

**Clifton Hill Tennis Club**

*The Peoples Tennis Club*

## **Proposal**

### **Club to Manage Mayors Park Facility**

*For better community outcomes*

21 September 2022

Approved by the full Committee

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## Executive Summary

Clifton Hill Tennis Club (CHTC) was incorporated in 1929 and for nearly 70 years successfully managed the pavilion and facility at Mayors Park. Like so many other clubs, CHTC ran into problems in 2000 when it did not have enough money to carry out necessary capital works on dilapidated courts.

From 2001 to 2019 the Council implemented at least two different management models where the club was not responsible for the facility. This resulted in poor community outcomes and an underutilised asset.

During 2019 the Council transitioned the management of the facility to a hybrid Council-Club model with the hope that the management would be handed to the club after a 12-month transition. During the past three years the co-management model has proved unsustainable due to external events and Council expectations of volunteers.

There are a number of reasons why a change to the model is essential:

- User experience:
  - To improve reliability of the court lights and upgrade them to meet club competition standard
  - Faster response to safety and maintenance issues
  - Improved response to systems issues and processing refunds
  - To continue to deliver a range of membership packages that maximise accessibility and participation.
- Demographic & Technology Trends:
  - Rectify problems with technology automation
  - Integrate technology to deliver an environmentally sustainable club of the future
  - Improve engagement with more demanding members and facility users
  - Increase the popular partnership programs with local traders.
- Volunteer Sustainability:
  - Reduce the huge workload of committee members
  - Attract more people to the committee and volunteering roles
  - Address long-term sustainability of the committee via new election procedures.
- Financial/Ratepayers:
  - Reduce reliance on ratepayers to maintain facility
  - Rely less on Council funding and grants to upgrade courts and the facility
  - Maintain low membership fees to make facility accessible to all sectors of the community.



The club recommends that Councillors adopt Option 1 to:

- Improve community participation
- Improve environmental outcomes
- Ease the financial burden on ratepayers
- Improve stakeholder relations
- Improve relations with Council
- improve the utilisation of the facility and
- improve the experience of all users

The following table outlines a summary of the outcomes to be achieved with Option 1 and what may happen if Option 1 is not approved.

**Table 1: Summary of Outcomes**

<b>Perspective</b>	<b>Option 1 – Club Manages Facility</b>  Club Recommended Option	<b>Option 2 – Council Manages Facility</b>  Alternative Reality
Community outcomes	<ul style="list-style-type: none"> <li>• 12,000 tennis playing hours</li> <li>• 15 programs all open to the community</li> <li>• 5 All Ability Access (AAA) programs</li> <li>• 1 free program</li> <li>• Free Holiday Passes for social housing residents – Live Wires</li> </ul>	<ul style="list-style-type: none"> <li>• 6,000 tennis playing hours</li> <li>• 7 programs, but not open to the community</li> <li>• No AAA programs</li> </ul>
Environmental outcomes	<ul style="list-style-type: none"> <li>• Immediate 70% reduction in energy costs and greenhouse emissions</li> <li>• Continue recycling initiatives - balls and equipment</li> </ul>	<ul style="list-style-type: none"> <li>• Waste continues: court lights on when there are no bookings</li> <li>• No recycling programs</li> </ul>
Ratepayers' outcomes	<ul style="list-style-type: none"> <li>• Average loss of \$45,000 per annum to run facility</li> <li>• Unit cost of \$2 per hour of play</li> </ul>	<ul style="list-style-type: none"> <li>• Average loss of \$178,000 pa</li> <li>• Unit cost of \$16 per hour of play</li> </ul>
Members' outcomes	<ul style="list-style-type: none"> <li>• Quality experience</li> <li>• Reliable court lights</li> <li>• Affordable membership</li> <li>• Diverse and vibrant programs</li> <li>• Sense of belonging Initiatives</li> </ul>	<ul style="list-style-type: none"> <li>• Court lights do not meet club competition standards</li> <li>• Unreliable lights and long outages</li> <li>• 40% more expensive membership</li> <li>• Limited number of programs</li> </ul>
Stakeholders' outcomes	<ul style="list-style-type: none"> <li>• Improved response to issues</li> <li>• Improved collaboration regarding court usage and programming</li> </ul>	<ul style="list-style-type: none"> <li>• Status quo – netball stakeholder continues to be short-changed as just one example</li> </ul>
Facility utilisation	<ul style="list-style-type: none"> <li>• 60-65%</li> </ul>	<ul style="list-style-type: none"> <li>• 30-35%</li> </ul>

Returning the management of the facility to CHTC is part of our strategic plan (See Exhibit A) and is not only financially prudent but is a far superior option on all community measures.



## Background

The Club was established in 1929 as an independent and autonomous club. It operated successfully for 70 years. Due to years of underinvestment by Yarra Council, the club could not fund the necessary court improvements.

In 2007, a club re-development program added 2 multi-purpose hard courts to the facility and upgraded the four poorly maintained clay courts to synthetic grass. At this time, the Council also went against the wishes of the club and appointed a centre manager.

From 2007 the facility experienced a number of challenges. The for-profit manager benefitted at the expense of the club and the wider community. The council, with no management experience, could not see the conflict of interest it had created by having the head coach also run the facility as the centre manager.

Aggressive and disrespectful behaviour from the manager frustrated members, especially women, and membership numbers dropped to 90, the lowest on record. Council ignored complaints regarding access to courts and community participation also fell to its lowest on record. Despite numerous complaints, council officers continued to renew that contract two more times.

In 2015-16 the club took a different approach and rather than make complaints to the Council, it started gathering data to substantiate claims that Council officers were not doing enough to tackle the issues around court access and protecting committee and members' rights.

The club asked the Council to provide historical operational data and maintenance data about the facility, data that the Council was contractually obliged to collect from the for-profit manager. Nothing was available. The club proved that the centre manager was exceeding the coaching quota and not complying with the club's allocation of courts as specified in the contract.

In 2018 the committee also presented the Mayor and Councillors, in a public forum, with a series of behaviour complaints that Council officers had not tackled. Most of these complaints remain unresolved. The Councillors ordered a review of Mayors Park to mark the 10<sup>th</sup> anniversary of the centre manager management model as a way to better understand the situation.

Despite CHTC membership fees being the cheapest within the 5km radius of Mayors Park, membership numbers still only hovered between 150-200. Attempts by the club to put on programs were often met with hostility by the centre manager, who controlled the court booking system. The Council did not have the courage to deal with the ongoing conflict. For example, in 2019 the centre manager refused to book courts for Club Championships, council were unsuccessful in resolving the issue and the committee and members had to resort to booking courts individually to facilitate the event.

That review finally led to a change in the management model and a replacement of the head coach effectively from August 2019 and October 2019 respectively.



Before the 2019 decision by Council, the club raised with officers ideas to replace the old booking system with the Book-a-court system. A number of committee members had attended training sessions in 2017-2018.

The committee also discussed in 2019 replacing the fixed nets with mobile nets on Courts 1 & 2 to deal with regular snapping of the net cables.

Our ideas were eventually adopted by Council.

## Outsourcing lessons

- Low membership fees are not enough to attract members
- Council's Recreation Team is too remote and not motivated to regulate stakeholders
- Council officers are generally too slow to adapt to changing demographics and trends.
- Council bears full responsibility for the poor community outcomes from 2007-2019.

## 2019-2022 Transition Period

After the August 2019 decision the facility faced a number of challenges. A lightning strike in January 2020 knocked out the automation systems of gate opening and court light activation. This was followed by five pandemic closures during 2021 through to September 2022. The committee workload increased as a result of manual workarounds and compliance with government health procedures. We kept our membership promptly informed of the restrictions, safe practices and guidelines while the Council struggled to keep pace. At times public users operated under different guidelines from the club community. For example, playing doubles when only singles was allowed.

During this period, it became evident that technology and automation is an important aspect of reducing the load on volunteers but it requires effort to ensure that the systems are capable of delivering the efficiencies. Issues included gate pin codes not working, members booking accounts that default to public users, issues with refunds, email changes, odd price charging and intermittent issues caused by communication outages between the host and central servers.

The club automated membership for 2 months but it quickly became untenable. The club had limited access to payment information as Council held the STRIPE payment gateway. This created more work for the club to claim money generated by memberships and public programs.

It was also very clear that the obligations proposed by the Council that the club perform functions such as having complete responsibility for cleaning the facility could not be met when three other major stakeholders were also using the facility.



## Transition Lessons

- Council expectations of the club committee were unreasonable and too demanding.
- Council mismanaged a number of public safety issues.
- Council expected the club to form relationships with other stakeholders who had other priorities and were focused on their contractual relationships.
- Other stakeholders frequently made business decisions to the detriment of the community. Council was not even aware of the breaches of the community obligations.
- Club regularly told the Council that instructions regarding the booking system were confusing, outdated and should be corrected. The instructions remain confusing despite these efforts.



## Imperative for change

The total effort of club volunteers at Mayors Park, as a result of Council’s demands, is nearly 6,000 hours annually. An estimated 1,235 hours of tasks expected by Council cannot be filled.

Table 2 shows the effort required grouped by committee member, non-committee volunteers and tasks that were expected of the club but not fulfilled because the club does not have the resources.

In 2018 the total effort by the committee on club-related activities was approximately 1,809 hours. This has increased by more than 2,000 hours in 2022. Another 1,235 hours expected by Council outlined in the contract could not be undertaken due to a lack of resources. Non committee volunteer effort has marginally increased from 747 to 789 hours.

Table 2

<b>Club</b>	<b>2018 Effort Hours</b>	<b>2022 Effort Hours</b>
Committee Members	1063	3817
Non Committee Volunteers	747	778
Expected/Unfulfilled Task	0	1235
<b>Total Effort (hours)</b>	<b>1809</b>	<b>5829</b>

Committee effort has increased as a result of additional programming commitments and adding services to improve the membership experience. Due to limited courts being available at the peak times of mid-week evenings (netball programs take one-third of the courts) the club introduced innovative solutions to manage member expectations, increase member numbers, and ensure facility utilisation remained high. We also increased the number of social programs, expanded the social competition and tested a number of initiatives to improve participation and community outcomes.

The expectation from Council needs to be reset. The level of effort expected by the Council for a tennis club operating with multiple stakeholders is unsustainable.

The club encouraged members to do more, for example around cleaning, but they are reluctant when most of the mess is generated by participants of other stakeholders.

Table 3 outlines the two management options.





## Options Available

Table 3: Management Options

Option	Council Responsibilities	Club Responsibilities
<p><b>Option1</b> Club to manage facility</p>	<ul style="list-style-type: none"> <li>• Council to administer a standard tenant/landlord contract</li> <li>• Council responsible for capital works</li> <li>• Netball rights to be included in specials conditions of the contract</li> </ul>	<ul style="list-style-type: none"> <li>• Club to operate Book-a-court and STRIPE account</li> <li>• Club to generate all income and organise a caretaker and office administrator</li> <li>• Club responsible for all operational costs</li> <li>• Current coach contract renewed for 12 months with new KPIs</li> <li>• Club to continue to offer open programs to community</li> <li>• Club to upgrade metal halide lights to LED and install new court screens within the first 12 months</li> <li>• Club to contribute \$100,000 to refurbishment of courts 3-6 in 2026-27</li> </ul>
<p><b>Option 2</b> Council to manage facility</p>	<ul style="list-style-type: none"> <li>• Council to generate all income</li> <li>• Council responsible for operational costs and capital costs</li> <li>• Council continues to appoint stakeholders</li> <li>• Council responsible for scheduling, releasing courts and dealing with all systems, booking and account issues</li> <li>• Council to implement an online issue tracker as a more efficient communication method to record and manage issues and repairs</li> <li>• Council to agree to minimum service standards</li> </ul>	<ul style="list-style-type: none"> <li>• Club to transition to a traditional club model with standard membership packages and programs</li> <li>• Club to pay an hourly peak fee for court hire each month based on Concession Rate 2 with some subsidies and 25% discount for byes and washouts</li> <li>• Club will be responsible only for maintenance of its own equipment</li> </ul>



## Club Governance

### Overview

Clifton Hill Tennis Club (CHTC) has traditionally occupied an important space in the evolution of tennis facilities in Australia. Few clubs are nearly 100 years old. CHTC occupies crown land, is governed by an elected committee and is managed by club volunteers.

CHTC believes that making membership affordable and implementing tennis programs that meet the active and social needs of its local community is the best way to encourage participation. Over the past six years the club has introduced an innovative membership structure and implement a diverse portfolio of social programs that are the envy of most clubs in Victoria. The club would be even more successful if the club was responsible for appointing the coaching staff as this would ensure and encourage greater collaboration between club and coaching staff.

