

Meeting Date: Tuesday 9 June 2020
Location: Online Audio Visual Meeting
Time: 6.00pm

Committee Meetings will be recorded on audio tape for minute-taking purposes as authorised by the Local Government Act 1993. Committee Meetings will also be webcast.

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LATE ITEM

8 AFFECTS DUE TO COVID 19 - ASSISTING SPORTING CLUBS AND ASSOCIATIONS

Report prepared by: Manager - Parks

File No.: GRP/20/20 - BP20/498

REPORT SUMMARY

At its meeting on the 26 May Council resolved that a report be prepared for the following Works and Community Committee meeting in relation to the waiving of fees for use of Council's Sporting grounds for the remainder of 2020. Due to the meeting schedule this has meant it is a late report.

The financial implications of waiving these fees would be in the order of \$405,000. This is in the scenario where fees are waived for use of Council's Sporting Grounds (\$220,000), Synthetic Fields (\$125,000) and Floodlighting Use (\$60,000). It has been reported that Community Clubs are experiencing financial hardship due to loss of revenue from a variety of their traditional sources including sponsorships from local businesses. Staff have not received any information which quantifies what the financial impact of the suspended season has been on local sporting clubs.

The sporting fields within the Ryde LGA are utilised by Sporting Clubs and Associations that have thousands of members every day (outside of a Pandemic) for training and competition activity. These clubs are made up of members who reside both within and outside the LGA. At a workshop with Councillors conducted in February this year staff provided Councillors with an outline of the memberships of the various sporting groups based within the LGA. This included data provided by Football NSW, which identified in 2019 of the almost 7,000 members in Ryde based football clubs approximately 39% or 2,700 reside outside the LGA. Within the Eastwood Ryde Netball competition of the 24 clubs affiliated to the Association approximately 46% or 11 clubs are based outside of the Ryde LGA. In the Turf Cricket competition, conducted by the Northern District Cricket Association who utilise 3 of Council's 4 turf wickets, almost 50% of the clubs are based outside the Ryde LGA. The other Turf wicket is utilised by the Sydney Cricket Club which has less than 60% of its players residing within the City of Ryde.

It is anticipated in the period 1 June to 31 December 2020, income of approximately \$125,000 will be generated from seasonal and casual use of Council's Synthetic Sports Fields. Any revenue above the cost to maintain the facilities are being directed to a Synthetic Sports Field Reserve. The hire charges have been calculated on generating sufficient income to meet the renewal costs of these facilities (grass will need to be replaced after 8 – 10 years). Waiving of the synthetic sports field fees this year will require Council to increase these fees in future years should it want to continue to meet its adopted objective of meeting the ongoing renewal and maintenance costs of the synthetic fields.

ITEM 8 (continued)

It is noted that the some of the sporting Associations that would benefit from Council waiving its fees have significant cash reserves as reported in their publically disclosed financial accounts. There are instances where this is in the hundreds of thousands of dollars and in one situation over \$1.3 million dollars. It is also noted that at the time of preparing this report, no other NSROC Council was considering or had agreed to waive the fees for use of their fields during the 2020 year by local sporting groups.

As previously identified with Council, the financial impacts of the COVID-19 pandemic on the 2020/21 Budget are estimated to be in the order of \$8 million dollars. Any additional loss of income will only exacerbate the financial predicament Council currently faces. It is recommended that any waiving of fees be funded by expenditure reductions in a related program. Staff have identified \$85,000 allocated for the upgrade of Ryde Park (lower field) lighting and \$280,000 for the upgrade of the Kissing Point Amenities facility, as options available to fund the loss in revenue. Both these projects are funded from Council's Asset Replacement Reserve. Those funds could be released and redirected to meet the shortfall in revenue generated through the waiving of fees.

Giving consideration to all of these issues staff are recommending not to waive sports field hire and floodlighting fees for the remainder of 2020. It is considered that the benefit obtained by waiving of the fees does not justify the cancelling of important community infrastructure upgrades, which will provide a long term benefit to thousands of City residents into the future. Without the funds generated by community use of its sporting facilities, Council is unable to upgrade and renew the Sportsfield Lighting at Ryde Park and the Amenity facilities at Kissing Point Park to a standard which meets the community's expectations. The waiving of the fees is also not consistent with the approach that surrounding NSROC and Parramatta Council's are taking. Should Councillors wish to resolve to support local clubs through the waiving of fees some options are provided in the body of this report. It is also noted that the upcoming summer sporting season may conducted in relatively normal circumstances with minimal impact on the sporting groups normal operational requirements.

