heated, 10 lanes, three moveable booms and 15m moveable floor (allow conversion to water polo and under water hockey pools, or 25m short course for events), grandstand seating (capacity of 1,800), video score board, PA system, TV lighting, Electronic timing systems, poolside meeting rooms, underwater viewing windows.
- 25m Lap Pool – heated, five lanes, disability access.
- Multi-Purpose Pool – heated, moveable floor depth, disabled access
- Hydrotherapy Pool – heated
- Wave Pool – heated, includes toddler play area (beach entry, waves running approximately every 30 minutes
- Water slide – heated, 50m slide, fully enclosed
- Outdoor 50m Competition Pool – Heated, 10 lanes, moveable floor depth (world first in a 50m pool), grandstand seating for 3,000, sunbathing area with poolside lounges, moveable boom (allowing pool to be split up into different configurations), video score board, PA system, TV lighting, electronic timing systems, poolside meeting rooms, poolside café, VIP function room.
- FlowRider – located adjacent the outdoor 50m competition pool. FlowRider is a surfable wave that combines many elements of various board sports (e.g. surfing, skateboarding, snowboarding, wakeboarding)

14 Diving Boards - range of springboards and platforms
Spa, Sauna & Steam Room
10 indoor basketball courts
10 squash courts
18 table tennis tables
19 badminton courts
Two Pilates / Yoga studios
Fitness Centre
Crèche
5.8.3 Governance and Management

Melbourne Sports and Aquatic Centre is one of a group of facilities referred to as the Melbourne Sports Hub that is managed by the State Sport Centres Trust on behalf of the Victorian Government. State Sports Centres Trust is a statutory authority established in accordance with the Melbourne Sports and Aquatic Centre Act 1994. The Melbourne Sports and Aquatic Centre (MSAC) opened for business on 27 July 1997.

- The Trust governs the Melbourne Sports Hub’s four venues on behalf of the Victorian Government:
  - Melbourne Sports & Aquatic Centre (MSAC);
  - State Netball Hockey Centre (SNHC);
  - Lakeside Stadium; and,
  - MSAC Institute of Training.

Combined, these facilities equate to a worth in excess of $350M.

The Melbourne Sports and Aquatic Centre is a public facility on Crown Land. The State Sports Centres Trust acts as a committee of management of Crown lands (of which MSAC is included). The Trust reports to the relevant State Minister under the Act.

Initially, the Melbourne Sports and Aquatic Centre Act 1994 had a scope only for MSAC but has since been amended a number of times to include key changes:

22 December 1999 Act amendment:
- To rename the Melbourne Sports and Aquatic Centre Trust as the State Sport Centres Trust; and,
- Extend powers of the Trust to enable it to manage the State Netball Hockey Centre (SNHC) and other sports, recreation and entertainment facilities and services.

10 October 2004 Act amendment:
- To include additional land in the land at the Melbourne Sports and Aquatic Centre and to provide additional management powers in relation to the Melbourne Sports and Aquatic Centre land.

Within the Trust, MSAC is managed as an independent strategic business unit, producing a business plan and having an separate financial operation and accounts. Specifically, one of the key functions of the Trust is the management, operation and maintenance of the MSAC and SNHC. Further, it is the Government and Trust’s policy that the Centre will not receive any cross subsidies for operation with another facility in the group.

5.8.4 Finance

MSAC recorded 2.2M annual attendances in the year ending June 2013 and an income level of $14.4M.

As a whole, the State Sport Centres Trust recorded an operating surplus before depreciation of $804K (2012/13) which included operational funding from Government of $2.253M (for MSAC, SNHC and Lakeside Stadium combined). Additionally, there was a depreciation charge of $7.519 million for the year. Consequently, the State Sport Centres Trust recorded a deficit of $6.715 million for 2012/13.

5.8.5 Staffing

Each venue has independent reporting obligations and separate business plans. State Sport Centres Trust operates under the State Sport Centres (Amendment) Act 2004. The operations of the State Sport Centres Trust are overseen by Minister for Sport and Recreation. State Sport Centres Trust is governed by a Board of Trustees.

