

## 8. CONSIDERATION OF REPORTS

### 8.1 NORTHCOTE GOLF COURSE – OPERATING MODEL OPTIONS

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#### EXECUTIVE SUMMARY

Following an extensive community consultation, Council resolved at its meeting on 23 May 2022 to implement spatial sharing at the Northcote Public Golf Course site. This resulted in an additional 5.72 hectares of open space for the community, while maintaining a 9-hole golf course (on a smaller site) for golf users.

Council's resolution requested further investigation into temporal sharing opportunities through the management contract for the operation of the Northcote Public Golf Course.

This report outlines three main options for the management model of the Golf course for Council consideration:

- Option A – golf focused
- Option B – golf with community use after 3pm
- Option C – golf with community use one day a week

On balance Option A (golf focused) is recommended ahead of Option C (golf with one day a week community use), and Option B is not recommended. The main reason for this is that the benefit of community access is not thought to outweigh the greater financial cost of temporal sharing. A key consideration underpinning this recommendation is that in this location there is community access to large open spaces nearby, including Mayer Park and the 5.72Ha area which Council has decided to release back to open space. The community uses that could be provided on the golf course itself can also be provided on other nearby open spaces and there is not a particular benefit to providing them specifically on the golf course. Option C has been assessed as the best 'temporal sharing' model and is generally regarded as viable (subject to findings from any upcoming tender, and noting that this is an untested model in Australia).

Should Council endorse the recommendation to proceed with a golf-focused Tender, Tenderers would be asked to implement creative options to further activate the course for those looking to participate in golf-adjacent and non-golf pastimes. Council would identify the best option through the Tender evaluation process. At the conclusion of the Tender process officers would negotiate the specific of creative activations and confirm them in the contract.

Should Council wish to understand temporal shared-use options (option B or C or both) further, officers recommend using an Expression of Interest process prior to a formal public tender process. If Council decided to do this, a new management contract is estimated to start on 1 July 2023.

**Officer Recommendation****That Council:**

- (1) Endorses the commencement of a public tender for a golf-focused operating model at Northcote Public Golf Course, noting that tenderers would be asked to implement creative options to further activate the course for those looking to participate in golf-adjacent and non-golf pastimes.
- (2) Endorses the inclusion of the following principles into the management contract and operating model to implement creative options to further activate the course for those looking to participate in golf-adjacent and non-golf pastimes:
  - a) Access and inclusion
  - b) Health and wellbeing
  - c) Increased participation by target groups (older adults, people with a disability, women and girls, children and youth, LGBTQI+, people from a CALD or Aboriginal and/or Torres Strait Islander background, people experiencing financial hardship)
  - d) Community connection and social outcomes
  - e) Sustainable and environmental initiatives

**BACKGROUND / KEY INFORMATION**

Early in its term, Council resolved to seek to understand how Northcote Public Golf Course might be made available for broader community use. Council also resolved to seek the views of a broad range of stakeholders via community engagement which has been completed. The Engagement Report was presented to Council at its meeting on 23 May 2022. Community consultation identified there was significant public interest in the future use of the site, and responses were varied and from a wide-reaching audience.

At its May 2022 meeting, Council resolved to implement spatial sharing at the site. This provided an additional 5.72 hectares of open space for the community, while maintaining a 9-hole golf course (on a smaller site).

*Breathing Space: The Darebin Open Space Strategy* identifies that the City of Darebin has an undersupply of open space in the municipality. Currently, Northcote West is not identified as a high priority area in Darebin for increasing open space. It does not have any lots with no access to open space within 500 metres, and in 2018, had 19.1 hectares of open space per capita, much higher than Preston West (8 ha/pc), Reservoir South (1.9 ha/pc) and Thornbury East (5.6 ha/pc).

The golf course management contract would be put in place for a reasonably short term and would allow Council to progress discussions with the Wurundjeri Woi-Wurrung Heritage Aboriginal Corporation about land hand back and management across Darebin, and to keep any future options at this site open.

