



Notice of Facilities Committee Meeting

A Facilities Committee Meeting` will be held in the Ballina Shire Council Chambers, 40 Cherry Street, Ballina on **Tuesday 7 November 2017 commencing at 4.00 pm.**

Business

1. Apologies
2. Declarations of Interest
3. Deputations
4. Committee Reports

A handwritten signature in black ink, appearing to read 'Paul Hickey', with a long horizontal line underneath.

Paul Hickey
General Manager

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1. Apologies
 2. Declarations of Interest
 3. Deputations
-

1. Apologies

2. Declarations of Interest

3. Deputations

4.1 Community Halls - Management and Maintenance

4. Committee Reports

4.1 Community Halls - Management and Maintenance

Delivery Program Community Facilities and Services

Objective To examine options for the future maintenance and management of the community halls.

Background

Council has previously considered reports concerning two of its public hall properties, being the West End Hall in Ballina and the Pimlico Hall in Pimlico. These earlier reports discussed both the condition of these properties, as well as their management.

In regard to condition, this refers to structural issues as well as the buildings' suitability for their current usage, in the context of contemporary standards concerning disability access, fire safety, food preparation areas and the like.

In relation to management, both West End Hall and Pimlico Hall had been held under long term lease by community service organisations. In both cases, the lease terms had expired, and Council had been asked to consider future management options having regard for the particular circumstances of each facility.

The following report provides a more detailed assessment of these two properties, but it does so in the context of a broader report concerning Council's full inventory of community halls.

The aim here is to provide Council with information concerning the status of all its halls, so that the options for these important community assets, and their management, can be better understood.

Council owns seven community halls being:

- Newrybar Hall
- Northlakes Community Centre
- Wardell and District War Memorial Hall
- West End Hall
- Pimlico Hall
- Wollongbar Hall
- Wigmore (Senior Citizens) Hall.

These halls are managed as community assets by hall occupants and the management is overseen by Council's Community Facilities Section.

There are a further five community halls that are not owned by Council, and for which we have no management responsibility. These are:

4.1 Community Halls - Management and Maintenance

- McLeans Ridges Hall (Incorporated Body)
- Rous Mill Hall (Incorporated Body)
- Tintenbar School of Arts (Crown under School of Arts)
- Meerschaum Vale Hall (Crown under School of Arts)
- Pearces Creek Hall (Incorporated Body).

Various maintenance and capital improvements have been undertaken by or on behalf of Council over time, for both the Council owned and non-owned halls, utilising both hall management and Council funds.

In respect of our halls, it is evident that substantial works are required to address a number of building issues, particularly in relation to safety and general operational suitability.

Council commissioned Australis Facilities Management Pty Ltd to undertake inspections of all seven Council halls, to audit building habitability and determine repair and capital works required over the short, medium and long term. The audits were carried out in February 2017.

This report outlines the key findings of the audit and addresses other building use, occupation and management considerations with the aim being to consider the halls as a group of assets rather than individual halls.

Key Issues

- Building condition and safety
- Funding maintenance and capital works
- Leases and building occupation

Information

Building Condition and Safety

The seven public halls owned by Council are of various ages and styles, with the youngest being the Northlakes Community Centre, Ballina, built in 2000, making that building around 17 years old.

Regular inspections by Council's Trades Staff of all the halls has highlighted the need for a higher level inspection and reporting program. This was necessary to gain not only a strong understanding of the maintenance and capital expenditure needs of the various buildings, but also of other areas that may be lacking in the halls, such as modern accessibility needs and regulatory safety compliance.

Attachment one to this report contains some photographs of the respective Council properties.

The information compiled by Australis is comprehensive and has not been reproduced.

Arrangements can be made to review the Australis reports for each of the halls upon request to Council's Manager Community Facilities, Craig Brown.

4.1 Community Halls - Management and Maintenance

The overall condition of each hall was classified by Australis Facilities Management as average, fair, reasonable, good or very good. The results given to the seven halls can be seen in Table One as follows and the estimated building value assigned to the buildings in 2014 is outlined in Table Two.

Table One – Hall Condition Rating

Very Good	Good	Reasonable	Fair	Average
Northlakes	Wardell Wollongbar Wigmore	Newrybar	Pimlico	West End

Table Two - Building Value (2014)

Hall	Value
Northlakes	\$603,000
Wollongbar	\$434,000
Wigmore	\$393,207
Newrybar	\$200,630
Pimlico	\$116,914
West End (1)	\$35,600
Wardell	n/a
TOTAL	\$1,783,351

(1) West End Hall Market Value Report

A Market Value Report for Pre-Sale Assessment Purposes was prepared by Eighty8 Valuers for the West End Hall in June 2017 that determined a value of \$240,000. The valuation took into consideration the residential zoning and most likely use of the parcel to be a residential dwelling, and that any potential purchaser would consider the current improvements functionally obsolete and require removal.

Compliance and Safety Issues

Council's Support Operations Section, using data provided in the Australis reports, collated a maintenance expense list, prioritised in relation to compliance and safety issues. These expenses are listed in Table Three in order of the immediate expenditure required to address issues from highest to lowest.

4.1 Community Halls - Management and Maintenance

Table Three - Compliance and Safety Issues

Hall	Condition	Immediate Expense
Wardell	Good	\$23,347
Pimlico	Fair	\$17,372
West End	Average	\$12,085
Wollongbar	Good	\$10,983
Wigmore	Good	\$10,200
Newrybar	Reasonable	\$2,450
Northlakes	Very Good	\$272
Total		\$76,709

Overall Ten Year Maintenance and Capital Costs

The audit conducted by Australis determined the estimated expenditure required to bring each hall up to a satisfactory standard over a ten year period.

Total expenditure required over the ten year period for the seven halls is approximately \$550,000.

The breakdown of this expenditure across each of the halls and the ten years can be seen in Table Four.

Table Four – 10 Year Expenditure as per Building Condition Reports

Hall	1 Year	2 Years	5 Years	10 Years	Total
Newrybar	\$9,337	\$1,500	\$32,212	\$1,500	\$44,549
Northlakes	\$3,714	\$11,552	\$26,208	\$18,000	\$59,474
Wardell	\$42,823	\$22,270	\$1,500	\$0	\$66,593
West End	\$16,276	\$53,463	\$0	\$3,550	\$73,289
Pimlico	\$40,670	\$24,441	\$16,000	\$4,600	\$85,710
Wollongbar	\$21,927	\$5,800	\$63,500	\$4,000	\$95,227
Wigmore	\$13,401	\$88,650	\$8,000	\$15,000	\$125,052
Total	\$148,149	\$207,675	\$147,421	\$46,650	\$549,894

Funding Maintenance and Capital Works

Budget and Donations

Council allocates a modest budget each year towards public hall maintenance; the 2017/18 budget being \$9,000. There has been a reliance on the management committees to fund minor maintenance from the revenues generated through the use of the facilities.

4.1 Community Halls - Management and Maintenance

In addition to this maintenance budget, Council allocates approximately \$40,000 per annum in the donations budget for assistance for capital works for public halls.

This funding, when approved, has been allocated to capital projects nominated by the selected hall committees or groups.

Unfortunately, the funding is often spent on the various halls (both Council owned and not owned), without considering the buildings' higher ranking priorities, from an asset management perspective.

There is also a capital asset management budget for buildings and facilities which has a recurrent allocation of approximately \$204,000, with that budget expended on a wide range of buildings and facilities (i.e. Gallery, Community Centres etc).

The required expenditure needed to bring the buildings up to a reasonable standard is shown as a percentage of the respective building's value in Table Five as follows, to provide another perspective.

Table Five - Required expenditure as a percentage of building value

	Total Expenditure (\$)	Building Value (\$)	%
Newrybar	44,550	200,630	22
Northlakes	59,474	603,000	10
Wardell	66,593	n/a	n/a
West End	73,289	35,600	206
Pimlico	85,710	116,914	73
Wollongbar	95,227	434,000	22
Wigmore	125,052	393,207	32

The information provided by the Australis inspection reports highlights the need for Council to take full control of the programmed maintenance of the halls, i.e. those that are owned by Council.

This needs to be done not only to safeguard regulatory compliance, (i.e. to ensure statutory testing and compliance inspections are undertaken), but also from a building programmed maintenance and user health and safety needs basis as well.

Council has recently resolved to ask the General Manager to review our current donations policies for capital assistance for halls and sporting groups.

In regard to halls, it is suggested the separate policy should be discontinued, with a better use of these funds being allocated into a structured hall maintenance program.

Staff would continue to work with respective hall management committees to access their accrued funds for halls maintenance upgrading.

4.1 Community Halls - Management and Maintenance

The 2017/18 funds have already been allocated for the donations, however, if the Council is prepared to consider discontinuing the halls donations program for future years, and redirecting this funding to public halls maintenance, these funds could be better utilised going forward, in the halls asset maintenance program.

Increasing the current maintenance budget of \$9,000 to \$50,000 (the 2017/18 donations allocation was \$41,000) would mean we have a maintenance budget equivalent to 2.8% of the 2014 asset value ($\$50,000 / \$1,783,351$). This is a good start.

It is accepted that the management committees of the halls not owned or managed by Council may consider themselves disadvantaged by this change, although they could still apply for assistance through the Council's general donations program.

Financial Options for West End Hall

West End Hall, highlighted in Table Two, was valued for sale in June 2017 at approximately \$240,000.

The land which the hall occupies is operational land for the purpose of the Local Government Act.

The building has been assessed as being in overall average condition, with water ingress causing the majority of defects. Frequent inundation of the site results in reluctance to maintain assets, as it is known that ongoing repairs will be required for recurring water events. The ongoing exposure to water is impacting the structural integrity of the building and the building cannot easily be raised to mitigate the current situation.

The West End Hall building structure is valued at \$35,600, being significantly lower than all our other halls, as per Table Two.

Australis provided three options for the property in its report.

1. Demolish and reconstruct the property at a cost of approximately \$282,800
2. Sell the property; a market value report for pre-sale assessment purposes was prepared by Eighty8 Valuers for the West End Hall in June 2017 that determined a potential value of \$240,000. The valuation took into consideration the residential zoning and most likely use of the parcel to be a residential dwelling, and that any potential purchaser would consider the current improvements functionally obsolete and require removal. Notwithstanding the valuation, any decision to sell the property would likely be implemented via a public auction, where the true market value would be established.
3. Repair and maintain the property. The total cost of works required to address the building condition issues is estimated at \$73,289. Given that the building is valued at \$35,600, it is considered to be an inefficient investment of Council resources to attempt to bring the building up to standard. This work would not increase the floor level of the hall.

4.1 Community Halls - Management and Maintenance

If Council chose to sell West End Hall, the potential funds of approximately \$240,000 could be allocated to maintenance and capital works required on our other hall buildings, thus relieving a maintenance budgetary issue at the West End Hall site and assisting in alleviating some of the budgetary issues at our other hall buildings.

Pimlico Hall

Pimlico Hall requires \$40,670 to be spent on the building over the next year and a total of \$85,710 over the next ten years. This is just to bring the current building up to a reasonable standard.

Currently, there is no committee or community group that wishes to manage the facility, and it is only used on average one hour per week.

The building was valued at \$116,914 in 2014 and occupies operational land as classified under the Local Government Act.

Prior to Council purchasing the Pimlico Hall in 2006, the Pimlico Ladies Charitable Organisation (PLCO) had managed the facility from 1974, and continued the role after our purchase.

The PLCO has endeavoured to increase its membership base however it has not been able to do so and has recently informed Council that it is no longer in a position to continue with the management of the hall.

A community survey was prepared by Council and delivered to households in Pimlico, Coolgardie, Wardell and Empire Vale to gauge local community sentiment on what form of management the hall should have, and to identify potential individuals or organisations willing to take on the management of the hall.

The 64 respondents indicated a desire to see the hall managed by a committee of community members; however none indicated an interest to take on this role.

Three proposals were received indicating an interest in the future operation of the hall from:

- The Disability and Aged Information Service Inc. (DAISI) – to base and operate community activities and programs on the existing site.
- South Ballina Beach Community Association Inc. – to relocate the hall to Department of Education land at Empire Vale.
- Ms Kirsty Shepherd – to operate a private business. This proposal was later withdrawn.

DAISI is a not for profit community based organisation, working with older people and people with disabilities in the region since 1992. DAISI operates a shop front neighbourhood centre and information service in River Street, Ballina.

4.1 Community Halls - Management and Maintenance

DAISI proposes to operate community activities and programs within the hall, particularly targeted to vulnerable community members, in addition to continuing existing use by PLCO. DAISI is willing to share the costs of repairs and improvements to the hall with Council, though the scope of its offer is unclear. DAISI's submission is silent in terms of rental payable to Council for use of the facility.

The proposal by South Ballina Beach Community Association Inc. to relocate the hall to Department of School Education land at Empire Vale requires Council to determine if it is reasonable for a Council asset to be used in such a manner, in addition to the issue of placing a Council owned asset on land not controlled by Council. The practicalities and costs of the relocation have not been evaluated. Nor has it been determined who will pay these costs.

Council may wish to consider these options for the Pimlico Hall, and may also like to include the lease or sale of the property as a further option, given the low usage rates and the building location.

If Council was to lease the property out, the budget for maintenance to the property would still be required in the short, medium and long-term.

Sale of the Pimlico Hall and the property it occupies would provide further funds to commit to the required maintenance of the other halls well utilised by the community. A value on the sale of the property has not yet been investigated, nor has the effect of the land's current zoning requirements on its sale.

Financial Support of Non-Council Owned Halls

In addition to the financial support provided for Council-owned halls as described earlier, Council also financially supports the five non-Council owned halls through:

- Rates

Council provides an annual rates subsidy to many community buildings, both owned and not owned by Council. In 2016/17, Council subsidised rates for its seven halls totalling \$14,182.17. It additionally subsidised the five non-Council owned halls totalling \$7,457.42.

- Capital

Over the ten year period to 2014/15, Council provided financial assistance for capital improvements to Council owned halls of \$105,570, and to non-Council owned halls of \$110,023.

- Maintenance

In the eight year period to 2016/17, Council expended \$157,000 on maintenance to community halls. It is not clear whether some of these funds were expended on non-Council owned halls.

Lease and Building Occupation

The Council halls are listed as follows in respect to details of their lease and building occupation. In terms of occupation/usage, this information is of a general nature and was captured some time ago.

4.1 Community Halls - Management and Maintenance

- *Newrybar Hall*

The Newrybar Hall has a new three year lease, being renewed to Newrybar Community Hall Incorporated, with expiry 30 June 2019. The usage of the hall is rated medium at approximately 11 to 29 hours per week.

- *Northlakes Community Centre*

Northlakes Community Centre has not had a management committee since the resignation of the committee in June 2017. Council's Community Facilities Team has been managing the hall in temporary mode since that time. The usage of the hall is rated high at approximately 40 hours per week, with 15 regular hirers.

- *Wardell Hall*

The current lease is held by the Wardell and District Progress Association Incorporated, and expires in December 2017. The usage of the hall is rated medium at approximately 11 to 29 hours per week.

- *West End Hall*

The Ballina Lions Club has had tenure of this hall for decades. The Club's current lease of the property has expired, but tenure continues under the lease's holding over provisions.

Because of the building's poor condition, usual activities conducted therein (including Lions Club meetings and those of the organisations/groups which have routinely casually hired the space) have been transferred under special arrangements to other Council community facilities.

The hall continues to be used for the storage of Lions Club equipment.

The current arrangement concerning tenure and use of the West End Hall is planned to continue until the Council has determined the preferred course of action for the facility. The usage of the facility was rated as medium up until December 2016, with nine regular hirers and approximately 23 hours per week.

- *Pimlico Hall*

The current lease is in holding over period. The Pimlico Ladies Charitable Organisation advised in February 2016 it is no longer able to manage the hall. The usage of the hall is rated low at approximately one hour per week.

- *Wollongbar Hall*

The Wollongbar Hall is under a new three year lease, renewed to the Wollongbar Progress Association Incorporated, with expiry date 30 June 2019. The usage of the hall is rated low at approximately five hours per week.

4.1 Community Halls - Management and Maintenance

- *Wigmore Hall*

This building has three separate leases, being with Ballina Senior Citizens Incorporated, Ballina Shire Concert Band Incorporated and Girl Guides NSW, with expiry being 30 June 2019.

The usage of the halls is rated as medium:

Senior Citizens: six days per week

Band: one day per week

Girl Guides: at least one day per week

Legal / Resource / Financial Implications

This report highlights financial resource requirements over the next ten years, to ensure that Council's public halls meet their regulatory and safety requirements for the community.