- The organisational structure is shown below. A Facilities Management Business Unit works across all facilities within the Trust with responsibility for:
  - Proactive & reactive maintenance
  - Minor works
  - Project Management/Capital works
  - Capital planning
  - Asset management
  - IT support
  - Environmental management
  - Occupational Health & Safety
  - Risk Management
5.8.6 Other Information

State Sport Centres Trust has undertaken significant measures relating to the environment and sustainability. In June 2013, the Energy Performance Contract (EPC) plant installation was completed and valued at $4.12 million. This was facilitated by funds secured from the Department of Treasury and Finance. An estimated annual saving of $550k across the Trust venues is anticipated by implementing a number of initiatives:

- Lighting upgrades including new LED technology and redesign of lighting system controls;
- Heating, ventilation and air conditioning improvements;
- Building management system (BMS) upgrades including Web based unified BMS to overcome BMS communication issues;
- Water management through recycling of pool backwash water;
- Trigeneration plant providing significant reduction in greenhouse gases (the simultaneous generation of electricity and useful heating and cooling from the combustion of a fuel or a solar heat collector); and,
- Solar photovoltaic cells.

Staff profile by position in 2013

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</table>

Source: State Sport Centres Trust, 2012/13 Annual Report
5.8.7 Assessment of Sustainability

An assessment of how MSAC compares with the four elements of sustainability is provided:

1. Social sustainability

MSAC is effectively a local community recreation centre, and also caters for national and international competitions. It has undergone upgrades to increase its capacity to cater for increased demand and hence use by local residents and workers. As a result both attendances and revenues have continued to increase. The range of programs and activities delivered from the Centre has increased substantially since its development.

2. Environmental sustainability

Recent redevelopment of facilities has included significant environmentally sustainable features. Emphasis has been given to reducing energy and water consumption. The recent developments are projected to have a payback period of approximately eight years.

3. Cultural sustainability

MSAC is a major focus for physical activity and sporting events in Melbourne. It replaced old and dilapidated buildings, which had been used by a small number of sports since the 1950’s. As one of a suite of major sporting facilities in Melbourne, it reinforces Melbourne’s self-proclaimed status as the sporting capital of Australia and one of the major sporting cities in the world.

4. Financial sustainability

The Trust receives State Government funding and is expected to operate the suite of facilities within this budget. Over the last four years the Trust has operated the facilities for a combined profit, excluding depreciation, of $6.76M. This profit includes the annual budget allocation provided by the State Government.

5.9 PLYMPTON SPORTING AND RECREATION CLUB

The Plympton Sporting and Recreation Club is situated on land and facilities owned by the City of Marion. The club in its current form was established in 1979 when the Plympton Football Club and Plympton Footballers Cricket Club joined together to form a year round complex.

In addition to adult sport, the club has a strong junior sports program with over 250 junior participants for football, soccer, and cricket.

5.9.1 Management Model

This case study is presented as an example of indirect management through a management agreement to a multi sports body.

It is a good example of the following assessment criteria:

<table>
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<tr>
<th>Criteria</th>
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<td>Financial contribution</td>
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<tr>
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<tr>
<td>Cost of changing management model</td>
<td></td>
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<tr>
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<tr>
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<tr>
<td>Performance indicators</td>
<td></td>
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<tr>
<td>Core purpose</td>
<td>✓</td>
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<tr>
<td>Management capability</td>
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<tr>
<td>Risk management</td>
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</tbody>
</table>
5.9.2 Facilities

The Plympton Sporting and Recreation Club comprise a main club room facility including:

- Hall/dining
- Kitchen
- Bar
- Gym/weights room
- Amenities including change rooms, toilets and showers

The grounds feature a main oval suitable for various configurations - Australian rules, cricket, and soccer.

5.9.3 Governance and Management

The Plympton Sporting and Recreation Club operate under a 5 year license agreement with the City of Marion. Currently, the club pays an annual license fee of $284. The Club is structured as “one entity” with a centralised committee which encompasses all sports; as opposed to separate sporting or activity clubs operating independently.

As the licensee, the Club is responsible for their own day to day management and operations. Additionally, their license agreement makes the club responsible for general minor maintenance and cleaning. Council is responsible for broad and large scale capital maintenance.

The management and governance of this club is unusual and is a good example of socially sustainability. At Plympton there is only one lease and no sub lease organisations. This eliminates any potential for conflict between sub licence groups/clubs/ sports. As a consequence there is less demand on volunteers as there’s only one committee – less people needed; less training required etc..

