THE FACTS ABOUT THIS REVIEW

• In 2019-2020, Councils in Victoria will raise **over $5 billion in rates** from over **3 million properties** across the state.

• Every rates notice will present detailed information, and some may have up to four or more different rates and charges. This can be challenging for both ratepayers and councils to understand, especially when the **rates system is applied differently across councils**.

• In 2018, the **Victorian Government committed to a review** of the local government rating system.

• To lead this work, the Government appointed a **Ministerial Panel** to make independent recommendations to Government on an optimal rating system. **Fairness and equity are key to the Terms of Reference** for this review.

ABOUT US

Latrobe Golf Club is located on one of Melbourne’s most historic sites. Melbourne was first settled in 1835, and in June 1840 Thomas Wills purchased, for £3784, 176 acres (70 ha) of land which formed a rough semi-circle between Darebin Creek, its junction with the Yarra River and the Yarra River itself. The land takes in all of what is now Latrobe Golf Club, plus Farm Road, Lucerne Crescent, the Tower Hotel and bordered on the west by what is now Como Street.

Latrobe Golf Club is a beautiful course in the leafy suburb of Alphington, just 10 Km from Melbourne’s CBD. It is bordered on two sides by the Yarra River and lined by majestic Red River Gums.

Latrobe is a vibrant, friendly golf club whose members reflect the diversity of inner-city residents.

Latrobe Golf Club is an inner suburban golf club of Melbourne. Established in 1948, we have been providing golfing facilities for many decades, and lifetime friendships

**Our Values:**  
Respectful – Inclusive – Progressive – Responsible – Fun
BACKGROUND AND CONTEXT

THE CURRENT SYSTEM
- Golf clubs in Victoria are currently charged a fee in lieu of rates under the Cultural and Recreational Lands Act 1963 (CRLA).
- The CRLA was introduced in October 1963 in response to the upcoming implementation of the Valuation of Land Act in 1964. The Valuation of Land Act would introduce and enforce a rating method based on the uniform valuation of land throughout the State.
- The CRLA was introduced to protect clubs that occupied large tracts of land from paying drastically increased rates based on the Capital Improved Value (CIV) of the land.
- The CRLA makes it clear that in determining the rate to be charged, there are only two factors to be considered:
  - The services provided by the council to the clubs, and;
  - The benefit the clubs provide to the community.
- As the CRLA does not assert how the “benefit to the community” is determined, the rates passed on by Council’s vary between clubs and Councils and are very subjective.
- Some councils still use a differential system where the council determines a cents in the dollar value at their own discretion that is divided by the CIV of the land to give a rates figure. Using this system, council rates can vary from as low as 0.0006 to 0.2 cents in the dollar.
- A rebate/concession system is also used in some councils where a rebate is determined by each council and regularly reviewed. Rebates/concessions can range from 0-100% of rates – at the Council's own discretion.

THE NEED FOR A NEW APPROACH
- The lack of a uniform approach across the state has led to confusion and inequality in the amount paid in rates by golf clubs.
- Current processes are inefficient, costly and do not follow legislation – they are not based on the services provided by the council, nor the benefit clubs provide to the community.
- The contribution that golf as an industry makes to the community is poorly recognised and under appreciated.
- The amount raised in rates through the CRLA makes up only ~0.13% of total council rates across Victoria – and the portion contributed by golf clubs is an iota of this.
- A blanket rule that is consistently applied across the state and in every council will significantly reduce administration time and costs.

THIS DOCUMENT
Latrobe believe that our Golf Club is no different to all other Recreational Land in the city of Yarra, and hereby request a more equitable assessment of its rates. That is, a significant reduction more in keeping with the terms of the Act or the same 100% rates concession enjoyed by those properties.

The purpose of this document is to highlight the significant benefit that Victorian golf clubs provide to the community, and to demonstrate to government that Golf Clubs are an invaluable community asset.

Based on the current legislation, the inconsistency in practice, and the extensive consultation and research conducted in the development of this submission, it is Latrobe Golf Club unequivocal view that golf clubs should be entitled to have our rates applied via the Cultural and Recreational Lands Act 1963 (CRLA).
BENEFITS PROVIDED TO THE COMMUNITY
**ECONOMIC BENEFIT**

*Latrobe Golf Club* makes a significant contribution to job growth and development through the creation of local employment opportunities. This includes a variety of roles from greenkeepers and maintenance staff to administration and hospitality.