Consultation

The most recent consultation with hall management committees was conducted in late 2014 in relation to the Donations – Community Halls Capital Works Assistance Policy.

Staff visited each hall and met with the hall committees to discuss a range of concerns and gauge the status of usage of each hall. No consultation has been carried out recently in relation to this report.

Options

Council has a number of options available to respond to the information provided in this report.

The first option is to maintain the status quo by allocating only modest amounts of funding annually to enable minor maintenance to be undertaken on Council-owned halls. This would be supplemented by making available to hall management committees relatively small donations (funded dollar for dollar) for maintenance and repair as determined by the respective committees.

Under this option, Pimlico Hall would be directly managed by staff (as the PLCO has relinquished management), as will Northlakes. Council would still need to decide what to do with West End Hall, as it is currently not fit for purpose as a public hall.

Option two is to undertake the works associated with each of Council's halls, as identified in the condition assessment report conducted by Australis Facilities Management Pty Ltd.

This work, including renovations to West End Hall, would be implemented over a period of ten years.

The total required amount over the ten year period, including contingencies, is estimated to be \$690,000. This would be sourced from Council's General Fund (commencing in 2018/19), with staff remaining on the lookout for opportunistic grant funding.

4.1 Community Halls - Management and Maintenance

Whilst under this option West End Hall would receive funding for renovations, allowance would not be made to address the more substantive issue of raising the level of the building.

Consequently, inundation of the property could be expected to occur intermittently.

Option three would involve undertaking the various works identified in the Australis report for each of the halls, but demolishing and reconstructing West End Hall on its current site, rather than renovating the existing building.

If this option is preferred, it is envisaged that Council would call for fresh expressions of interest from community groups to manage the new hall, or the facility could be managed by Council's Community Facilities Team.

This would be the subject of a separate report to Council.

The total required amount over a ten year period to implement this option, including contingencies, is conservatively estimated to be \$887,000.

Additional costs might reasonably be required to handle and dispose of asbestos within the West End Hall, and to raise the level of that site to accommodate the redevelopment.

Option four is to undertake works as described in option two, but dispose of the West End Hall property. Income derived from the sale of the property would be used to offset the cost of implementing the ten year maintenance program for Council's other halls.

If the figure identified in the 2017 valuation report for West End Hall was reflected in the sale price, the total cost of implementing option four over the ten year period has been estimated to be \$600,000 offset by income of approximately \$240,000.

Option five is basically a combination of any one of the above, with the closure and disposal of Pimlico Hall and the property on which it is erected.

As discussed in the report Pimlico Hall is infrequently used and is in need of maintenance. Calls for expressions of interest for groups to occupy or operate the hall generated little interest.

The proposal from DAISI to lease the building may be worth exploring further, but the financial aspects of the organisation's proposal are unclear and require further discussion.

The proposal presented by the South Ballina Beach Community Association Inc seems impractical. Setting aside the significant cost of transferring and reinstating the building, no information has been provided to confirm that the Department of School Education is supportive of an aged structure being placed on the Empire Vale School site for adaptive reuse.

For the time being, the preferred course of action is to retain the Pimlico Hall. Council's Community Facilities Team will endeavour to promote increased usage of the facility through our website and publications.

4.1 Community Halls - Management and Maintenance

Only essential maintenance on the building will be undertaken whilst staff continue to liaise with local community members to explore other ideas for usage and/or management. Further reporting to Council could then occur if circumstances change.

The DAISI proposal can be further examined under this arrangement.

Having regard for all the above, the recommended course is option four.

It is challenging to try and balance the social and economic considerations associated with Council's community halls.

On the one hand they comprise very important infrastructure for our local communities, whilst on the other, many of them are ageing and require increasing maintenance and upgrading to achieve compliance with safety and access standards.

In regard to the recommendation to dispose of the West End Hall, it is understandable that the Ballina Lions Club members would be disappointed in this proposal.

The Club has enjoyed many years of occupation of the building, has generated significant income to assist it in undertaking its service activities and, through the Club's projects and programs, has provided exceptional service and support to the Ballina community.

To all intents and purposes, the Club has been the custodian of the hall and has sought to maintain it within the Club's resources.

Because of this particular affiliation with the hall, and its past responsible management, the recommendations include a proposal to allow the Ballina Lions Club to continue indefinitely to use the Richmond Room without payment to conduct its regular scheduled meetings.

Whilst this arrangement would not cater for activities beyond its regular scheduled meetings, this offer to the Club is an expression of Council's appreciation for its past management of a community asset.

Council is also aware that some past casual hirers of the West End Hall are likely to experience hardship if they are asked to immediately meet the costs of undertaking their activities in other Council facilities.

Staff would propose to work with these groups and negotiate acceptable arrangements for the time being. However, at some point it would be an aim to have them transition to normal adopted hire charges.

We anticipate this matter will be reported to Council for consideration as part of future fees and charges reporting.

In regard to the Pimlico Hall, it is proposed to extend the same offer to the Pimlico Ladies Charitable Organisation in light of that group's management of the hall over an extensive period.

4.1 Community Halls - Management and Maintenance

If adopted, such arrangements would reflect those employed by the Council involving the Lennox Head CWA when, in 2015, that organisation surrendered to Council the management of its facility, which is located alongside the Lennox Head Cultural and Community Centre.

The recommendations also include a proposal for the Council to discontinue its annual allocation of donations to hall committees.

Instead, the equivalent halls donation budget (or other amount determined by the Council) would be transferred to the Council community halls maintenance program and applied to incrementally address the matters identified in the Australis Facilities Management report.

Under this arrangement, the managers/owners of halls, which are not Council properties, could continue to be eligible for Council support through the annual general community donations program.

RECOMMENDATIONS

1. That Council notes the contents of this report concerning the operation and management of community halls.
2. The General Manager is authorised to manage, maintain and actively promote the operation and community use of the Pimlico Hall and the Northlakes Community Centre, whilst continuing to examine alternative management arrangements for these facilities.
3. That the Pimlico Ladies Charitable Organisation be thanked for the group's long term commitment to the management of the Pimlico Hall. In light of this extensive community service, the organisation be offered use of the hall, without charge, to conduct its regular scheduled monthly meeting, subject to future reviews by Council.
4. The General Manager is authorised to arrange the disposal of the property containing the West End Hall at 3 Brunswick Street Ballina on the basis that, as community infrastructure, the existing hall has reached the end of its economic life. Further, that the method of disposal of the property, and the outcome, should aim to deliver the best financial return for Council, with net revenue being allocated to the maintenance of Council's other community halls.
5. That the Ballina Lions Club be thanked for the group's long term commitment to the management of the West End Hall. In light of this extensive community service, the organisation be offered use of the Richmond Room in Ballina, without charge, to conduct its regular scheduled monthly meeting, subject to future reviews by Council. Similarly, groups which have previously routinely used the West End Hall are to be offered discount hire charges for the use of other Council infrastructure for the time being, with the General Manager to review this arrangement and present a further report for Council's consideration.

4.1 Community Halls - Management and Maintenance

6. That Council rescinds the Donations - Community Halls Capital Works Assistance Policy with the annual budget allocation to be transferred to Council's community halls maintenance budget for 2018/19 onwards. It is acknowledged that under this arrangement, managers of other community halls operating in the shire which are not owned or controlled by Council will remain eligible to apply for support funding under Council's Donations – Financial Assistance Policy.

Attachment(s)

1. Community Halls - Property Locations and Images

4.1 Community Halls - Management and Maintenance

Information

Hall Locations and Property Images

Hall	Address	Lot and DP	Land Classification	Area
North Lakes	11 Whiting Way, Ballina	139/101 0847	Community	1,108m ²
				
Wardell	49 Richmond Street, Wardell	1/31233 4	Community	1,328m ²
				
Wollongbar	25 Simpson Avenue, Wollongbar	Part lot 267/120 9571	Community	Approx. 2,055m ² (part lot)
				

4.1 Community Halls - Management and Maintenance

Wigmore	26-28 Swift Street, Ballina	9/1714 and 70/1005 100	Community	1,634m ²
				
Newrybar	13-15 Old Pacific Hwy, Newrybar	10/1202 765	Community	1,514m ²
				
Pimlico	580 Pimlico Road, Pimlico	3/56194 4	Operational	1,541m ²
				

4.1 Community Halls - Management and Maintenance

West End	3 Brunswick Street, Ballina	1/721625	Operational	208m ²
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4.2 Policy (Review) - Community Sporting Groups - Capital Works

4.2 Policy (Review) - Community Sporting Groups - Capital Works

Delivery Program Communications

Objective To review the Community Sporting Groups - Capital Works Assistance policy in accordance with a Council resolution.

Background

At the July 2017 Ordinary meeting, when considering the many requests for community donations, Council resolved, in part, as follows:

That Council review the Donations - Community Halls - Capital Works Assistance and Donations - Community Sporting Groups - Capital Works Assistance policies by 31 December 2017 to ensure, as a minimum, there are clear statements on the subjects of matched funding and funding retrospective projects.

The reason for this resolution is that there is ambiguity in the policies mentioned in respect to whether the donation must be for capital works, whether any donation must be matched with funding from the community group and whether funding can be provided for expenses already incurred.

The previous report in this agenda considered the Community Halls – Capital Works Assistance policy and this report examines the Community Sporting Groups – Capital Works Assistance policy.

Dependent on the outcomes of the earlier report the changes recommended in this report could apply to the Community Halls policy, if Council decides to retain that policy.

Key Issues

- Clarity
- Equity

Information

A copy of the existing Community Sporting Groups – Capital Works Assistance policy is included as the attachment to this report.

In respect to the requirement for matching funds, clause 2.5 can lead to some confusion in that it states:

Donated funds can be matched on a dollar for dollar basis, or matched with in kind contributions, by the sporting group. "In kind" covers labour only included at tradesperson levels (excludes attendance at meetings to organise the project).

This implies matching funding may be required.

4.2 Policy (Review) - Community Sporting Groups - Capital Works

The original intention of the Community Halls policy, on which this policy was based, was to leverage the Council funds with additional funds from the community groups.

The Halls Policy was amended in recent years to remove this condition as only financially sound hall committees were obtaining funding and other halls, that were potentially more in need of financial support, were not receiving any assistance.

This Sporting Group policy has only been operational for one year and at this early stage the preference is for Council's funds, which are limited, to be subject to matching contributions.

Generally, sporting groups are in a position to raise funds and the purpose of this policy is to provide assistance where the sporting group is also making an effort towards delivering works.

If this is the preferred position of Council the wording in clause 2.5 could be amended as follows:

Donated funds must be, as a minimum, matched on a dollar for dollar basis, or matched with in kind contributions, by the sporting group. "In kind" covers only labour, which must be quantified at a maximum average hourly rate of \$30 (excluding attendance at meetings to organise the project).

The in-kind statement allows the sporting groups to still meet the criteria without actually having the cash funds available. The \$30 assists in clarifying the rate to be applied. This change also needs to be applied to the in-kind definition in the policy (page 3 of the policy).

In respect to the reimbursement of expenditure already incurred and whether the funding should only be for capital works, the preference is only to provide funding for future capital works.

If incurred expenditure is allowed it then becomes debatable as to the retrospective timeframe applied and it also means that the sporting group has been able to afford the works in the first place.

Council should also not be funding recurrent operational costs as any sporting group should be covering these from their member fees.

On this basis the recommendation is to amend clause 2.7 with an extension to the existing second sentence as follows:

The funds must be expended on capital works, as defined in this policy, to the sporting facility and surrounds. The funds are not to be used for recurrent or operational expenses or to reimburse expenditure already incurred.

Legal / Resource / Financial Implications

The Long Term Financial Plan now includes a funding allocation for this policy with that allocation increasing from \$20,000 in 2017/18 to a preferred threshold of \$50,000 in 2020/21.

4.2 Policy (Review) - Community Sporting Groups - Capital Works

With limited funding available it is essential that Council maximize the application of these funds, which is why the matching funding condition is supported.

Consultation

If Council does amend the policy it is not recommended that the changes be advertised for public comment.

Council will write to all the sporting groups in February each year advising of the availability of the funding (as per clause 2.2) therefore advertising any policy change, when typically we get limited or no response, does seem unnecessary.

Options

The options are to approve the changes outlined in the report or seek different amendments.

The recommendation is consistent with the contents of this report.

RECOMMENDATION

That Council amend the Community Sporting Groups – Capital Works Assistance Policy as follows:

Amended Clause 2.5

Donated funds must be, as a minimum, matched on a dollar for dollar basis, or matched with in kind contributions, by the sporting group. "In kind" covers only labour, which must be quantified at a maximum average hourly rate of \$30 (excluding attendance at meetings to organise the project).

Amended Clause 2.7

The funds must be expended on capital works, as defined in this policy, to the sporting facility and surrounds. The funds are not to be used for recurrent or operational expenses or to reimburse expenditure already incurred.

In-Kind (Definition)

"In kind" covers only labour, which must be quantified at a maximum average hourly rate of \$30 (excluding attendance at meetings to organise the project).

Attachment(s)

1. Existing Policy - Community Sporting Groups – Capital Works Assistance

POLICY NAME: DONATIONS – COMMUNITY SPORTING GROUPS CAPITAL WORKS ASSISTANCE

POLICY REF: D08

MEETING ADOPTED: 28 July 2016
Resolution No. 280716/47

POLICY HISTORY:



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OBJECTIVE

The objective of this policy is to provide guidance on the provision of financial assistance to community sporting groups.

POLICY

Council will provide financial assistance to community sporting groups to assist with capital works, as defined in this policy, subject to the following guidelines and eligibility criteria.

1. Guidelines for Approval of Donation

- 1.1 Donations are restricted to capital works relating to facilities used by community sporting groups.
- 1.2 The facilities must be available for general community purposes and typically will be available to a range of community users.
- 1.3 When allocating available Council funds consideration will be given to:
 - The nature of the works;
 - The overall benefit to the various users;
 - The frequency of donations to each sporting group;
 - The ongoing in kind contribution made by the sporting group;
 - Alternative funding sources; and
 - The equity of support across the local government area.
- 1.4 Priority for the allocation of funds will be given to works that rectify non-compliance and/or safety matters.
- 1.5 Allocated Council funds cannot be used to purchase removable fixtures or fittings. These include items such as fridges, dishwashers, tables, chairs and the like.
- 1.6 Matched funding from sporting groups can be used to purchase fixtures and fittings as part of an overall project. For example if a sporting group proposes to upgrade a kitchen, Council funds could be used towards cabinetry, plumbing and electrical work and the matching funds from the sporting group could be used to purchase the appliances fixtures and fittings.
- 1.7 Applications for capital works assistance must be accompanied by supporting documentation that sets out:
 - How the proposed improvements benefits the community and/or the long term viability of the facilities.
 - A statement from the sporting group committee confirming that the facility complies with all relevant safety standards.
- 1.8 Sporting groups that have previously received funding through this policy must have satisfactorily acquitted those previous funds.

- 1.9 To be eligible the applicant must complete the *Sporting Group Donations - Application Form* (found on Council's website) and submit to Council prior to 31 May of the financial year preceding the financial year in which the funds are sought.

2. Strategies

- 2.1 Council will allocate an amount, in the annual Operational Plan, for the purpose of providing financial assistance for sporting groups to which this policy applies.
- 2.2 In February each year Council will notify eligible community sporting groups via advertising and/or in writing, asking for submissions for capital works assistance.
- 2.3 Following adoption of the Operational Plan Council will appoint a minimum of three Councillors, one from each Council Ward, to a committee. The Mayor will be an automatic member of the committee.
- 2.4 This committee will meet and assess the applications against the guidelines in this policy, and recommend a distribution of the available funds. If Council agrees with the recommendations by resolution, the funding will be allocated. It is not incumbent upon the committee or Council to donate any or all of the funds.
- 2.5 Donated funds can be matched on a dollar for dollar basis, or matched with in kind contributions, by the sporting group. "In kind" covers labour only included at tradesman levels (excludes attendance at meetings to organise the project).
- 2.6 The maximum donation by Council in any one year, for an individual sporting group, under this program, shall be \$10,000 (excluding GST), subject to funds being available.
- 2.7 The funds must be expended on capital works, as defined in this policy, to the sporting facility and surrounds. The funds are not to be used for recurrent or operational expenses.
- 2.8 A copy of the Certification and Acquittal of Community Donation Form, signed by two members of the sporting organisation, must be provided to Council within two months of the completion of the project.
- 2.9 Any applications received from organisations following the completion of this process will be advised of Council's policy and invited to apply in the following year.

