

1.6 RECREATION FACILITIES - PROPOSED LEASES FOR THE WAVERLEY BASKETBALL ASSOCIATION AND WAVERLEY NIGHT NETBALL ASSOCIATION

Responsible Directors: Peter Panagakos
Russell Hopkins

RECOMMENDATION

That Council:

1. *Negotiate leases with the following local Not For Profit organisations for the delivery of recreation activities at the following Council owned sites:*
 - **Waverley Basketball Association Inc.** – Batesford Basketball Centre, Batesford Reserve, 94 Batesford Road, Chadstone (refer to Attachment 1)
 - **Waverley Night Netball Association** - Waverley Women's Sports Centre, 2-30 Jells Road Wheelers Hill (refer to Attachment 1)
2. *Incorporating the following terms and conditions:*

Rent: \$15,000.00 per annum (plus GST)

Term: 10 Years

Further Term: 5 Years

Use: The organising of competitions, training, and other activities directly associated with the sport.

(‘the Proposal’)
3. *Give public notice of the Proposal in accordance with the Monash Community Engagement Policy as required by Section 115 (4) of the Local Government Act (2020) (the Act), in a daily newspaper and on Council’s website from 1 March 2022 and invite submissions on the Proposal.*
4. *Authorises Council’s Chief Executive Officer or her delegate to undertake the administrative procedures necessary to enable Council to carry out its functions in accordance with the Community Engagement Policy in respect of the Proposal. (‘Appointed Officer’).*
5. *Appoint a Committee of Council comprising of the Mayor and Mulgrave and Mount Waverley Ward Councillors to meet to consider the outcome of the public notice referred to in point 3 above, and to hear and consider any submitters requesting to be heard in accordance with the Community Engagement Policy at 7pm on 17 May 2022 at the Monash City Council Civic Centre, 293 Springvale Road Glen Waverley.*

6. *Notes that following the meeting referred to in point 5 above, and consideration of any submissions, that the Committee of Council provide a report to Council on its considerations including a summary of any submissions and make a recommendation to Council on whether or not to proceed with the Proposal.*

INTRODUCTION

The purpose of this report is to recommend that Council commence the statutory process in accordance with the Monash Community Engagement Policy as required by Section 115 (4) of the Local Government Act 2020 to advertise its proposal to grant leases to the following local Not for Profit organisations for use of the following Council owned recreation facilities:

- **Waverley Basketball Association Inc.** – Batesford Basketball Centre, Batesford Reserve, 94 Batesford Road, Chadstone (refer to Attachment 1)
- **Waverley Night Netball Association** - Waverley Women’s Sports Centre, 2-30 Jells Road Wheelers Hill (refer to Attachment 1)

Please refer to Attachment 2 for the Key terms and Conditions associated with the proposed Leases.

BACKGROUND

The leases for use of the Batesford Basketball Centre and the Waverley Women’s Sports Centre expired at the end of September 2021. The Leases remain in overholding.

DISCUSSION

A separate Lease is proposed for each facility and the Key terms and Conditions are outlined in Attachment 2.

Lease negotiations with the operators of the Waverley Women’s Sports Centre and the Batesford Basketball Centre have focused on improving the financial return to Council whilst being considerate of each organisation’s ability to generate revenue from the sites. Negotiations also considered reactive maintenance and renewal capital costs associated with the sites.

Both the Waverley Basketball Association Inc. (WBA) and Waverley Night Netball Association (WNNA) have agreed to an increased annual rental of \$15,000 per annum (each) which will improve the financial return to Council.

Both organisations are proposing to spend an annual amount of \$35,000 annually as part of their contribution to maintaining the site.

Both organisations are also proposing to invest \$500,000 over the life of the lease on capital improvements, which will need to be jointly agreed upon with the relevant consents and processes considered.

POLICY IMPLICATIONS

The proposal to grant a new lease to the WBA and the WNNA aligns with Council's Health and Wellbeing Plan 2021-25.

The terms and conditions of the Leases assist in improving the Active and Healthy spaces for the community by encouraging continual improvements to the built form along with a commitment to improvements to the service delivered to the community.

The WBA and WNNA will be required to report annually against the Active Monash Sports Club Framework, to ensure these are sporting venues that are sustainable, inclusive and welcoming through learning and development opportunities in areas of diversity, respect and social responsibility.

SOCIAL IMPLICATIONS

WNNA – Under normal circumstances the 12 netball courts at the Waverley Women's Sports Centre operate seven days per week with more than 6,000 weekly participants attending for competition and training, ranging from domestic to premier competitions for club and school based sport. The WNNA are a strong driver of female sporting participation in Monash and the broader community and play a pivotal role alongside other sporting groups in the Glen Waverley Sports Hub.