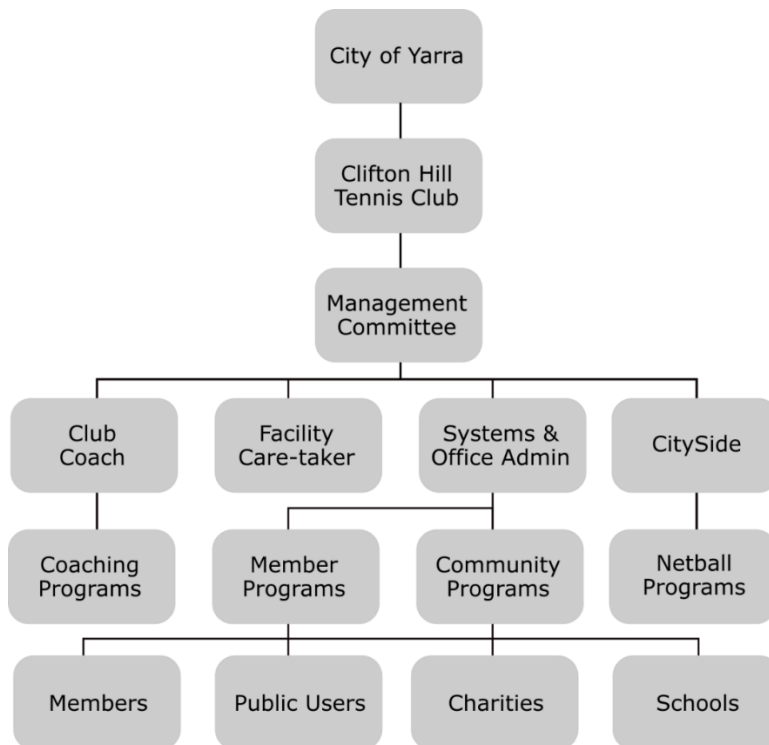
Administration and management of the facility is usually performed by club volunteers with a focus on the operational issues and strategic priorities.

Given the size of the club and complexity of membership and programming Clifton Hill Tennis Club must employ a caretaker and a part-time systems administrator to relieve volunteers of the extraordinary operational effort.

The following chart shows the operational model for the facility.

### Operational Model

Chart 1



**Advantages and disadvantages of Not for Profit Club Management**

Table 4

Advantages	Disadvantages
<ul style="list-style-type: none"> <li>• Club remains in full control of the asset and management</li> <li>• Members/users of facilities have a voice in how the club’s affairs are managed</li> <li>• Affordable fees ensure access to all community groups</li> <li>• Large community-based focus</li> <li>• Strong member connection to club</li> <li>• Volunteers donate their time and skills to the club</li> <li>• The appointment of full or part-time management with committee oversight has been very successful for FTC</li> </ul>	<ul style="list-style-type: none"> <li>• Difficulty in attracting volunteers if the work effort becomes too much</li> <li>• Possibility of a weak stakeholder relationship due to differing objectives and operational capacity</li> <li>• Limited scope of product and services meeting customer needs</li> <li>• Club retains commercial risk of operating the venue profitably</li> </ul>

***Skill set requirements***

Facility caretaker

- Customer service skills
- Pavilion and court cleaning
- Conduct minor repairs and preventative maintenance programs

Systems/Office Admin

- Strong administrative skills
- Accounting and financial skills
- Customer service skills
- Marketing skills
- HR management skills
- IT Skills

Club Volunteers

- Accounting and finance skills
- Strategic planning skills
- Ability to foster stakeholder/council relationships
- Website and basic IT skills to utilise Tennis Systems
- Business plan/marketing plan development skills
- Strong administration skills
- Customer service skills



### Lease Considerations

Lease agreement should support the long-term viability of the club and the needs of the community.

### Governance Considerations

One objective of the current committee is to ensure the facility is sustainable. This requires a number of changes:

- **Council to relinquish control of the booking system and club to operate its own STRIPE account linked to Book a Court (BAC):** The current situation, where the Council has the licence for the booking system and operates the STRIPE account, is inefficient and is an obstacle for opportunities to further automate membership and programs
- **Current governance practice where all committee roles become vacant at an AGM presents a risk:** We propose that the committee term is extended to two years between elections and that half of the committee positions, 50% executive and 50% non-executive, become vacant each year to retain continuity and coverage of key positions.
- **Club will make a number of changes to the Constitution to address sustainability risks.** The following changes will require a Special General Meeting vote from the membership:
  - Committee term will be extended from one to two years
  - Committee positions (President, Treasurer, Membership Secretary, Night Competition Secretary plus 50% of the General Category) will be vacated one year and in the next year the other committee members will be vacated at the AGM. This cycle will repeat every two years.
  - More General Committee Members
  - Holders of Junior, Social and Holiday Memberships will be deemed as Associate Members of the Club with no voting rights
  - The membership period will continue from 1<sup>st</sup> November to 31<sup>st</sup> October and rolling 12-month memberships and subscription memberships will be allowed.



## Management & Operational Structure

The management and operational structure is based on a detailed assessment of the workload of the committee during 2019-2022. During this time the club tried to execute the contract as best it could during a challenging time with facility closures and multiple changes to restrictions due to the pandemic.

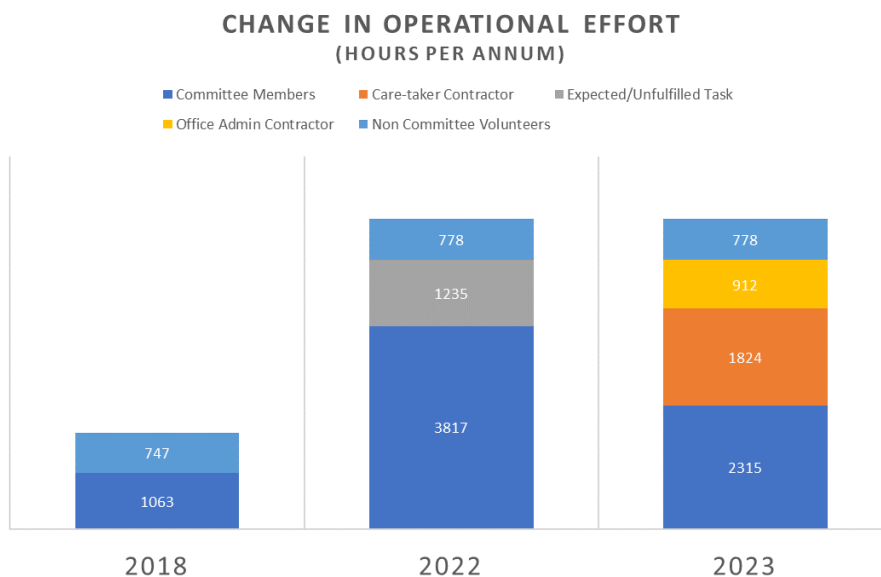
The club committee is responsible for decisions related to implementing government and sporting association policy, the club’s overall strategic direction to address changing demographics, social needs and trends of the local community. The committee also participates in decisions regarding programming, membership structure, caps and fees.

The execution of the programming is not the committee’s role, but a committee member may champion or/and facilitate key programs that the club has agreed to implement. Some of these tasks are best done by other volunteers, contractors or paid staff appointed by the committee.

Currently the committee is the default caretaker and office administrator for its members. All other clubs that have implemented the Book a Court system have used funds derived from their facility to pay for a caretaker and systems/office administrator. CHTC is the only club not able to do this because of Council’s role.

Under Option 1 the club will contract out the caretaker and systems/office administrator roles. This will reduce the total effort of the committee by 1,500 hours and will resolve the current shortfall in tasks not being performed, including pavilion and court cleaning, which equates to a further 1,200 hours. The following chart shows the change in effort with the assistance of these funded roles. All users will benefit from the caretaker role and systems/office administrator.

Chart 2



## Programs offered

The following chart provides a summary of the programs to be offered by CHTC in 2022-23 under Option 1.

Chart 3: Program for new membership period

Programs for 2022-23 Membership Period											
Subject to Covid-19 Restrictions											
November	December	January	February	March	April	May	June	July	August	September	October
<b>Tennis Programs</b>											
Summer Break											
T1 Vacation											
Community Socials (free) (3rd Sunday 2-4 pm)											
Lawn Tennis (TBD) <b>RSVP</b>											
<b>Social Tennis &amp; Related Sports (free)</b>											
Wednesday Morning (9-11 am) <b>WhatsApp</b>											
Friday Night – Sets in the City (7-9 pm) <b>RSVP</b> <b>ClubSpark</b>											
Friday Morning (9-11 am) <b>WhatsApp</b>											
Saturday Late Morning – Women Advanced Social (11am-1pm)											
Sunday Morning – Sets in the City (9-11 am) <b>RSVP</b> <b>ClubSpark</b>											
Pickleball Sunday Afternoons (12 – 2pm) <b>WhatsApp</b>											
<b>Social Competition (Fees may apply)</b>											
Monday Night Open (8-10:30 pm) <b>RSVP</b>	Monday Night Open (8-10:30 pm) <b>RSVP</b>										
<b>Leaders Comp (Summer Season)</b>											
<b>Leaders Comp (Autumn Season)</b>											
<b>Leaders Comp (Spring Season)</b>											
<b>Cross Club (TBD)</b>											
<b>Cross Club (2 Weekends)</b>											
<b>Externally Organised Competition (Fees apply)</b>											
<b>A</b>	Mens – Autumn (Tuesday Nights 7-10:30 pm)										
<b>A</b>	Womens – Autumn (Wednesday Nights 7-10:30 pm)										
<b>A</b>	Mixed – Autumn (Thursday Nights 7-10:30 pm)										
<b>A</b>	Victorian (Weekend 24/4)										
<b>A</b>	Juniors – Autumn (Saturday Morning 7:30-12:30 pm) <b>WhatsApp</b>										
<b>Other Events</b>											
Quick Poll	Christmas Social	Australian Open Sweep	Quick Poll	AGM & Social	Trader Discount	Club Presentations	Quick Poll	Wimbledon Sweep	Working Bee	Social Event	Trader Discount
Try Outs	Trader Discount	Health & Safety Tips	Try Outs	Quick Poll	Club Championships	Try Outs	Health & Safety Tips	Health & Safety Tips	Suggestion Poll	Quick Poll	Club Awards
November	December	January	February	March	April	May	June	July	August	September	October
2021   2022											
<b>Registrations Due Dates</b>											



A full description of the programs is included in the club’s handbook, which is a comprehensive resource used by the membership. See Exhibit B.

Significantly, Clifton Hill Tennis Club has been a trailblazer in a number of initiatives.

- One of the first to implement a full range of social tennis programs
- the online Leaders Table Program was first developed at CHTC and is now implemented in a number of clubs.
- the first club in Australia to implement changes in membership structure that vastly improved participation with limited courts.

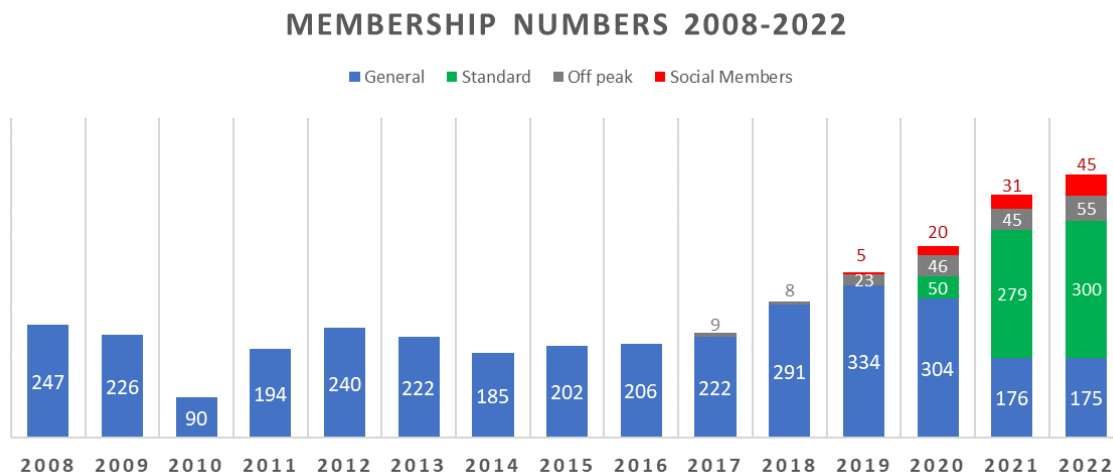
Other programs include recycling tennis equipment, Player Ability Ratings, Local Trader Programs, Open Community Sessions, Ball Machine Program and Pickleball.

Other clubs have added more courts when they have reached 75 members per court. CHTC is effectively operating at 135+ members per court.

FTC has capped out at a membership of 470 for six courts, based on the peak usage times of mid-week evenings, for 78 members per court.

The following chart shows our successful transition to an innovative membership structure. Note that all membership categories involve active tennis play.

