



Hawkesbury City Council

ordinary meeting business paper supplementary

date of meeting: 08 June 2004

location: council chambers

time: 7.00 p.m.

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AGENDA

- **PRAYER**
- **APOLOGIES**
- **SECTION 1 - Confirmation of Minutes**
- **SECTION 2 - Notices of Motion**
- **SECTION 3 - Report of the General Purpose Committee**
 - Environment*
 - Infrastructure*
 - Organisation and Resources*
- **SECTION 4 - Reports for Determination**
- **SECTION 5 - Reports for Information**
- **SECTION 6 - Reports of Committees**
- **QUESTIONS WITHOUT NOTICE**
- **QUESTIONS FROM THE GALLERY**

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MM - The Western Sydney Academy of Sport - Current Status - (80256)

REPORT:

The purpose of this report is to:

- a. advise on representations made to Government and their outcome concerning the Western Sydney Academy of Sport;
- b. outline the Government's intention to proceed with the formation of an expanded Western Sydney Academy of Sport involving 10 (ten) Councils in Western Sydney; and
- c. seek a direction from Council on its position regarding future involvement or otherwise with the proposed 10 (ten) member Western Sydney Academy of Sport.

1. Background:

The Western Sydney Academy of Sport was created in 1997. Representatives were appointed to the Advisory Board from Blacktown, Penrith and Blue Mountains City Councils, the State Government, the University of Western Sydney, the Greater West Games and the then NSW Department of Sport and Recreation. Since then, the Academy extended its area to include the involvement of Hawkesbury City Council. The participating Councils and NSW Department of Sport and Recreation each provided funding for the Academy - Council contributions totalled \$75,000 (seventy five thousand dollars) and the State Government Contribution - \$100,000 (one hundred thousand dollars). The Chair of the Academy was the late member for Londonderry, Mr Jim Anderson MP.

The fundamental objective of the Academy was to identify talented young athletes in the Academy's area and assist them to reach their full potential in their chosen sport. The Academy was successful in achieving this objective, attracting increased growth and participation from sports and athletes within the region. In comparing the Academy's performance across the 10(ten) State Academies at the time, it was noted that this Academy had outperformed the other Academies and was only matched by the Hunter Academy.

In a letter dated 31 January 2003, the then Minister Hon Morris Iemma MP, Minister for Sport and Recreation, wrote to Council's Mayor and advised of his decision to dissolve the Western Sydney Academy of Sport and seek the formation of an autonomous organisation. This decision was made in the absence of consultation with the Advisory Board and member Councils.

2. Proposed Structure: New Structure for an Expanded Western Sydney Academy of Sport:

The Department of Tourism, Sport and Recreation propose to expand the current Western Sydney Academy of Sport (WSAS) from 4 (four) Council areas to 10 (ten). The expanded Academy will include the Local Government areas of – Fairfield, Holroyd, Hawkesbury, Baulkham Hills,

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Auburn, Bankstown, Parramatta, Penrith, Blue Mountains and Blacktown. The format of the proposed Academy is outlined as follows:

2.1 *Incorporated Body:*

- a. Western Sydney Academy of Sport (WSAS) is to be incorporated as an association under the Associations Incorporation Act 1984 (NSW).
- b. The objectives under which the WSAS is formed are set out in the draft Constitution.
- c. All 10 (ten) Local Government Councils will be offered membership of the WSAS Council under the proposed Constitution.

2.2 *Membership of the Board shall comprise:*

1. Three(3) Community Directors;
2. Two (2) Forum Directors appointed by the Local Government Forum (see point 2.6 below);
3. One(1) from the Greater West Sports Foundation;
4. One (1) from the University of Western Sydney;
5. One (1) from the Department of Sport Recreation and Tourism – NSW Sports Advisory Council; and
6. Two (2) independent Directors who may be appointed by the Board (an independent Director may have a specific skill in commerce, finance, marketing, law etc).

2.3 *Terms of Appointment:*

- a. The initial Board of 8 (eight) Directors will be appointed by the Department for a term of 2 (two) years. The Department will appoint the inaugural chairperson from amongst the 8 (eight) Directors. The Board may co-opt up to 2 (two) independent Directors for terms of up to 2 (two) years should the initial Board consider such appointments necessary or desirable.
- b. The Board would have full governance powers and responsibilities. Portfolios are to be allocated to Directors according to skill sets and the organisation's needs.
- c. The Board will be responsible for the management of the WSAS program including the recruitment of staff.
- d. Once the inaugural 2 (two) year term (the initial board) finishes that Board or another Board would be appointed in accordance with the Constitution.