At facilities where sub groups exists there is often conflicts over cost sharing responsibilities. With one club managing all facilities and services this issue does not exist at Plympton Sports and Recreation Club.

5.9.3 Staffing

The club operates as a committee with a president, secretary and treasurer and is primarily run by volunteers. An exception to this however is a paid part-time club manager. In total the club has approximately 600 - 700 members.

5.9.4 Other Information

Recent upgrades were completed in early 2013 and were made possible thanks to successful grant applications through Council, State Government and Club One to a combined total of approximately $450,000.

The funds have been used to extend the function room, add a gym/weights area, upgrade the change rooms and improve lighting towers. Significantly for the club, the light towers now enable games (not just training) and simultaneous activity between different sports thanks to the larger area being lit.

The lighting upgrade will result in:

- Improvements to turf management – wear and tear and current compaction of certain portions of the ovals surface would be reduced through the more even spread of training sessions (this will also reduce maintenance costs).
- Improved player safety.
- Improved function of the site.
- Lower energy costs and more energy efficient lights.
- Benefits to residents with less lighting spill from the reserve.

The club in the final stages of planning for further upgrades to the bar and kitchen to better cater for the now large function area.

5.9.5 Assessment of Sustainability

An assessment of how Plympton Sporting and Recreation Club compares with the four elements of sustainability is provided:

1. Social sustainability

The Club is a local community based, multi sport organisation. It caters for all age groups and is a volunteer based club.

2. Environmental sustainability

Recent redevelopment of floodlights has delivered some environmentally sustainable initiatives. It is expected that less maintenance on the oval will be required and energy costs will be lower due to greater energy efficient globes.

3. Cultural sustainability

Plympton Sporting and Recreation Club caters for multiple sports – Australian Rules Football, soccer and cricket. Each sport is able to operate with some degree of autonomy with a single club structure.

4. Financial sustainability

Council is responsible for major maintenance of the facility, with the Club being responsible for minor maintenance and cleaning. This enable revenues generated through the clubrooms to be used to operate the three sports.
5.10 WITTON CENTRE, PORT NOARLUNGA

The Witton Centre, Port Noarlunga was redeveloped with funding from Council, Department of Education and Children’s Development (DECD) and the Federal Government. It houses Port Noarlunga Surf Life Saving Club, DECD Aquatics program and a commercial restaurant and beach café.

5.10.1 Management Model

It is a good example of the following assessment criteria:

<table>
<thead>
<tr>
<th>Criteria</th>
<th>Rating</th>
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</thead>
<tbody>
<tr>
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<tr>
<td>Finance</td>
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</tr>
<tr>
<td>Financial contribution</td>
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<td>Control</td>
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<td>Longevity of management</td>
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<td>Management capability</td>
<td>✓</td>
</tr>
<tr>
<td>Risk management</td>
<td>✓</td>
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</tbody>
</table>

5.10.2 Facilities

The facility is a split level structure on the Port Noarlunga beachfront. The facility underwent a complete redevelopment in 2010/11 which incorporated the building itself and outside surrounds such as the car park and foreshore. The total budget was $6.5m and funded by Council, State and Federal Government and Port Noarlunga SLSC. Significantly, the Federal Government funding was for $3m.

Surf Lifesaving Club facilities include:
- Function and dining room;
- Kitchen;
- Bar;
- Two balconies;
- First aid room;
- Training/meeting room;
- Gym;
- Storage area for all surf craft; and,
- Toilets, showers and change rooms (DECD aquatics program pays the surf club a hire fee for DECD staff to access and use these facilities).

Restaurant facilities include:
- Lounge area;
- Large open dining room with balcony;
- Kitchen and bar; and,
- A separate ‘beach kiosk’ downstairs.

The DECD Aquatics facilities include:
- Office space;
- Staff kitchenette;
- Staff room/lounge/store area; and,
- Multipurpose garage which houses program equipment (wetsuits, snorkels etc) and is configured to a student change area.

This two-storey building retained some of the original infrastructure, with significant new works constructed around it. The finished product includes a bar, café, restaurant, kiosk, community facilities (change rooms, toilets, gym), student aquatics facility and landscaped community areas.