Chart 4

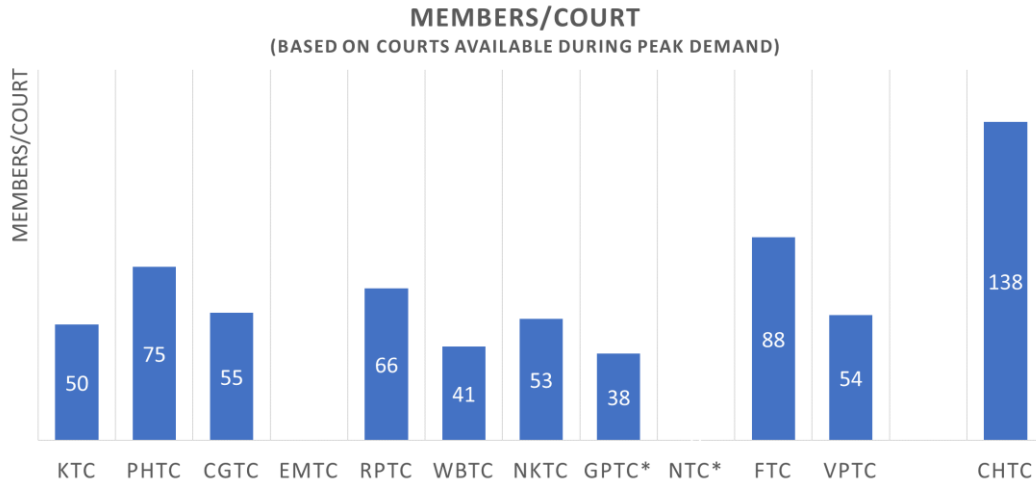


With a membership of nearly 600 active members and facility utilisation of 60% for a six-court (four court at peak times) facility is one of the highest in Australia. CHTC has leveraged technology and management principles to go beyond what most clubs think is possible.



This is a great result for the environment and ratepayers as the Council does not need to build more courts to enable a greater number of people to play the sport. The following chart provides a snapshot of our performance regarding number of active members per tennis court for the benchmark cohort.

Chart 5



KTC=Kew TC, PHTC=Princes Hill TC, CGTC=Carlton Garden TC, EMTC=East Melbourne TC, RPTC=Royal Park TC, WBTC=West Brunswick TC, NKTC= North Kew TC, GPTC=Grace Park TC, NTC= Northcote TC (under construction), FTC=Fitzroy TC, VPTC=Victoria Park TC & CHTC=Clifton Hill TC.

Of particular note is Princes Hill TC (PHTC), where members pay for court lights. It has maxed out with 300 members. Carlton Gardens TC (CGTC), where members do not pay for lights, has maxed out at 220 members. Both clubs operate 4 courts and are considered too small to offer a full range of programs (See Chart 8).

With the exception of East Melbourne, Northcote and Victoria Park TC, all other clubs operate with the Book a Court system.





## Benefits to community

The benefit to the community is based on three factors:

- Affordable membership determines accessibility
- Programs that are broad ranging attract users to the club
- Other initiatives create a sense of belonging and help retain members

### Affordability

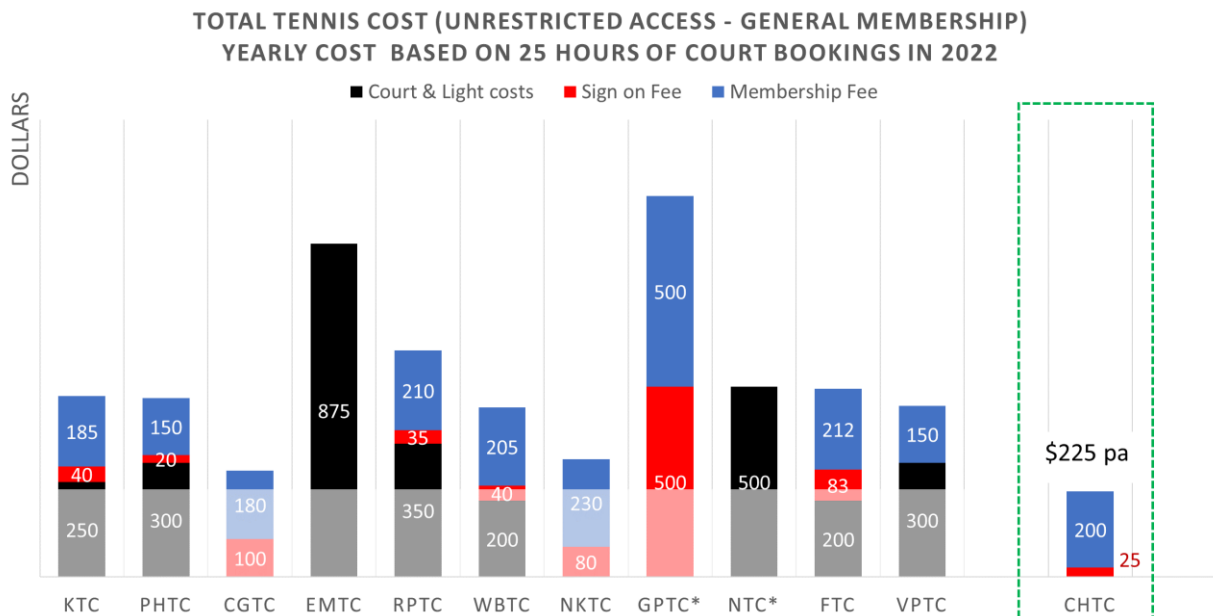
Affordability is more than just offering concession rates to people who have a valid health care card. Most people don't have a valid health card and tennis membership can be expensive. The club ensure affordability by offering a range of innovative memberships that suit different segments. The unrestricted access membership known as General Membership, is capped at 175 members and priced at a premium. The standard access membership has some restrictions, but costs less than a traditional adult membership. This is highly valued by our members. The off-peak membership offers value for money for those who can access courts during off-peak times.

Based on our most expensive membership package, CHTC is considered the best value membership of tennis clubs within 5km of Mayors Park. Our Standard membership package is 65% of the most expensive package and our off-peak membership is 45% of the cost of our General Membership or premium membership.

CHTC provides affordable membership packages which are highly valued by the community. The club also provide concession rates on some packages, group discounts and takes into account facility closures when no play is allowed.

The following chart provides a total cost of play for various clubs within 5km of Mayors Park.

Chart 6



KTC=Kew TC, PHTC=Princes Hill TC, CGTC=Carlton Garden TC, EMTC=East Melbourne TC, RPTC=Royal Park TC, WBTC=West Brunswick TC, NKTC= North Kew TC, GPTC=Grace Park TC, NTC= Northcote TC (under construction), FTC=Fitzroy TC, VPTC=Victoria Park TC & CHTC=Clifton Hill TC.



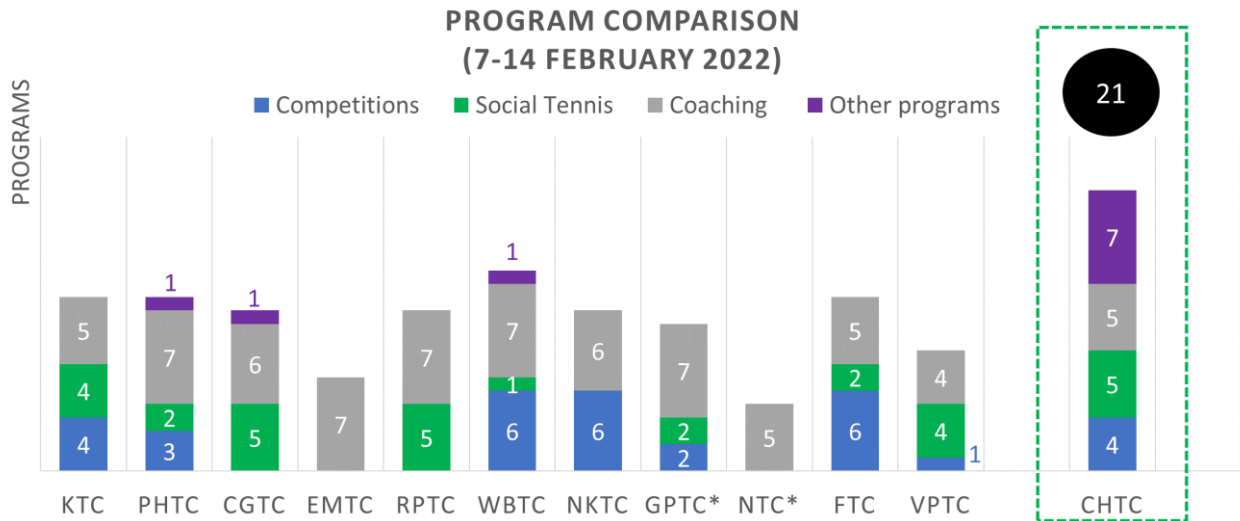
### Program variety

Affordable membership is not enough to attract players. For example, during 2007-2016 CHTC offered the lowest membership rates within 5km of Mayors Park yet membership was stuck between 90-150 in total.

During 2015 the club operated a full complement of competition programs, but no regular social programs. From 2016 new programs and initiatives have been added as the club responded to community needs.

During a 2022 Benchmarking exercise Mayors Park operated 21 programs; four were netball and five were coaching. CHTC (the club) operated 12 programs. The next best club in the benchmark cohort was Fitzroy TC and Kew TC with each operating eight programs.

Chart 7



KTC=Kew TC, PHTC=Princes Hill TC, CGTC=Carlton Garden TC, EMTC=East Melbourne TC, RPTC=Royal Park TC, WBTC=West Brunswick TC, NKTC= North Kew TC, GPTC=Grace Park TC, NTC= Northcote TC (under construction), FTC=Fitzroy TC, VPTC=Victoria Park TC & CHTC=Clifton Hill TC.



Since February 2022 the club has added three more initiatives taking the total number of programs to 15. City of Yarra tennis players have also benefitted because Fitzroy TC has reacted to CHTC's renaissance and has added 3 initiatives, taking their total number of programs to 11.

CHTC now has 15 regular programs, of which five are All Ability Access (AAA) Programs:

- Monday night Social
- Wednesday morning Social – AAA Program
- Friday morning Social – AAA Program
- Friday night Social
- Saturday Women Advanced Social
- Sunday morning Social
- Sunday afternoon Pickleball Social – AAA Program
- Open Community Social – AAA Program
- Social Competition – Leader Table
- Tuesday night Competition
- Wednesday night Competition
- Thursday night Competition
- Pennant Competition
- Junior Competition
- Club Championships – AAA Program

Each social program is open to the community and some are free to local residents. Each caters for different levels of play and are administered differently based on player demographics.



## Sense of belonging

A full range of competition and social programs combined with affordable membership is important for the success of a club and goes a long way towards building a sense of belonging among members. We go further through additional initiatives that help improve tennis skills, open adult and junior pathways and keep members informed and connected to the club. Here are just a few things that we do that separates us from other clubs:

- **Annual Surveys:** This help the club understand what is working and what needs attention. Even when things work at a point in time, we aim to continuously improve programs
- **Quick Polls:** These allow members to engage on a broad range of tennis-related issues and stimulate debate. We sometimes use Quick Surveys to seek input into a policy or decision that tackles an operational problem
- **Regular and professional communications:** We issue around 300 emails each year using a sophisticated program to track performance and engagement. More information about how we segment content is available in the Handbook
- **Resources Handbook:** Members have access to a well written and illustrated handbook that offers a wealth of information regarding tennis play, equipment and etiquette
- **Shape Positive Behaviours:** We offer information about how to deal with tricky scenarios at the facility and also educate members on how to book courts and why it is important to cancel their bookings
- **Hitting Partner Program:** More than 70 members are registered with the hitting partner program. This helps single players find hitting partners and also make friends and valuable social connections
- **Outreach Social Programs:** We actively work with NDIS providers and other non-profit groups including Live Wires and the Youth Project, Social Health Australia and Women Shelter Groups to suggest programs that are suitable for their clients
- **School Programs:** Every quarter we send an invitation to local primary and secondary schools to attend an Open Community Tennis Social for free introductory tennis lessons and offer participants Holiday Passes they can use to play tennis during school holidays
- **Local Trader Programs:** We encourage local traders to become involved in the club and connect with members by offering a small discount on their services. They often support some of the programs we run during the year
- **Non-Tennis Competitions:** We organise an Australian Open Sweep. Winners are given Australian Open merchandise for predicting the Grand Slam champions
- **Non-Tennis Excursions:** We organise winery tours and restaurant events where members can get to know other members and socialise outside the facility
- **Social Events:** We host Christmas, Easter, AGM and Trophy Presentation events where members and non-members are invited and can connect with others. Complimentary food and games are offered, making for fun events.



