FEASIBILITY AND FACILITY CONCEPT DESIGN

SOUTHERN HIGHLANDS MULTI-PURPOSE INDOOR SPORTS CENTRE

FINAL REPORT

FEBRUARY 2016

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1. Project Overview

Moss Vale and District Basketball Association (MVDBA) have received grant from the NSW Government to prepare a feasibility and facility concept design for a proposed multi-purpose indoor sports centre. The working title for the project is Southern Highlands Multi-Purpose Indoor Sports Centre (SHMISC).

Otium Planning Group (OPG) have been engaged to complete this study. This report presents research, key findings, analysis and outcomes associated with the study.

1.1 Background

MVDBA was established in the late 1950's and spent several years in 'ad-hoc' venues until 1971 when they successfully purchased land and constructed a purpose-built stadium on the current site in Parkes Road. This was expanded to two full size (and 4 smaller courts) in 1983. Over its history, MVDBA membership has continued to grow and it has reached a point where further expansion is required to meet demand.

Subsequently, MVDBA have been discussing the need for additional indoor sports facilities for several years to support their own continued growth and, just as importantly, to cater of other indoor sports activities that aren't currently accommodated in the Southern Highlands. Over a period of time, MVDBA have raised the matter with other local stakeholders including the Wingecarribee Shire Council and other sporting bodies.

1.2 Objectives and Scope

It is understood by the project team that this study is required to:

1. Establish the need for indoor sports facilities in the Southern Highlands
2. Identify and assess options for the provision of facilities
3. Identify and outline related sport development and precinct planning opportunities
4. Develop a concept design and cost plan for an indoor sports centre
5. Develop a 10-year financial model for operation of the centre

It is understood that the additional issues that need to be considered include the requirements of the NSW Government Grant as follows:

1. The report will outline a concept design (including internal layout and perspectives).
2. A business case (including a ten-year financial model for the proposed facility).
3. The report will outline how participation will be increased by the proposed facility.

1.3 Methodology

The methodology used for completing the study is shown in the table below.

Table 1: Project Methodology

Phase	Task
Phase 1a: Background Review and Preparation	Project Inception
	Council Meeting
	Review Research
	Review Current Facility Operations
	Demographic Profile and Geographic Spread Impacts
	Sport and Leisure Trends
Phase 1b: Market Analysis and Research	Key Stakeholder Interviews
	Demand and Supply Analysis
	Facility Case Studies and Industry Best Practice Review
Phase 2: Develop Strategic Direction	Opportunity Review
	Site Review
	Potential and Priority Facility Component Plan
	Review of Management Options
	Key Findings Meeting
Phase 3: Business Model and Concept Development	Preliminary Design Options
	Indicative Capital Cost Plans
	Initial Business Case Assumptions
	First Cut Base Case 10 Year Electronic Financial Model
	Identify Potential Events
	Draft Feasibility and Concept Design Report
Phase 4: Plan Review and Development	Draft Review Workshop
	Concept Plan
	Business Model
	Capital Cost Plan
Phase 5: Final Reporting and Presentation	Final Feasibility and Concept Design Report
	Presentation of Final Report

1.4 The Project Area

The Wingecarribee Local Government Area (LGA) is located in the Illawarra Region of New South Wales, about 110 kilometres south-west of the Sydney CBD. Wingecarribee Shire is bounded by Wollondilly Shire in the north, Wollongong City, Shellharbour City and the Municipality of Kiama in the east, Shoalhaven City and the Goulburn Mulwaree Council area in the south, and Upper Lachlan Shire in the west.

Wingecarribee Shire is also known as the Southern Highlands of New South Wales. It is served by the Hume Highway, the Illawarra Highway and the Southern railway line. The LGA is largely rural, with urban areas in numerous towns and villages. The main townships are Bowral, Mittagong and Moss Vale, with a smaller township at Bundanoon, and many smaller villages and townships.

Figure 1 - Wingecarribee LGA

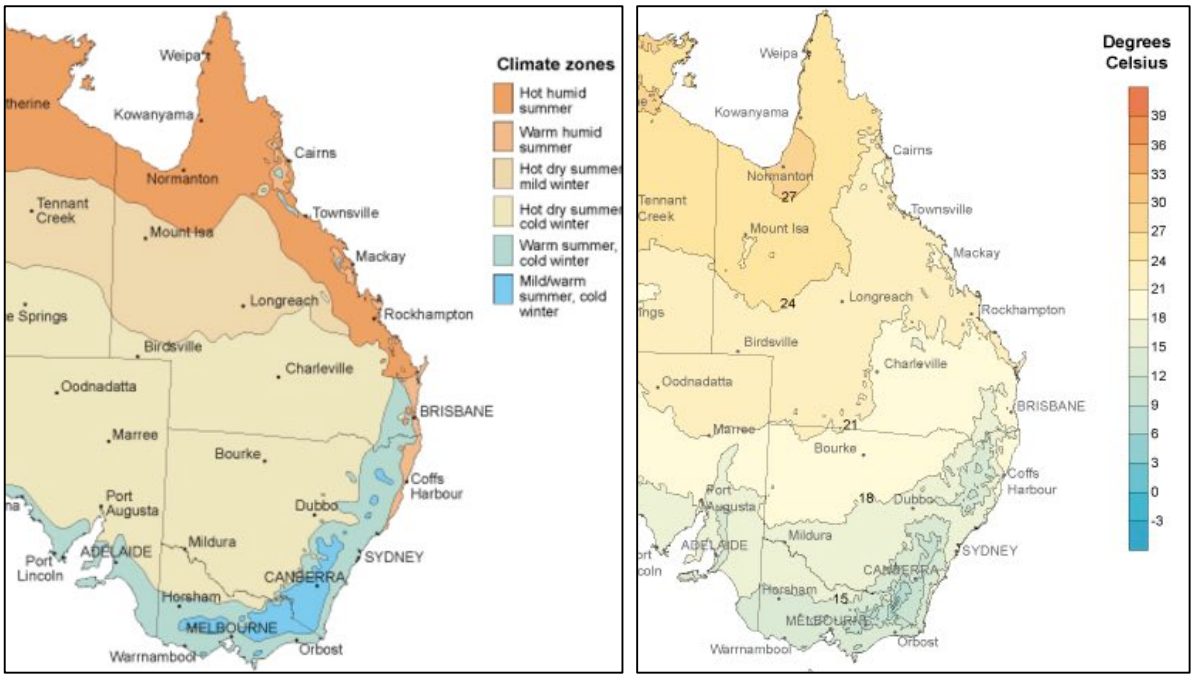
One of the features of the Southern Highlands area that influences the need for indoor sports facilities, is its climate. The following data and charts are source from the Australian Bureau of Meteorology.

Figure 2 - Average Weather Statistics

Statistics	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Annual
Temperature													
Mean maximum temperature (°C)	25.9	24.3	22.1	18.8	15.4	12.6	11.7	13.4	16.7	19.6	22.1	23.8	18.9
Mean minimum temperature (°C)	13.9	14.1	11.8	8.4	4.6	3.4	2.3	2.9	5.4	7.7	10.6	12.0	8.1
Rainfall													
Mean rainfall (mm)	62.1	99.7	73.5	55.9	43.9	73.0	45.5	50.8	39.0	45.2	68.7	55.7	697.4
Decile 5 (median) rainfall (mm)	56.6	85.2	54.7	42.3	35.8	48.8	32.2	29.0	32.6	49.1	58.2	56.0	716.2
Mean number of days of rain ≥ 1 mm	7.8	8.8	7.4	6.9	5.5	7.9	5.3	5.1	5.6	6.7	8.7	7.6	83.3

These show that the LGA is generally located in a cool climate with a high number of days with rain. These conditions (like those in other south/eastern inland regions of Australia) increase the likely demand for indoor facilities so participants can escape the elements and sport activities are not contingent on prevailing ground conditions.

Figure 3 - Climate Zone and Temperature Chart

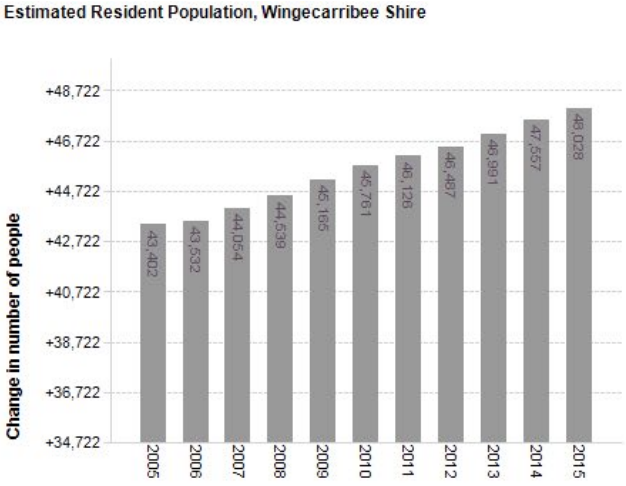


1.5 Demographic Review

A review of demographic factors is an important aspect of facility design and business modelling. Age, household and employment profiles all influence the design process and help determine the potential market for various facilities and services.

The following demographic review has been developed using data and analysis from a Wingecarribee Shire Community Profile Report created and downloaded on 20 May 2016 from the Wingecarribee profile.id website.

The Wingecarribee Shire Estimated Resident Population for 2015 is 48,028, with a population density of 0.18 persons per hectare.