Significant challenges faced the team on this project purely related to its scenic location on the foreshore of one of the state’s most beautiful suburban beaches – consequently, protecting the natural environment was of the highest priority, with the site registered with the KESAB Tidy Sites programme. Construction-wise, specific attention had to be paid in regards to the methods and materials used to cope with wind, sea-spray, sand, sun and salt.
5.10.3 Governance and Management

The Witton Centre is owned by the state government as Crown land (Department for Environment and Natural Resources) and dedicated in the care, control and management of Council.

The building is subject to three lease agreements. A commercial restaurant/kiosk areas, the surf lifesaving activities (Port Noarlunga Surf Lifesaving Club) and DECD aquatic program.

The Port Noarlunga Surf Life Saving Club had an existing lease over the building until 31 December 2025. This lease agreement was amended via a deed of variation to change the lease area (to remove the area formally sub-leased by DECD).

The DECD lease area comprises office space and a multi-use area that includes a staff room, portable change rooms and a lecture room. The areas are approximately 14.2 square metres in size for the office area and 133 square metres in size for the multiuse area.

Previously DECD had a long term tenancy arrangement with the Port Noarlunga Surf Lifesaving Club as a sub-lessee. They have occupied the premises together with the surf lifesaving club for a period of 30 years prior to the recent redevelopment. DECS have been an active party during the redevelopment process of the Witton Centre, including the early planning stages and identification of their historical leased area.

DECD advised that they wished to alter their existing arrangements and rather than continue to be a sub-lessee of the surf lifesaving club they wanted to occupy their portion of the premises directly from Council as a lessee. Council leased the area to the Minister for Education for a period of 10 years with two rights of renewal for a period of five years each. The lease is on standard community leasing terms and was subject to receiving the Minister for Environment and Conservation’s consent and receiving no objections from the public consultation process.

5.10.4 Finance

Construction of the Witton Centre was funded by contributions from Council, the Federal Government ($3M) and DECD ($361,000).

The Port Noarlunga SLSC pays the City of Onkaparinga agreed rental and building insurance fees as part of their lease agreement. Additionally, the club charges the DECS aquatics program a hire fee for their staff that uses the change room facilities.

The lessee of the restaurant and kiosk invested approximately $375,000 in fitting out the restaurant/café and kiosk. An annual lease fee of approximately $50,000 was negotiated with a substantial discount for the initial tenancy term to allow the business to establish itself.

The annual rent paid by DECD is $1,080 (exclusive of GST) given DECD financial contribution to the redevelopment of the facilities.

Day-to-day operational maintenance is the responsibility of the lessees with the exception of capital works and the building exterior (e.g. gardens, car park, paths etc). Further, any changes, improvements or alterations must first be approved by Council but are then at the cost of the lessee, if approved.

5.10.5 Staffing

The Port Noarlunga SLSC operates with a structure which includes a board and various office holders for different areas of the club. The club is primarily run by club members on a voluntary basis however there are some key paid positions. These include a Facilities and Function Manager, bookkeeper and bar staff.

DECD Aquatic Education Programme employs over 50 instructors, most of which are from the local area. The program is accessed by over 200 schools state wide, which include over 14,500 students annually that are aged from 5 to 18 years. The restaurant and kiosk are staffed by the lessee.

5.10.6 Assessment of Sustainability

An assessment of how the Witton Centre compares with the four elements of sustainability is provided:

The Witton Centre has three distinct components which provide community based activities. Port Noarlunga SLSC is a volunteer based club, catering for all age groups and both genders. DECD Aquatic Program offers instruction for school children in a variety of aquatic activities. The restaurant and kiosk cater for the general public providing facilities which enhance the beach experience.

2. Environmental sustainability

Given its prominent and exposed position, the facility was designed to ensure it is environmentally sustainable in the long term. Construction methods and materials selected were designed to cope with wind, sea-spray, sand, sun and salt.

3. Cultural sustainability

The Witton Centre has increased the beach amenity for a large number of beach goers. It has reinforced the relatively high importance the community gives to beach related activities. The Witton Centre caters for the needs of a wide range of community activities ranging from formal sport to aquatic instruction to beach safety, to casual beach activities and dining.

4. Financial sustainability

The Witton Centre was developed using a cocktail of funds from three spheres of government, from a community sports club and a commercial operator. Similarly, the leasing and rental arrangements have been structured to allow long term occupancy and financial sustainability for the lessees and Council.