We collect and assess information on every program. For example, the Social Competition Program from July 2021 to June 2022 contributed 432 hours of play or 3.6% of total participation hours. Rather than look at the micro level details we offer an aggregate assessment regarding the community benefits the club has achieved.

We will use 2007-2019 as a baseline when the facility was outsourced to a contractor, a period of time during which Council Executive stated they were very happy with the arrangements.

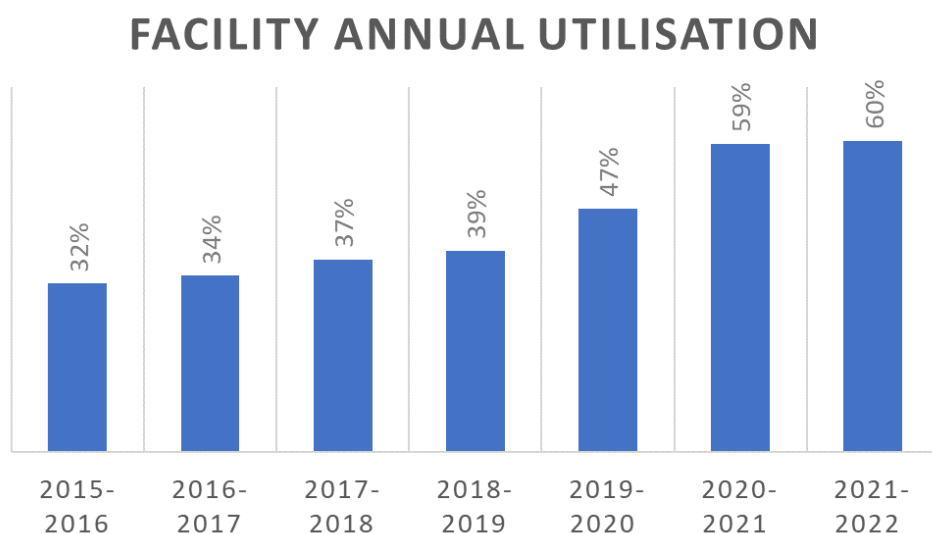
The data provided by Council is fragmented between 2008-2011.

Other data points were extrapolated based on actual information.

Between 2007 and 2019, the overall utilisation of the facility remained flat at 32% (10,600 hours of use). The club contributed approximately 4400 hours, coaching 3000 hours, netball 1800 hours, public hire 800 hours and 600 hours for other activities.

During the last financial year (July 2021-June 2022), the overall utilisation of the facility nearly doubled to 60% (16,700 hours) even though the facility was closed for 66 days because of the pandemic.

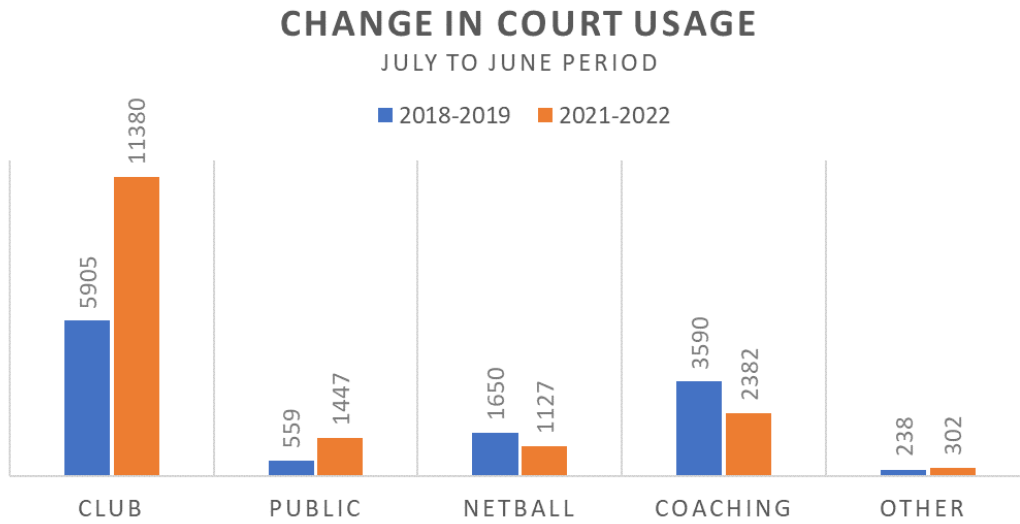
Chart 8



The club created most of the growth, followed by public court hire. This was influenced by the low court hire fees set by the Council as compared with peak court hire rate charged by Fitzroy TC. The club added an additional 5500 hours of community participation over the past three years. This membership period which ends in October will see a further 2,300 hours of new participation. The following graph depicts the club's track record with community participation.



Chart 9



If the facility management returned to the club, the committee would continue with strategic planning initiatives to further engage the community and improve asset utilisation.

Alternatively, if Council delays the recommendation or recommends a continuation with the current arrangement, community benefits will be significantly affected.



## Court Lights – Special Disbursement 1

Court lights are fundamental to a tennis facility. The court lights were upgraded in 2007 when two multi-purpose courts were added to the complex. There are 36 1000W metal halide lights that have to be maintained. All lamps must be replaced every 2 years to reduce outages and maintain light quality because these lamps degrade quickly. This practice was not adhered to between 2007 to 2019.

The courts lights and associated infrastructure was to be assessed before 2016 when courts 3-6 were resurfaced. This audit did not take place. An additional audit was required around August 2019. This audit also did not take place.

During late 2019 and early 2020 a number of lights failed and OME parts were no longer available. Yarra Council's Recreational Team decided to replace the metal halide lights with LED lights concealed within the original metal halide housing. For a period of time some courts operated with a mix of metal halide and different coloured LED lights. Complaints about safety were made to the club due to dark zones created by the narrow reach of the LED lights on the playing zones. An audit commissioned by the Council demonstrated that the court lights were not suitable for club competition.

When the Council's Asset Management Department became aware of the modification to the original lights, they ordered the Recreational Team to return all five LED lights back to the metal halide lights. The Council no longer had the internal parts so placed a special order to have new metal halide boxes designed and manufactured. These new boxes are 30% larger in cross sectional area compared to the original boxes. When the club became aware of the oversized light boxes the club requested that the Council have a structural engineer issue a report that the poles were safe to use given the larger wind load, age of the infrastructure and the unknown level of corrosion and fatigue at base of the poles. The Council proceeded to replace all failed court lights without engineering approval. Despite a number of requests for structural engineering approval regarding the use of existing poles the club has not received any response from the Council.

They also stated there was no money in the budget for court lights to be upgraded and that the next opportunity to upgrade the lights upgraded was potentially in 2026-27, but still subject to funding. The upgrade could potentially not take place until 2036-37.

Council's approach is unacceptable for a number of reasons:

- **User experience will be hit hard:** Users will be playing in conditions that do not meet current competition standards for at least 4-5 years, maybe more
- **Court light reliability remains an issue:** Only 11 court lights have been replaced and the other 25 are expected to fail in the next 2 years
- **Condition of the court poles is a public safety issue:** The poles should be structurally tested given that they are now taking a larger wind load and their condition is not known. Banyule Council had one tennis pole collapsed in 2018 and more recently another northern suburb club reported a pole collapse to Tennis Victoria
- **Cost of maintaining existing light boxes will cost more than replacing them with LED lights:** The cost of each light box manufactured will cost more than each LED court light
- 



- **Energy wasted:** The prolonging of the metal halide lights is wasting energy and contributing to unnecessary greenhouse gas emissions. More than 70% (~\$8000 pa) savings in electricity charges can be achieved by using LED lamps and synchronising bookings with light use.
- **YCC gold plating practices must stop:** The council needs to be realistic and look for innovative ways to extend the current asset to save money. Other Councils have taken a different approach to upgrading tennis court lights in recognition that money is difficult to come by.

If the club were successful with Option 1, we will be upgrading the court lights which will improve user experience, and resolve the poor competition standards, the court light unreliability and the waste of ratepayers' money.

The club will arrange for the poles to be inspected by an engineer and use non-destructive testing methods to determine the life of the poles. The club will arrange for reinforcement of the poles if required to extend their life for an additional 5-10 years.

It will then replace all 36 metal halide lights with 420W LED lights with a certificate of compliance that they achieve the minimum club competition standards.

The club will make available \$100,000 to do this through a Special Disbursement via a vote by the membership. This will reduce the burden on ratepayers and the reliance on grant applications for a further 10 years. It will have an immediate impact on the quality of play and user experience and reduce the energy costs and greenhouse emissions by at least 70%. The lights will also improve the reliability of court lights and significantly reduce high maintenance costs associated with the current metal halide lights.

If we are unsuccessful with Option 1 or the decision is delayed, the Council will need to replace an additional 25 metal halide lights at a significant cost to ratepayers and users will continue to be frustrated by delays in repairing outages and ongoing poor quality. Already we have had complaints by visiting competition teams that the facility's lights pose a risk to the safety of players.





## Resurfacing Courts 3-6 – Special Disbursement 2

In addition to tackling the issue of the court lights in 2022-23, the club will contribute a further \$100,000 towards the resurfacing of courts 3 to 6 via a second special disbursement and subject to a vote from the members.

We will continue to contribute funds provided that the club maintains a healthy balance sheet and an ongoing revenue stream.

We can also assist through putting in place more competitive procurement practices that can reduce the overall cost to Council and ratepayers.

We have become aware of some exorbitant costs incurred by Council for works performed at the facility.

For example, the Council has estimated it will cost \$850,000 to resurface courts 3 to 6. The quote to resurface the synthetic courts including remedial works to substrate was recently given by TigerTurf, the same company that supplied the synthetic grass at Mayors Park in 2016-2017 for a cost of \$145,000 to \$160,000. Allowing for inflation of 3% per annum for the next four years the estimated cost should be no more than \$180,000 for the highest-grade synthetic grass product called Advantage.

This example highlights that financial waste by the Council will become a public interest issue. Ratepayers will not tolerate these practices from a Council that is already heavily in debt.

For our evaluation of the options, we have conservatively estimated the cost of resurfacing courts 3-6 at \$200,000, of which the club will pay half. If there is no money available in the Yarra Budget the club will delay the resurfacing of courts 3-6 until we have enough money in reserve to undertake the work ourselves, whichever comes first. The delay based on current forecasts is no more than 2 years or by 2027-28. The facility needs to be maintained at a reasonably high quality to keep the community strongly engaged for years to come.



## Stakeholder Management

In this section we will explain how the club will manage major and minor stakeholders of the facility in Option 1.

### Major Stakeholders

The council, tennis members, netball users, coaching and public users are the major stakeholders of the facility.

#### Council

We propose that a Council Officer be present at committee meetings during the first 12 months when the club has full control of the facility. This will provide additional transparency and Council can provide their views on specific issues or opportunities. We expect that Council relationships will improve as more responsibility is transferred to the Club Committee.

#### Tennis Members

A caretaker will be available at some hours after 5pm on weekdays and can address questions from users. The caretaker will also monitor courts during this time and verify “no-shows” so that the office administrator can provide members with more information regarding the importance of cancelling and booking courts.

#### Netball users

CitySide is a for-profit organisation that operates netball competitions at a number of metro locations in Melbourne. They operate from 6pm to 11pm Monday to Thursday.

The organisation has told us that they value having a person available to contact if there is a problem at the facility. They can never get in contact with the Council, which only operates office hours. The netball organisation has the contact details of some committee members, who always help out when contacted. The netballers have told us that the surface on court 1 remains a safety issue, that court light outages on court 2 were very frustrating and that the response from council was disappointing. In fact, they are still waiting for the Council to tackle the safety issue on court 1. The netballers were so frustrated at the lack of response from Council’s Recreation Team that they placed a temporary plate over the surface fault in January 2022.

The club will formalise the relationship with CitySide but the caretaker will be the primary contact for reporting facility or safety problems and implementing solutions.

If anyone wants to cancel or book courts, they can contact the office administrator, who can provide this service after hours remotely. If queries relate to new programs or initiatives, they can contact designated committee members.

The committee will have regular calls with the site manager to maintain good relationships and continue to build trust.



## Coaching

As stated by Tennis Victoria, 'A strong club and coach relationship is integral to the success of your club. Together the club and coaching group can drive participation and engagement, and add value to members and potential members. Coaches are an integral element of successful tennis club operations.'

Under Option 1, the club intends to continue with the incumbent coach.

The club plans to lean heavily on Tennis Victoria's recommendations for managing coaching services.

1. The club will request assistance from Tennis Victoria throughout the process of setting up the agreement with the coach.
2. The club will utilise the Tennis Australia Coach Agreement Template as the basis for its agreement with the coach.
3. Key terms, fees, responsibilities, and service requirements will be set for both the club and the coach.
4. Tangible and auditable KPIs will be set so that performance expectations and success measures are clear.
5. The coach will be required to provide quarterly reports on progress of the coaching services in relation to the KPIs and objectives outlined in the agreement.
6. A coach liaison will be appointed by the club to manage the relationship with the coach and to allow for open, two-way communication.
7. The head coach will be invited to attend committee meetings.
8. A formal review process will be run on a yearly basis.