Source: Australian Bureau of Statistics, Regional Population Growth, Australia (3218.0). Compiled and presented by .id the population experts

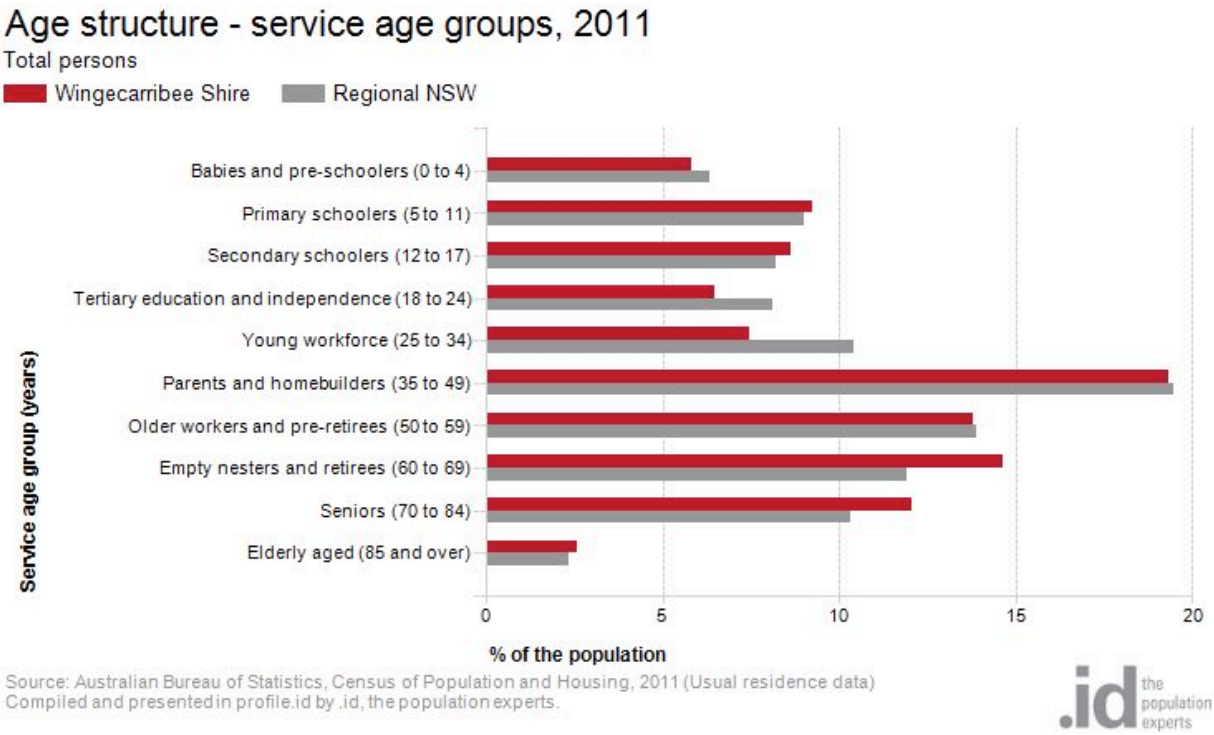
The following figure provides an overview of the Wingecarribee LGA demographic factors compared to Regional NSW, NSW and Australia.

Figure 4 - Demographic Summary

1.5.1 Age Profile

The Age Structure of the Wingecarribee LGA provides key insights into the level of demand for age based services and facilities such indoor sport centres. It is an indicator of the LGA's residential role and function and how it is likely to change in the future.

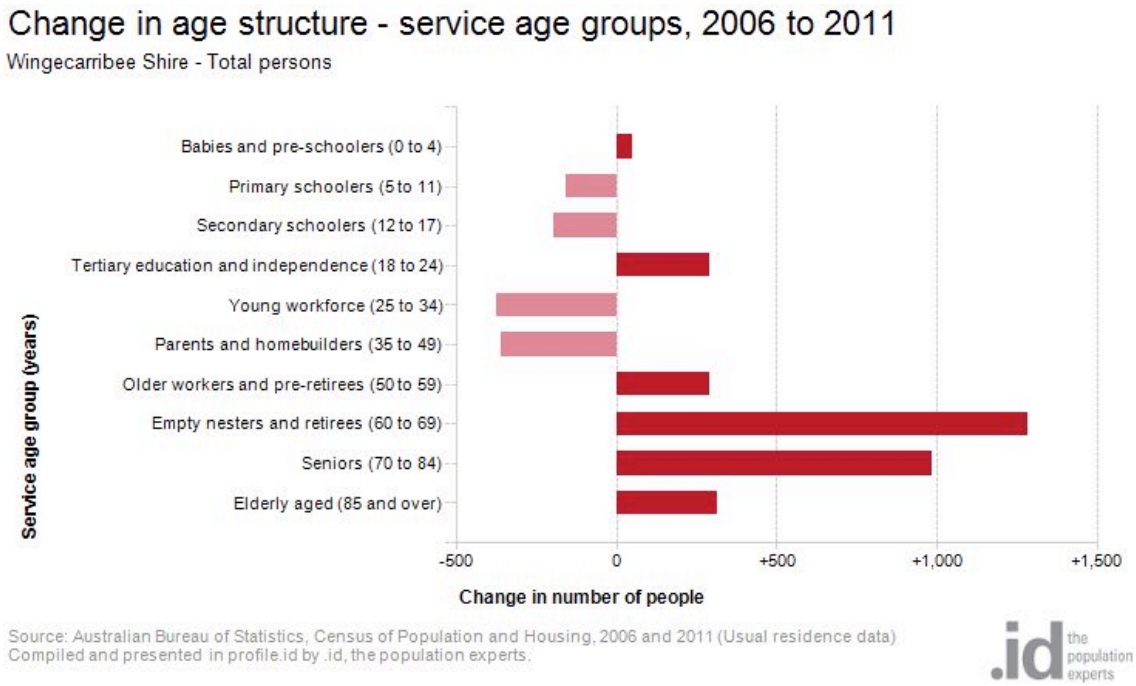
Service age groups divide the population into age categories that reflect typical life-stages. They indicate the level of demand for services that target people at different stages in life and how that demand is changing.



Analysis of the service age groups of Wingecarribee Shire in 2011 compared to Regional NSW shows that there was a similar proportion of people in the younger age groups (0 to 17 years) and a higher proportion of people in the older age groups (60+ years).

Overall, 23.7% of the population was aged between 0 and 17, and 29.3% were aged 60 years and over, compared with 23.6% and 24.5% respectively for Regional NSW. The major differences between the age structure of Wingecarribee Shire and Regional NSW were:

1. A larger percentage of 'Empty nesters and retirees' (14.6% compared to 11.9%)
2. A *larger* percentage of 'Seniors' (12.1% compared to 10.3%)
3. A *smaller* percentage of 'Young workforce' (7.4% compared to 10.4%)
4. A *smaller* percentage of 'Tertiary education & independence' (6.5% compared to 8.1%)



1.5.1.1 Changes in Age Profile Structure 2006 to 2011

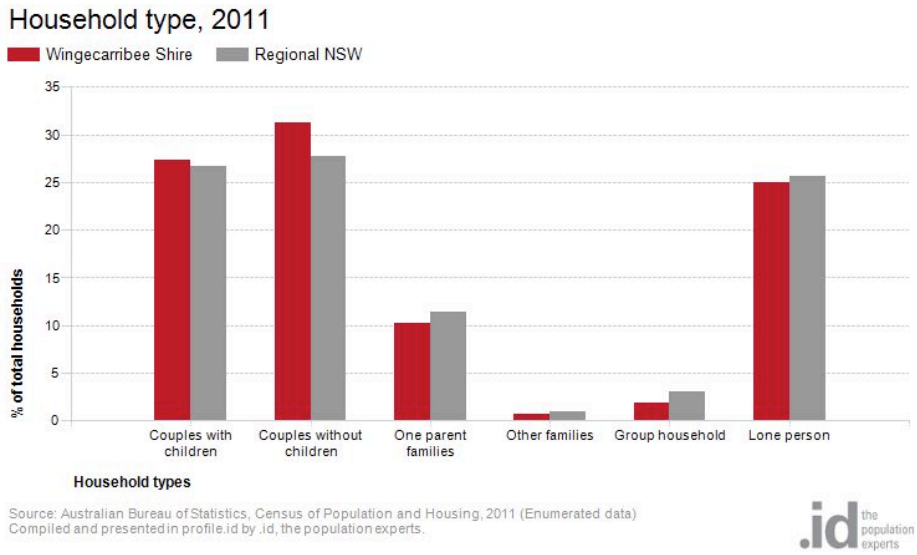
From 2006 to 2011, Wingecarribee Shire's population increased by 2,133 people (5.0%). This represents an average annual population change of 0.99% per year over the period.

The largest changes in the age structure in this area between 2006 and 2011 were in the age groups:

1. Empty nesters and retirees (60 to 69) (+1,286 people)
2. Seniors (70 to 84) (+986 people)
3. Young workforce (25 to 34) (-374 people)
4. Parents and homebuilders (35 to 49) (-359 people)

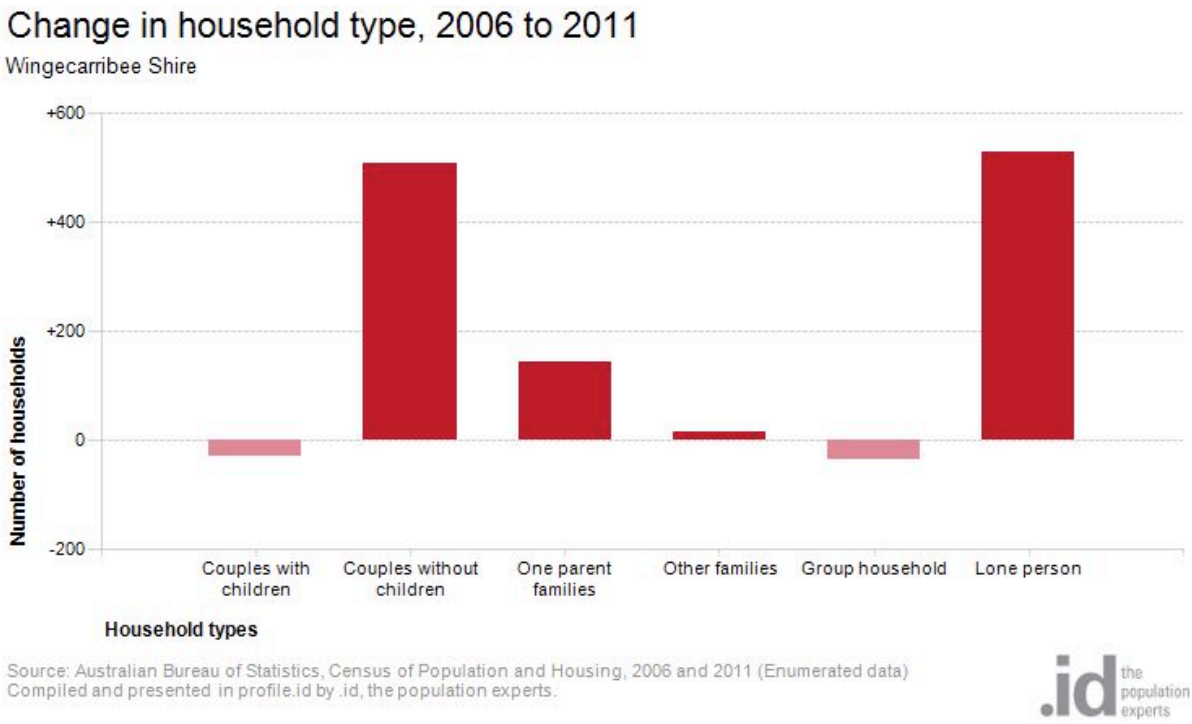
1.5.2 Household Type

The LGA'S household and family structure is one of the most important demographic indicators. It reveals the area's residential role and function, era of settlement and provides key insights into the level of demand for services and facilities as most are related to age and household types.



