



PEMBERTON SPORTS COMPLEX OPERATIONAL & GOVERNANCE MODEL REVIEW



Prepared for Shire of Manjimup

SGL Consulting Group



fostering an active and healthy life

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EXECUTIVE SUMMARY

Pemberton Sports Complex consists of indoor sports areas, function and community space and a bar and commercial kitchen. The Complex is currently home to:

- Southerners Football Club Inc
- Pemberton Cricket Club Inc
- Pemberton Basketball Association Inc
- Pemberton Bowls Club Inc
- Pemberton Playgroup
- Southerners Junior Football Club Inc
- Southern Strikers Junior Soccer Club Inc
- Pemberton Netball Association Inc
- Pemberton Darts Association
- Pemberton Youth Group.

Pemberton Sports Complex is also used by the community for functions, events, art exhibitions, sporting and recreation activities, youth activities and is a designated Emergency Evacuation/Welfare Centre.

The objective of this review is to recommend the best practice operational and governance model for the Pemberton Sports Complex, and to provide recommendations for the implementation of that model.

Management and Governance of Pemberton Sports Complex

Pemberton Sports Complex is owned by the Shire of Manjimup and is managed by Pemberton Sports Club. The Club has a 50 year lease over Pemberton Sports Complex that runs until 30 June 2053. The current management model for the Complex was established in 2002 as part of the co-location of the Workers Club, indoor stadium, community space and sporting facilities into a redeveloped and expanded Complex.

The governance arrangements for Pemberton Sports Complex are facilitated by two key documents, the Pemberton Sports Complex Redevelopment Heads of Agreement between the Shire of Manjimup and Pemberton Sports Club and the Shire of Manjimup and Pemberton Sports Club Lease.

The HoA included specific references to for the Shire of Manjimup to:

- acknowledge the financial contribution of \$735,000 (ex GST) from the Club towards construction of Pemberton Sports Complex.
- acknowledge the current interest in the Liquor License held by the Club, and the intention of the Club to transfer that licence to the new facility.

Specific clauses of relevance from the lease for this review include:

- Clause 12.2 Quiet Enjoyment. The Lessor covenants that if the lessee pays the yearly rental in accordance with the lease and observes and performs the terms, covenants and conditions on its part it will allow the Lessee to peaceful enjoyment of the premises during the term without interruption by the lessor.
- Clause 13 Default of Lease provides information about the Lessee's obligations under the lease as well as breaches of the lease, including 13.1(d) the Lessee enters into liquidation or passes a resolution to be wound up voluntarily or its incorporation is threatened to be cancelled.
- Clause 18.5 Not to Remove or Surrender Licence. The Lessee shall not, without the prior written consent of the Lessor:
 - a) remove or apply to remove the Liquor Licence or allow the Liquor Licence to be removed from the Demised Premises to other premises; or
 - b) surrender or attempt to surrender the Liquor Licence.

From the information provided to SGL Group, there is no evidence that Pemberton Sports Club is in default of its lease and therefore remains entitled to retain quiet enjoyment for the balance of the lease period. It is

noted the Club has sought financial assistance from the Shire in recent years to ensure it could continue to operate and without this support consideration would need to be given to not continue with management of the Complex.

A comparison between the lease for Pemberton Sports Complex and the Shire of Manjimup Property Leasing Policy found the lease is largely in line with the Shire Policy. Key variances include:

- The annual fee is \$100 on demand whereas the Policy stipulates \$200.
- The lease term is 50 years with first right of refusal for an extension to the lease period.
- There a number of items listed in the Shire's Property Leasing Policy that are not specifically covered in the lease. It is assumed in this case the requirements of the Property Leasing Policy would apply as the overarching policy document.

The Department of Mines, Industry Regulation and Safety guide to help clubs or associations develop a constitution was also compared with the Pemberton Sports Club's Constitution. This comparison confirmed the Club's constitution follows recognised good practice and includes all key elements as identified in the model rules, apart from the omission of clauses relating to inspection of records and proxies of members.

Financial Performance

A review of financial performance of Pemberton Sports Club from the 2017/18 to 2021/22 financial years found:

- Revenue from Bar Trading has rebounded from the reduction in 2019/20 resulting from the impacts of Covid-19 and associated lockdowns.
- Cattle Trading revenue has increased, however this component of the business is noted to be inconsistent with the operations of Pemberton Sports Complex and the constitution of Pemberton Sports Club.
- A trend in downwards revenue for Other Income from 2018/19, however revenue components from the core sporting/community components of the Pemberton Sports Complex such as court hire, function room hire and gym fees dipped due to the impact of Covid-19 but are trending upwards.
- Revenue from Squash court hire has dropped significantly suggesting minimal use of this component of the Complex.
- Membership revenue has grown, particularly during 2021/22.
- Kitchen Hire has dropped significantly, resulting in minimal return from this component of the Complex.
- Youth Zone Fees have dropped in line with the reduction in provision of activities in this component of the Complex.
- Cleaning expenses increased significantly during 2021/22.
- Electricity, Insurance and Rates and Land Tax charges are an ongoing significant cost year on year.
- Wages have reduced, however this expense needs to be balanced against service provision to ensure the Complex is open and available to support activities needed by the community.
- Water charges increased significantly during 2021/22.

With an operating surplus of \$12,074 during 2021/22, Pemberton Sports Club was in a positive trading position as operated under the current governance model. However, without funding support from the Shire of Manjimup, and income from Cattle Trading, something not identified as an Object of the Association in the constitution, this would not be the case. It is noted that in three of the five years analysed the Club operated in a deficit.

Liquor Licence

Sport and recreation clubs in Western Australia wanting to sell alcohol on their premises must apply for a club or club restricted liquor licence. A club licence, as held by Pemberton Sports Club, allows liquor to be sold or supplied to a member, or guest of a member in the company of that member, for consumption on the premises.

Rates

The Shire of Manjimup Rating Policy aims to ensure a clear policy on property rating in the Shire of Manjimup that is easy to understand, administratively efficient, raises additional revenue for the Shire and delivers an equitable rating treatment between like uses. Under the Policy the portion of any club using a licenced premises is rated on a GRV basis, notwithstanding the club may be a not for profit organisation. This is because the licenced activity is considered to be of a similar nature to that commercially available at other licenced premises.

The Shire of Manjimup Rates Concession Waiver Policy provides an administrative framework for assessing any application requesting the waiving or granting concession from rates to not-for-profit community based organisations occupying rateable land in accordance with Council's discretionary powers. Under this Policy the Shire of Manjimup has applied a consistent 75% concession from the nominal rates charge based on the rateable property valuation.

Support from the Shire of Manjimup

There has been a long history of support provided to Pemberton Sports Club from the Shire of Manjimup in response to requests from the Club.

In 2022, the Shire agreed to a one off financial support package consisting of:

1. Support of \$52,500 to be made up of:
 - a. \$20,000 current outstanding balance of the Club in the Recreation Centre Development Program;
 - b. \$10,000 (ex. GST) in the 2022/23 financial year budget under the Recreation Centre Development Program for Pemberton Sports Complex;
 - c. \$6,000 (ex. GST) in the 2022/23 financial year budget under the Community Funds Program for the Pemberton Youth Zone; and
 - d. \$16,500 to be contributed from Municipal funds in the 2022/23 financial year budget;
2. Support being conditional on full cooperation with a review of the operational model of Pemberton Sports Complex and a willingness to support implementation of the review findings; and
3. Expenditure of \$30,000 from the Recreation Ground/Facility Improvement Reserve in the 2022/23 budget for the Shire to facilitate a review of the operational model of Pemberton Sports Complex (this review).

In 2020, following a request from Pemberton Sports Club the Shire resolved to:

1. Write off \$2,080.50 (ex. GST) in rates for the 2019/20 financial year;
2. Write off \$3,586.29 (ex. GST) in electricity charges for the 2019/20 financial year;
3. Write off \$3,327.76 (ex. GST) in water charges for the 2019/20 financial year;
4. Increase the bad debt expense account in the 2020/21 budget by \$8,994.55 (ex. GST) to cover the cost of items 1, 2 and 3 above;
5. Wave rates for 2021/21; and

6. Notify Pemberton Sports Club Inc. that given the history around previous rate waivers and debt write offs, the Shire of Manjimup will not waive rates and write off public utility debts against the property at any stage in the future.

In total, financial support provided to the Club by the Shire, including through the Recreation Centre Development Program, since 2011/12 is \$279,177, including \$45,000 allocated to undertake two reviews to assist with financial sustainability of the Club/Complex. Without the amounts for the reviews, the funding support provided was an average of \$19,514 per annum over the past 12 years, however over the past three years this amount was \$24,615 on average per annum.

Stakeholder Consultation

Upon commencement of this project the consultants undertook meetings with a variety of key stakeholders of Pemberton Sports Complex. This allowed for key exploratory questions where the following issues were identified:

- There has been long-term concern from Shire officers and Pemberton Sports Club Board members with the financial sustainability of Pemberton Sports Club's operational model.
- The Shire focus is on keeping Pemberton Sports Complex open for the community.
- The Shire is concerned the liquor licence operations are not a core community component that the local government should use public funds to support.
- The Shire is wanting to ensure equity in providing community facilities within the Shire of Manjimup.
- The Pemberton Sports Club board have sought to rationalise their operations for the betterment of the community and to ensure the future sustainability of the club and complex.
- The Pemberton Sports Club perceive the bar and restaurant operations as critical to the whole facility, and a long-term legacy of the pre-existing workers club.
- Historical and legacy issues exist that complicate the future operations of the Pemberton Sports Complex.
- The bar and restaurant area are operationally constrained due to the licence conditions which prohibit broader community engagement beyond club members and external visitors.
- Pemberton Sports Club, with support from the Shire of Manjimup, has sought to reduce operational expenditure for the complex through developing renewable energy options, and adapting roofing in the sports hall to allow more natural light.
- The restaurant space has been outsourced to an external operator as it is not core business of the Pemberton Sports Club, although it is run for the benefit of the community and helps to support and drive bar sales.

An electronic stakeholder consultation was circulated to the key user groups of the Pemberton Sports Complex. This survey was developed to understand the organisational perspectives of the key sports and community clubs who use, lease or rent space in the facility during the year.

The survey found:

- High participation and engagement rates within the Pemberton community, consistent or higher than the expected sports participation rates in Western Australia for the respective sports.
- Strong utilisation with 82% of respondents identifying a minimum of weekly frequency of use, and more than 70% of respondents identifying use of the Pemberton Sports Complex for more than half a day at a time (either half day or full day).
- Consistent usage across the year, with a peak in September as a number of different user groups converge their respective seasons at the same time.
- More than 45% of user groups use the Club on an ad-hoc hire arrangement with 36% working on a seasonal hire basis for facility space.

- 60% of user groups identified usage of more than one area of the facility.
- All user groups identified the bar was used by their respective members and participants when attending the Pemberton Sports Complex.
- All user groups identified the restaurant not being open as the major inhibitor to greater facility usage.
- Most of the respondents had positive satisfaction results for the various aspects of the either the complex or management and interaction with Pemberton Sports Club.
- User groups identified all spaces within Pemberton Sports Complex as being important or very important.
- Most respondents identified the Pemberton Sports Club as being the best placed for managing the various spaces around the complex, with The Shire of Manjimup as the second most popular option amongst user groups. There was a small percentage of respondents who indicated individual sports clubs were best placed to manage spaces.
- The only components of Pemberton Sports Complex that were identified as suitable for management by private businesses were the bar facilities and the kitchen/dining facilities.

An electronic key stakeholder consultation survey was also circulated to the community users of the Pemberton Sports Complex. This survey was designed to understand the community perspectives of the community members who utilise the facility during the year.

The response rate for the community survey was high, with 133 community members participating in the survey with 40% Male, 58.5% Female and 1.5% non-identified. Based on an estimated resident population for Pemberton of 861 people, this is a response rate of 15.4% of the community. The age profile of the respondents corresponded with the demographic profile of participation and the age demographic of Pemberton across the 35 and older aged categories.

The survey found:

- 68.4% were members of Pemberton Sports Club.
- Key themes for not being a member were identified by respondents as being a member or participant in other sports club/association at the Complex, apathy, value proposition and lack of use.
- More than 50% of team sports participants were visiting the complex on at least a weekly basis.
- The highest level of occasional visitation was for community and private events and functions.
- More than 35% of the respondents to this survey identified social visits at least a weekly to the centre which indicates the facility is a significant community gathering location.
- A strong level of support for regular dining at the Pemberton Sports Complex, with 38% having dined at least on a fortnightly basis throughout the year.
- More than 40% of Respondents indicated that they used the bar at least on a weekly basis at the Pemberton Sports Club, with a further 13% using the bar on a fortnightly basis. This indicates strong multi-use of the Pemberton Sports Complex beyond solely the sports participation aspect.
- The majority of respondents identified the current value proposition at the Pemberton Sports Complex to be about right or inexpensive.
- Most facilities in the Complex were identified as being either important or very important, providing an indication of the strong community demand for these facilities to be integral to the overall Pemberton Sports Complex. It is particularly noteworthy that the two highest recorded scores were for the non-sport specific component of the Pemberton Sports Complex (Bar and Dining).
- There was general high levels of satisfaction across the complex.
- When looking at management, responses from the community mainly advocate for a status quo, with the second highest category for the Shire of Manjimup to manage the various aspects of the Pemberton Sports Complex. The Dining Area is one aspect of the complex that was preferred for a private business, and the playgroup was seen as best managed by the individual community club. The Pemberton Sports Club was perceived by 75% of respondents as best to manage the bar facilities at the complex.

Facility Benchmarking

A comparison was undertaken on key metrics between Pemberton Sports Complex and other community/sport and recreation facilities in the Shire of Manjimup and across the wider south-west region. This showed:

- Indoor sports courts/components in the towns of Northcliffe and Walpole are leased to local sporting/recreation associations who manage these facilities in direct relationships with user groups. Northcliffe Colocation is leased to a head lessee with sub leases to other tenants. Facilities in Manjimup are managed by the Shire with direct hire arrangements with user groups.
- Pemberton Sports Complex operates with Pemberton Sports Club as head lessee with hire arrangements directly with user groups.
- The Shire of Manjimup maintains the indoor sports court floors in all four towns, including at Pemberton Sports Complex.
- Kitchen and canteen facilities are provided at each facility (with a different level of facility provided at each), however no permanent liquor licencing arrangements are in place at other venues. Liquor Licencing arrangements are all on an event basis for individual users. This differs from Pemberton Sports Complex with a commercial kitchen and dining space and large licenced bar.
- Fees and Charges for use of indoor sporting facilities are set by the head lessees and by the Shire for Manjimup Indoor Sports Pavilion. This is consistent with the arrangement in place at Pemberton Sports Complex.
- The Shire of Manjimup sets the fees and charges for use of outdoor sporting fields across the Shire, including those in Pemberton.
- Like Pemberton Sports Complex, Northcliffe Recreation Grounds and Walpole Recreation Centre each receive \$10,000 annually through the Shire's Town Recreation Centre Subsidy to assist with community recreation sustainability.

A desktop reviewed identified a number of sport and recreation or community facilities located in shires adjacent to the Shire of Manjimup. These all offer a range of indoor sport facilities and various community facilities. A key point of note is that none of these facilities have bar facilities with all focussed on facilitation of sport, recreation and community activities with all managed by the respective local government.

When benchmarking fees and charges the review found charges for court hire at Pemberton Sports Complex are lower than comparable facilities and similar for meeting room space. Gym fees are lower than those at the Shire of Augusta Margaret River however it is noted fees at those venues include group fitness classes and access to casual sports court entry.

Assessment and Recommendations

Pemberton Sports Complex provides a number of distinct and different services to the Pemberton community, including sports facilities and ancillary amenities to support sport and recreation activities, community services to support families and youth, arts and crafts displays, community events such as weddings and funerals, all supported by dining and provision of bar facilities.

A key consideration that impacts any alternate governance arrangements is the Pemberton Sports Complex Redevelopment Heads of Agreement between the Shire of Manjimup and Pemberton Sports Club. In this memorandum, the Shire of Manjimup specifically acknowledges the financial contribution of \$735,000 (ex GST) from Pemberton Sports Club towards construction of Pemberton Sports Complex and the interest in the Liquor License held by the Club, with the intention at the time of signing the Heads of Agreement to transfer that licence to the Pemberton Sports Complex.

Similarly, the lease between the Shire of Manjimup and Pemberton Sports Club specifically notes the Club's entitlement to quiet enjoyment of the premises and the requirement for the Club to not remove or surrender the liquor license without prior consent of the Shire of Manjimup. From the information provided to SGL Group for this review, there is no evidence that Pemberton Sports Club is in default of its lease and therefore remains entitled to retain quiet enjoyment for the balance of the lease period to 2053 and for the Club to ensure the liquor licence is retained for that period. In this regard, any change to the lease, or surrender of the liquor licence, would require agreement between the Pemberton Sports Club and the Shire of Manjimup.

One of the challenges for Shire is to define its role in economic development so that it can decide how it should address the many strengths, weaknesses, opportunities and threats (key issues) that will come from each local government owned facility, and the management options available to the Shire.

In assessing governance arrangements, a key consideration should be whether Shire's management of a particular facility and provision of services from that facility has a crowding out effect, that would otherwise prevent a private business from being able to deliver the service. In this instance with the Pemberton Sports Complex, the Shire of Manjimup must consider the potential crowding out effect the bar and dining facilities have upon the business environment in Pemberton, and specifically if the lease and local government support provides an unfair economic advantage to the Pemberton Sports Club which has a crowding out effect on other "for profit" hospitality venues in the region.

Management Models

The review was an independent review with collaboration between the Shire and Club and broader community. The focus was to make a recommendation on the best governance model to ensure that the Complex remained open for the benefit of the Pemberton community. The acceptance of any recommendations within this report need to be endorsed or otherwise by both the Club and by the Shire of Manjimup if municipal funding is being recommended.

Governance options available to the Shire include leasing the venue to another entity to take over its operation, engaging a venue operator to manage the venue under a management contract, taking over direct management of the facility, other hybrid arrangements where different facility components are managed by different users, and continued operation of the facility by the sports club with fee for service.

Option 1: Lease to another Community Group/Sports Club

Under this option, the lease with the Pemberton Sports Club would be surrendered. The Shire of Manjimup would enter a lease with a community group or sports club who would take over administration and operation of the facility. Facility components would be managed as below:

- Sport, recreation and other use spaces – Seasonal user groups would enter a licence with the new lessee to utilise their specific facility component. Infrequent users would hire facility components directly from the new lessee.
- Bar – The bar would be included in the lease and made available to user groups via their licence arrangement with user groups obtaining their own liquor licence to meet their user requirements. The rates payable by the lessee would remain payable based on the size of the licence area with the 75% concession provided by the Shire, with each user group responsible for their club or club restricted liquor licence fee and the applicable rates charge apportioned to them.
- Kitchen/dining – This component of the operation would be sub-leased by the lessee to an operator who would provide catering services for the Complex.

If another entity, such as a football club or a community group, were to take over the lease for Pemberton Sports Complex, the priority focus of that entity would likely be on running the complex to suit the needs of

its members. Experience has shown this focus will often take priority over meeting the needs of other user groups and without ongoing financial support from the Shire of Manjimup would likely result in the same financial distress over time that Pemberton Sports Club has encountered. Given this, leasing to another entity who would take over management of the Complex as a whole based on the current operation is not considered feasible as a long-term option as it will essentially replicate the existing arrangement. Doing so may also alienate some community members who are supporters of the Pemberton Sports Club and its committee.

Option 2: Contract Management by a Community Group/Sports Club

Under this option, the lease with the Pemberton Sports Club would be surrendered. The Shire of Manjimup would then enter a management contract with a community group or sports club who would take over administration and operation of the Complex on a fee for service basis. Facility components would be managed as below:

- Sport, recreation and other use spaces – Seasonal user groups would and infrequent hirers would hire facility components directly from the contractor with arrangements for access managed by the contractor.
- Bar – The bar would be included in the management contract and made available to user groups obtaining their own liquor licence to meet their requirements. Rates would be payable by the contractor based on the size of the licence area with the 75% concession provided by the Shire. Each user group would then be responsible for their club or club restricted liquor licence fee and the applicable rates charge as apportioned to them.
- Kitchen/dining – This component of the operation would be sub-leased by the Shire to an operator who would provide catering services. This direct arrangement would be required as the contractor would not have the appropriate tenure to sub-lease the kitchen.

Due to the requirement for the manager to obtain a guaranteed return and given the historical turnover of the Complex, the small size of the Pemberton community and limited potential for significantly increased use of the complex this model is not considered feasible. A part-time contract manager would seek in the order of \$60,000-80,000 per annum. Based on the financial model option would require an annual operational subsidy in the order of \$154,000 in year one increasing to \$178,000 per annum by year five.

The cost for end users would increase as they would be responsible for their respective licence fee and a share of the rates as apportioned to them.

Option 3: Direct Shire Oversight A

Under this option, the lease with the Pemberton Sports Club would be surrendered with the Shire taking over direct responsibility for Pemberton Sports Complex, including staffing for administration and cleaning and the Shire funding all building maintenance. Facility components would be managed as below:

- Sport, recreation and other use spaces – Seasonal user groups would enter a licence with the Shire to utilise their specific facility component. Infrequent users would hire facility components directly from the Shire.
- Bar – The bar would be kept, with user groups obtaining their own liquor licence to meet their user requirements. This would result in all groups needing to obtain their own club or club restricted licence for each respective licence area. To ensure competitive neutrality, rates would remain payable in line with the Shires rating policy based on the size of the licence area with the 75% concession. Each user group would be responsible for their club or club restricted liquor licence fee and the applicable rates charge as apportioned to them.
- Kitchen/dining – This component of the operation would be leased by the Shire to an operator who would provide catering services.

The five year financial model showed this option would require an annual operational subsidy in the order of \$88,000 in year one increasing to \$102,000 by year five.

This option would be more expensive for each individual club with a liquor licence as they would be responsible for the licence fee and any applicable rates attributed to their respective licence area. They remain in the model however as they would be expenses directly incurred by the Shire and there is no certainty they could be fully recouped from end users.

This option does not take into account the costs to the Shire for staffing wages and on-costs as it is assumed they would be included in the existing Shire staffing budget.

Option 4: Direct Shire Oversight B

Under this option, the lease with the Pemberton Sports Club would be surrendered with the Shire taking over direct responsibility for Pemberton Sports Complex, including staffing for administration and cleaning and the Shire funding all building maintenance. This would essentially be the same model that the Shire of Manjimup applies to the Manjimup Sports Stadium and other general recreation and community facilities that are directly managed.

Facility components would be managed as:

- Sport, recreation and other use spaces – Seasonal user groups would enter a licence or have hire arrangement with the Shire to utilise their specific facility component. Infrequent users would hire facility components directly with the Shire to manage hire bookings.
- Bar and kitchen/dining – These components of the facility would be closed.

The five year financial model showed this option would require an annual operational subsidy in the order of \$67,000 in year one increasing to \$82,000 by year five. It is assumed no rates would be payable based on the Complex solely being a community sport and recreation facility.

This option does not take into account the costs to the Shire for staffing wages and on-costs as it is assumed they would be included in the existing Shire staffing budget.

Removal of the bar and dining facilities also reduces the capacity of the Complex to meet community needs for activities and other social events such as weddings and funerals. It would also remove the potential for sports club users to utilise the bar and dining facilities during their visit to the Complex. It is anticipated that closure of the bar and dining facilities would not be supported by the community.

This option meets will meet the Shire of Manjimup's requirement to meet the needs of the community for sport, recreation and community purposes however may not fully address all of the community wants.

Option 5: Separating Pemberton Sports Complex (multiple leases)

Under this option, the lease with Pemberton Sports Club would be amended to separate the components of the Complex to be managed by different parties. Facility components would be managed as follows:

- Sport, recreation and other use spaces – The Shire of Manjimup would enter a lease with a separate community group or sports club who would take over management of the sports and community components of Pemberton Sports Complex. Seasonal user groups would enter a licence with the lessee to utilise their specific facility component. Infrequent users would hire facility components directly from the lessee with arrangements for access managed by the lessee.
- Bar – The bar would remain in the lease area for Pemberton Sports Club and would continue to be managed and operated by Pemberton Sports Club.
- Kitchen/dining – This component of the operation would remain in the lease area for Pemberton Sports Club and would continue to be sub-leased to an operator who would provide catering services.

The five year financial model showed this option would require an annual operational subsidy in the order of \$67,000 in year one increasing to \$82,000 by year five. It is assumed no rates would be payable by the manager of the community/sport components of the facility. This does not include any financial support for operation of the bar/dining components of the complex as this would operate on a fully commercial basis and rates would remain payable by Pemberton Sports Club.

This option will meet the Shire of Manjimup's requirement to meet the needs of the community, however may not fully address all of the community wants.

This option requires the agreement of Pemberton Sports Club and would require amendment of the lease with the Shire of Manjimup and amendment to the Club's constitution. These are administrative procedures in nature and could be undertaken with agreement of the Club. The Club would need to pay a fully commercial rental rate for the bar/kitchen component of the complex based on the size of the licence area with no rates concession.

Option 6: Pemberton Sports Club Management – continuing current management

If Pemberton Sports Club continues as lessee for Pemberton Sports Complex, measures need to be put in place to ensure it can operate in a sustainable financial manner. On a base level these include:

1. Implementation of recommendations that remain outstanding from the 2014 Review of Pemberton Sports Complex, including stabilisation of the financial position, development of operating documents and facility modifications.
2. Negotiation and implementation of licence arrangements with seasonal/regular user groups and published hire arrangements for ad-hoc venue use.
3. Agreement with the Club to operate with greater clarity of financial accounting between the sport and recreation components of Pemberton Sports Complex and the commercial bar/dining components.
4. Exploring whether a more equitable calculation may be considered for the valuation of Pemberton Sports Complex, and in turn the rates calculation of the facility, based on the community benefit, type and frequency of use of Pemberton Sports Complex by sporting clubs and respective user groups.

These basic steps alone would not ensure a long term sustainable governance model for the Complex as the Club will essentially continue to operate as it always has, resulting in further need for ongoing support. This is not a criticism of the Club, it operates with the support of members who are volunteers and it is clear the community has made a significant contribution to keep the Complex operational and available for the community.

Option 7: Pemberton Sports Club Management – Fee for Service arrangement

A variation on this arrangement is for the Club to continue to manage Pemberton Sports Complex and to maintain and promote delivery of community and recreation services on a fee for service basis for the Shire. Under this arrangement Pemberton Sports Club would retain the lease over and continue with management of Pemberton Sports Complex. Key elements of this arrangement would include:

1. The Club entering a 'Fee for Service' Agreement with the Shire of Manjimup to maintain and promote the delivery of community sport and recreation services/activities. Under this agreement:
 - a. the Club could employ a part time resource or explore other arrangements with another group/entity to promote and support community sport and recreation activities at the Complex. This could also assist to activate the entry to the Complex if another entity were involved in promotion/delivery of community sport and recreation activities and were co-located on site.
 - b. the Agreement between the Shire and the Club would stipulate the deliverables as agreed between the parties, however it would be expected they would support optimising use of the community and recreation facilities and further activating increased community use at the Complex.

- c. The fee for service recommended under this arrangement is approximately \$770 per week (\$40,040 per annum). This calculated is based upon an equivalent Level 4 coordinator position, under the Local Government Award at 18 hours per week, with additional incidental funds for advertising, marketing and operational costs. This fee for service amount reflects the economies of scale that is achieved through this model, with The Club managing both the Bar trading and the sport and community facility spaces. Alternative models will lead to duplication of costs, and inefficiencies that would lead to higher costs for The Club and higher costs for The Shire. It is expected that this fee for service arrangement will be used at the discretion of the Pemberton Sports Club in order to ensure agreed service delivery, and could be used to support volunteer or existing management resources.
2. Agreement with the Club to operate with greater clarity of financial accounting between the sport and recreation components of Pemberton Sports Complex and the commercial bar/dining components, ie, separating the finances of the sport and recreation component of the Club from the bar and dining components. This can ensure that payments to the Club under the Fee for Service Agreement are accounted for in the sport and recreation component of the Club's operation.
3. Implementation of recommendations that remain outstanding from the 2014 Review of Pemberton Sports Complex, including development of operating documents and facility modifications.
4. Negotiation and implementation of licence arrangements with seasonal/regular user groups and published hire arrangements for ad-hoc venue use.
5. Exploring whether a more equitable calculation may be considered for the valuation of Pemberton Sports Complex, and in turn the rates calculation of the facility, based on the community benefit, type and frequency of use of Pemberton Sports Complex by sporting clubs and respective user groups.

The five year financial model found options 6 and 7 would both require an annual operational subsidy in the order of \$24,000 increasing to \$28,000 by year five to support the Sport and Recreation components of the Complex. The fee for service payment under option 7 however would remove the need for this subsidy and provide the Club with the opportunity to facilitate increase facility use and enhance future operational sustainability.

It should be noted that the financial forecasting and recommendations in this report have been calculated on a Net Present Value basis, and any future agreements should address potential cost increases as appropriate.

Recommendations

Based on the review and assessment considered in this report, the current arrangement of Pemberton Sports Club continuing as lessee and entering a Fee for Service Arrangement (**Option 7**) is recommended as the preferred governance arrangement for Pemberton Sports Complex. Specific recommendations for consideration by the Pemberton Sports Club and the Shire of Manjimup include:

Recommendation 1: Fee for Service Agreement

The Club and the Shire of Manjimup should negotiate and enter a Fee for Service Agreement to maintain and promote the delivery of community sport and recreation services/activities at Pemberton Sports Complex.

The Agreement would stipulate the required deliverables as agreed between the parties, however it would be expected they would be based around and support optimising use of the community and recreation facilities at the Complex. The fee for service recommended under this arrangement is approximately \$770 per week (\$40,040 per annum). This fee for service amount reflects the economies of scale that is achieved through this model, with The Club managing both the Bar trading and the sport and community facility spaces. Alternative models will lead to duplication of costs, and inefficiencies that would lead to higher costs for The Club and higher costs for The Shire.

Recommendation 2: Supplementary steps to stabilise the financial position of Pemberton Sports Club

- Pemberton Sports Club (seeking assistance from the Shire as required) to develop key documentation/processes which will enable it to strategically plan for the future, including a business and asset management plan.
- The Club review its funding model to secure a greater commitment from all user groups. This includes entering licences where possible with user groups for facility use with a mechanism to share revenues from increased bar sales (documented further below).

Recommendation 3: Formalise all club activities in the Club Constitution (if required).

Recommendation 4: More formal arrangements be put in place with seasonal users of Pemberton Sports Complex. This will provide user groups with certainty of facility of access to meet their respective needs and provide Pemberton Sports Club with more certainty in facility use and associated revenue streams.

Licence to Occupy - To provide certainty of facility access to meet their needs it is recommended that licence arrangements are negotiated and implemented with seasonal/regular user groups.

Hire Arrangements - It is recommended that Pemberton Sports Club continue to offer hire arrangements for short-term or irregular one-off uses of Pemberton Sports Complex. Hire arrangements should continue to be via published rates and the hirer accepting the Club's specific terms and conditions for facility hire.

Recommendation 5: Options should be explored and discussions held with any community groups who may be compatible with co-location within Pemberton Sports Complex. Requirements for facility modification as result of co-locations could only be determined once a viable arrangement has been identified.

Recommendation 6: Electricity costs have been identified as a significant operating expense for Pemberton Sports Club, a cost that is anticipated to continue to grow into the future. In order to help mitigate the impact of this cost Pemberton Sports Club (with the assistance of the Shire) should undertake an updated to the 2014 energy cost audit with a new energy use audit with a view to:

- Explore options to reduce the size of the cold room and break it to a cold room/store room (with this component not refrigerated).
- Shut down the freezer for the kitchen area and utilise a smaller fit for purpose freezer which would provide more efficient cold storage options.
- Consider installation of sub electricity and water meters so that usage can be tracked between discreet optional components of the Complex.
- Consider installation of battery storage and other enhancements to the existing solar installation at the Complex.

Recommendation 7: Water charges increased significantly during 2021/22. This should be investigated as to the main cause if not already known as it could potentially relate to a water leak as opposed to water from increased known usage. It is recommended that a water usage audit be undertaken by the Club to determine where water is consumed and potential water saving options to be implemented at the Complex.

Recommendation 8: Future license agreements with user groups include a mechanism for a percentage rebate to the licence fee from alcohol sales to each club/user group. Such an arrangement will provide an incentive for clubs to promote use of the bar and help to boost sales from bar takings to and in turn would benefit the clubs or user groups themselves.

It is important that any rebate mechanism be developed with consideration to the fact that although the clubs do not currently receive a percentage of profit from sales, they also do not contribute towards the

costs of cleaning, bar management, electricity, water and other building maintenance. These elements should all be considered when determining an appropriate rebate formula.

Recommendation 9: The Club should further explore (in consultation with the Shire) how the valuation for Pemberton Sports Club is undertaken and whether a more equitable calculation could be considered by the Valuer General, based on the community benefit, type and frequency of use of Pemberton Sports Complex by sporting clubs and respective users. In the event a more equitable valuation were adopted, this could assist in a reduction in the ratable area and therefore rates paid by the Club.

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1. BACKGROUND

Pemberton Sports Complex (the 'Complex') is located at 1 Club Road, Pemberton. The Complex is approximately 4,750m² in size, consisting of two indoor sports courts, a bar and dining room, commercial kitchen, gymnasium, squash courts, snooker room, 2 x canteen/serveries, player change rooms and a variety of function, office, store and club rooms. The indoor sports courts are marked for basketball, netball, and badminton. Figure 1.1 shows the complex floor plan.