3. Funding Unallocated

- 3.1 Any funds unallocated, or unexpended, from the sporting group donations budget will be transferred to the sports facilities maintenance budget at the end of the application process.

4. Eligibility Criteria

- 4.1 Community sporting groups using Council land and facilities.
- 4.2 Community sporting groups using other facilities (i.e. typically on Crown land not controlled by Council or on freehold land granted by the Crown to the Trustees/Committees in accordance with the School of Arts Act).
- 4.3 Community sporting groups using privately-owned sports facilities.

BACKGROUND

Council acknowledges the important role that sporting groups play in the life of local communities. In recognition, Council offers financial assistance for the capital upgrade of facilities used by these groups.

This policy provides guidance on how requests for donations are to be managed. It identifies the types of works for which assistance is available, and it provides criteria against which requests will be prioritised and assessed.

The policy will enable Council to manage requests for donations equitably and cognisant of budget limitations.

Assistance is contingent on the sporting group(s) providing matching and/or in kind assistance.

In accordance with Section 356 of the Local Government Act a Council resolution is required for each and every donation each year. This policy provides a framework for the donation but not the authority to donate.

Sporting groups may also access funding from various government and charitable organisations including the Community Building Partnership Fund, Community Futures Grant, Community Safety Grants and various other annual grants.

DEFINITIONS

Council:	Ballina Shire Council
Policy:	Donations – Community Sporting Groups – Capital Works Assistance
Capital works:	Includes works to building interiors and exteriors such as painting, re- roofing, re stumping, floor sanding or works that aim to address compliance/safety issues. It could also include refurbishments to service areas such as kitchens or toilet amenities, or other sports-related structures.
In Kind:	Includes only labour included at tradesman levels. Excludes attendance at meetings to organise the project.

SCOPE OF POLICY

This policy applies to:

- Community sporting groups.
- Councillors
- Council staff

RELATED DOCUMENTATION

Related legislation:

- Local Government Act 1993 (section 356)

Related Council policies:

- Donations - Financial Assistance Policy
- Donations - Rates & Charges Policy
- Donations - Assistance with Council Fees for Community Groups Policy

REVIEW

The contents of this policy are to be reviewed within the first twelve months of the election of the Council. The aims of this review are to ensure that the donations listed in the policy meet the newly elected Council's goals and to ensure the level of assistance provided in the policy remains at a reasonable level.

4.3 Community Infrastructure - Non Recurrent Projects and Funding

4.3 Community Infrastructure - Non Recurrent Projects and Funding

Delivery Program Financial Services

Objective To respond to a Council resolution seeking a review of specific non-recurrent community infrastructure projects and the allocated funding.

Background

At the April 2017 Finance Committee Council moved a recommendation, which was adopted at the April 2017 Ordinary meeting, which, in part, stated as follows:

3. *That Council review the timing of the funds allocated for the implementation of the Captain Cook Park Masterplan and examine other options for the allocation of these monies.*
4. *That Council receive a report on the timing of the implementation of the Ballina Town Entry Treatment Masterplan.*

Council's adopted Long Term Financial Plan currently has funding allocated for these works as follows:

Project	2018/19	2019/20	2020/21
Ballina Town Entry Statements	800,000	0	0
Captain Cook Master Plan	0	750,000	2,100,000

This funding is sourced from Community Infrastructure Reserve dividends.

The report that follows responds to the April resolution.

Key Issues

- Priorities for community infrastructure
- Funding options

Information

The report to the April 2017 Finance Committee provided an overview of all the non-recurrent community infrastructure projects that Council has under consideration.

Non-recurrent refers to categories of infrastructure that are not required to be funded every year, as compared to items such as road reconstruction which have a recurrent revenue funded annual budget.

The introduction to the report outlined the numerous non-recurrent projects under consideration by Council; i.e.

4.3 Community Infrastructure - Non Recurrent Projects and Funding

Projects completed or well advanced

- *Coastal Shared Path – A number of shared path segments are complete or have funding strategies confirmed*
- *Ballina Town Centre – Largely complete with the Moon Street to Grant Street section of River Street still to be completed*
- *Wardell and Alstonville Town Centres – Majority of works completed with the Wardell Boardwalk to be completed this financial year*
- *Ballina Surf Club – Complete, excluding Building B which is currently being retendered as the initial tender responses were above budget. The project is scheduled to be delivered this calendar year*
- *Northern Rivers Community Gallery Refurbishment – Complete*
- *Kentwell Community Centre – Complete*
- *Lennox Head Cultural and Community Centre and Skate Park – Complete*
- *Marine Rescue Tower – Complete*
- *Wollongbar Sports Fields – To be completed this financial year*
- *Ballina and Alstonville Swimming Pool Upgrades – Funding in place with works commenced*
- *Wollongbar Skate Park – Funding allocated with Council still to confirm the preferred design*
- *NSW Boating Now Plan – Funding strategy in place to finance a three year, part grant funded, program*
- *Lake Ainsworth South Eastern Precinct – Funding allocated for the eastern and southern precincts*
- *Missingham Park Concept Plan – Complete*

In addition to these projects the following projects are included in the LTFP in future years, although in some cases the funding may not eventuate as it is reliant on land sales or grants.

Projects funded in future years in the LTFP

- *Shaws Bay Coastal Zone Management Plan – This plan has approximately \$1.8m worth of works, both capital and operational, over a ten year period. The works are included in Council's LTFP, albeit that some of the works are subject to grants being secured. There is a significant amount of works planned for 2016/17 and 2017/18 and Council has recently secured grants of \$95,000 and \$128,900 to help implement the plan.*

4.3 Community Infrastructure - Non Recurrent Projects and Funding

- *Skennars Head Sports Field Expansion – Funded in 2017/18, at an estimated cost of \$1.3m. The funding is sourced from the Community Infrastructure Reserve and the Flat Rock Tent Park Reserve.*
- *Ballina Town Centre – Moon Street to Grant Street – Funded in 2018/19, from loans, at an estimated cost of \$2.5m, with the loan repayments funded through commercial property rentals.*
- *Ballina Indoor Sports Centre – Funded in 2017/18 and 2018/19 from waste dividends and the possible sale of either the ARC building or Henderson Land residual, if grant funds are not secured.*
- *Airport Boulevard – Funded in 2017/18 through a \$4m Federal Government grant and a \$3m dividend from the Property Development Reserve.*
- *Ballina Town Entry Statements – Funded in 2018/19 at an estimated cost of \$800,000, with this funding based on future land sales.*
- *Captain Cook Park Master Plan – Approximately \$3m required to complete the master plan. An amount of \$150,000 is included in the 2016/17 budget, \$750,000 in 2019/20 and \$2,100,000 in 2020/21 to complete various stages of the project. The 2019/20 and 2020/21 budgets are dependent on future land sales.*
- *Pop Denison Park Master Plan – This plan has a works schedule totaling approximately \$1.8m. The works are fully funded by developer contributions and an allowance of \$350,000 is included in the 2016/17 budget based on the amount of developer contributions collected to date. No funds are included in future years as any extra works are dependent on the collection of developer contributions.*

In addition to these items, projects that have been identified as priorities and are currently not included in Council's LTFP include the following items.

Projects not funded in the LTFP

- *Coastal Walk – Estimated cost of approximately \$1.5m – Council has applied for grant funding for 50% of the cost of this project through the State Government's Restart NSW program, however there are no Council funds allocated to the project. An application has also been submitted for \$150,000 in Public Reserve Management Funds (PRMF) to complete a stage of the project. If Council secures any of these grant funds we will need to find matching funding.*
- *Lennox Head Main Street Upgrade – \$5.5m is the latest estimate based on the preliminary designs.*
- *SES Building – Council has a statutory responsibility to provide a new building with no funds allocated to the project.*
- *Ballina Marina Master Plan – This master plan is currently on exhibition with no funds allocated.*

4.3 Community Infrastructure - Non Recurrent Projects and Funding

- *Martin Street Boat Harbour Master Plan – Council has adopted a master plan for this precinct with no funds allocated.*
- *North Creek Dredging – The estimated cost of this entire project is approximately \$729,000 with Council undertaking certain stages of the feasibility process. There is no funding available to complete all stages of the approval process.*
- *Lennox Head Surf Club – Estimated cost of approximately \$4m to \$5m based on preliminary designs with funding only allocated for the design and approval of the project.*
- *Lennox Head Rural Fire Service Shed – The current shed has a temporary development consent approval and Council is obliged to fund a new permanent shed. The consent is for a period of 10 years commencing 12 November 2012 (DA 2012/297). This means the onus is Council to provide a new facility prior to November 2022. This project could cost up to \$1m once the land acquisition is included.*
- *9 Commercial Road, Alstonville – An amount of approximately \$180,000 is needed to provide car parking on this vacant Council owned property.*
- *Hutley Drive / North Creek Road intersection – This project is in Council's Section 94 Roads Plan which means Council has a statutory responsibility to deliver the project. The project has a nominal budget in the LTFP funded by developer contributions, however it is unlikely that the required developer contributions will be collected by the preferred construction date for the project.*
- *Section 94 Roads Plan – The Section 94 Roads Plan has tens of millions of dollars of road infrastructure projects identified over the next 20 years and the timing of those works will depend on the collection of developer contributions.*
- *Ballina Ocean Pool – This project is supported by Council subject to the works being funded by the community.*

Council has little, if any, recurrent funds available to finance projects such as those listed, which typically means that the projects are funded by surpluses generated from Council's property development activities, combined with grant funds when available.

There are two main property reserves funded from our property development activities being the:

1. Property Development Reserve (PDR) – This reserve is the banker for Council's commercial property development activities; and the
2. Community Infrastructure Reserve (CIR) – This reserve receives revenue from commercial property rentals and dividends from the Property Development Reserve, with the funds held in the reserve then financing community infrastructure projects.

4.3 Community Infrastructure - Non Recurrent Projects and Funding

The Commercial Services Committee agenda for today includes a report titled Industrial Land – Economic Development Proposal. That report outlines the latest forecast movements in the PDR. That information needs to be considered in conjunction with this report as forecast dividends from the PDR have been substantially reduced. Based on the revised PDR forecasts the cash flow movements for the CIR are as follows.

Table One – Community Infrastructure Reserve Movements

Item	2016/17 Actual	2017/18 Estimate	2018/19 Estimate	2019/20 Estimate	2020/21 Estimate
Opening Balance	1,141,800	571,100	(46,700)	55,600	242,000
Cash Inflows					
Interest Earned on Reserve	25,500	16,000	0	1,000	6,000
Property Carry Forward	20,400	0	0	0	0
Dividend - Prop Develop Reserve	0	0	0	0	0
Rental 89 Tamar Street	702,500	702,500	716,600	730,900	745,500
Rental ARC (50%)	124,500	127,200	129,700	132,300	135,000
Rental Fawcett Park Café	66,100	67,100	68,500	69,900	71,300
Sale – Russellton Land	0	225,000	0	0	0
Section 94 Recoupments	403,700	650,000	450,000	450,000	450,000
Sub Total Inflows	1,342,700	1,787,800	1,364,800	1,384,100	1,407,800
Cash Outflows					
Rental Property Expenses	82,100	105,400	108,500	111,600	114,800
Administration Centre	169,000	0	0	0	0
Ballina Seagulls Rugby League	30,100	0	0	0	0
Ballina Sports and Events Centre	100,000	0	0	0	0
Ballina Town Entry Treatments	0	0	800,000	0	0
Boat Ramps - Captain Cook	75,000	0	0	0	0
Boat Ramps - Keith Hall	50,000	0	0	0	0
Captain Cook Park Master Plan	1,100	88,900	0	750,000	900,000
Footpaths	55,000	0	0	0	0
Lake Ainsworth	725,000	0	0	0	0
Lennox Head Community Centre	30,000	0	0	0	0
Loan Repayments	402,600	436,900	354,000	336,100	328,600
Missingham Park	92,400	0	0	0	0
Northern Rivers Gallery	25,000	0	0	0	0
Property Carry Forward	0	20,400	0	0	0
Shaws Bay CZMP	75,000	104,000	0	0	0
Sports Fields - Skennars Head	0	1,150,000	0	0	0
Wollongbar Skate Park	1,100	500,000	0	0	0
Sub Total Outflows	1,913,400	2,405,600	1,262,500	1,197,700	1,343,400
Closing Balance	571,100	(46,700)	55,600	242,000	306,400

The concern with this reserve is that it is forecast to be overdrawn at the end of 2017/18, primarily as the actual section 94 recoupments for 2016/17 were less than expected (i.e. \$403,700 against a budget of \$450,000) resulting in a lower than anticipated opening balance for 2017/18.

This then raises the concern that the recoupment figure of \$650,000 for 2017/18 is overstated. If the actual figure for 2017/18 is closer to the 2016/17 results the reserve balance could be overdrawn by \$200,000 or more at the end of the current financial year.

Recoupments for section 94 developer contributions are extremely variable as they are dependent on the timing of land releases.

No change to the budget is recommended at this point in time and this figure will need to be closely monitored during the year.

4.3 Community Infrastructure - Non Recurrent Projects and Funding

The community infrastructure projects that have funds sourced from the CIR for the current financial year are:

- Captain Cook Master Plan – \$88,900 - This project has a total budget of \$150,000 which includes a \$60,000 contribution from the Ballina RSL for landscaping works to the western end of this park
- Shaws Bay Coastal Zone Management Plan - \$104,000 – The works planned for Shaws Bay this year total approximately \$1.5m including improvements to the western and eastern foreshores, along with a new toilet and improvements to Pop Denison Park
- Skennars Head Sports Fields - \$1,150,000 – This project has a total budget of \$1.3m with the detailed design and approvals still being finalised.

Sports field construction is notoriously expensive and there is the usual concern that the final tender for construction may be above the budget. The current estimate is based on a costing from a private consultancy firm which has been substantially indexed over time. Our engineering staff are now forecasting the budget for this project could be closer to \$1.7m.

A quantity surveyor report will be prepared before going to tender to measure the accuracy of the current estimate and to confirm the project funding.

It is also likely that this project will now occur over two financial years (i.e. 2017/18 and 2018/19), which may save this reserve from being overdrawn during 2017/18. Alternatively it may be necessary to defer this project for a year to ensure we have sufficient funds in the reserve.

Further updates will be provided as that project progresses.

- Wollongbar Skate Park - \$500,000 – the development application has been lodged for this facility.

In respect to future years the one community infrastructure project allocated funding for 2018/19 from the CIR is \$800,000 for the Ballina Town Entry Treatments and then funds are allocated in 2019/20 (\$750,000) and 2020/21 (\$900,000) for the Captain Cook Master Plan.

The 2020/21 figure of \$900,000 was originally \$2.1m, which was partly the reason behind the resolution that generated this report. That \$2.1m was heavily dependent on a \$1m dividend from the PDR and that dividend is no longer forthcoming based on the revised forecasts, (as per the Commercial Services agenda), which has resulted in a reduction in the forecast expenditure to \$900,000.

Ballina Town Entry Treatments and Captain Cook Park Master Plan

The primary purpose of this report is to review the funding allocations for the Ballina Town Entry Treatments and the Captain Cook Park Master Plan.

4.3 Community Infrastructure - Non Recurrent Projects and Funding

In respect to the \$800,000 in 2018/19 for the Ballina Town Entry Treatments, this Master Plan, a copy of which included as the first attachment to this report, was adopted by Council in 2013. The Master Plan was prepared in response to the completion of the Ballina bypass and a recognition that the existing entries to Ballina, especially River Street, were in urgent need of beautifying.

The next table provides an overview of the major components of the Master Plan, along with original and revised estimates and the current status of the works.

Table Two - Ballina Town Entry Treatment Master Plan – Components (\$)

No.	Project	Original Estimate	Status	Latest Estimate
1	Landscaping of median strip between the roundabouts at Quays Drive and Barlows Road / Keppel Street.	322,000	Funded 2018/19	400,000
2	Installation of tree planting blisters and tree planting along each side of River Street between Burns Point Ferry Road and Barlows Road/Keppel Street.	224,000	Funded 2018/19	280,000
3	Installation of tree planting blisters and tree planting along each side of River Street between Barlows Road/Keppel Street and Boatharbour Road.	97,000	Funded 2018/19	120,000
4	Installation of tree planting blisters and tree planting along each side of River Street between the Canal Bridge and Kerr Street.	95,000	Complete	N/A
5	Installation of tree planting blisters and tree planting along each side of Kerr Street between River Street and Fox Street.	140,000	Funded 2018/19	180,000
6	Installation of tree planting blisters and tree planting along each side of Tamarind Drive between the Canal Bridge and Southern Cross Drive. Landscaping/tree planting on the corner of Kerr Street and Tamarind Drive	18,000	Works scheduled this calendar year	N/A
7	Roadside planting of trees on Tamarind Drive between Southern Cross Drive and Bicentennial Gardens.	16,000	Works scheduled this calendar year	N/A
	Total Value of Works to be Completed			980,000

There have been difficulties in implementing the Plan to ensure that any beautification works do not impact on existing and future infrastructure and the original estimates have proven to be insufficient. This has resulted in scope variations and revised estimates.