Analysis of the household/family types in Wingecarribee Shire in 2011 compared to Regional NSW shows that there was a higher proportion of couple families with child(ren) as well as a lower proportion of one-parent families. Overall, 27.3% of total families were couple families with child(ren), and 10.2% were one-parent families, compared with 26.7% and 11.3% respectively for Regional NSW.

There were a lower proportion of lone person households and a higher proportion of couples without children. Overall, the proportion of lone person households was 25.0% compared to 25.6% in Regional NSW while the proportion of couples without children was 31.3% compared to 27.7% in Regional NSW.



1.5.2.1 Household Change 2006 to 2011

The number of households in Wingecarribee Shire increased by 1,116 between 2006 and 2011. The largest changes in family/household types in Wingecarribee Shire between 2006 and 2011 were:

- Lone person (+528 households)
- Couples without children (+508 households)
- One parent families (+145 households)

1.5.3 Summary of Population Review Findings

The demographic review indicates that the Wingecarribee Shire has an older age profile compared to regional, state and national benchmarks.

Although the area's population is increasing, most increases are occurring in older service age groups that are likely to be major users of indoor sport facilities.

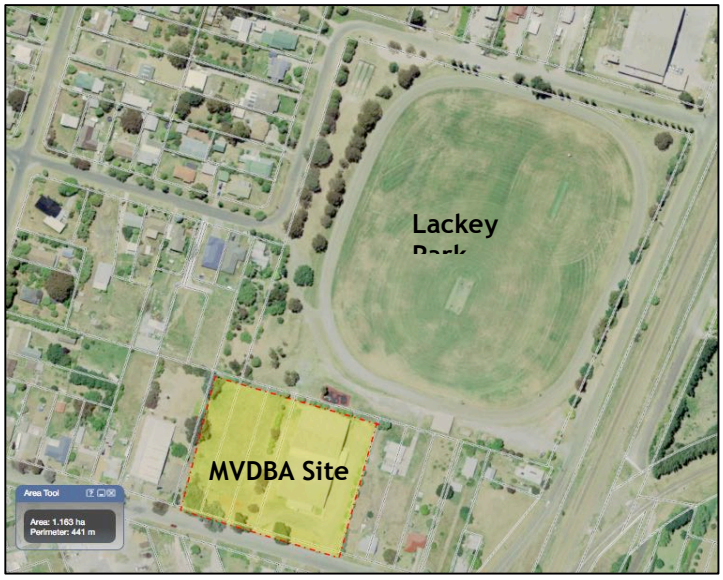
2. Current Facility and Operations

This section provides a review of the current MVDBA facility and operations.

2.1 Site and Facilities

The MVDBA site is located on Parkes Road, Moss Vale. It is owned by MVDBA and located next Lackey Park, a Crown reserve managed by Wingecarribee Shire Council. The MVDBA site is shown by the shaded area in the figure below.

Figure 5 - MVDBA Site



As shown by the following figure, the MVDBA site is made up of four lots, two of which are zoned 'Private Recreation' (RE2) and two which are zoned 'Residential' (R2).

Figure 6 - Land Zones

The existing facility consists of two main court areas that can each accommodate either a full-size basketball court or two mini courts. The facility also has a range of amenity facilities, canteen, office space and function room. The main court (court 1) can accommodate up to 400 spectators in permanent and temporary seating. A floor plan of the current facility is shown below.

Figure 7 – Current Facility Floor Plan

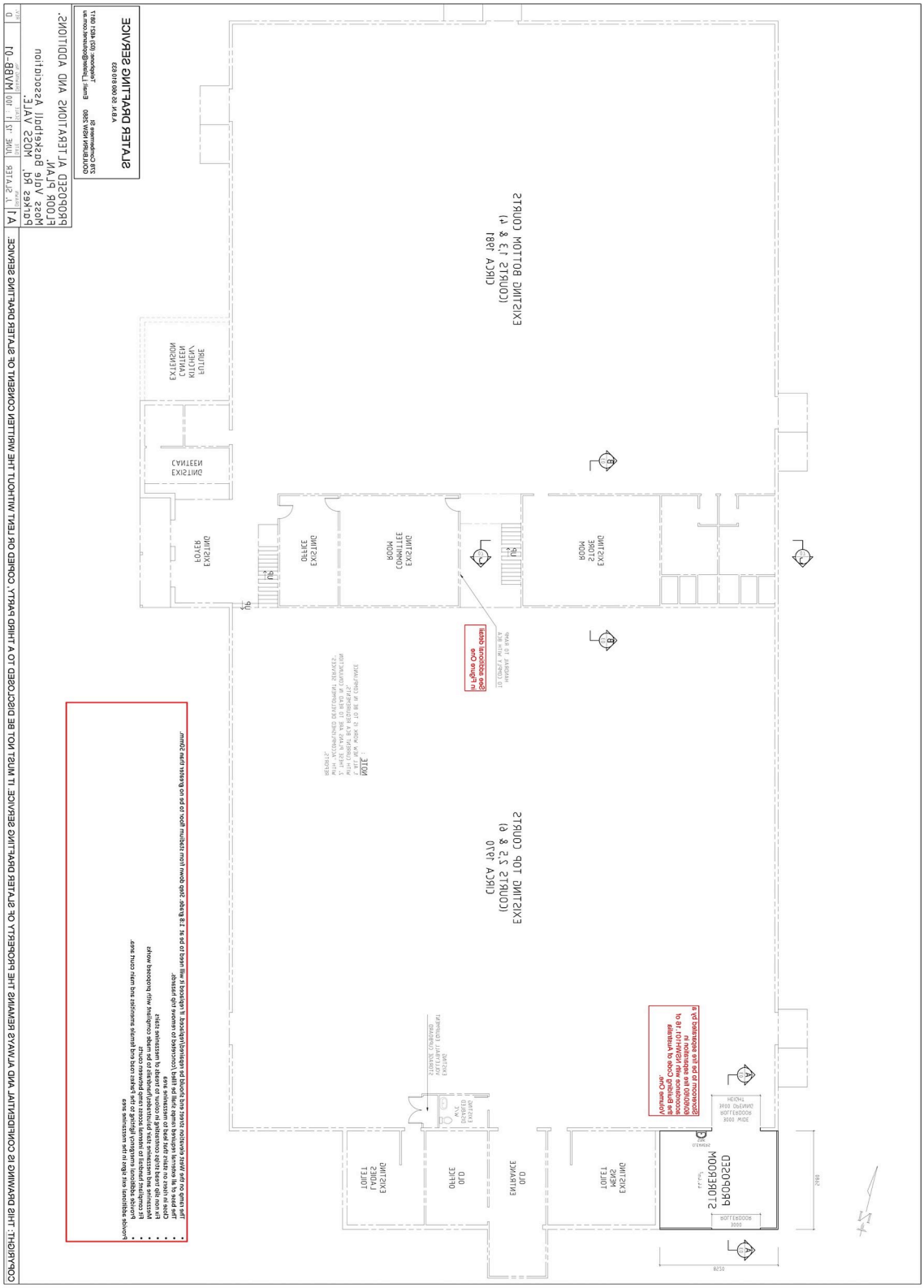
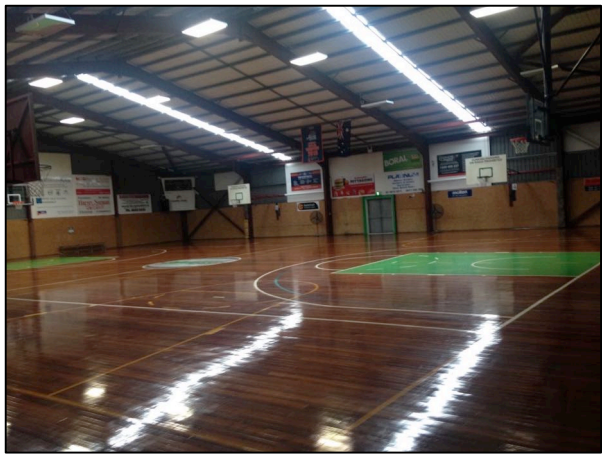


Figure 8 - Indoor Sports Court Images

Court 1



Court 2

2.2 Operational Review

The MVDBA Centre is managed directly by the Association's board with a part time (25 hours per week) administration officer employed to oversee administration of Association programs and management of the facility.

Financial reports for the Association incorporates both membership based revenue and expenses along with facility revenue and expenses, so it is difficult to develop an accurate indication of the financial performance for the centre itself. Nevertheless, some key figures regarding operation of the centre can be identified as shown below:

4. Revenue
    1. Door takings (revenue from participants for games) and court hire - $109,057
    2. Sale of goods - $28,613
    3. Event income - $12,734
5. Expenditure
    1. Cleaning and grounds expenses - $16,934
    2. Electricity - $6,649
    3. Rates and Water - $7,813
    4. Building Repairs and Maintenance - $5,541

The facility is well used during peak times with regular activities each weekday after 4pm and over weekends. A typical weekly schedule for MVDBA activities is shown below.