2.4 *Sub Committees*

- a. The board will establish a 'friends of the academy' committee ("FOTA") to assist the Board in fundraising and marketing of the WSAS.

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- b. The Board will appoint at least 3 (three) committees (i.e. sport, finance and governance, FOTA) who are responsible for the development of policy and making recommendations to the board.
- c. The composition of the committees will be determined by the Board and will be open to any interested person be they a member or otherwise. Financial members would be considered for membership of these committees.
- d. Proper terms of reference and delegations for committees are to be written into the organisation's governance policies.

2.5 Directors - Term:

- a. The initial 2 (two) year term would conclude at the end of the second AGM of the organisation. All current directors may seek re-nomination/ratification for a further 2 (two) year term.
- b. Directors would hold office for 2 (two) years with half the Board retiring each year (transitional provisions would be put into place).
- c. Directors can seek re-nomination and ratification to the Board for 2 (two) successive terms but must stand down after this period for at least 1 (one) year.

2.6 The Forum

The Board will establish a Local Government stakeholder forum called the WSAS Forum, which is to be made up of one member representative from each of the 10 (ten) Local Government Councils.

The WSAS Forum will have an advisory role only.

The Forum will not ratify or make decisions regarding the future direction and management of the organisation. This responsibility lies with the Board, which has common and statutory legal obligations to do this.

The WSAS Council will nominate 2 (two) directors (who are financial members) for appointment to the Board every year (to ensure rotating terms). The nomination must be ratified by the Board. Once an appointment is ratified by the Board, the relevant Local Government Council whose representative has become a Director would appoint a new representative to the WSAS Forum.

2.7 Funding, Finance and Sponsorship:

- a. The Department has advised that it will provide an initial one-off \$100,000 (one hundred thousand dollars) for the establishment of the Academy. It will then provide a further \$100,000 (one hundred thousand dollars) for the 2004-05 financial year and increase this to \$130,000 (one hundred and thirty thousand dollars) in 2005-2006.
- b. All Western Sydney Local Government Councils will have automatic membership of the Forum, however, only those Councils who are financial contributors to the Academy

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programs of a base level of greater than \$10,000 (ten thousand dollars) will have voting rights and the opportunity to be appointed to the board and committees.

- c. The Department has indicated that the base fee of \$10,000 (ten thousand dollars) will be retained for 2 (two) years and will be reviewed by the Board following their appointment. *(It is noted that should Councils choose not to contribute the \$10,000 (ten thousand dollars), the Academy has indicated that it would still serve athletes in the 10 (10) Local Government areas).*
- d. The Department has advised there are more than 150 (one hundred and fifty) of Australia's top companies located in Western Sydney and that there are many successful businesses in this area which can partner with the WSAS to ensure its financial viability. Accordingly, 1 (one) of the roles of the Academy would be to source sponsorship support for its operation.
- e. The Department also indicated that it was considering the creation of a State Incorporated body with representation from each of the academies. The role of this body would be to negotiate sponsorship partnerships with industry and business, the proceeds of which would be distributed to the individual Academies.

2.8 Proposed Organisation Staff Structure:

The staff structure proposed by the Department is to include - a Chief Executive Officer (total anticipated employment cost of \$100,000 (one hundred thousand dollars) plus car) a Program Coordinator and Administration Officer. The CEO has recently been appointed for a period of 3 (three) years and will answer to the Board.

2.9 Commencement

The incorporation of the new Academy is scheduled for the end of June 2004 with the official hand over due to take place on 1 July 2004.

Representations made to Government – Outline of Concerns:

The March 2003 election followed and resulted in a change of Minister and the appointment of the Hon Sandra Nori MP Minister for Tourism and Sport and Recreation and Minister for Women.