- **Number of Full-time staff** 19
- **Number of Part-time staff** 5
- **Number of Casual staff** 22
- **Local Suppliers (within the same LGA as Club)** 39
- **Suppliers within Victoria** 14
- **Suppliers outside of Victoria** 2
- **Capital Expenditure** 3.2 million over the last five years

The Club employs more than 45 people, 34 of whom are residents in the Yarra Council. The Club asserts that as employers they provide a benefit to the community.

**ENVIRONMENTAL BENEFIT**

The connection to the outdoors and nature through golf is fast becoming the only time many spend in green open space. In many metropolitan areas, golf courses provide critical green wedges and open spaces that support birdlife, wetlands, and other animals.

*Environmental benefit: $562,000*

There are many published articles on the environmental benefits of golf Clubs. The Club maintains that:

- The golf course precincts protect and enhances flora.
- The golf course precincts protect and enhances fauna.

- The maintenance and operation of the golf course precincts protects against degradation of soil in the form of acidification, salination and erosion.
- Through the process of photosynthesis the areas of turf grass, grasslands, shrubs and trees produce oxygen.
- Turf, grass and trees found in the golf course precincts have the effect of reducing the heat of an area.
- Turf grass in the golf course precincts control waters erosive power by creating an organic thatch layer which filters and slows surface water runoff and during high rainfall periods (6-7cm per hour) the turf on the golf course holds up to twenty times more soil than traditionally farmed cropland.
- The golf course maintains a flood plain and nature reserve that, at times, supports over 70 species of birds. This is done under strict supervision by Melbourne Water and Yarra Council.

The Club contends that these environmental benefits to the community derived from the extensive golf course precincts are significant and will become more significant each year given urban sprawl. Indeed, the Club considers that the benefits to the environment might in future be so significant as to support a reduction in the rate or charge levied on the Club under the Act in the future.
DONATIONS AND FUNDRAISING

Victorian Golf Clubs also play an important role in assisting charities and community groups. These Clubs annually assist charitable bodies with golf days or make direct donations to various charitable organisations and community groups.

Golf, like many sports at a grassroots community level, contributes a broad range of social benefits such as community cohesion, social mobility, social inclusion and social capital.

The Club considers that it has an important role to play in assisting charities and community groups both locally and more broadly in the community. The Club annually assists charitable bodies through donations in kind (lunch/dinner vouchers, golf vouchers etc) or directly makes donations to other charitable organisations and various community groups including Rotary, Probus, Lions, Special Kids, Alzheimer’s Association, Legacy, Local football Clubs, Local Basketball Clubs, Kindergartens, Ambulance Victoria, Starlight foundation, St. Patricks College, Xavier College, Methodist Ladies College, Alphington Grammar, Marcellin College, Kew Primary, Challenge, Learning for life, Guide dogs among others.

It is worth noting that the Club has donated in excess of $1,000,000.00 to local charities by way of a cash donation coupled with many thousands ($100’s) of dollars in kind donations for golf and prizes.

The Club will continue its policy to support charities and community groups within the Yarra Council in the future.

AMENITY

The Club submits that the land benefits the community by improving the amenity of the surrounding properties and neighbourhood. There is no doubt that each and every residential property enjoys an increased market value as a direct result of their proximity to Latrobe. There is also no doubt a spin-off effect in increased market values attributable to other residential properties within the immediate neighbourhood of Latrobe. This “halo effect” is caused because residential properties which adjoin properties of a higher market value in turn benefit from an increase in the market value of their own property. It is fair and reasonable to suggest that properties within a radius of up to 500 metres of Latrobe enjoy an increase in their value simply because of their proximity to the Club. There is also no doubt that the location of the Club’s improves the amenity of the area generally and benefits the community by providing aesthetic relief from the predominantly urban setting around the Club.
HEALTH BENEFIT

Regular participation in physical activity provides significant health benefits to individuals from both a physical and mental health perspective. There are numerous health benefits to the community derived from playing and being involved in the game of golf, including improved cardiovascular health, mobility and flexibility.

Annual health benefit: $410,625 from our 1095 Members

- Number of rounds played by members 45,000
- Number of rounds played by non-members 12,000

The Club submits that there are numerous health benefits to the community derived from playing and being involved in the game of golf including improved cardiovascular health, mobility and flexibility.

The health benefits of participation in golf can be broadly classified as physical and mental. Most people become less physically active at an older age, ignoring the scientific evidence that physical activity renders physical and mental benefits which contribute to preventing disease and promoting health.