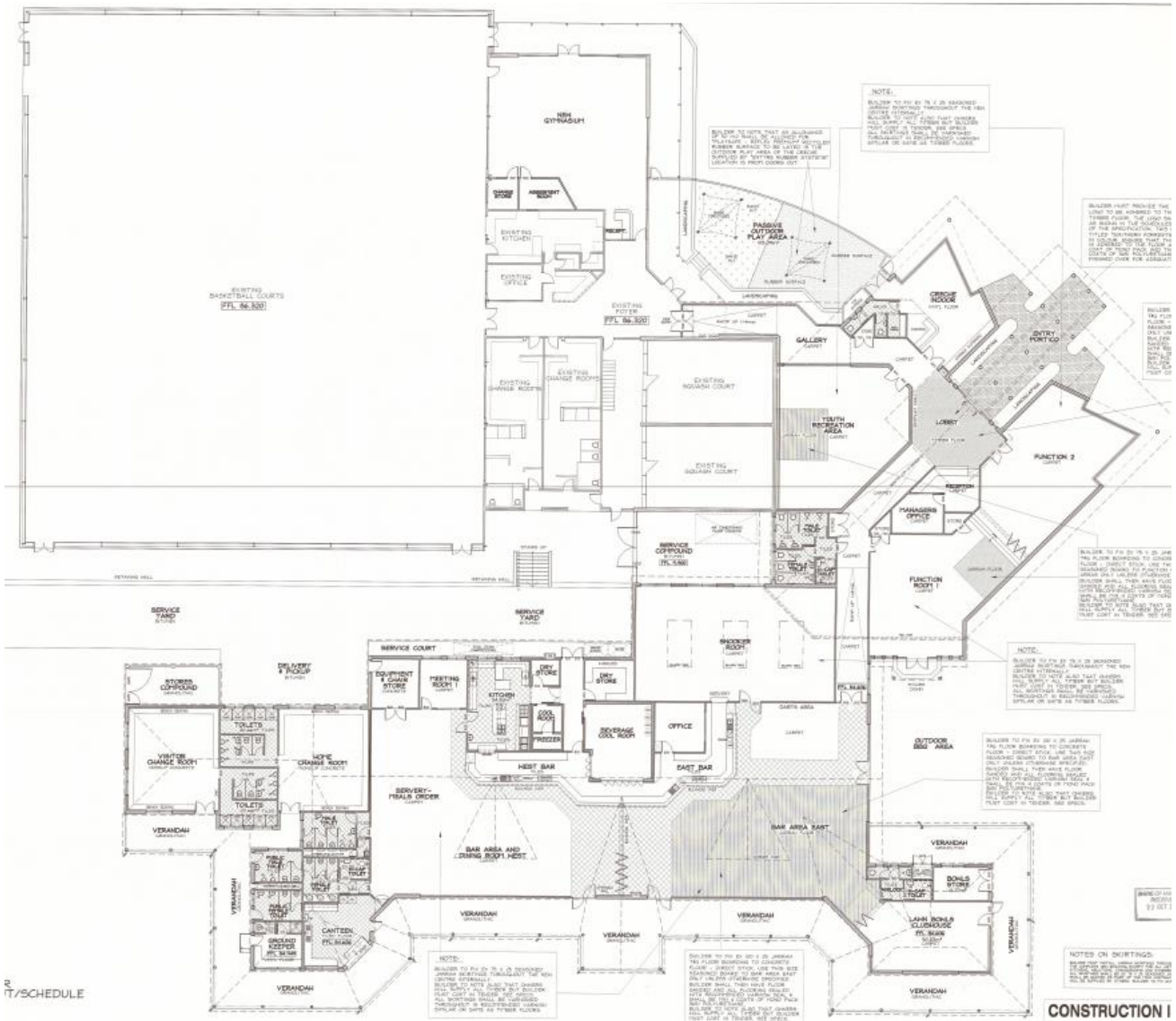


Figure 1.1: Pemberton Sports Complex internal layout

The Complex is currently home to the following sporting clubs and recreation groups:

- Southerners Football Club Inc
- Pemberton Cricket Club Inc
- Pemberton Basketball Association Inc
- Pemberton Bowls Club Inc
- Pemberton Playgroup
- Southerners Junior Football Club Inc
- Southern Strikers Junior Soccer Club Inc
- Pemberton Netball Association Inc
- Pemberton Darts Association
- Pemberton Youth Group.

Pemberton Sports Complex is also used by the community for functions, events, art exhibitions, formal sporting and recreation activities (eg. badminton, snooker, karate and squash), youth activities and is a designated Emergency Evacuation/Welfare Centre.

The Complex is owned by the Shire of Manjimup and is managed under a lease arrangement by the Pemberton Sports Club Incorporated (the 'Club'). The Club is responsible for the day to day management and running of the Complex.

The current club model was established in 2002 as part of the co-location of the Workers Club, the then indoor stadium, community space and sporting facilities into the redeveloped and expanded Complex. The Shire of Manjimup has advised that after twenty years and a decade of financial performance indicators with the requirement for ongoing financial support from the Shire, the existing governance model may no longer be the best fit or the most sustainable option for the management of the Complex. As the Complex owner, the Shire of Manjimup is seeking to engage with the Pemberton community to re-examine the best way to ensure that the Complex remains open to the community for the longer term.

Pemberton is a small rural town in the short term, and the Shire of Manjimup has advised there is no expectation of significant changes to the user catchment and the Complex usage. As such, the operational and governance model review is to provide recommendations based on the existing usage. This has been confirmed by the analysis summarised in Chapter 2 and included at Appendix A.

1.1. Objective and Deliverables

The objective of this review is to recommend the best practice operational and governance model for the Pemberton Sports Complex, and to provide recommendations for the implementation of that model. Key deliverables are to prepare a report based on the scope of works and to present the findings to the Shire of Manjimup, key stakeholders and the community.

The recommended model must:

- Ensure Pemberton Sports Complex, inclusive of its sporting and recreation community facilities, remains available for the broader Pemberton community to access;
- Consider the demographics and the financial capacity of user groups and individuals in the Pemberton community;
- Fit the needs and the resources of both the user groups/clubs and the Shire of Manjimup;
- Be operationally and financially sustainable into the future;
- Is equitable in comparison to other shared/collocated/similar facilities within the Shire of Manjimup in terms of fees and charges and recommended subsidy;
- Is appropriate and suitable for a local community and sporting facility; and
- Provides a clear direction to the Shire of Manjimup regarding any recommended financial contribution required for the Complex to remain operational.

During this engagement, the Principal confirmed the role of the Shire of Manjimup is to meet the needs (as opposed to the wants and wishes) of the community to participate in recreation and sport activities. This position is in the broader context of:

- the Shire's need to balance the delivery of services across the entire local government area within budget in a fair and equitable manner;
- the Shire should not fund, subsidise or run a bar using public monies.

The focus is on a sustainable governance model and what is required by parties to achieve this.

2. PEMBERTON & SHIRE OF MANJIMUP

A high level demographic overview of Pemberton and the Shire of Manjimup and sport and recreation participation statistics is presented in Attachment A. It is acknowledged that there is a potential broader catchment for the Pemberton Sports Complex and these demographics may not cover all potential users of the facility. However this demographic overview is consistent with normal overview of a facility of this kind.

Key points to note from this overview in regard to the review of governance arrangements for Pemberton Sports Complex are:

- The population of the Pemberton statistical locality was 861 people in 2021, being 50.4% female and 49.6% male.
- The median age is 48 years, with the highest proportion of people in the 35-49 age group (17.3%), 70 years and over (16.9%) and 50-59 (16.5%) years. The lowest proportion of people is those aged 0-4 years (3.6%) and 25-34 years (9.1%).
- People from the region have a similar labour force participation rate than the rest of Western Australia, however they are more likely to be employed as manager or labourers in the agricultural and other service industries.
- The total population is forecast to decline to 2031. This will differ across the age categories however, with the decline only for those aged 5-14 and 35 to 59 years of age. The population will grow for those aged 70 years and over and will have relative stability for those aged 0-4, 25-34 and 60-69 years.
- Personal and family income is lower for people in the region when compared with Western Australia as a whole. This means the community may be more price sensitive in regard to discretionary spending and participation in sport and recreation activities.
- High participation activities in Western Australia for sport and recreation activities that are offered at Pemberton Sports Complex include fitness/gym, yoga, football (soccer), basketball, pilates, Australian Football and netball.

3. PEMBERTON SPORTS COMPLEX

This chapter provides a summary overview of the Pemberton Sports Complex and its governance by the Pemberton Sports Club.

3.1. Management and Governance

Pemberton Sports Complex is owned by the Shire of Manjimup and is managed by Pemberton Sports Club. The Club has a 50 year lease over Pemberton Sports Complex that runs until 30 June 2053.

The current management model for the Complex was established in 2002 as part of the co-location of the Workers Club, indoor stadium, community space and sporting facilities into a redeveloped and expanded Complex.

The governance arrangements for Pemberton Sports Complex are facilitated by two key documents:

1. The Pemberton Sports Complex Redevelopment Heads of Agreement between the Shire of Manjimup and Pemberton Sports Club; and
2. The Shire of Manjimup and Pemberton Sports Club (Inc) Lease.

3.1.1. Pemberton Sports Complex Redevelopment – Heads of Agreement

On 23 January 2003 the Shire of Manjimup and Pemberton Sports Club (Inc) signed a Heads of Agreement (HoA) to facilitate the Pemberton Sports Complex redevelopment. Key elements of the HoA were:

- The HoA is between the Shire of Manjimup and Pemberton Sports Club Inc.
- The Shire would undertake construction works to the value of \$2,481,000 (ex GST) funded by:
 - \$474,273 – the Shire of Manjimup
 - \$474,000 – CSRFF
 - \$632,727 – South West Forests Structural Adjustment Programme (SWFSAP)
 - \$165,000 – SWDC
 - \$735,000 – Pemberton Sports Club (the Club), both cash and in-kind contributions.
- Works were for development of Pemberton Sports Complex as shown in Figure 1.1 (page 4 of this report).
- Arrangements around the Club's financial contribution and management of grant funding obligations, including its contribution of in-kind funding towards development of the Complex were specifically identified.
- For the Complex to be leased to the Club for a 50 year period with a first right of refusal of an extension to the lease period (in accordance with the lease included at Attachment B to the HoA).
- The Shire's acknowledgement of the interest in the Liquor Licence held by the Club, and the intention of the Club to transfer that licence to the new facility.
- The Club to have management rights to the Complex.

The HoA included specific references to for the Shire of Manjimup to:

- acknowledge the financial contribution of \$735,000 (ex GST) from the Club towards construction of Pemberton Sports Complex.
- acknowledge the current interest in the Liquor License held by the Club, and the intention of the Club to transfer that licence to the new facility.

These are important points for consideration in identification of future governance models for the Complex.

3.1.2. Shire of Manjimup and Pemberton Sports Club (Inc) - Lease

The Lease for Pemberton Sports Complex was executed between the Shire of Manjimup and Pemberton Sports Club on 2 December 2002. Key terms of the lease include:

- The lease area includes a portion of Lot 181, Pemberton, Certificate of Title 2350 folio 149, which includes Pemberton Sports Complex.
- The date of commencement was 1 July 2003 with a termination date of 30 June 2053 (50 year term), with a first right of refusal for an extension to the lease period.
- The yearly rental payable by the lessee is \$100 per annum on demand, which may be reviewed by the lessor from time to time.
- The lessee is liable for all local authority rates, land tax, water, sewerage, electricity, gas and telephone services.
- The permitted use of the premises is for community sport and recreation together with such related and ancillary purposes as are normal and appropriate for such premises or as may be approved in writing by the lessor.
- The lessee is to maintain the premises in good clean repair and condition at its expense to the satisfaction of the lessor, and where in the opinion of the lessor including replacement of floor coverings, window treatments and light fittings.
- The lessee is to repaint/re-paper the walls and ceilings once during each ten years of the term.
- The lessee is not to make any improvements without the prior written consent of the lessor.
- The lessee is not to assign, sublet, mortgage, charge, part with possession of, nor dispose of the premises or any part of, without the written consent of the lessor.
- The lease includes requirements for compliance with covenants for the liquor licence, including complying with any conditions, keeping it current and not removing or surrendering without the prior written consent of the lessor.

Specific clauses of relevance to this review include:

- Clause 12.2 Quiet Enjoyment. The Lessor covenants that if the lessee pays the yearly rental in accordance with the lease and observes and performs the terms, covenants and conditions on its part it will allow the Lessee to peaceful enjoyment of the premises during the term without interruption by the lessor.
- Clause 13 Default of Lease provides information about the Lessee's obligations under the lease as well as breaches of the lease, including 13.1(d) the Lessee enters into liquidation or passes a resolution to be wound up voluntarily or its incorporation is threatened to be cancelled.
- Clause 18.5 Not to Remove or Surrender Licence. The Lessee shall not, without the prior written consent of the Lessor:
 - c) remove or apply to remove the Liquor Licence or allow the Liquor Licence to be removed from the Demised Premises to other premises; or
 - d) surrender or attempt to surrender the Liquor Licence.

From the information provided to SGL Group, there is no evidence that Pemberton Sports Club is in default of its lease and therefore remains entitled to retain quiet enjoyment for the balance of the lease period. It is noted the Club has sought financial assistance from the Shire in recent years to ensure it could continue to operate and without this support consideration would need to be given to not continue with management of the Complex.

3.1.2.1. Shire of Manjimup Leasing Policy

The Shire of Manjimup leases land and buildings to community groups, clubs, recreational bodies and commercial enterprises in accordance with its administration policy, 4.2.8 Property Leasing Policy. The

objective of this policy is to ensure the Shire of Manjimup provides a consistent approach to setting lease terms, lease fees and maintenance responsibilities.

A summary of the terms and conditions for leases to community organisations from the policy is compared to the lease conditions with Pemberton Sports Club for Pemberton Sports Complex in Table 3.1. The policy notes however that alternate terms and conditions may be negotiated by the Shire.

This comparison shows the lease for Pemberton Sports Complex with Pemberton Sports Club is largely in line with the Shire's Property Leasing Policy. Key variances include:

- The annual fee is \$100 on demand whereas the Policy stipulates \$200.
- The lease term is 50 years with first right of refusal for an extension to the lease period.
- There a number of items listed in the Shire's Property Leasing Policy that are not specifically covered in the lease. It is assumed in this case the requirements of the Property Leasing Policy would apply as the overarching policy document.

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Table 3.1: Comparison of lease with Pemberton Sports Club to the Shire of Manjimup Leasing Policy

Lease matter	Policy Position	Pemberton Sports Complex lease
Lease fee – where buildings and improvements are owned by the Shire	<p>\$200 per annum for organisations that have licenced premises with potential to earn income where buildings and improvements owned or managed by the Shire and leased to a community association.</p> <p>\$100 per annum for organisations that have licenced premises with potential to earn income where buildings and improvements are owned by a community association on Shire managed land.</p>	\$100 per annum on demand.
Lease term	Five years with a five year renewal option	50 years with a first right of refusal for an extension to the lease period
Lessee Responsibilities	<ol style="list-style-type: none"> 1. Maintain premises in good condition to the satisfaction of the Shire. 2. Not make alterations, additions or modifications to the premises without first seeking the consent of the Shire. 3. Responsible for the costs of repairs or replacement required due to misuse, modifications by the Lessee, maintenance neglect or other negligence. 4. Advise the Shire promptly of all damage sustained to the premises. 	Lease is consistent with lessee responsibilities at points 1 to 4 as identified in the policy
Lessor Responsibilities	<ol style="list-style-type: none"> 1. Carry out structural maintenance and repairs to the building at the Shire’s discretion. 2. Conduct capital works and upgrades in accordance with the budget adopted by Council. 3. Responsible for building insurance, unless otherwise negotiated according to the use and lessee’s potential to earn income. 4. Recoup expenses from the Lessee when applicable, relating to the identified lessee responsibilities summarised below. 	The lease is silent on points 1 and 2. The lessee is responsible for building insurance at point 3 and point 4 is covered below
Appliances, fixtures and fittings (installed on commencement)	Lessee is responsible for maintenance, services and repair. Lessor responsible for renewal.	Lessee to maintain and where necessary in the opinion of the lessor replace.
Appliances, fixtures and fittings (lessee installed)	Lessee has full responsibility to approval required before installation.	Lessee to maintain and where necessary in the opinion of the lessor replace and remove on expiry of the lease.
Building external	Lessee to clean and maintain. Lessor to renew.	The lease is silent on this component of the policy. Assumed applies.

Cleaning	Responsibility of lessee.	The lease is consistent with the policy.
Doors and security screens	Lessee to maintain. Lessor to renew.	The lease is silent on this component of the policy. Assumed applies.
Automatic doors	Lessee to service and maintain. Lessor to renew.	The lease is silent on this component of the policy. Assumed applies.
Electrical wiring and fittings	Lessee to maintain and renew electrical fittings, such as power points, light switches, light fittings and globes. Lessor to maintain and renew building wiring from main supply to switchboard and fittings.	Lessee to maintain and where necessary in the opinion of the lessor replace light fittings.
Fire extinguishers and equipment	Lessee to meet annual costs associated with inspection, servicing, maintenance and refilling. Lessor to renew.	The lease is silent on this component of the policy. Assumed applies.
Floor surfaces and coverings	Lessee to clean and maintain, including compliance with Food Act and to meet the relevant Food Safety Standard where required. Lessor to renew.	Lessee to maintain and where necessary in the opinion of the lessor replace.
Food handling areas and equipment	Lessee to clean and maintain, including meeting legislative standards and requirements. Lessor to renew.	The lease is silent on this component of the policy. Assumed applies.
Gardens and surrounds	Lessee to maintain. Lessor to replace improvements and maintain trees to safe standard.	The lease is silent on this component of the policy. Assumed applies.
Gutters and downpipes	Lessee to clean. Lessor to maintain and renew.	The lease is silent on this component of the policy. Assumed applies.
Keys, locks and door hardware	Lessee to maintain locks and hardware, meet cost of additional keys and cost of replacement locks, keys and hardware due to loss or misuse. Lessor to purchase and install all locks and renew, recoup costs from Lessor when applicable.	The lease is silent on this component of the policy. Assumed applies.
Painting	Lessee responsible for internal and external painting, minimum once during each 10 years or at end of lease.	The lease is consistent with the policy.
Pest Control	Lessee to keep all areas in clean and hygienic state, free from pests and vermin, undertaken termite inspections, annually unless otherwise agreed, arrange treatment for termites when required and meet costs for maintenance and renewal of assets attributable to neglect of pest control.	Lease states the lessee shall use its best endeavours to keep the demised premises free from rodents and other pests.
Plumbing and fixtures	Lessee to undertake maintenance, ensure all taps and water outlets are in good working order, renew minor fixtures and fittings, such as taps. Lessor to renew.	The lease is silent on this component of the policy. Assumed applies.

Plumbing waste pipes and drains	Lessee to clean and repair if blocked. Lessor to maintain and renew.	The lease is consistent with the policy.
Roof	Lessor to maintain and renew.	The lease is silent on this component of the policy. Assumed applies.
Skylights	Lessor to maintain and renew.	The lease is silent on this component of the policy. Assumed applies.
Utilities	Lessee to arrange and meet cost for connection, disconnection, rates/service charges, rental, usage charges, maintenance, service, testing and other expenses associated with water, electricity, gas and telephone services. Lessor to recoup expenses when applicable.	The lease is consistent with the policy.
Vandalism	Lessee responsible for removal and repair of minor vandalism; up to the value of \$300 per incident, with removal within 48 hours of discovery. Lessor responsible for repairs due to major vandalism not attributed to the actions of the Lessee and above \$300. Recoup \$300 per incident from Lessee.	The lease is silent on this component of the policy. Assumed applies.
Walls and ceilings	Lessor responsible for maintenance and renewal.	The lease is silent on this component of the policy. Assumed applies.
Windows/glass	Lessee to replace broken glass, except when broken as a result of vandalism and cost is greater than \$300. Lessor to replace glass broken as a result of an act of vandalism, when the cost of repairs is greater than \$300. Recoup \$300 per incident from Lessee.	Lessee to maintain and where necessary in the opinion of the lessor replace.
Window treatments where fitted	Lessee to maintain. Lessor to renew.	Lessee to maintain and where necessary in the opinion of the lessor replace.

3.1.3. Pemberton Sports Club Constitution

The Department of Mines, Industry Regulation and Safety has published a guide to help clubs or associations develop a constitution. The Guide includes prescribed model rules as well as guidance notes and obligations within the *Associations Incorporation Act 2015*.

Key requirements specified by the Guide that are of importance for a constitution have been compared against Pemberton Sports Club Inc's Constitution and summarised in Table 3.2. This confirms the Club's constitution follows recognised good practice and includes all key elements as identified in the model rules, apart from the omission of clauses relating to inspection of records and proxies of members.

Table 3.2: Constitution requirements/Pemberton Sports Club Inc Constitution

Model rules for constitutions	Pemberton Sports Club Constitution - Notes
Name of the Association	Pemberton Sports Club Inc.
Definitions – summarised as required to define key terms of the constitution	Key terms as used in the constitution are defined as outlined in the model rules.
Objects of the Association – to explain what the organisation is about	<p>The objects have been outlined in line with the model rules as:</p> <ul style="list-style-type: none"> a) To establish, maintain and conduct a club for badminton, basketball, bowls, cricket, darts, football, karate, netball, snooker, soccer and to support the recreational, social, sporting, cultural and community dimensions of that interest. These objects include the provision of facilities for the pursuit of literary, scientific, athletic and professional and any other lawful purpose that provides benefit and enjoyment for members of the Club. b) To provide and maintain a clubhouse and sporting amenities for the use of members. c) Secondary object to maintain a club license under the current Liquor Licensing Act and its amendments.
Powers of Association – these are the same as those conferred by section 13 of the Act	The powers of the association are defined as powers of the committee who may exercise the powers of the Club.
Qualifications for Membership of the Association – outlines who membership is open to, the process to apply for membership, and how that application will be considered by the committee of the Association	This is listed as application to become a member in the constitution and differs to the model rules as it only infers but does not outline consideration by the committee nor any appeals process for rejected applications.
Register of members of the Association – compliance with Section 27 of the Act by keeping and maintaining an up to date register of members of the association	This is included in section 5 of the constitution however it then details membership types which align with qualifications for membership as outlined in the model rules.
Subscriptions of members of Association – outlines the membership fee, payment dates and outcome if payment is not made	This is included in section 8 of the constitution however it does not include membership outcomes if payment is not made in line with the model rules.
Termination of membership of the Association – outlines the termination of membership processes	This is included in section 5 of the constitution under Membership under section 5d) Cessation of Membership.
Suspension or expulsion of members of the Association	This is included in section 26 of the constitution and is consistent with the model rules.
Committee of Management – details committee members, term, eligibility and election process	This is included in section 16 of the constitution under Management Committee and Conditions and is consistent with the model rules.
Chairperson and Vice-Chairperson – rules around who presides over general and committee meetings	This is included in section 16 of the constitution under Management Committee and Conditions.

Secretary – outlines the role of the secretary	The role of the Secretary is outlined in section 21 of the constitution.
Treasurer – outlines the role of the treasurer	The role of Treasurer is outlined in section 22 of the constitution and is consistent with the requirements outlined in the model rules.
Casual Vacancies in membership of the Committee – outlines the process for management of casual committee vacancies	This is included in section 17 of the constitution under Ceasing to be a member of the Management Committee.
Proceedings of Committee – outlines the process for committee meetings, voting and pecuniary interests	This is included in section 16 and 19 of the constitution.
General Meetings	This is included in the constitution.
Quorum and proceedings at general meetings	This is included in sections 11 to 13 of the constitution and covers provisions for the Annual General Meeting, a Special General Meeting and General Meetings.
Minutes of meetings of Association – outlines the process for recording and having minutes signed as a true and correct record	This is included as one of the identified roles as the Secretary/Manager in section 21 of the constitution, with the Chairperson to ensure they are reviewed and signed as correct.
Voting rights of members of Association – outlines who has a right to vote and the process for voting	Member voting rights are outlined in the constitution under section 7 Member’s Rights.
Proxies of members of Association – process to attend and vote on behalf of a member	This is omitted from the constitution.
Rules of Association – the process to alter, rescind or make additional rules for the association	This is included under variation sections of the constitution with section 25 specifically dealing with Alteration and Repeal of Rules.
Common seal of Association	Section 29 of the constitution covers the requirements of the model rules for the common seal.
Inspection of records of the Association	This is omitted from the constitution.
Disputes and mediation – outlines the grievance procedures to be followed in the event of disputes	Section 27 of the constitution covers resolving disputes in line with the model rules.
Distribution of surplus property on winding up of the Association	Section 30 of the constitution covers Dissolution of the Club and distribution of surplus property processes in line with the model rules.

3.2. Financial Performance

Table 3.3 provides a summary extract of the financial performance of Pemberton Sports Club from the 2017/18 to 2021/22 financial years.

For income this shows:

- Revenue from Bar Trading has rebounded from the reduction in 2019/20 resulting from the impacts of Covid-19 and associated lockdowns.
- Cattle Trading revenue has increased, however this component of the business is noted to be inconsistent with the operations of Pemberton Sports Complex and the constitution of Pemberton Sports Club.
- A trend in downwards revenue for Other Income from 2018/19, however revenue components from the core sporting/community components of the Pemberton Sports Complex such as court hire, function room hire and gym fees dipped due to the impact of Covid-19 but are trending upwards.
- Revenue from Squash court hire has dropped significantly suggesting minimal use of this component of the Complex.
- Membership revenue has grown, particularly during 2021/22.
- Kitchen Hire has dropped significantly, resulting in minimal return from this component of the Complex.
- Youth Zone Fees have dropped in line with the reduction in provision of activities in this component of the Complex.

For expenditure this shows:

- Cleaning expenses increased significantly during 2021/22.
- Electricity, Insurance and Rates and Land Tax charges are an ongoing significant cost year on year.
- Wages have reduced, however this expense needs to be balanced against service provision to ensure the Complex is open and available to support activities needed by the community.
- Water charges increased significantly during 2021/22. This should be investigated as to the main cause if not already known as it could potentially relate to a water leak as opposed to water from increased known usage.

With an operating surplus of \$12,074 during 2021/22 the operation of Pemberton Sports Club was in a positive trading position as operated under the current governance model. However, without funding support from the Shire of Manjimup, noted in Grants-Other, and income from Cattle Trading, something not identified as an Object of the Association in the constitution, this would not be the case.

It is noted that in three of the five years analysed the Club operated in a deficit and per the letter from the Club to the Shire of Manjimup, dated 18 May 2022, the Club advised its current position *“we don't believe we can generate enough profit from the bar to be able to continue to run the entire facility. Even with our current large financial and volunteer support the Club receives, the building is large and the delivery of services required makes the current position unviable. We do acknowledge that Council has supported us in the past”*.

The audited financial statements as presented do not provide a distinction between expenses directly associated with the operation of the bar and expenses associated with operation of the complex to support the community and sport and recreation activities. Expenses that could reasonably be apportioned to Bar Trading include items such as Cleaning, Cleaning Supplies, Electricity, Insurance, Rates and Land Tax, Superannuation, Wages and Water. These items, if apportioned to bar trading would result in a different financial position to that component of the Pemberton Sports Club operation. From the information provided it is not possible to determine an accurate apportionment of all expense items between the community and the bar trading activities.

Table 3.3: Pemberton Sports Club Income and Expenditure

Income and Expenditure	2018	2019	2020	2021	2022
Bar Trading					
Trading Revenue	288,263	280,072	159,464	210,390	279,138
Total cost of Sales	138,976	116,240	67,957	82,213	129,978
Bar Trading Revenue	149,287	162,832	91,508	128,177	149,159
Cattle Trading					
Total Incoming	8,700	25,792	21,295	21,295	32,132
Total Outgoing	7,164	19,649	14,674	14,674	16,476
Cattle Trading Revenue	1,536	6,143	14,172	6,621	15,656
Other Income					
ATO Cash Boost Stimulus	-	-	10,000	10,000	-
Community Centre Court Hire	6,995	6,519	4,944	3,072	5,884
Community Centre Function Room Hire	3,886	5,986	1,505	5,893	7,676
Community Centre Gym Fees	15,304	15,322	10,694	13,269	13,922
Community Centre Other Income	-	1,184	2,900	1,013	571
Community Centre Squash Fees	1,482	1,286	-	191	218
Donations Received	3,100	3,500	2,700	4,095	-
Grants – Other ¹	-	10,000	20,000	19,000	15,030
Grants – Youth Worker ¹	6,000	6,000	5,320	1,500	6,000
Insurance re-coup	-	-	2,375	-	440
Interest Received	323	404	40	7	6
Kitchen Hire	6,730	4,735	2,727	1,591	600
Kitchen Sales	1,170	144	-	-	-
Melbourne Cup Lunch 2019	-	-	1,409	-	-
Membership	11,860	16,956	15,296	16,828	19,330
Other Income	3,997	9,698	623	851	1,240
Other Sales	-	368	122	201	1,006
Other Sports Club Income	1,906	2,692	2,825	2,562	1,191
Rebates and Refunds	3,988	63	215	-	-
Video Bingo Machine	335	1,229	734	70	-
Youth Zone Fees	1,627	852	74	-	-
Total Other Income	82,888	102,363	84,505	80,142	73,114
Expenditure					
Accountancy and Audit Fees	-	-	4,500	4,600	4,600
Advertising and Promotion	1,652	1,783	240	1,898	4,380
Bank Fees and Charges	2,161	1,871	1,158	3,408	2,666
Bingo Game 90 Ball expenses	-	-	350	-	-
Cattle Expenses	-	-	700	137	-
Cleaning	4,189	4,379	2,668	2,617	10,435
Cleaning Supplies	3,084	2,204	951	2,688	3,196
Consumables Replacement	-	-	-	408	667
Counter Suppers	961	1,221	120	-	332
Depreciation	12,177	8,931	8,330	7,947	7,116
Donations	100	-	111	-	-
Electricity	24,719	19,632	12,324	12,371	16,283

¹ Including Shire of Manjimup Town Recreation Centre Subsidy and Community Funds Allocations

Equipment Purchases	2,060	-	-	-	-
Entertainment Expenses	5,492	15,134	1,305	1,600	1,277
Food	-	-	48	405	-
Freight & Cartage	1,646	877	1,002	1,393	3,265
Gas	6,160	5,777	3,423	3,592	2,512
Glassware, Crockery & Linen Replacem't	945	52	-	-	-
Gym Repairs and Maintenance	-	1,092	319	646	1,002
Hire/Rent of Plant and Equipment	-	327	44	598	317
Insurance	6,367	6,795	9,922	10,282	10,146
Internet	-	45	-	-	-
Kitchen Expenses	476	1,167	1,524	-	-
Licensing Fees	-	433	2,728	1,940	1,221
Motor Vehicles	5,417	586	-	-	-
Postage	525	451	355	339	272
Printing & Stationary	1,430	1,703	817	918	555
Prizes, Raffle Expenses	7,420	1,366	401	-	4,654
Rates & Land Taxes	9,174	8,039	8,324	(1,608)	8,585
Rent on Land and Buildings	-	-	-	-	110
Repairs & Maintenance	6,247	10,726	4,755	10,647	13,204
Repairs & Maintenance – P&E	4,823	986	3,476	-	-
Staff Amenities	65	76	-	-	-
Subscriptions	3,961	3,426	1,296	1,390	3,131
Sundry Bar requisites	1,551	11	-	-	1,172
Sundry Expenses	304	5,148	1,324	1,050	1,079
Superannuation	13,305	13,218	8,784	8,347	8,919
Telephone	3,589	3,163	3,135	2,342	1,327
Video Bingo Machine Payments	470	676	371	221	493
Wages	143,087	140,340	101,501	99,936	92,719
Wages – movement in leave provisions	-	(1,778)	3,349	(6,960)	2,019
Water	6,890	5,743	6,083	6,636	16,961
Workers Compensation	1,848	3,488	-	-	-
Youth Zone Activities Expenses	2,567	2,967	2,155	-	1,239
Total Expenditure	285,875	272,863	199,735	179,786	225,856
Current Year Surplus/(Deficit)	(52,164)	(525)	(9,551)	35,153	12,074

3.3. Fees and Charges

Pemberton Sports Club sets fees and charges that are published for use/hire of facilities within Pemberton Sports Complex.

Table 3.4 provides a summary of the facility hire fees associated with use of the sports courts and mezzanine floor level for sport/fitness activities.

Table 3.4: Hire fees for Pemberton Sports Complex Sports Courts, 2022/23

Hire Charges		
Sports court hire – per hour, per court (seasonal)		\$21.70
Sports court hire – per hour, per court (occasional, daytime, no lights)		\$15.50
Use of courts with lights – per hour, per court		\$37.90
Schools – occasional bookings – per hour, per court		\$28.70
Other than sports (per hour)	with lights	\$114.70
	without lights	\$80.00
Other than sports (half day up to 4 hours	with lights	\$434.40
	without lights	\$280.00
PCC kitchen hire per booking		\$65.00
Cleaning fee (per hour)		\$60.00
Squash Courts		
Available to hire during sports club opening hours – per hour, per court, minimum 1 hour		\$20.00
Schools – occasional bookings – per hour, per court, minimum 1 hour		\$15.00
Mezzanine Floor Level		
Sport/Fitness – seasonal bookings – per hour, minimum 1 hour		\$20.00
Sport/Fitness – occasional booking – per hour, minimum 1 hour		\$40.00

Table 3.5 provides a summary of the Karri & Jarrah Rooms for meetings/other uses.