In May 2003 the 4 (four) inaugural WSRA member Councils - Penrith, Blue Mountains, Hawkesbury and Blacktown met to discuss common concerns and reach agreement on how best they could work together in relation to the Academy. Discussion at the meeting focussed on the following concerns:

- **The potentially unmanageable size of the proposed Academy:** The Government's proposal to increase the boundaries of the Academy from the 4 (four) Local Government areas of Blacktown, Blue Mountains, Hawkesbury and Penrith to 10 (ten) Local Government areas with the addition of Auburn, Bankstown, Baulkham Hills, Fairfield, Holroyd and Parramatta will result in a 137% (one hundred and thirty seven per cent) increase in the WSAS catchment to a total population in excess of 1.3million (2001 ABS Census).

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- **Transport and accessibility:** Concern was raised that the enlarged boundary of the WSAS would limit opportunities for young talented athletes to participate in special programs and coaching clinics due to their location.
- **Financial viability:** The contribution from the State Government for the now dissolved WSAS for four (4) LGAs was \$100,000, i.e. \$25,000 per LGA, on a pro rata basis its expected the ten (10) LGAs would attract \$250,000. However, this is not the case as the State Government has undertaken to contribute only \$130,000. The Department contends that sponsorship will offset the shortfall. However the concern of the four (4) original member Councils was that the move to incorporation could eventually result in an incorporated body being funded by Council and the private sector.
- **Perceived value/accountability:** To date member Councils have continued to support the WSAS as it provides benefits accrued to local constituents, however, with an increase from four (4) to ten (10) the Councils raised concern that the benefit will not be proportional to the costs - i.e. reduced number of participant rates.
- **The proposed management structure:** Council's role in the proposed new management structure is substantially diminished. The inaugural WSAS structure provided for each of the four (4) LGAs to be represented on the Board and involved in the decision-making process. The proposed structure consigns the Councils to an advisory role only.
- **The manner** in which the Department had dealt with Board members and member Councils.
- **The performance of the Academy** and examples of other Academies around the State and how the inaugural Academy had, for the most part outperformed the other models.
- **How the demise of the Academy had been communicated** to the sports, coaches, academy participants and the role of Councils following its demise.
- **In summary**, the member Councils did not favour a large revamped incorporated Academy for Greater Western Sydney and wished to retain the status quo.

However, the Department had set up a Working Party involving the 10(ten) Local Government areas to formulate the framework for the revamped 10 (ten) member WSAS. An invitation was extended to the 4 (four) inaugural member Councils inviting them to participate.

At the meeting of the 4 (four) inaugural WSAS member Councils, membership on the working party was discussed and it was agreed that a letter be written to the new Minister for Tourism, Sport and Recreation congratulating her on her appointment and advising that the Councils would not attend any workshop run by the Department until a meeting had been held with the Minister to discuss the future of the Academy. They also requested that a copy of the letter be sent to local members within each of the 4 (four) LGAs. This letter was sent in May 2003.

Despite attempts to see Minister Nori early in 2003 a further letter was sent in September 2003 seeking an appointment, which was agreed for 14 November 2003.

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Deputation to Minister Nori - November 2003

The meeting with Minister Sandra Nori was held on 14 November 2003 at Parliament House and was attended by Cr Alan Pendleton (Blacktown) and Cr John Bateman (Penrith). The concerns of the Councils within the Academy were relayed to the Minister and her staff with particular emphasis regarding the lack of consultation before Minister Iemma terminated the original Academy.

The Minister was also advised of the Council's concerns relating to the size and population of the proposed Academy and the fact that there would be both a problem with distance for participating athletes as well as the lack of parity regarding the population of the proposed Academy in relation to other academies established throughout the State.

The Minister advised that there was no more money available and that the decision had been made to incorporate the Academy and it would not be changed.

The Minister was advised that the Academy had gone to great lengths to set up a steering committee and prepare a position paper which reviewed the performance of the original Academy. The paper was to be considered at the December Board meeting of the Academy, but this had not occurred as the Board was terminated prior to that date.

The Minister advised that the closing date for the submission was in December 2002 and that the report had not been submitted. This was refuted and a copy of the document was handed to her dated December 2002.

With this information and in light of the previous lack of consultation, the Minister agreed that the Councils involved should be consulted after which further consideration would be made in relation to this matter.