Physical Benefits

Physical inactivity is a major risk factor for developing cardiovascular disease and overall mortality. Participation in any kind of leisure physical activity contributes to preventing disease. Scientific studies have shown that golf has beneficial training effects. These beneficial effects include:

- Reduction in body weight
- Improved blood lipid (e.g. cholesterol) profile
- Lower blood pressure levels

As a consequence of these benefits, the risk for cardiovascular/heart disease is reduced. Being overweight also increases the risk of developing diabetes and certain types of cancer. A reduction in body weight can therefore provide benefit in reducing the risk of developing these conditions.

Mental Benefits

The game of golf and involvement in a Club atmosphere provides opportunities for physical activity, relaxation and social interaction which have all been shown to have beneficial effects on mental health with reductions in levels of anxiety, depression and other psychological disorders.

In summary, golf has been shown to provide clear benefits for its participants in both their physical and mental capacities. These benefits would naturally flow on to benefit the community as a whole. Golf has recently been phrased as “The game for life.”
BENEFITS PROVIDED TO THE COMMUNITY

TOURISM
Victorian golf clubs regularly attract both interstate and international visitors to the region. This contributes directly to the local economy through visitor spend and overnight stays.

The Club is recognised as a leading golf facility in Australia and hosts various events for national and state golf bodies including Latrobe Open AM Latrobe Pro AM and Golf Australia Pennant. Furthermore, from time to time the golf course is closed to members for special non-member events that support the community at large.

International and interstate visitors regularly come to the Club to play golf and avail themselves of the facilities provided both at the Club and in the broader community.

Each and every day, guests of Members attend the Club and private functions that are also held within the Club including functions, meetings and events for many local charity and community groups such as Rotary, Lions and Probus together with those listed above.

COACHING AND DEVELOPMENT
The game of golf teaches life skills to younger players, such as respect, appropriate behaviour, honesty and etiquette.

Latrobe Golf Club run a Pathway to Golf Program which is a structured 12-week beginners’ class. This is run three times a year catering for 66 young golfers who are introduced to the game.

Latrobe Golf Club and Yarra Bend run a joint junior program which is primarily held at Yarra Bend Golf Course, however, each school term the program visits Latrobe Golf Club to play one of two junior golf courses. If a junior is enrolled in the Yarra Bend Junior Program and the family has an interest in membership at Latrobe, we offer a Family Cadet membership which entitles the junior and a nominated sibling plus the parents to play on the Latrobe Golf course after 4pm each day.

The “Super Series” runs during the school holidays in April, July & September. Our Junior Coordinator will arrange golf for the juniors on Monday and Thursday mornings at approx 10am. A small entry fee applies of about $5 per entrant per round.

Scores are collected at the completion of each round which culminates into a tournament style event. Points are awarded for participation as well as good scoring. On the last Thursday of the school holidays a presentation is conducted to award prizes to the juniors who have performed the best. Refreshments for the juniors are included at the presentation.

Junior Pennant
Golf Victoria Junior Pennant commenced in 2001 as an optional competition for junior golfers aged under 18 years of age. The competition originated out of both the former City Zone and Mini-Minor Pennant Competitions played prior to this time. The clubs electing to participate are separated into general Regions on an annual basis. Junior Pennant consists of “round robin” contests between respective clubs in each Region followed by a finals series.
CONCLUSION

In recognition that the Act identifies that the charges are not mandatory, the industry strongly encourages the State Government to duly recognise that Victorian golf clubs are a valuable community asset.

The Club asserts that it makes little call on the services provided by the City of Yarra Council.

Whilst we could easily justify what is a fair and reasonable contribution given the Club’s use of Council services (Municipal cleaning, Parks and Gardens, Road Maintenance, Regulatory enforcement, Planning, Library services, Sport and Recreation, Environmental Health, Governance, Administration, Economic Development, Cultural, (Aged and Disability, Youth, Childcare and Maternal Health) we acknowledge that as a Council resident the Club currently makes a contribution to Council via “rates” however at the very least any charge should be in accord with the Cultural and Recreational Lands Act 1963.

Through this submission, the Victorian golf industry have demonstrated the significant community benefit that is provided through golf. In addition, the capital expenditure that golf clubs contribute to the development of world-class facilities nurtures the best talent in the country, on facilities far superior than Council can provide – and at a fraction of the cost.

There is no reason to be under any illusion that the current environment is challenging, or that membership is in decline. The cost to Clubs of maintaining such assets is high, and many clubs have fallen into financial distress over recent years.

The clubs have delivered, on their own, various growth opportunities at the grass roots level, and provided a strong contribution to the Victorian community.

Considering the requirements of the CRLA and the evidence presented in this document around community benefit, the Club would like to work with the Government on a fair, equitable and consistent solution.