Figure 9 - Typical Week Court Schedule

	Monday		Tuesday		Wednesday		Thursday		Friday		Saturday		Sunday	
	Court 1	Court 2	Court 1	Court 2	Court 1	Court 2	Court 1	Court 2	Court 1	Court 2	Court 1	Court 2	Court 1	Court 2
9:00 AM														
9:30 AM														
10:00 AM														
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This shows that there is very little spare capacity in court availability during peak hours and, more or less, no opportunity to introduce other sport users during peak periods. In addition to regular MVDBA activities, the centre is used:

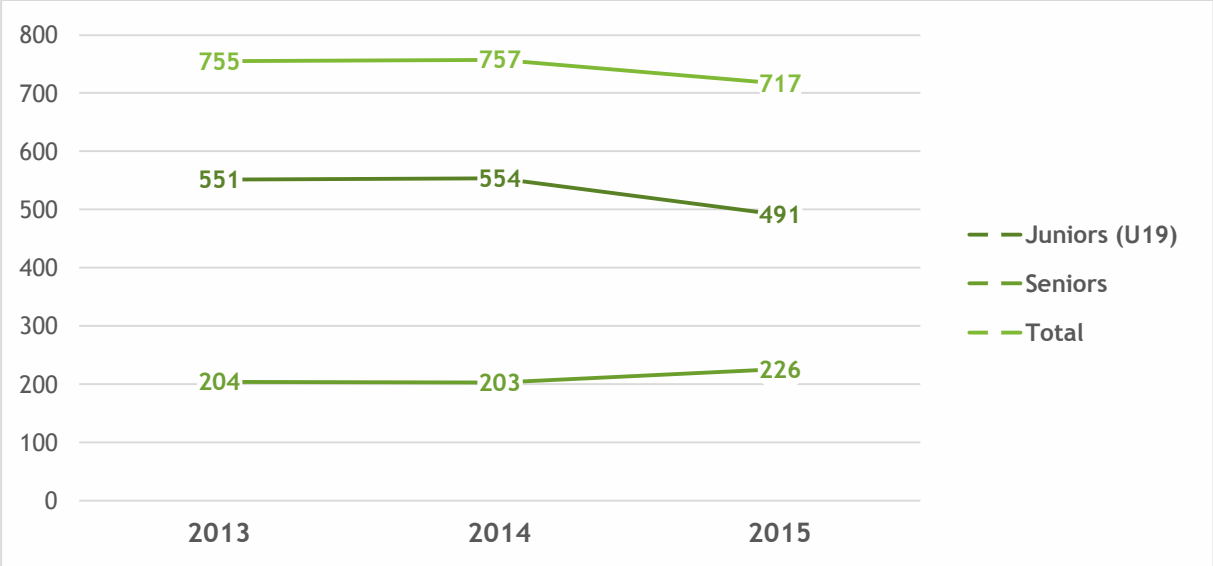
6. By local schools during day time periods for sport programs
7. For training camps and development programs over weekends and in school holiday periods
8. For major events and tournaments

2.3 Programs and Membership

Programs - Minis – juniors, seniors, representatives etc.

MVDBA provide a full spectrum of basketball program from mini-ball through to seniors basketball for males and females. This includes support for coaching, representative and development programs. MVDBA membership has remain relatively constant over the past three years with a slight decrease in junior membership in 2015.

Figure 10 - MVDBA Membership Trends



Despite a slight decrease in membership last year, MVDBA remains a very strong association relative to general regional and state participation figures. Utilising 2014 data from the Basketball NSW State Facilities Strategy, a comparison of participation and members per court rates has been prepared as shown by the figures below.

Participation rates are calculated by expressing the number of registered basketball members as a proportion of the total population. The members per court ratio is based on registered members divided by the number of full sized courts utilised.

Figure 11 - Participation Rate Comparison

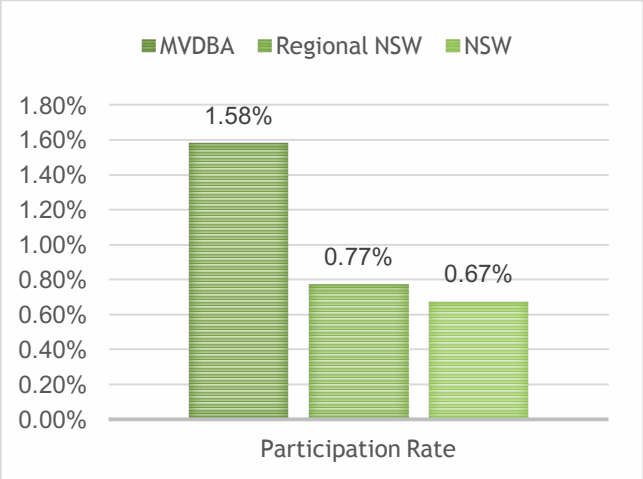
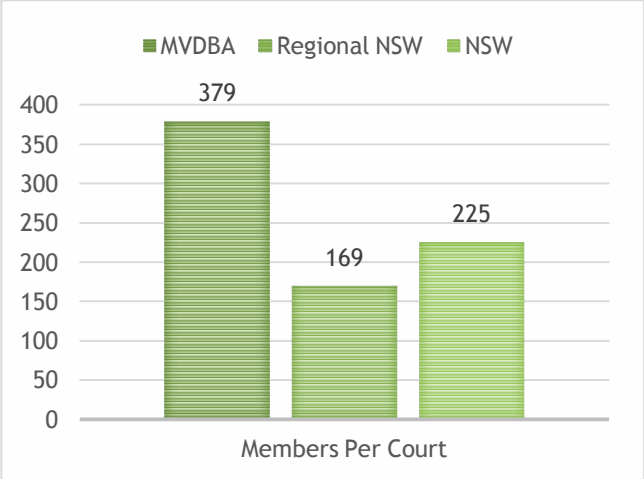


Figure 12 - Members per Court Ratio



As illustrated by Figure 11, MVDBA has a significantly higher rate of participation (more than double) compared to Regional NSW and NSW averages. This clearly shows the relative popularity basketball has in the Southern Highlands compared to other areas of the state. The higher levels of participation may be partly due to climatic conditions which encourage indoor sport.

The number members per court (Figure 12) is also instructive, showing that the rate of members per court in the Highlands is more than double other regional areas and almost double the state average. This indicates that the current facility is very well utilised but is also unlikely to be able to cater for other users (trends show that a single court can typically cater for an absolute maximum of 500 active participants).

2.4 Key Findings Summary

The review of current operations demonstrates that existing facility is well utilised by basketball, but has limited court time capacity for future growth or other sporting code participation.

MVDBA has relatively large membership for the region's population and compared to regional and state averages. The review also indicates MVDBA is operating with membership levels per court well in excess of regional and state averages.

3. Market Research and Industry Trends

This section sets out key information relating to the supply and demand for indoor sports facilities. These factors influence the demand for additional courts and their operational viability.

3.1 Review of Indoor Sports Facilities in the Region

Throughout the Wingecarribee Shire there are several locations supplying indoor sports facilities. These are noted in the following table.

Table 2: Existing Indoor Sports Facilities

Facility	Location	Courts	Management and Access
Hill Top Community Centre	Hill Top	1 timber court	Managed by Council, publicly accessible - used for sport (indoor soccer) by Southern Highlands Indoor Sports
Southern Highlands PCYC	Mittagong	1 timber court	Managed by PCYC, publicly accessible - used for sport by PCYC
Chevalier College	Burradoo	1 timber court (planned expansion)	Managed by school, restricted access - no public sport competitions
Oxley College	Burradoo	2 vinyl courts	Managed by school, restricted access - public sport use on as needs basis
Southern Highlands Christian School	East Bowral	1 timber court	Managed by school, restricted access - public sport use on as needs basis
Highlands School	Mittagong	1 timber court	Managed by school, restricted access - public sport use on as needs basis
Moss Vale and District Basketball	Moss Vale	2 full size timber courts (4 mini court overlay)	Managed by MVDBA, publicly accessible - used for basketball competitions

Whilst on face value there is a strong supply of courts (6 facilities, 8 courts) spread throughout the LGA, most of these facilities have at least one constraint which limits its ability to fully contribute to the supply chain. Notably, four out of the six facilities only supply a single court and may not meet minimum dimension standards. Other limitations to specific facilities include:

- Hill Top Community Centre
    - Single court, located to the far north of the LGA with small catchment population
- Southern Highlands PCYC
    - Single court located to the north of main catchment populations
- Chevalier College
    - Single court (plans for second court in place) not generally available to the public
- Oxley College
    - Synthetic/vinyl surface which is not preferred by key indoor sports, not generally available for public (is utilised occasionally), location is central but not highly accessible
- Southern Highlands Christian School
    - Single court, not generally available to the public
- Highlands School
    - Single court, not generally available to the public
- Moss Vale and District Basketball

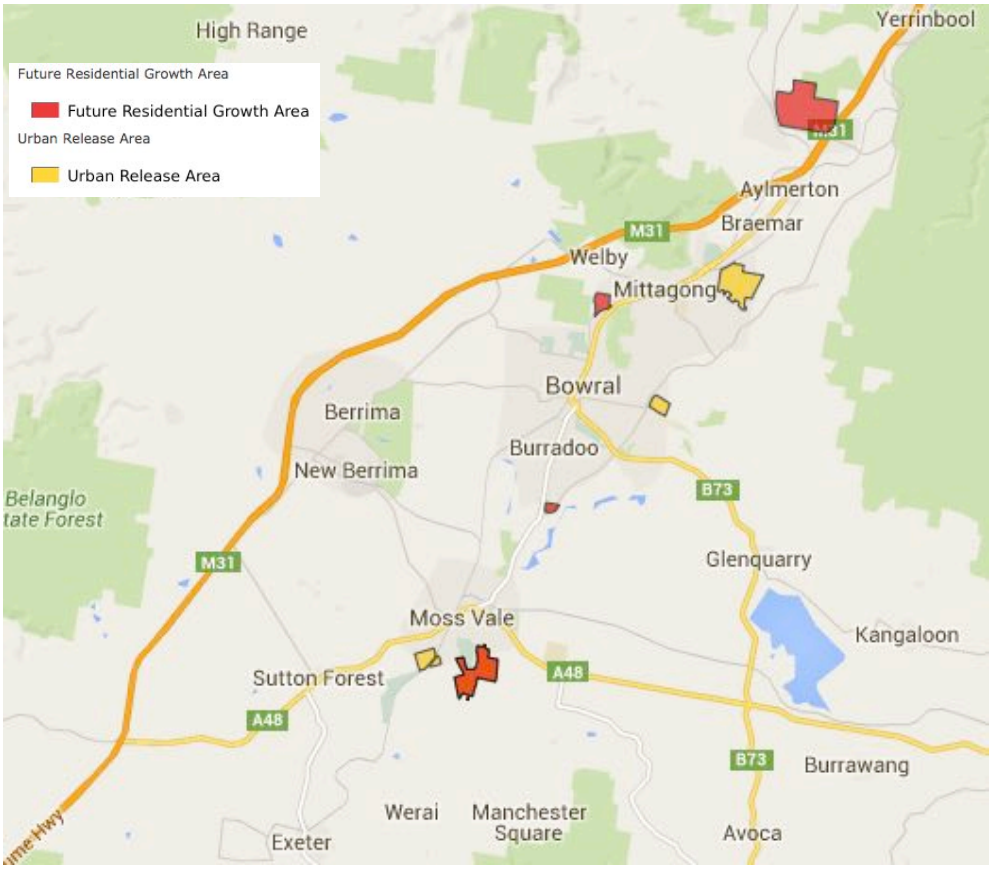
- Located in the southern part of main catchment population area, location is not highly accessible

Of these facilities, the MVDBA centre is the most significant facility and the main provider of publicly accessible competitions.