## Public users

There are nearly 4000 users of the facility, of which nearly 1200 are active non-members and 600 are active members. Most of the court litter is created by non-members who do not understand the terms and conditions of use. The council has made little effort to engage with them about this information.

The club will install an Entrance Board with Terms & Conditions to better manage the expectations on all users. The club will also make use of the contacts within the booking systems to proactively manage communications which relate to facility disruptions (system outages) and facility restrictions or closures related to any ongoing pandemic.

This will improve engagement, safety and user experience of all tennis players using the facility.

## Minor stakeholders

In addition to major stakeholders the facility caters to a number of local and private schools, charity groups and social organisations.

The club will make it easier for minor stakeholders to book courts and change bookings. These bookings can be made via a Google form or directly with the office administrator.



## Council Fees

### Option 1

With Option 1 the council fees should be consistent with other tennis clubs in the Yarra LGA, with an adjustment based on the size of the facility and the number of public programs available to members and non-members. The club will pay the Council a fee of \$5000 annually adjusted for CPI. In addition, the Club will contribute \$5000 per annum to a capital fund for lifecycle replacement costs of items. From time to time the club will also make Special Disbursements for large capital expenses.

The following Special Disbursement are planned under Option 1:

- 2022-23: \$100,000 towards LED light upgrades, pole reinforcements and new privacy screens
- 2026-27: \$100,000 towards the resurfacing of courts 3-6, subject to the health of the club's balance sheet.

The Council will also benefit from a more competitive procurement process managed by the club which will help lower the burden on ratepayers.

### Option 2

Under Option 2, the hourly court hire rate as set out by Budget 22/23 is \$6.35 per peak hour for a not-for-profit group or registered Yarra club.

A performance subsidy is applied to this fee to recognise the ability of the club to put on junior and adult programs that benefit the local community. Junior programs are heavily subsidised by the club and Council should not impose a cost on the club to support these programs as they benefit the community. This should be no different from schools within the Yarra Council, which are not charged for the use of courts at Mayors Park.

There should also be a 25% discount on the fee because of the fact that programs often have to be cancelled or are washed out. This will reduce the administration burden of recording and applying washouts to charges. We expect the club will be paying between \$2.83 (based on extrapolation from the last contract) to 3.87 (based on Yarra Council's 2023 budget with performance subsidies) per peak hour of court use or approximately \$17,800 to \$24,000 per annum. This is for a full-service fee to the club.



## Benefits to Ratepayers

All tennis facilities cost councils money to operate. CHTC believes that the club managing the facility will minimise the operational and capital burden on council and be in the best interest of ratepayers.

In 2022 the Council generated about \$100,000 in revenue from the facility and this is likely to increase to \$150,000 in 2023 if the facility operates continuously for the full year. However, the Council has not factored in the real cost of operating the facility. Under Option 2, the Council will be the venue manager. It will therefore need to employ an additional 2-3 people to cover the 15-hour a day, 7-day a week coverage, which would make the facility unprofitable. This would be an enormous burden on ratepayers, especially if the facility is underutilised.

We have requested operational and capital costs of the facility, and we have also noted that the figures provided to Councillors are incomplete and misleading. We have asked for the current labour cost by council officers assigned to the facility but these have not been provided. We estimate that the current effort by Council is a total of 0.8 FTEs and conservatively estimate the indirect costs for the Council to be around 25%, which is the average between 15% and 35% for local government corporate overheads. These numbers are used in the financial evaluation of options. They are not particularly sensitive to the broad evaluation, which is more dependent upon the capital deferment and investments and timeline.

There are also problems with the classification of cost by the council, which is inconsistent with the Australian Taxation Office practices. Some of the costs should be depreciated over time instead of being fully allocated as an operational cost. In contrast, the club would comply with ATO practices with respect to expenditures and depreciation schedules.

The current situation, where committee members are conducting some of the venue management workload, is unsustainable. The club can more efficiently contract out the roles and the committee can oversee their effectiveness over time. This is a far better proposition compared to the Council employing 2-3 people to undertake these roles, which would lead to ratepayers paying for this inefficiency.

The experience of all users of the facility will be improved with a caretaker performing daily cleans of the facility and an office manager who can take enquires and make bookings for charities and schools and older people who may have issues using Internet services.

To demonstrate the benefits to ratepayers we will compare the two options:

- Option 1: Club to fully manage the facility – our recommendation to Councillors
- Option 2: Council to fully manage the facility – the Club's fall-back option from 1<sup>st</sup> November 2022



## Option 1 Discussion

Under this option CHTC will operate like most tennis clubs in Australia with a standard tenant/landlord agreement. This option will simplify Yarra Council's Recreation Team's effort through consistent policies, contracts, reporting and pricing with other local tennis clubs.

The club would manage agreements with other stakeholders and responsibly manage the revenue from the facility. Netball obligations will be written into the CHTC lease agreement and the club will directly manage public users and coaching requirements. The club would be responsible for all operational costs and liaise with Council with respect to capital improvements and lifecycle replacement items. For a full description of the scope of the club and role of Club/Council please see Exhibit C – Option 1.

Current coaches will continue for 12 months under new arrangements that will align more closely with CHTC and the local community. New KPIs will be put in place that will be similar to other local clubs and that will encourage collaboration and junior and adult development pathways. We will be guided by TA templates in these areas.

Current practices, where the coach makes a business decision to not hold holiday clinics at Mayors Park just before the Australian Open or not advertise training programs to the CHTC membership, will not be tolerated.

The club will contract a caretaker to deal with cleaning, maintenance and equipment operability issues. The club will also contract an office administrator to deal with system issues, place bookings where users are experiencing difficulty and deal with refunds and other system or office-related issues. The office administrator will also be responsible for charity and school bookings and the releasing of courts when not required. Both positions will be managed via contracts and they will invoice the club monthly. Where contractors' revenue exceeds \$75k pa we will budget for GST payments.

The communications will be streamlined with respect to all users of the facility. In the past public users were not kept informed of the latest guidelines regarding restrictions due to the pandemic. The club will be responsible through access rights to the user database to communicate directly with all users of the booking system. The club can re-activate CHTC BAC system or the Council can transfer the rights of Mayors Park BAC system to the club.

If Councillors decide to implement Option 1 the club would fund Special Disbursements to deal with large capital investments. We have articulated two of these in this proposal (Court Lights & Resurfacing of Courts 3 to 6), but the intention is for the club to re-invest money from a healthy balance sheet back into the facility so that all users and the community can benefit.

The club will continue to innovate to improve community participation, including better integration of pro-social programs. The club will comply with all Council and Tennis Victoria policy guidelines.

The club will pay the Council a fee that is comparable to other tennis clubs with a similar number of courts and make an annual contribution to a capital fund to help pay for improvements and lifecycle replacement items.

Exhibit D - shows the projected CHTC profit and loss statement for 2023

Exhibit E - shows the NPV for this option based on a ten-year projection



## Option 2 Discussion

In this option CHTC will operate as just another stakeholder of a multi-user facility. Under this arrangement the Council by default is the venue operator or they can contract out the role to an independent entity provided there is no conflict of interest.

The arrangement will require that Yarra Council Recreation Team to set up a proper consortium contract and be transparent with all stakeholders regarding the rights and usage of courts to build trust and deal with potential issues related to the court bookings.

The Council would take all revenue from the facility and manage agreements with stakeholders. The club would revert to the pre-2019 arrangements where the venue operator was responsible for all cleaning, maintenance, systems related issues. For a full description of the scope of the club and role of Club/Council please see Exhibit C – Option 2.

Given that the club will lose a number of committee members, programs will be consolidated and the membership structure will be simplified. The club will revert to a more traditional tennis club with adult, family and junior membership offerings. Similar clubs using the Book a Court system such as Princes Hill TC have maxed out at 300 members with a light fee imposed and Carlton Gardens TC has maxed out at 220 members without a competition offering or a light fee. Both clubs operate with four courts during the mid-week evenings, similar to the constraints at Mayors Park.

We believe that the club membership will have to be capped at 200 members for booking, with a further 50 members on a social membership. This means that 250-350 current members will miss out, with nowhere else to go, and the overall utilisation of the courts will also fall from 62% to 33%. The club will only accept active members to programs that are currently open to the public and will drop a number of community programs that have allowed non-members free access to the facility.

Given that the courts are not fit for club competition because the court lighting is well below standard, the club will ask NENTG to provide an exemption. NENTG may require a detailed light study to facilitate this decision. Therefore, the Council may be required to commission yearly light studies and safety reports for the poles until the court lights are upgraded. NENTG reserves the right to make this decision which will be based on safety of players.

The club will continue to operate with all lights turned on until 11pm each day of the week even when there are no court bookings. The club will have to focus less on innovation and experimentation and focus on streamlining and automating current processes. Responsibility for risk management, child protection policies and other related Council and Tennis Victoria guidelines must rest with the venue operator, which has relationships with other stakeholders of the facility. In this case facility policies override stakeholders' policies with respect to smoking, child safeguards and behaviour standards etc.

In line with Yarra's 2022/23 Budget and Yarra's Pricing Policy the club will pay somewhere between \$17,000 to \$24,000 in 2023 for a club of 250-300 members. Membership fees will increase across all packages by 40% to cover the additional fees paid to Council. Despite this huge increase in fees, the Council will still be running the facility at a significant loss, and churning through ratepayers' money. A lose-lose situation all around.

Exhibit F - shows the projected CHTC profit and loss statement for 2023

Exhibit G - shows the NPV for this option based on a ten-year projection



## Summary

Table 5 provides a summary of the outcomes from the financial evaluation of these options.

Table 5

Option Evaluation	NPV (10 years)		Average Total		Community Usage - Total hours of play pa		Asset Utilisation pa		Return on community \$/hour played		Comments
			Cost pa								
Option 1 - Club to Manage Facility - Council NPV	-\$453,173		-\$45,317		20000		59%		-\$2.3		
Option 1 - Club to Manage Facility - Club NPV	\$13,405		\$1,340		20000		59%		\$0.1		
<b>Option 1 - Club to Manage Facility</b>	<b>-\$439,768</b>		<b>-\$43,977</b>		<b>20000</b>		<b>59%</b>		<b>-\$2.2</b>		<b>Lowest cost to rate payers with highest community participation</b>
<b>Option 2 - Council to Manage Facility</b>	<b>-\$1,778,320</b>		<b>-\$177,832</b>		<b>11200</b>		<b>33%</b>		<b>-\$15.9</b>		<b>Highest cost to rate payers with lowest community participation</b>





In summary, Option 1 provides far superior outcomes with respect to community participation, environmental benefits, stakeholder relations, ratepayers' contributions, member benefits and facility utilisation. Many of the initiatives introduced by the committee over the past few years has been copied by a number of clubs. As a result, all tennis players in the City of Yarra have benefitted from what CHTC has achieved. Fitzroy TC is also now replicating a number of our policies, initiatives and programs.

Under Council's management of the facility, stakeholder relationships have been strained.

Council officers have claimed that the club has not done enough to build relationships with the head coach.

We reject this entirely. Council's criticism simply further reinforces their complete lack of understanding of how tennis clubs operate.

The head coach is a for profit organisation that makes decisions based on commercial objectives. The head coach answers directly to the council via the contract. The club and its members are irrelevant to the coach's business imperatives. This contractual situation is not replicated anywhere else in Australia as far as we can find.

Most of the coaches operating at Mayors Park are members of the Fitzroy Tennis Club. Despite numerous CHTC invitations to attend Open Community events, Club Championships and other social events, the coaches have not engaged at all with CHTC. Council Officers are well aware of the lack of collaboration between CHTC and Racquet Lab.

Netball facilitators are unhappy with the current arrangements, where their needs are not proactively managed. They believe the court lighting issues has been mismanaged. They are particularly exposed to the problems with court light reliability, especially knowing the club had an appropriate solution.

If Council Officers reject CHTC's proposal to manage the facility, the Councillors should challenge the validity of any reasons. If the Councillors decide to delay or maintain the current management structure, the current committee will not contest the decision.

On 16<sup>th</sup> August the Committee served the Council Officers with a Notice of Decision for Option 2 to provide enough time for the Council to put together an estimate of the new club fees if Council rejects Option 1. If this should happen, then from the 1<sup>st</sup> November 2022, the club will transition to new arrangements which are aligned with a more traditional tennis club.



## Track Record

CHTC is one of a very few tennis clubs that administers an annual survey of its members. This survey has been instrumental in identifying what works well and what needs improvement. The survey's response rate has improved over the last year as the club has embedded this step as part of the membership renewal process.