WBA – The WBA is based at Batesford Basketball Centre and facilitates a range of basketball competitions and programs across the 6 indoor basketball courts. Opportunities for participation at WBA range from introductory level programs for juniors, through to representative basketball. The WBA is committed to growing opportunities for girls and boys to participate at age group levels and has a proven ability over a sustained period to do so.

Further to this, WBA has successfully partnered with the Box Hill Institute of TAFE. This partnership provides paid and unpaid placement opportunities for Sports and Event Management students within the Association.

In addition to the physical benefits that netball and basketball can provide,

these sports improve social connectivity and inclusion. They both build communities and enable diversity through larger social networks.

Children who play sport learn critical life skills, build resilience and confidence which may help them perform better in school.

HUMAN RIGHTS CONSIDERATIONS

There are no Human Rights Considerations associated with this report.

GENDER EQUITY ASSESSMENT

A Gender Impact Assessment has not been undertaken for the proposal to grant leases to WBA or WNNA.

Officers will work with both organisations throughout the term of the proposed leases to create opportunities to embed the principles of gender equity within the programs delivered from the sites e.g. via implementation of the Active Monash Sports Club Framework.

CONSULTATION

Prior to offering a new lease agreement, Council is required to comply with the requirements of Sections 115 (3) and (4) of the Local Government Act 2020.

Section 115 (3) of the Act requires a Council to include any proposal to lease land in a financial year in the budget where the lease is:

- (a) for one year or more; and
 - (i) the rent for any period of the lease is \$100,000 or more a year; or
 - (ii) the current market rental value of the land is \$100,000 or more a year; or
- (b) for 10 years or more;

Section 115 (4) of the Act requires Council to undertake a community engagement process in accordance with Council's community engagement policy in respect of the proposal before entering into the lease if the proposal was not included in the budget.

Part 6 of the Monash Community Engagement Policy, states that:

'On matters where the only form of community participation is an invitation to make submissions, and engagement on the matter was formerly governed by section 223 of the Local Government Act 1989, Council will continue to proceed in a manner modelled on section 223 of the Local Government Act 1989.'

To address the requirements of the Act and the Community Engagement policy, Council must, at least 4 weeks before the lease is made, publish a public notice of the proposed lease. A person has a right to make a submission on the proposed lease.

As the proposed term for these facilities is greater than 10 years, Council must publish a public notice of intention to enter into a lease and invite submissions. It is proposed to publish a public notice of the proposed leases in a daily newspaper and on Council's website from 1 March 2022.

FINANCIAL IMPLICATIONS

The proposed Leases will each provide an annual rental income of \$15,000. This rental will increase annually by CPI.

Both Leases require the tenant to spend an annual amount of \$35,000, excluding GST, for site maintenance. This amount will increase annually by CPI.

Both Leases require the tenant to spend an amount of \$500,000, excluding GST, on capital improvements to the site during the term.

Both Leases require the tenants to be fully responsible for all Service/Utility charges incurred at the site.

The exception to this, is the proposed lease to the WNNA, which through the application of the *Cultural and Recreational Lands Act 1963* and the Council resolution in August 2018, excludes the tenant from the payment of Municipal rates, Fire Services Property Levies and Water Rates.

CONCLUSION

New Leases ensure continuity of service provision within the municipality which is key deliverable within Council's Health and Wellbeing Plan 2021-2025.

The use of a Council owned facility to deliver the service requires an appropriate occupancy agreement, which for the WBA and WNNA will be a Lease Agreement.

Council is required to undertake public notification of its intention to grant Leases and consider any submissions before determining to enter into a Lease arrangement.

Attachment 1

Proposed Lease Plan – Waverley Basketball Association



Proposed Lease Plan – Waverley Night Netball Association



Attachment 2**Key terms and Conditions associated with the proposed Leases**

Commencement Date	The date upon which Council resolves to proceed with a lease.
Permitted Use	The organising of competitions, training, and other activities directly associated with the sport of (Netball or Basketball)
Term	10 years
Further Term	5 Years
Rental	\$15,000.00 per annum (plus GST)
Annual Rental Reviews	Adjusted annually by CPI
Maintenance	The Lessee will contribute an amount of \$35,000.00 per annum (plus GST) This amount will be adjusted annually by CPI.
Capital Contribution	The Lessee will expend an amount of \$500,000.00 (plus GST) on Capital improvements to the site.
Outgoings	The Lessee will be responsible for all Service & Utility charges at the site.