Meeting Department of Tourism , Sport and Recreation – December 2003

Following the deputation to the Minister a meeting was held at Penrith Council on 18 December to discuss the future of the Western Sydney Academy of Sport. Present at the meeting were Councillor (Dr) Rex Stubbs, Mayor of Hawkesbury, Councillor John Bateman, Penrith City Council, Councillor Alan Pendleton, Mayor of Blacktown and John Egan, Acting Director Industry and Partnerships from the Department of Tourism, Sport and Recreation. An overview of the Ministerial deputation was provided. The following is an extract from a Note of Action written by Councillor Pendleton following the meeting at Penrith:

“John Egan provided an update on the formation of the (10) member Academy advising that he had verbal confirmation from Bankstown, Holroyd, Auburn and University of Western Sydney (Penrith) of their support for the proposed new academy and that discussions would be held with other Councils invited to participate. UWS would not be contributing money and support would be "in kind". He advised that it was anticipated commencement of the incorporated body would be in July 2004 and that a board of 10 would represent the academy. The composition of the proposed board was 3 community reps, 1 from UWS Penrith, 1 from the Sports Foundation, and 1 from the Sports Advisory Council, 2 Business Reps and 2 Council representatives.

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Seed funding for the 10 Councils would be at \$10,000 per Council.

He also advised that the next meeting of the working party would be held on the 5th March, 2004, and invited all the nominated Councils to be represented.

General discussion then took place in relation to the equity issues regarding the proposed academy when compared to the other academies in the State, of which there are 8 according to John Egan.

The South Western Academy, which consists of 5 Councils, has a representative from each of the 5 Councils on the Board.

It is proposed to establish an academy with Gosford and Wyong Councils, the only Councils involved where each Council will be represented on the Board.

When examples as set out above were discussed it was quite obvious that a new academy of 10 Councils would have great disadvantages in both distance and proportional representation of the residents in relation to the delivery of service.

It was suggested that the Councils of Blacktown, Hawkesbury, Blue Mountains and Penrith approach Baulkham Hills and form an academy with the 5 Councils, and that the remaining Councils be established as a separate academy.

John Egan advised there was no money to set up another academy as \$100,000 (one hundred thousand dollar) seed funding was not available and the meeting suggested he approach his Minister and the Treasurer to obtain the necessary funds.

Following further discussion this was the agreed position of the Councils present and John Egan was asked to formally submit that recommendation for consideration."

Academy Working Party Meeting - 5 March 2004: Council officers from both Penrith and Blacktown attended the meeting as observers to gauge the current progress on the formation of the 10 (ten) member Academy. The Department had appointed Mr Alan Whelpton AM, Chair of the NSW Sports Advisory Council and President of the International Life Saving Federation to facilitate its formation. It was advised that Auburn, Fairfield, Holroyd, were supportive of the Academy. Parramatta, Bankstown and Baulkham Hills had as yet to confirm their support. It was apparent from the meeting that the formation of the proposed 10 (ten) member Academy was well advanced with a schedule in place to achieve the appointment of the CEO and Incorporation by the end of June 2004 and operation of the Board as of July 1. The meeting was also advised of the outcome of the meeting with Penrith, Hawkesbury and Blacktown in December 2004. Mr Egan advised that he had raised the request of the Mayors to create two academies before the Minister and that the Minister had advised that the current option of one academy for the Western Sydney area was the government's position.

Academy Working Party Meeting -7 May: A further meeting of the working party was held on 7 May 2004, again this was attended by an officer from Blacktown Council on behalf of the 4 (four) inaugural academy Councils. Again, the concerns of the 4 (four) inaugural member Councils were tabled. At this meeting it was confirmed that 5 (five) of the additional 6 (six) Councils had agreed to support the new academy. Parramatta had yet to put the proposal before the Council. The meeting was also advised that interviews were underway to appoint a Chief Executive Officer and that the Department was currently investigating accommodation for the Academy. At the meeting copies of a draft constitution, governance and risk management

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policies and preliminary financial budgets were tabled. The schedule for incorporation, the appointment of directors and formation of the Board were also discussed. In accordance with the constitution, provision is made for 2 (two) financial representatives from Local Government to be appointed to the Board.

To facilitate the appointment of the Local Government representatives a meeting of the WSAS Council Forum is to be held on Thursday, 24 June 2004. In accordance with the WSAS Constitution all Western Sydney Councils will have automatic membership of the forum, however, only those Councils who are financial contributors to the academy programs of a base level of greater than \$10,000 (ten thousand dollars) will have voting rights and the opportunity to be appointed to the Board and committees. A formal invitation has been extended to Council's Mayor or his representative to attend the inaugural meeting on 24 June 2004.

