



1 September 2016

STRICTLY CONFIDENTIAL

TO: The Board
Hockey Victoria

Copy to: Andrew Skillern, CEO of Hockey Victoria

Power House & St Kilda Hockey Club – Playing Surface

I am writing to clarify the position of Power House & St Kilda Hockey Club (**Club**) in relation to our playing surface. I am also providing information on a confidential basis on discussions that the club is having with the City of Port Phillip (**Council**), Parks Victoria (**PV**) and Wesley College

In brief after discussions over a number of years I feel the Club is making good progress in securing a long-term arrangement and new surface for the hockey field in Albert Park but I am not able to guarantee a new surface at Albert Park in 2017.

The Club has concluded that it is not a viable option that the Club's premier league home games be played at the state hockey centre. To do so would threaten not only its identity in the local area but also its financial viability of the Club. This cannot be countenanced by the Committee because it would involve a breach of the Committee's obligations under the Incorporated Associations Incorporation Reform Act 2012.

Background

The ground in Albert Park is owned by Parks Victoria and leased to a consortium made up of Port Phillip Council (**Council**) and Wesley College through the Uniting Church (**Wesley**) (together the **JV**).

In 1996 the construction of the hockey field was jointly funded by the Council (\$400,000), Wesley (\$450,000) and the Club (\$65,000).

There are three relevant agreements:

- A joint venture between Wesley and the Council (the **JV agreement**). This agreement relates to managing the ground, hire and creating a sinking fund for repair and replacement;
- A lease between the JV and Parks Victoria (**PV**) for 21 years. The lease expires in November 2017;
- An agreement between the Council and the Club relating to access operations and the Council's role in representing the Club in its role as a member of the Consortium.

These arrangements have proved unwieldy but, in some respects, serve the Club well. Above all, there are ample funds available to replace the turf and the ground is well managed. The Council (on behalf of the JV) is well placed to renegotiate the lease with PV.

The downside is that the Club must deal with slow moving government authorities and we cannot transgress Local and State government process and procedure. The arrangements are also

cumbersome as three parties need to be involved. In ongoing negotiations to secure tenure the parties must show that they are going to expend capital to improve the facilities .the replacement of the surface would demonstrate this commitment.

Recently appointed administrative officers at Port Phillip have in the last three month made substantial progress and are committed to securing to maintaining our tenure and a new playing surface at APK. The Council is now behind the issue and very supportive to move it along as a priority.

Current Position

The Club has actively been campaigning for a new field or a new turf for the last 5 years. We have met with Councillors, administrative staff, Wesley and officials and staff at PV. The two administrative officers at the Council have achieved considerably more in past three months than has been achieved in the 18 months prior.

Following representations by the Club and the administration officers at a Council meeting (in full session) on 19 August 2016, the Council approved the submission that it seek a new long term lease for the Consortium and the current position reported on 29 August is as follows:

I have met with Parks Victoria and am meeting Dennis from Wesley on Wednesday to finalise the letter to the PV CEO requesting the negotiation of a new lease. I am also working with our Property Department who manage similar requests to those we are making to PV to make sure it is as compelling as possible.

At this point I do not know how quickly PV will act but having the Council moving the negotiation forward is likely to secure an agreement more quickly.

I note that the Club has no sway officially because it is not a lessee of the ground, only the licensee of club house. We therefore have to wait for the application for the new lease to be submitted.

Once a new lease is approved the money is available to lay the new turf at the earliest opportunity. This is a stated priority of the JV. The window of opportunity is January when the facility is not used. We have quotes and a contractor available. The question is whether the replacement will occur in January 2017 or 2018

Where to from here?

Financial Effect

If Hockey Victoria requires all home games of the Club's PL men's team be played at the State Hockey Centre we estimate a drop in revenue of around \$25,000 comprising a drop in canteen revenue and sponsorship and club day fundraising:

Sponsors 2016 \$6000

Sponsors 2017 \$10,000 (uniform rights)

Canteen profit \$6,600 (covering umpires and tech bench fees)

Club day fundraising \$4,000

The monies support the club expenses directly. Despite continuing allegations, we do not pay any players including overseas players. Nor have we done so.

Our fees fundraising and sponsorship pay all operating costs including coaches HV umpire and tech bench fees.

A drop in revenue of \$25,000 could render the club insolvent. We run a tight ship and the committee cannot agree to any arrangement that could have that consequence.

Club Identity

Apart from the financial effect, there would be other grave consequences if the Men's PL games are not played at APK, significantly diminishing their presence at the Club:

- Our growing supporter base is local and typically walk to games. PL home games are well attended and we take up to \$1500 at the canteen on those weekends. These monies fund our umpires allocated by HV in PL, PLR and the Women's VL1 VL1R and PA. At other games we would be lucky to have more than 15 spectators including me and my dog.
- We will lose other income apart from the canteen. Over the past two years we have obtained sponsors. Our sponsors are locally based businesses or connected with PL. Therefore, our sponsors will likely withdraw as they will no longer be exposed to our supporter base.
- Our juniors and supporters will have to travel to the SHC to watch PL games. It will not happen because the SHC is not our club and it does not have the same ambience. Even supplying ball boys/girls will be an issue.
- A compromise of having "afternoon tea" at the SHC is appreciated and allows us to provide it for the opposition but it is hardly the hospitality our Club tries hard to provide.

We appreciate our surface is not the optimal surface for modern hockey and that an upgrade is preferable but it is not a dangerous one. Moreover some apparently acceptable surfaces at other Clubs are not safe at all.

Accordingly we see no reason why PL games cannot continue to be played at APK during the 2017 season.

Club history changes and growth

In addition HV should be aware that a club is more than its physical facilities. It has pride and spirit and these will also be compromised without support.

- The Club has a long history and tradition at APK since the 1930's and we are looking to Hockey Victoria to assist us to remain viable and grow the game in our local area. Indeed a group led by Ken and Neil Marshall from the premiership team of 1956/57 are joining us for a 50 year celebration next season. Pity if there is no PL game at the Club
- We have grown and carried on despite not having facilities for 6 months of the year and with other difficulties such as the Grand Prix.

- Overseas players have been a point of contention and I am tired of hearing jibes in this regard. Most of ours came from players who are backpacking or living and working in the area and rather than resist change we have embraced our shifting demographic. I note that most other Clubs are now following suit. All well and good but my point is that attitudes do change and we need to fit the style and needs of our community.
- HV and other Clubs should understand that continually putting obstacles in the way of clubs and volunteers is not the way to “grow the game” or to encourage internal growth. We struggle with the restriction of having the field for only 6 months yet we improvise and do our best using the field with tennis nets for preseason and recently persuading PV to allow us on the soccer pitch near the club house with hockey sticks in under 10 clinics and recruitment.

Whilst I fully understand HV wishing to improve the game and the facilities, HV cannot insist on the undoable. We need our endeavours rewarded. In this case we have worked hard to achieve an outcome.

We believe we will have a new surface but we cannot be sure until Parks Victoria approves the lease. We have the money and the joint venture is in agreement to replace the surface. We await a renewal of the lease from Parks Victoria. If it is not forthcoming in the next month or so that a surface can be laid in January 2017 then we request a one year grace period to enable us to continue to play at home at APK in 2017. I am prepared to personally approach all other PL Clubs in this regard.

I hope this clarifies the position of the Club.

Kind regards

Anne Cerché
President
Power House and St Kilda Hockey Club