**Previous Council Resolution**

At its meeting held on 27 June 2022, Council resolved:

*'That Council:*

*Resolves to receive a report at its Ordinary Council meeting in July 2022 to consider the operating model for the Northcote Golf course, which includes options that might activate the course for golf prior to 3pm with non-golf options after 3pm.*

At its meeting held on 23 May 2022, Council resolved:

*'That Council:*

- 1) *Endorses 'Option A' for shared use of the Northcote Golf Course site including decommissioning the southern most hole, retaining a 9-hole golf course, developing a new northern park, delivering a new eastern boundary path and unlocking approximately 5.72 hectares of park land for broader community shared use (Appendix B).*
- 2) *Seeks briefings from officers on: a. terms and conditions of a new golf course management contract for the course including options that might activate the course for golf prior to 3pm with non golf options after 3pm.*
- 3) *Commissions a report to examine a. the condition of the buildings on the site and how these buildings could be used to activate the space and encourage further shared use; and, b. Opportunities for private investment or a public/private partnership to develop a commercial and/or social enterprise venture for the site including hospitality and events;*
- 4) *Calls for a review of fencing of the site to determine how access and security can best be managed for shared use.*
- 5) *Writes to The Hon. Ros Spence MP to thank the State Government for its contribution towards this project, continues negotiation on grant terms and conditions and seeks a further State Government funding contribution to the capital development of the site as endorsed by Council.*
- 6) *Incorporates necessary funding into the proposed 2022-23 budget (\$100,000 for the buildings' business case plus costs associated with option A) which will be considered by Council at a meeting in June 2022.*
- 7) *Commences work related to the recommended option including the reconfiguration of one fairway, changes to tees and greens and other capital improvements for delivery of shared use of the space in the 2022/2023 financial year.*
- 8) *Thanks the community for their valuable and considered input made during the community engagement and publishes the Northcote Golf Course Community Engagement Report (Appendix A) on the Your Say page.'*

**ALIGNMENT TO 2041 DAREBIN COMMUNITY VISION**

Strategic Direction 1: Vibrant, Respectful and Connected

**ALIGNMENT TO 2021-25 COUNCIL PLAN**

Strategic Direction 2: Prosperous, Liveable and Flourishing

**ALIGNMENT TO COUNCIL PLAN STRATEGIC OBJECTIVES**

2.1 We will deliver equitable and accessible infrastructure to provide opportunities for our community to live well

2-4 Undertake community consultation about the future shared use of the Northcote Golf Course land

**DISCUSSION**

No examples of temporal shared-use golf courses in Australia operating with non-golf activity after a specific time have been identified through investigation with industry providers and associated bodies. The closest examples are golf courses open to the public as follows:

- Albert Park Golf Course is open to the public after the last tee time (dusk) with a walking track through the course for public access.
- Some private residential courses have walking paths through the course, supporting both public walking access and golf simultaneously. Access is generally for residents and there is little evidence to support other community members accessing these courses.
- Golf is played at the Old Course at St Andrews (Scotland) six days per week throughout the summer months.

It is widely accepted that passive community access, while not encouraged, occurs on public golf courses where they are accessible. This access contributes to the risk of community members playing golf for free if there is unrestricted access to the course – there is a safety risk to other users that arises from this if golf is occurring at times when it should not be.

**Options for consideration:****Option A: Golf Course Management and Services (golf focused) – recommended**

In this option, Golf would be played 7 days, although it would be open to operators to run open days or other community participation activities in order to meet the requirements of the Tender to increase participation levels with key target groups.

Tenderers would also be encouraged to consider creative options to further activate the course for those looking to participate in golf-adjacent and non-golf pastimes and this would be considered as part of the evaluation of the Tender. For example, Northcote Public Golf Course currently offers Footgolf daily from 12pm as a non-stick golf option to encourage greater activation and participation.

Tenderers would be required to demonstrate how they will actively increase participation levels for key target community groups as well as support improved social outcomes identified in Council's Strategic Plans including opportunities for community connection and improving community health outcomes. This option would be aligned with Council's aims and objectives focused on inclusion, access, equity, health and wellbeing.

A new Northcote Public Golf Course management contract would offer an initial contract period up to 30 June 2026 (3.5 years) with a further two-year extension period.

**Financial**

While the financial benefit cannot be confirmed until the market responds, current management contract fees cost Council approximately \$150K per annum (net cost). Given

recent increases in rounds played, the Tender will aim for more favourable financial outcomes for Council and financial outcomes would be one key evaluation criteria.

This option is estimated to be better financially for Council than temporal shared use options. The main reasons for this are:

- Longer hours for golf use which enables revenue collection
- No 'change over' costs between golf use and other uses such as cleaning or maintenance.