Table 3.5: Hire fees for Pemberton Sports Complex Meeting Space, 2022/23

Pemberton based sporting group/not for profit/charity		
Meeting room – per hour		\$20.00
Meeting room – half day, up to 4 hours		\$50.00
Meeting room – full day, over 4 hours		\$75.00
General public/government agency		
Meeting room – per hour		\$50.00
Meeting room – half day, up to 4 hours		\$100.00
Meeting room – full day, over 4 hours		\$150.00
Commercial entity		
Meeting room – per hour		\$50.00
Meeting room – half day, up to 4 hours		\$100.00
Meeting room – full day, over 4 hours		\$150.00
Cleaning fee (when food consumed as part of meeting) – per hour		\$60.00
Equipment hire	Chairs	\$2.00 each
	Tables	\$5.00 each

Table 3.6 provides a summary of hire rates for the Pemberton Sports Complex restaurant area, with all bookings subject to approval by the Kitchen Lessee, along with hire rates for the canteen.

Table 3.6: Hire fees for Pemberton Sports Complex Function Room and Canteen, 2022/23

Within Sports Club normal trading hours		
Function room only	\$150.00	
Function room with tea & coffee supplied	\$200.00	
Function room with basic canteen use	\$250.00	
Functions held outside normal trading hours additional fees		
For each staff member when licenced bar required – per hour	\$60.00	
One off cleaning fee – per hour	\$60.00	
Pemberton Sports Club Canteen		
Not for profit/charity – season rate per day	\$50.00	
General members	Half day, up to 4 hours	\$80.00
	Full day, over 4 hours	\$100.00
External facilities – toilets, one-off cleaning fee, per day		\$60.00

Table 3.7 provides a summary of the membership fees for the gym at Pemberton Sports Complex.

Table 3.7: Gym membership fees for Pemberton Sports Complex, 2022/23

Gym membership fees	
1 month membership	\$50.00
6 month membership	\$250.00
12 month membership	\$450.00

A comparison of the fees at Pemberton Sports Complex with other like facilities in the South West is provided in Table 6.3.

3.4. Liquor Licence

The Department of Racing, Gaming and Liquor is responsible for administering the Liquor Control Act 1988 and promoting the integrity and lawful liquor activities. The Liquor Control Act 1988 provides for 11 different types of liquor licence in Western Australia.

Sport and recreation clubs in Western Australia wanting to sell alcohol on their premises must apply for a club or club restricted liquor licence. A club licence, as held by Pemberton Sports Club, allows liquor to be sold or supplied to a member, or guest of a member in the company of that member, for consumption on the premises. General trading hours are 6am to 12 midnight on Monday to Friday; 6am to 1am Saturday and 10am to 10pm on Sundays. Club restricted licences have specific time limitations specified in the licence and restrict sales of any packaged liquor. These would generally be obtained by individual sporting clubs.

A requirement of any licence is the keeping of proper records of meetings, membership categories and membership numbers. In addition proper financial accounts must be maintained by the licensee.

Generally rates associated with any premises are calculated by multiplying the gross rental value (GRV), which is supplied by Landgate Property and Valuation Services, by the “rate in the dollar”. Where premises include a ‘commercial’ floor area, the rateable value may be increased proportionately.

In September 2019 Pemberton Sports Club wrote to the Department of Racing, Gaming and Liquor to seek advice on removal of some areas within the Club’s licence area. Correspondence was also provided to the Shire of Manjimup about this matter.

In April 2021 the Shire of Manjimup wrote to Pemberton Sports Club to advise of consent to the Club's application to the Department of Racing, Gaming and Liquor to reduce the indoor and outdoor license areas. The Shire noted that if approved:

1. The Shire would revise and amend the licenced area on the lease with Pemberton Sports Club for Lot 181 and Reserve 22663.
2. The altered liquor licence plans would be sent to the Valuer-General to determine any effect on the valuation used for the rates calculation.
3. Pemberton Sports Club would be responsible for applications for occasional liquor licences for any applicable events outside the liquor licence areas.
4. Southerners Football Club may submit a request to the Shire of Manjimup for a proposed playground on Reserve 22663 outside the liquor licence area.

The Principal has advised that no notification of the outcome has been received from the Club in relation to the above mentioned application.

3.5. Rating Policy and Concessions

The Shire of Manjimup has a Rating Policy and Rates Concession Waivers that are followed and applied with regard to property rating in the Shire.

3.5.1. Rating Policy

The Shire of Manjimup Rating Policy is documented by Policy, 4.1.9 Rating Policy. The object of this policy is to ensure a clear policy on property rating in the Shire of Manjimup that is easy to understand, administratively efficient, raises additional revenue for the Shire and delivers an equitable rating treatment between like uses.

The key premise on which the policy is structured is that rates are based on the 'use' of a property and where predominant use is rural the basis will be Unimproved Value (UV) and where non rural the basis will be Gross Rental Value (GRV).

The portion of any club using a licenced premises is rated on a GRV basis, notwithstanding the club may be a not for profit organisation. This is because the licenced activity is considered to be of a similar nature to that commercially available at other licenced premises. Indicative treatment of uses under the rating policy of relevance to Pemberton Sports Complex includes:

Use	UV or GRV	Comment
Licensed Premises (ie, licensed area of clubs)	GRV	In respect of the licensed area. No rates applicable on other community sport and recreation components of the property.

3.5.2. Rates Concession Waiver

The Shire of Manjimup Rates Concession Waiver Policy is documented by Policy, 4.1.14 Rates Concession Waiver. The object of this policy is to provide an administrative framework for assessing any application requesting the waiving or granting concession from rates to not-for-profit community based organisations occupying rateable land in accordance with Council's discretionary powers provided by section 6.47 of *The Local Government Act 1995*.

In line with the Act, a local government may resolve to waive a rate or service charge or resolve to grant other concessions in relation to a rate or service charge. This policy recognises the value and importance of the services and contributions that community groups and associations provide.

The Policy notes that not-for-profit community groups including sporting associations that hold a licence under the Liquor Licensing Act 1988, the licenced area and any residential area of the property only is rated.

The Policy also sets out the process to be followed by both the Shire and a not-for-profit community group providing a benefit to the community from rateable land for relief of rates, including that all rate concessions/waivers are subject to annual review. Table 3.8 provides a summary of rates concessions for Pemberton Sports Clubs and other Sports or country clubs from the Shire of Manjimup 2022/23 adopted budget.

Table 3.8: Rates Concessions and Waivers, 2022/23

Concession	Valuation	Rates Raised	Concession	Net Rates
Manjimup Country Club	146,500	\$14,861.33	\$11,145.99	\$3,715.33
Pemberton Country Club	36,500	\$3,702.65	\$2,730.65	\$1,036.00
Tigers Football & Sporting Club	46,000	\$4,666.36	\$3,499.77	\$1,166.59
Imperials Football Club	74,500	\$7,557.47	\$5,668.10	\$1,889.37
Walpole Country Club	55,000	\$5,579.34	\$4,184.50	\$1,394.83
Pemberton Sports Club	318,980	\$32,358.13	\$24,268.60	\$8,089.53

The Shire of Manjimup has applied a consistent rate of approximately 75% concession from the nominal rates charge based on the rateable property valuation.

The biggest issue facing Pemberton Sports Club with regard to rates is the size of the licenced area and valuation placed on Pemberton Sports Complex, and as a result, the net rates charged after granting of the concession. This is particularly so given the small turnover of the Club.

The Review of Pemberton Sports Club undertaken in 2014 found that on balance the 75% concession applied to sporting groups with licensed premises was fair, equitable and consistent, with a recommendation to continue the concession. SGL is of the view there may be merit in further exploring how the valuation for Pemberton Sports Club is undertaken and whether a more equitable calculation may be considered, based on the community benefit, type and frequency of use of Pemberton Sports Complex by sporting clubs and respective users.

3.6. Asset Maintenance

The lease between the Shire of Manjimup and Pemberton Sports Club sets out the parties responsibilities with regard to asset management and maintenance. Key responsibilities of each party are summarised in Table 3.1.

The Principal has noted the Shire has invested over \$200,000 during 2022/23, funded under the Federal Government Local Road and Community Infrastructure Round 3. Works include external and internal painting, repairs to walls, floors and ceilings, replacement of carpet and flooring, installation of led court lights, condensation fans and amendments to ensure compliance with safety and accessibility standards.

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4. HISTORY OF SUPPORT FROM SHIRE OF MANJIMUP

There has been a long history of support provided to Pemberton Sports Club from the Shire of Manjimup in response to requests from the Club.

4.1. Request May 2022

On 18 May 2022, Pemberton Sports Club wrote to the Shire of Manjimup to request financial support over a two-year period, including:

1. Water and sewerage (\$12k)
2. Electricity (\$20k)
3. Maintain minor maintenance allowance (\$10k)
4. Maintain youth zone (\$6k)
5. Rates (\$8k reduced to \$3.5k).

In response the Shire agreed to a one off financial support package consisting of:

4. Support of \$52,500 to be made up of:
 - a. \$20,000 current outstanding balance of the Club in the Recreation Centre Development Program;
 - b. \$10,000 (ex. GST) in the 2022/23 financial year budget under the Recreation Centre Development Program for Pemberton Sports Complex;
 - c. \$6,000 (ex. GST) in the 2022/23 financial year budget under the Community Funds Program for the Pemberton Youth Zone; and
 - d. \$16,500 to be contributed from Municipal funds in the 2022/23 financial year budget;
5. Notify Pemberton Sports Club Inc. that the above support is conditional on full cooperation with a review of the operational model of Pemberton Sports Complex and a willingness to support implementation of the review findings; and
6. Approve expenditure of \$30,000 from the Recreation Ground/Facility Improvement Reserve in the 2022/23 budget for the Shire to facilitate a review of the operational model of Pemberton Sports Complex (this review).

In 2022, as part of the funding mentioned in Chapter 3.6, the Shire funded structural and maintenance works of which some are considered under the lease/policy the responsibility of the Shire but also included a number of maintenance items which under the lease are the responsibility of the Club.

4.2. Request July 2020

On 16 July 2020, following a request from Pemberton Sports Club the Shire resolved to:

7. Write off \$2,080.50 (ex. GST) in rates for the 2019/20 financial year;
8. Write off \$3,586.29 (ex. GST) in electricity charges for the 2019/20 financial year;
9. Write off \$3,327.76 (ex. GST) in water charges for the 2019/20 financial year;
10. Increase the bad debt expense account in the 2020/21 budget by \$8,994.55 (ex. GST) to cover the cost of items 1, 2 and 3 above;
11. Wave rates for 2021/21; and
12. Notify Pemberton Sports Club Inc. that given the history around previous rate waivers and debt write offs, the Shire of Manjimup will not waive rates and write off public utility debts against the property at any stage in the future.

4.3. Ongoing Financial Assistance

The Recreation Centre Development Program was established by the Shire of Manjimup in 2014/15 to assist town recreation centres (Pemberton Sports Complex, Northcliffe Recreation Grounds and Walpole Recreation Centre) which are leased to local sporting associations, to operate sustainably. The Shire of Manjimup funds this program annually through allocating 1% of the prior year rates, with the remaining balance to be utilised for recreation development and a transfer into the Recreation Grounds/Facility Improvement Reserve.

Funding is designed to be applied to the recreation and community components of each facility (not licensed areas). However, in 2016/17, \$20,000 of funding was applied (with Shire approval upon request of Pemberton Sports Club) to clear the electricity debt owing to the Shire. It is noted that the way the audited financial statements for the Club are presented they do not distinguish between the proportion of electricity that would have been incurred in operation of the bar versus operation of the sport and recreation components of the Complex.

The Shire of Manjimup also provides ongoing support of \$6,000 per annum for a youth zone to be operated in each town, with funding provided through the Community Funds Program. Historically, the youth zone in Pemberton was run by Pemberton Sports Club, however it has not operated consistently in recent years due to a number of reasons. The Shire's Youth Development Officer facilitated re-commencement of the youth zone in May 2022 in collaboration with the Club and Northcliffe Youth Zone. However, upon the resignation in 2022 of the then youth worker employed by the Club, the Zone has not been operational.

In total, financial support provided to the Club by the Shire, including through the Recreation Centre Development Program, since 2011/12 is \$279,177, including \$45,000 allocated to undertake two reviews to assist with financial sustainability of the Club/Complex. Without the amounts for the reviews, the funding support provided was an average of \$19,514 per annum over the past 12 years, however over the past three years this amount was \$24,615 on average per annum. Table 4.1 provides a summary of the financial support provided to Pemberton Sports Club for continued operation of Pemberton Sports Complex.

The other leased centres in Northcliffe and Walpole have not received any support other than funding through the Recreation Centre Development Program (\$90,000 and \$110,000 each respectively in total). In comparison, Shire officers report that the costs to the Shire to operate Manjimup Recreation Centre (Manjimup Indoor Sports Pavilion) since 2014/15 was \$75,736, an average of \$9,457 per annum.

Notwithstanding the above the Shire of Manjimup has acknowledged that Pemberton Sports Complex is a large multi-use facility that services a direct population of less than 1,000 people with inherent complexities and unique challenges.

Table 4.1: Historic overview of financial support for Pemberton Sports Club

Year	Amount	Description
2011/12	\$4,156	Write off outstanding rates
2012/13	\$8,500	Write off outstanding rates
	\$20,181	Utilities
	\$15,000	Audit/review of Pemberton Sports Club undertaken
2013/14	\$8,391	No rates raised
2014/15	\$40,000	Town Recreation Centre Council Subsidy
2015/16	\$20,000	Town Recreation Centre Council Subsidy
2016/17	\$20,000	Town Recreation Centre Council Subsidy
2017/18	\$10,000	Town Recreation Centre Council Subsidy
2018/19	\$10,000	Town Recreation Centre Council Subsidy
2019/20	\$10,000	Town Recreation Centre Council Subsidy
	\$2,081	Write off rates
	\$3,586	Write off electricity debt
	\$3,328	Write off water debt
2020/21	\$7,454	Rates waived
	\$10,000	Town Recreation Centre Council Subsidy
2021/22	\$10,000	Town Recreation Centre Council Subsidy
2022/23	\$10,000	Town Recreation Centre Council Subsidy
	\$36,500	Additional financial support
	\$30,000	Review Pemberton Sports Complex governance model
Total	\$279,177	

4.4. 2014 Review of Pemberton Sports Club

In January 2013 in response to correspondence from the Club seeking financial assistance, the Shire resolved to undertake a review of the operating structure and practices of Pemberton Sports Club. The final report from this review is dated 19 May 2014. The below is an extract from the review:

- There is a trend in developing innovative approaches by community facility operators as a means of reducing operational costs, including reducing energy and water use, increasing potential to generate secondary spend by customers and developing partnerships with other community service providers (through co-location).
- A review of the constitution found the Club operates under acceptable and recognised good practice and the operational structure is sound, however gaps in policy, reporting and decision making processes were identified as:
 - Development of an operational plan and forward budget process which is reviewed monthly
 - Development of a long-term strategic plan for growth and future site planning
 - Development of a risk management strategy and mitigation measures which need to be reviewed by the board as a minimum every two months
 - Delineation of clear roles and responsibilities of board members and alignment to a communication plan, operational plan and strategic plan.
- The negative financial position which the Club has addressed through a variety of mechanisms are 'one off' solutions. Important building blocks need to be established to assist to control finances, including:
 - Development of systems, policies and processes approved by the board
 - Development of an asset management plan, to ensure the costs required to maintain the facility for community use are available annually

- Development of a staff business plan that is required and adjusted in line with trends and opportunities to attract additional revenue
- The community centre, whilst a separate and non-profitable entity should be incorporated within the main operational framework as Pemberton Sports Club and provided as a consolidated service offer to both member clubs and the general community
- The immediate priority for Pemberton Sports Club should be to address energy costs and in the first instance renegotiate the current contract with Alinta. Subsequent to that, the opportunity to install a solar system should be explored further.
- A visual audit of the facility highlighted a number of potential options which individually or collectively would assist in generating more use of the centre, off-set operational costs and/or generate a greater level of income, including:
 - Introduction of additional signposting within and outside the site to provide greater delineation between sports club activity and community centre
 - Consolidation of activities to ensure space is maximised and heating/lighting costs are reduced
 - To explore use of the creche for occasional child care and play group activities to support the use of the gym by carers
 - Consideration to removing the squash courts and utilising the space to enable complimentary infrastructure to collocate, potentially providing more flexible space for a variety of users
 - Exploring the opportunity to use the space as a Community Resource Centre or alternate community use, such as arts, which needs to maintain a controlled access point
 - Group fitness is ideally located within the main body of the building and aligned to gym/personal fitness use
 - The function spaces, being on a split level may be viable for community arts use or as a base for St Johns Ambulance with minor external modifications and introduction of disabled access between levels (It has been noted by Shire officers that the option of St John Ambulance utilising a portion of the Complex as a base was explored and not supported by St John Ambulance)
 - The current gym area should be retained and incorporated within the service offer of Pemberton Sports Club
 - Commercial space should be considered within the Centre.
- As part of the review consultation was undertaken with the Shire, Pemberton Sports Club and representatives of the clubs who use the facilities. Key issues of note were raised as the ability of clubs to fund raise and their limited member numbers, declining memberships and options to reduce costs associated with use of the building, including changes to energy use and co-location of other user groups within the Complex.
- The review concluded that the optimum management of the Club is the model currently adopted as it provides independent management of the facility on behalf of the sporting use groups. However, it was noted that financial position needed to be stabilised and alternate income generation opportunities identified and progressed.
- Recommendations were identified as:
 - **Priority 1:** Stabilise the financial position of Pemberton Sports Club
 - Waiver of rates for a minimum of 2 years and maximum of 3 years and write-off any outstanding debt payments
 - The Shire work with Pemberton Sports Club to develop key documentation which will enable the club to strategically plan for the future, including a business plan, asset management plan and strategic plan
 - A review of the club funding model to secure a greater commitment from all user groups
 These items were to be undertaken immediately and tied into time limited performance measures
 - **Priority 2:** Explore options to reduce energy costs
 - Re-negotiate the energy supply contract and explore options to reduce contract costs
 - Investigate alternative energy installation options and payback period
 - Put in place a program to move to energy efficient lighting

- **Priority 3:** Investigate partnership development options to assist in more effectively managing the ongoing operational costs of Pemberton Sports Complex (It has been noted by Shire officers that partnership opportunities were investigated at the time and were not supported by the then board of Pemberton Sports Club)
 - Investigate potential to relocate St Johns or other community groups to the existing split level function area located behind the reception of Pemberton Sports Complex
 - Investigate the option of converting the existing squash and first floor group fitness area for the purposes of a library or resource centre or other alternative community use
- **Priority 4:** Ongoing activities
 - Implement club policies to mitigate the high risk profile
 - Re-evaluate the club staffing model on an ongoing basis to support the strategic plan
 - Staged incorporation of the PSC within the management responsibilities of the Pemberton Sports Club subject to agreement with the Shire on future financial commitments and a minimum break-even revenue plan
 - Re-introduce rate payments by Pemberton Sports Club by 2017 and align performance of the Pemberton Sports Club to an annual reporting process to the Shire based on agreed key performance measures.

4.4.1. Status Overview of 2014 Recommendations

Table 4.2 provides a summary overview of the status of the recommendations made in the 2014 Review of Pemberton Sports Club.

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Table 4.2: Status Overview of 2014 Recommendations

Recommendation	Responsible	Status
Priority 1: Stabilise the financial position of Pemberton Sports Club		
Waiver of rates for a minimum of 2 years and maximum of 3 years and write-off any outstanding debt payments.	Shire	<ul style="list-style-type: none"> No rates were raised in 2013/14. In 2014/15 the Shire established the Town Recreation Centre Subsidy, which provided \$40k subsidy in the 1st year, and \$20k for 2 subsequent years, after which it continued with \$10k annually. Since 2014 the Shire took on the responsibility for court floor maintenance of all recreation centres within the Shire.
<p>The Shire work with Pemberton Sports Club to develop key documentation which will enable the club to strategically plan for the future, including:</p> <ul style="list-style-type: none"> - A business plan to be reviewed annually by the Club. - An asset management plan to be reviewed annually by the club in partnership with the Shire. - A strategic plan providing long term strategic direction for PSC. 	Shire & PSC	<ul style="list-style-type: none"> The Shire ran a Club Development Program from 2014 to 2018 with a dedicated officer available to assist clubs and offer training sessions. All clubs, incl PSC, were invited to each session. Following this program, the State Government (DLGSC) offered the Every Club Program which offers online resources and regular online (mostly free) training sessions. Every Club information and training/grant opportunities are regularly being disseminated by the Shire to all clubs within the Shire.
A review of the club funding model to secure a greater commitment from all user groups.	PSC	<ul style="list-style-type: none"> No information has been provided by the Club in relation to this recommendation.
Priority 2: Explore options to reduce energy costs		
Re-negotiate the energy supply contract and explore options to reduce contract costs.	Shire	<ul style="list-style-type: none"> Completed: the Shire investigated energy supply contract options, and upon the Alinta contract expiry date entered into a supply contract with Synergy as it provided good usage rates and transparency of charges.
Investigate alternative energy installation options and payback period.	PSC & Shire	<ul style="list-style-type: none"> In 2014/15 the PSC installed a \$47k solar PV system with \$25k financial assistance from the Shire's Town Recreation Centre Subsidy.
Put in place a program to move to energy efficient lighting.	PSC	<ul style="list-style-type: none"> The Shire undertook a comprehensive analysis of the electricity usage of all parts of the Complex, and shared the results and recommendations with the PSC to reduce the highest usage areas (being the cool room, freezer and bar). Over the years PSC has gradually replaced most lighting in the building for LEDs, assisted by the Shire's Town Recreation Centre Subsidy.

		<ul style="list-style-type: none"> In 2022/23 the Shire replaced the indoor courts lighting with LEDs.
Priority 3: Investigate partnership development options to assist in more effectively managing the ongoing operational costs of Pemberton Sports Complex		
Investigate potential to relocate St Johns or other community groups to the existing split level function area located behind the reception of Pemberton Sports Complex.	Shire & PSC	<ul style="list-style-type: none"> The Shire presented partnership and co-location opportunities at the time, which were not supported by the then board of Pemberton Sports Club. Prior to the establishment of the now Pemberton Community Hub, consultation was undertaken between the PSC and co-location stakeholders, however the costs of proposed building expansions to meet the requested facilities, were financially unfeasible.
Investigate the option of converting the existing squash and first floor group fitness area for the purposes of a library or resource centre or other alternative community use.	Shire & PSC	<ul style="list-style-type: none"> See above.
Priority 4: Ongoing activities		
Implement club policies to mitigate the high risk profile. In particular: <ul style="list-style-type: none"> - Working with children and child protection - Code of conduct for members, players, committee, officials, coaches, spectators and volunteers - Health and Safety - Dispute resolution - Financial management - Statutory Obligations - General Club / Organisational 	PSC	<ul style="list-style-type: none"> No information has been provided by the Club in relation to this recommendation.
Re-evaluate the club staffing model on an ongoing basis to support the strategic plan.	PSC	
Staged incorporation of the PSC within the management responsibilities of the Pemberton Sports Club subject to agreement with the Shire on future financial commitments and a minimum break-even revenue plan. Areas to investigate include: <ol style="list-style-type: none"> Rationalisation of current office / kiosk space and the potential future expansion of the gym and associated supporting activities (i.e. allied health use of consulting rooms for therapy / treatment). Keyholder and secured gym entry which permits extended 	PSC	<ol style="list-style-type: none"> No information has been provided by the Club in relation item 1. PSC expanded their gym operations and made building amendments to make the gym accessible 24/7. The Pemberton Playgroup has been located at the Pemberton Sports Complex for some years now.

operational hours. 3. The re-introduction and integration of the playgroup / crèche		
Re-introduce rate payments by Pemberton Sports Club by 2017 and align performance of the Pemberton Sports Club to an annual reporting process to the Shire based on agreed key performance measures.	Shire	<ul style="list-style-type: none"> ▪ See first comment above.

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4.4.2. 2014 Analysis of Complex Energy Use

Following receipt of the Review, the Shire undertook a comprehensive energy consumption audit of the Complex. The final report and audit recommendations were formally provided to the club as lessee of the Complex to consider and implement any recommendations with regard to energy consumption savings.

Table 4.3 shows the areas that had sub meters installed, with the percentage of total electricity usage per sub-metered area from the period of 1 February to 14 July 2014. It is noted that this is not a full year analysis and therefore is not a fully accurate picture of annual electricity usage across the Complex. For example, electricity usage for sports that use the Football oval lights during winter and early spring would not be fully captured as the analysis did not cover the full season.

Table 4.3: Electricity usage by sub-metered area in the Complex, February to July 2014

Submeter	Areas included	% of total Complex usage
Creche	creche	0.13%
Kitchen	kitchen (bain marie, dishwasher, lights) NOT included: cool rooms, water heaters, air conditioning	11.38%
Bowls	bowls lawns	0.19%
Football	oval lights	1.78%
Comm. C.	stadium courts, gym, squash, toilets, group fitness room	10.36%
Remaining	NOT SUBMETERED: bar, cool rooms, club rooms, car park, lobby, function room, youth zone, darts room, bowls room	76.16%

The energy audit took the analysis further by reviewing all hard wired electrical equipment in each area of the Complex, expected energy consumption by power rating with a calculation of cost by hours of usage. This analysis calculated the expected annual cost for each area of the Complex, broken down into community centre/sport areas and Pemberton Sports Club areas (including the bar, kitchen, bowls and darts/snooker rooms and the refrigeration areas). It is noted this analysis excluded the sub metered areas of the creche and football overall lights, however included the sub metered kitchen, bowls lawns and area identified as Comm C (stadium courts, gym, squash, toilets and group fitness room).

Table 4.4 shows the calculated annual energy cost (based on an average charge of 0.26c per kwh) for each area within Pemberton Sports Complex, broken into community centre and sports club. It is noted this analysis placed the club rooms, bowls room and darts/snooker rooms in the sports club as opposed to the community centre component of the Complex.

The analysis shows the highest usage areas of the complex to be associated with the bar (40.81%), the small cool room and freezer (17.68%) and the large beverage cool room (13.93%). It should be noted that current revenue from Kitchen operations is approximately \$600 per annum, which is around 10% of operational expenses of that part of the building when considering the electricity costs for operations of the freezer and kitchen equipment. For the community centre component of the Complex the highest usage area was identified as the recreation stadium (6.20%). The club rooms (consisting of electrical appliances in the canteen area) were also identified as a higher usage area (9.60%).

Table 4.4: Calculated energy cost and usage, Pemberton Sports Complex

Area	Yearly cost	% of cost
Jarrah room	\$ 430	1.35%
Car park	\$ 50	0.16%
Outdoor entrance	\$ 132	0.41%
Lobby	\$ 74	0.23%
Admin office	\$ 179	0.56%
Recreation stadium	\$ 1,978	6.20%
Hallway to stadium	\$ 122	0.38%
Gym	\$ 988	3.10%
Squash courts	\$ 21	0.07%
Group fitness room	\$ 38	0.12%
Community Centre Change Rooms	\$ 90	0.28%
Community Centre Kitchen	\$ 1,011	3.17%
Total Community Centre	\$ 5,112	16.03%
Hallway to bar	\$ 172	0.54%
Cool room large beverage	\$ 4,441	13.93%
Cool room small + freezer	\$ 5,637	17.68%
Kitchen	\$ 58	0.18%
Bar	\$ 13,013	40.81%
Club rooms	\$ 3,062	9.60%
Bowls	\$ 78	0.24%
Darts/snooker room	\$ 315	0.99%
Total Pemberton Sports Club	\$ 26,777	83.97%
Total	\$ 31,889	

5. STAKEHOLDER CONSULTATION

The consultants have undertaken a multistage approach to key stakeholder and community consultation as part of this project. This has included an initial face to face stakeholder meeting and follow up electronic community and user group consultation via phone, email and internet correspondence.

5.1. Initial Face to Face Consultation

Upon commencement of this project the consultants undertook meetings with a variety of key stakeholders of Pemberton Sports Complex. These key stakeholders consulted included:

- Officers from the Shire of Manjimup (representing the Principal)
- Shire of Manjimup Shire Ward Councillors (for Pemberton)
- Pemberton Sports Club Manager
- Pemberton Sports Club Board.

During this stakeholder consultation period the consultants were able to physically visit and interact with the Pemberton Sport Complex, and the Sports Club board members. This allowed for key exploratory questions to be asked based upon emergent issues from the tour of the complex. During this phase of the stakeholder consultation the following issues were identified:

- There has been long-term concern from Shire officers and Pemberton Sports Club Board members with the financial sustainability of Pemberton Sports Club's operational model.
- The Shire focus is on keeping Pemberton Sports Complex open for the community.
- The Shire is concerned the liquor licence operations are not a core community component that the local government should use public funds to support.
- The Shire is wanting to ensure equity in providing community facilities within the Shire of Manjimup.
- The Pemberton Sports Club board have sought to rationalise their operations for the betterment of the community and to ensure the future sustainability of the club and complex.
- The Pemberton Sports Club perceive the bar and restaurant operations as critical to the whole facility, and a long-term legacy of the pre-existing workers club.
- Historical and legacy issues exist that complicate the future operations of the Pemberton Sports Complex, including:
 - Pemberton Sports Club has evolved from the pre-existing workers club associated with the forestry industry which was the dominant industry in Pemberton prior to 2002, noting that 2024 will see the final closure of the native timber industry.
 - The Pemberton Sports Complex was a joint venture between multiple parties including the PSC, sporting clubs, the Shire of Manjimup and government funding from multiple levels.
 - As population in Pemberton has declined usage of the facility has declined.
- The bar and restaurant area are operationally constrained due to the licence conditions which prohibit broader community engagement beyond club members and external visitors.
- Pemberton Sports Club, with support from the Shire of Manjimup, has sought to reduce operational expenditure for the complex through developing renewable energy options, and adapting roofing in the sports hall to allow more natural light.
- The restaurant space has been outsourced to an external operator as it is not core business of the Pemberton Sports Club, although it is run for the benefit of the community and helps to support and drive bar sales.

5.2. Pemberton Sports Complex User Group Consultation

An electronic key stakeholder consultation survey instrument was designed and approved by the Shire of Manjimup before being circulated to the key user groups of the Pemberton Sports Complex. This survey was developed to understand the organisational perspectives of the key sports and community clubs who use, lease or rent space in the facility during the year. The electronic survey was hosted by SGL Group on Survey Monkey, and was made available to the key stakeholders from 10 April 2023 through to 1 May 2023. Key user groups were directly contacted via email, and where necessary phone call to encourage them to participate in the survey.

Responses were sought from the following clubs:

- Southerners Football Club Inc
- Pemberton Cricket Club Inc
- Pemberton Basketball Association Inc
- Pemberton Bowls Club Inc
- Pemberton Playgroup
- Southerners Junior Football Club Inc
- Southern Strikers Junior Soccer Club Inc
- Pemberton Netball Association Inc
- Pemberton Darts Association
- Pemberton Youth Group.

Stakeholders were asked to identify how many players and supporters attended the Pemberton Sports Complex to participate in club/user group activities. Additionally, the user groups were asked to identify how many members their respective clubs had as financial members. The responses for each of the groups included:

User Group	Participants and Supporters	Members
Southern Strikers Soccer Club	180	85
Southerners Junior Football Club	200	90
Pemberton Bowls Club, Incorporated	20	32
Pemberton Ladies Darts	20	16
Northcliffe Netball Club	30	Unknown
Pemberton Mixed Summer darts	24	27
Pemberton Arts Group	100	55
Southerners Football Club (seniors)	100	100
Pemberton Basketball association	120	120
Pemberton District High School P & C	10	15
Pemberton Playgroup	20	10

The results of this question indicate high participation and engagement rates within the Pemberton community, and are consistent or higher than the expected sports participation rates in Western Australia for the respective sports.

5.2.1. Frequency and Usage of Pemberton Sports Complex

Frequency and time of usage are important indicators of facility utilisation and key user groups identified their respective usage as:

Frequency of Use		Time of Each Use	
None of the above	0.0%	None of the above	9.0%
Twice or more a week	37.0%	Up to and including 1 hour	18.0 %
Weekly	45.0%	Half day (up to and including 4 hours)	64.0 %
Fortnightly	0.0%	Fully day (over 4 hours)	9.0%
Monthly	9.0%		
Occasionally	9.0%		

When considering frequency of use usage of time, utilisation is demonstrated to be strong with 82% of respondents identifying a minimum of weekly frequency of use, and more than 70% of respondents identifying use of the Pemberton Sports Complex for more than half a day at a time (either half day or full day).

Usage of the Complex was identified as being consistent across the year, with a peak in September as a number of different user groups converge their respective seasons at the same time. With the exception of the January School holiday period, Pemberton Sports Complex has an even spread of sports and community groups using the facility throughout the year.

Month	% of Usage
January	36.4%
February	45.4%
March	63.6%
April	63.6%
May	54.6%
June	54.6%
July	54.6%
August	54.6%
September	81.8%
October	45.4%
November	54.6%
December	54.6%

5.2.2. Use of Pemberton Sports Complex

When asked about their arrangement with Pemberton Sports Club for use of the Complex, more than 45% of user groups indicated they have no formal contract with the Pemberton Sports Complex and use the club on an ad-hoc arrangement. A further 36% were working on a seasonal hire basis for facility space.

When asked to identify if they would like to continue with exiting arrangements or seek an amendment 90% of respondents indicated a preference for the status quo.

What contractual arrangement does your organisation have with the PSC?	%
No formal arrangement	45.4%
Hire arrangement on a casual basis in line with standard published hire rates	9.1%
Hire arrangement on a seasonal basis in line with standard published hire rates	36.3%
Lease arrangement	9.1%
Licence to occupy	0.0%

User groups were asked to identify whether their members and participants utilised other parts of the Pemberton Sports Complex with 60% of user groups identifying usage of more than one area of the facility and in most case multiple areas. Response frequency included:

- 6 x Change rooms & toilets
- 3 x Canteen
- 2 x Meeting rooms
- 1 x Oval
- 1 x Bowls room
- 4 x Sports Club bar & function facilities
- 3 x Basketball court
- 2 x Gym
- 1 x Bowling green
- 1 x Kitchen.