During 2021-22 the club received 71 responses, which represents about 18% of the emails distributed. The following table provides a longitudinal view of the club's performance regarding satisfaction levels, programs and initiatives.

Of particular note we added a question regarding the performance of services for which Council is responsible. The low satisfaction was mainly due to confusion over responsibilities, and slow responses to emails and complaints.

Table 5

Satisfaction with ...	2018	2019	2020	2021	Change	Comment
Member Satisfaction Score	93%	88%	94%	95%	1%	Working Well
Recommendation Score	93%	90%	94%	95%	1%	Working Well
Joining process	89%	89%	93%	92%	0%	Working Well
Getting Help	90%	88%	96%	93%	-4%	Limited renewal options provided
Court Access	78%	69%	86%	87%	1%	Working Well
Court quality	90%	86%	90%	93%	3%	New Centre Straps
Communications	94%	89%	97%	97%	0%	Working Well
Handbook	86%	85%	91%	90%	-1%	Not distributed well
Sunday Social	82%	93%	78%	94%	15%	New balls covered by Club
Friday Social		94%	77%	91%	14%	Switched from Thursday to Friday
Mid-Week Morning Social	na	na	na	96%		First time Surveyed
Monday Night Social	na	na	na	58%		Review Required regarding Format
Social Competition	88%	88%	90%	94%	3%	Affected by Covid-19
Junior Competition	72%	87%	53%	84%	31%	Affected by Covid-19
Night Competition	87%	86%	71%	81%	10%	Affected by Covid-19
Pennant Competition	na	na	na	na		Not Applicable
Club Championships	na	83%	81%	90%	9%	Affected by Covid-19
Ball Machine Training	76%	90%	87%	90%	4%	Reliability issues with machine
Trader Benefits	74%	72%	86%	85%	-1%	To be reviewed
Buddy Program	86%	89%	84%	88%	4%	Affected by Covid-19
Satisfaction With Council				44%		Some issues need addressing
Managing Covid			98%	97%	-1%	Government rules became confusing



## Strong committee

The club is nearly 100 years old. Generations of families have played at the same venue. The club managed the facility successfully for more than 70 years.

The current committee is comprised of a diverse group of professionals with a huge range of skills and knowledge – lawyers, engineers, IT experts, management consultants, small business owners, communications professionals. The current committee consists of 8 men and 4 women.

- More than 50 collective years of experience on the CHTC committee
- More than 100 collective years of experience on various committees and Boards
- World tennis professional on the committee

## Summary

The club believes the case is compelling for CHTC to manage the facility. If Councillors want to make a significant contribution to the community, the environment, ratepayers, volunteers, club members and stakeholders, the decision between Option 1 and 2 could not be clearer.

We believe Option 1 is by far the better plan for the City of Yarra. It will continue to foster further competition and collaboration, with all stakeholders in Yarra the beneficiaries.



## Exhibits

Exhibit A – Strategic Plan

Exhibit B – Member’s Handbook

Exhibit C – Scope of Option 1 & 2

Exhibit D – Option 1: Profit & Loss Statement

Exhibit E – Option 1: Net Present Value of Option 1 (Club, Council & Combined)

Exhibit F – Option 2: Profit & Loss Statement

Exhibit G – Option 2: Net Present Value of Option 2 (Council Only)



## Exhibit A – Strategic Plan

This document will be attached separately



Approved by full Committee of Clifton Hill Tennis Club

## Exhibit B – Member’s Handbook

This document will be attached separately



## Exhibit C – Scope of Option 1 & 2

Table 1 – Membership Offering

Table 2 – Membership Limits

Table 3 – Club Service Offering

Table 4 – Help & Assistance

Table 5 – Yearly Facility Visitation & Utilisation

Table 6 – Committee Resources

Table 7 – Club & Council Responsibility Matrix



**Table 1**

<b>Membership Offering</b>	<b>Option 1</b> Club Manage Venue	<b>Option 2</b> Council Manage Venue
Adult - General	Yes	Yes
Adult - Standard	Yes	
Adult - Off-peak	Yes	Yes
Family	Yes	Yes
Junior	Yes	Yes
Student	Yes	
Social	Yes	Yes
Scholarship	Yes	
Holiday Pass	Yes	
Upgrades	Yes	
Pro-rata rates	Yes	Yes
<b>Discounts</b>		
Concession	Yes	Yes
Group	Yes	
Closure Protected	Yes	
<b>Refunds</b>		
Relocation/Injury Reasons	Yes	
Administrative Complexity Index	33	6

**Table 2**

<b>Membership Limits</b>	<b>Option 1</b> Club Manage Venue	<b>Option 2</b> Council Manage Venue
Booking Courts	500	200
Off-peak	50	50
Social Access Only	50	50
Total	600	300





**Table 3**

<b>Club Service Offering</b>	<b>Option 1 Club Manage Venue</b>	<b>Option 2 Council Manage Venue</b>
Club Competition-Club Championships	Yes	
Club Competition-Social Competition	Yes	
Competition-Pennant	Yes	
Competitions-Bayside		
Competitions-HDTA		
Competitions-Metro Masters		
Competitions-NEGTA Senior	Yes	Yes
Competitions-NEJTA Junior	Yes	Yes
Extra-Ball Machine Services	Yes	Limited
Extra-Coaching Survey	Yes	
Extra-Hitting Partner Program	Yes	
Extra-Player Ability Score/UTR Scores	Yes	
Extra-Quick Polls	Yes	
Extra-Traders Program	Yes	
Extra-Wimbledon & AO Sweep	Yes	
Extra-Working Bees	Yes	
Management-Annual Members Survey	Yes	
Management-Club Benchmarking	Yes	
Management-Communications	Yes	Limited
Management-Council Liasing	Yes	
Management-Court Cleaning	Yes	
Management-Court Releasing	Yes	
Management-Court Scheduling	Yes	
Management-Emergency Orders	Yes	
Management-Issue Register	Yes	
Management-No Show Monitoring	Yes	
Management-Pavilion Cleaning	Yes	
Management-School Bookings	Yes	
Management-Stakeholder Liasing	Yes	
Management-System Issues	Yes	
Membership-Enquiries	Yes	Limited
Membership-Junior Scholarships	Yes	
Membership-School Programs Holiday Pass	Yes	
Socials- Friday Morning	Yes	
Socials- Friday Night	Yes	Yes
Socials- Monday Night	Yes	Yes
Socials- Open Community	Yes	
Socials- Pickleball	Yes	
Socials- Womens Pennant	Yes	
Socials-Open to Public	Yes	
Socials-Sunday Morning	Yes	Yes
Socials-Wednesday Morning	Yes	
Sports Equipment Maintenance	Yes	



**Table 4**

<b>Help &amp; Assistance</b>	<b>Option 1</b> Club Manage Venue	<b>Option 2</b> Council Manage Venue
<b>Help when required</b>		
Response Times	1-2 Days	7 Days
<b>Troubleshooting</b>		
Not receiving emails - MailChimp	1-2 Days	7 Days
Change in email address to MailChimp	1-2 Days	7 Days
Banking enquiries	1-2 Days	7 Days

**Table 5**

<b>Yearly Facility Visitations &amp; Utilisation</b>	<b>Option 1</b> Club Manage Venue	<b>Option 2</b> Council Manage Venue
Club	36000	15000
Netball	50400	50400
Coaching	16000	12000
Public Hire	6000	3000
<b>Total</b>	<b>108400</b>	<b>80400</b>
Daily Average (visitors/day)	297	220
Club	33%	19%
Netball	46%	63%
Coaching	15%	15%
Public Hire	6%	4%
<b>Facility Total Play Hours</b>	<b>21000</b>	<b>11050</b>
<b>Overall Utilisation</b>	<b>62%</b>	<b>33%</b>

**Table 6**

<b>Committee Resources</b>	<b>Option 1</b> Club Manage Venue	<b>Option 2</b> Council Manage Venue
President	1	1
Vice President	1	
Secretary	1	1
Treasurer	1	1
Membership Secretary	1	1
Junior Competition Secretary	1	1
Night Competition Secretary	1	1
Pennant Secretary		
Social Secretary	1	1
Communication secretary	1	
General Committee Member	3	1
Caretaker (cleaning & maintenance)*	1	
Administration Officer (Scheduling & systems issues)*	1	
Volunteers Roles	2	0
<b>Total Resources</b>	<b>16</b>	<b>8</b>

**Notes**

1-FTC team consists of 15 people (13 committee, 1 caretaker & 1 office admin person)

\*-Paid positions



**Table 7**  
**Responsibility Matrix**

Option 1 Responsibility Table	Option 1 Club Manage Venue		Option 2 Council Manage Venue	
	RESPONSIBILITY		RESPONSIBILITY	
Essential Safety Measures	Club	Council	Club	Council
Fire extinguishers		✓		✓
Fire Hydrants and Hose Reels		✓		✓
Emergency and Exit Lighting		✓		✓
Heating, ventilation and air conditioning		✓		✓
Emergency evacuation procedures - creation		✓		✓
Emergency evacuation procedures - training and exercise	✓			✓
Emergency Exits - keeping pathways clear	✓			✓
No Smoking signage	✓			✓
Plumbing and Electrical	Club	Council	Club	Council
Repair of Plumbing and fixtures (internal taps, cisterns, shower fittings)		✓		✓
Replacement of Plumbing and fixtures (internal taps, cisterns, shower fittings)		✓		✓
Clearing of blockages in plumbing waste/storm pipes and drains		✓		✓
Repair of roof drainage systems (gutters and downpipes)		✓		✓
Electrical wiring, switchboard, power points, switches		✓		✓
Electrical Fittings and Lights		✓		✓
Test and tagging of equipment (Council owned)		✓		✓
Test and tagging of equipment (tenant owned)	✓		✓	
Repair / maintenance of existing wiring		✓		✓
Doors (including cupboard doors and door fittings)		✓		✓
Security	Club	Council	Club	Council
Keys systems – replacement of lost keys (at tenants costs)		✓		✓
Key systems – replacement of lock hardware for lost key (at tenants cost)		✓		✓
Repair / replacement of existing padlocks		✓		✓
Security alarm systems		✓		✓
Security guard response to alarm activation caused by tenant	✓			✓
Security guard response to alarm activation - general		✓		✓
Security grills maintenance and replacement due to age		✓		✓
Security lighting maintenance and replacement as required		✓		✓
Securing of building	✓			✓
Cleaning	Club	Council	Club	Council
Regular scheduled cleaning of building	✓			✓
Supply of cleaning equipment	✓			✓
Supply of cleaning consumables (toilet paper, hand towels)	✓			✓
Cleaning of storage areas	✓			✓
Removal of excess rubbish including recycling material	✓			✓
Waste to be stored properly & removed regularly	✓	✓		✓
Rubbish collection	✓			✓
Hard Rubbish		✓		✓
Graffiti - reporting of issue	✓			✓
Graffiti - cleaning		✓		✓
Vandalism – external		✓		✓
Vandalism – internal	✓			✓
Food handling areas kept in a clean and hygienic state	✓			✓
Personal hygiene services	✓			✓
Sanitary Bins		✓		✓



Building Fabric	Club	Council	Club	Council
Maintenance painting of internal areas - keeping clean and in good condition	✓			✓
Maintenance painting of internal areas - repairs and refresh		✓		✓
Maintenance painting of external areas - keeping clean and in good condition	✓			✓
Maintenance painting of external areas - repairs and refresh		✓		✓
Repair/ maintenance of doors (other than exit doors) - keeping clean and in good condition	✓			✓
Repair/ maintenance of doors (other than exit doors) - repairs and refresh		✓		✓
Cleaning of all glass surfaces and windows	✓			✓
Repair/Replacement of Glazing		✓		✓
Structural maintenance		✓		✓
Keeping existing floor surfacing and coverings	✓			✓
Maintenance / replacement of existing floor surfacing and coverings		✓		✓
Faceof Facility	Club	Council	Club	Council
Weekdays 4-7pm	✓			?
Saturday 8am to noon	✓			?
Sunday 9am to 11am	✓			?
Pavilion Fittings	Club	Council	Club	Council
Automated Sliding Doors - reporting of issues	✓		✓	
Automated Sliding Doors - repairs	✓			✓
Automated Sliding Doors - replacements		✓		✓
Ovens, cook tops and stoves (electric) - reporting of issues	✓		✓	
Ovens, cook tops and stoves (electric) - repairs	✓			✓
Ovens, cook tops and stoves (electric) - replacements		✓		✓
Zip Boiler - reporting of issues	✓		✓	
Zip Boiler - repairs, service or replacement of carbon filter	✓			✓
Zip Boiler - replacement		✓		✓
Handdryers - reporting of issues	✓		✓	
Handdryers - repairs	✓			✓
Handdryers - replacement		✓		✓
Refrigerators - reporting of Issues	✓		✓	
Refrigerators - repairs	✓			✓
Refrigerators - replacement		✓		✓
Ceiling Fans - Reporting of Issues	✓		✓	
Ceiling Fans - repairs	✓			✓
Ceiling Fans - replacement		✓		✓
Replacement of lights	✓			✓
Replacement of smoke detector batteries	✓			✓
Replacement of defibrillator pads and battery as per OEM recommendation	✓			✓
Club Furniture, portable chairs and tables	✓			✓
Curtains and Blinds – cleaning and repairs	✓			✓
Curtains and Blinds – replacement		✓		✓
Vents - cleaning & repairs	✓			✓
Vents - replacement		✓		✓