Despite the limitations of the 9-hole Northcote Public Golf Course where the infrastructure requires upgrading, an operator may, through the Tender response, show interest in investment, increasing the opportunity for participation, activation and revenue.

In 2021-22, 25,775 rounds of golf were played at Northcote Public Golf Course. This is higher than the 24,494 rounds of golf played in 2020-21 and the average of 18,900 rounds played per year between 2015-16 to 2019-20. Socially distanced sports and exercise have grown in popularity as a result of the pandemic.

#### Other Considerations and Risks

Unauthorised access by community members may continue, with the potential for additional expenses as experienced during COVID lockdowns; however, as the COVID lockdown circumstances were unusual, it is difficult to determine the extent of any potential damage. The fencing review would need to consider how best to support the golf-focused approach.

While timing is tight, this option is expected to be able to start on 1 January 2023. The tender process is straightforward with market clarity around expectations.

Tenderers would be asked to implement creative options to further activate the course for those looking to participate in golf-adjacent and non-golf pastimes. Evaluating the tender proposals would include considering this specifically and in this way the Tender process would identify the best option for Council. At the conclusion of the Tender process officers would negotiate the specifics of creative activations. As a guide, the types of golf and non-golf activities that Tenders could propose include:

- beginner clinics for juniors, women, adult
- school holiday programs
- schools
- social events & programs for corporate groups or local businesses
- open days
- movies in the park
- laser tag
- augmented reality
- inclusion and celebration activities for example (but not limited to) IDAHOBIT or NAIDOC week.
- Fun runs & walks
- This Girl Can
- Childrens' Week activations
- Get Active Victoria
- DarebinMOVES

- Outdoor pilates
- Wildflower exhibitions

*Option A is recommended.*

**Option B: Golf with community use after 3pm – not recommended**

Under Option B, the Northcote Public Golf Course golf management contract would be as per Option A with the additional requirement of a tenderer implementing a 3pm temporal (timed) shared use approach to the golf course, releasing the course for active or passive shared use after 3pm each day.

A tenderer may choose to partner with other organisations to activate the course for non-golf use after 3pm. This could include social enterprises or organisations seeking to maximise the opportunity of the community use component.

Should Council wish to pursue a Temporal shared use model, this model is not the model recommended. Option C has been assessed as having greater benefit and lower cost. Note that there are limits to the information available as this is an untested operating model.

Should Council wish to test the market to understand this option further, Officers recommend an Expression of Interest process prior to a formal public tender process. To enable this, a new management contract would start 1 July 2023.

Financial

Generally, with fewer golf hours, a shared use model would be expected to generate less golf-related revenue than if all hours are available for golf, however it is not clear to what extent other uses during the non-golf hours would be commercially attractive.

With temporal shared use of the course, it is likely additional resourcing would be required to ensure the course is fit-for-purpose following shared-use periods/days; therefore, a reduction in golf operating hours could result in increased operational maintenance costs as well as reduced revenue generated from golf rounds played. Based on activity during COVID lockdowns, community access to Northcote Public Golf Course resulted in additional expenses for Council (through the operator) for additional resourcing to clean up the course:

- Alcohol and food consumption on and around the course, resulting in litter.
- Damage to greens and debris on the course and close to facilities.
- Bunkers were damaged through play and pets using the sand as a litter box.
- Additional course maintenance required up to 30% additional fertilizers and chemicals in response to increased foot traffic across greens and fairways.

The final tee-off time would need to be set 2 hours before changeover as it generally takes 2 hours to play 9 holes, eg 1pm for a 3pm changeover. Using 3pm as the changeover time, analysis of Northcote Public Golf Course participation from 1 May 2021–1 May 2022 indicates 40% of participants attend the course after 1pm.

The financial effectiveness of the model is difficult to test, as this has not been implemented elsewhere for comparison or benchmarking. Council would encourage tenderers to consider establishing partnerships so that tenderers bring both 'golf operations' capability and non-golf activation capability.

### Other Considerations and Risks

A temporal shared-use operating model with reduced golf operational hours may limit the number and quality of tender responses received. The outcome of a shared contract model is unknown and would be heavily reliant on the underlying principles set for evaluation to consider the effectiveness and value of the model.

The golf operator's capacity to achieve Council's participation, access and equity aims and objectives in relation to golf may be diminished by the reduced golf operational hours, however, this may be offset by activation partnerships.