As can be demonstrated from the response to other areas used at the Complex there is strong formal utilisation by the sports clubs of the bar and function facilities. These results are particularly strong as these options were unprompted. When explicitly asked whether the members or participants in their respective user groups dined before, during or after their activity at the Complex the results were:

- 70% Yes
- 30% No.

All user groups identified the bar was used by their respective members and participants when attending the Pemberton Sports Complex.

All user groups identified the restaurant not being open as the major inhibitor to greater facility usage.

5.2.3. Satisfaction Levels for Pemberton Sports Complex

Satisfaction levels for a number of aspects of the Pemberton Sports Complex and Pemberton Sports Club by user groups are shown in Table 5.1. Most of the respondents had positive satisfaction results for the various aspects of the either the complex or management and interaction with Pemberton Sports Club. Most question categories recorded 70-90% satisfaction levels. The outlier for this response was satisfaction with the cost of the facility with only 55% recording a positive satisfaction level. It should be noted that this result is to be expected, particularly in the current high inflationary environment.

Table 5.1: User Group Satisfaction, Pemberton Sports Complex and Pemberton Sports Club

	Very Unsatisfied	Unsatisfied	Neither Satisfied or unsatisfied	Satisfied	Very Satisfied	Not applicable
Quality and condition of facilities used by your club/organisation	0.0%	20.0%	0.0%	60.0%	20.0%	0.0%
Cost of use of the facilities used by your club/organisation	0.0%	11.1%	22.2%	22.2%	33.3%	11.1%
Management arrangements for your club/organisation's use of Pemberton Sports Complex	0.0%	10.0%	10.0%	60.0%	10.0%	10.0%
Management of Pemberton Sports Complex by Pemberton Sports Club	0.0%	10.0%	0.0%	70.0%	20.0%	0.0%
Your club/organisation's interaction with Pemberton Sports Club	0.0%	10.0%	10.0%	40.0%	30.0%	10.0%

User groups were asked to comment on why they made the relative assessment of satisfaction. Responses to this open ended question were both positive and negative and could be categorised across the key themes of:

- Quality and condition of facilities
- Costs of use
- Management arrangements
- Management by Pemberton Sports Club
- Interaction with Pemberton Sports Club.

The full list of responses to this question are included at Section 1 of Appendix B.

5.2.4. Facility Specific Levels of Importance

User groups were asked to identify the level of importance they attached to different spaces, rooms and facilities within the Pemberton Sports Complex (Table 5.2). This was designed to identify the organisational perspective on the complex and components within the complex.

Table 5.2: Importance of Pemberton Sports Complex Activity Spaces

Complex Space	Not at all important	Not Important	Neutral	Important	Very Important	Not applicable
Community space (Karri & Jarrah rooms)	0.0%	0.0%	20.0%	40.0%	40.0%	0.0%
Multi-use indoor sports courts	0.0%	0.0%	10.0%	30.0%	60.0%	0.0%
Mezzanine space (ie, for martial arts, yoga, pilates etc)	0.0%	10.0%	20.0%	40.0%	30.0%	0.0%
Gymnasium	0.0%	0.0%	10.0%	30.0%	60.0%	0.0%
Billiards room (for billiards and pool)	0.0%	0.0%	20.0%	70.0%	10.0%	0.0%
Darts room	0.0%	0.0%	30.0%	50.0%	20.0%	0.0%
Lawn bowls green	0.0%	0.0%	10.0%	30.0%	60.0%	0.0%
Youth space	0.0%	0.0%	20.0%	40.0%	40.0%	0.0%
Bar facilities	0.0%	0.0%	0.0%	40.0%	60.0%	0.0%
Dining facilities	0.0%	0.0%	0.0%	20.0%	80.0%	0.0%
Playgroup	0.0%	0.0%	20.0%	50.0%	30.0%	0.0%
Bowls meeting/club room	0.0%	0.0%	0.0%	40.0%	60.0%	0.0%
Squash courts	0.0%	0.0%	30.0%	40.0%	30.0%	0.0%

User groups identified all spaces within Pemberton Sports Complex as being important or very important with between 70-100% in support of that statement.

5.2.5. Future Management Responsibility for Pemberton Sports Complex

Respondents were asked to identify who they thought should be responsible for management of various parts of the Pemberton Sports Complex. Discreet choices were provided for different parts of the complex, with the options of Pemberton Sports Club, Shire of Manjimup, individual sports clubs, individual community groups or private businesses. The results are shown in Table 5.3.

Table 5.3: Suggested responsibility for management of Pemberton Sports Complex activity spaces

Pemberton Sports Complex Facility Space	Pemberton Sports Club	Shire of Manjimup	Individual Sports Clubs	Individual Community Groups	Private Businesses	Don't Know
Community space (Karri & Jarrah rooms)	50.0%	30.0%	0.0%	10.0%	0.0%	10.0%
Indoor sports courts	60.0%	20.0%	10.0%	0.0%	0.0%	10.0%
Indoor mezzanine space	50.0%	20.0%	20.0%	0.0%	0.0%	10.0%
Gymnasium	60.0%	20.0%	10.0%	0.0%	0.0%	10.0%
Bar facilities	60.0%	10.0%	0.0%	0.0%	20.0%	10.0%
Kitchen/Dining facilities	50.0%	10.0%	10.0%	0.0%	30.0%	0.0%
Playgroup	40.0%	30.0%	10.0%	0.0%	0.0%	20.0%
Youth space	30.0%	40.0%	10.0%	0.0%	0.0%	20.0%
Squash courts	50.0%	30.0%	10.0%	0.0%	0.0%	10.0%

Most respondents identified the Pemberton Sports Club as being the best placed for managing the various spaces around the complex, with The Shire of Manjimup as the second most popular option amongst user groups. There was a small percentage of respondents who indicated individual sports clubs were best placed to manage spaces.

The only components of Pemberton Sports Complex that were identified as suitable for management by private businesses were the bar facilities and the kitchen/dining facilities.

5.2.6. User Group Comments about the Pemberton Sports Complex

User groups were asked if they would like to make any unprompted comments about the Pemberton Sports Complex. Responses are listed below, providing some insight about user group views on the complex itself:

- There have been multiple working groups created over time regarding sport and recreation facilities in Manjimup and Pemberton at a huge cost with minimal benefit to the stakeholders and members of the sporting clubs.
- We suggest the money would be better spent directly on the Clubs themselves. If this facility was to close, it would have a massive impact on the Pemberton and Northcliffe community.
- PSC must meet with representatives of the individual club's and where possible action any of their concerns, ie. the more successful the clubs are that use the facilities of PSC, the more successful will be the PSC.
- I think the Shire needs to take control as the Board members are getting older and out of touch with "today's" standards.
- It's a great venue that is not used properly by the community, has potential if organised properly.
- I hope the Sports Club can receive funding to keep the club going, I feel if the Shire take it on we will not have the access and availability we have now, and my personal opinion, the Shire doesn't give a rats about the smaller towns outside of Manjimup. The actual towns that attract tourists.
- The Pemberton Sports Complex is a great facility for the town, sadly the running costs are too high.
- The town lost a lot of it's residents with the closure of the mill, plus many went fly in fly out, the population of the town is now trending towards retirees as there is little employment and no accommodation available.
- Retirees would not use a fair percentage of the facilities of the Complex.

- The PSC is such an important community asset for the towns of Pemberton, Northcliffe and Manjimup. If the PSC was to close, this would have huge implications for the footy club and other sporting clubs that use the facilities.
- I don't believe that the facility should have to make a profit to stay open. The Shire should financially assist in keeping the PSC open in its entirety including the bar and dining. The complex is the main meeting area for our community and without this facility our town will be left without its heart.
- We are grateful that the space exists and have plans to apply for more grants and to do some fundraising to upgrade the outdoor space especially.

5.2.7. User Group Comments about the Pemberton Sports Club

User groups were asked if they would like to make any unprompted comments about the Pemberton Sports Club who are the managers and operators of the Pemberton Sports Complex. Responses listed below:

- The people of Pemberton really need to get behind the current managing body as they appear to be trying very hard to provide the best possible service and facility to all community groups, sporting clubs and individuals.
- We believe that the Pemberton Sports Club needs a paid manager by the Shire of Manjimup as occurs in Manjimup.
- The bowls club is going through a process to replace the bowling green surface and upgrade its surrounds, the budget for this work is approximately \$240,000, we need to know that the PSC will survive and that it will support us as we commit to this enormous spend.
- Keep funding it.
- The PSC could be better managed if more funds were available to employ more people. The town simply does not have enough population to sustain a building and facility of this size especially if you are relying on bar sales to keep the doors open.
- I encourage the Shire to acknowledge what a fantastic facility and asset they have and the huge benefits it provides to the community. It has to stay open for the benefit of the sporting clubs and the community.
- The current committee are doing the best they can and do a lot of voluntary work. It is the most proactive committee in ages.

5.3. Pemberton Sports Complex Community Consultation

An electronic key stakeholder consultation survey instrument was designed and approved by the Shire of Manjimup before being circulated to the community users of the Pemberton Sports Complex. This survey was designed to understand the community perspectives of the community members who utilise the facility during the year.

The electronic survey was hosted by SGL Group on Survey Monkey and was made available to the key stakeholders from 10 April 2023 through to 1 May 2023. Key user groups were directly contacted via email, and where necessary phone call to encourage them to share the survey availability with their members. Additionally, the link was provided and advertised through the Pemberton People Facebook page.

5.3.1. Community Response Profile

The response rate for the community survey was high, with 133 community members participating in the survey with 40% Male, 58.5% Female and 1.5% non-identified. Based on an estimated resident population for Pemberton of 861 people, this is a response rate of 15.4% of the community.

The age profile of the respondents corresponds with the demographic profile of participation and the age demographic of Pemberton across the 35 and older aged categories. The age profile of the respondents was:

Age Profile of Respondents	%
14 or under	0.0%
15 to 24	3.8%
25 to 34	4.5%
35 to 44	26.3%
45 to 54	23.3%
55 to 64	18.8%
65 or older	22.6%
Prefer not to say	0.7%

When asked to identify if the respondent was a member of any of the sports clubs listed the following allocation was provided:

Sports Club Membership	%
None of the above	35.3%
Badminton	5.7%
Basketball	12.8%
Cricket	6.8%
Darts	6.0%
Indoor Hockey	3.0%
Karate	3.0%
Ladies Exercise group	3.8%
Lawn Bowls	15.0%
Netball	12.8%
Snooker	6.8%
Southerners	29.3%
Other (please specify):	15.0%

Alternative specified responses included:

- 5 x Soccer Club
- 5 x Gym
- 4 x Squash/racquet ball
- Social - President of the Sports Club
- Pemberton Aged Accommodation Inc Pemberton History and Heritage, Pemberton Mill Hall committee. All use the club socially
- Pemberton Arts Group's Annual x 2 exhibitions
- Corporate Bowls season
- Playgroup
- Grandparent, both watch all sports
- A small disability group uses the facility.

The response rate amongst the various user groups of the Pemberton sports complex is diverse, and reflective of the participation rates expected from the different sports, and also corresponds with the participation rates identified in the user group consultation.

Respondents were additionally asked whether they were a member of the Pemberton Sports Club with the following responses:

Yes	68.4%
No	18.8%
I have been previously but am no longer a member	12.8%

Reasons for not being a member were provided in an open ended question and were categorised into key themes, including:

- Member or participant in other sports club/association at the Complex
- Apathy
- Value Proposition
- Lack of Use

A detailed summary of all open ended responses to this question is included at Section 2 of Attachment B.

5.3.2. Pemberton Sports Complex Utilisation

Users were asked to identify their level of utilisation of the centre by primary activity, displayed in Table 5.4. The results of this indicate that more than 50% of team sports participants were visiting the complex on at least a weekly basis. The highest level of occasional visitation was for community and private events and functions. More than 35% of the respondents to this survey identified social visits on at least a weekly visit to the centre which indicates the facility is a significant community gathering location.

Table 5.4: Usage of Pemberton Sports Complex by Activity

	Twice a week	Weekly	fortnightly	monthly	Occasionally	I don't visit for that purpose
Team sports (eg, basketball, netball, football)	20.0%	31.2%	3.2%	5.6%	18.4%	21.6%
Other sports (eg, gym, karate, yoga, squash)	9.4%	16.0%	0.0%	0.0%	19.8%	54.7%
Children and youth activities (eg, playgroup, youth group)	0.0%	6.1%	0.0%	3.1%	9.2%	81.6%
Events (eg, community events, art exhibitions)	5.2%	0.0%	2.6%	7.8%	66.4%	18.1%
Private functions (eg, birthday parties, funeral)	2.6%	0.0%	1.7%	5.1%	78.6%	12.0%
Social/general visit (eg, bar and dining)	12.0%	23.6%	10.2%	7.1%	35.4%	11.0%

Respondents were asked if they attended the facility for a secondary purpose during their primary visit to the Complex. The unprompted and open ended responses included:

- 66% (88 respondents) identified Bar and Dining
- 1 (respondent) art exhibition
- 2 (respondents) Toilets.

When explicitly and directly asked about how frequent the respondent had dined at the Complex the following responses were received:

I haven't dined at Pemberton Sports Complex	15.0%
Twice or more a week	2.3%
Weekly	25.6%
Fortnightly	10.5%
Monthly	15.0%
Occasionally	31.6%

These results demonstrate a strong level of support for regular dining at the Pemberton Sports Complex, with 38% having dined at least on a fortnightly basis throughout the year. When explicitly and directly asked about how frequently the respondent had used the bar at the Complex the following responses were received:

I haven't used the bar facilities at Pemberton Sports Complex	12.1%
Twice or more a week	12.9%
Weekly	28.8%
Fortnightly	13.6%
Monthly	10.6%
Occasionally	22.0%

More than 40% of Respondents indicated that they used the bar at least on a weekly basis at the Pemberton Sports Club, with a further 13% using the bar on a fortnightly basis. This indicates strong multi-use of the Pemberton Sports Complex beyond solely the sports participation aspect.

5.3.3. Value and Importance at Pemberton Sports Complex

Respondents were asked to identify the relative value and importance of various facility offerings of the Pemberton Sports Complex. The purpose of this question was to identify current and emerging attitudes to the complex, and how these insights might inform future performance of the complex. The results, shown in Table 5.5, show the majority of respondents identified the current value proposition at the Pemberton Sports Complex to be about right or inexpensive. This may provide an opportunity for the complex to marginally increase prices for services, however, this may lead to some reduction in usage.

Table 5.5: Usage of Pemberton Sports Complex by Activity

Value for Money	Very Expensive	Expensive	About right	Inexpensive	Very Inexpensive	Do not know
Hire of activity space	0.00%	7.03%	40.63%	12.50%	2.34%	37.50%
Gym membership	2.42%	11.29%	18.55%	8.06%	2.42%	57.26%
Dining	0.76%	6.87%	73.28%	9.16%	0.76%	9.16%
Bar facilities	0.75%	8.27%	69.17%	12.78%	1.50%	7.52%

When respondents were asked to evaluate the relative level of importance of each of the various facilities, spaces and service offerings at Pemberton Sports Complex they responded as shown in Table 5.6.

Table 5.6: Usage of Pemberton Sports Complex by Activity

Facility	Not at all important	Not important	important	Very important	Don't know
Bar facilities	2.3%	0.77%	21.54%	74.62%	0.77%
Billiards room	2.3%	10.85%	42.64%	31.78%	12.40%
Bowls meeting/club room	2.3%	3.03%	33.33%	51.52%	9.85%
Darts room	1.5%	3.0%	44.2%	32.8%	18.3%
Dining facilities	0.0%	4.6%	22.0%	72.7%	0.8%
Gymnasium	0.8%	0.0%	34.3%	56.5%	8.4%
Hire space for community use (Jarrah and Karri rooms)	0.8%	6.9%	32.1%	52.7%	7.6%
Lawn bowls green	1.5%	0.0%	32.1%	62.6%	3.8%
Mezzanine space (ie, for martial arts, yoga, pilates etc)	0.8%	3.1%	34.3%	45.8%	16.0%
Multi-use indoor sports courts	0.0%	0.0%	25.0%	68.9%	6.1%
Playgroup	0.8%	2.3%	35.9%	42.7%	18.3%
Squash courts	3.1%	7.0%	48.1%	27.1%	14.7%
Youth space	1.5%	2.3%	36.9%	45.4%	13.8%

Most facilities in the Complex were identified as being either important or very important. The highest recorded responses for very important were:

- Bar Facilities (74.6%)
- Dining Facilities (72.7%)
- Multi-Use indoor Sports Courts (68.9%)
- Lawn Bowls Green (62.6%).

These very important facility services are an indication of the strong community demand for these facilities to be integral to the overall Pemberton Sports Complex. It is particularly noteworthy that the two highest recorded scores were for the non-sport specific component of the Pemberton Sports Complex (Bar and Dining).

5.3.4. Satisfaction with Pemberton Sports Complex

Respondents were asked a range of questions about the management, operations and infrastructure of the Pemberton Sports Complex. A total of 66.4% of respondents identified they were satisfied with the current operations of the Pemberton Sports Complex.

Responses for satisfaction with various components of Pemberton Sports Complex are shown in Table 5.7. This shows general high levels of satisfaction across the complex. The one area that achieved the lowest level of satisfaction was in the ease of gaining information about usage of the facility. This could indicate there is an opportunity to enhance communication from management in order to attract more participation and usage at the complex.

Table 5.7: Satisfaction with Pemberton Sports Complex

	Very Unsatisfied	Unsatisfied	Neither satisfied or unsatisfied	Satisfied	Very satisfied	Don't know
Quality and condition of facilities that you use	3.0%	12.1%	18.2%	50.8%	12.1%	3.8%
Cost of use of the facilities that you use	3.0%	5.3%	16.0%	45.0%	16.0%	14.5%
Ease of gaining information about usage of the facilities	0.8%	10.7%	25.9%	36.6%	9.9%	16.0%
Ease of access of the facilities that you use	3.0%	6.1%	14.4%	51.5%	19.7%	5.3%
Your interaction with Pemberton Sports Club	0.8%	5.3%	22.0%	43.9%	23.5%	4.5%

5.3.5. Management of Pemberton Sports Complex Facilities

Table 5.8 shows responses for who respondents believe should be responsible for management of the various facilities at the Pemberton Sports Complex. The responses from the community mainly advocate for a status quo arrangement, although it should be noted that the second highest category is for the Shire of Manjimup to manage the various aspects of the Pemberton Sports Complex. It should be noted the Dining Area is one aspect of the complex that was preferred for a private business, and the playgroup was seen as best managed by the individual community club. The Pemberton Sports Club was perceived by 75% of respondents as best to manage the Bar facilities at the complex.

Table 5.8: Management of Pemberton Sports Complex Components

	Pemberton Sports Club	Shire of Manjimup	Individual Sports Clubs	Individual Community Clubs	Private Businesses	Don't Know
Community space (Karri & Jarrah rooms)	48.4%	32.8%	0.8%	5.5%	1.6%	11.0%
Indoor sports courts	44.5%	36.7%	4.7%	1.6%	0.0%	12.5%
Indoor mezzanine space	45.4%	28.5%	6.9%	4.6%	0.0%	14.6%
Gymnasium	53.9%	23.4%	2.3%	2.3%	3.1%	14.8%
Bar facilities	75.8%	7.0%	3.1%	0.0%	9.4%	4.7%
Kitchen/Dining facilities	35.8%	6.9%	2.3%	0.0%	45.4%	10.0%
Playgroup	25.8%	25.0%	1.6%	28.1%	3.1%	16.4%
Youth space	31.2%	37.5%	0.8%	15.6%	0.8%	14.1%
Squash courts	45.7%	29.5%	10.1%	2.3%	0.8%	11.6%

5.3.6. Unprompted Comments about the Pemberton Sports Complex

Community members were provided an opportunity to provide an open-ended comment about the Pemberton Sports Complex. A range of different responses were provided, both positive and negative, which are included at Section 3 of Attachment B.

5.3.7. Unprompted Comments about the Pemberton Sports Club

Community members were provided an opportunity to provide an open-ended comment about the Pemberton Sports Club. A range of different responses were provided, both positive and negative, which are included at Section 4 of Attachment B.

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6. FACILITY BENCHMARKING

A comparison has been undertaken on key metrics between Pemberton Sports Complex and other community/sport and recreation facilities in the Shire of Manjimup and across the wider south-west region.

6.1. Shire of Manjimup

The Shire has a directive to co-locate facilities for sport, recreation and community use. These have a range of operating models and include facilities such as Manjimup Indoor Sports Pavilion, Northcliffe Recreation Grounds, Walpole Recreation Centre, Pemberton Community Hub (under development), Manjimup Community Centre and Northcliffe Colocation.

Table 6.1 provides a summary of each venue, description and components for use, tenure arrangements, financial information and food and beverage offering. This shows:

- Indoor sports courts/components in the towns of Northcliffe and Walpole are leased to local sporting/recreation associations who manage these facilities in direct relationships with user groups. Northcliffe Colocation is leased to a head lessee with sub leases to other tenants. Facilities in Manjimup are managed by the Shire with direct hire arrangements with user groups.
- Pemberton Sports Complex operates with Pemberton Sports Club as head lessee with hire arrangements directly with user groups.
- The Shire of Manjimup maintains the indoor sports court floors in all four towns, including at Pemberton Sports Complex.
- Kitchen and canteen facilities are provided at each facility (with a different level of facility provided at each), however no permanent liquor licencing arrangements are in place at other venues. Liquor Licencing arrangements are all on an event basis for individual users. This differs from Pemberton Sports Complex with a commercial kitchen and dining space, large bar facility and licenced bar.
- Fees and Charges for use of indoor sporting facilities are set by the head lessees and by the Shire for Manjimup Indoor Sports Pavilion. This is consistent with the arrangement in place at Pemberton Sports Complex.
- The Shire of Manjimup sets the fees and charges for use of outdoor sporting fields across the Shire, including those in Pemberton.
- Like Pemberton Sports Complex, Northcliffe Recreation Grounds and Walpole Recreation Centre each receive \$10,000 annually through the Shire's Town Recreation Centre Subsidy to assist with community recreation sustainability.

The benefits of the current arrangements at the recreation and community facilities have been identified as:

- Northcliffe Recreation Grounds – Committed volunteer group operates within their means to ensure buildings are accessible for the community (this is important as Northcliffe has few other community facilities). There is a strong and realistic focus on facility development and upgrades, and collaboration with the Shire to implement these in a staged manner. Arrangements between Northcliffe Recreation Association and underlying sporting groups seems to work well.
- Walpole Recreation Centre – Committed paid administrator/manager with a focus on activation and increasing usage of centre by organising (sports) activities. The centre operates within its means and utilises the Shire subsidy predominantly on items that reduce costs and/or increase revenue streams.
- Manjimup Indoor Sports Pavilion – The Shire can determine equitable and affordable fees, has control over equitable use and accessibility. Fees are targeted at cost recovery.
- Manjimup Community Centre – Synergies between users works well with a strong focus on children and families and cultural services. Groups will at times work collaboratively on delivering events and activities.

- Northcliffe Colocation – Good collaboration between groups with resource sharing and arrangements that are mutually beneficial. For example, Northcliffe Visitor Centre (NVC) does ticketing for the Southern Forest Arts Understory and monitors entry to the Painted Tree Gallery. NVC offers library access to the community seven days a week rather than the traditional 15 hours, the old Library room has been made available as part of the Community Resource Centre lease except for one day a week when used for Story Time and library purposes.

Identified negatives or drawbacks of the current arrangements at the recreation and community facilities across the Shire of Manjimup include:

- Northcliffe Recreation Grounds – There is a strong feeling of ownership for the facilities and grounds which on occasion provides challenges when the facilities are not within NRA lease and/or responsibilities. Due to not having paid administration, and the increased administrative load due to arrangements with underlying sporting clubs, and the drive to upgrade the facilities there is risk of volunteer burn-out. Being a small community there is a small pool for volunteers so stability on the committee is important.
- Walpole Recreation Centre – Insufficient budget for paid administrator often resulting in many volunteer hours. This has resulted in limited opening hours and manning of the facility.
- Manjimup Indoor Sports Pavilion – This is an unmanned facility, thus some usage occurs without prior bookings or advance notice. There is a new access pin code system, that allows greater oversight of usage. Administration of bookings can be time consuming for Shire staff.
- Manjimup Community Centre – Some design issues have been identified as problematic.
- Northcliffe Colocation – Design and size of the facility could have been better however the process for design was fully consultative and it was determined as being fit for purpose at the time and built within the available budget. Stakeholders are looking to expand the facility storage and secure solar to further benefit all user groups.

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Table 6.1: Summary of community and sporting facilities in the Shire of Manjimup

Facility name and location	Description and use	Management arrangements	Financial arrangements	Food & Beverage
<p>Manjimup Indoor Sports Pavilion, Manjimup</p>	<p>Three indoor sports courts with basketball and netball line marking (badminton also marked on court 3). Hire agreements only for occasional and seasonal hire.</p> <p>Basketball: Season - October to March, usage - 5 days per week, 3 to 5.5 hours per day (approx.. 20 hours per week), some weekends.</p> <p>Netball: Season - April to September, usage - 2 days per week (approximately 8 hours per week).</p> <ul style="list-style-type: none"> • Tiered spectator viewing area on court one only • Bench seating and score benches (owned by clubs) • Facility also serves as Emergency Welfare Centre (evacuation centre). 	<p>Facility operated, managed and maintained by Shire.</p> <p>Facility bookings by the Shire.</p> <p>Users are invoiced for hire.</p> <p>The Shire maintains all sports court floors in all 4 towns.</p>	<p>The Shire determines equitable and affordable fees, has control over equitable use and accessibility.</p> <p>Fees and charges are set at cost recovery.</p> <p>Hire fees and charges are set by the Shire and published.</p> <p>Historic capital contribution at the time of construction.</p> <p>Some groups have been granted funding by Council towards their funding requests for one-off projects.</p>	<p>The pavilion has a kitchen/canteen facility.</p> <p>Kitchen appliances owned by clubs and permission to use must be sought from these clubs.</p>
<p>Northcliffe Recreation Grounds, Northcliffe</p>	<p>Sporting field with Clem Collins Pavilion and Eric Sanders Grandstand</p> <p>Bowling green (1 green)</p> <p>Outdoor tennis courts (4 courts)</p> <p>Indoor Recreation Centre with 1 court, indoor gym (under redevelopment to provide 24/7 access) and tiered seating.</p> <p>Facility also serves as Emergency Welfare Centre (evacuation centre).</p> <p>Small playground.</p>	<p>All buildings leased and operated by Northcliffe Recreation Association (NRA).</p> <p>Facility maintenance responsibilities in accordance with lease agreement and Shire's lease policy.</p> <p>The Shire maintains all sports court floors in all 4 towns.</p>	<p>\$10,000 per annum provided through the Shire's Town Recreation Centre Subsidy to assist with sustainability.</p> <p>Historic capital contribution at the time of construction.</p>	<p>Clem Collins Pavilion: Open kitchen area (not commercial set up) in the hall; can be utilised by hall hirers.</p> <p>Basic club canteen underneath the Eric Sanders Grandstand, operated by sporting</p>

	<p>Activities include: sports, community activities and events, private functions (eg. birthdays, funerals).</p>	<p>NRA operates through their committee of volunteers without paid manager/administrator.</p> <p>Outdoor facilities managed by the Shire, incl. sporting field and playground.</p> <p>Unique set up of NRA being the only incorporated body, handling all administrative and governance matters for the underlying sporting clubs that utilise the NR grounds.</p>	<p>Some groups have been granted funding by Council towards their funding requests for one-off projects.</p> <p>A fee for service (\$7k per annum) is in place for the maintenance of the sporting field and surround between the Shire and NRA (note: the same arrangement is in place with different local groups for other sporting fields within Shire, except Walpole due to low usage).</p>	<p>clubs during their sporting activities.</p> <p>Occasional liquor licencing for a small number of events.</p>
<p>Walpole Recreation Centre, Walpole</p>	<p>Indoor Recreation Centre with 1 court, gym with 24/7 access, lobby with kitchen serves as indoor community space. Outdoor tennis courts (3 courts). Small infrared saunas in male and female change rooms. Facility also serves as Emergency Welfare Centre (evacuation centre).</p> <p>Activities include: sports, community activities and events, private functions.</p> <p>Not part of the Walpole Recreation Centre, but on same lot:</p> <ul style="list-style-type: none"> - Playground - Skate park - Sporting field 	<p>Indoor Rec Centre incl. tennis courts leased and operated by Walpole Sport & Recreation Association (WSRA). WSRA operates with a paid manager/administrator.</p> <p>Facility maintenance responsibilities in accordance with lease agreement and Shire's lease policy.</p> <p>The Shire maintains all sports court floors in all 4 towns.</p> <p>Outdoor facilities managed by the Shire, incl. sporting field, skatepark and playground.</p>	<p>Historic capital contribution at the time of construction.</p> <p>Some groups have been granted funding by Council towards their funding requests for one-off projects.</p>	<p>Open kitchen area (not commercial set up) in the lobby; can be utilised by facility hirers.</p> <p>Occasional liquor licencing for a small number of events.</p>

	- Community Garden.	<p>Community Garden leased and operated by Ficifolia Community Garden Inc.</p> <p>Note that most Walpole children attend school in Denmark from a certain age; as such there are very few sporting clubs (only yachting club and country club) in Walpole and the WSRA organises many sporting activities (eg. gymnastics, karate, basketball) as well as community events.</p>		
Pemberton Community Hub, Pemberton	<p>Under construction but will co-locate:</p> <ul style="list-style-type: none"> • Pemberton Visitor Centre • Pemberton Library • Pemberton Community Resource Centre • Pemberton RSL • Pemberton Arts Group • Pemberton Heritage & History Group • Pemberton Chamber of Commerce. 	<p>Library, public space and hire facilities managed and operated by the Shire. Lease and MOU to Pemberton Community Resource Centre. Lease and MOU to Pemberton Visitor Centre. Lease and MOU to Pemberton Arts Group. Lease and MOU to Pemberton Heritage and History Group. Lease and MOU to Chamber of Commerce and Industry. MOU to Pemberton Branch Returned & Services League</p>	<p>Peppercorn leases (\$100 on demand per annum) Shire to clean and cover utility costs for 50% of the RSL Building being the library, hire space and public are, and maintain gardens/grounds. Individual groups to be responsible for their own cleaning and utility costs. Shire will invoice fees and charges as determined.</p> <p>Collaborative construction and fit out process with majority of finances coming from the Shire of Manjimup and then Lotterywest with individual groups contributing as able.</p>	No food & beverage or liquor licence.

			PHHG eligible for annual subsidy for heritage of \$5,000 and other groups eligible for annual community grant applications.	
Manjimup Community Centre, Manjimup	Includes the following facilities/groups: <ul style="list-style-type: none"> • Manjimup Library • Manjimup Art Gallery • Manjimup Family Centre • Timber Tots Daycare Centre • Manjimup Community Health Nurse Rooms for hire. 	<p>Library and Gallery managed and operated by Shire.</p> <p>Lease to Manjimup Family Centre. Lease to YMCA (Timber Tots). Lease to Anglicare Financial Counselling. Lease to WA Country Health Service.</p> <p>Part area under control of Department of Communities</p> <p>Outgoings such as cleaning, utilities and waste management costs are recouped from YMCA, Family Centre and WA Country Health Service by an annual/quarterly fee.</p> <p>Department of Communities pay the Shire an annual contribution to retain control of allocated rooms. Single room counselling services pay an annual fee. Shire covers bulk of communal public space.</p> <p>Facility maintenance responsibilities in accordance with lease agreement and Shire's lease policy.</p>	<p>Historic capital contribution at the time of construction.</p> <p>Some groups have been granted funding by Council towards their funding requests for one-off projects via competitive grant processes.</p>	<p>Small kitchenette in community space; can be operated by users/hirers.</p> <p>Commercial kitchen in daycare centre, operated only for daycare centre.</p> <p>Occasional liquor licencing for a small number of events in Art Gallery.</p>
Northcliffe Colocation, Northcliffe	Houses the following groups: <ul style="list-style-type: none"> • Northcliffe Visitor Centre • Northcliffe Library 	<p>Lease to Northcliffe Community Resource Centre (Head Lessee). Sublease to Southern Forest Arts.</p>	Peppercorn Leases and building maintenance in accordance with lease.	Kitchenette and coffee machine for centre users.

	<ul style="list-style-type: none"> • Northcliffe Gallery (Southern Forest Arts) • Northcliffe Community Resource Centre (NCRC) <p>Spaces: Hire/conference room.</p>	<p>Sublease to Northcliffe Visitor Centre. Service Agreement MOU in place between the Northcliffe Visitor Centre and Northcliffe Library SoM.</p> <p>Facility maintenance responsibilities in accordance with lease agreement and Shire's lease policy.</p> <p>NCRC recoups outgoings such as utilities from sublessees.</p>	<p>Historic capital contribution at the time of construction.</p> <p>Some groups have been granted funding by Council for one-off projects (through open competitive community grant processes).</p>	<p>Nil food & beverage.</p> <p>No liquor licence.</p>
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6.2. South-West Region

A desktop reviewed identified a number of sport and recreation or community facilities located in shires adjacent to the Shire of Manjimup. Key details of each facility are summarised in Table 6.2.

A key point of note is that none of these facilities have bar facilities with all focussed on facilitation of sport, recreation and community activities and all are managed by the respective local government.