3.2 Future Development and Population Growth

In addition to the existing population, demand for facilities and services will be influenced by potential growth which in turn is influenced by areas of current and future residential development. The development areas located in within the LGA are shown below.

Figure 13 - Indicative Residential Development Areas

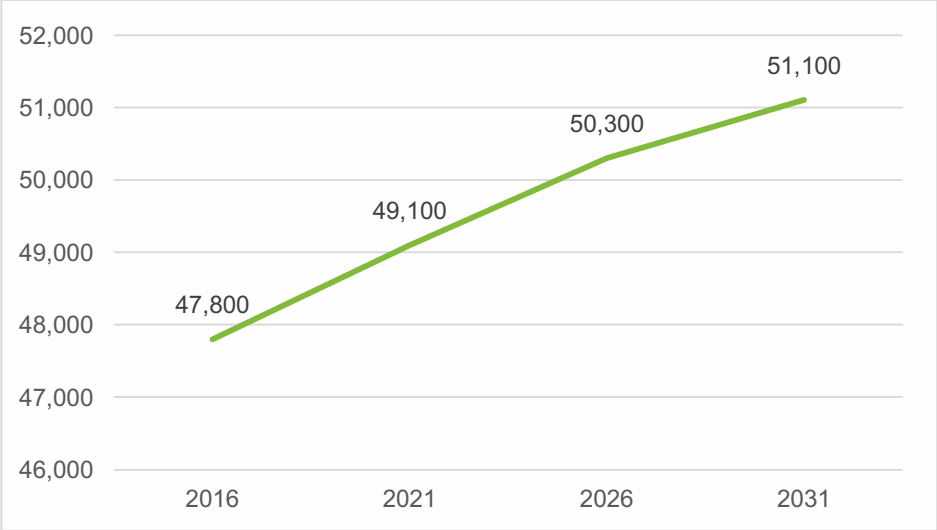


This shows urban release areas in the north and south of the LGA. These developments will naturally contribute to population growth as they take place. The Department of Planning and Environment and Council have developed population projections for 2021 and 2031.

Based on Department of Planning data[1], the Wingecarribee LGA will increase to 49,100 by 2021 and 51,100 by 2031.

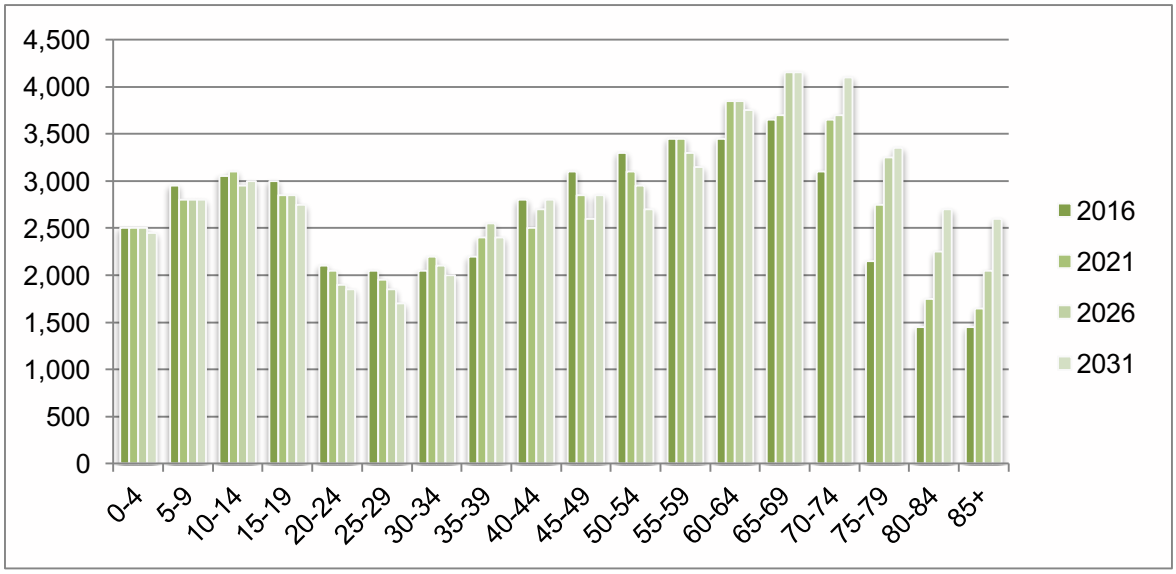
1. NSW Department of Planning (2014). NSW Local Government Area Population Projections: 2010.

Figure 14 - Projected Population Growth (2016 - 2031)



Over this period, the age structure is likely to change as illustrated by the figure below.

Figure 15 - Age Structure Change (2016 - 2031)



This shows a gradually aging profile over the next 15 years with significant increases in the age groups over 65 and general decreases in those aged under 65.

3.3 Key Stakeholder Consultation

As part of research for this study, several key stakeholders were engaged to provide input into the process and/or help to outline and validate the need/demand for indoor facilities. Groups contacted included:

- Moss Vale and District Basketball Association (including board and project working group)
- Wingecarribee Shire Council (including sports committee)
- Southern Highlands Netball Association (and Netball NSW)
- Highlands Soccer Association
- Southern Highlands Hockey Association
- Southern Highlands Cricket Association (and Cricket NSW)

The table below presents a summary of key stakeholder consultation.

Table 3: Summary of Stakeholder Consultation

Organisation	Key Points and Information
MVDBA (and Basketball NSW)	In addition to information previously presented in this report, the MVDBA provided input/direction including: • Any proposed new or expanded centre should be for the benefit of a range of sports and seek to establish partnerships • Current facility at capacity, no room for growth or other sports • MVDBA land adjacent to the existing centre could be considered as a contribution by MVDBA towards the project • Ownership of the current facility and land needs to be maintained by MVDBA • Basketball NSW support the need for additional court space in the Moss Vale (Southern Highlands) area – the participation and membership per court rate is currently significantly higher than state averages – further facilities are required to meet existing and future demand – a 4 or 5 court facility could host events (proximity to Sydney is an advantage)
Wingecarribee Shire Council - Staff	Several meetings were held with Council staff with key discussion points including: • Council's role in the provision of sports facilities and service • Provision of background information, demographics data, corporate plans etc. • Potential sites and related information/issues for planning an indoor sports centre were identified – sites included Lackey Park, Eridge Park and David Woods) o Indicative Lackey Park Master Plan outlined – intention is to develop as a multi-sport precinct o Long term uncertainty of Erdige Park raised • Process for engaging with Council through its sports committee • Councils draft Parks Strategy identifies the need for *"…a single site should be identified in one of the towns to accommodate a large, multi-purpose Sports Park hub containing multiple sportsfields, car parking and ancillary features and buildings. This will become the Shire's main Sports Park that caters for the widest possible use for organised/competition sport."* • Council's capital works program – mainly focused around asset renewal
Wingecarribee Shire Council – Sports Committee	• A presentation was made to the committee on 14 July 2016 to outline research findings, likely facility components and initial site analysis • The presentation also outlined the need for Council's engagement in the project
Southern Highlands Netball Association (and Netball NSW)	• SHNA has a membership base of 423 which is a participation rate of 0.88% compared to a NSW Netball state average of 1.44% • The smaller participation rate is likely to be influenced by climatic factors • Issues with existing facilities include 4 courts requiring repair and re-orientation, lack of appropriate amenity facilities (particularly for females), lighting needs to be improved • Indoor facilities would help to combat climate issues, rep teams (x5) require indoor training facilities • Strong potential use if an indoor facility was located at Eridge Park and linked to outdoor facilities

Organisation	Key Points and Information
Highlands Soccer Association	• HSA has a winter membership base of 1,701 which is a participation rate of 3.56% compared to the NSW average rate of 3.54% • Around 700 players participating in summer football in Moss Vale • A concept exists to develop a centre of excellence for football referees in the highlands to service the region from Bargo, inland to Canberra and the south coast. • HSA feel confident that with a suitable venue, futsal could service between 500 and 1000 players for week night and perhaps weekend mornings. Available time and court numbers will limit capacity for any particular night. • There is a big scope for attracting clubs/players to use an indoor facility for training in the winter and during inclement weather. ○ It is feasible that 60 to 100 youth players would use the facility on an afternoon/evening per week for up to 50 weeks of the year.
Southern Highlands Hockey Association	• SHHA have attempted to generate indoor competitions in the past without success due to the availability or accessibility of a suitable venue • There is latent demand for a summer indoor competition • Indoor hockey is noted as an excellent skill development tool for field hockey
Southern Highlands Cricket Association	• SHCA have been advocating for indoor training facilities to address climatic issues that impact on training and skill development for all clubs and association representative teams • An indoor facility with circa 4 lanes would also offer opportunities for year round player development, holiday camps and an alternative elite training facility for visiting teams • Preferred location would be Lackey Park which could be integrated with outdoor facilities to create a 'hub'

Cricket NSW and Bradman Foundation	• CNSW supports the establishment of a 'cricket and Community Hub' in the Highlands as part of its development strategy
	• The establishment of an indoor facility of this type would support conducting high level cricket events in the Highlands (i.e. is events utilising Bradman, Lackey and other facilities)
	  ○ CNSW and Bradman Foundation stated that an indoor facility located at Lackey (i.e. with turf pitch adjacent) would be suitable for this purpose
	  ○ Events include age based state, national and international games, education/training and camps
	• As well as supporting events, the facility would be utilised for high performance and development pathways in the region; and it would be used by local and representative teams from the Highlands (in association with plans to redevelop Lackey as 'the primary facility for local cricket)
	• CNSW would consider making a contribution of circa $100,000 - $200,000 towards the project (subject to perceived benefits, design etc.)

Consultation with key stakeholders shows strong support and potential for a new or expanded facility to deliver a multi-purpose indoor sports centre and opportunities to connect with and support other strategic outcomes.

3.4 Industry Research and Trends

Through its work on similar and related projects, Otium Planning Group has developed a range of pertinent information. This is outlined and applied to this project (where applicable) below.

3.4.1 General Recreation and Sport Trends

The study's key findings combined with the consultant team's previous leisure research experience, current industry trends and latest research findings; indicate the following trends may impact upon the Study area.