For example items 6 and 7 have had to be substantially reviewed and the scope of works originally planned has been reduced to accommodate the funding available.

4.3 Community Infrastructure - Non Recurrent Projects and Funding

The final column in Table Three is a revised estimate for the remaining works, although a more accurate estimate cannot be produced until detailed designs are finalised.

Items 1, 2, 3 and 5 are the works still to be completed, with \$800,000 in funding in the 2018/19 budget.

Based on the revised estimates the value of these works is now closer to \$1m.

Items 1, 2 and 3 remain important in that the existing River Street segment from Burns Point Ferry Road to Boatharbour Road is dated. There are also significant costs in maintaining the existing landscaping due to its design and the need for extensive traffic control.

Dependent on final estimates and the funds available, item 5, being the Kerr Street segment, could possibly be deferred, although it would be a good outcome to complete the adopted Master Plan.

However these funds may well be needed to allow the Skennars Head Sports Fields to be finalised. As touched on earlier there could be a need to increase that budget by \$400,000 and this will mean a deferral of additional items from the Ballina Town Entry Treatment Master Plan.

In the respect to the Captain Cook works in 2019/20 and 2020/21, the Captain Cook Memorial Park Master Plan, a copy of which is included as the second attachment to this report, was adopted by Council in 2014 and then revised in May 2017.

This Master Plan was in response to a number of factors including:

- a) Council agreeing to become Reserve Trust Manager for this land in 2012, whereas previously it was managed directly by the Crown
- b) a recognition that this land, which is adjacent to Fawcett Park, was relatively unimproved and would benefit from enhancements
- c) as a major land parcel in the Ballina town centre, it was important for Council to have a master plan in place to guide future improvements to the park.

The area controlled by Council as Reserve Trust Manager does not include the CWA Hall which has a direct licence with the Crown.

In respect to overall funding priorities the Ballina Major Regional Centre Strategy 2015 – 2025 is important in that the community aspirations reflected in that document (page 19) had a strong focus on:

- a desire for enhanced recreational opportunities associated with our open space areas and waterways
- a desire to see more life and activity in the town centre
- a need to see that our public places are connected and accessible
- a desire for enhanced cultural expression through more public art, interpretive signage and community activities

The adopted Master Plan seeks to achieve these objectives.

4.3 Community Infrastructure - Non Recurrent Projects and Funding

The implementation of the Master Plan was based on a staged approach with the following table providing an overview of how the various works could be implemented.

Table Three – Captain Cook Master Plan – Staged Implementation (\$)

Ref	Item	Stage 1	Stage 2	Stage 3	Stage 4	Stage 5	Funded
1.	Laneway and Car Park – access		750,000				2019/20
2.	Public Art / Monument					50,000	N/A
3.	Improved Pedestrian Entry - River Street		200,000				2020/21
4.	RSL Edge Landscaping	150,000					2017/18
5.	Open Park Land – Paths etc				200,000		2020/21
6.	Public Wharf and Pontoon (Boating Now)	300,000					2017/18
7.	Water Play Area – Drainage etc					500,000	N/A
8.	Picnic Shelter – BBQs, Structures				150,000		N/A
9.	Public Toilets					300,000	N/A
10.	Jetty			350,000			2020/21
11.	Landscape - Activity Zone / Fawcett Park			150,000			2020/21
	Totals	450,000	950,000	500,000	350,000	850,000	

Items 4 and 6 are scheduled to be implemented during the current financial year.

Based on the revised cash flows for the CIR of \$750,000 for this project in 2019/20 and \$900,000 in 2020/21 a number of the items in the plan are no longer funded in the four year works program. It will be a matter of funding those elements in future years dependent on the Council's priorities.

Legal / Resource / Financial Implications

The financial implications of this report are dependent on the priorities determined by Council.

Attachment three to this report is the last reported cash flows for the CIR (31 March 2017) and attachment four is the updated cash flows (31 October 2017) as discussed in this report for the ten year period of our Long Term Financial Plan.

A comparison between the two cash flows highlights that the future community infrastructure property dividends that are received from the PDR, have been significantly reduced due to lower than expected reserves held in the PDR (refer to second line in cash inflows section of each attachment – titled Community Infrastructure Property Dividends).

Consultation

The majority of the projects mentioned in this report have been identified through public consultation processes.

4.3 Community Infrastructure - Non Recurrent Projects and Funding

Options

There are numerous options available in respect to this report and they are entirely dependent on the priority Council wishes to place on community infrastructure projects.

As mentioned in the introduction Council's adopted Long Term Financial Plan has funding allocated for the Ballina Town Entry Statement and Captain Cook Master Plans as follows:

Project	2018/19	2019/20	2020/21
Ballina Town Entry Statements	800,000	0	0
Captain Cook Master Plan	0	750,000	2,100,000

It has now been necessary to reduce the Captain Cook Master Plan allocation of \$2.1m in 2020/21 to \$900,000 due to a reduction in the dividend from the PDR.

In looking at alternative projects the initial focus should always be on the renewal of existing infrastructure, rather than creating new infrastructure that increases Council's maintenance liabilities.

Alternatively Council should be concentrating on providing new infrastructure that is essential (i.e. there is an identified gap in the current level of infrastructure) rather than desirable items of infrastructure.

In reviewing the numerous projects identified in the information section of this report the projects of particular importance, which do not have a confirmed funding source are:

- Ballina Indoor Sports Centre – Council is seeking grant funding of \$3m for this project and if that funding is not forthcoming we will need to sell revenue generating assets to finance that shortfall. The \$3m shortfall will be needed during 2018 and there are concerns that we will not be successful with any grant applications. Further information on grant opportunities is outlined later in this report. The Ballina Town Entry Statements works planned for 2018/19 could also be cancelled or deferred to help reduce the funding shortfall for this project.
- Lennox Head Main Street Upgrade – Council has no funding allocated in the LTFP for this project with \$5.5m being the latest estimate. The adopted 2017/18 Operational Plan includes the following action:

Progress Lennox Head Town Centre Village Renewal and confirm funding strategy for preferred completion by December 2021

The Strategic Planning Section is commencing consultation with the Lennox Head community in January 2018 to confirm a preferred renewal design.

In respect to the project cost of \$5.5m, expenditure of this magnitude is extremely difficult to finance from revenue and / or reserves and the only real option available is loan funds.

4.3 Community Infrastructure - Non Recurrent Projects and Funding

As existing infrastructure, this project would be eligible for a NSW Treasury Corporation low interest loan. For the current swimming pool redevelopment projects Council has been able to obtain fixed rate loans at interest rates of between 3.50% and 4.00% (approximately).

Based on an estimated construction cost of \$5.5m the annual repayments at 4% for 15 and 20 years would range from approximately \$400,000 (20 years) to \$500,000 (15 years).

If the works had to be completed by December 2021, Council would borrow the loan funds part way during the 2021/22 financial year. This means that for 2021/22 there would be an annual repayment of \$200,000 to \$250,000 (approximately 50% of the annual repayment) and the full repayments would commence in 2022/23.

Some existing loans for previous Ballina Town Centre works expire during 2017/18 and 2018/19 however they are being partially offset by a new loan of \$2.5m for the River Street beautification works between Moon and Grant Streets (estimated cost of \$2.5m) which are scheduled for 2018/19.

By 2021/22 the loan repayments for the Ballina Town Centre works are forecast to be approximately \$100,000 less than the current repayments, even with the \$2.5m in new loans and by 2022/23 the reduction is \$180,000.

A repayment of \$180,000 equates to a loan of approximately \$2m, which means Council could borrow that amount towards the Lennox Head project without impacting the recurrent budget, although it still leaves a shortfall of \$3.5m.

Council's LTFP currently has \$1m in dividends being sourced from the Landfill and Resource Management (LRM) Reserve (Waste) from 2020/21 onwards with those funds allocated to asset renewal works. The allocation of those funds is fairly arbitrary at the moment as per the following table.

Table Four – Forecast Allocation of Future Waste Dividends

Item	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26
Roads	500,000	500,000	500,000	500,000	500,000	500,000
Open Spaces	250,000	250,000	250,000	250,000	250,000	250,000
Buildings	250,000	250,000	250,000	250,000	250,000	250,000
Totals	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000

The LTFP is sourcing funds from the LRM reserve as even with the proposed special rate variation, which has a strong focus on the extra revenue being allocated to asset renewal, additional funds still need to be expended on asset renewal to ensure that Council is reaching the Fit for the Future benchmarks (i.e. Council should be expending each year an amount at least equivalent to the annual depreciation expense), as well as renewing our existing infrastructure in a more timely manner.

The positive about the Lennox Head Town Centre Village renewal is that it is asset renewal (i.e. reconstructing road, footpaths, drainage etc).

Therefore one option could be to allocate the 2020/21 and 2021/22 LRM dividends to this project.

4.3 Community Infrastructure - Non Recurrent Projects and Funding

This would then leave a shortfall of \$1.5m.

To cater for this shortfall the \$750,000 and \$900,000 allocated to the Captain Cook Park Master Plan for 2019/20 and 2020/21 could be reallocated to this project.

This is a reasonable approach if this is the preferred priority for Council.

In summary the Lennox Head Village Renewal works would then be funded by December 2021 as follows:

- Loan - \$2m - \$1m in 2020/21 and \$1m in 2021/22
- LRM Dividends - \$2m - \$1m in 2020/21 and \$1m in 2021/22
- Community Infrastructure Reserve - \$1.65m - \$750,000 in 2019/20 and \$900,000 in 2020/21.

There are uncertainties with respect to this proposal (i.e. variations in waste revenues and property development revenues) however it is a reasonable approach for forward financial planning, recognising that Council will regularly review these forecasts.

- SES Building Renewal – Council has a statutory responsibility to provide accommodation for the SES. It has been uncertain when a new or expanded building will be needed and this is now becoming a high priority project due to existing site constraints for the SES. There is currently no funding allocated in the LTFP for this project.

The Civil Services Group is working with local SES officers to determine the preferred site location and building design and the very preliminary estimate is that Council may be looking at up to \$1.5m to \$2m for a new facility dependent on the overall level of facilities provided.

For example Port Macquarie recently completed a new facility at a cost of \$1.7m, albeit that building also includes an emergency operations centre.

The NSW Government has allocated \$200,000 towards this project, which will assist with the evaluation, design and approval phases. No other grant programs have been identified to fund the construction of the building and Council will need to continue to lobby State and Federal Governments to determine whether any grants can be secured.

Council has very limited funding opportunities available for this project as loans will adversely impact our recurrent budget, and there is little in the way of funds available in Council's internal reserves.

One potential option could be to source funding from the proposed special rate variation (SRV). The majority of the SRV is to be expended on asset renewal and the preliminary allocation of funds from that proposal for asset renewal is as follows:

4.3 Community Infrastructure - Non Recurrent Projects and Funding

Table Five – SRV Asset Renewal Program (\$)

Item	2017/18	2018/19	2019/20
Stormwater	0	0	274,300
Roads	389,600	711,100	900,000
Community Buildings	0	150,000	280,000
Open Spaces	0	270,000	480,000
Totals	389,600	1,131,100	1,934,300

If the proposed SRV proceeds and the designs and approvals were in place for the replacement SES building, Council could potentially allocate all or the majority of the asset renewal monies for say, 2019/20 or 2020/21, for the replacement building, as it is a community building.

This does take money away from other essential infrastructure areas, however the key focus of the special rate variation is asset renewal, and the replacement SES building is a key asset renewal project.

The actual allocation of funding to this project from this revenue source may have to be apportioned between what Council determines is asset renewal works and what is deemed an expansion of the service to ensure Council complies with any special rate variation approval, assuming Council proceeds with the application and it is approved.

- Lennox Head Rural Fire Service Shed – The current shed has a temporary development consent approval and Council is obliged to fund a new permanent shed. The consent is for a period of 10 years commencing 12 November 2012 (DA 2012/297). This means the onus is Council to provide a new facility prior to November 2022.

This project could cost up to \$1m or more if land acquisition is included.

This is a high priority project as Council cannot continue to have this temporary occupation continue as it is reasonable for the volunteers to have a permanent location.

Discussions are currently occurring with the developers of the Epiq Estate to potentially have land dedicated to Council that would be suitable for a rural fire shed and this land can potentially be provided based on a contra for developer contributions.

This would then leave Council having to fund the construction of the building.

It is hoped that the Council cost of the construction may be at a reasonable level that can be funded from recurrent budgets, such as our Building Asset Management Program (i.e. \$250,000).

This would result in other projects in that program being deferred for one year.

If the Rural Fire Service require a much higher standard shed the budget will need to be significantly increased.

4.3 Community Infrastructure - Non Recurrent Projects and Funding

- Lennox Head Surf Club – This project has an estimated cost of approximately \$4m to \$5m based on preliminary designs with funding only allocated for the design and approval of the project. There have been mixed views on the need for this project from the Lennox Head Surf Club and it could possibly be deferred for a number of years.
- 9 Commercial Road, Alstonville – An amount of approximately \$180,000 is needed to provide car parking on this vacant Council owned property. This is not an essential project although Council should deliver this infrastructure in the near future as the land was purchased for that purpose.

In addition to these projects there are many other discretionary new projects mentioned in the information section earlier in this report.

The preferred approach to undertake those projects is to seek grant opportunities, as grants are typically provided for new infrastructure.

There are a number of Federal and State Government grant opportunities currently available and a summary of the major programs are as follows.

Federal Government

- Regional Jobs and Investment Package – Two applications submitted earlier this year; i.e.
 - a) Coastal Shared Path – Total estimated cost of \$1.76m – grant application for \$880,000 – This is the section from Pat Morton to the Skennars Road / The Coast Road intersection. Council has \$850,000 of its own funds available for this project.
 - b) Ballina Indoor Sports Centre – Total estimated cost of \$7.8m – grant application for \$3.5m. Grants are critical for this project as Council may need to sell assets to finance any shortfall. Council should have \$5m of its own funds available for the project.

The announcement timeframe for this program is unknown.

State Government

- Regional Growth Environment and Tourism – Coastal Walk (Sharpes Beach to Pat Morton – walking track) – Total project cost of \$1.5m - grant application for \$750,000 lodged in March 2017 – This application was approved to move to stage two of the assessment process with additional information submitted by the due date of 31 October 2017. The announcement timeframe is unknown.

Council does not have the matching funding allocated for this project and if the application is successful a number of other works will need to be deferred to match the grant.

- Growing Local Economies Program – In liaison with the Office of Regional Development (ORD) and Department of Premier and Cabinet (DPC) Council was encouraged to submit applications to this program, which has no deadline for applications. There is a strong focus on job growth.

4.3 Community Infrastructure - Non Recurrent Projects and Funding

Two applications were identified as preferred priorities in consultation with DPC and ORD:

- a) Hutley Drive / North Creek Road – Lennox Head (EPIQ Development) – Total cost \$7.7m – Grant application \$3.5m – This project had a benefit cost ratio (BCR) of 7.26 on a much lower budget as the \$7.7m reflects the latest estimates for the work.

The feedback from the State Government is that more than 1.0 is the minimum benchmark for a BCR and this project has very strong job linkages resulting in a very high BCR.

- b) Airport Boulevard – Total cost \$7m – Federal Government grant secured of \$3m – Preferred Council contribution \$2m – Grant application \$2m – BCR of 4.50. Council has \$4m allocated to this project, however if we can secure another \$2m in grant funds, the Council contribution can be reduced.

These applications are in the process of being submitted and the announcement timeframe is unknown.

- Regional Cultural – Two applications submitted to the EOI process and the announcement timeframe is unknown.
 - a) Northern Rivers Community Gallery – Sustainability upgrade for lighting and Ignite Studio project (expansion into former fire station owned by Council) - \$150,000 grant application for capital costs – plus \$25,000 for operational (if available)
 - b) Lennox Head Cultural and Community Centre – Air-conditioning - \$400,000 application
- Stronger Country Communities – Applications submitted by 18 October 2017 – Council has been working with MLC Ben Franklin on this program as it appears that Council will receive an allocation of approximately \$950,000 to \$1m for community infrastructure projects this financial year and possibly next financial year.