A meeting between Penrith, Blue Mountains, Hawkesbury and Blacktown representatives was held on 27 May to consider feedback on the status of the formation of the 10 (ten) member academy and their current positions. The reservations of the 4 (four) Councils were discussed and alternative models for delivery considered.

In summary, it was generally agreed that there were possibly 5 (five) options available. Each Council could resolve to:

- Advise the Minister/ Department of Tourism, Sport and Recreation that it does not wish to participate in the Academy.
- Agree to participate subject to:
 - Council's contribution being capped at \$10,000 (ten thousand dollars) each per annum.
 - Participate for 2 (two) years then review.
 - At the end of 2 (two) years, Board structure to be reviewed to determine if representation of Local Government needs to be redetermined.
- Agree to participate on the basis of a non financial member - that is attend meetings of the WSAS Council Forum, however, as a non financial member the Council would not have any voting rights nor could it sit on any of the sub committees.
- Indicate that it would monitor the development of the Academy with a view to reconsidering its membership after say, a 2n (two) year period.
- Agree to attend the forum as a non-financial member and seek a further deputation to the Minister the Hon Sandra Nori to express and seek resolution to the joint concerns of the Councils in particular the creation of 2 (two) Academies to serve Western Sydney.

Conclusion

Whilst it is generally acknowledged in Government circles that the demise of the Western Sydney Academy of Sport has been unsatisfactory, the question before the Councils is whether they wish to continue to be involved with an enlarged Western Sydney Academy of Sport or whether they will choose not to participate.

It is difficult to convey the benefits of a larger Western Sydney Academy of Sport when comparing it to the organisational and management structure that was in place prior to the demise of the inaugural WSAS.

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Whilst it is desirable to have the support of the 10 (ten) Councils, the Government is proceeding with the formation of the new enlarged 10 (ten) Local Government area Western Sydney Academy of Sport in the absence of support from individual Councils.

The 6 (six) new Councils making up the 10 (ten) member Academy do see a benefit in their involvement with the incorporated body across the wider region, in particular the ability of the incorporated body to attract sponsorship to offset operational costs. The link to a State-wide network of academies is also seen as being beneficial.

The concerns of the inaugural Western Sydney Academy of Sport Councils in terms of:

- the size of population to be served;
- financial viability – i.e. who pays and how much;
- accountability – value for money;
- access and transport; and
- management structure

have been tabled at a Ministerial level, with senior officers of the Department of Tourism, Sport and Recreation and at the Working Party meetings. Possible strategies to address the concerns have been discussed however, no firm undertakings have been given.

It is acknowledged that any such undertaking would be difficult given that the new Academy is in its formative stage and the impact and operational feasibility of addressing the issues raised by the Councils is untested.

With the formation of the inaugural Board of Directors and the requirement for 2 (two) of the directors to be drawn from the financial members of the WSAS Council Forum to be determined at a meeting on 24 June 2004, Council now needs to consider its position. At the meeting of the 4 (four) inaugural WSAS Councils on 27 May 2004 it was jointly agreed to recommend the following:

1. That the Councils participate in the WSAS Council Forum as non-financial members.
2. That the Councils seek a further meeting with Minister Nori to discuss the joint concerns of the 4 (four) Councils in particular the desire to create 2 (two) Academies of Sport to serve Western Sydney.
3. That Alan Whelpton AM, the inaugural chair of the new enlarged WSAS be invited to address Council.
4. That the Councils also write and /or convene a meeting of Local Members of Parliament seeking support for Council's position in relation to this matter.

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RECOMMENDATION:

That:

1. The report be received and its contents noted.
2. The Department of Tourism, Sport and Recreation be advised that Council will participate in the WSAS Council Forum as a non-financial member.
3. Council seeks a further meeting with Minister Nori to discuss the joint concerns of the 4 (four) Councils, in particular the desire to create 2 (two) Academies of Sport to serve Western Sydney.
4. Alan Whelpton AM, the inaugural Chair of the new enlarged WSAS be invited to address Council.
5. The Council also writes and/or convenes a joint meeting of Local Members of Parliament seeking support for Council's position in relation to this matter.

ATTACHMENTS:

There are no supporting documents for this report.

oooO END OF MAYORAL MINUTE Oooo



ordinary
meeting
supplementary

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