Factors Affecting Recreation Participation and Facility Provision
Current trends that affect the sport and recreation industry are being driven by several wider trends in Australian society being:

- A gradual ageing of the population as life expectancy increases, birth rates stay low and the baby boomers grow older. Therefore, an increase in masters/seniors programs is being experienced by a number of sports.
- Broad mix of different times when people participate in leisure, as demands on people's time continues to increase and work practices change.
- Increased variety of leisure options means change in traditional participation.
- Constraints on Government spending together with a new degree of entrepreneurs in the Australian economy.

Participation
There is a slow reduction in participation in competitive and traditional sports, with people becoming increasingly unwilling to commit themselves to play 'for a whole season' or available to play and train a number of days a week.

Due to daily time constraints, people are cutting back their leisure and recreation activities and are more demanding about those that remain. To remain viable, the quality of facilities and services will have to continually improve.

There will be a greater demand in the future for indoor facilities (available all year/every day) and higher quality outdoor playing surfaces.

With increased age longevity and larger numbers of fit, healthy older people, the demand for exercise, and for conveniently located facilities, is expected to increase.

Because of their reliance on young players, many sports will grow more slowly than the adult population as a whole.

With new technologies and commercial interests investing in leisure, a wide range of activities, particularly those targeting teenagers, will continue to undergo cyclic popularity.

Sports clubs dependent on voluntary labour and support will be required to provide greater incentives and better management to attract volunteers. The cost to sports clubs of equipping, insuring and managing players and administering games is expected to continue to increase.

3.4.2 Indoor Sports Centre Trends and Case Studies

The following provides a review of the key sports facilities and participation trends that will impact on future provision of indoor courts in the Wingecarribee area. Implications from these trends have been considered in completing the overall demand assessment and facility development requirements presented later in this report.

3.4.2.1 Indoor Recreation Facility Management Trends

A number of common indoor facility management trends have been observed in recent times, including:

- A general shift (back) to in house Council management.
- Limited choice in professional non-government indoor facility management service providers.

- Incorporation of commercial facility components into the overall service mix, e.g. retail outlets, health services and café facilities.
- Establishment of community Boards of Management/Committees to oversee the operation of indoor facilities.
- Pursuit of non-sporting uses for indoor facilities: e.g. events, displays, functions etc.

3.4.2.2 Financial Performance of Indoor Sports Facilities

The following relevant trends in the financial performance of indoor sporting facilities:

- Generally, stadiums with less than three to four courts have a lower income generating capacity and lower likelihood of being financially viable.
- Facilities that are designed and operated to be "multi-use" are generally operated at higher levels of usage capacity and financial performance than single sport/specialist facilities.
- Large regional facilities with four or more courts that are centrally located in large catchment areas, with a low level of external competition, in prominent positions have a greater chance of being financially viable.
- Larger centralised facilities are more efficient in terms of both competition coordination and financial sustainability.
- Successful indoor sporting associations have access to a larger multi court facility (4 or more courts) for competition and a range of smaller facilities (i.e. schools) for training.

3.4.2.3 Indoor Sport Facility Case Studies

Information on two facilities has been collected to provide some comparative data for developing financial models. A summary of key points is provided in the table below.

Table 4: Case Study Summary

Venue	Facilities	Catchment	Management	Operational Information	Notes/ Comments
Centre A	- 6 courts - function room - multi-purpose room - meeting rooms - cafe	- LGA Pop. 60,000+ - B'ball 1,200	Council (in-house)	- Rev: $436,000 - Exp: $432,000 - Result: +$4,000	- High staff costs ($196K) and overheads ($25K) - Café leased out - Expansion planned
Centre B	- 4 courts - meeting rooms - cafe	- LGA Pop. 75,000+ - B'ball 1,000	Management Company	- Rev: $360,000 - Exp: $365,000 - Result: -$5,000	- Expansion planned - Lower staff costs ($120K)

3.5 Highlands Indoor Sport Participation and Demand Forecast Model

In order to forecast possible future participation in indoor sports in the Wingecarribee Shire, a model have been developed based on 2031 population forecasts and a range of participation rates for key sports. Local, state and national sport participation data has been used as references to establish low, medium and high rates. The rates and estimated participation forecasts are shown in the table on the following page.

Table 5: Estimated Future Sport Participation

	Low Rate	Estimated Participants	Medium Rate	Estimated Participants	High Rate	Estimated Participants
Basketball	1.58%	807	2.00%	1,022	2.25%	1,150
Futsal	0.50%	256	0.75%	383	1.00%	511
Netball (indoor)	0.25%	128	0.30%	153	0.40%	204
Indoor Hockey	0.08%	41	0.10%	51	0.20%	102
Volleyball	0.05%	26	0.08%	41	0.10%	51
Table Tennis	0.05%	26	0.08%	41	0.10%	51
Badminton	0.01%	5	0.02%	10	0.04%	20
Total	**2.52%**	**1,288**	**3.33%**	**1,702**	**4.09%**	**2,090**

This model shows that participation in formal indoor sports could range from just under 1,300 up to over 2,000 by the year 2031.

Recent strategic plans developed by Netball Victoria and Basketball Victoria have identified that based on available useable court hours, one sports court can accommodate 500 people per week. This is based on an average use per person of 2.8 hours per week (training and competition).

If this is used as a guide, then court demand associated with each scenario would be as follows:

- Low – minimum of 3 courts
- Medium – minimum of 4 courts
- High – minimum of 4 courts and up to 5 beyond 2031

This court requirement is based on:

- Predicted population and membership growth
- Standard of existing faculties i.e. lack of court run off
- Current occupancy levels of existing facilities
- Lack of a multi-court venue

In addition to estimates above other use by cricket (for training), schools and other recreation programs needs to be considered.

3.6 Indoor Sport Centre Event Opportunities

Based on an inventory of events and minimum court requirements from state sporting associations and local tourism expenditure, Otium Planning group has established a potential event market for a four court facility. The value of possible events presented below was established using the following method:

- Details for events that generate overnight stays were collected from NSW sporting bodies including the number of 'event participants', 'event days' and age profile of participants.
- The ratio of 'event partners' was estimated based on the age profile of event participants and estimates received from event owners.
- 'Potential Event Visitors' was calculated by adding 'event participants' and 'event partners'
- 'Event Nights' were estimated by assessing event schedules (i.e. number of days events are conducted)
- 'Potential Visitor Nights' was calculated by multiplying 'potential event visitors' by 'event nights'

- 'Average expenditure per visitor night' ($126) was established the domestic overnight visitor expenditure for 'Capital Country' (June 2016, presented by Destination NSW from Tourism Research Australia)
- 'Market Value' was calculated by multiplying 'total event visitor' nights by 'average expenditure per night'

Table 6: Potential Annual Event Market Summary – Four Court Facility

Sport	Potential Number of Events	Potential Visitors	Potential Visitor Nights	Market Value
Basketball	18	9,471	19,967	$2,515,842
Volleyball	1	260	1,300	$163,800
Futsal	2	3,575	7,150	$900,900
Indoor Hockey	3	5,004	15,012	$1,891,512
Total	**24**	**18,310**	**43,429**	**$5,472,054**

As shown in the table above, the total potential annual event market for a four-court facility is approximately $5.5m with the majority of potential events being supplied by basketball ($2.5m). However, it should be highlighted that these figures represent a potential market of events only and are by no means guaranteed. Strong competition from other established venues would mean that a market share would be a proportion of this total market.

Hypothetically, if the venue could secure an average 10% share of the annual event market, this would represent an annual impact of approximately $547,000. Whilst this figure represents the 'direct' economic value of the market, the full effects of a sporting event can be illustrated by utilising the *economy.id Event Impact Calculator* for Wingecarribee Shire.

The establishment of a large indoor venue will provide event opportunities beyond purely sporting events. These events may include:

- Exhibitions and Expos
    - Expos/Displays
    - Trade Shows
    - Interest Group Gatherings/Exhibitions
- Music and Entertainment
    - Musical Performances
    - Theatrical Performances
    - Martial Arts
- Markets and Fairs
- Community Events

It is difficult to establish a 'market' for events outside the sports realm, as it is a constantly evolving and dynamic field. The requirements for events varying greatly depending criteria including size, type and 'level' of event.

3.7 Summary and Implications

Through a review of relevant market and industry information the following points have been established:

- Court provision – although there is a relatively high number of courts in the area, the majority of these have some form of limitation in regard to contributing to the 'real' supply of facilities
- Population growth will continue, but with an aging profile
- Strategic links - consultation with key stakeholders identified a number of possible strategic links including:
    - Basketball – BNSW support the addition of courts to cater for existing and future demand in the Southern Highlands district, potential venue for events
    - Cricket – CNSW supports the establishment of a 'cricket and Community Hub' in the Highlands as part of its development strategy
    - Football – possible development of a referees centre of excellence, facilitation and promotion of futsal through indoor courts
    - Netball – need for indoor facilities to address climate issues and subsequent impacts on participation rates
    - Hockey – indoor facilities support skill development for field hockey
    - Council – link to Parks Strategy recommendation for the establishment of a multi-purpose sports park hub and link to preliminary planning to upgrade Lackey Park
- Industry and participation trends point to increasing demand for indoor facilities
- Facility review demonstrate that multi-court facilities can operate at a sustainable level
- Local demand modelling demonstrates a need for approximately 4-5 courts long term (i.e. 2-3 more 'publicly accessible' courts in addition to existing supply)
- A sports event market of approximately $5.5m exists for a 4 court multi-purpose facility

4. Future Facility Development Options

This section summarises the studies key findings to date and uses these findings to assist in developing a future facility redevelopment scope, site assessment and concept design.

4.1 Summary of Study's Key Findings

The demographic review demonstrates that the Wingecarribee Shire has an older age profile compared to regional, state and national benchmarks. Although the area's pop is growing, most increases are occurring in older service age groups.

The review of current operations demonstrates that existing facility is well utilised by basketball, but has little capacity for future growth or other sporting code participation. MVDBA has relatively strong membership compared to regional and state averages. MVDBA is operating with membership levels per court well in excess of regional and state averages.