<b>Outdoor Spaces</b>	Club	Council	Club	Council
Front Gate Terms & Conditions Board - reporting of issues	✓		✓	
Front Gate Terms & Conditions Board - repairs	✓			✓
Front Gate Terms & Conditions Board - creation and replacement		✓		✓
Court Lights - reporting of issues	✓		✓	
Court lights - repairs	✓			✓
Court lights - replacement		✓		✓
Privacy Screening - reporting of issues	✓		✓	
Privacy Screening - repairs	✓			✓
Privacy Screening - replacement		✓		✓
Drinking Fountains - reporting of issues	✓		✓	
Drinking Fountains - repairs	✓			✓
Drinking Fountains - replacement		✓		✓
Gate PIN Code Access - reporting of issues	✓		✓	
Gate PIN Code Access - repairs	✓			✓
Gate PIN Code Access - replacement		✓		✓
Security Lighting - reporting of issues	✓		✓	
Security Lighting - repairs	✓			✓
Security Lighting - replacement		✓		✓
Fences and Gates - reporting of issue	✓		✓	
Fences and Gates - repairs	✓			✓
Fences and Gates - replacement		✓		✓
Outdoor steps, pathways - reporting of issues	✓		✓	
Outdoor steps, pathways - repairs	✓			✓
Outdoor steps, pathways - replacement		✓		✓
Loose Litter/Leaves/Softfall - cleaning	✓			✓
Water Tanks - reporting of issues	✓		✓	
Water Tanks - repairs	✓			✓
Water Tanks - replacement		✓		✓
Trees - reporting of issues	✓		✓	
Trees - pruning	✓			✓
Trees - replacement		✓		✓
Hot Water Service - reporting of issues	✓		✓	
Hot Water Service - repairs	✓			✓
Hot Water Service - replacement		✓		✓
Outdoor Fixed Furniture - reporting of issues	✓		✓	
Outdoor Fixed Furniture - repairs	✓			✓
Outdoor Fixed Furniture - replacement		✓		✓
BBQ Appliance - reporting of issues	✓		✓	
BBQ Appliance - repairs	✓			✓
BBQ Appliance - replacement		✓		✓
<b>Safety &amp; Occupational Health</b>	Club	Council	Club	Council
Safety & Occupational Health - reporting of issues	✓		✓	
Safety & Occupational Health - addressing minor issues	✓			✓
Safety & Occupational Health - addressing structural issues	✓			✓
Safety & Occupational Health - protecting and safeguarding children	✓			✓
Safety & Occupational Health - maintain list of all officials and staff WWCC	✓			✓
Safety & Occupational Health - policy formulation	✓			✓
Safety & Occupational Health - policy implementation	✓			✓
Safety & Occupational Health - development of risk register	✓			✓
Safety & Occupational Health - monitoring and reporting agains risk register	✓			✓
Safety & Occupational Health - daily inspection of courts and equipment	✓			✓
Safety & Occupational Health - top up first aid kit with consumables	✓			✓
CCTV Footage Access - reporting of issues	✓			✓
CCTV Footage Access - repairs	✓			✓
CCTV Footage Access - replacement		✓		✓



System Administration	Club	Council	Club	Council
Program Court Schedule - developing plan	✓		✓	
Program Court Schedule - monitoring courts are correctly scheduled	✓			✓
Program Court Schedule - entering schedule into booking system	✓			✓
Program Court Schedule - making adjustments as required	✓			✓
Booking Refunds - reporting of issue	✓		✓	
Booking Refunds - process payment	✓			✓
Lighting Refunds - reporting of issue	✓		✓	
Lighting Refunds - process payment	✓			✓
Program Enrolment Refunds - reporting of issue	✓		✓	
Program Enrolment Refunds - process payment	✓			✓
Password Enquiries - reporting of issue	✓		✓	
Password Enquiries - first response resolution	✓			✓
Password Enquiries - escalating to TA	✓			✓
Account problem enquiries - reporting of issue	✓		✓	
Account problem enquiries - first response resolution	✓			✓
Account problem enquiries - escalating to TA	✓			✓
Wrong Booking Payment enquiries - reporting of issue	✓		✓	
Wrong Booking Payment enquiries - first response resolution	✓			✓
Wrong Booking Payment enquiries - escalating to TA	✓			✓
PIN Code Failure enquiries - reporting of issue	✓		✓	
PIN Code Failure enquiries - first response resolution	✓			✓
PIN Code Failure enquiries - escalating to TA	✓			✓
Gate Lock Out enquiries - reporting of issue	✓		✓	
Gate Lock Out enquiries - first response resolution	✓			✓
Gate Lock Out enquiries - escalate to TA	✓			✓
Notifying Users of problems - identification of problem	✓			✓
Notifying Users of problems - identify impacted users	✓			✓
Notifying Users of problems - communicate to impacted users	✓			✓
Notifying Users of problems - monitor until issue resolved	✓			✓
Membership Activations - prepare members list to activate (concessions, students etc)	✓		✓	
Membership Activations - activate in booking system	✓			✓
Membership Upgrades - report change in members package	✓		✓	
Membership Refunds - determine refund amount based on policy	✓		✓	
Membership Refunds - refund member	✓			✓
Membership Refunds - deactivate membership package	✓			✓
Membership Suspension - place a lapse member status on account	✓			✓
Email Change Requests - update communication database with new email address	✓			
Communication Package Selection - update communication database with new com packs	✓			
Maintaining Members Database - update communication database with program tags	✓			
Usage Monitoring - prices for court hire reflect Council fees and charges	✓			✓
Usage Monitoring - stakeholders comply with agreed usage guidelines	✓			✓
Usage Monitoring - Adjustment to booking to reflect emergency guidelines	✓			✓
Usage data collection - collecting data from operational systems	✓			✓
Usage data collection - cleaning of data collected from systems	✓			✓
Usage Statistics Reporting	✓			✓
Membership Payment Reconciliations - generating STRIPE account	✓			✓
Membership Payment Reconciliations - reconciling STRIPE Account	✓		✓	
Membership Payment Reconciliations - make payment to club	✓			✓
Membership Package Mapping - Updating templates annually	✓			✓
Membership Package Mapping - activate new packages	✓			✓
Membership Package Mapping - testing mapping works with new packages	✓			✓
Membership Pro-rata Updating - quarterly update pro-rata rates in booking system	✓			✓
System Outage - reporting of issue	✓		✓	
System Outage - repairs	✓			✓
System Outage - activate manual procedures	✓			✓
System Outage - organise people to open/close gates turn on/off lights	✓			✓
Netball Bookings - placement of bookings on system	✓			✓
School Bookings - placement of bookings on system	✓			✓
Charity Bookings - placement of booking on system	✓			✓
Other Bookings - placement of bookings on system	✓			✓
Adding members to MailChimp	✓		✓	
Maintaining tags on MailChimp	✓		✓	
Updating email changes on MailChimp	✓		✓	
Investigate failure to receive notifications	✓		✓	
Delete non members from the database	✓		✓	



<b>Stakeholder Management</b>	Club	Council
Stakeholder Sub Leases	✓	
Stakeholder communications & regular meetings	✓	
Monitoring Stakeholder usage against Contract	✓	
Additional agreements where required if information is shared between entities	✓	
<b>Utilities, Fees and Charges</b>	Club	Council
Telephone (calls, line rental, internet, fax)	✓	
Electrical supply chargers and use including security lighting	✓	
Water use including sewerage chargers	✓	
Public Liability Insurance	✓	
Insurance - Contents	✓	
Insurance - Building		✓

Club	Council
	✓
	✓
	✓
	✓
Club	Council
	✓
	✓
	✓
	✓
	✓



Exhibit D – Option 1: Profit & Loss Statement

**Table 1**

<b>Club Revenue Model</b>	<b>Option 1 Club Manage Venue</b>
<b>Numbers</b>	
General Adult	175
Standard Adult	106
Off-peak Adult	44
Family	40
Junior	16
Student	10
Social	32
Committee	8
Life Member	3
Scholarship	3
Holiday Pass	5
<b>Total</b>	<b>546</b>
<b>Membership Fees</b>	
General Adult	\$200
Standard Adult	\$130
Off-peak Adult	\$85
Family	\$300
Junior	\$90
Student	\$90
Social	\$80
Committee	\$0
Life Member	\$0
Scholarship	\$0
Holiday Pass	\$50
<b>Total Membership Revenue</b>	<b>\$59,220</b>
Total Social Tennis Revenue	\$3,600
Total Competition Revenue	\$1,200
<b>Total Club Revenue (before discounts)</b>	<b>\$64,020</b>
Netball Fee Revenue	\$50,000
Coaching Fee Revenue	\$20,000
Public Hire Revenue	\$65,000
<b>Total Revenue Generated</b>	<b>\$199,020</b>





**Table 2**

<b>Club Cost Model</b>	<b>Option 1</b> Club Manage Venue
<b>Fixed Costs</b>	
Accounting & Bookkeeping Fees	\$1,136
YCC Fees	\$5,000
YCC Capital Discretionary Fund	\$5,000
VTA Fees	\$2,000
VTA BAC Fees	\$440
Insurance	\$2,000
<b>Sub Total</b>	<b>\$15,576</b>
<b>Variable Costs</b>	
Stripe fees	\$888
Petty Cash Expenses	\$105
Equipment Purchases	\$150
Clubhouse Consumables	\$998
Ball Purchases - General & Lobster Ball Machine	\$3,200
Ball Purchases - Competition	\$800
Depreciation - Building Renovations	\$0
Depreciation - Fencing	\$0
Depreciation - Lighting	\$0
Depreciation - Clubroom Fittings	\$0
Depreciation -Outdoor Furniture & Equipment	\$0
Depreciation - Clubroom Fittings & Appliances	\$0
Competition Fees Expense - Adults	\$700
Competition Fees Expense - Juniors	\$350
Repairs & Maintenance	\$10,000
Secretarial/Admin	\$1,200
Social Expenses	\$2,500
Sets in the City Expenses	\$520
Club Champs Expenses	\$1,200
System Administrator Contractor	\$38,000
Caretaker Contractor Role	\$78,000
Superannuation (if required)	\$0
Long Service Leave Expense (if required)	\$0
WorkCover (if Required)	\$3,480
Gifts	\$1,000
Telephone	\$2,500
Clubroom Fixtures	\$180
Electricity	\$5,200
Water	\$1,200
Bank Charges	\$200
External Court Hire	\$0
Open Community Sessions	\$900
Pickle Ball Consumable Expenses	\$850
Social Housing Holiday Free Passes	\$1,500
Group & concession discounts	\$6,000
GST Collection	\$19,902
<b>Sub Total</b>	<b>\$181,523</b>
<b>TOTAL COSTS</b>	<b>\$197,099</b>
<b>Gross Profit</b>	<b>\$1,920</b>
Membership fee increase across packages to get to near zero profit	na
Contractor Rate Used (\$/hour)	\$40



Exhibit E – Option 1: Net Present Value of Option 1 (Club & Council)