Table 6.2: Summary of community and sporting facilities in South-West Region

Facility name and location	Description	Facility use
Margaret River Recreation Centre	Indoor Sporting Facility with 2 indoor courts, gymnasium and group fitness classes and a creche (normally 3 court however 1 is unavailable due to the refurbishment works). There is also an outdoor pool which is currently closed for long term refurbishment.	<ul style="list-style-type: none"> Indoor courts – competitions for netball (women’s and mixed) and mixed volleyball Creche Outside school hours and holiday care programs Group fitness, exercise physiologist and seniors classes.
Augusta Recreation Centre	Indoor Sporting Facility with a gymnasium, hydro pool and indoor court. Facility is not staffed, with bookings made via Margaret River Recreation Centre	<ul style="list-style-type: none"> Indoor court – basketball, netball, volleyball and Badminton (casual use is included in gym membership).
Geographe Leisure Centre, Busselton	Multi use sporting complex with three indoor courts, gymnasium, group fitness studio, indoor and outdoor heated swimming pools, spa and sauna, café and creche.	<ul style="list-style-type: none"> Indoor courts – for netball, basketball, volleyball and badminton Sporting fixtures (association run competitions and social basketball and netball) Swim school Creche.
Naturaliste Community Centre	Community meeting space with indoor courts, spin bike studio, two multi-purpose activity rooms, commercial kitchen, meeting room and creche facilities.	<ul style="list-style-type: none"> One court stadium – netball, basketball, volleyball, indoor soccer, badminton and tennis Health and fitness classes Social sports School holiday vacation care program Creche.

6.3. Comparison of fees and charges

Table 6.3 provides a summary comparison of the fees and charges for the various hire spaces at Pemberton Sports Complex with those at the other sport, recreation and community facilities across the Shire of Manjimup and facilities in the Shire of Augusta Margaret River and the City of Busselton².

This shows charges for court hire at Pemberton Sports Complex are lower than comparable facilities and similar for meeting room space.

Gym fees are lower than those at the Shire of Augusta Margaret River however it is noted fees at those venues include group fitness classes and access to casual sports court entry.

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² Only elements of Pemberton Complex available for hire with comparable rates have been included.

Table 6.3: Comparison of hire fees and charges

Hire Charges	Pemberton Sports Complex	Manjimup Indoor Sporting Pavilion	Northcliffe Recreation Grounds	Walpole Recreation Centre	Augusta Recreation Centre	Margaret River Recreation Centre	Geographe Leisure Centre	Naturaliste Community Centre
Sports Courts								
Use of courts with lights – per hour, per court	\$37.90	\$39.00	\$25.00	Casual \$6.00 adult \$4.50 child		\$44.00 Casual \$5.50 16+ \$4.50 u15	\$58.00 Casual \$7.00 adult \$3.00 child	\$57.00 Casual \$7.00 adult \$3.00 child
Other than sports (half day up to 4 hours)	\$434.40	\$447.00					\$680.00 per day	
Kitchen hire per booking	\$65.00			\$60.00				
Mezzanine Floor Level – Sport & Fitness								
Sport/Fitness – seasonal bookings – per hour, minimum 1 hour	\$20.00			\$4.50 per child per day			\$41.00	\$41.00
Sport/Fitness – occasional booking – per hour, minimum 1 hour	\$40.00						\$77.00	\$77.50
Meeting room hire		Roundhouse, Manjimup Heritage Park						
Pemberton based sporting group/not for profit/charity								
Meeting room – per hour	\$20.00	\$10.00	\$45.00				\$24.00	
Commercial entity								
Meeting room – per hour	\$50.00	\$25.00	\$60.00				\$40.00	
Equipment hire	\$2.00 each	\$1.50 each	\$1.00 each	\$2.00 each				
Chairs								
Tables	\$5.00 each	\$5.50 each	\$10.00 each	\$10.00 each				
Function Room and Canteen Hire								
Function room only	\$150.00		\$120.00	\$120.00				

Canteen hire	\$50.00							\$28.00
Gym Membership³								
1 month	\$50.00			\$60.00	\$71.00	\$77.50		
3 months				\$100.00	\$181.00	\$198.00		
6 months	\$250.00			\$150.00	\$340.80			
12 months	\$450.00		\$360.00	\$250.00	\$511.20	\$604.50		

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³ Other gym membership rates are available at Augusta and Margaret River Recreation Centres, including concession, student, FIFO and seniors. Membership fees include access to the gym, group fitness and casual court entry.

7. INDUSTRY TRENDS

This chapter provides an analysis of best practice industry trends in sports complex/facility governance and management arrangements, including pros and cons of each.

7.1. Sport and Recreation Trends

SGL has undertaken desktop research on published data which has been correlated with information sourced from prior studies to better identify key sport and recreation trends. Below are a series of trends that have implications for both sport and recreation activities and facilities.

7.1.1. Social Trends

- Australia's population is growing but also ageing with increasing numbers of older people participating in a wider range of sport and recreation activities.
- There has been a slow relocation away from capital cities with lifestyle and affordability being driving factors behind this population migration.
- More than half of working Australians are in part time or casual work. This is impacting the ability to participate in regular sport and recreation activities.
- Councils are taking more of a role in encouragement of active lifestyles to reduce social isolation and improve health outcomes, both physical and mental.

7.1.2. Participation Trends

- There has been a trend towards more individual or small group non-organised sport and recreation activity participation, and a movement away from more traditional organised sports. This has been exacerbated by the Covid-19 pandemic.
- People have less time for sport and recreation participation so convenience in being able to participate at a time that suits each individual is becoming increasingly important.
- There is an increased consumer approach, where people can just arrive and participate in sport and recreation activities at a time that suits their lifestyle, eg: 24/7 gymnasiums and other similar pay and play activities.
- More people are using public parks and open space to participate in fitness and exercise programs, either as individuals or with a person trainer/small group. This is reducing the reliance on built infrastructure/buildings.

7.1.3. Infrastructure and Facility Trends

- Quality facilities – often high quality sport and recreation facilities are seen as a key tool to help attract new residents, particularly those in more regional centres.
- Multi-purpose facilities are increasingly being developed to serve multiple sports at different standards and levels of competition as well as other ancillary activities such as markets and shows.
- Toilets and change rooms are expected to be adequate in size, accessible to playing areas and compliant for people with a disability.
- Local governments are recognising the importance of creating environments to enable people to lead active and healthy lives, placing greater focus on integration with urban planning including provision of walking/cycling paths, access to parks and open space.
- Outdoor individual fitness equipment has been increasingly installed in public open spaces, providing an opportunity to meet the demand from people to exercise at a time the suits them.

- Local governments have an increased awareness of the need for a ‘whole-of-life’ approach to facility development and asset management.
- With economic constraints and limited capital and operational budgets, new innovative funding arrangements are being considered.

7.2. Model multi-use facilities

Multi-purpose facilities are increasingly being developed to serve multiple sports/recreation activities at different standards and levels of competition. Below are some recent examples of such facilities that have been developed or in the process of being redeveloped and expanded to meet community demand.

7.2.1. Port Noarlunga Sports Complex – Port Noarlunga

The Port Noarlunga Sports Complex is in the City of Port Noarlunga, a city with a 2022 estimated resident population of 3,232 people. The complex is used by the Port Noarlunga Football Club, Port Noarlunga Cricket Club, Port Noarlunga Netball Club and the Port Noarlunga Tennis Club. Other groups also use the facility for community music and social events such as South Coast Raw and the Blues Festival. Sporting clubs will have licences to operate and play from the facility.

Sporting facilities include an Australian Football/cricket oval, cricket nets (three) and six tennis/netball courts. A new multi-use club building is currently under construction that will service all current sports and cater for future anticipated sport and recreation needs of the community.

The new building will meet modern sporting facility guidelines, helping to promote female and junior participation in sport. Being positioned next to the oval and hard courts will provide function space with views across all playing surfaces, offering improved site connectivity and a flexible layout to meet the diverse needs of user groups. Construction of the facilities includes:

- Four player change rooms with shower and toilet amenities
- Two umpire change rooms
- A medical room
- An oval sport canteen
- A court sport canteen
- A kitchen and bar
- A large multi-function room with amenities
- Storage rooms
- Offices
- An external viewing deck.

7.2.2. Summit Sport and Recreation Park – Mount Barker District Council

Summit Sport and Recreation Park is being developed by Mount Barker District Council as a multi-use regional sports hub. The Mount Barker District Council 2022 estimated resident population is 41,059 people. Facilities constructed to date include two premier synthetic football (soccer) pitches and associated clubrooms, one Australian Football/cricket oval and cricket practice nets.

A number of clubs have entered licences to operate and play from the facility.

Other facilities proposed for development in future stages include two additional football (soccer) pitches, a second Australian Football/crocket oval, netball courts and tennis/netball courts.

7.2.3. South Pine Sports Complex – Moreton Bay Regional Council

South Pine Sports Complex is in the Moreton Bay Regional Council area, with an estimated residential population of 497,154 in 2022. The Complex is a multi-use facility with both indoor and outdoor sport and recreation facilities. The venue is currently home to 14 sporting clubs and one commercial beach volleyball centre. Sporting activities include: Australian Football, Basketball, Beach Volleyball, Cricket, Dog Agility, Futsal, Gymnastics, Hockey, Netball, Roller Derby, Rugby Union, Rugby League, Soccer, Touch Football and Taekwondo.

Outdoor playing fields include:

- 3 Rugby League fields
- 2 Rugby Union fields with an associated clubhouse that includes:
 - universal change rooms and officials' rooms
 - first-aid room, storerooms, merchandise room
 - gym space, spectator amenities and canteen
 - separate club meeting rooms for the rugby union and touch football clubs
- 4 Football (soccer pitches) with a 5th mini pitch
- 2 Australian Football ovals
- 1 cricket oval with a second cricket oval/2 hockey pitch fields
- Dog agility and training area
- Newly constructed BMX racetrack and clubhouse.

The indoor sports centre includes:

- three multi-purpose indoor sports courts
- canteen and spectator areas
- offices, multipurpose function room/event space with supporting servery facilities
- retractable grandstand seating, storage areas, universal change rooms, officials' rooms, compliance and first aid rooms and spectator amenities.

Design has recently been completed for construction of four new full size soccer fields, two new clubhouses and amenities buildings, spectator areas and carparking as part of a football centre of excellence.

The Brisbane Roar's junior academy and women's team will use the ground and will be constructed in time for the 2023 FIFA Women's World Cup.

7.3. Governance Models

The type of governance model chosen by a local government for management of government owned sport, recreation and community facilities can be influenced by a number of factors. These include the need to ensure:

- community assets are used in accordance with the local government's goals
- the arrangement provides accurate information on the performance of the facility
- the arrangement ensures financial and human resources are used efficiently
- probity is achieved in the operation of the facility
- staff or the facility manager comply with established policies and procedures, and
- the assets of government are safeguarded for the future.

Common governance models are summarised below with an assessment of the advantages and disadvantages and a range of examples.

7.3.1. Lease

Local governments across Australia commonly lease sport, recreation and community facilities to external operators such as private companies (for larger aquatic and sport/recreation centres) and community groups or sporting associations (for community facilities and smaller indoor sport/recreation facilities). A lease agreement is often used where the site is either fully occupied for a specific purpose or where a club has made substantial contributions to the development of the site. From a legal perspective a lease creates an interest in the land and/or facility.

Under lease arrangements for larger profitable facilities the lessee often has some responsibility for ongoing capital development and upgrades with the lease term and value determined by the level of investment expected from the lessee for any capital upgrades.

In the situation where the lessee funds the capital works, the government would offer a longer term to provide the lessee with the opportunity to obtain a return on their investment. If the local government injects some (or all) of the capital prior to leasing it would enable the standard and type of facilities to be developed to the level desired by council to meet community demand and expectation. In this situation, the length of lease could be much shorter as there is no need to obtain a return on investment by the lessee.

7.3.1.1. Advantages of a lease

- Relieves government of the day-to-day burden of responsibility for managing the facility, such as ongoing operating costs, maintenance and repairs, while still providing an income stream in the form of rental payments.
- Relieves government of legislative and occupational health and safety responsibilities for facility.
- Government retains control of the type of development in the facility through conditions written into the lease.
- Lease terms can foster capital investment into the infrastructure without significant capital expenditure by the local government.
- The nature of upgrades is likely to be more customer focused and meet expectations of clients than when the local government decides on type of expenditure.

7.3.1.2. Disadvantages of a lease

- Loss of degree of control over the development and operation of the facility.
- No control over setting of fees or day to day management of the facility.
- Where the local government injects capital, it would be investing in a non-core business during the term of the lease.
- Any capital expenditure may not be the best fit to maximise the preferred outcomes for the facility.
- The lease would commit the government for a considerable time frame so it is extremely important to get the lease details right.

If a local government decides that leasing a sport and recreation facility is the preferred option, then development of a detailed management plan to control the future of the facility should be executed with the lessee. It should also incorporate items such as rent review methods and dates of review.

7.3.1.3. Position for Lessee

For a lessee, such as a sporting club, the benefits include greater certainty and autonomy in access to, and use of, their particular lease area. Lessee's can set fees for user groups and depending on lease conditions will have greater 'ownership' of the facility, including responsibility for maintenance and capital works.

Lessee's can ensure the facility is developed and operated to meet their user needs. Potential negatives relate to the additional exposure to risk, particularly financial risk and the requirement to offer or make space available for other users (if required to support multiple users), which may impact the core focus of the lessee.

7.3.2. Contract Management

Contracts enable a local government to engage a venue manager (this could be a company or association) on a fee for service basis to manage their sport and recreation facilities or community halls.

Within the contract management option there is a scale of responsibility that the government or contractor could adopt to grow the business and increase revenue. At one end of the scale, the contractor collects and remits income to government and in return for management services receives payments based on a percentage of operating revenue. This option has the capacity to incentivise the manager to grow the business as their payment will increase as operating revenue increases. At the other end of the scale, the contractor collects and remits income to government and in return for the management receives a set monthly fee. Under this option there is no incentive for the manager to grow the business so marketing and promotion would fall to the local government who would take the additional revenue from any increased business.

Under a management contract, payments to the contractor cover the cost of salaries and wages, cleaning and minor building maintenance. The contractor is required to manage the facility during the period of the contract, maintain a minimum amount of insurance and maintain all plant and equipment. From the revenue it receives, the local government would meet all operating costs.

7.3.2.1. Advantages of Contract Management

- Simple to create and administer.
- Provides a buffer between government and users of the facility.
- Local government retains direct budget control over all aspects of the facility, including setting fees and charges.
- The manager handles all operational matters, including bookings and marketing (depending on the scale of responsibility, this could also be undertaken by the local government).
- Through the tender process, the market determines the cost to government for this service.
- Minimum standards and procedures can be documented in the management agreement to ensure high standards in service, facilities and infrastructure.
- Well written contracts can clearly articulate roles and responsibilities for all parties to enable decisions to be made easily.
- An entrepreneurial contractor may be more motivated to ensure a facilities success, particularly where the contractor is paid a percentage of operating revenue.
- Administration within government is simplified.

7.3.2.2. Disadvantages of Contract Management

- Local government has indirect control over the quality of the facilities operations as measured by the cleanliness of amenities and level of service to customers.
- It can be difficult for the contractor and the government to address maintenance and capital requirements in a timely manner.
- It can be difficult for a local government to respond to changing market circumstances.
- There is a requirement for a detailed management contract.
- Local government will have less control than if directly managing the facility.

- Where government pays a set fee, there is less incentive for the manager to grow the business and increase operating revenue.

7.3.2.3. Position for Contract Manager

For the contract manager, the benefits include the ability to ensure that the contract fee will meet all anticipated expenses, plus provide a return for the contract management service. The manager can handle all operational matters, including booking and marketing of the facility and can negotiate to have facility maintenance undertaken by the local government. Potential negatives relate to the local government attending to major maintenance and/or breakdowns in a timely manner which may impact operation of the facility.

7.3.3. Local Government Management (Direct Management)

The management option that some local governments have adopted is to directly employ staff to look after sport and recreation facilities. Under this arrangement all responsibility of the facility is met by government. This would include day to day management, marketing and ongoing costs for operation as well as funding all capital works.

7.3.3.1. Advantages of Direct Local Government Management

- Allows staff to manage a number of facilities as needed and based on demand, providing cost and management efficiencies.
- There is no need for a tender process or contract documents other than job specifications and recruitment processes.
- Council retains control over all staffing, maintenance and capital works expenditure.
- Council retains direct budget control over all aspects of the facility, including setting fees and charges.

7.3.3.2. Disadvantages of Direct Local Government Management

- The chain of command can become problematic when operational decisions need to be made about the facility, particularly when front line employees do not have the authority to make all decisions.
- Local government industrial awards are not geared to meet the large over-time costs often incurred when running facilities with a large component of after-hours use.
- As employees, staff may not be as motivated to provide the necessary customer service standards required for a well-functioning facility.
- Local government is responsible for all operating and capital costs, as well as management and marketing of the facility. This can create an additional risk that government may not want to take regarding ratepayer funds.

Due to the disadvantages associated with this model, many local governments have over time moved away from this style of management for many sport, recreation and community facilities.

7.3.4. Other Models (Hybrid)

In addition to the three basic models identified above, a range of other hybrid models could be considered for management of local government owned sport, recreation or community facilities. These could be adopted for all or only some components within a facility, depending on the scale and complexity of the operation and could include a mix of lease, sub-lease, contract management, licence and direct hire arrangements. Table 7.1 provides a summary of potential governance options for different facility components that are currently provided at Pemberton Sports Complex.

Using Pemberton Sports Complex as an example, sport and recreation facility user groups could enter a licence to occupy a specific facility requirement directly from the local government, a lease could be entered for commercial facilities such as a bar or kitchen and a contract could be entered for provision of commercial services such as cleaning or groundskeeping.

Table 7.1: Potential Governance Options for Sport and Community Facility Components

Facility Component	Potential Arrangement and Comments
Sport and recreation facilities Community rooms (for community services and programs) Arts and exhibition space	<ul style="list-style-type: none"> • Hire (casual or seasonal) – users/user groups get access if facilities are available at published hire rates. Arrangements could be managed directly by local government or by the lessee. • Licence to occupy – provides user groups with certainty of facility space for a specific purpose when required for a fee which covers the cost of use and maintenance. This could be administered by the local government directly or by the lessee. • Lease – direct arrangement with the local government who will administer. This provides certainty of tenure and will include requirements for maintenance and upkeep however it is not possible to have multiple leases over the same facility component. • Sub-lease – from a head lessee. This would provide an interest in the facility similar to a lease, and would generally require approval from the head land or facility owner. Similar to a lease, it is not possible to have multiple leases over the same facility component.
Bar facilities	<ul style="list-style-type: none"> • Contract arrangement with head lessee. Under this arrangement the contractor would provide a fee for service basis. • Sub-lease – from a head lessee. This would provide an interest in the facility similar to a lease, and would generally require approval from the head land or facility owner.
Commercial kitchen	<ul style="list-style-type: none"> • Contract arrangement with head lessee. Under this arrangement the contractor would provide a fee for service basis. • Sub-lease – from a head lessee. This would provide an interest in the facility similar to a lease, and would generally require approval from the head land or facility owner.

7.3.5. Case Studies

Below are some case examples from across Australia of a range of different governance arrangements as discussed in sections 7.3.1 to 7.3.4, including benefits and drawbacks of each.

7.3.5.1. Community run, council supported - Ravendale Community and Sports Centre – City of Port Lincoln

The Ravendale Community and Sports Centre (RCSC) is a sports and community facility in Port Lincoln, South Australia, a city with an estimated resident population of 14,947 in 2022. The centre was conceived as a collaboration between the City of Port Lincoln, Tasman Football Club and the Port Lincoln Hockey

Association, with the support of Federal, State and Local Government funding plus a large measure of local business and personal sponsorship.

The City of Port Lincoln owns the land and sports complex facilities and amenities (lessor) with the RCSC Board of Management (BoM) as the lessee. The BoM is formally represented by members of Tasman Football Club Inc. and Port Lincoln Hockey Association Inc. This model was established for the community to have responsibility for the operations and management of the facility, resulting in a low-cost operating model for the City of Port Lincoln.

Benefits

- Responsibility and accountability for the facility moves to user groups directly who provide services to the community on an as needs basis.
- Maintenance costs are shared with the City.
- Low rent model with revenue sharing with the community to recover capital costs of the facility.
- No need to engage a commercial operator for the facility, which would provide greater community benefits through reduced costs.

Negatives

The negatives in this model are often associated with governance failures, and the reliance on volunteers to ensure the facility is managed effectively, including:

- Potential governance failures that can lead to poor community engagement.
- Potential for financial mismanagement due to reliance on volunteers within the community, who may or may not have adequate time and or skills to support effective financial decision making.
- Maintenance failures can be exaggerated, as expectations differ from one a commercial entity to a volunteer or incorporated association entity.
- There is a higher risk of failure of this type of model which can ultimately cost the local government more in the long run if there is a requirement to take back control of the facility.

7.3.5.2. Government run (staff solely for one precinct) – Christmas Island Recreation Centre

Christmas Island Recreation Centre is located at Phosphate Hill, Christmas Island and was constructed by the Australian Government in 2004. Christmas Island had an estimated resident population of 1,843 in 2022. The recreation centre includes a 25m outdoor swimming pool, outdoor toddlers pool, multi-use recreation hall, change rooms, gymnasium, group fitness, crèche, café and function rooms.

This facility was originally managed internally by the Shire of Christmas Island – the local government authority. Internal management of the facility was thought to be a good opportunity to engage with the local community to offset the effects of installing the offshore processing facility for offshore immigration arrivals.

Benefits

The benefits of this model were to ensure the local government was responsible for the operations and management of the facility, and to provide an operating model to benefit the community. Benefits:

- There would not be a need to engage a commercial operator for the facility, due to the greater community benefits and potential for reduced costs.
- Community engagement would be strong, providing access to the facility when the community needed.
- Utilisation and optimisation of existing local government resources to manage the facility.

Negatives

Ultimately the negatives of this local government run facility led to the facility being outsourced to a commercial manager to operate on behalf of council. Negatives that lead to this outcome included:

- Council staff employed to run the facility did not have sufficient experience managing or operating the type of facility.
- Management costs were very high, due to re-allocation of staff from other government operations to the Recreation Centre. As a consequence, staff were paid unrealistically high salaries that could not be recovered from operation of the facility.
- Opening hours were highly restrictive to reduce staffing costs, which led to poor community engagement and satisfaction with the facility.
- The facility was over-regulated and had a bureaucratic management model which did not have a community focus, resulting in competing programs being established such as a community learn to swim program at the beach, in order to avoid using the swimming pool.
- There was limited staff accountability for service delivery due to the lack of expertise within the Shire of internal facility management, and the model became a satisficing⁴ model of delivery, rather than a service delivery model.

7.3.5.3. Out-task (outsourcing of Facility Management roles on case-by-case basis) – Canteen/Cafe Contract Out Model

Outsourcing of task specific components of facilities has been common in a range of sporting facilities such as golf course pro shops, waste management, building maintenance, school canteens, security services and food and beverage operations or cafes within larger facilities. This model is common because it requires a special skill set that is often not transferable to other administrative functions, such as food preparation, food services, barista service, and food and drinks procurement.

Benefits

The benefit of this model allows a local government to outsource management of majority of a sub-section of a facility to a specialist operator responsible for the operations and management of that component, thus benefiting the community. Potential benefits include:

- Ability to draw on industry expertise with commercial operator.
- Opportunity to draw upon service specific staff and resources.
- Utilisation and optimisation of existing council resources to other parts of council operations.

Negatives

- There can be misalignment with community needs in particular facilities.
- Management contracts create an obligation on the local government to provide a facility which operates effectively and efficiently. Where plant breaks down and is not repaired immediately it creates an extra cost for the contractor.
- A good argument can be made for compensation payments where the inaction of the local government results in increased cost for the contractor.

7.3.5.4. Consolidated (pooling of staff, contractors across sites) Morten Bay Regional Council Aquatic Facilities – Belgravia Leisure

Morten Bay Regional Council in Queensland has facility management contracts for eleven pools managed by Belgravia Leisure. Contracts requiring payment of rent by the contractor require the local government to

⁴ **Satisficing** is a decision-making strategy that aims for a satisfactory or adequate result, rather than the optimal solution.

undertake maintenance works and pay for part or all of utilities. A simpler process is for the contractor to pay for all costs including routine maintenance and retain all revenues. In return the local government may pay a subsidy, or reduce/eliminate the rent payment.

Benefits

The benefits of this model are to ensure the local government can outsource the collective facility management of majority of their community facilities to a specialist operator responsible for the operations and management of the facility, and to provide an operating model to benefit the community. Potential benefits include:

- Opportunity for the local government to bundle all similar type facilities to be managed by a single commercial operator with significant experience in the sector. Examples would be:
 - Leisure and Recreation Centres could be managed by a single commercial operator who specialises in recreation centre management
 - Libraries could be managed by a single commercial operator who specialises in library management (eg. Often this can be an operator of a broader Library network such as the State Library)
 - Art Galleries across the local government area could be managed by a single operator who specialises in Art Galleries and Museums
 - Kindergartens could be managed by a single operator who specialises in early childhood learning.
- Ability to draw on industry expertise with commercial operator.
- Management experience of similar facilities around Australia which allows for internal benchmarking for performance.
- Opportunity to draw on capital funding from the commercial provider to supplement council investment in facility provision.
- Opportunity to draw upon staff and resources at neighbouring facilities where resourcing challenges are confronted.
- Utilisation and optimisation of existing local government resources to other parts of council operations.
- Terms and conditions which should be consistent across all facilities include:
 - Lifeguard and supervision standards to meet RLSS Guidelines for Safe Pool Operation
 - Contractors responsible for routine and preventative maintenance
 - Definition of routine, preventative and structural maintenance
 - Payment of utilities (water and energy)
 - Payment of rates
 - Insurance requirements, including public liability insurance levels
 - Reporting (financials, attendances, maintenance and programs)
 - Financial audit
 - Security deposit or guarantee
 - Setting entry fees for core activities
 - Branding and naming of the facility
 - Minimum opening hours, and seasonal opening periods.

Negatives

The negatives of an outsourced run facility by a commercial operator on behalf of the local government can include:

- There can be misalignment with community needs in particular facilities.
- Management contracts create an obligation on the local government to provide a facility which operates effectively and efficiently. Where plant breaks down and is not repaired immediately it creates an extra cost for the contractor. For example, a pool leak will result in higher water costs, and failure of a solar heating system results in higher electricity costs.
- A good argument can be made for compensation payments where the inaction of the local government results in increased cost for the contractor.

- This model is best suited to single category type facilities (leisure centres, art galleries, libraries, kindergartens, aquatic centres etc) across the council region, rather than large multi-use Community facilities which might encompass non-specific facility offerings such as meeting rooms, conference facilities, office space, in addition to libraries, recreation centres etc.

7.3.5.5. Bundled FM services – Programmed Asset Management, University of Tasmania

Bundled outsourcing or “Bundled Services” as it is usually referred to, is when multiple services are outsourced to one company, typically bunched into combinations such as cleaning, security, and waste management. Aside from the benefits of reducing costs through economies of scale, business can expect to benefit from increased value for money, a one-team approach and increased innovation.

Programmed work with the University of Tasmania was implemented to assist them with whole of life asset management services for the university’s student accommodation facilities as part of a Public Private Partnership (PPP). The scope for this PPP spans five sites and includes maintenance, replacement, cleaning, waste and capital works. They also provide a painting program for the university and manage the helpdesk and utilities for 2,200 beds across 11 purpose-built student accommodation buildings.

Benefits

The benefits of this model were to ensure the local government can outsource the bundled facility management to a company responsible for the operations and management of the facility, and to provide an operating model to benefit the organisation. Potential benefits include:

- When outsourcing bundled services to a single service provider, you can expect to benefit from lowering the individual cost of each service line.
- This can be achieved through more efficient use of personnel and by ‘cross-training’ employees across service lines.
- Security Guards may be trained in cleaning practices, meaning they can step in as a cleaning operative when needed, effectively performing two roles at once, meaning increased value for money.
- Works best on standardised facilities – such as an office building, where the main facility services are cleaning, waste management, building maintenance and security services.

Negatives

The negatives of a bundled outsourced run facility by a commercial operator on behalf of a local government potentially include:

- Doesn’t tend to work well with specific service delivery facilities such as sport and recreation, or health and wellbeing centres.
- There can be misalignment with community needs in certain types of facilities.

8. ENVIRONMENTAL AND ORGANISATION ANALYSIS

This chapter provides a macro and micro level review of the Pemberton Sports Complex, taking into account background information and data, industry trends and the stakeholder consultation undertaken as part of this project. This analysis will form two distinct components:

1. PESTLE analysis – exploring the Political, Economic, Social, Technological, Legal and Environmental situation in which the Pemberton Sports Complex is operating.
2. SWOT Analysis – Exploring the Internal Strengths and Weaknesses and the External Opportunities and Threats facing the Pemberton Sports Complex.

8.1. PESTLE Analysis

The PESTLE analysis is an effective tool for scanning the broader or macro environmental issues that effect an organisation, in this case the Pemberton Sports Complex. The analysis will include an identification of the various Political, Economic, Social, Technological, Legal and Environmental factors that influence the broader macro environment in which the Pemberton Sports Complex is operating. It should be noted this analysis does not provide absolute solutions to any issues or factors raised, nor are the issue or factors identified listed in any hierarchy of importance.

8.1.1. Political Factors

The Pemberton Sports Complex has a range of political factors that influence the operations and management of the facility within the local Pemberton Community. These factors include:

- The historical association of the complex with the shut-down of the forestry industry in Pemberton – the major industry in the region for the previous century.
- The historical association of the complex with the Pemberton workers club associated with the timber processing mill.
- The initial funding of the Complex was a joint venture between the Shire of Manjimup and the Pemberton Sports Club, with additional funding provided by various government and grant programs.
- There is long-term animosity at the Pemberton Sports Club about its perceived treatment by the Shire of Manjimup.
- Shire of Manjimup has an objective of providing equitable support to the Pemberton Sports Complex as it does to other similar sports and community complexes in the Shire.
- The Shire President has a long-term and historical association with Pemberton and the Pemberton Sports Complex.
- Shire Councillors

8.1.2. Economic Factors

Economic factors associated with the Pemberton Sports Complex include:

- The local Pemberton community is constrained by a declining population, which creates an effective cap on the total number of effective users that can attend the sports complex.
- The recent inflationary environment is creating significant cost pressures on both the local community, and the effective cost control by the Pemberton Sports Club.
- Recent years have had a significant financial impact on the financial operations of Pemberton Sport Club due to declining revenues, increasing expenses and the COVID Pandemic.

- The Pemberton Sports Club has undertaken significant efforts to reduce costs by more than 20% or \$60K over the past 5 years. When taken in combination with inflation the real cost reduction is equivalent to a \$73K reduction in costs over the same period.
- The club has been experiencing rising energy and water costs.
- Pemberton Sports Club have the highest rates charges of sports and community clubs in the Shire of Manjimup.
- Pemberton Sports Club have rates charges that are based upon the total size of the building, with a concession based upon exercising the sports and community spaces. Leaving approximately 25% of the rateable amount to be paid (\$8,000 approximately per annum).
- Pemberton Sports Club Rates payable for 2022/23 were \$8,089, which represents 3.4% of total income for the Club, and 5.4% of bar trading revenue.
- Pemberton Sports Club have approximately \$150,000 of bar trading revenue annually which has been stable when accounting for the significant downturn in trading revenues during the COVID Pandemic. It is noted that this is not an indication of net profit from bar trading activity however.
- Pemberton Sports Complex generates approximately \$30,000 from sports courts and community hire activities.
- Pemberton Sports Club has total Annual Revenues of around \$235,000 annually, which has been roughly stable over the past 5 years.

8.1.3. Social Factors

Social factors associated with the Pemberton Sports Complex include:

- The population of Pemberton has declined or has been stable over the past 20 years.
- There is an older age demographic in Pemberton which is likely to reduce the usage and participation of the Sport Complex.
- The Pemberton Sports Complex is viewed by members of the local community as a key community venue.
- Pemberton Sports Complex is a regular venue for town funerals and special events such as birthday parties and weddings.
- Community support for the Pemberton Sports Complex is high.
- Community support for the bar and dining areas at the Pemberton Sports Complex is also high, as it is seen as a complimentary service to the other sports and community facilities at the complex.
- As with many regional towns, the Pemberton Sports Complex is a major social complex due to the cricket and football clubs co-locating at the Complex.
- The Pemberton Sports Complex is a community gathering point for sports, community and other events, both midweek and on weekends.

8.1.4. Technological Factors

Technological factors associated with the Pemberton Sports Complex include:

- The size of the Pemberton Sports Complex is very large and expansive.
- The size of the building provides significant challenges in addressing energy and other utility needs at the Complex.
- Although solar panels have been installed which have reduced the energy expense, energy costs continue to increase, which may necessitate more solar panels or other renewable energy technologies being employed at the complex (ie. battery storage)
- There have been large increases in water charges in recent years, which may mean there are water leaks or wastage occurring.
- The sports halls has had roof panels replayed with clear/light penetrating panels to allow extra natural light into the space, and offset daytime lighting requirements.

- The kitchen fridge and bar cool room is large and as a consequence will have larger energy requirements to maintain low temperatures than may be required for a venue with this level of patronage.