Through a review of pertinent market and industry information the following points have been established:

- Court provision – although there is a relatively high number of courts in the area, the majority of these have some form of limitation in regard to contributing to the 'real' supply of facilities
- Population growth will continue, but with an aging profile
- Strategic links - consultation with key stakeholders identified a number of possible strategic links including:
    - Basketball – BNSW support the addition of courts to cater for existing and future demand in the Southern Highlands district, potential venue for events
    - Cricket – CNSW supports the establishment of a 'cricket and Community Hub' in the Highlands as part of its development strategy
    - Football – possible development of a referees centre of excellence, facilitation and promotion of futsal
    - Netball – need for indoor facilities to address climate issues
    - Hockey – supports skill development for field hockey
    - Council – link to Parks Strategy recommendation for the establishment of a multi-purpose sports park hub and link to preliminary planning to upgrade Lackey Park
- Industry and participation trends point to increasing demand for indoor facilities
- Facility review demonstrates that multi-court facilities can operate at a sustainable level
- Local demand modelling demonstrates a need for approximately 4-5 courts long term (i.e. 2-3 more 'publicly accessible' courts in addition to existing supply)
- A sports event market of approximately $5.5m (economic impact) exists for a 4 court multi-purpose facility

4.2 Facility Scope and Options

Based on key findings of the study a basic facility scope was prepared and reviewed with MVDBA and presented to Council's Sports Committee. The scope is outlined below.

Key provisions

- Sports Hall(s)
    - Courts (4-5)
    - Spectators
    - Support facilities

Other considerations

- Community and meeting space
- Health and fitness
- Allied health
- Sports administration

- Front of house
- Change/Amenities
- Car parking

This scope was utilised to identify and assess potential sites as outlined in the following section.

4.3 Site Options Assessment

This section outlines a site assessment process. This includes developing site criteria, identifying potential sites and assessing sites against the criteria to identified a preferred site. Initial sites to be considered were identified in consultation with Wingecarribee Shire Council staff.

4.3.1 Facility Site Selection Criteria

The following site selection criteria have been proven by OPG as the most important for the success of high use sport, leisure and recreation facilities (based on industry trends):

- Size of site for proposed development and car parking.
- Highly visible site or easily accessible from main roads.
- Suitable Topography to minimise development costs.
- Location to catchment population (most central site to where people live).

There are also 15 secondary site selection criteria that includes:

- Planning/Zoning
- Site Services Availability/Capacity
- Site Accessibility
- Land Ownership
- Cost to Purchase
- Impact on Current Users
- Neighbourhood Effects/Impacts
- Image/compatibility of Site
- Potential of Part Land Sale or Lease
- Commercial Potential of Site
- Future Facility Expansion Capacity
- Indicative Capital Cost of Development
- Place
- People
- Current Visitation levels

To help assess and compare each site we normally use a 0 to 10 point scoring system for each of the primary criterion 1 to 4 and a 0 to 5 point scoring system for each of the secondary criterion 5 to 19 as follows:

Table 7: Scoring System Used to Compare Sites

Score Category	Primary Criteria Score Range	Secondary Criteria Score Range
Best meets all criteria	9-10	5
Meets majority of criteria	7-8	4
Meets average number of the criteria	5-6	3
Partially meets criteria	3-4	2
Limited capacity to meet criteria	1-2	1
Does not meet criteria	0	0

The sites are therefore scored out of a possible 115 points.

Primary Selection Criteria (out of 10 points)

- **Size of the Site to Fit the Development**

Is the site of sufficient size to enable the efficient development of the required facilities, space for future expansion and also land to cater for car parking.

- **Accessibility to Main Roads and Public Transport**

Position of site and access to/from main freeways/roads and public transport.

- **Suitable Topography**

The site should be relatively flat, have suitable stable soil conditions and be able to be protected from floods, high water table and not have a previous landfill or fill site history.

- **Location to Catchment Population**

Central location to maximise use and how close it caters for the current and projected project area population (Primary and Secondary catchment zones).

Secondary Selection Criteria (Out of 5 points)

- **Planning/Zoning**

Capability of site to meet all current and proposed planning requirements.

- **Site Services**

Are services available on site or closely located to minimise cost and to ensure facility can be serviced? Electrical, Water, Gas, Sewer, Storm water

- **Site Access**

Site Access and Traffic Impacts: Most site visitors (80% to 90%) will come by car so there needs to be adequate site access and provision of appropriate car parking, bus parking and group drop off and pick up.

- **Land Ownership**

Land is owned or controlled by organisation or public authority.

- **Cost to Purchase**

Cost to either purchase or create the development on the site can be compared to determine the likely development impost at each site.

- **Impact on Current Users**

Will the development impact or displace current site users?

- **Neighbourhood Effects**

Identify any negative neighbourhood impacts likely to occur from the development in relation to surrounding neighbourhood i.e. noise, traffic, lighting and amenity.

- **Image/compatibility of Site**

Does site image complement the proposed development? (I.e. visual aesthetics/environmental issues).

- **Potential of Part Land Sale or Lease**

Does the site have extra area suitable for sale/lease to assist with development/funding opportunities?

- **Commercial Potential of Site**

Is the site commercially attractive to other funding parties or commercial investors?

- **Future Facility Expansion Capability**

Future Redevelopment and Facility Expansion Opportunities: Does the site have surrounding available land for future facility expansion?

- **Capital Cost of Development**

Which site provides the project with the lowest development capital cost?

- **Place**

Contributes to the productivity and sustainability of the local area through improved economy, community, diversity, connection and sustainability).

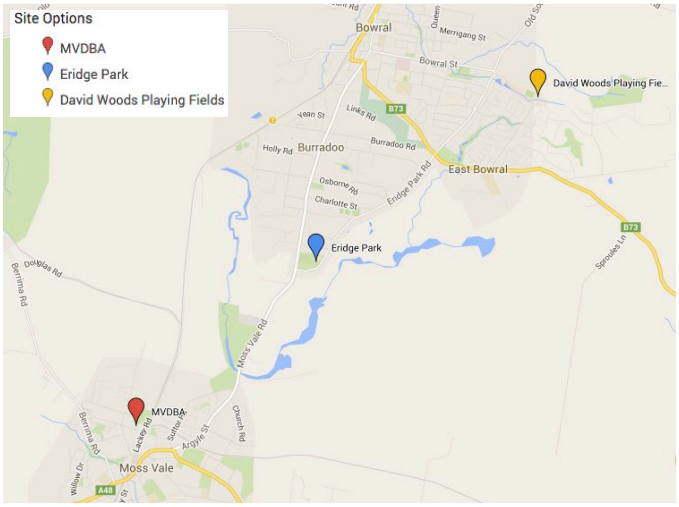
- **People**

Contributes to the wide engagement of people together in one place through being walkable, safe, vibrant and welcoming.

- **Current Visitation levels**

Current usage levels of the existing site facilities.

Site Locations



MVDBA + Lackey Site

Eridge Park Site

David Woods Site

The following table provides a summary of the assessment matrix that can be used to compare each site against the 19 site assessment criteria.

CRITERIA	Total Rating Points	David Woods	Eridge Park	MVDBA
1. Size of site to fit development	10	7	9	9
2. Accessibility to Main Roads/Public Transport	10	6	9	8
3. Site Topography	10	6	9	8
4. Location to Catchment Population	10	7	9	7
5. Planning/Zoning	5	4	4	4
6. Access to Site Services: Electrical, Water, Gas, Sewer and Storm water	5	3	3	3
7. Site Access and Traffic impacts	5	3	4	3
8. Land ownership	5	4	2	5
9 Cost to purchase	5	2	2	2
10. Impact on Current Users	5	2	3	4
11. Neighbourhood Effects	5	2	4	4
12 Image/ Compatible use of Site	5	2	4	4
13. Potential of Part Land Sale or Lease	5	0	0	0
14. Commercial Potential of Site	5	2	4	3
15. Future Facility Expansion Capability	5	1	4	3
16. Capital Cost of Development	5	2	3	4
17. Place – contribution to the local area	5	2	4	4
18. People - contributes to the wide engagement of people	5	2	4	4
19 Current visitation levels	5	3	4	4
TOTAL SITE SELECTION CRITERIA SCORE	**115**	**60**	**85**	**83**

The table below summarises key points in relation to each site and identifies sites that should be eliminated from further consideration.

Site	Key Advantages	Key Limitations	Potential Shortlist
David Woods	• Size of the site	• Potential drainage/earthworks issues • Access and traffic impacts	✖
Eridge Park	• Central location • Potential to create sports hub • Potential for complete new integrated centre	• Uncertainty of future development • Development would require greater capital investment	✓
MVDBA	• Existing indoor facility • Potential for sports hub	• Commercial potential • Location/site profile	✓

This assessment has identified shortlisted sites as Eridge Park and the MVDBA/Lackey Park site. However, for the Eridge Park site to be considered a viable option Council would have to endorse the site, MVDBA would need to consider selling the existing site (to raise additional capital) and significant community consultation would be required. This in addition to other anecdotal issues related with the site. Therefore, the project team nominated MVDBA/Lackey Park site as the preferred option for development.

4.4 Recommended Component Brief and Concept Design

With the MVDBA/Lackey Park site being identified as the preferred location, a more detailed component brief was developed and subsequent design options were considered. During this process some specific issues were identified to be addressed during the concept design process. These included:

- Drainage through the MVDBA site between Parkes Road and Lackey Park
    - Current trunk main would need to be considered/accommodated

- Lackey Park – Land Management
    - Council staff advised that the area was currently Crown Land and any proposed use would have to be approved by the Minister
    - Council currently developing a site master plan to accommodate additional sport users
- Land Ownership
    - MVDBA advised that at a minimum ownership of the current facility must remain with it
    - Ownership of undeveloped blocks to the west may be transferred to Council to facilitate a partnership

These issues directly impacted on the scope of potential development options in the following ways:

- Drainage – restricted layout options to the west and north of the existing building
- Lackey Park Land Management – prevented close integration of potential indoor and outdoor facilities
- Land Ownership – dictated that the new building would have to be physically separated from the existing building (fire regulations) meaning some duplication of facilities – this would also have an impact on future management of the two buildings

4.4.1 Final Component Brief

The following table details the priority facility components that have been established to guide the facility layout plan. The table details:

- Facility Components
- Target Markets
- Facility Objectives
- Functional Relationships
- Other Features to Consider

