



9.1 **OUTDOOR COMMERCIAL RECREATION POLICY UPDATE
AND ENDORSEMENT OF SUCCESSFUL OPERATORS 2022-
2025**

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1. PURPOSE

- 1.1 To present the updated Outdoor Commercial Recreation Policy for endorsement
- 1.2 To seek endorsement for the Commercial Recreation providers for 2022-2025 following the recent 'Expression of Interest' process.

2. EXECUTIVE SUMMARY

- 2.1 The City of Port Phillip is an iconic location and popular tourist destination that attracts many visitors. Our foreshore and open spaces are attractive spaces for a variety of users including Commercial Recreational activities.
- 2.2 Recreation operators offer a diverse range of sport and recreational opportunities for the wider community. Benefits include an increase in health and wellbeing and building stronger, healthier, happier and a safer community. By supporting and collaborating with these outdoor recreation providers, Council endeavours to increase participation by encouraging participants to lead a healthy and active lifestyle whilst fostering flexible, innovative and inclusive outcomes for the community.
- 2.3 Commercial Recreation businesses who's agreements are ending this year include skydiving, kiteboarding, beach volleyball, roller skating, beach tennis, kayaking, stand up paddle boarding, pony rides and dog obedience training.
- 2.4 The providers are required to have a 3-year licence from Department of Environment, Land, Water and Planning (DELWP), and a permit from Council. The current agreements are due to expire 30 September 2022.
- 2.5 DELWP requires the providers to have two sets of fees, which are the annual licence fee set by Council (endorsed annually via the budget process) and a per participant fee set by DELWP which is \$1.60 for children and \$2.40 for adults.
- 2.6 Total income generated from the providers for Council was \$181,000 in 2019/2020. This was the last full season of operations due to COVID, over the past few summers there have been limited operations and financial relief.
- 2.7 Council conducted a Commercial Recreation Expression of Interest (EOI) in April 2022. A total of 14 applications were received, with 13 licences now proposed.
- 2.8 The new 3-year licences will commence the season 1 October 2022 until 30 September 2025.



- 2.9 The current Commercial Recreation Policy was endorsed by Council in 2019 and expires in 2022. The policy requires updating to align with the Council Plan and various new Strategy and Policy.
- 2.10 The revised Outdoor Commercial Recreation Policy provides guiding principles and outcomes for Council to guide decision making in allocating open spaces to businesses to deliver outdoor recreational activities for commercial gain.
- 2.11 The updated policy allows the General Manager under delegation to authorise new providers during the 3-year licence term, following suitable application, review, and alignment to the criteria.

3. RECOMMENDATION

That Council:

- 3.1 Adopt the updated Outdoor Commercial Recreation Policy 2022
- 3.2 Note the Expression of Interest process has completed
- 3.3 Endorse the following recommended applicants for a new three-year licence 2022-2025:
 - Rolla Bae
 - Cute and Cuddly Animal Nursery and Pony Hire
 - Command Dog Obedience Training
 - Elwood SUP
 - SUP HQ
 - Go Kite
 - Kite Republic
 - Zu Kite Club
 - Vic Beach
 - Skydive Australia
 - Cold and Conscious
 - Beach Tennis
- 3.4 Decline *Skydive 12 Apostles* application due to scoring lower on the assessment compared to the other Skydiving provider. Noting that the policy only allows for one skydive company in the municipality.
- 3.5 Note that the standard fees Commercial Recreation fees which are set in the Council Budget and by DELWP will be applied to all permit holders.
- 3.6 Authorises the CEO (or delegate) to undertake all activities required to implement the Outdoor Commercial Recreation Policy 2022 and execute three year licences for the approved applicants.

4. KEY POINTS/ISSUES

Background

- 4.1 Port Phillip attracts over two million tourists each year and is one of the most visited places in Victoria outside the CBD.
- 4.2 Outdoor commercial recreation refers to a diverse range of recreational or sport related activities which is conducted outdoors and is delivered in public space including reserves and the foreshore.



- 4.3 The recreation providers deliver a variety of opportunities to enhance residents and visitors' experience and contribute to the development of a healthy and inclusive community and contribute to a vibrant Port Phillip.
- 4.4 Our current activities include roller skating, beach tennis, pony rides, dog obedience training, stand up paddle boarding, kayaking, beach volleyball, kiteboarding and skydiving.
- 4.5 Commercial recreation has been a popular attraction to the municipality for many years, attracting over 20,000 people annually (prior to COVID).
- 4.6 Most of the current commercial recreation providers have been operating in the municipality for over 10 years
- 4.7 The providers are required to demonstrate their benefit to the community, plus benefit to tourism, visitation and economic benefit. They also need to meet environment and sustainability expectations, and have a focus on gender equality and inclusion.