8.1.5. Legal Factors

Legal factors associated with the Pemberton Sports Complex include:

- The Pemberton Sports Club is required to pay rates under the Shire's Rating Policy. Rates are based upon the total valuation of the PSC of \$318,918 with a 75% reduction in rateable amount.
- The rates valuation is based upon the total licenced bar area and is significantly higher than the rateable assessment of other sports and community clubs in the Shire:
 - Manjimup Country Club (\$146,500)
 - Tigers Football and Sporting Club (\$46,000)
 - Deanmills Workers Club (\$27,500).
- The quantum of rates payable is determined by three factors: the method of valuation of the land, the valuation of the land and improvements, and the rate in the dollar applied to that valuation by the local government.
- In determining the method of valuation of land to be used by a local government the Minister is to have regard to the general principle that the basis for a rate on any land is to be:
 - where the land is used predominantly for rural purposes, the unimproved value of the land; and
 - where the land is used predominantly for non-rural purposes, the gross rental value of the land.
- The Gross Rental Value rate is determined by the Valuer General, on comparable facilities and spaces.
- The Gross Rental Value of the Pemberton Sports Complex is very high, and not associated with any realistic rental return that could be achieved for this facility by a private operator.
- There is no realistic likelihood of any commercial entity renting the Complex for the rate identified and the rates payable and concession provided by the Shire although reasonable on ratio basis, the starting price is too high, and as a consequence the final amount ratables after concession is significantly higher than other sports and community facilities in the Shire.
- The Pemberton Sports Club has a Club Licence which requires local people to be a member of the club in order to purchase alcohol in the bar area. This limits the ability for the Pemberton Sports Club to more broadly market the bar and dining facilities beyond the membership base that is comprised of the various sports clubs and associations.

8.1.6. Environmental Factors

Environmental factors associated with the Pemberton Sports Complex include:

- The Pemberton Sports Complex and associated ovals are identified as a bushfire refuge, and are a safe gathering place in case of an emergency in the district with the Complex registered as an 'Emergency Evacuation Centre'.
- The size of the facility makes the energy costs higher than might otherwise be the case, contributing to the high cost burden confronting the Pemberton Sports Club.

8.2. SWOT Analysis

The SWOT analysis is an effective tool for scanning the internal and external operating factors relevant to an organisation. A SWOT analysis is a strategic planning tool used to assess the strengths, weaknesses, opportunities and threats of an organisation. Developing a SWOT analysis can help to identify a new strategic directions to take the organisation. The results generated by a SWOT analysis makes up part of organisational planning. It can assist organisations to:

- better understand their organisation
- identify areas of the organisation that need improving
- decide if you should introduce a new product or service
- understand your market and competitors
- predict changes you will need to deal with to ensure your organisation is successful.

8.2.1. Organisational Strengths (Internal Factors)

Assessing the strengths of the Pemberton Sports Complex will allow the Shire, and the operator of the complex to identify key internal factors that can and should be utilised to build sustained competitive advantage and success into the future. Some of the key Organisational Strengths of the Pemberton Sports Complex include:

- High quality and strong building construction
- Large carpark
- Large sports hall, capable of multiple games at once
- Large function and exhibition space
- Large bar and dining area that leads onto terrace overlooking oval
- Large commercial kitchen
- 24 hours access for members of the gym to use
- Strong community connection to the facility (for both sports and community functions)
- Commitment from community volunteers to maintain operations at the facility
- Large multi-sport facilities including; basketball, soccer, football, cricket, lawn bowls, netball, snooker, and darts.
- Large community and events gathering place for funerals, significant birthdays and other large community events.
- Unique quality asset in the Shire.

8.2.2. Organisational Weaknesses (Internal Factors)

Assessing the weaknesses of the Pemberton Sports Complex will allow the Shire, and the operator of the complex to identify key internal factors that can and should be mitigated to build sustained competitive advantage and success into the future. Some of the key organisational weaknesses of the Pemberton Sports Complex include:

- Predominantly volunteer based management
- The large building is broadly spread, and not concentrated in any one area
- The entrance area is not connected to main usage areas (sports hall or bar and dining areas)
- The large building requires ongoing and increasing building maintenance to address infrastructure requirements
- Operational finances are constrained due to population in the local area and natural caps on utilisation
- Operational reliance on bar trading revenue
- The bar and dining area is at opposite ends of the facility to the sports hall reducing incidence of walk past traffic
- There is limited activation at the entrance to the Pemberton Sports Complex
- No administrative entry can result in missed opportunities to attract new members and hirers and limited monitoring on actual of the community recreation spaces
- Limited space activation and marketing
- The Pemberton Sports Complex is not in a high traffic area of town, and as a consequence does not attract walk in visitors

- There are more than one carparking entrance areas, so people can avoid walking through the facility and enter via an alternative space
- The complex has multiple entrance points, effecting foot traffic flow concentration
- The perceived poor relationship with the Shire of Manjimup.

8.2.3. Organisational Opportunities (External Factors)

Assessing the opportunities for the Pemberton Sports Complex will allow the Shire, and the operator of the complex to identify key external factors that can and should be utilised to develop sustained competitive advantage and success into the future. Some of the key organisational opportunities to the Pemberton Sports Complex include:

- To be a community focal point within the Pemberton community for more than just sports, but also other community events and festivals
- To be used as a bushfire refuge in instances of emergency evacuation in the area
- Opportunity for more youth engagement at the facility
- Opportunity to build more consistent community engagement in non-sports activities such as art and culture
- Developing a welcoming entrance area that can be the meeting point and gathering for the facility would provide better linkages between different components of the facility
- Opportunity to engage with the Shire of Manjimup, building relationships and delivering opportunities for the community to engage in community and recreation activities.

8.2.4. Organisational Threats (External Factors)

Assessing the threats for the Pemberton Sports Complex will allow the Shire, and the operator of the complex to identify key external factors that can and should be mitigated to minimise future threats to the sustainable operations of the complex. Some of the key organisational threats to the Pemberton Sports Complex include:

- Constrained relationship between the Pemberton Sports Club and the Shire of Manjimup, whether perceived or real
- The current valuation is very high, based upon building materials, age of construction, and size of the building making the rates amount for the facility challenging for a predominantly volunteer managed community facility
- Energy and other utility costs are significantly increasing, putting increased pressure on volunteer cost control.
- If the Pemberton Sports Club was to close, there is unlikely to be any commercial operator that would take over the running of the Pemberton Sports Complex without a significant operational subsidy. This would lead to a reduction in community benefit.

9. ASSESSMENT AND RECOMMENDATIONS

This chapter provides an overview assessment and recommendations for proposed governance arrangements for Pemberton Sports Complex.

9.1. Summary Discussion

Pemberton Sports Complex provides a number of distinct and different services to the Pemberton community, including sports facilities and ancillary amenities to support sport and recreation activities, community services to support families and youth, arts and crafts displays, community events such as weddings and funerals, all supported by dining and provision of bar facilities. The stakeholder and community consultation confirmed the Complex is an extremely important community asset with a long history that provides licenced function space that accommodates large community events that could not be held elsewhere in Pemberton. It also provides a linkage to the social side of the sports offered at the Complex which would not be provided at another licenced venue.

The review of the audited annual financial statements in Section 3.2 shows that Pemberton Sports Club is operating with a positive trading position. The financial statements show that revenues from the Club's activities through bar sales and income associated with cattle trading are being utilised to subsidise and support the key community sport and recreation activities offered at Pemberton Sports Complex. It is noted however, the club is operating with fine margins and the history of ad-hoc financial support that has been provided by the Shire shows a positive financial position is not sustainable, even with ongoing funding support from the Shire of Manjimup through the Recreation Centre Development Program.

The audited financial statements as presented do not provide a distinction between expenses directly associated with the operation of the bar and expenses associated with operation of the complex to support the community and sport and recreation activities. These items, if apportioned to bar trading would result in a reduction in the financial position to that component of the Pemberton Sports Club operation, however, in SGL Group's opinion it would still generate a positive return which supports the key community sport and recreation activities offered at Pemberton Sports Complex.

A key consideration that impacts any alternate governance arrangements is the Pemberton Sports Complex Redevelopment Heads of Agreement between the Shire of Manjimup and Pemberton Sports Club. In this memorandum, the Shire of Manjimup specifically acknowledges the financial contribution of \$735,000 (ex GST) from Pemberton Sports Club towards construction of Pemberton Sports Complex and the interest in the Liquor License held by the Club, with the intention at the time of signing the Heads of Agreement to transfer that licence to the Pemberton Sports Complex.

Similarly, the lease between the Shire of Manjimup and Pemberton Sports Club specifically notes the Club's entitlement to quiet enjoyment of the premises and the requirement for the Club to not remove or surrender the liquor license without prior consent of the Shire of Manjimup. From the information provided to SGL Group for this review, there is no evidence that Pemberton Sports Club is in default of its lease and therefore remains entitled to retain quiet enjoyment for the balance of the lease period to 2053 and for the Club to ensure the liquor licence is retained for that period.

In this regard, any change to the lease, or surrender of the liquor licence, would require agreement between the Pemberton Sports Club and the Shire of Manjimup.

SGL Group is also of the view from an equity perspective there is merit in exploring how the valuation for Pemberton Sports Club is undertaken and whether an alternate calculation may be considered for rates

charges based on the community benefit, type and frequency of use of Pemberton Sports Complex by sporting clubs and respective users. The current charge determined on the gross rental value for the licence area is not commercially achievable even with the 75% concession, with the effective rates payable still above what is reasonable given the revenues from bar trading at the Complex.

Based on the net rate charges applied to other clubs in Manjimup, a more equitable charge would be in the order of \$3,500 per annum, similar to that payable by Manjimup Country Club which has a similar bar/dining operation and membership level. This reduced charge would still be higher than both the Tigers Football & Sporting Club and Imperials Football Club. In this regard, it is noted that other football clubs in the Shire of Manjimup have bars for their members and removing the licenced area from Pemberton Sports Complex would have a detrimental effect on the free enjoyment of the facility by members of the Club and reasonable availability and use of bar facilities for members and their guests who are the only users of the bar at the Complex due to the club licence restrictions.

9.2. Council’s Role in Economic Development

The Shire’s role in economic development and associated community facility provision should be incorporated into the facility governance model. The Shire should consider its role in economic development, as it will inform the best decisions it can make with regards to different facility governance options for different services offered at the various community centres.

There are three essential ways the Shire can be involved in economic development:

- **Supporter (Low Risk)** – The Shire focuses on infrastructure (e.g.: roads, industry parks and tourism assets such as walking trails and tourism environments, etc.) and the business environment (e.g.: policy, regulations, zoning, etc.).
- **Value Adder (Medium Risk)** – the Shire adds value to State and Commonwealth programs (e.g.: provides funds to complement maternal health funded programs or provides funding to complement funds available in government programs for early childhood learning, or for local businesses or new private investment incentives).
- **Economic Developer (High Risk)** – the Shire (for example) takes equity positions in projects based on potential financial and economic development returns.

These alternative roles are illustrated in Figure 9.1.

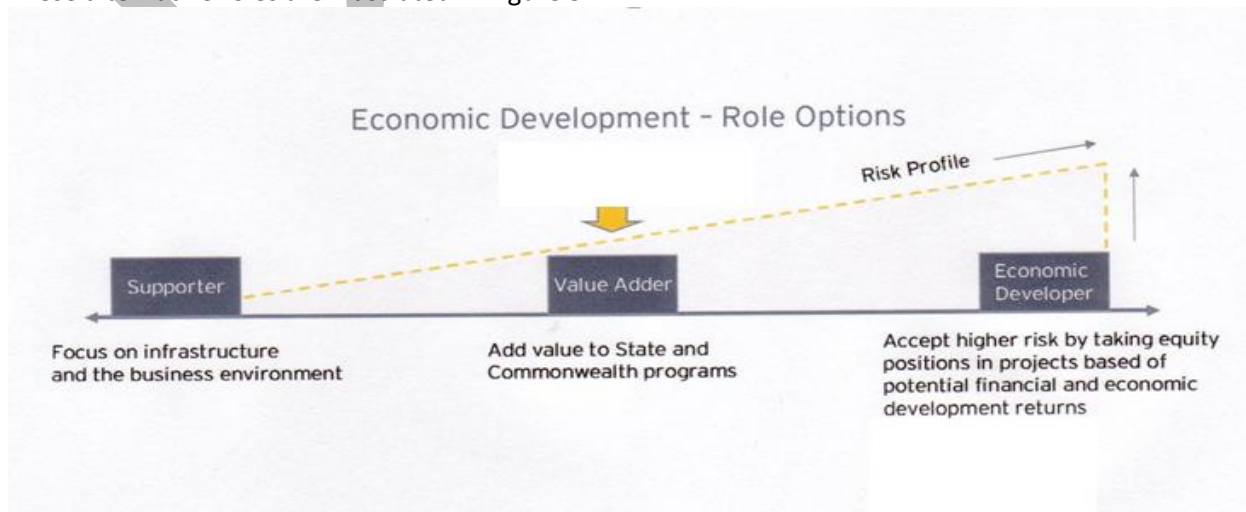


Figure 9.1: Council's Role in Economic Development

One of the challenges for Shire is to define its role in economic development so that it can decide how it should address the many strengths, weaknesses, opportunities and threats (key issues) that will come from each local government owned facility, and the management options available to the Shire.

The primary constraints on Shire are resources (human and financial) and exposure to risk in economic development transactions. In order to minimise resource demands and risk exposures it is recommended that local governments adopt the Supporter and Value Adder roles by:

- Focussing on improving the physical and business environment for economic development and identifying areas where support can be provided or increased.
- Adding value to and participating in regional, State and Commonwealth Government economic development initiatives.
- Collaborating with contiguous economic development regions.

A further challenge is to consider the impact “crowding out”. The crowding out effect is an economic theory arguing that rising public sector spending drives down or even eliminates private sector spending.

- The crowding out effect suggests rising public sector spending drives down private sector spending.
- There are three main reasons for the crowding out effect to take place: economics, social welfare, and infrastructure.
- Crowding in, on the other hand, suggests government borrowing can actually increase demand.

In assessing governance arrangements, a key consideration should be whether Shire’s management of a particular facility and provision of services from that facility has a crowding out effect, that would otherwise prevent a private business from being able to deliver the service. This may mean that for some facilities and services provided by the Shire, it may be preferable to outsource the management of a facility to a private operator who can generate a more efficient product, while contributing to the social and economic benefits to the local community. Consideration of these economic development factors are important, when determining the best approach for each facility.

In this instance with the Pemberton Sports Complex, the Shire of Manjimup must consider the potential crowding out effect the bar and dining facilities have upon the business environment in Pemberton, and specifically if the lease and local government support provides an unfair economic advantage to the Pemberton Sports Club which has a crowding out effect on other “for profit” hospitality venues in the region.

9.3. Alternative Management Models

It is important to note that the purpose of this report is to present an independent review of the Pemberton Sports Club governance operational model. The review was intended as an independent review with collaboration between the Shire and Club and broader community. The focus was to make a recommendation on the best governance model to ensure that the Complex remained open for the benefit of the Pemberton community.

The acceptance of any recommendations within this report need to be endorsed or otherwise by both the Club and by the Shire of Manjimup if municipal funding is being recommended.

As previously stated within this report the Club are entitled to the (refer Clause 12.2 Quiet Enjoyment) and unless the Club are in breach of their lease any Governance models not including the Club as the lessee would require a decision of the Club to dissolve and surrender its lease over the complex.

If the lease with Pemberton Sports Club is surrendered, terminated, or Pemberton Sports Club is dissolved, the Shire of Manjimup will need to consider an alternate governance model for Pemberton Sports Complex that can continue to support the ongoing sport, recreation and community needs of the community. Although it is noted the role of local government is to endeavour to meet the needs of the community, this review also seeks to address how the Club or any other entity might also address the wants of the community over and above those needs.

In this case, alternative options available to the Shire include leasing the venue to another entity to take over its operation, engaging a venue operator to manage the venue under a management contract, taking over direct management of the facility or other hybrid arrangements where different facility components are managed by different users.

9.3.1. Option 1: Lease to another Community Group/Sports Club

Under this option, the lease with the Pemberton Sports Club would be surrendered. The Shire of Manjimup would enter a lease with a community group or sports club who would take over administration and operation of the facility. Facility components would be managed as below:

- Sport, recreation and other use spaces – Seasonal user groups would enter a licence with the new lessee to utilise their specific facility component. Infrequent users would hire facility components directly from the new lessee.
- Bar – The bar would be included in the lease and made available to user groups via their licence arrangement with user groups obtaining their own liquor licence to meet their user requirements. The rates payable by the lessee would remain payable based on the size of the licence area with the 75% concession provided by the Shire, with each user group responsible for their club or club restricted liquor licence fee and the applicable rates charge apportioned to them.
- Kitchen/dining – This component of the operation would be sub-leased by the lessee to an operator who would provide catering services for the Complex.

Comment – This option requires the agreement of Pemberton Sports Club to surrender its lease as discussed in Section 9.1.

If another entity, such as a football club or a community group, were to take over the lease for Pemberton Sports Complex, the priority focus of that entity would likely be on running the complex to suit the needs of its members. Experience has shown this focus will often take priority over meeting the needs of other user groups and without ongoing financial support from the Shire of Manjimup would likely result in the same financial distress over time that Pemberton Sports Club has encountered. Given this, leasing to another entity who would take over management of the Complex as a whole based on the current operation is not considered feasible as a long-term option as it will essentially replicate the existing arrangement. Doing so may also alienate some community members who are supporters of the Pemberton Sports Club and its committee.

9.3.2. Option 2: Contract Management by a Community Group/Sports Club

Under this option, the lease with the Pemberton Sports Club would be surrendered. The Shire of Manjimup would then enter a management contract with a community group or sports club who would take over administration and operation of the Complex on a fee for service basis. Facility components would be managed as below:

- Sport, recreation and other use spaces – Seasonal user groups would and infrequent hirers would hire facility components directly from the contractor with arrangements for access managed by the contractor.
- Bar – The bar would be included in the management contract and made available to user groups obtaining their own liquor licence to meet their requirements. Rates would be payable by the contractor based on the size of the licence area with the 75% concession provided by the Shire. Each user group would then be responsible for their club or club restricted liquor licence fee and the applicable rates charge as apportioned to them.
- Kitchen/dining – This component of the operation would be sub-leased by the Shire to an operator who would provide catering services. This direct arrangement would be required as the contractor would not have the appropriate tenure to sub-lease the kitchen.

Comment – Due to the requirement for the manager to obtain a guaranteed return and given the historical turnover of the Complex, the small size of the Pemberton community and limited potential for significantly increased use of the complex this model is not considered feasible. A part-time contract manager would seek in the order of \$60,000-80,000 per annum. The five year financial model at Table 9.1 shows this option would require an annual operational subsidy in the order of \$154,000 in year one increasing to \$178,000 per annum by year five.

The cost for end users would increase as they would be responsible for their respective licence fee and a share of the rates as apportioned to them. These expenses remain in the model however as they would be expenses directly incurred by the contract manager and may not be fully recouped from end users by the manager.

This option also requires the agreement of Pemberton Sports Club to surrender its lease as discussed in Section 9.1.

Table 9.1: Five year model for Contract Management⁵

Income and Expenditure	2022	2023	2024	2025	2026	2027
Bar Trading						
Trading Revenue						
Total cost of Sales						
Bar Trading Revenue	0	0	0	0	0	0
Other Income						
Community Centre Court Hire	5,884	6,355	6,672	6,939	7,148	7,362
Community Centre Function Room Hire	7,676	8,290	8,705	9,053	9,324	9,604
Community Centre Gym Fees	13,922	15,036	15,788	16,419	16,912	17,419
Community Centre Other Income	571	617	648	673	694	714
Community Centre Squash Fees	218	235	247	257	265	273
Kitchen Hire						
Pemberton Sports Club Membership						
Total Other Income	28,271	30,533	32,059	33,342	34,342	35,372
Total Income	28,271	30,533	32,059	33,342	34,342	35,372
Expenditure						
Management fee	60,000	64,800	68,040	70,762	72,884	75,071
Accountancy and Audit Fees	4,600	4,968	5,216	5,425	5,588	5,755
Advertising and Promotion						
Bank Fees and Charges						
Cleaning	10,435	11,270	11,833	12,307	12,676	13,056
Cleaning Supplies	3,196	3,452	3,624	3,769	3,882	3,999
Consumables Replacement	667	720	756	787	810	835
Depreciation	7,116	7,685	8,070	8,392	8,644	8,903
Electricity	16,283	17,586	18,465	19,204	19,780	20,373
Entertainment Expenses	1,277	1,379	1,448	1,506	1,551	1,598
Freight & Cartage						
Gas	2,512	2,713	2,849	2,963	3,051	3,143
Gym Repairs and Maintenance	1,002	1,082	1,136	1,182	1,217	1,254
Hire/Rent of Plant and Equipment	317	342	359	374	385	397
Insurance	10,146	10,958	11,506	11,966	12,325	12,695
Licensing Fees	1,221	1,319	1,385	1,440	1,483	1,528
Postage	272	294	308	321	330	340
Printing & Stationary	555	599	629	655	674	694
Rates & Land Taxes	8,585	9,272	9,735	10,125	10,429	10,741
Rent on Land and Buildings	110	119	125	130	134	138
Repairs & Maintenance	13,204	14,260	14,973	15,572	16,039	16,521
Subscriptions		0	0	0		
Sundry Bar requisites	1,172	1,266	1,329	1,382	1,424	1,466
Sundry Expenses	1,079	1,165	1,224	1,273	1,311	1,350
Superannuation	8,919	9,633	10,114	10,519	10,834	11,159
Telephone						
Wages						
Wages – movement in leave provisions						
Water	16,961	18,318	19,234	20,003	20,603	21,221
Workers Compensation						
Youth Zone Activities Expenses	1,239	1,338	1,405	1,461	1,505	1,550
Total Expenditure	170,868	184,537	193,764	201,515	207,560	213,787
Current Year Surplus/(Deficit)	-142,597	-154,005	-161,705	-168,173	-173,218	-178,415

⁵ Revenues and costs have been increased by conservative Reserve Bank of Australia CPI forecasts.

9.3.3. Local Government Management

Under this arrangement all responsibility of the facility would be met by the Shire, including day to day management, marketing and ongoing costs for operation as well as funding all maintenance works. Two options have been considered.

Option 3: Direct Shire Oversight A

Under this option, the lease with the Pemberton Sports Club would be surrendered with the Shire taking over direct responsibility for Pemberton Sports Complex, including staffing for administration and cleaning and the Shire funding all building maintenance. Facility components would be managed as below:

- Sport, recreation and other use spaces – Seasonal user groups would enter a licence with the Shire to utilise their specific facility component. Infrequent users would hire facility components directly from the Shire.
- Bar – The bar would be kept, with user groups obtaining their own liquor licence to meet their user requirements. This would result in all groups needing to obtain their own club or club restricted licence for each respective licence area. To ensure competitive neutrality, rates would remain payable in line with the Shires rating policy based on the size of the licence area with the 75% concession. Each user group would be responsible for their club or club restricted liquor licence fee and the applicable rates charge as apportioned to them.
- Kitchen/dining – This component of the operation would be leased by the Shire to an operator who would provide catering services.

Comment – The five year financial model at Table 9.2 shows this option would require an annual operational subsidy in the order of \$88,000 in year one increasing to \$102,000 by year five.

This option would be more expensive for each individual club with a liquor licence as they would be responsible for the licence fee and any applicable rates attributed to their respective licence area. They remain in the model however as they would be expenses directly incurred by the Shire and there is no certainty they could be fully recouped from end users.

This option does not take into account the costs to the Shire for staffing wages and on-costs as it is assumed they would be included in the existing Shire staffing budget.

This option requires the agreement of Pemberton Sports Club to surrender its lease as discussed in Section 9.1.

Table 9.2: Shire oversight with bar facilities remaining for user groups⁶

Income and Expenditure	2022	2023	2024	2025	2026	2027
Bar Trading						
Trading Revenue						
Total cost of Sales						
Bar Trading Revenue	0	0	0	0	0	0
Other Income						
Community Centre Court Hire	5,884	6,355	6,672	6,939	7,148	7,362
Community Centre Function Room Hire	7,676	8,290	8,705	9,053	9,324	9,604
Community Centre Gym Fees	13,922	15,036	15,788	16,419	16,912	17,419
Community Centre Other Income	571	617	648	673	694	714
Community Centre Squash Fees	218	235	247	257	265	273
Kitchen Hire	600	648	680	708	729	751
Pemberton Sports Club Membership						
Total Other Income	28,871	31,181	32,740	34,049	35,071	36,123
Total Income	28,871	31,181	32,740	34,049	35,071	36,123
Expenditure						
Accountancy and Audit Fees	4,600	4,968	5,216	5,425	5,588	5,755
Advertising and Promotion						
Bank Fees and Charges						
Cleaning	10,435	11,270	11,833	12,307	12,676	13,056
Cleaning Supplies	3,196	3,452	3,624	3,769	3,882	3,999
Consumables Replacement	667	720	756	787	810	835
Depreciation	7,116	7,685	8,070	8,392	8,644	8,903
Electricity	16,283	17,586	18,465	19,204	19,780	20,373
Entertainment Expenses	1,277	1,379	1,448	1,506	1,551	1,598
Freight & Cartage						
Gas	2,512	2,713	2,849	2,963	3,051	3,143
Gym Repairs and Maintenance	1,002	1,082	1,136	1,182	1,217	1,254
Hire/Rent of Plant and Equipment	317	342	359	374	385	397
Insurance	10,146	10,958	11,506	11,966	12,325	12,695
Licensing Fees	1,221	1,319	1,385	1,440	1,483	1,528
Postage	272	294	308	321	330	340
Printing & Stationary	555	599	629	655	674	694
Rates & Land Taxes	8,585	9,272	9,735	10,125	10,429	10,741
Rent on Land and Buildings	110	119	125	130	134	138
Repairs & Maintenance	13,204	14,260	14,973	15,572	16,039	16,521
Subscriptions		0	0	0		
Sundry Bar requisites	1,172	1,266	1,329	1,382	1,424	1,466
Sundry Expenses	1,079	1,165	1,224	1,273	1,311	1,350
Superannuation	8,919	9,633	10,114	10,519	10,834	11,159
Telephone						
Wages						
Wages – movement in leave provisions						
Water	16,961	18,318	19,234	20,003	20,603	21,221
Workers Compensation						
Youth Zone Activities Expenses	1,239	1,338	1,405	1,461	1,505	1,550
Total Expenditure	110,868	119,737	125,724	130,753	134,676	138,716
Current Year Surplus/(Deficit)	-81,997	-88,557	-92,985	-96,704	-99,605	-102,593

⁶ Revenues and costs have been increased by conservative Reserve Bank of Australia CPI forecasts.

Option 4: Direct Shire Oversight B

Under this option, the lease with the Pemberton Sports Club would be surrendered with the Shire taking over direct responsibility for Pemberton Sports Complex, including staffing for administration and cleaning and the Shire funding all building maintenance. This would essentially be the same model that the Shire of Manjimup applies to the Manjimup Sports Stadium and other general recreation and community facilities that are directly managed.

Facility components would be managed as below:

- Sport, recreation and other use spaces – Seasonal user groups would enter a licence or have hire arrangement with the Shire to utilise their specific facility component. Infrequent users would hire facility components directly with the Shire to manage hire bookings.
- Bar and kitchen/dining – These components of the facility would be closed.

Comment – The five year financial model at Table 9.3 shows this option would require an annual operational subsidy in the order of \$67,000 in year one increasing to \$82,000 by year five. It is assumed no rates would be payable based on the Complex solely being a community sport and recreation facility.

This option does not take into account the costs to the Shire for staffing wages and on-costs as it is assumed they would be included in the existing Shire staffing budget.

This option requires the agreement of Pemberton Sports Club to terminate its lease as discussed in Section 9.1.

Removal of the bar and dining facilities also reduces the capacity of the Complex to meet community needs for activities and other social events such as weddings and funerals. It would also remove the potential for sports club users to utilise the bar and dining facilities during their visit to the Complex. It is anticipated that closure of the bar and dining facilities would not be supported by the community.

This option meets will meet the Shire of Manjimup’s requirement to meet the needs of the community for sport, recreation and community purposes however may not fully address all of the community wants.

Table 9.3: Shire oversight with no bar facilities⁷

Income and Expenditure	2022	2023	2024	2025	2026	2027
Bar Trading						
Trading Revenue						
Total cost of Sales						
Bar Trading Revenue	0	0	0	0	0	0
Other Income						
Community Centre Court Hire	5,884	6,355	6,672	6,939	7,148	7,362
Community Centre Function Room Hire	7,676	8,290	8,705	9,053	9,324	9,604
Community Centre Gym Fees	13,922	15,036	15,788	16,419	16,912	17,419
Community Centre Other Income	571	617	648	673	694	714
Community Centre Squash Fees	218	235	247	257	265	273
Kitchen Hire						
Total Other Income	28,871	28,871	28,871	28,871	28,871	28,872
Total Income	28,871	28,871	28,871	28,871	28,871	28,872
Expenditure						
Accountancy and Audit Fees						
Advertising and Promotion						
Bank Fees and Charges	2,666	2,879	3,023	3,144	3,238	3,336
Cleaning	10,435	11,270	11,833	12,307	12,676	13,056
Cleaning Supplies	3,196	3,452	3,624	3,769	3,882	3,999
Consumables Replacement	667	720	756	787	810	835
Depreciation	7,116	7,685	8,070	8,392	8,644	8,903
Electricity	16,283	17,586	18,465	19,204	19,780	20,373
Entertainment Expenses						
Freight & Cartage	3,265	3,526	3,703	3,851	3,966	4,085
Gas	2,512	2,713	2,849	2,963	3,051	3,143
Gym Repairs and Maintenance	1,002	1,082	1,136	1,182	1,217	1,254
Hire/Rent of Plant and Equipment	317	342	359	374	385	397
Insurance	10,146	10,958	11,506	11,966	12,325	12,695
Licensing Fees						
Postage						
Printing & Stationary						
Rates & Land Taxes						
Rent on Land and Buildings	110	119	125	130	134	138
Repairs & Maintenance	13,204	14,260	14,973	15,572	16,039	16,521
Subscriptions						
Sundry Bar requisites						
Sundry Expenses						
Superannuation						
Telephone						
Wages						
Wages – movement in leave provisions						
Water	16,961	18,318	19,234	20,003	20,603	21,221
Workers Compensation						
Youth Zone Activities Expenses	1,239	1,338	1,405	1,461	1,505	1,550
Total Expenditure	89,119	96,249	101,061	105,103	108,256	111,504
Current Year Surplus/(Deficit)	-60,248	-67,378	-72,190	-76,232	-79,385	-82,632

⁷ Revenues and costs have been increased by conservative Reserve Bank of Australia CPI forecasts.

9.3.4. Hybrid Option

Given Pemberton Sports Complex is an existing facility, the hybrid option is based on the facility components as existing and for the facility to continue to meet the identified needs of the community for sport and recreation and other community purposes.

Option 5: Separating Pemberton Sports Complex (multiple leases)

Under this option, the lease with Pemberton Sports Club would be amended to separate the components of the Complex to be managed by different parties. Facility components would be managed as follows:

- Sport, recreation and other use spaces – The Shire of Manjimup would enter a lease with a separate community group or sports club who would take over management of the sports and community components of Pemberton Sports Complex. Seasonal user groups would enter a licence with the lessee to utilise their specific facility component. Infrequent users would hire facility components directly from the lessee with arrangements for access managed by the lessee.
- Bar – The bar would remain in the lease area for Pemberton Sports Club and would continue to be managed and operated by Pemberton Sports Club.
- Kitchen/dining – This component of the operation would remain in the lease area for Pemberton Sports Club and would continue to be sub-leased to an operator who would provide catering services.

Comment – The five year financial model at Table 9.4 shows this option would require an annual operational subsidy in the order of \$67,000 in year one increasing to \$82,000 by year five. It is assumed no rates would be payable by the manager of the community/sport components of the facility. This does not include any financial support for operation of the bar/dining components of the complex as this would operate on a fully commercial basis and rates would remain payable by Pemberton Sports Club.

This option will meet the Shire of Manjimup's requirement to meet the needs of the community, however may not fully address all of the community wants.

This option requires the agreement of Pemberton Sports Club and would require amendment of the lease with the Shire of Manjimup and amendment to the Club's constitution. These are administrative procedures in nature and could be undertaken with agreement of the Club. The Club would need to pay a fully commercial rental rate for the bar/kitchen component of the complex based on the size of the licence area with no rates concession.



Table 9.4: New lessee with PSC continuing to manage the bar and kitchen⁸

Income and Expenditure	2022	2023	2024	2025	2026	2027
Bar Trading						
Trading Revenue						
Total cost of Sales						
Bar Trading Revenue	0	0	0	0	0	0
Other Income						
Community Centre Court Hire	5,884	6,355	6,672	6,939	7,148	7,362
Community Centre Function Room Hire	7,676	8,290	8,705	9,053	9,324	9,604
Community Centre Gym Fees	13,922	15,036	15,788	16,419	16,912	17,419
Community Centre Other Income	571	617	648	673	694	714
Community Centre Squash Fees	218	235	247	257	265	273
Kitchen Hire						
Total Other Income	28,871	28,871	28,871	28,871	28,871	28,872
Total Income	28,871	28,871	28,871	28,871	28,871	28,872
Expenditure						
Accountancy and Audit Fees						
Advertising and Promotion						
Bank Fees and Charges	2,666	2,879	3,023	3,144	3,238	3,336
Cleaning	10,435	11,270	11,833	12,307	12,676	13,056
Cleaning Supplies	3,196	3,452	3,624	3,769	3,882	3,999
Consumables Replacement	667	720	756	787	810	835
Depreciation	7,116	7,685	8,070	8,392	8,644	8,903
Electricity	16,283	17,586	18,465	19,204	19,780	20,373
Entertainment Expenses						
Freight & Cartage	3,265	3,526	3,703	3,851	3,966	4,085
Gas	2,512	2,713	2,849	2,963	3,051	3,143
Gym Repairs and Maintenance	1,002	1,082	1,136	1,182	1,217	1,254
Hire/Rent of Plant and Equipment	317	342	359	374	385	397
Insurance	10,146	10,958	11,506	11,966	12,325	12,695
Licensing Fees						
Postage						
Printing & Stationary						
Rates & Land Taxes						
Rent on Land and Buildings	110	119	125	130	134	138
Repairs & Maintenance	13,204	14,260	14,973	15,572	16,039	16,521
Subscriptions						
Sundry Bar requisites						
Sundry Expenses						
Superannuation						
Telephone						
Wages						
Wages – movement in leave provisions						
Water	16,961	18,318	19,234	20,003	20,603	21,221
Workers Compensation						
Youth Zone Activities Expenses	1,239	1,338	1,405	1,461	1,505	1,550
Total Expenditure	89,119	96,249	101,061	105,103	108,256	111,504
Current Year Surplus/(Deficit)	-60,248	-67,378	-72,190	-76,232	-79,385	-82,632

⁸ Revenues and costs have been increased by conservative Reserve Bank of Australia CPI forecasts.