The projects submitted were as follows.

- a) Coastal Shared Path – Total cost of \$1.78m – grant application of \$880,000 – This is the section from Pat Morton to Skennars Road / The Coast Road intersection. This is the same project as the Federal Government Regional Jobs and Investment Package.

There is more flexibility with this funding program and if Council was successful with the Federal Government grant we could reallocate the funds to another of the high priority Council projects.

- b) Ballina Shire Community Sporting Upgrades – Total cost of \$343,000 – grant application of \$120,000 – This consists of two projects for the Ballina Tennis Club clubhouse improvements (\$243,000) and improved lighting at Williams Reserve (\$100,000).

4.3 Community Infrastructure - Non Recurrent Projects and Funding

Councillors have previously received correspondence from the Ballina Tennis Club advising that even though they were successful with an application to the Building Better Regions Fund Federal Government grant program for financial assistance towards the cost of redevelopment of their change rooms, kitchen and providing disabled access, along with Council providing \$20,000, they still have a funding shortfall.

The Williams Reserve lighting is to address a deficiency with the current lighting for this reserve which is restricting use.

These two projects were ancillary to the major application which is for the Coastal Shared Path.

The announcement of this funding may be known before the end of the current calendar year.

- Regional Sports Infrastructure - Ballina Indoor Sports Centre – application submitted to the EOI process for \$3m based on a total project cost of \$8m. For this program benefit cost ratios (BCR) have to be completed and the ratio needs to be over 1.0 to reach a minimum standard. Council has had a BCR completed with the BCR at a relatively low 1.07.

The feedback from the State Government is that this weakens the strength of our application and the concern is that we will not secure any grants for this project based on this BCR. A second consultant is being engaged to try and improve the initial BCR.

The announcement timeframe is unknown.

Other major grants that Council has secured for works that are yet to commence include \$4.5m State Government funding for the \$7m Airport Terminal expansion and \$3m in Federal Government funding for the \$7m Airport Boulevard project.

Section 94 Roads Plan

Whilst considering the community infrastructure projects the other major infrastructure improvements facing Council relate to the road network upgrades as per the Section 94 Roads Plan. Works, based on that plan, that are needed in the next few years include:

- Completion of Hutley Drive – both north and south – anywhere between \$15m to \$20m
- River Street four lanes and widening of Fishery Creek Bridge - \$22m
- Tamarind Drive four lanes and widening of The Canal Bridge - \$13m

These projects are funded by Section 94 Roads Contributions however the balance in that contributions reserve is approximately \$4m as at 30 June 2017.

This is well short of the funding needed to complete any of the projects.

4.3 Community Infrastructure - Non Recurrent Projects and Funding

The latest estimate for the extension of Hutley Drive to the north, and the realignment of North Creek Road, is \$7.7m, excluding land acquisitions. This is a high priority project and a report on the land acquisition process and funding options will be presented to Council in the near future.

Conclusion

The purpose of this report is to review the funding allocated in the LTFP for the Ballina Town Entry Statements and Captain Cook Park Master Plans.

The report also provides an opportunity to examine a number of the major financial commitments facing Council.

The final attachment to this report is the latest forecast movements for the CIR.

The preferred recommendations based on the contents of this report are:

1. That Council endorses the inclusion of the revised cash flows for the Community Infrastructure Reserve in our Long Term Financial Plan as per Table One and attachment four to this report, subject to the following points.
2. That the funding in the cash flow for the Captain Cook Master Plan be reallocated to the Lennox Head Village Renewal works.
3. That for financial planning the Lennox Head Village Renewal works are to be funded by December 2021 as follows:
 - Loan - \$2m - \$1m in 2020/21 and \$1m in 2021/22
 - LRM Dividends - \$2m - \$1m in 2020/21 and \$1m in 2021/22
 - Community Infrastructure Reserve - \$1.65m - \$750,000 in 2019/20 and \$900,000 in 2020/21.
4. That Council notes that additional funds could be needed for the Skennars Head Sports Fields expansion project, which may result in the need for the Ballina Town Entry Treatment budget of \$800,000 in 2018/19 being reallocated. This allocation of \$800,000 may also be used to assist in funding the Ballina Indoor Sports Centre.
5. That Council notes that the remaining high priority community building projects without a confirmed funding source are the SES Building renewal and the Lennox Head Rural Fire Shed.
6. That Council notes the future funding difficulties in respect to delivering the Section 94 Roads Plan.

These points reflect the key issues identified in this report and even though it has not been possible to provide a solution for every project it is important to highlight these points, as many of these items will be revisited in future reports.

RECOMMENDATION

1. That Council endorses the inclusion of the revised cash flows for the Community Infrastructure Reserve in our Long Term Financial Plan as per Table One and attachment four to this report, subject to the following points.
2. That the funding in the cash flow for the Captain Cook Master Plan be reallocated to the Lennox Head Village Renewal works.
3. That for financial planning the Lennox Head Village Renewal works are to be funded by December 2021 as follows:
 - Loan - \$2m - \$1m in 2020/21 and \$1m in 2021/22
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 - Community Infrastructure Reserve - \$1.65m - \$750,000 in 2019/20 and \$900,000 in 2020/21.
4. That Council notes that additional funds could be needed for the Skennars Head Sports Fields expansion project, which may result in the need for the Ballina Town Entry Treatment budget of \$800,000 in 2018/19 being reallocated. This allocation of \$800,000 may also be used to assist in funding the Ballina Indoor Sports Centre.
5. That Council notes that the remaining high priority community building projects without a confirmed funding source are the SES Building renewal and the Lennox Head Rural Fire Shed.
6. That Council notes the future funding difficulties in respect to delivering the Section 94 Roads Plan.

Attachment(s)

1. Ballina Landscape Entry Treatment Master Plan
2. Captain Cook Memorial Park Master Plan
3. Cash Flow - Community Infrastructure Reserve - 31 March 2017
4. Cash Flow - Community Infrastructure Reserve - 31 October 2017



Ballina Landscape Entry Treatment Master Plan for the Ballina Gateway Project

Prepared for Ballina Shire Council by King and Campbell
January 2013

Preamble

The Pacific Highway bypass of Ballina has stimulated interest in improving the presentation of Ballina.

Over an approximate eight kilometre section of the old Pacific Highway, including River Street, Kerr Street and Tamarind Drive, the road configuration varies from a two lane road to a four lane road with a large section of River Street incorporating a centre median of approximately three metres wide.

In visual terms the main approach to Ballina is from the west over a flat (river floodplane) landscape. Like many Australian regional towns this entry is characterised by a diverse range of strip development. Much of this development has occurred since the 1970's and is generally of poor quality. This, coupled with predominantly traffic related functions and a proliferation of unregulated signage and power lines, creates a visually poor entry experience.

The Challenge

Much of the development which contributes to this poor entry experience will be difficult to change in the short to medium term. Funding to improve the entry experience is also limited.

The challenge presented by this problem is to identify simple and cost effective measures to improve the visual entry experience.

Key Principles

Key principles which underpin the proposals are:

1. Measures should be visually bold and of a scale that is consistent with the visual elements with which they will need to compete for attention;
2. Elements utilised as part of the scheme should exhibit a consistency of form and colour so as to engender a strong visual identity;
3. The proposals should say something about Ballina;
4. The proposals should, as much as possible, be designed and implemented by local people, to keep money in the town.

The Concept

The following measures are proposed to meet the above principles;

- A comprehensive tree planting program. Large distinctive trees should be planted in road edges, road verges and in the centre median, wherever possible along the entry road route. Smaller trees should be planted where there are conflicts with overhead power lines;
- A sculpture program. Nine (9) locations for entry sign/sculptures or sculptures are identified along the entry route. Sign/sculptures are to be of large scale, unique to Ballina and designed and constructed using regional artists. It is recommended that this program, should be implemented over time through a detailed arts program established specifically for this project;
- Tidying up road verges generally. This work will include the piping and /or regrading of existing table drains to create easier verges to maintain, and more regular grass mowing.
- The reuse of the Big Prawn as an iconic entry element is currently being undertaken as part of the Bunnings Development and is supported;
- Encouraging appropriate future development of properties along the route, including the co-ordination of signage. In this regard, Council are currently preparing a Development Control Plan for the recently established B&B Enterprise Corridor (LEP, 2011).