Option 1 - Club to Manage Facility - Council NPV



	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	Index	Note
<b>Council Revenue</b>	\$ 100,000	\$ 5,000	\$ 5,150	\$ 5,305	\$ 5,464	\$ 5,628	\$ 5,796	\$ 5,970	\$ 6,149	\$ 6,334	\$ 6,524	\$ 6,720		
Club	9000	5000	5150	5305	5464	5628	5796	5970	6149	6334	6524	6720	1.03	4
Netball	35000	0	0	0	0	0	0	0	0	0	0	0	1.03	5
Coaching	13000	0	0	0	0	0	0	0	0	0	0	0	1.03	
Public	43000	0	0	0	0	0	0	0	0	0	0	0	1.03	
	0	0	0	0	0	0	0	0	0	0	0	0	1.03	
<b>Council Court Operational Costs</b>	\$ 158,729	\$ 10,000	\$ 10,300	\$ 10,609	\$ 10,927	\$ 11,255	\$ 11,593	\$ 11,941	\$ 12,299	\$ 12,668	\$ 13,048	\$ 13,439		
Electricity	11649	0	0	0	0	0	0	0	0	0	0	0	1.05	
TA Association fees	440	0	0	0	0	0	0	0	0	0	0	0	1.03	
Light Maintenance	16800	0	0	0	0	0	0	0	0	0	0	0		
Contract Oversight	100000	10000	10300	10609	10927	11255	11593	11941	12299	12668	13048	13439	1.03	6
Pavilion Cleaning	2400	0	0	0	0	0	0	0	0	0	0	0	1.03	
Water Utility	440	0	0	0	0	0	0	0	0	0	0	0	1.03	
Sundry Items	27000	0	0	0	0	0	0	0	0	0	0	0		
<b>Capital Cost outlay</b>	\$ -	\$ -	\$ -	\$ -	\$ 100,000	\$ -	\$ -	\$ -	\$ -	\$ 60,000	\$ -	\$ 425,000		
Court resurfacing					100000					\$ 60,000			1a, 1b	
Court Light replacement					0								2	
Court Screening													3	
Pavilion Refurbishment														
<b>Net</b>	<b>-\$ 58,729</b>	<b>-\$ 5,000</b>	<b>-\$ 5,150</b>	<b>-\$ 5,305</b>	<b>-\$ 105,464</b>	<b>-\$ 5,628</b>	<b>-\$ 5,796</b>	<b>-\$ 5,970</b>	<b>-\$ 6,149</b>	<b>-\$ 66,334</b>	<b>-\$ 6,524</b>	<b>-\$ 431,720</b>		

NPV (10 year) -\$453,173  
 Average Total Cost per annum -\$45,317  
 Community Usage - Total hours of play 20,000  
 Council Cost \$/hour used -\$2.3  
 WACC = 5%

- Note**
- 1a Synthetic courts should be resurfaced in 2026-27, but Club's estimate is \$200k maximum
  - 1b Hardcourts to be repaired and painted in 2031
  - 2 Assume club has paid for LEDs in 2023, review in 2026/27 should check for pole integrity and reinforce poles required to last another 10 years
  - 3 Perimeter screening to be replaced as this should have been done in 2016
  - 4 Club to pay rates instead of court usage or licence fees
  - 5 Club to pay into a capital levy program
  - 6 Council to assume role of landlord and contract oversight

Option 1 - Club to Manage Facility - Club NPV



	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	Index
<b>Club Revenue</b>	\$ -	\$ 199,020	\$ 204,990	\$ 211,140	\$ 217,474	\$ 223,998	\$ 230,718	\$ 237,640	\$ 244,769	\$ 252,112	\$ 259,675	\$ 267,466	
Club	64020	65940	67918	69956	72055	74216	76443	78736	81098	83531	86037	88637	1.03
Netball	50000	51500	53045	54636	56275	57964	59703	61494	63339	65239	67196	69196	1.03
Coaching	20000	20600	21218	21855	22510	23185	23881	24597	25335	26095	26878	27688	1.03
Public	65000	66950	68959	71027	73158	75353	77613	79942	82340	84810	87355	89910	1.03
<b>Operational Costs</b>	\$ -	\$ 197,099	\$ 203,116	\$ 209,319	\$ 215,713	\$ 222,305	\$ 229,100	\$ 236,106	\$ 243,329	\$ 250,775	\$ 258,452	\$ 266,367	
Electricity	5200	5460	5733	6020	6321	6637	6968	7317	7683	8067	8470	8870	1.05
TA Association fees	2440	2513	2589	2666	2746	2829	2913	3001	3091	3184	3279	3379	1.03
Light Maintenance	0	0	0	0	0	0	0	0	0	0	0	0	1.03
Contract Caretaker	78000	80340	82750	85233	87790	90423	93136	95930	98808	101772	104825	108025	1.03
Contract Office Administrator	38000	39340	40314	41524	42769	44052	45374	46735	48137	49581	51069	52609	1.03
Water Utility	453	467	481	495	510	525	541	557	574	591	609	627	1.03
Sundry Items	3090	3183	3278	3377	3478	3582	3690	3800	3914	4032	4153	4279	1.03
Council Lease Fee	5000	5150	5305	5464	5628	5796	5970	6149	6334	6524	6720	6920	1.03
Capital Levy Contribution	5000	5150	5305	5464	5628	5796	5970	6149	6334	6524	6720	6920	1.03
Club Operational Costs	40014	41214	42451	43724	45036	46387	47779	49212	50689	52209	53775	55387	1.03
GST Collection	19902	20499	21114	21747	22400	23072	23764	24477	25211	25968	26747	27547	1.03
<b>Net Profit</b>	\$ 1,920	\$ 1,874	\$ 1,821	\$ 1,761	\$ 1,693	\$ 1,618	\$ 1,534	\$ 1,440	\$ 1,337	\$ 1,224	\$ 1,099	\$ 970	
<b>Capital Cost outlay</b>	\$ -	\$ 100,000	\$ -	\$ 100,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Court resurfacing				100000									
Court Light replacement		80000											
Court Screening		20000											
Pavilion Refurbishment													
<b>Club Capital Reserves</b>	\$ 150,000	\$ 56,920	\$ 63,944	\$ 71,070	\$ 79,239	\$ 87,561	\$ 96,039	\$ 104,673	\$ 113,464	\$ 122,412	\$ 131,519	\$ 140,784	
<b>Net</b>	\$ -	\$ -	\$ 98,080	\$ 1,874	\$ 1,821	\$ 1,693	\$ 1,618	\$ 1,534	\$ 1,440	\$ 1,337	\$ 1,224	\$ 1,099	
NPV (10 year)		\$13,405											
Average Total Cost per annum		\$1,340											
Community Usage - Total hours of play		20,000											
Council Cost \$/hour used		\$0.1											
WACC =		5%											

- Note**
- 1a Synthetic courts should be resurfaced in 2026-27, but Club's estimate is \$200k maximum
  - 1b Hardcourts to be repaired and painted in 2031
  - 2 Assume club has paid for LEDs in 2023, review in 2026/27 should check for pole integrity and reinforce poles required to last another 10 years
  - 3 Perimeter screening to be replaced as this should have been done in 2016
  - 4 Club to continue to pay fees for a full service
  - 5 Estimate of fees provided by Council
  - 6 Estimate of fees provided by Council
  - 7 Public Hire revenue from July 2021 to end of June 2022
  - 8 Council to continue to use 1 FTE to do what it current does
  - 9 Council to add staff or contract out the work currently performed by club which is the responsibility of venue operator

## Exhibit F – Option 2: Profit & Loss Statement

**Table 1**

<b>Club Revenue Model</b>	<b>Option 2</b> Council Manage Venue
<b>Numbers</b>	
General Adult	113
Standard Adult	0
Off-peak Adult	44
Family	18
Junior	16
Student	0
Social	32
Committee	4
Life Member	3
Scholarship	0
Holiday Pass	0
<b>Total</b>	<b>276</b>
<b>Membership Fees</b>	
General Adult	\$280
Standard Adult	
Off-peak Adult	\$119
Family	\$420
Junior	\$126
Student	
Social	\$112
Committee	
Life Member	
Scholarship	
Holiday Pass	
<b>Total Membership Revenue</b>	<b>\$42,531</b>
Total Social Tennis Revenue	\$0
Total Competition Revenue	\$1,000
<b>Total Club Revenue (before discounts)</b>	<b>\$43,531</b>
Netball Fee Revenue	\$0
Coaching Fee Revenue	\$0
Public Hire Revenue	\$0
<b>Total Revenue Generated</b>	<b>\$43,531</b>



**Table 2**

<b>Club Cost Model</b>	<b>Option 2</b> Council Manage Venue
<b>Fixed Costs</b>	
Accounting & Bookkeeping Fees	\$0
YCC Fees	\$24,000
YCC Capital Discretionary Fund	\$0
VTA Fees	\$1,000
Insurance	\$0
<b>Sub Total</b>	<b>\$25,000</b>
<b>Variable Costs</b>	
Stripe fees	\$638
Petty Cash Expenses	\$105
Equipment Purchases	\$150
Clubhouse Consumables	\$300
Ball Purchases - General & Lobster Ball Machine	\$2,000
Ball Purchases - Competition	\$800
Depreciation - Building Renovations	\$0
Depreciation - Fencing	\$0
Depreciation - Lighting	\$0
Depreciation - Clubroom Fittings	\$0
Depreciation -Outdoor Furniture & Equipment	\$0
Depreciation - Clubroom Fittings & Appliances	\$0
Competition Fees Expense - Adults	\$700
Competition Fees Expense - Juniors	\$350
Repairs & Maintenance	\$1,500
Secretarial/Admin	\$500
Social Expenses	\$1,200
Sets in the City Expenses	\$520
Club Champs Expenses	\$0
System Administrator Contractor	\$0
Caretaker Contractor Role	\$0
Superannuation (if required)	\$0
Long Service Leave Expense (if required)	\$0
WorkCover (if Required)	\$0
Gifts	\$0
Telephone	\$0
Clubroom Fixtures	\$0
Electricity	\$0
Water	\$0
Bank Charges	\$0
External Court Hire	\$0
Open Community Sessions	\$0
Pickle Ball Consumable Expenses	\$0
Social Housing Holiday Free Passes	\$0
Group & concession discounts	\$1,000
<b>Sub Total</b>	<b>\$9,763</b>
<b>TOTAL COSTS</b>	<b>\$34,763</b>
<b>Gross Profit</b>	<b>\$7,768</b>
Membership fee increase across packages to get to near zero profit	40%
Contractor Rate Used (\$/hour)	\$0



### Exhibit G – Option 2: Net Present Value of Option 2 (Council Only)

Option 2 - Council to Manage Facility



	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	Index	Note
<b>Council Revenue</b>	\$ 100,000	\$ 159,000	\$ 163,770	\$ 168,683	\$ 173,744	\$ 178,956	\$ 184,325	\$ 189,854	\$ 195,550	\$ 201,416	\$ 207,459	\$ 213,683		
Club	9000	24000	24720	25462	26225	27012	27823	28657	29517	30402	31315	32254	1.03	4
Netball	35000	50000	51500	53045	54636	56275	57964	59703	61494	63339	65239	67196	1.03	5
Coaching	13000	20000	20600	21218	21855	22510	23185	23881	24597	25335	26095	26878	1.03	6
Public	43000	65000	66950	68959	71027	73158	75353	77613	79942	82340	84810	87355	1.03	7
<b>Council Court Operational Costs</b>	\$ 134,729	\$ 299,004	\$ 308,219	\$ 317,772	\$ 327,523	\$ 337,632	\$ 348,623	\$ 359,426	\$ 370,570	\$ 382,067				
Electricity	11649	12231	12843	13485	14159	14867	15611	16391	17111	18071	18975	19924	1.05	
TA Association fees	440	453	467	481	495	510	525	541	557	574	591	609	1.03	
Light Maintenance	16800	17304	17823	18358	18909	19476	0	0	0	0	0	0	1.03	
Council Salaries (includes 25% indirect costs)	100000	103000	106000	109273	112551	115927	119405	122987	126677	130477	134392	138423	1.03	8
Pavilion Cleaning	2400	2472	2546	2623	2701	2782	2866	2952	3040	3131	3225	3322	1.03	
Water Utility	440	453	467	481	495	510	525	541	557	574	591	609	1.03	
Sundry Items	3000	3090	3183	3278	3377	3478	3582	3690	3800	3914	4032	4153	1.03	
Venue Staff (Caretaker and Office Admin Person)	0	160000	164800	169744	174836	180081	185484	191048	196780	202683	208764	215027	1.03	9

**Capital Cost outlay**

Court resurfacing (TigerTurf Quote)														
Court Light replacement														1a, 1b
Court Screening		20000												2
Pavilion Refurbishment										60,000				3

**Net** NPV (10 year) **-\$ 34,729** - \$ 160,004 - \$ 144,449 - \$ 149,039 - \$ 778,780 - \$ 158,676 - \$ 143,674 - \$ 148,296 - \$ 153,073 - \$ 218,009 - \$ 163,111 - \$ 168,384

Average Total Cost per annum **-\$1,778,320**  
Community Usage - Total hours of play **-\$177,832**  
Council Cost \$/hour used **11,200**  
**-\$15.9**

WACC = 5%

**Note**

- 1a Synthetic courts should be resurfaced in 2026
- 1b Hardcourts to be repaired and painted in 2031
- 2 Assume club has paid for LEDs in 2023; review in 2026/27 should check for pole integrity and reinforce poles required to last another 10 years
- 3 Perimeter screening to be replaced as this should have been done in 2016
- 4 Club to continue to pay fees for a full service
- 5 Estimate of fees provided by Council
- 6 Public Hire revenue from July 2021 to end of June 2022
- 7 Council to continue to use 1 FTE to do what it current does
- 8 Council to add staff or contract out the work currently performed by club which is the responsibility of venue operator