9.4. Pemberton Sports Club Management

Option 6: Pemberton Sports Club Management – continuing current management

If Pemberton Sports Club continues as lessee for Pemberton Sports Complex, measures need to be put in place to ensure it can operate in a sustainable financial manner. On a base level these include:

1. Implementation of recommendations that remain outstanding from the 2014 Review of Pemberton Sports Complex, including stabilisation of the financial position, development of operating documents and facility modifications.
2. Negotiation and implementation of licence arrangements with seasonal/regular user groups and published hire arrangements for ad-hoc venue use.
3. Agreement with the Club to operate with greater clarity of financial accounting between the sport and recreation components of Pemberton Sports Complex and the commercial bar/dining components.
4. Exploring whether a more equitable calculation may be considered for the valuation of Pemberton Sports Complex, and in turn the rates calculation of the facility, based on the community benefit, type and frequency of use of Pemberton Sports Complex by sporting clubs and respective user groups.

These basic steps alone would not ensure a long term sustainable governance model for the Complex as the Club will essentially continue to operate as it always has, resulting in further need for ongoing support. This is not a criticism of the Club, it operates with the support of members who are volunteers and it is clear the community has made a significant contribution to keep the Complex operational and available for the community.

Option 7: Pemberton Sports Club Management – Fee for Service arrangement

A variation on this arrangement is for the Club to continue to manage Pemberton Sports Complex and to maintain and promote delivery of community and recreation services on a fee for service basis for the Shire.

Under this arrangement Pemberton Sports Club would retain the lease over and continue with management of Pemberton Sports Complex. Key elements of this arrangement would include:

1. The Club entering a 'Fee for Service' Agreement with the Shire of Manjimup to maintain and promote the delivery of community sport and recreation services/activities. Under this agreement:
 - a. The Club could employ a part time resource or explore other arrangements with another group/entity to promote and support community sport and recreation activities at the Complex. This could also assist to activate the entry to the Complex if another entity were involved in promotion/delivery of community sport and recreation activities and were co-located on site.
 - b. The Agreement between the Shire and the Club would stipulate the deliverables as agreed between the parties, however it would be expected they would support optimising use of the community and recreation facilities and further activating increased community use at the Complex.
 - c. The fee for service recommended under this arrangement is approximately \$770 per week (\$40,040 per annum). This calculated is based upon an equivalent Level 4 coordinator position, under the Local Government Award at 18 hours per week, with additional incidental funds for advertising, marketing and operational costs. This fee for service amount reflects the economies of scale that is achieved through this model, with The Club managing both the Bar trading and the sport and community facility spaces. Alternative models will lead to duplication of costs, and inefficiencies that would lead to higher costs for The Club and higher costs for The Shire. It is expected that this fee for service arrangement will be used at the discretion of the Pemberton Sports Club in order to ensure agreed service delivery, and could be used to support volunteer or existing management resources.
2. Agreement with the Club to operate with greater clarity of financial accounting between the sport and recreation components of Pemberton Sports Complex and the commercial bar/dining components, ie,

separating the finances of the sport and recreation component of the Club from the bar and dining components. This can ensure that payments to the Club under the Fee for Service Agreement are accounted for in the sport and recreation component of the Club's operation.

3. Implementation of recommendations that remain outstanding from the 2014 Review of Pemberton Sports Complex, including development of operating documents and facility modifications (
4. Negotiation and implementation of licence arrangements with seasonal/regular user groups and published hire arrangements for ad-hoc venue use.
5. Exploring whether a more equitable calculation may be considered for the valuation of Pemberton Sports Complex, and in turn the rates calculation of the facility, based on the community benefit, type and frequency of use of Pemberton Sports Complex by sporting clubs and respective user groups.

The five year financial model at Table 9.5 shows that Options 6 and 7 would both require an annual operational subsidy in the order of \$24,000 increasing to \$28,000 by year five to support the Sport and Recreation components of the Complex. The fee for service payment under option 7 however would remove the need for this subsidy and provide the Club with the opportunity to facilitate increase facility use and enhance future operational sustainability.

It should be noted that the financial forecasting and recommendations in this report have been calculated on a Net Present Value basis, and in any future agreements should address potential cost increases as appropriate.

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Table 9.5: Pemberton Sports Club management of Pemberton Sports Complex⁹

Income and Expenditure	2022	2023	2024	2025	2026	2027
Bar Trading						
Trading Revenue	280,000	302,400	317,520	330,221	340,127	350,331
Total cost of Sales	129,978	140,376	147,395	153,291	157,890	162,626
Bar Trading Revenue	150,022	162,024	170,125	176,930	182,238	187,705
Other Income						
Community Centre Court Hire	5,884	6,355	6,672	6,939	7,148	7,362
Community Centre Function Room Hire	7,676	8,290	8,705	9,053	9,324	9,604
Community Centre Gym Fees	13,922	15,036	15,788	16,419	16,912	17,419
Community Centre Other Income	571	617	648	673	694	714
Community Centre Squash Fees	218	235	247	257	265	273
Kitchen Hire	600	648	680	708	729	751
Pemberton Sports Club Membership	19,330	20,876	21,920	22,797	23,481	24,185
Total Other Income	48,201	52,057	54,660	56,846	58,552	60,308
Total Income	198,223	214,081	224,785	233,776	240,790	248,013
Expenditure						
Accountancy and Audit Fees	4,600	4,968	5,216	5,425	5,588	5,755
Advertising and Promotion	4,380	4,730	4,967	5,166	5,321	5,480
Bank Fees and Charges	2,666	2,879	3,023	3,144	3,238	3,336
Cleaning	10,435	11,270	11,833	12,307	12,676	13,056
Cleaning Supplies	3,196	3,452	3,624	3,769	3,882	3,999
Consumables Replacement	667	720	756	787	810	835
Depreciation	7,116	7,685	8,070	8,392	8,644	8,903
Electricity	16,283	17,586	18,465	19,204	19,780	20,373
Entertainment Expenses	1,277	1,379	1,448	1,506	1,551	1,598
Freight & Cartage	3,265	3,526	3,703	3,851	3,966	4,085
Gas	2,512	2,713	2,849	2,963	3,051	3,143
Gym Repairs and Maintenance	1,002	1,082	1,136	1,182	1,217	1,254
Hire/Rent of Plant and Equipment	317	342	359	374	385	397
Insurance	10,146	10,958	11,506	11,966	12,325	12,695
Licensing Fees	1,221	1,319	1,385	1,440	1,483	1,528
Postage	272	294	308	321	330	340
Printing & Stationary	555	599	629	655	674	694
Rates & Land Taxes	8,585	9,272	9,735	10,125	10,429	10,741
Rent on Land and Buildings	110	119	125	130	134	138
Repairs & Maintenance	13,204	14,260	14,973	15,572	16,039	16,521
Subscriptions	3,131	3,381	3,551	3,693	3,803	3,917
Sundry Bar requisites	1,172	1,266	1,329	1,382	1,424	1,466
Sundry Expenses	1,079	1,165	1,224	1,273	1,311	1,350
Superannuation	8,919	9,633	10,114	10,519	10,834	11,159
Telephone	1,327	1,433	1,505	1,565	1,612	1,660
Wages	92,719	100,137	105,143	109,349	112,630	116,008
Wages – movement in leave provisions	2,019	2,181	2,290	2,381	2,453	2,526
Water	16,961	18,318	19,234	20,003	20,603	21,221
Workers Compensation						
Youth Zone Activities Expenses	1,239	1,338	1,405	1,461	1,505	1,550
Total Expenditure	220,375	238,005	249,905	259,901	267,699	275,729
Current Year Surplus/(Deficit)	-22,152	-23,924	-25,120	-26,125	-26,909	-27,716

⁹ Revenues and costs have been increased by conservative Reserve Bank of Australia CPI forecasts.

9.5. Recommendations

Based on the review and assessment considered in this report, the current arrangement of Pemberton Sports Club continuing as lessee and entering a Fee for Service Arrangement (**Option 7**) is recommended as the preferred governance arrangement for Pemberton Sports Complex.

Specific recommendations for consideration by the Pemberton Sports Club and the Shire of Manjimup are summarised below:

Recommendation 1: Fee for Service Arrangement

The Club and the Shire of Manjimup should negotiate and enter a Fee for Service Arrangement to maintain and promote the delivery of community sport and recreation services/activities at Pemberton Sports Complex.

The Agreement would stipulate the required deliverables as agreed between the parties, however it would be expected they would be based around and support optimising use of the community and recreation facilities at the Complex. The fee for service recommended under this arrangement is approximately \$770 per week (\$40,040 per annum). This fee for service amount reflects the economies of scale that is achieved through this model, with The Club managing both the Bar trading and the sport and community facility spaces. Alternative models will lead to duplication of costs, and inefficiencies that would lead to higher costs for The Club and higher costs for The Shire.

Recommendation 2: Supplementary steps to stabilise the financial position of Pemberton Sports Club

- Pemberton Sports Club (seeking assistance from the Shire as required) to develop key documentation/processes which will enable it to strategically plan for the future, including a business and asset management plan.
- The Club review its funding model to secure a greater commitment from all user groups. This includes entering licences where possible with user groups for facility use with a mechanism to share revenues from increased bar sales (documented further below).

9.5.1. Constitution Changes

Similar to the 2014 Review of Pemberton Sports Complex, the current review of the constitution found that the club operates in line with the 'model' rules for a constitution.

It is noted however, that the financials included income and expenses related to cattle trading which is not included in the Objects of the Association. If this activity is to continue as a long term arrangement for the Club, this discrepancy should be addressed.

Recommendation 3: Formalise all club activities in the Club Constitution.

9.5.2. User Group/Use Arrangements

Recommendation 4: More formal arrangements be put in place with seasonal users of Pemberton Sports Complex. This will provide user groups with certainty of facility of access to meet their respective needs and provide Pemberton Sports Club with more certainty in facility use and associated revenue streams.

Licence to Occupy - To provide certainty of facility access to meet their needs it is recommended that licence arrangements are negotiated and implemented with seasonal/regular user groups.

Under the licence agreement, the licensee will be granted permission to access the Complex for a specified purpose, such as conduct of their specific activity, at specified times and under specified conditions. The licence agreement will not provide exclusive use of the respective facility component beyond the specified times of access as no interest is created in the land or facility (unlike a lease or sub-lease).

Hire Arrangements - It is recommended that Pemberton Sports Club continue to offer hire arrangements for short-term or irregular one-off uses of Pemberton Sports Complex. Hire arrangements should continue to be via published rates and the hirer accepting the Club's specific terms and conditions for facility hire.

9.5.3. Facility Modifications

The 2014 Review of Pemberton Sports Complex made recommendations that were identified as being able to assist to increase use of the centre, offset operational costs and generate a greater level of income.

Recommendation 5: Options should be explored and discussions held with any community groups who may be compatible with co-location within Pemberton Sports Complex. Any requirements for facility modification as result of co-locations could only be determined once a viable arrangement has been identified.

Recommendation 6: Electricity costs have been identified as a significant operating expense for Pemberton Sports Club, a cost that is anticipated to continue to grow into the future. In order to help mitigate the impact of this cost Pemberton Sports Club (with the assistance of the Shire) should undertake an updated to the 2014 energy cost audit with a new energy use audit with a view to:

- Explore options to reduce the size of the cold room and break it to a cold room/store room (with this component not refrigerated).
- Shut down the freezer for the kitchen area and utilise a smaller fit for purpose freezer which would provide more efficient cold storage options.
- Consider installation of sub electricity and water meters so that usage can be tracked between discreet optional components of the Complex.
- Consider installation of battery storage and other enhancements to the existing solar installation at the Complex.

Recommendation 7: Water charges increased significantly during 2021/22. This should be investigated as to the main cause if not already known as it could potentially relate to a water leak as opposed to water from increased known usage. It is recommended that a water usage audit be undertaken by the Club to determine where water is consumed and potential water saving options to be implemented at the Complex.

9.5.4. Liquor Licence

The current Club Liquor Licence is the most appropriate licence model for the Club.

Income from bar trading provides a significant source of revenue for Pemberton Sports Club (62.7% of income in FY2022), which in turn, is used to support the operations of Pemberton Sports Complex. Given this, SGL recommends the liquor licence be retained under the current model with Pemberton Sports Club as the licensee.

Two issues emerged from the consultation with regard to alcohol sales however that should be considered:

1. The football club noted its members purchase alcohol from the bar at Pemberton Sports Complex, including after games and that the original intent of the club's memorandum of understanding with Pemberton Sports Club was that the football club would be a percentage of profit from alcohol sales returned to the club, however that has not occurred.

2. There was feedback that some users go elsewhere to drink following their use of facilities at Pemberton Sports Complex, resulting in potential lost revenue from alcohol sales.

Recommendation 8: Future license agreements with user groups include a mechanism for a percentage rebate to the licence fee from alcohol sales to each club/user group. Such an arrangement will provide an incentive for clubs to promote use of the bar and help to boost sales from bar takings to and in turn would benefit the clubs or user groups themselves.

It is important that any rebate mechanism be developed with consideration to the fact that although the clubs do not currently receive a percentage of profit from sales, they also do not contribute towards the costs of cleaning, bar management, electricity, water and other building maintenance. These elements should all be considered when determining an appropriate rebate formula.

Recommendation 9: The Club should further explore (in consultation with the Shire) how the valuation for Pemberton Sports Club is undertaken and whether a more equitable calculation could be considered by the Valuer General, based on the community benefit, type and frequency of use of Pemberton Sports Complex by sporting clubs and respective users. In the event a more equitable valuation were adopted, this could assist in a reduction in the ratable area and therefore rates paid by the Club.

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ATTACHMENT A

PEMBERTON & MANJIMUP

This section provides a high level demographic overview of Pemberton and the Shire of Manjimup with associated high level sport and recreation participation statistics for Western Australia.

Demographics

Presented below is a snapshot demographic summary of the Pemberton UCL (based on the Australian Bureau of Statistics Pemberton Urban Centre and Locality¹⁰) and the wider local government area of Manjimup¹¹.

<p>9,093 2021 population Manjimup Shire</p> <p>There are slightly more males living in Manjimup (4,574 or 50.3%) compared to females (4,522 or 49.7%)</p>	<p>47 years Median Age</p> <p>This is significantly higher than the median age for Western Australia at 38 years</p>	<p>3.3% Indigenous Status</p> <p>3.3% of the Manjimup population identify as being Aboriginal and/or Torres Strait Islander, the same percentage for Western Australia as a whole</p>
<p>861 2021 population Pemberton</p> <p>There are slightly more females living in Pemberton (50.4%) compared to males (49.6%)</p>	<p>48 years Median Age</p> <p>This is higher than the median age for Manjimup and significantly higher than Western Australia at 38 years</p>	<p>1.4% Indigenous Status</p> <p>1.4% of the Pemberton population identify as being Aboriginal and/or Torres Strait Islander</p>

Table 1 provides a summary of age for the Pemberton UCL and the Shire of Manjimup according to various life stages. For Pemberton the highest proportion of people is in the 35-49 age group (17.3%), followed by those aged 70 and over (16.9%) and those aged 50-59 (16.5%).

For the Shire of Manjimup, the highest proportion of people are aged 35-49 years (16.7%), 50-59 years (16.0%), 70 and over (15.5%) and 60-69 years (15.4%). Both Pemberton and Manjimup have an older population when compared with Western Australia, with more people aged 50 and over and fewer people in the younger age categories, particularly those aged 25-49 years.

¹⁰ www.abs.gov.au/census/find-census-data/quickstats/2021/UCL521042. Urban Centres and Localities (UCLs) represent areas of concentrated urban development with populations of 200 people or more. These areas of urban development are primarily identified using dwelling and population density criteria using data from the 2021 Census. UCLs are not an official definition of towns.

¹¹ www.abs.gov.au/census/find-census-data/quickstats/2021/LGA55180

Table 1: Age by life stage

		Pemberton		Manjimup		Western Australia
Young children	0-4 years	3.6%	31	4.7%	430	6.1%
Primary schoolers	5-14 years	11.6%	100	11.6%	1,058	12.9%
Secondary/tertiary	15-24 years	10.7%	92	10.1%	925	11.8%
Young workforce	25-34 years	9.1%	78	10.0%	915	14.0%
Homebuilders	35-49 years	17.3%	149	16.7%	1,522	20.8%
Older workers	50-59 years	16.5%	142	16.0%	1,455	12.6%
Empty nesters	60-69 years	14.2%	122	15.4%	1,405	10.7%
Seniors/elderly	70 and over	17.0%	146	15.5%	1,410	11.1%
Total		100.0%	860	100.0%	9,020	100.0%

Presented below is a statistical summary snapshot of the Shire of Manjimup. This has not been provided at a Pemberton level due to the low total population count for the Pemberton UCL.

Education and Qualifications	For people currently attending an educational institution, people from Manjimup are more likely to be attending either primary or secondary school		
5.3% Pre school 5.6% for WA as a whole	27.6% Primary 27.6% for WA as a whole	25.3% Secondary 21.8% for WA as a whole	
6.4% TAFE and vocational 7.4% for WA as a whole	3.0% University Significantly lower than the 13.9% for WA as a whole		
Highest level of educational attainment for those aged 15 and over	People living in Manjimup are less likely to have achieved a bachelor degree or advanced diploma when compared with Western Australia as a whole. They are also less likely to have completed senior school with a greater percentage indicating their highest level of attainment at years 9 through to 11		
11.8% Bachelor degree compared with 23.8% for WA as a whole	6.4% Advanced diploma/diploma compared with 9.3% for WA as a whole	14.8% Year 12 compared with 15.5% for WA as a whole	
7.5% Year 11 compared with 5.0% for WA as a whole	16.9% Year 10 compared with 11.3% for WA as a whole	8.5% Year 9 or below compared with 5.4% for WA as a whole	
Cultural Diversity			
Ancestry ¹²	People living in Manjimup are more likely to report English, Australian and Scottish ancestry when compared with Western Australia as a whole (for WA 37.5% English, 29.7% Australian and 8.7% Scottish)		
46.0% English	37.5% Australian	10.3% Scottish	

¹² Respondents had the option of reporting up to two ancestries on their Census form, and this is captured by the Ancestry multi response (ANCP) variable used in this table. Therefore, the sum of all ancestry responses for an area will not equal the total number of people in the area

76.3%

Born in Australia (compared with 62.0% for Western Australia as a whole)

55.0%

Both Parents Born in Australia (compared with 37.9% for Western Australia as a whole)

Income and Employment

Participation in the labour force

People living in Manjimup have similar labour force participation rates when compared with the rest of Western Australia (people aged 15 and over)

59.1%

In the labour force (compared with 63.9% for Western Australia as a whole)

55.1%

Work full time (compared with 57.1% for Western Australia as a whole)

Top Occupations

People living in Manjimup are more likely to be employed as Managers or Labourers (people aged 15 and over)

20.4%

Managers (compared with 12.3% for Western Australia as a whole)

18.7%

Labourers (compared with 9.4% for Western Australia as a whole)

13.1%

Technicians and Trades (compared with 15.3% for Western Australia as a whole)

Industry of employment

People living in Manjimup are more likely to be employed in agricultural and other service industries (people aged 15 and over)

3.6%

Beef cattle farming (compared with 0.2% for Western Australia as a whole)

3.4%

Accommodation (compared with 0.9% for Western Australia as a whole)

3.4%

Supermarket/grocery (compared with 2.4% for Western Australia as a whole)

3.3%

Fruit and nut tree growing (compared with 0.0% for Western Australia as a whole)

2.9%

State Government Administration (compared with 1.3% for Western Australia as a whole)

Median Weekly Income

People living in Manjimup have lower personal, family and household incomes when compared with Western Australia as a whole (people aged 15 and over)

\$675

Personal (compared with \$848 for Western Australia as a whole)

\$1,616

Family (compared with \$2,214 for Western Australia as a whole)

\$1,211

Household (compared with \$1,815 for Western Australia as a whole)

Volunteers

1,870

residents have performed volunteer work (24.5% of residents compared with 15.9% for Western Australia as a whole)

Families

People living in Manjimup are more likely to live in a couple family with no children when compared with Western Australia as a whole. Similarly, they are less likely to live in a couple family with children

50.2%

Couple family without children (compared with 38.8% for Western Australia as a whole)

35.3%

Couple family with children (compared with 44.6% for Western Australia as a whole)

3.1

Average number of people per household

WA Tomorrow provides a series of population forecasts for the State of Western Australia that are produced using a cohort component model using data for births, deaths and migration. Rates are calculated for

fertility, mortality and migration with historical data matched the regions to be forecast, representing the best estimate of future population size if trends in fertility, mortality and migration continue.

Figure 1 shows the most recent median level WA Tomorrow Population Report No. 11 forecast for the Shire of Manjimup to 2031¹³. It is noted this data is not available at the Pemberton locality level. This shows the population for the Shire of Manjimup is forecast to decrease to 2031.

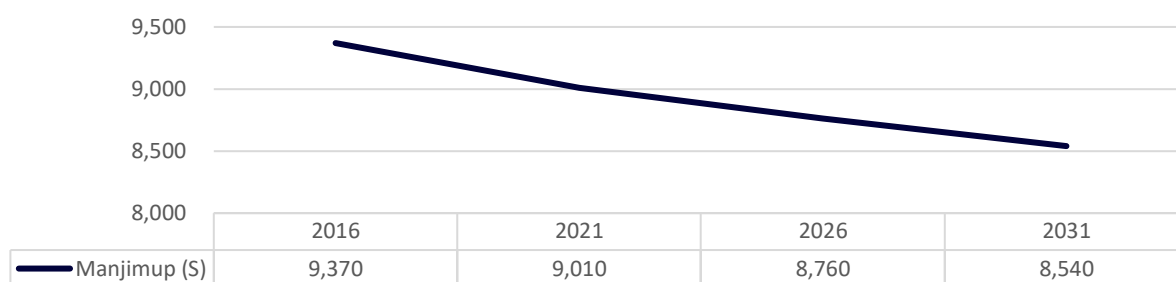


Figure 1: Population forecast for Manjimup Shire

To understand the forecast decline in population further and the impact this may have on sport and recreation participation, this data has been broken down into age categories as presented in Figure 2:

- 0-4 years – Young children
- 5-14 years – Primary schoolers
- 15-24 years – Secondary/tertiary
- 25-34 years – Young workforce
- 35-49 years – Homebuilders
- 50-59 years – Older workers
- 60-69 years – Empty nesters
- 70 and over – Seniors/elderly

Figure 2 presents the age breakdown by population forecast to 2026 and 2031 for the Shire of Manjimup, showing:

- 70 years and over (Seniors/elderly) are forecast to have significant growth;
- 5-14 years (Primary schoolers), 35-49 years (Homebuilders) and 50-59 years (Older workers) are forecast to have the greatest decline; and
- 0-4 years (Young children), 25-34 years (Young workforce) and 60-69 years (Empty nesters) are forecast to remain relatively stable.

¹³ <https://view.officeapps.live.com/op/view.aspx?src=https%3A%2F%2Fwww.wa.gov.au%2Fsystem%2Ffiles%2F2021-07%2FLSD-WAT-2016-2031-sub-State-LGA-forecast-by-age-and-sex.xlsx&wdOrigin=BROWSELINK>



Figure 2: Population forecast for Shire Manjimup by age category

Sport and Recreation Participation

AusPlay provides national, state and territory data on almost 400 different participation sports and recreation activities in Australia and who is participating in them. The results include participate rates which refer to participation at least once per year with adults being 15+ year old and children's participation referring to organised activity outside of school hours for those aged 0-14 years old.

Ausplay State Data

Participation from the Ausplay data tables for Western Australia from the period July 2021 to June 2022 has been analysed to support the review of Pemberton Sports Complex. For the survey period the participation rate in Western Australia for adults was 88.3%, with 88.0% female and 88.6% male having participated at least once during the year.

Figure 3 shows participation for adults varies for the respective age groups, with the highest participation for those aged 45-54 years (92.6%), 25-34 years (91.4%) and 35-44 years (90.2%). The lowest participation rate was for those aged 65 and over (83.2%).

For children from 0 to 14 years the total participation rate was 73.9%. There is a wide discrepancy between the age groups however with the highest participation rates for children are for those aged 5-8 years (87.9%) followed by those aged 12-14 (83.6%) and those aged 9-11 years (83.1%). Younger children have lower participation rates, for example those aged 0-4 have a participation rate of 54.4%.

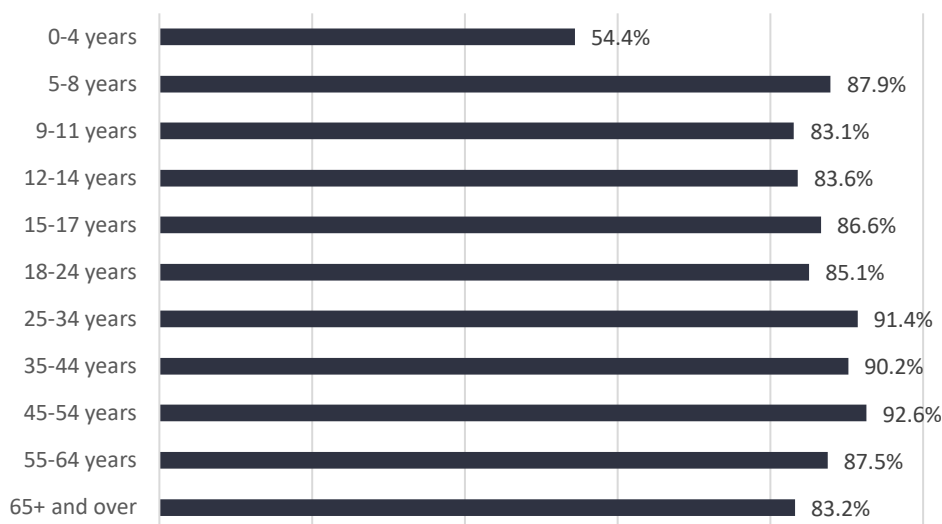


Figure 3: Participation rates by age category (at least once per year)

Figure 4 shows that participation rates for adults are similar for those who are of Aboriginal or Torres Strait Islander origin (83.9%) or those located in an outer regional location (82.9%) however they decline for those who identify as having a disability or physical condition that restricts life in some way (77.9%).

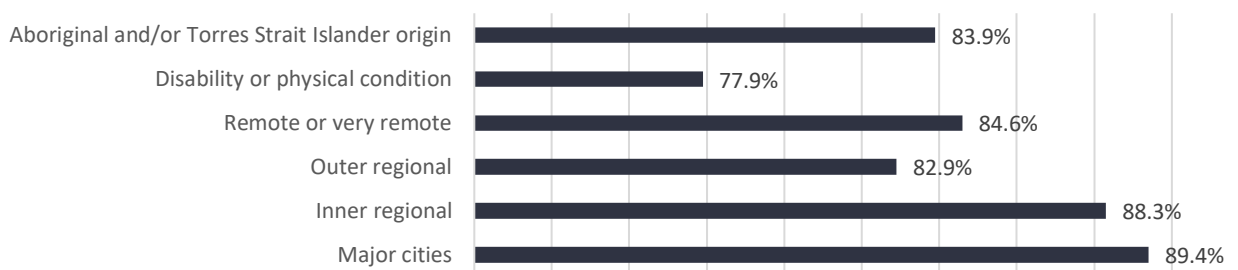


Figure 4: Participation rates by heritage, disability/physical condition or location, Western Australia

As would be expected, the highest frequency of participation for adults was at least once per year (88.3%), decreasing to 23.6% of people who participated seven or more times per week. A total of 79.8% of people indicated they participated at least once per week (Figure 5).

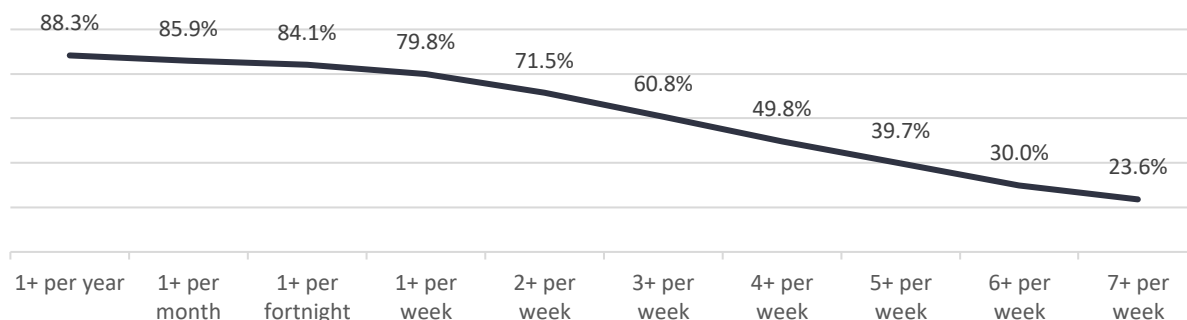


Figure 5: Frequency of participation, adults

For adults who participate in a sport or recreation activity at least one or more times per week, the highest participation rate is for those aged 45-54 years (86.2%), followed by those aged 35-44 (82.1%) and those aged 25-34 (80.9%). The lowest participate rate is for those aged 15-17 years (67.8%). Shown in Figure 6.

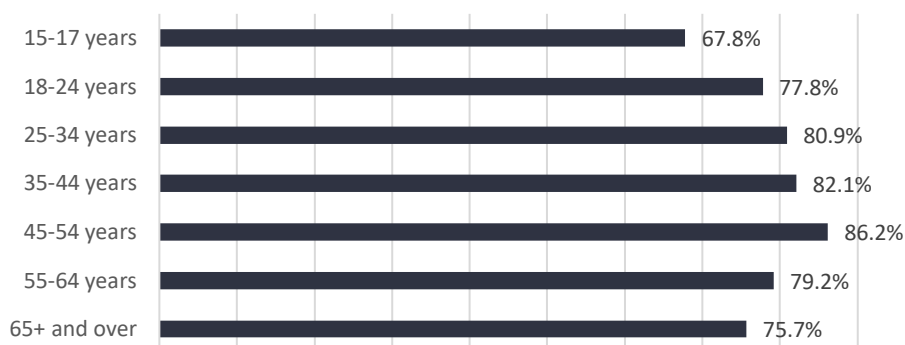
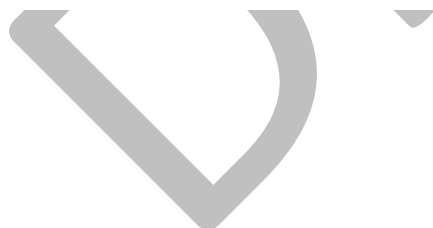


Figure 6: Frequency of participation at least one or more times per week

Figure 7 shows the top 15 activities for adults are identified as walking (40.4%), fitness/gym (37.2%) and athletics (including jogging) (20.1%). For activities or those that could be undertaken at Pemberton Sports Complex the top activities include fitness/gym (37.2%), yoga (6.7%), football/soccer (5.7%), basketball (5.3%), pilates (4.8%), Australian football (4.5%) and netball (4.0%).



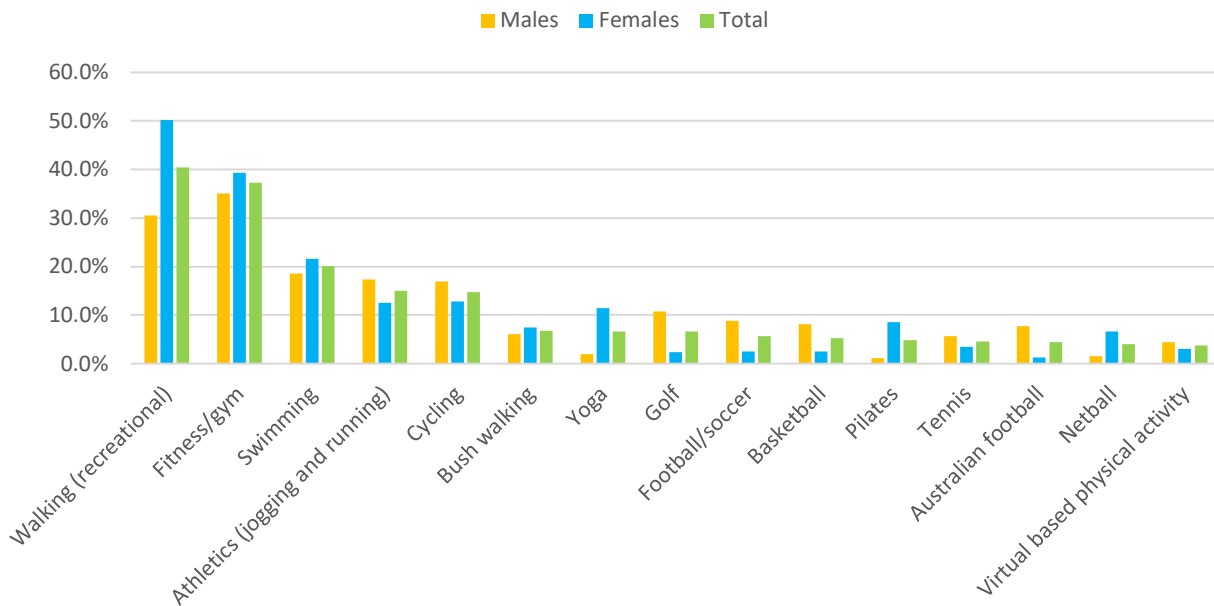


Figure 7: Top 15 activities for adults

There are some distinct gender differences in the top 15 activities. Table 2 provides a full summary of the participation rates for the top 15 activities identified for both adult males and females in Western Australia from July 2021 to June 2022.