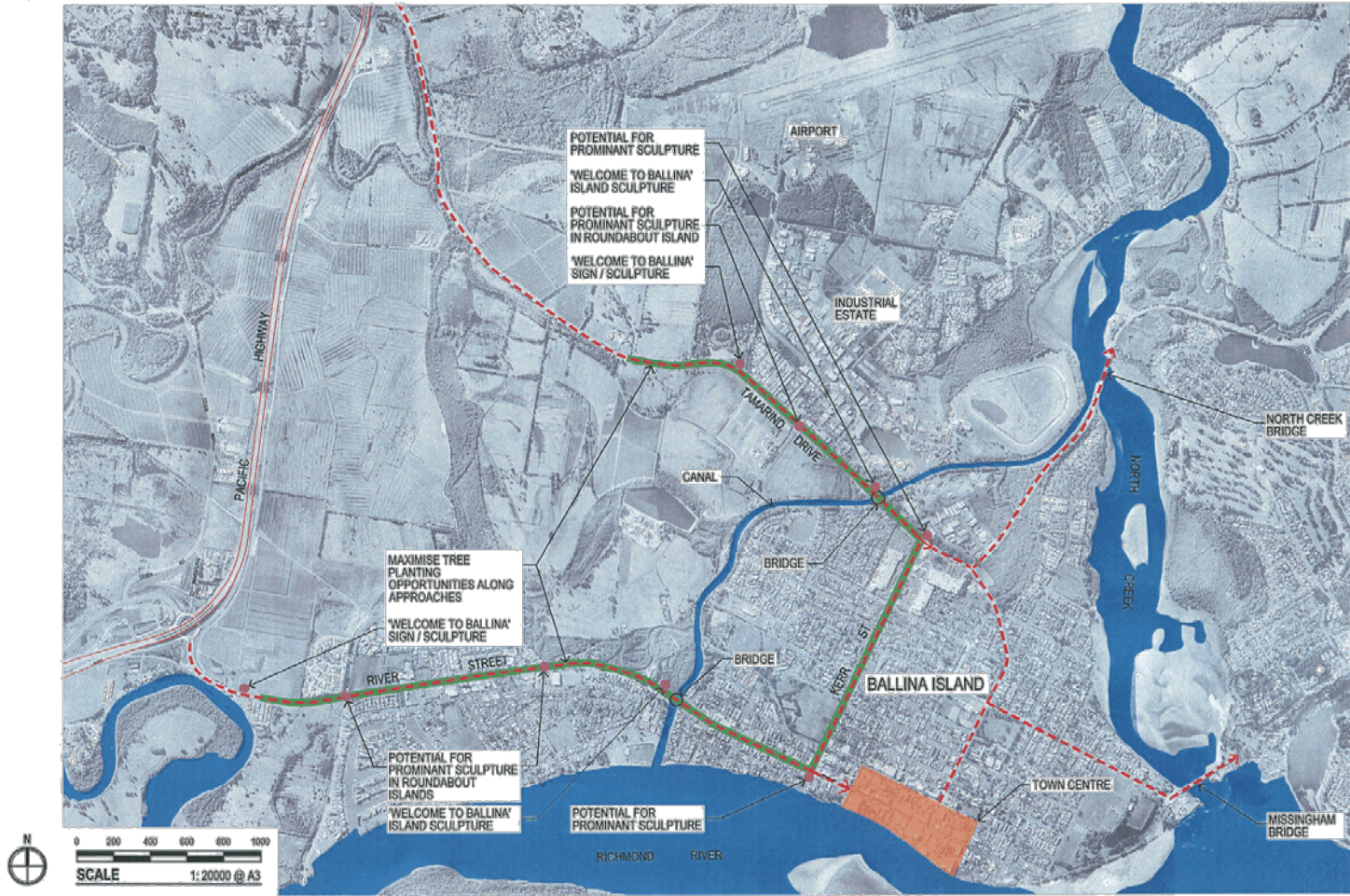
TYPICAL VISUAL EXPERIENCE



CENTRE MEDIAN STRIP SECTION



REUSING THE ICONIC BIG PRAWN

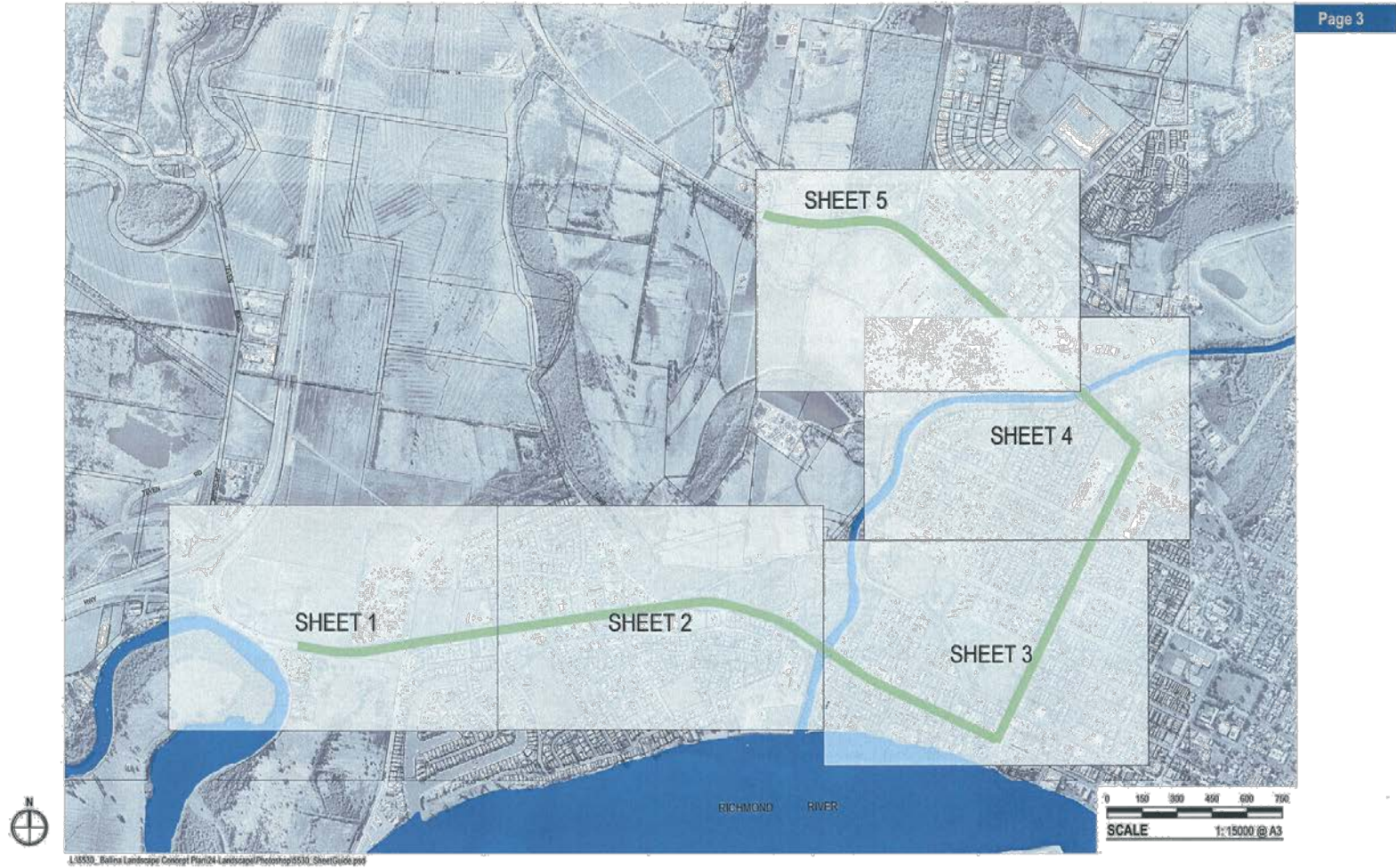


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 king+campbell.com.au

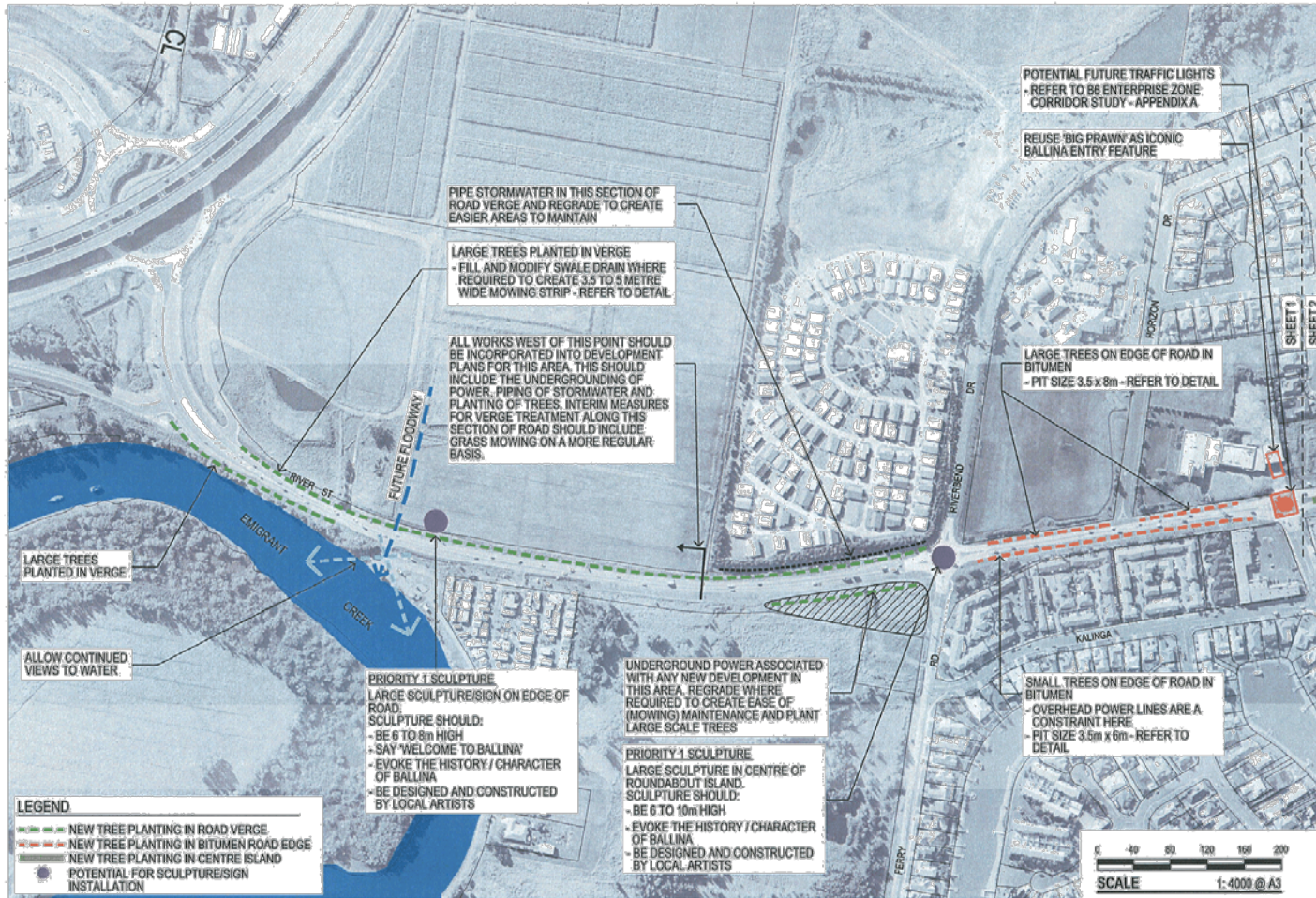
OVERALL CONCEPT
BALLINA GATEWAY PROJECT
 PREPARED FOR BALLINA SHIRE COUNCIL BY KING & CAMPBELL JANUARY, 2013

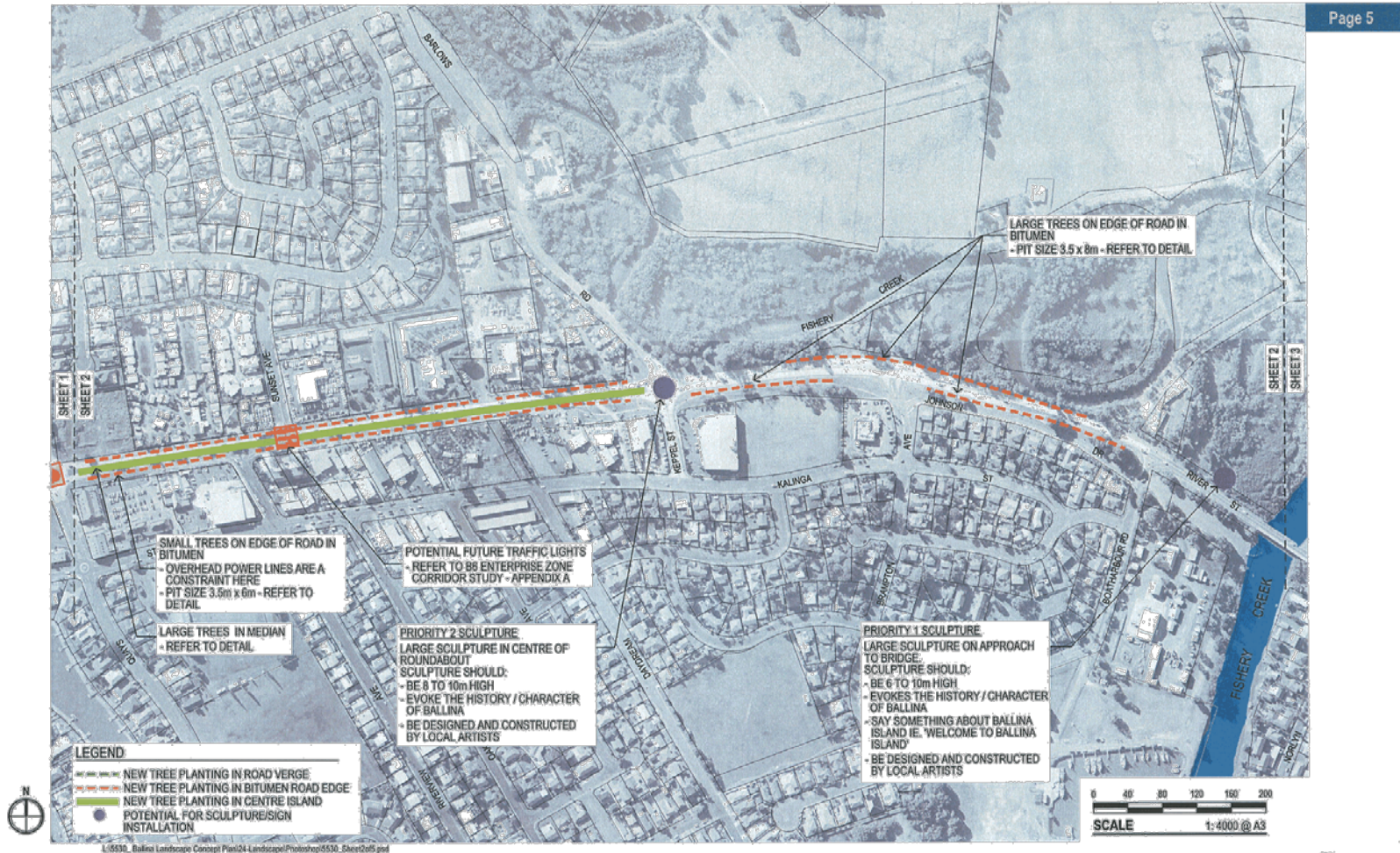




KING + CAMPBELL
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CONCEPT SHEET GUIDE
BALLINA GATEWAY PROJECT
PREPARED FOR BALLINA SHIRE COUNCIL BY KING & CAMPBELL, JANUARY, 2013





CONCEPT SHEET 2 OF 5

BALLINA GATEWAY PROJECT

PREPARED FOR BALLINA SHIRE COUNCIL BY KING & CAMPBELL JANUARY, 2013

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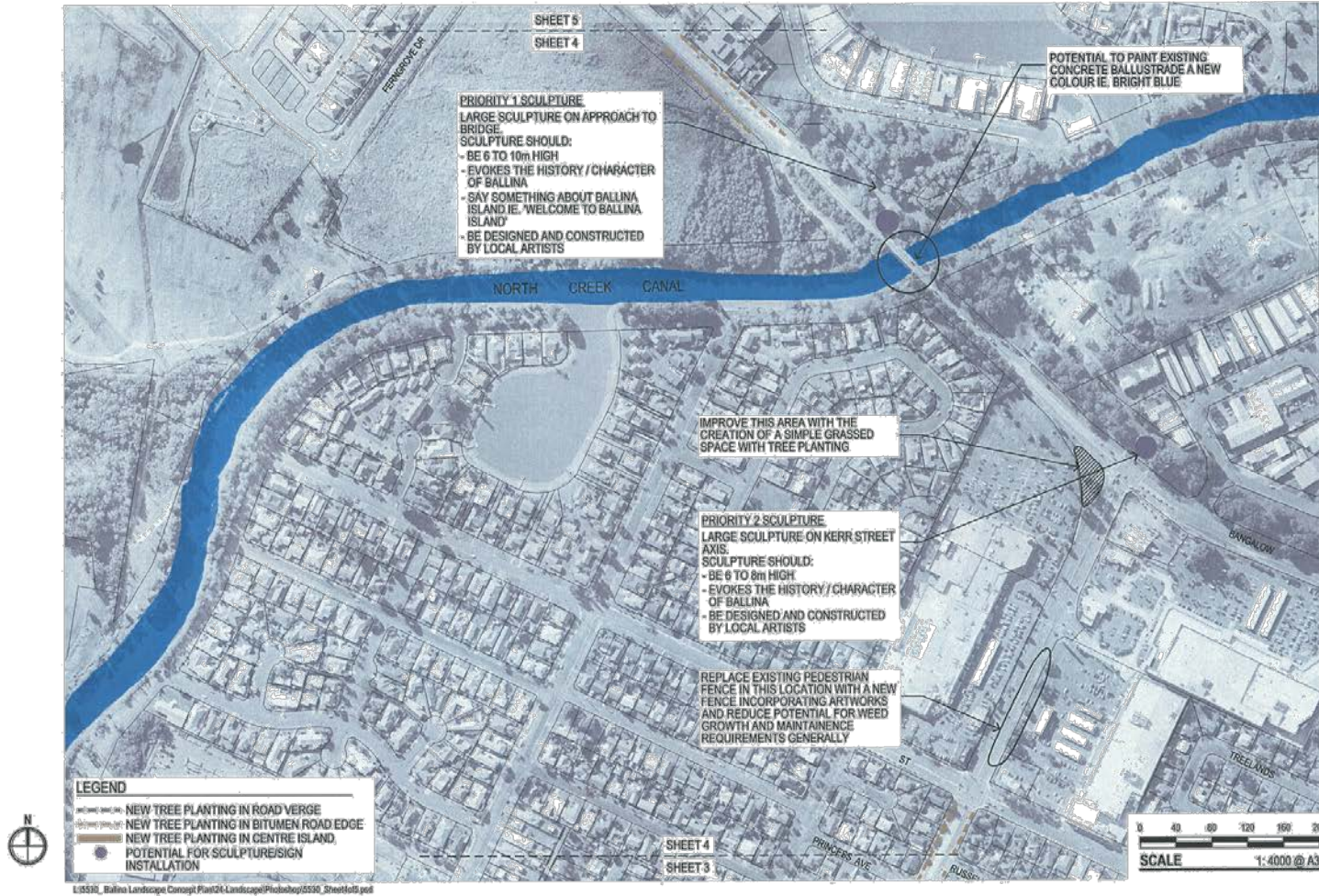


LEGEND
 - NEW TREE PLANTING IN ROAD VERGE
 - NEW TREE PLANTING IN BITUMEN ROAD EDGE
 - NEW TREE PLANTING IN CENTRE ISLAND
 - POTENTIAL FOR SCULPTURE/SIGN INSTALLATION
 - RETAIN VIEWS TO WATER

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 king+campbell.com

CONCEPT SHEET 3 OF 5
BALLINA GATEWAY PROJECT
 PREPARED FOR BALLINA SHIRE COUNCIL BY KING & CAMPBELL JANUARY, 2013



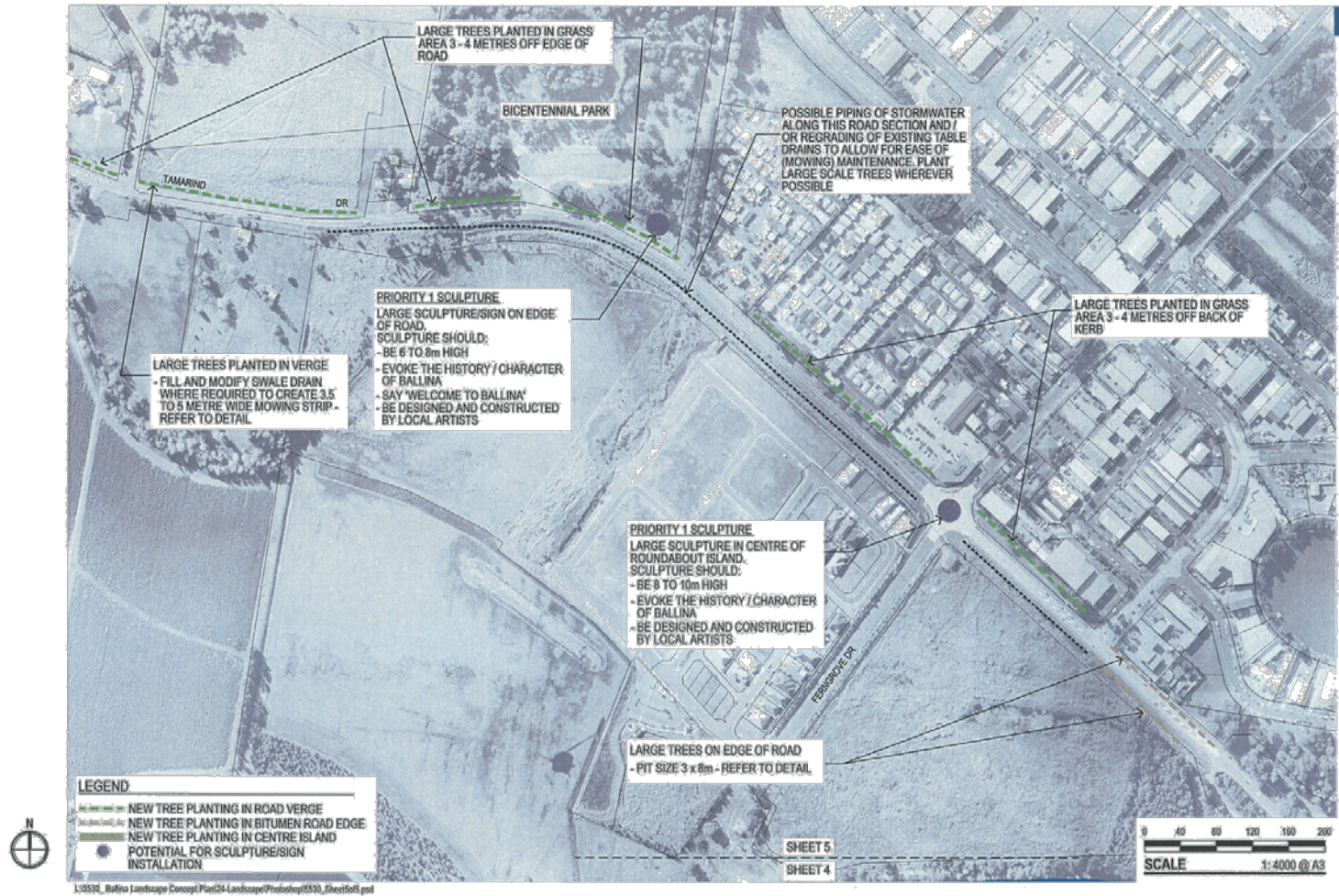


CONCEPT SHEET 4 OF 5

BALLINA GATEWAY PROJECT

PREPARED FOR BALLINA SHIRE COUNCIL BY KING & CAMPBELL, JANUARY, 2013

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LARGE TREE FOR CENTRE MEDIAN PLANTING



Brachychiton acerifolius (Flame Tree)