The reduced golf operating hours may be less attractive to an experienced golf operator, as there may be reduced additional revenue opportunities such as food, beverage and merchandise sales, equipment hire and golf lessons.

Due to the current facility configuration and security concerns, there may be no public toilet access when the golf operator is not onsite.

With the course remaining open and accessible, golfers may continue to access the course for golf during community access hours, thereby creating a public liability risk.

*Option B is not recommended.*

### **Option C: Golf with community use one day a week (Sunday)**

Under Option C, the Northcote Public Golf Course golf management contract would be as per Option A with the additional requirement of a tenderer implementing a Sunday temporal (timed) shared use approach to the golf course, releasing the course for active or passive shared use each Sunday. A tenderer may choose to partner with other organisations to activate the course for non-golf use on Sundays.

Should Council wish to pursue a Temporal shared use model, this model has been assessed as preferred over option B, although there is not an example of this in Australia and there remains a risk that it may not be attractive to operators. Should Council wish to test the market to understand this option further, Officers recommend an Expression of Interest process prior to a formal public tender process. To enable this, a new management contract would start 1 July 2023.

### Financial

Generally, with fewer golf hours, a shared use model would be expected to generate less golf-related revenue than if all hours are available for golf, however it is not clear to what extent other uses during the non-golf hours would be commercially attractive.

With temporal shared use of the course, it is likely additional resourcing would be required to ensure the course is fit-for-purpose following shared-use Sundays; this may increase operational costs. It is also reasonable to expect a reduction in revenue as a result of golf only being played on six rather than seven days each week.

As per Option B, based on activity during COVID lockdowns, community access to Northcote Public Golf Course resulted in additional expenses for Council (through the operator) for additional resourcing to clean up the course.

Analysis of Northcote Public Golf Course participation from 1 May 2021–1 May 2022 indicates 17% of participants attend the course on Sundays. Sunday is the most popular day

for casual usage. The Northcote Golf Club currently plays competitions each Saturday morning.

### Other Considerations and Risks

A temporal shared-use operating model with reduced golf operational hours may limit the number and quality of tender responses received. The outcome of a shared contract model is unknown and would be heavily reliant on the underlying principles set for evaluation to consider the effectiveness and value of the model.

The financial effectiveness of the model is difficult to test, as this has not been implemented elsewhere for comparison or benchmarking. Council would encourage tenderers to consider establishing partnerships so that tenderers bring both 'golf operations' capability and non-golf activation capability.

Generally, with fewer golf hours, a shared use model would be expected to generate less golf-related revenue than if all hours are available for golf.

While it is not clear to what extent other uses during the non-golf hours would be commercially attractive, there are also not generally commercial uses where the golf course provides a 'better' opportunity than nearby parkland such as the 5.72Ha that Council has recently decided to open up. In many ways, other parkland is more flexible for non-golf uses than the golf course itself.

Due to the current facility configuration and security concerns, providing public toilet access when the golf operator is not onsite could be difficult or come at a cost.

With the course remaining open and accessible, golfers may continue to access the course for golf during community access hours, thereby creating a public liability risk.

While Option C has been assessed as the best 'temporal sharing' model and is generally regarded as viable (subject to findings from any upcoming tender), on balance officers recommend Option A ahead of Option C. The reason for this is that the benefit of community access is not thought to outweigh the greater financial commitment required, and in this location there is community access to large open spaces nearby, so the benefit of community access to this specific space doesn't enable new types of open space uses – in short, the types of community uses that could occur on the golf course, could also occur on nearby open spaces.

## **CONSIDERATION OF LOCAL GOVERNMENT ACT (2020) PRINCIPLES**

### **Financial Management**

Financial considerations have been detailed for each option above. A summary is provided below:

Options	Financial Impact
Option A: Golf Course Management and Services (golf only)	No significant change expected to current Northcote Public Golf Course financial position for management of operations.
Option B: 3pm Temporal (Timed) Shared Use Golf Course Management and Services and Activation	Possible 40% impact to Council based on 3pm usage analysis. Potential 30% increased course clean-up expenses.

Options	Financial Impact
Option C: Sunday Temporal (Timed) Shared Use Golf Course Management and Services and Activation	Possible 17% impact to Council based on Sunday usage analysis. Potential increased course clean-up expenses.