This shows a greater number of females participated in walking (50.2% females compared to 30.5% for males), fitness/gym (39.3% compared to 35.1%), yoga (11.4% compared to 2.0%), pilates (8.5% compared to 1.1%) and netball (6.6% compared to 1.5%).

A greater number of males participated in athletics (jogging and running) (17.4% for males compared to 12.6% for females), cycling (16.9% males compared to 12.8% females), golf (10.8% compared to 2.4%), football/soccer (8.9% compared to 2.5%) and Australian football (7.7% compared to 1.3%).

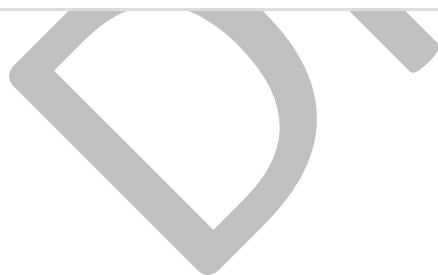


Table 2: Participation by activity – WA data tables – July 2021 to June 2022

Participation by Activity - top 15 activities	Males	Females	Total
Walking (recreational)	30.5%	50.2%	40.4%
Fitness/gym	35.1%	39.3%	37.2%
Swimming	18.6%	21.6%	20.1%
Athletics (jogging and running)	17.4%	12.6%	15.0%
Cycling	16.9%	12.8%	14.8%
Bush walking	6.1%	7.5%	6.8%
Yoga	2.0%	11.4%	6.7%
Golf	10.8%	2.4%	6.6%
Football/soccer	8.9%	2.5%	5.7%
Basketball	8.2%	2.5%	5.3%
Pilates	1.1%	8.5%	4.8%
Tennis	5.7%	3.5%	4.6%
Australian football	7.7%	1.3%	4.5%
Netball	1.5%	6.6%	4.0%
Virtual based physical activity	4.4%	3.0%	3.7%

For children, the results showed the highest participation rate was at least once per year (73.9%), decreasing to 14.8% for three or more times per week (shows in Figure 8).

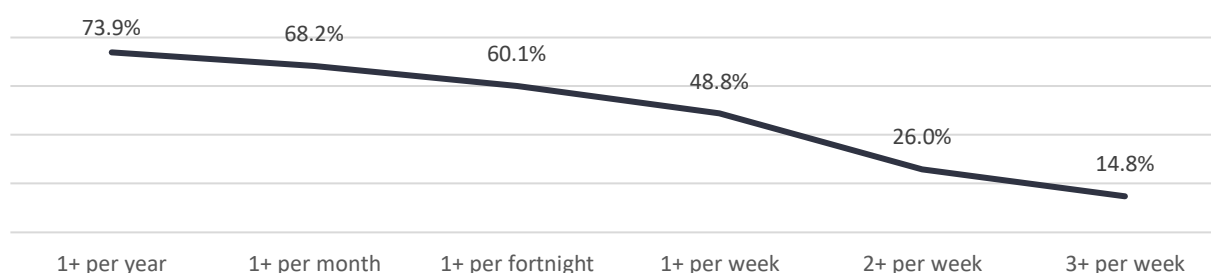


Figure 8: Frequency of participation, children

Figure 9 shows the top organised participation activities for children included swimming (31.8%) basketball (11.6%) and Australian football (11.1%).

Similar to adult participation, there are some distinct gender differences for participation rates in the top ten activities. Females had a higher level of participation in dancing (recreational) (22.0% females compared to 0.0% males), athletics (including jogging and running) (9.7% females compared to 5.5% males) and netball (14.6% females compared to 0.9% males). Males had a higher level of participation in Australian football (17.2% for males compared to 3.3% for females), football/soccer (10.4% males compared to 5.9% females) and cricket (8.9% males compared to 1.2% females).

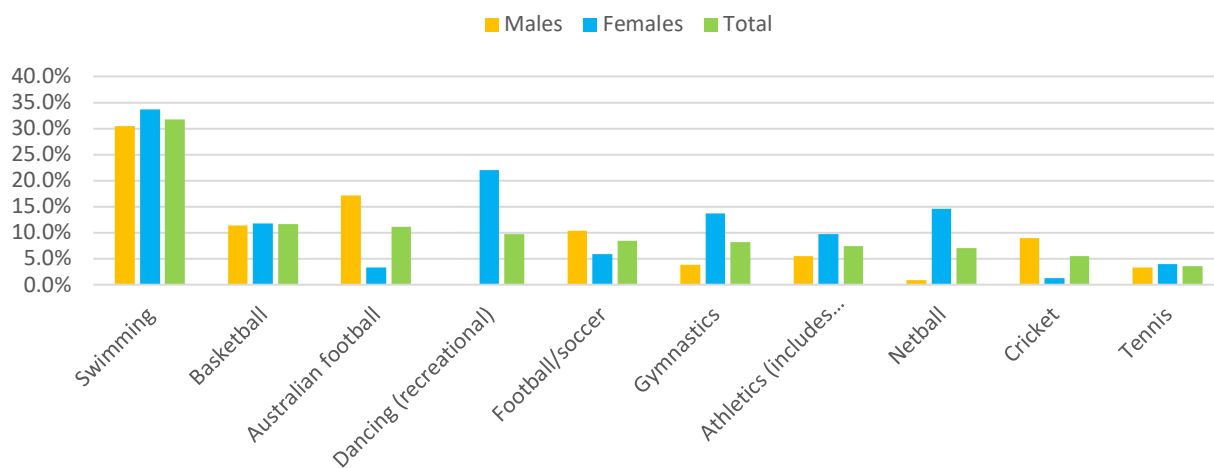


Figure 9: Top 10 activities, children

Table 3 provides a full summary of the participation rates for the top ten activities for children in Western Australia from July 2021 to June 2022.

Table 3: Participation by activity for children – SA data tables – January 2021 to December 2021

Participation by Activity - top 10 activities ¹⁴	Males	Females	Total
Swimming	30.4%	33.6%	31.8%
Basketball	*11.4%	*11.8%	11.6%
Australian football	17.2%	**3.3%	11.1%
Dancing (recreational)	**0.0%	22.0%	9.7%
Football/soccer	*10.4%	*5.9%	8.4%
Gymnastics	*3.8%	*13.7%	8.2%
Athletics (includes jogging and running)	*5.5%	*9.7%	*7.4%
Netball	**0.9%	*14.6%	*7.0%
Cricket	*8.9%	**1.2%	*5.5%
Tennis	**3.3%	**3.9%	*3.6%

Ausplay National Data¹⁵

Ausplay has also prepared Sport and Physical Activity reports that present data on a national level based on a range of sport and recreation activities. Table 4 shows data extracted from these reports to show gender participation rates by age category for the top adult and children's activities that are or could be held at Pemberton Sports Complex. All results are based on aggregated data collected from the commencement of Ausplay in October 2015.

¹⁴ Figures with * denote the estimate has a relative margin of error between 50 and 100% and should be used with caution, figures with ** denote the estimate has a relative margin of error greater than 100% and should be used with caution

¹⁵ www.clearinghouseforsport.gov.au/research/ausplay/results#sportreport

Table 4: Activities by age and gender – Sport and Physical Activity Reports

	Age	0-4	5-8	9-11	12-14	15-17	18-24	25-34	35-44	45-54	55-64	65+
Australian Football	Male	0.9%	17.6%	19.4%	17.8%	17.3%	9.4%	6.1%	4.1%	2.8%	0.1%	0.3%
	Female	0.0%	3.6%	4.0%	5.4%	8.3%	2.9%	1.5%	0.7%	0.4%	0.0%	0.0%
Badminton	Male		0.0%	0.3%	0.6%	2.1%	2.2%	2.2%	2.0%	0.8%	0.5%	0.2%
	Female		0.1%	0.2%	0.5%	3.9%	1.7%	1.2%	0.8%	0.6%	0.3%	0.3%
Basketball	Male	0.3%	7.8%	16.1%	18.1%	22.8%	13.9%	7.8%	5.9%	1.2%	0.3%	0.2%
	Female	0.1%	4.5%	10.2%	11.5%	13.2%	5.6%	2.8%	2.1%	0.0%	0.0%	0.0%
Cricket	Male	0.5%	9.1%	15.2%	13.8%	9.5%	6.5%	6.8%	7.2%	4.4%	1.8%	0.7%
	Female	0.1%	1.5%	2.0%	1.7%	3.2%	1.1%	0.7%	0.8%	0.5%	0.2%	0.1%
Fitness/Gym	Male	1.9%	1.4%	1.1%	2.7%	25.3%	41.8%	41.2%	33.1%	27.9%	24.5%	24.1%
	Female	0.8%	1.1%	1.9%	3.0%	28.0%	47.0%	46.6%	41.8%	37.5%	34.0%	33.4%
Football/soccer	Male	6.1%	27.3%	30.3%	27.2%	27.6%	16.4%	13.2%	9.5%	5.6%	2.1%	0.5%
	Female	2.0%	9.1%	10.3%	10.1%	13.9%	7.2%	3.5%	2.3%	1.3%	0.2%	0.2%
Karate	Male	0.5%	5.9%	4.0%	2.5%	1.1%	0.4%	0.1%	0.4%	0.6%	0.3%	0.1%
	Female	0.7%	3.3%	4.2%	2.1%	0.7%	0.5%	0.3%	0.5%	0.3%	0.1%	0.0%
Netball	Male	0.0%	0.4%	0.8%	0.5%	1.5%	2.1%	1.6%	0.6%	0.3%	0.1%	0.0%
	Female	0.2%	10.5%	25.8%	26.9%	24.1%	13.3%	7.4%	5.2%	2.4%	0.6%	0.1%
Squash	Male		0.1%	0.4%	0.6%	0.7%	1.1%	1.9%	1.7%	1.4%	1.0%	0.2%
	Female		0.1%	0.1%	0.2%	0.7%	0.3%	0.5%	0.4%	0.4%	0.2%	0.3%

Table 4 shows the highest participation rates for each sport or recreation activity as:

Activity	Highest Participation Groups
Australian Football	Younger males aged from 5 to 17
Badminton	Males aged from 15 to 44 and females aged from 15 to 24
Basketball	Males aged from 9 to 24 and females aged from 9 to 17
Cricket	Males aged from 5 to 17
Fitness/gym	Males and females aged 15 and over
Football/soccer	Males aged from 5 to 34 and females aged from 5 to 17
Karate	Younger males aged from 5 to 11 and younger females aged from 9 to 11
Netball	Females aged from 5 to 24
Squash	Males aged from 18 to 54

ATTACHMENT B

RESPONSES TO OPEN ENDED SURVEY QUESTIONS

1. User Group responses about satisfaction with Pemberton Sports Complex and Pemberton Sports Club

Quality and condition of facilities

- The grounds & facilities/amenities that we use are always in pretty good condition and kept fairly clean, neat & tidy. There is always room for improvement, but no major complaints
- Condition and maintenance of facilities need improvement from Shire of Manjimup
- Most of the facilities we use as a club are maintained by our members
- We supply and maintain all our own equipment therefore not a cost to the Club
- Needs an upgrade!
- Arts group also looks after venue
- Our changerooms, toilets and the canteen facilities are functional but they are getting old and need more maintenance and some improvements.

Costs of use

- We have found the fees & charges to be fair and affordable for our Club
- Affordable
- We are never happy having to pay for the use of OUR clubs facilities however we are aware of the financial status of the PSC and pay our share
- Currently we do not pay for the facilities other than our local teams are all Sports Club members, which we ensure that we meet the Club requirements
- Not value for money
- We ensure that all of our members who are required to be members under the Club Constitution have paid their fees
- If stays the same then all ok but if price increases it will make it harder for NFP organisations
- The football club purchases all alcohol sales over the bar at the PSC including after games. The original intent of our MOU with the PSC was that the football club would get some % of alcohol sales profit returned to the footy club, but this has not been possible due to the financial hardship the PSC has found itself in. This does cause some animosity with some of our members.

Management Arrangements

- Although sometimes there is miscommunication &/or misunderstanding between different sporting groups, particularly if one is operating based on historical patterns of use, as opposed to current guidelines and procedures
- We have never had any issues
- Most of the time arrangements are fine, however we have had some minor dispute with the use of the dining room following our three major bowling carnivals
- Because we do not get compensated when they use our facility
- We supply our own equipment and organise our playing nights, all the club is required to do is have the bar open
- Reliable
- The footy club can function as per normal under the current arrangements with the PSC. The main issue is financial where the footy club supports the PSC with bar sales, but we don't get anything back financially

- The PSC by necessity is charging the footy club to use toilets, canteen, etc when we are already propping up the PSC with our bar sales. Its double dipping to a degree but the PSC need to do this to survive and keep the doors open. Other than financial, the management of the PSC generally are supportive and work positively with the Footy Club
- We currently just arrange meetings and turn up, no formal arrangement.

Management by Pemberton Sports Club

- The committee were very approachable and accommodating last season. There was a feeling of mutual respect and desire to support each other
- We understand that the PSC is managed by volunteers and so cannot be overly critical. They are reasonable to deal with
- Facilities are not clean and often pose a physical risk to users
- They do a good job in trying to keep the Club open
- Reliable
- The PSC is predominately run by volunteers, and they do the best they can do with their limited time. More can be done to improve the PSC but with volunteers it is hard to find the time and the money required.

Interaction with Pemberton Sports Club

- Also, our members do appear to value the service and facilities available to the local community through the Sporting Complex, although I'm sure the Sports Club would benefit from more financial members to enable them to better manage and maintain the facility. Our Club should continue to promote this
- We are satisfied with bar manager as easy to communicate with
- Hoopz is great
- We have asked for meetings with the management committee to resolve issues, some of the agreed actions did not take place or our request for a meeting was not responded to
- Happy with service we receive from the staff
- Because they are not fair in their decision making
- We have a good relationship with the staff on the nights that we play
- Don't have much to do with each other
- Our interaction is friendly and well-intentioned but better communications could be achieved if the volunteers had more time available.

2. Reasons for not being a member of Pemberton Sports Club

- **Member or participant in other sports club/association at the Complex**
 - I use the PSC as a member of the Men's Winter Darts Association
 - Have only used the facilities for club organised team sport
 - I play basketball and netball there but I am not a member of the sports club
 - I am a member of the gym only.
- **Apathy**
 - I am not associated with any Pemberton sports clubs so I do socialize in Pemberton.
 - Never been directed to do so
 - I am not a member but would consider becoming one
 - Not sure.
- **Value Proposition**
 - Membership is overpriced. Volume of trade is what they want. Make it a \$10 membership and you would double membership overnight.

- Fees are too high and I think it should be open for everyone not just locals but tourism industry as well
 - No benefits
 - Don't see the point, what are the benefits?
 - Services provided and access didn't suit desires at the time
 - I have tried to join but was never welcomed, gotten back to
 - Joined and never received any emails confirming even though I tried multiple times through other family members emails to remedy this
 - Was unhappy with the bar manager but thankfully that has changed
 - Not worth it
 - Mismanagement of membership fees by committee and culture of poor decision making and Shire blaming. Rather than look at the club with eyes wide open and make decisions on the best interests of club and membership, an anti-Shire rhetoric has been promoted, poor decisions made and total disregard for membership has flourished
 - No incentive to be a member. Also generally only attend during basketball season so don't see the point in paying for a year membership.
- Lack of Use
 - Not using it
 - Traveling
 - My visits are very infrequent
 - Moved out of the town. Family are still based there and support using facilities when back in the area
 - Due to relocation to a surrounding town
 - Spend a lot of time in Perth, not enough time in Pemberton
 - Don't go to sports club anymore
 - Do not use
 - Don't use it enough
 - Don't use the facilities

3. Responses to opened ended comments about Pemberton Sports Complex

- I feel as President of the Pemberton Sports Club that this review is going to be very critical. I also feel that you have not got the correct facts right to make this survey useful. I feel you need to be engaging with the people who use the facility including the other sporting bodies who use the facility and I feel you are making the review based on what feedback you are getting from the shire.
- A valuable asset to the community.
- The ability to play sport should be the primary focus.
- I think they should become a tavern and the football club be welcomed because they are the biggest club in the town and should have more control in the running of the club.
- Its been a challenging topic and there are no easy answers, but as a resident of Pemberton, I live work and enjoy life here and this facility is very important to our town.
- Nice to see some improvements happening.
- Overall community vibe is improving.
- More advertising required to promote people being members and when you are a member you get annual reminder to pay.
- Kitchen excellent.
- Lani doing a great job - for bigger events more bar staff required to handle busy times.
- I think that the Shire should be assisting more with keeping this very important community meeting place open for all.

- When I first became a member of the club I was very surprised not to see the sports bar full of footballers who use the grounds. It shocked me when I was told that they drink elsewhere and do not support the sports bar. To me this doesn't add up and is certainly detrimental to the prosperity of the sports club. In my mind everyone who uses the facility and grounds should be doing everything they can to support the club. That includes eating and drinking in the bar and having a full membership. If these activities are undertaken elsewhere then it will certainly have a serious affect on the clubs turnover.
- I think the Club should look into why some groups have been set up and the great outcome that could occur if their needs were met. At the moment this doesn't happen.
- It's a valuable space for the town of Pemberton servicing many sports and tourism that comes into Pemberton. Without it running where would any one be able to go.
- Not being in actual Manjimup gives it a huge disadvantage as the Manjimup shire would only rather money spent in the "super town " Manjimup.
- I am commenting to the survey on behalf of the local Department of Biodiversity Conservation and Attraction office (Parks and Wildlife) Manager. This area is in bushfire risk zone, and the Sports Club provides an important hub for incident management and community information and potential evacuation centre. These types of facilities, if closed, will impact during emergency events.
- Because the Sports Club involves all the community in general it needs more financial assistance from the Shire of Manjimup.
- More regular communication to members and general public.
- Admin staff need to be employed to run the facility as the bar manager has her own job to deal with and having to run all the other sections of the place can get too hard to deal with.
- Sports club membership discounts to encourage more members.
- It is a wonderful facility and I wish it could be used for more things. However right from the beginning, the operating costs have been a recurring problem. If this review helps in that, I for one will be celebrating.
- In 2014 a similar review was held and it was decided that the Pemberton Sports Hub should receive \$40,000 per year. This money has been reduced over time by the staff and councillors of the Manjimup Shire because they don't have a full appreciation of the community service value of this facility, while at the same time they spend many hundreds of thousands of dollars delivering such services in Manjimup. The fact that a local person was overlooked by Manjimup Shire staff and councillors for this review and the fact that staff briefings were from staff that don't live in the town tells a story.
- The Pemberton community simply requires the Manjimup Shire from their \$30M budget to give \$50,000 to the Pemberton Sports Club so they can continue to deliver this highly cost-effective and extremely important community service hub and facility that daily helps create a community spirit and soul that is absent in many communities and helps make this town the envy of many others. The \$36,000 review itself was predominantly a decision made by Manjimup Staff and Councillors who don't understand the community contribution and importance of this facility.
- I am not sure about the idea of paying \$60 to use the kitchen to supply food during a sport competition is viable for the organisers.
- Excellent Facility built mainly by Pemberton people with some assistance from Government. Needs Shire support.
- This is a very in portent complex used for community groups and in portent functions.
- Some local People work very hard doing work to keep this large place open.. being a sporting complex it should be under the control of the local shire management.. the restaurant and bar areas would be best maintained as currently are.
- Running costs are expensive so it would be great if the Manjimup Shire could support it. Pay cleaning and electricity etc.
- This is a great community place to socialise and allow for our kids to play sports in an indoor setting.

- The front appearance of the complex is foreboding and unwelcoming. The approach inside was designed to accommodate a receptionist who is not now employed with the result that anyone attending has to find their own way around.
- A great facility that has been poorly run and maintained and which has in the past been a "closed shop", effectively excluding any "outside" input and advice.
- The football club were instrumental in the design and in the club. However, the club rooms are also the restaurant. It would be good to see them contribute more.
- I'd like the showers opened so that the public can use them. There are no public shower facilities in Pemberton and the sports club have a \$15 for three months membership which would cover shower usage for the travelling public. This may also bring them into the club to use the facilities, gym, restaurant, bar, squash, courts, etc.
- The gym membership is now electronic. Can give access to the gym to members of the community 24/7 which is a great initiative.
- The town needs it. It's an important space for the community.
- Would be good if the Shire supported the community with accessing grants, events etc. Volunteers in satellite towns within the Shire are burning out while Shire staff are able to support Manjimup town's needs.
- The PSC has been a community run facility for over 20 years. They have managed and always found ways to keep the doors open and worked very hard to do so. They rely heavily on volunteers as they cannot pay a manager to run the administration, they can only afford a bar manager. With constantly increasing overheads, the costs are now being included by facility users who expect better service for their money and put more pressure on a volunteer committee. If they had administrative support through a community centre manager, a lot of the issues would be alleviated. This cannot be achieved without financial input from the Shire or other Government body.
- This sports club is more than a venue. It is a meeting place for our community, be it sports, arts, meetings or political. The Manjimup Shire do not extend their efforts or financial backing anymore than the bare minimum. It is obvious that the Shire are happy to wait on local Pemberton volunteers to find solutions to problems, find financial avenues to repair the building and pursue new solutions to find more effective management strategies. We would not have this same approach if the building was located in Manjimup.
- The club needs more staff to run the complex holistically, not in separate silos.
- Fixed costs for the complex are huge for such a small community base due to the lack of foresight when planning the complex. This has led to budget blow outs that were not the fault of the committee charged with running the facility. The Shire of Manjimup have not been helpful in the past, choosing to blame the committee for poor management rather than find practical ways to help.
- I think the shire needs to review the rates charged to the Community Complex, treating it separately from the Sports Club itself.
- Create a more functional and updated gym area with better equipment/space.
- The Pemberton Sports Club is a significant building and should be the number 1 facility within the Manji Shire. It is a very expensive building to run and maintain. The PSC is managed superbly by the volunteers of the PSC and the volunteers of the subclubs. We need to remember that the PSC is managed and operated by volunteers. The MSC needs to step up financially and support the volunteers in managing the PSC which is a very much needed community facility and asset.
- The PSC is the clubrooms of the Southerners Football Club. We are proud of what the Southerners Football Club have put into the PSC and the support we provide to the PSC and require the PSC to continue operating.
- The community of Pemberton pay massive rates and have very little funding in comparison with Manjimup; ie \$2million being spent on oval lighting in Manjimup.

- More people such as casuals should pay a premium on bar and food to cover costs. Members should have a card to show for lower rates. Also in some areas no membership no entry. More costs need to be covered by users.
- The PSC is a key community asset and is vital for our town and the associated sports that use it. The bar and dining are central to all sports and a meeting place for the community and events. The shire should financially support the PSC more. A small dollar amount for the huge community benefit.
- A great asset to have for the community and all efforts must be made to maintain the facility. Very important for the social well being of the township.
- Not all aspects of a community asset are able to be economically viable 100% and some quarter must be given for social welfare.
- Would be great to see a new lease of life established in the complex but it seems to be stuck in the past.
- Shire of Manjimup should be helping all community groups within the facility. Be responsible for maintenance and upkeep to keep the sport club looking fresh and inviting to locals and visitors.
- Committee needs to be more open to new ideas and suggestions.
- The Shire should allocate more funding to the upkeep and maintenance of the facility, rather than the Sports Club Board.
- I believe that certain sections of the sports complex should be hired by the sporting groups. Sporting groups/clubs should pay facility hire fees to use parts of the building. Historical agreements regarding the facilities need to be left aside to ensure the future of the complex.
- Push membership and the outdoor seating area isn't advertised enough. Amazing space to relax with a drink.
- All sporting clubs need to proactive with their members to make the club viable.
- It is an incredibly important space for community to come together. It is essentially the heart of Pemberton.
- To consider membership for locals who no longer live in the town and use facilities occasionally.
- Think about the why behind people wanting to use the club facilities. Everyone's why is different.
- Who else can use facilities (in the local area) during the quieter months.
- Where else can facilities be promoted? What can our facilities be used for?
- How else can we attract the younger people (between the ages of 20 to 35) to use the club.
- To have one club vision and mission, which aligns to all of the community groups.
- The complex is so important to the town and would be great to see it bigger and better and run efficiently with collaboration between all sports there. Bar and restaurant to work hand in hand would be an improvement.
- I believe the gym should be overhauled so access can be done via swipe card so access can be 24 hours. I feel for too long, the Committee blame the shire for the blow out of costs, but bad man management over a number of years, has caused this, not the shire. The town needs to wake up and stop blaming the shire for everything. Also, Shire councilors need to stop blaming other members of the shire employees for the issues and consider their focus and nepotism.
- The club needs more money. Govt grants etc.
- Perhaps need a help from shire like other sporting complex's in shire regarding power & water Thank you.
- The Sports Complex is an asset to the town of Pemberton and is used by many sporting and non sporting groups. The facility is need of maintenance and promotion to ensure it is fully utilised.
- Please review information gathered at the brainstorming session conducted by the Pemberton Sports Club Committee - Strategic Planning Meeting held Tues 24 November 2021.
- It is a facility that is vitally important to the Pemberton community but the population of Pemberton is struggling to utilise it to its full potential. Needs to be more accessible to visitors for additional income.

- The facility is too big. The library and crc should have been moved down there other than building the new building across from the post office to utilise unused spaces and help cut costs.
- The sports club is brilliant but doing a paper desk top review from across the county is not going to help. You need to be here and living in the community to understand how it really works. The volunteer work tirelessly to keep the club going and the shire staff do everything possible to make it difficult for them. Community services should be supporting the committee to develop a sustainable model with solid income sources. They should also support the marketing of the club.
- Make it open get rid of club fees.
- This facility is a community hub currently being managed and run predominantly by volunteers. We need funding to be able to have a manager available on site for all areas other than the bar & kitchen area.
- As previously stated it is difficult to know what the right answer to managing this complex is given its inability to make money but at the same time it is a core place for the community.
- Overall the sports complex is great however not enough users to ensure it can cover its costs. Also need to ensure all users are paid up members.
- It is a vital part of our community. Every kid uses it for something. So whatever it takes to keep it operating in ways that allow them to use it safely.
- More funding from the Shire to allow for good maintenance of the building and to provide youth services. It is a council owned building that should represent a quality service and facilities. It's been great to see some recent renovations improving the facility and customer experience.
- Not every member non member have Facebook.....will you get a true and accurate outcome of your survey?
- Great asset to the community but lacking clear direction.
- I don't know how but youth need to be involved in the decision making process.
- Board needs to be restructured if this is to work. Stop thinking that you can get volunteers to do everything, complex needs to be run as a business not try and run off Shire funding

4. Responses to open ended comments about Pemberton Sports Club

- The current committee are volunteers who are working there butts off to keep the club a float, we have no new committee members wanting to join the committee. The same committee members are on a number of other club committee as well plus own or hold other employment with other business.
- The Manjimup Shire needs to recognise the importance of a complex of this nature to the betterment of the community.
- At present very difficult to organise access and court hire.
- Overall managements seems a lot more evident.
- Well managed by staff and the many volunteers, still need more help from the Shire of Manjimup considering we are part of this Shire.
- Personally, I think they are incapable of running such a much needed facility.
- It's relied to much on the same volunteers with little to no help from shire to help the sporting facilities unlike the amount they will spend in Manjimup.
- The bar/dining should be separate from the sporting facilities, including all staff and bills.
- Each sporting club should be represented on the Sports Club board of management.
- I don't know what the answer is to the continuing financial problems.
- The management of the Pemberton Sports Hub has improved greatly over the last 2 years and is heavily reliant on volunteers. Many things that this facility delivers go unrecognised by the Manjimup Shire - Evacuation centre, New Year's Eve celebrations, Mental Health evenings, cancer fundraisers, funerals, weddings, breast cancer screening, toilet facilities for the skate park, emergency helipad, polling booth, Shire Council meetings, workshops etc.

- The management are very hard working and have organized over the last year quite a few large events for charities, sports and fireworks on New years Eve.
- Facility is well managed despite huge workload of volunteers who are at breaking point.
- It is run by volunteers without help from the Shire. A lot of the cost are incurred from the community and sporting groups and visitors but the cost of all this is incurred by the club without any help from the Shire.
- Possibly more contact with the locals to encourage more family use of the centre.. I am an out of Towner, so have to travel 50km round trip.
- The power supply on the roof needs to be upgraded to run on batteries. Panels without battery's are useless. most of the power is used at night when the sun is not out.
- Over the years it appears to have been focused on Bowls and footy. I note soccer and cricket are also regular seasonal users. Current management appear more accommodating. It will remain to be seen if other groups around town can access the facilities if and when they wish to.
- I think they are all trying to do their best and keep it afloat for all of us to enjoy.
- Good to see the showers available.
- Also talk to the sports club as the club grounds make a great overflow camping area for town. I believe the caravan park could come to some agreement to manage this.
- This would bring additional income into the club in the form of membership fees for the use of showers and toilets. Not to mention additional revenue to the bar and restaurant.
- A Community Centre Manager is needed to provide regular administration to the Pemberton Sports Complex.
- The Shire of Manjimup has neglected this facility, based on the fact that it has a sports bar. This is irrelevant to the Sports Complex overall and the Community centre. A bar manager is not a facility manager and without Shire assistance, the PSC cannot afford both. They expect volunteers to run a business and community centre of this size for free! They only recently put grant money into improving the facilities with a bit of paint. What about management costs? They do not even give any assistance for rates, electricity or water, yet expect all the bills to be paid, ultimately by bar takings.
- The board and bar manager do a great job but really need someone for the Community Centre and oversees the whole complex so there is someone there everyday during the day.
- Although originally created by the community, the club needs the support of the shire, as they support facilities in Manjimup.
- It's a sometimes thankless task, but they are all doing a good job.
- Last time the Sports Club asked for financial assistance, I believe they were told that "the community raised money last time, get them to do it again".
- The PSC bar complex is the only real source of income paying the bills, perhaps memberships to each sporting group may need to be changed? Deanmill Workers Club charges \$10/ year for membership and still makes money. Its the outgoing expenses that are crippling the PSC, in my opinion.
- It is run-in a voluntary capacity and I think they do the best they can however with the cost of things it is very hard and sometimes seems like they are fighting a losing battle.
- Support the volunteers who manage the PSC.
- The funding needed is beyond the scope and ability of Pemberton residents. The Shire needs to increase its funding FROM OUR RATES to meet current personnel needs.
- Management needs updating.
- The management of the PSC is mostly done by volunteers. They need more financial help from the shire to maintain the facility and allow it to grow and flourish. I don't think the shire know how important this facility is the fabric of Pemberton.
- Management is looking good and trying hard to keep the club afloat.
- Shire should run waive rates run by volunteers who put in a lot of their own time.

- Professional management of the asset must be in place to keep track of costings and devise a fair and acceptable level of charges to the respective users where possible. If this does not cover the full operating costs of the asset then if all avenues of reform to costs have been completed then the remaining shortfall has to be borne by the shire.
- Keeping the staff friendly !!
- New manager should be supported to revitalise and modernise this facility.
- It would be ideally run by the one body to ensure of cohesion & collaboration between local groups, however I'm not sure they have the resources to enable them to do this.
- Hard to get in contact to organise use of space. Don't know who to ring.
- Get rid of the committee.
- The less shire intervention in management the greater the benefit to maintaining and making a profit.
- The current management by the Pemberton Sports Club is an asset to the town and the Shire of Manjimup should applaud them for recent changes implemented to ensure the longevity of the complex. I'd like to see a comparative of the numbers through the doors vs the Manjimup Pool which runs at a million dollar loss. The Pemberton sports complex is an asset to the community and needs to be maintained by the Shire of Manjimup.
- I believe an individual, employed and reporting to the Shire, as a manager and acting as part of the Sports Club Committee, would be ideal to co-ordinate, promote and plan events to help that volunteer Committee make this hub an even better community asset.
- The management of Pemberton sports club is doing all it can. More support from the shire is required for the Pemberton community.
- The configuration of clubs and spaces needs to be addressed. Historic allocations are not relevant now.
- Members of our community just trying their best to keep the doors open and accessible to all. Small town volunteer base ever shrinking making it a thankless job.
- The club is managed by a group of volunteers who try to do a good job, they may not necessarily have the skills to operate the club in a profitable way.
- Please don't let this committee drag on any longer. It has been like watching a slow train crash for years.
- They would be able to improve the facility a lot more with regular funding to cover basic costs.
- Some board members have been doing a great job for a long time unpaid. Will burnout become an issue? Paid council employees running the club may be more motivated and a long term solution?
- Too many rules, politics amongst sporting clubs, management, kitchen.
- Some hard working members but would benefit from fresh perspectives.
- It's crazy that the restaurant can only be open when the bar is.
- Only way to succeed is to have a look how other successful sporting clubs are run. They do not live in the dark ages and get the Shire to pick up the pieces when bad decisions are being made.