Outdoor Commercial Recreation Policy

- 4.8 The Outdoor Commercial Recreation Policy (OCRP) was adopted by Council in 2019 and is due for renewal this year.
- 4.9 The updated Policy provides clear principles and guidelines to ensure Council has a consistent approach when evaluating and permitting commercial recreation activities across Port Phillip.
- 4.10 The updated Outdoor Commercial Recreation Policy now includes:
 - Alignment to the Council Plan and key Council strategies including Public Space Strategy 2022 -2032, Fitness Training Policy 2021 and Sport and Recreation Strategy 2015-2024
 - Guiding principles to allow Council to review businesses that wish to deliver inclusive, innovative, and accessible recreational opportunities
 - The opportunity for new open spaces across the municipality to be considered as a site for businesses to deliver outdoor commercial recreation
- 4.11 The updated OCRP still includes:
 - An 'Expression of Interest' (EOI) to take place every 3 years
 - A focus on activities that deliver key Council Plan principles such as inclusion and accessibility to support and connect our municipality to lead a healthier and active lifestyle
 - Requirements to meet DELWP and Parks Victoria expectations and regulations
 - Assessment criteria based on site suitability, risk management, impacts to on council assets and services.
 - Conditions and requirements for providers who wish to include trailer parking in their permits.

Expression of Interest

- 4.12 The annual EOI process was open from 18 April until 16 May 2022. A total of 14 applications were received.



4.13 Applications were assessed against the endorsed criteria of:

- Business overview and site suitability
- Community and educational benefit
- Tourism, visitation, and economic benefit
- Safety and risk management / Occupational Health and Safety
- Environmental and sustainability benefit
- Child Safe Standards (if applicable)
- Experience
- Finance
- Gender equality

4.14 Based on the criteria and assessment, 13 applications are recommended for approval (Table 1)

4.15 Table 1: Recommended Commercial Recreation Providers 2022-2027

Business Name	Recreational Activity	Location
1. Rolla Bae	Roller Skating	St Kilda foreshore
2. Cute and Cuddly Animal Nursery and Pony Hire	Pony Rides	Catani Gardens St Kilda
3. Command Dog Obedience training	Dog obedience training	Gasworks Arts Park
4. Elwood SUP	Stand Up Paddle Boarding	Elwood Beach
5. SUP HQ	Stand Up Paddle Boarding	St Kilda Beach
6. Go Kite	Kite Boarding	West Beach
7. Kite Republic	Kite Boarding	West Beach
8. Zu Kite Club	Kite Boarding	West Beach
10. Vic Beach	Beach Volleyball	St Kilda and South Melbourne beaches
11. Skydive Australia	Skydiving	Moran Reserve St Kilda
12. Cold and Conscious	Ice Bath health and wellbeing	Sandridge foreshore
13. Beach Tennis	Beach Tennis	Port Melbourne Beach



- 4.16 One applicant, *SkyDive 12 Apostles*, has been unsuccessful due to only one Skydive company allowed, and *Skydive Australia* ranking higher aligned to the criteria.
- 4.17 Cute and Cuddly Animal Nursery has requested Council waive the DELWP per participant fee (\$1.60 for children and \$2.40 for adults) for three-years, therefore only paying the annual licence fee. It is recommended not to approve the discount as the request does not meet the DELWP guidelines around fee discounts and waivers.

Trailers

A number of operators request the use of a trailer as part of their operations to store equipment and deliver their service. The previous permits allowed them to leave trailers on site while not in operation and upcoming agreements will support the requests.

- 4.18 There are no current fees for having trailers on the foreshore. As the trailer parking is an additional use of public space it is recommended that a new fee is considered for years 2 and 3 of the agreement. Officers propose to implement a fee for parking trailers from 2023/24 via the Council Budget process, allowing time to inform new providers of this new fee.
- 4.19 Current conditions for leaving trailers onsite include:
- Trailers can remain onsite during peak season (October to April) only
 - Sweeping/ removing sand drift, litter and leaf debris in close proximity to the trailer and ensure the area is clean and neat (minimum daily clean but possibly more frequently if conditions determine this requirement)
 - If there are footpath trading zone indicators onsite, the trailer must remain in the designated zone
 - Council may request an outdoor commercial operator to move their trailer due to a Council approved event or for asset maintenance.