## Community Engagement

Extensive community consultation has been undertaken to date with details and analysis reported in previous Council papers. This remains relevant to this decision and full details can be found in the report to Council at the 23 May 2022 Council Meeting which is available on Council's website as part of the Agenda for this 23 May 2022 Meeting. No further community engagement has been undertaken since then.

Any temporal shared-use options would have a significant impact on the golf clubs located at Northcote Public Golf Course and current license agreements for access to buildings; therefore, further key stakeholder consultation should be considered at the appropriate time.

## Other Principles for consideration

### Overarching Governance Principles and Supporting Principles

- (d) the municipal community is to be engaged in strategic planning and strategic decision making;

### Public Transparency Principles

- (c) Council information must be understandable and accessible to members of the municipal community;

### Strategic Planning Principles

- (b) strategic planning must address the Community Vision;

### Service Performance Principles

- (a) services should be provided in an equitable manner and be responsive to the diverse needs of the municipal community;

## COUNCIL POLICY CONSIDERATIONS

### Environmental Sustainability Considerations (including Climate Emergency)

There are no direct consequences on environmental sustainability considerations of this report. However, any subsequent Council decision can directly contribute to mitigating the climate emergency through, for example, rewilding, tree planting, joint waterway management (with Melbourne Water), weed management and cultural Caring for Country with Traditional Owners.

### Equity, Inclusion, Wellbeing and Human Rights Considerations:

The service principles to be included in the specification for golf have a strong connection and alignment to Council policies, plans and strategies and include specific KPIs for monitoring and adherence. The inclusion of these service principles ensure social outcomes

such as: employment, participation, access, equity, inclusion, environmental sustainability and healthy eating goals are achieved, with analysis on performance reported on a regular basis. KPIs focussing on participation, sustainable facilities, access and inclusion and health and wellbeing outcomes will be outlined throughout the specification and in the tender return schedules.

Council made a broader resolution on 26 April 2022 relating to land across Darebin, which seeks to explore handing back land and responsibility for land management using a respectful partnership engagement approach. At this time, formal feedback about the Northcote Public Golf Course site hasn't been provided to Council. The recommendation in this report would not prevent future consideration based on specific feedback about this site.

### **Economic Development and Cultural Considerations**

Economic development opportunities will be explored through the public Tender or EOI which will enable Council to test the market for the best golf adjacent and non-golf activation at the Northcote Public Golf Course.

### **Operational Impacts**

Any change in the shared-use of the area is likely to have impacts on operations and maintenance. The tender will enable Council to secure best value for management of the site including to ensure it is managed and maintained.

### **Legal and Risk Implications**

Officers have explored whether to tender for multiple options, however to minimise risk this is not a recommended process.

To minimise probity risks officers have recommended either selection of one clear option to public Tender, or use of an expression of interest process to pursue

If one option is endorsed for public Tender the market and community would have certainty and it would enable a robust and transparent procurement process to be undertaken.

A temporal shared-use activation may result in increased risk to Council through the potential for additional public liability incidents. Although insurance costs are unlikely to be impacted, the increased access to the area may result in additional claims to Council in the event of an incident.

Other risks have been detailed for each option above.

## **IMPLEMENTATION ACTIONS**

Based on recommended Option A:

Time	Action
August-September 2022	Public Tender advertised Tender briefing for registered interested parties
September 2022	Public Tender closes and evaluated
October 2022	Council Briefing on tender process and outcomes
November 2022	Council Meeting to endorse new management contract
December 2022	Transition planning
1 January 2023	New operator/s commences Course and parkland reconfiguration works completed 5.72 hectares of parkland available for community use

Should an alternative option be endorsed, timelines would be extended with a likely new operator commencing 1 July 2023.

## RELATED DOCUMENTS

Item 8.2 (page 125) of the Council meeting Agenda 23 May 2022: [Agenda of Council Meeting - Monday, 23 May 2022 \(darebin.vic.gov.au\)](https://www.darebin.vic.gov.au/Agenda-of-Council-Meeting-Monday-23-May-2022)

## Attachments

Nil

## DISCLOSURE OF INTEREST

Section 130 of the *Local Government Act 2020* requires members of Council staff and persons engaged under contract to provide advice to Council to disclose any conflicts of interest in a matter to which the advice relates.

The Officer reviewing this report, having made enquiries with relevant members of staff, reports that no disclosable interests have been raised in relation to this report.