LARGE TREE FOR ROAD EDGE PLANTING

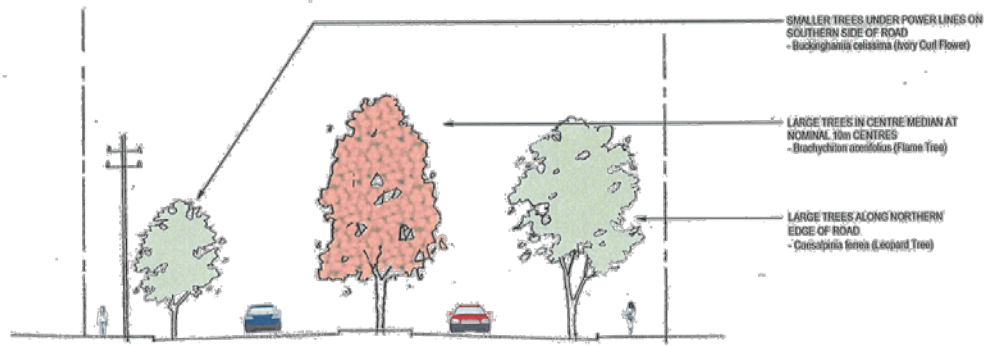


Caesalpinia ferrea (Leopard Tree)

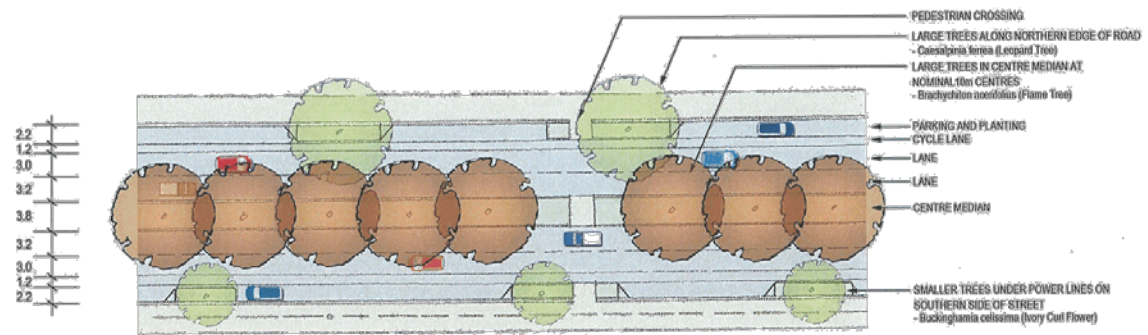
SMALL TREE FOR ROAD EDGE PLANTING



Buckinghamia celissima (Ivory Curl Flower)



TYPICAL CROSS SECTION 1:200 @ A3

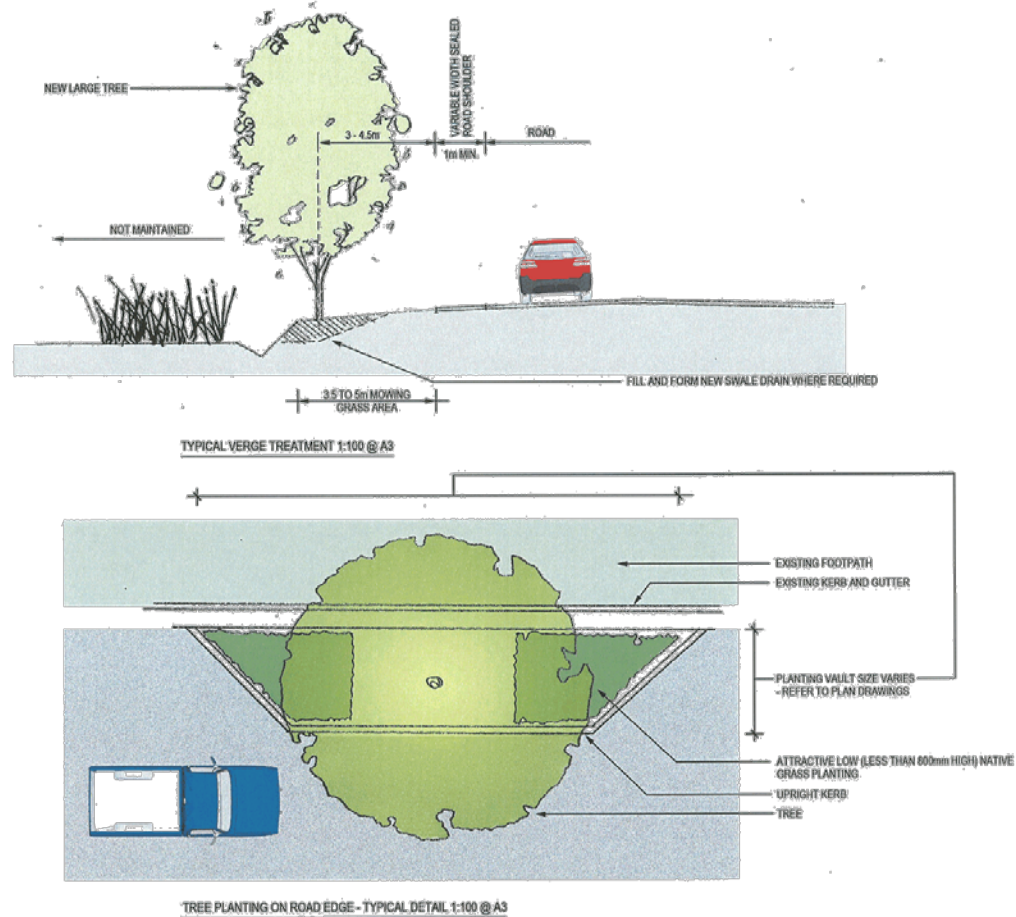


TYPICAL PLAN SECTION 1:500 @ A3

TREE PLANTING AND TYPICAL RIVER STREET SECTION BETWEEN KEPPEL STREET AND QUAYS DRIVE
BALLINA GATEWAY PROJECT

PREPARED FOR BALLINA SHIRE COUNCIL BY KING & CAMPBELL, JANUARY, 2013





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TYPICAL DETAILS
BALLINA GATEWAY PROJECT
 PREPARED FOR BALLINA SHIRE COUNCIL BY KING & CAMPBELL, JANUARY, 2013



Captain Cook Memorial Park, Ballina DESIGN DEVELOPMENT STAGE 1

REVISED MASTER PLAN
30 MAY 2017



Revised Master Plan



Captain Cook Memorial Park, Ballina DESIGN DEVELOPMENT STAGE 1
REVISED MASTER PLAN



Cash Flow - Community Infrastructure Reserve - Forward Financial Plan																
31-March-2017																
Item	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27
	Actual	Actual	Actual	Actual	Actual	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate
Opening Balance	4,453,800	3,259,500	2,718,400	2,946,600	1,778,800	1,141,800	361,000	125,500	235,800	432,300	306,800	294,200	296,700	336,400	394,000	470,600
Add: Cash Inflows																
Interest Accrued	355,000	121,000	17,900	80,200	41,000	16,000	9,000	3,000	6,000	11,000	8,000	7,000	7,000	8,000	10,000	12,000
Community Infrastructure - Property Dividends	0	0	0	0	0	0	0	0	0	1,000,000	1,100,000	500,000	0	700,000	700,000	700,000
Int Loan Repaid - Flat Rock	41,000	41,300	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Int Loan Repaid - Plant	33,500	33,800	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Int Loan Repaid - Street Lighting	33,000	36,500	53,500	0	0	0	0	0	0	0	0	0	0	0	0	0
Lennox Head Community Centre	0	0	0	800,000	30,000	0	0	0	0	0	0	0	0	0	0	0
Rate Revenue - Roundabouts (30%)	308,000	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Rental - 89 Tamar St (100%)	690,800	724,100	813,200	641,900	703,800	702,500	703,600	717,700	732,000	746,600	761,500	776,700	792,200	808,000	824,100	840,600
Rental - ARC (50%)	159,100	161,300	165,000	169,800	129,500	125,400	127,200	129,700	132,300	135,000	137,700	140,400	143,200	146,100	149,000	152,000
Rental - Fawcett Park Cafe (100%)	69,900	0	0	57,100	67,000	65,800	67,100	68,500	69,900	71,300	72,700	74,100	75,600	77,100	78,600	80,100
Fawcett Park Cafe - Insurance Claim	0	0	75,000	0	0	0	0	0	0	0	0	0	0	0	0	0
Sale - ARC Residual Southern Cross (50%)	0	250,000	262,500	0	455,000	0	0	0	0	0	0	0	0	0	0	0
Sale - Harvey Norman Sale (Part)	1,780,000	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Sale - Land Adjoining BP (50%)	0	0	250,000	0	0	0	0	0	0	0	0	0	0	0	0	0
Sale - Russellton Land	0	0	0	0	0	225,000	0	0	0	0	0	0	0	0	0	0
Sale - Southern Cross Land	400,000	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Section 94 - Recouped	447,200	631,300	845,200	729,800	669,700	450,000	650,000	450,000	450,000	450,000	450,000	450,000	450,000	450,000	450,000	450,000
Sub Total	4,317,500	1,998,300	2,482,300	2,278,800	2,096,000	1,584,700	1,556,900	1,368,900	1,390,200	2,413,900	2,529,900	1,948,200	1,468,000	2,189,200	2,211,700	2,234,700
Less: Cash Outlays																
Operating Expenditure																
Outgoings - 89 Tamar Street (100%)	49,800	68,100	53,000	51,900	77,300	56,600	73,600	75,800	78,000	80,200	82,400	84,600	86,900	89,200	91,700	94,200
Outgoings - ARC (50%)	3,100	2,800	1,500	600	3,000	4,600	4,500	4,700	4,800	5,000	5,100	5,300	5,400	5,600	5,700	5,900
Outgoings - Fawcett Park Cafe (100%)	4,900	33,000	17,700	18,900	21,700	20,600	23,400	24,100	24,800	25,600	26,400	27,200	28,000	28,800	29,700	30,600
Development Application Refund	27,000	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Donations	0	5,000	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Henderson Farm - Consents	0	2,000	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Master Plan - Captain Cook Park	60,000	0	15,000	0	0	0	0	0	0	0	0	0	0	0	0	0
Master Plan - Kingsford Smith Park	0	0	18,000	0	0	0	0	0	0	0	0	0	0	0	0	0
Property Investigations	20,000	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Sharps Beach Masterplan	40,000	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Sub Total	204,800	110,900	105,200	71,400	102,000	81,800	101,500	104,600	107,600	110,800	113,900	117,100	120,300	123,600	127,100	130,700
Community Infrastructure Delivery																
Administration Centre	0	0	0	0	0	169,000	0	0	0	0	0	0	0	0	0	0
Animal Shelter	280,000	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Ballina Cenotaph	0	0	0	25,000	0	0	0	0	0	0	0	0	0	0	0	0
Ballina Seagulls Rugby League Club	0	0	0	0	0	30,100	0	0	0	0	0	0	0	0	0	0
Ballina Sports and Events Centre	34,000	26,000	18,000	33,000	244,000	3,000	0	0	0	0	0	0	0	0	0	0
Ballina Surf Club	746,000	1,682,000	995,000	506,000	119,800	0	0	0	0	0	0	0	0	0	0	0
Ballina Town Entry Treatments	0	0	0	0	0	0	0	800,000	0	0	0	0	0	0	0	0
Boat Ramps and pontoons - Captain Cook	0	0	0	0	0	75,000	0	0	0	0	0	0	0	0	0	0
Boat Ramps and Pontoons - Faulks Reserve	0	0	0	0	25,000	0	0	0	0	0	0	0	0	0	0	0
Boat Ramps and Pontoons - Keith Hall	0	0	0	0	0	50,000	0	0	0	0	0	0	0	0	0	0
Captain Cook Park Master Plan	0	0	0	0	0	90,000	0	0	750,000	2,100,000	0	0	0	0	0	0
Coastal Recreational Path	324,900	0	0	0	850,000	0	0	0	0	0	0	0	0	0	0	0
Fawcett Street Cafe - Refurbishment	0	34,000	154,000	0	0	0	0	0	0	0	0	0	0	0	0	0
Lake Ainsworth	0	0	0	0	0	725,000	0	0	0	0	0	0	0	0	0	0
Lennox Head Community Centre	382,000	73,000	0	20,000	0	30,000	0	0	0	0	0	0	0	0	0	0
Lennox Head Rural Fire Shed	0	72,000	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Loan Repayments Community Infrastructure	428,100	501,500	557,600	562,000	566,700	402,600	436,900	354,000	336,100	328,600	328,600	328,600	308,000	308,000	308,000	308,000
Main Street - Ballina	1,500,000	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Marine Rescue Centre	0	21,000	100,000	100,000	200,000	0	0	0	0	0	0	0	0	0	0	0
Missingham Park	0	0	0	0	0	80,000	0	0	0	0	0	0	0	0	0	0
Newrybar Hall	5,000	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Northern Rivers Community Gallery	0	0	55,000	0	0	25,000	0	0	0	0	0	0	0	0	0	0
River Street - 139 Refurbishment	0	0	54,200	0	0	0	0	0	0	0	0	0	0	0	0	0
Shaws Bay Coastal Zone Management Plan	0	0	0	0	0	75,000	104,000	0	0	0	0	0	0	0	0	0
Shellys on the Beach - Land Purchase	0	0	56,600	242,200	0	0	0	0	0	0	0	0	0	0	0	0
Sports Fields - Skennars Head	21,000	20,000	0	0	0	0	1,150,000	0	0	0	0	0	0	0	0	0
Sports Fields - Wollongbar	1,573,000	0	0	1,684,000	625,500	0	0	0	0	0	0	0	0	0	0	0
Street Lighting	13,000	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Swimming Pools	0	0	0	200,000	0	0	0	0	0	0	0	0	0	0	0	0
Tamar Street - 89 Refurbishment	0	0	138,500	3,000	0	29,000	0	0	0	0	0	0	0	0	0	0
Wardell Hall	0	0	20,000	0	0	0	0	0	0	0	0	0	0	0	0	0
Wollongbar Skate Park	0	0	0	0	0	500,000	0	0	0	0	0	0	0	0	0	0
Community Infrastructure - Prop Dev Dividend	0	0	0	0	0	0	0	0	0	0	1,100,000	500,000	0	700,000	700,000	700,000
Community Infrastructure - Other	0	0	0	0	0	0	0	0	0	0	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
Sub Total	5,307,000	2,429,500	2,148,900	3,375,200	2,631,000	2,283,700	1,690,900	1,154,000	1,086,100	2,428,600	2,428,600	1,828,600	1,308,000	2,008,000	2,008,000	2,008,000
Total Outlays	5,511,800	2,540,400	2,254,100	3,446,600	2,733,000	2,365,500	1,792,400	1,258,600	1,193,700	2,539,400	2,542,500	1,945,700	1,428,300	2,131,600	2,135,100	2,138,700
Closing Balance	3,259,500	2,718,400	2,946,600	1,778,800	1,141,800	361,000	125,500	235,800	432,300	306,800	294,200	296,700	336,400	394,000	470,600	566,600
Net Movement - Increase / (Decrease)	(1,194,300)	(541,100)	228,200	(1,167,800)	(637,000)	(780,800)	(235,500)	110,300	196,500	(125,500)	(12,600)	2,500	39,700	57,600	76,600	96,000

4.4 Facilities Management

4.4 Facilities Management

Delivery Program Community Facilities and Services

Objective To discuss options in respect to facilities management.

Background

At the October 2017 Ordinary meeting Council resolved as follows:

Resolution 261017/4

That Council authorises the General Manager to undertake discussions with the NSW Police Citizens Youth Club and any other interested parties in respect to the potential management of the Ballina Indoor Sports Centre, and other Council facilities with the aim being to:

- *Increase the range of programs available to the community*
- *Decrease operating costs for Council*
- *Decrease capital costs of the new Indoor Sports Centre for Council*
- *Minimise cost to users*

Even though this resolution is only recent it is timely to discuss this matter in conjunction with the other reports in this agenda, particularly the future management of the Alstonville Leisure and Entertainment Centre (ALEC).

Key Issues

- Management options
- Capital cost
- Grant funding

Information

It is important that resolution 261017/4 is addressed promptly as Council has already engaged an architectural firm to design the Ballina Indoor Sports Centre (BISC) and a grant application for the centre is in the process of being finalised.

As a result of the resolution discussions have been held with:

- Lester Stump – General Manager Properties PCYC
- Mark Arnold – Director Byron Shire Council
- Craig Swift-McNair – General Manager Port Macquarie – Hastings Council
- Kirk Trease - President Ballina RSL Sub Branch Youth Club
- Joe Lantz – NSW Department of Education
- Ben Keegan – Sports and Recreation Coordinator – Orange City Council
- Michael England – Project Officer, Northern Beaches Council

Brief discussions were also held with the YMCA and Dubbo City Council.