There are no issues with Council providing lighting on its sportfields for additional competition games where permissible. This will provide the opportunity for local Associations to maximise the number of games that can be played in the season and provide additional employment opportunities for local referees and officials. The only impact will be that training activities are displaced and there may be some additional wear and tear to the fields.

It is recognized that these a challenging times for many parts of the community and Council has resolved to provide significant support to a wide range of community groups. All uncommitted funds have now been exhausted and any further support Councillors provide the community will need to be offset by savings in currently identified future expenditure.

ITEM 8 (continued)**RECOMMENDATION:**

- (a) That Council continues to apply the fees for use of sportsgrounds and associated infrastructure as outlined in its current and draft 2020/21, Fees and Charges schedule.
- (b) That Council provide 100 lux to all sports grounds that have the increased lux capacity to cater for weekday night games, where permissible, to assist the interrupted winter season to be completed due to COVID-19.

ATTACHMENTS

There are no attachments for this report.

Report Prepared By:

Simon James
Manager - Parks

Report Approved By:

Wayne Rylands
Director - City Works

ITEM 8 (continued)**Background**

This report is prepared following the Council resolution on 26 May that stated:

- (a) *That the General Manager provide a report to the next Works and Community Committee Meeting on the financial implications and funding options resulting from waiving ground hire and lighting fees for the rest of 2020 for all sports when training and match fixtures have commenced.*
- (b) *That Council provide 100 lux to all sports grounds that have the increased lux capacity to cater for weekday night games, where permissible, to assist the interrupted winter season to be completed due to COVID-19.*
- (c) *That a media release be issued through all media channels informing of Council's decision once it is made.*

Options

Should Councillors wish to resolve to support community sporting groups, the following options are presented for Council's consideration.

The following options would lower the financial implication and reduce the impact on Council's ability to deliver important projects renewing community infrastructure.

Option 1

That Council waives the fees for use of Council's sporting grounds and sports field lighting for the remainder of 2020.

That Council amend the Delivery Plan to remove funding identified for the purposes of renewing the Sportsfield Lighting of Ryde Park (lower field) and the upgrade of the Kissing Point Park amenities building.

This will reduce Council's projected income by \$405,000 and require the cancellation of Capital Projects identified in the Draft Four Year Delivery Plan, in order to make the savings required to reallocate the funding.

Option 2

That Council waives the floodlighting fees only for sporting groups for the remainder of 2020.

That the expected cost of \$60,000 be funded through savings found in projects within the Open Space Sport & Recreation program, as detailed in the Draft Four Year Delivery Program, through a reduction in scope.

ITEM 8 (continued)

This would not impact on the fees collected for the synthetic reserve and assist in ensuring Council managed this infrastructure in a financially sustainable manner. It would also allow for Council to continue to deliver all of the capital projects in the Sport & Recreation program detailed in the draft Four Year Delivery Plan.

Option 3

That Council match financial support provided by Associations to local Ryde based clubs, on a dollar for dollar basis, to meet the costs of ground hire for the remainder of 2020.

That Council amend the Draft Four Year Delivery Plan to remove the funding of \$85,000 identified in the Sports Field Floodlighting Renewal Program for the purposes of upgrading Ryde Park (lower field floodlighting).

That the savings made by cancelling this project be utilised to offset the loss in revenue from Sports Field use.

This would reduce the financial impact to Council to a maximum of \$202,500.

This would also reduce the financial impact on the synthetic sports field reserve and require the cancelling of the single project (Ryde Park Sportsfield lighting) to meet this expense. Additional expense would be offset by savings made in reducing scope for the Kissing Point Toilet Block amenities renewal and accepting a reduction in the contribution to the synthetic sports field reserve.

Financial Implications

The adoption of the recommendation of this report will have no negative financial implications for Council.