5. CONSULTATION AND STAKEHOLDERS

- 5.1 The EOI was advertised via Council's website, The Age and via LinkedIn between 18 April until 16 May 2022.
- 5.2 Prior to the EOI, existing operators were informed of their licences expiring and the pending EOI process.
- 5.3 Officers assessed the applications against the criteria and liaised with key internal stakeholders as required such as Public Space, Foreshore, Parks Maintenance, Events, and Risk. Checks were also completed with relevant governing bodies and authorising agencies.
- 5.4 DELWP are required to approve the areas of land used, approve the licence agreements and set the per participant fees.

6. LEGAL AND RISK IMPLICATIONS

- 6.1 Providers submit risk management plans as part of their EOI application as risk management is a key criterion in the EOI process. Council's Risk and Compliance advisor reviews plans that have potential high management requirements.
- 6.2 All operators are responsible for delivering their recreational activity in a safe manner for themselves, their customers and the public. They must ensure pre-checks and risk assessments are conducted on a regular basis.



- 6.3 All operators are required to have measures in place to minimise impacts on public space, Council assets or to residential amenity.
- 6.4 Approved outdoor commercial recreation operators must hold a minimum of \$20M public liability insurance, indemnifying Council from any claim or demand arising from or in relation to any act, omission, damage, loss, charge, liability, outgoing, payment, expense or cost related to the outdoor commercial recreation activity.
- 6.5 All licences will utilise the standard DELWP Tour Operator Licence template, and an outdoor Commercial Recreation Permit will be issued by Council

7. FINANCIAL IMPACT

- 7.1 Commercial Recreation operators generated \$108,194 to Council in 2021/22, which is significantly less due to COVID impacts. The total income was \$181,000 in 2019/2020.
- 7.2 Operators were required to cease or reduce delivery of their recreational activity during COVID, and are now eager to get back to higher level of operations
- 7.3 DELWP set the per participant fees for operators, which Council implements on their half. The annual licence fee and the per participant fees are endorsed each year via Council's budget process.
- 7.4 There is potential for increased revenue by charging a fee for trailer parking on the foreshore. This has financial impacts for some of the businesses.

8. ENVIRONMENTAL IMPACT

- 8.1 The OCRP and the processes implemented by the providers align to the Act and Adapt Sustainable Environment Strategy 2018-2028, enforcing requirements for outdoor commercial recreation operators to evaluate and minimise their impact on the environment and implement sustainable practices.
- 8.2 All operators acknowledge Council's commitment to supporting a sustainable future or our City and will ensure:
 - A reduction of landfill waste
 - Decrease carbon emission production
 - Enhancing public spaces and use water efficiently
 - Our streets and beaches are litter free

9. COMMUNITY IMPACT

- 9.1 Approved outdoor commercial recreation operators are required to deliver safe, affordable and innovative health and wellbeing opportunities to engage people of all ages and abilities.
- 9.2 They provide opportunities for people of all backgrounds regardless of age, gender, culture and ability, with equity and inclusion a key focus of the EOI process.
- 9.3 They support Council to deliver an alternative to organised sport and encourage diverse opportunities of physical activity fostering social connections and community spirit.
- 9.4 Through activating the municipality and strengthen our City as a tourist destination, showcasing local attractions and culture, they also provide economic benefit to Port Phillip businesses.



- 9.5 They also provide a variety of opportunities to enhance residents and visitors' experience and contribute to the development of a healthy and inclusive community.

10. ALIGNMENT TO COUNCIL PLAN AND COUNCIL POLICY

10.1 Direction one: Inclusive Port Phillip

- Providing local members of our community with safe, accessible, inclusive and affordable recreational activities that supports health and wellbeing and social connections
- Promoting participation with an emphasis of increase female participation.

10.2 Direction two: Liveable Port Phillip

- Activating and managing our open spaces that are safe and promoting places/ activities for the community to enjoy.

10.3 Direction four: Vibrant Port Phillip

- Show casing our City through the delivery of unique recreational opportunities
- Collaborating with commercial businesses to promote the City of Port Phillip as a tourist destination whilst respecting local amenity and safety of all

11. IMPLEMENTATION STRATEGY

TIMELINE

- 11.1 Once adopted the OCRP will be updated and placed on Council website.
- 11.2 Successful applicants will be notified via email and will be required to formalise their three-year permit and Tour Operator Licence with Council and DELWP prior to the season commencing from 1 October 2022.
- 11.3 Successful outdoor commercial recreation operators will commence business operations from 1 October 2022 until 30 September 2025.
- 11.4 Unsuccessful operators will be notified via email.

12. COMMUNICATION

- 12.1 All outdoor commercial recreation applicants will be notified of the outcome and successful operators will be published on Council's website

13. OFFICER DIRECT OR INDIRECT INTEREST

- 13.1 No officers involved in the preparation of this report have any material or general interest in the matter.

ATTACHMENTS 1. Draft Outdoor Commercial Recreation Policy 2022 