4.4 Facilities Management

The key points from these discussions are as follows:

- PCYC has verbally advised that they do not have funding available for the construction of the BISC
- PCYC may have funds available for the fit-out of the BISC if they are appointed as facility managers
- PCYC would like to be partners in the grant application Council is in the process of submitting to the NSW State Government's Regional Sports Infrastructure Program. This is subject to the PCYC managing the BISC
- PCYC believe Council is in a better position to obtain grant funding with PCYC as a partner due to the increased services that would be provided from the facility, along with increased Ministerial interest (i.e. Police)
- Port Macquarie – Hastings Council had a poor experience with NSW PCYC following protracted negotiations in respect to the expansion and management of an indoor sports stadium, with that stadium now managed by an external contractor following a tender process
- Byron Shire Council had a similar experience to Port Macquarie in respect to the Cavanbah Centre at Ewingsdale, with that facility now managed by Council staff
- Ballina RSL Sub Branch Youth Club is concerned that if PCYC operate the BISC they will negatively impact the Youth Club's own operations. Correspondence from the Youth Club is included as an attachment to this report
- Orange City Council constructed the Sir Neville Howse stadium, which has four multi purpose courts (suitable for basketball, netball etc), in conjunction with the PCYC in circa 2007/08. The PCYC provided significant funding to the construction of the facility through the sale of an existing PCYC, along with sourcing other funding from a government grant. The PCYC has a 10 year plus 10 year management contract to manage the facility and the feedback from the Council is that it works very effectively, both operationally and financially. Any management contract needs to clearly define service levels, community involvement etc and the Orange agreement could provide a good template for Council if the BISC is to be managed by an external party
- Northern Beaches Council (Sydney) partnered with PCYC in a combined car park and multipurpose community facility with the cost of the community facility component being approximately \$13m (total project cost of approximately \$27m). PCYC provided \$250,000 in fit-out costs to the project. Northern Beaches Council partnered with PCYC as the PCYC is responsible for the operation (including basic internal maintenance and operational costs) of the multipurpose community facility resulting in significant recurrent savings to Council. The building includes two multiuse indoor sports courts, a youth drop in centre and study area, three multipurpose community rooms, PCYC youth counselling space and a cafe on top of three levels of parking for 348 cars. The facility was opened in August 2017.

This summary highlights that the PCYC model can work and ultimately it is a matter of the circumstances that exist in a locality and the negotiations between the interested parties that determine whether the partnership proceeds.

In respect to the Council resolution, responses to the various points of that resolution are as follows:

4.4 Facilities Management

- *Increase the range of programs available to the community*

The benefit of PCYC management is that the sporting programs on offer can be augmented by other programs, primarily focused on youth support. The PCYC mission statement, as per their website (pcyc.nsw.org.au) highlights this:

We get young people active in life.

We work with young people to develop their skills, character and leadership.

We reduce and prevent crime by and against young people.

The Northern Beaches Council has the dedicated youth drop in centre and youth counselling space that help to support these types of youth activities.

There are significant social advantages to this aspect of the PCYC programs and what would need to be determined in Ballina, and Ballina Shire, is the extra benefits that could possibly be gained from PCYC managing this facility, as compared to services that are already provided through organisations such as the Ballina RSL Sub Branch Youth Club.

In respect to the sporting aspect of the PCYC programs (i.e. boxing, badminton, martial arts etc) all of these could potentially be provided at the BISC under any management structure, subject to the sporting infrastructure being available.

- *Decrease operating costs for Council*

Where agreement can be reached between the parties and where the PCYC is in a position to fund and operate the facility there can be significant savings in operating costs for the facility owner.

The PCYC typically require a lengthy management agreement in return for these savings and the key to this relationship is ensuring that a sound management agreement is in place.

- *Decrease capital costs of the new Indoor Sports Centre for Council*

The verbal advice from the PCYC is that they do not have any funds available for the capital cost of the BISC however they may be in a position to contribute to the fit-out costs, in return for an extended management agreement.

They have also advised that their involvement could assist with obtaining grant funding through the State Government's Regional Sports Infrastructure fund as they would be bringing another government agency to support the project and expanding the programs available.

There is some basis to this in that all grant applications ask for details on partnerships, with the more partners and more benefits to the community typically being a positive. However it is not possible to quantify the difference the PCYC inclusion will make to Council's application. The caveat on the inclusion of the PCYC is that they are then seeking the management rights for the facility.

4.4 Facilities Management

Council has already lodged the expression of interest (EOI) for the Regional Sports Infrastructure fund to obtain a grant of \$3m for the BISC and the feedback is that the State Government assessment panel will not be meeting to assess the EOIs until January 2018.

As this is only an EOI this usually means that the next step will be a more detailed application if Council's EOI is approved to progress. Therefore a likely timeframe for approval of any grant could possibly be mid 2018 when the project is well advanced.

This creates further risks for grant funding in that it would be somewhat unusual to obtain a grant when construction is underway.

- *Minimise cost to users*

The feedback from Orange City Council is that from the Council's perspective the level of fees has not been an issue. Matters such as fee determination need to be outlined in any management agreement and this would be a matter for Council to negotiate with any potential external management company.

It also appears that the PCYC and YMCA are the only two major not for profit groups managing these types of facilities, with around six major private companies also in the market.

Other factors that Council also need to consider is that the future management of the ALEC remains uncertain, and Council could also examine management options for other related facilities.

Discussions are also occurring with the Department of Education in respect to another facility that could provide significant benefits to the local community, with those discussions currently required to remain confidential.

Legal / Resource / Financial Implications

The BISC is a significant financial cost to Council and every effort needs to be made to reduce the capital cost and minimise the future operating costs, while at the same time balancing the cost with the level of service provided to the community.

Consultation

A wide range of organisations have been consulted as part of this report.

Options

The options available include:

- 1) Approve NSW PCYC as a project partner in the Council's grant application and accept PCYC as the future manager of the BISC, subject to further negotiations.
- 2) Continue to proceed along with the current process of seeking grant funds and building the facility based on a focus on delivering indoor sports outcomes, with an intention to benchmark management options for the BISC, and possibly other Council facilities during the next 12 months.

4.4 Facilities Management

It is not possible to quantify the improved chances Council has of obtaining grant funding for the BISC if PCYC is included as a project partner.

The PCYC has verbally advised that they do not have any of their own funds to contribute to the capital cost of the building, although they may be in a position to fund some of the fit out costs, if appointed as centre manager.

It is essential that Council obtain grant funds for the BISC as the Long Term Financial Plan currently relies on \$3m in income from asset sales if grants are not secured.

Council is working closely with our local State Government politicians in an attempt to obtain grant funding, however some of the feedback has been that our chances are less than optimal, as it is seen by some people in Government that the State Government is already funding 50% of the project through the construction of the two courts for the school. The timing of the grant could also cause difficulties.

The benefit / cost ratio (BCR) for the BISC, which is a key consideration by the State Government in assessing grant applications, is only marginally above one (ratio currently 1.07) with one being the minimum benchmark.

The project is marginal on this basis although these types of community facilities often score lower on this benchmark.

Despite this feedback, in talking with various State Government representatives there is a high awareness of the benefits of the partnership that Council has formed with the Department of Education in delivering this facility, the feedback is positive about the project and every effort is being made to try and secure grant funds.

The benefit of option two is that it still allows an organisation such as PCYC to tender for the management of the facility through a public tender process, if Council decides to test the market.

This option is based on the assumption that Council will call for tenders for management of this facility and benchmark any tenders received against the benefits and costs of Council staff managing the facility.

A key issue with this option is the timing of calling tenders.

An earlier tender process allows the appointed organisation (assuming an external organisation is appointed) to be more actively involved in the design and construction of the building. The downside is the increased uncertainty over construction timeframes etc.

On balance the preferred approach is option two.

The PCYC has advised (verbally) they do not have capital funding for the construction of the building. They may have funding for the fit-out and that could be clearly defined through a tender process for management of the facility.

4.4 Facilities Management

The PCYC may well prove to be the appropriate management organisation however that should be demonstrated through a public tender process for the management of this building and potentially other community facilities.

Any management contract will need to focus on the social outcomes as well as the financial outcomes. PCYC has the possibility of delivering significant improved social outcomes to the community although that does need to be balanced against other social service providers already operating in the Shire.

The calling of a tender for contract management can be also timed to coincide with Council having greater certainty over the future management options for other Council facilities such as ALEC.

It is envisaged that during 2018, assuming that the BISC project advances as planned, Council would receive a report on management options, including direct management by staff, as compared to an external organisation. Council would then decide whether it wishes to call a tender for contract management.

Any tender process will need to carefully examine concerns that have been expressed in respect to fees, usage determination etc and the impact on other service providers such as the Ballina RSL Youth Club.

In conclusion it is important that Council provide direction in response to this report as the PCYC is keen on partnering Council in our grant application(s), albeit that an EOI has already been submitted.

If the preferred approach is to immediately involve PCYC the recommendation would be amended to confirm that Council's preferred position is for the PCYC to manage this facility on the basis that they would be responsible for all on-going maintenance (typically minor) and operational costs.

There is a possibility that PCYC could deliver this although Council is then accepting that PCYC will be the long term manager of the facility without going through a competitive process.

Importantly even if Council endorses the following recommendation which prefers a competitive process, Council staff will continue to have an on-going dialogue with the PCYC as the recommendation does not rule out PCYC managing the BISC once built.

RECOMMENDATIONS

1. That Council notes the contents of this report in respect to facility management, with particular reference to the Ballina Indoor Sports Centre.
2. That Council confirms its preferred approach to determine the management of the Ballina Indoor Sports Centre is to benchmark the management and operation of the facility by Council staff, as compared to an external party, following a competitive tender process.
3. That Council receive a further report on management options and the details of any proposed management contract for the Ballina Indoor Sports Centre, and other Council community facilities, once the Sports Centre project is further advanced and there is greater certainty regarding the future management of the Alstonville Leisure and Entertainment Centre and any other Council facilities that could possibly be included in a management contract.

Attachment(s)

1. Letter from Ballina RSL Youth Club



Ballina RSL Youth Club

5 Piper Drive, Ballina
PO Box 130 Ballina 2478
Phone: 02 6686 0744
ABN: 37 373 414 970

President: Kirk Trease 0408450578
Secretary: Meg Valentine
Treasurer: Britt Mieзитis
www.ballinarslyc.com.au

Attention General Manager,

I recently spoke on behalf of the Ballina RSL Sub Branch Youth Club at the Council Meeting, I would like to thank you for that opportunity. I am writing to document the points which I addressed at that meeting in regards to the new Ballina Sports Facility and engagement of PCYC or similar to manage this locations operation.

1. The Ballina RSL Sub Branch Youth Club was established in the 1960's and has catered for the youth of this shire since that time, this is many decades of service within our community
2. We currently have over 1000 registered local Youth engaged in our recreational activities, which are not only limited to sporting pursuits. We are currently looking to expand even further the range of activities we offer and are undertaking market research to support these decisions.
3. We currently employ around 30 Local Youth, offering many their very first employment opportunity and fostering great social values and work ethic.
4. We are a Not for Profit organisation and are already delivering to our community these type of services as we have for many years, we are certainly capable and in a position to contribute to the discussion surrounding a new facility.
5. We work collaboratively with other organisations such as the PCYC to ensure the best outcomes for the youth of our community.
6. We look forward to being involved more with these discussions from this point forward, as decisions in this area will certainly have an impact on both our junior staff, and the local youth.
7. Our Committee are dedicated, professional and motivated and we will ensure the best outcomes for the Youth and Community within our Shire and local area.

Regards

Kirk Trease

A handwritten signature in black ink, appearing to read 'Kirk Trease', written in a cursive style.

President

4.5 Alstonville Leisure and Entertainment Centre - Management

4.5 Alstonville Leisure and Entertainment Centre - Management

Delivery Program Community Facilities and Services

Objective To consider options for the future management of the Alstonville Leisure and Entertainment Centre.

Background

Council is the owner of a number of facilities within the Shire which are provided to promote the social, cultural and recreational wellbeing of our community. These include:

- Richmond Room in Ballina
- Kentwell Community Centre in Ballina
- Ballina Surf Club
- Lennox Head Cultural and Community Centre
- Alstonville Leisure and Entertainment Centre.

Council has also committed to the construction of the Ballina Indoor Sports Centre (BISC) which will complement the above facilities. The BISC is proposed to be available for use by early 2019, subject to potential variables associated with the planning, detail design and construction phases.

The above list does not include the Ballina and Alstonville Pools (which are currently being redeveloped) or numerous halls in various locations, all of which comprise important community infrastructure.

This report focuses on the Alstonville Leisure and Entertainment Centre (ALEC). It is timely to report the matter to Council now, because the initial term of the contract for the management of this facility is due to expire on 31 March 2018.

The contract contains an option, in favour of Council, for an additional period of five years.

The current contractor is Bond Management Pty Ltd which has managed the facility for in excess of fifteen years.

Key Issues

- Contract performance
- Efficient use of public assets and resources
- Potential operational models and costs

Information

The ALEC is the most prominent item of indoor community facilities infrastructure owned by Council serving the residents of Alstonville, Wollongbar and surrounding rural areas.

4.5 Alstonville Leisure and Entertainment Centre - Management

The centre is important in catering for the diverse social, cultural and recreational needs of residents, including accommodating the Alstonville branch of the Richmond Tweed Regional Library. Also, because of its location, the ALEC operates effectively in tandem with the Alstonville Showground in supporting activities conducted by the Show Society.

For many years, Council has preferred to operate the ALEC through the retention of an external contracted manager. The most recent contract for the management of the centre was awarded in 2013 and the initial term of this contract is due to expire on March 2018.

Council now has the option of extending the term of the current contract, leasing the facility or managing ALEC through the use of its own staff resources.

There can be benefits and challenges in each of these management methods, and these are discussed in a separate confidential report contained elsewhere in this agenda. This separate report is presented on a confidential basis as it contains information of a commercial nature regarding the existing contract.

The most significant change which has occurred since the ALEC management contract was awarded in 2013 is the accrual of significant knowledge and experience gained by Council staff in the day to day management and promotion of our other community facilities.

This is highly relevant in current considerations, as the 'in-house' management of ALEC was not a realistic or practical option in 2013, given our complement of skilled staff was not available at that time.

Legal / Resource / Financial Implications

The current budget for the operation of ALEC provides for annual expenses approaching \$200,000, with a relatively modest income projected. Our aim is to endeavour to close the gap each year between income and cost for the operation of all of Council's community facilities.

Consultation

No direct community consultation has been undertaken in relation to the matters the subject of this report.

Options

The options available to Council for the continued operation of the ALEC are essentially to engage an external facility manager (by either extension of the existing contract or calling fresh tenders), leasing the facility or authorising the General Manager to have our Community Facilities Team manage the centre, as occurs with other community infrastructure.

The confidential report discusses these options in greater detail.

RECOMMENDATION

That Council notes the contents of this report relating to options for the future management of the Alstonville Leisure and Entertainment Centre.

Attachment(s)

Nil

5. Confidential Session

In accordance with Section 9 (2A) of the Local Government Act 1993, the General Manager is of the opinion that the matters included in the Confidential Business Paper, and detailed below are likely to be considered when the meeting is closed to the public.

Section 10A(4) of the Local Government Act, 1993 provides that members of the public are allowed to make representations to or at a meeting, before any part of the meeting is closed to the public, as to whether that part of the meeting should be closed.

A brief summary of each of the reports recommended for consideration in confidential session follows:

5.1 Alstonville Leisure and Entertainment Centre - Management

Refer to Item 4.5 of this agenda.

RECOMMENDATION

That Council moves into committee of the whole with the meeting closed to the public, to consider the following items in accordance with Section 10A (2) of the Local Government Act 1993.

5.1 Alstonville Leisure and Entertainment Centre - Management

Reason for Confidentiality

This report is **CONFIDENTIAL** in accordance with Section 10A(2)(d) of the Local Government Act 1993. which permits the meeting to be closed to the public for business relating to the following:-

- d) commercial information of a confidential nature that would, if disclosed:
 - (i) prejudice the commercial position of the person who supplied it, or
 - (ii) confer a commercial advantage on a competitor of the council, or
 - (iii) reveal a trade secret

and in accordance with 10D(2)(c), on balance, the discussion of the matter in an open meeting is not considered to be in the public interest as the report contains information that is sensitive to an existing contract with Council for the management of the Alstonville Leisure and Entertainment Centre.