Table 8: Component Brief – Four Court Facility

ACTIVITY AREA	FACILITY COMPONENTS	TARGET MARKETS	FACILITY OBJECTIVES	FUNCTIONAL RELATIONSHIPS	OTHER FEATURES TO CONSIDER	AREA SCHEDULES	TOTAL AREA (m^2)
Indoor Sports Hall	2 x Full size indoor sports courts suitable for competition netball One court to be developed as show court with temporary seating overlay	• Education • Competition • Events • Training	• Provide indoor sports courts for: • Basketball • Netball • Futsal • Indoor hockey • Badminton • Volleyball • Meet Universal design principles as a minimum	• Adjacent to spectator areas. • Adjacent to amenities block • Linkage to food and beverage area	• Potential future expansion zone • Relationship with existing courts	• 2 indoor sports courts • Crts. 15.25m x 30.5m • Runoff to netball dimensions • 3.05 m unencumbered (4 m clearance between courts) • Roof height • 8.3m at highest point unencumbered. • Provide adequate clearance for scorers bench and seating between each court • (approx. 1.5m)	1,640m^2
	1 x multi-purpose court 1.4 – cricket training nets overlaid with other sports	• Education • Competition • Events • Training	• Provide indoor sports courts for: • Cricket practice • Netball • Badminton • Indoor hockey • Meet Universal design principles as a minimum	• Adjacent to spectator areas. • Adjacent to amenities block • Linkage to food and beverage area	• Adjoining 2 new courts with dividing net between • Synthetic grass surface with retractable net system	• Layout similar to NSW Cricket and community centre concept • Total length min 36m (up to 40m if available) • Width 20.4m	734m^2+
	Spectator Area	• Education • Competition • Events • Casual spectator	• Capacity for temporary seating for events 1000 • Other courts – single row of seating along each court	• Along one side of court one.	• Allow floor loading for temporary seating for show court	• Row of seating between courts for spectator viewing additional area requirement	200m^2
	Control/operations room	• Education • Competition • Events	• Provide single control point for competitions and tournaments	• Direct access and viewing over crts.	• Access via crts to submit scoresheets • Capacity for 3/4 people • Sliding window • Potential link to reception	• Room 30m^2	30m^2
	Break out space	• Education • Competition • Events	• Provision of team break out areas for pre and post game briefings	• Away from crts to avoid disruption to games	• Off court	• 8 x break out areas x 3m^2 each • Potential for 2 larger areas (as part of 12) for wheel chair teams	24m^2

ACTIVITY AREA	FACILITY COMPONENTS	TARGET MARKETS	FACILITY OBJECTIVES	FUNCTIONAL RELATIONSHIPS	OTHER FEATURES TO CONSIDER	AREA SCHEDULES	TOTAL AREA (m^2)
	Other support facilities - Storage - Plant rooms	• Service areas	• Service areas	• Storage off main sports hall	• Storage of sports equipment for multi lined sports courts. • Consider storage systems to maximise storage capacity	• Storage – 150m^2 • Plant – 200m^2	350m^2
Subtotal Indoor Sports Hall							**2,978m2**
Front of House Areas	Foyer / Reception / Merchandising Breakout space	• All customers	• Provide welcoming entry area that allows users to relax and socialise before entering main activity areas. • Social areas that encourage casual stay and increased secondary spending.	• Links to lounge and café • Links to main activity areas	• Possible future extensions to centre may need link through foyer/reception area • Universal Design • Way finding Principles • Allowance for vending machine locations • Location for vending machines and ATM	• Foyer – 150m^2 • Reception – 30m^2 • Merchandising as part of reception 70m^2	250m^2 (size to be confirmed based on court and seating number)
	Management Offices/administration	• Centre staff	• Provide areas for staff and centre administration.	• Close to reception • Vision into activity circulation spaces.	• Possible extension of areas if further centre activity areas added	• Offices 50m^2 • Capacity for min 2 staff with 2 office spaces	50m^2
	Café/ Lounge	• All customers and staff	• Provide food area that attracts high secondary spend. • Key socialisation area	• Links to foyer • Ability to serve to indoor and facilities and external netball courts	• Linkage to other activity areas for sales • Break out area	• Lounge – 70m^2 • Kitchen – 25m^2 • Café serveries – 30m^2 -	125m^2
	First aid	• All Centre users	• Provide access to first aid room linked to sports hall • Informal collegial space	• All Centre users	• Emergency service vehicle access • Linked to drug testing and consulting rooms	• First aid room15 m^2	15m^2
	Other support facilities - Storage - Plant rooms	• Service areas	• Service areas	• Storage for administration area	• Storage of sports equipment for multi lined sports courts	• Cleaners Storage – 10m^2 • Furniture store -20m^2 • Plant – 90m^2	120m^2
• **Subtotal Front of House**							**560m^2**

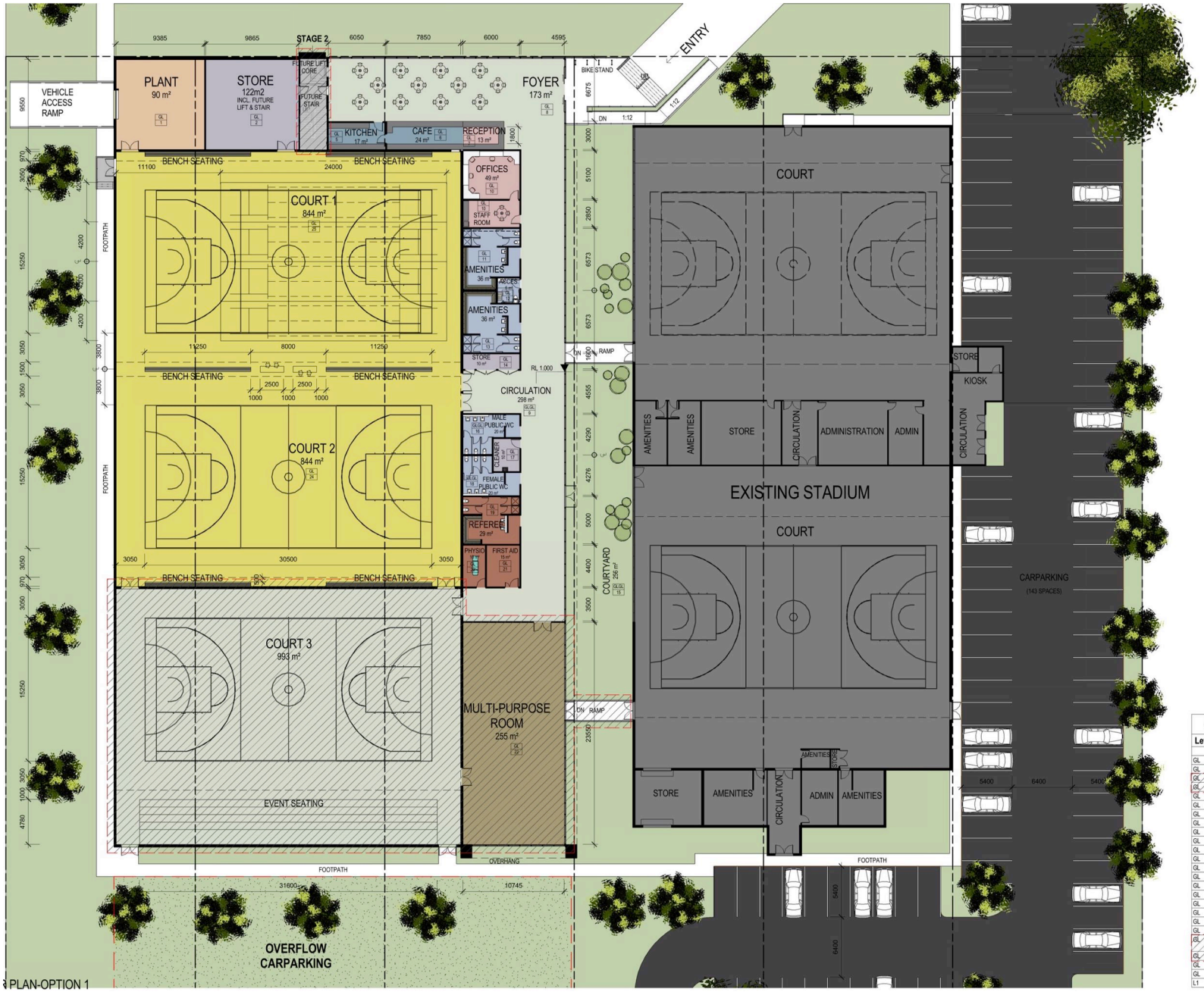
ACTIVITY AREA	FACILITY COMPONENTS	TARGET MARKETS	FACILITY OBJECTIVES	FUNCTIONAL RELATIONSHIPS	OTHER FEATURES TO CONSIDER	AREA SCHEDULES	TOTAL AREA (m^2)
Amenities / Change	Change Rooms	• All customers	• Provide modern change rooms for the elite "home teams"	• Easy access to the show court • Easy access from main entrance	• Space for ice machine and physio table(s) in each change room • Storage • Consider capacity to share amenities between change areas.	• 2 dedicated change rooms. • Uni sex design. • Each 70m^2 • 3 toilets and showers per change area • 1 accessible toilet and shower per change area. 10m2	150m^2
	Amenities	• All customers	• Provide modern amenities easily maintained	• Adjoining all main activity areas	• Fully accessible amenities • Baby change provision	• Separate public toilets male/female/ accessible - 120 m^2 (in line with BCA requirements) • Service areas – 20m^2	140m^2
	Referees control room and change room	• Referees	• Provide modern amenities easily maintained	• Adjoining all main activity areas	• Fully accessible amenities	• Control / staff room • 2 x Change room Toilet and shower (could be shared) • Uni sex amenities/ accessible	60m^2
• **Subtotal Amenities / Lounge**							**350m^2**
Other Areas	Cleaners Room / Store	• -Cleaning store	• -	• -	• -	• Allowance	10m^2
	General Circulation Allowance (10%)	• -All users	• -Provide additional space to enable ease of circulation	• -	• -	• Allowance	548m^2
Subtotal Other Areas							**558m^2**
ESTIMATED TOTAL BUILDING AREA							**4,446m^2**
Future Expansion Zone							**2,000m^2**
Total Development Area							**8,026m^2**
1. Car Parking 160 spaces for normal usage (allows for game cross over) **2. Consider car park capacity within precinct to cater for major events** **3. Drop off area**							**6,380m^2**

4.4.2 Concept Design Options

Based on the component brief and a range of site limitations, Peddle Thorpe Architects prepared concept design options. These were reviewed with MVDBA project members and finalised as shown on the following pages (a full set of concept design drawings are provided in a separate document. The concept design is based on a stage one development of two court plus associated amenities and a second development stage that includes a third court, office/lettable space and a multi-purpose room.

Figure 16 - Site Plan

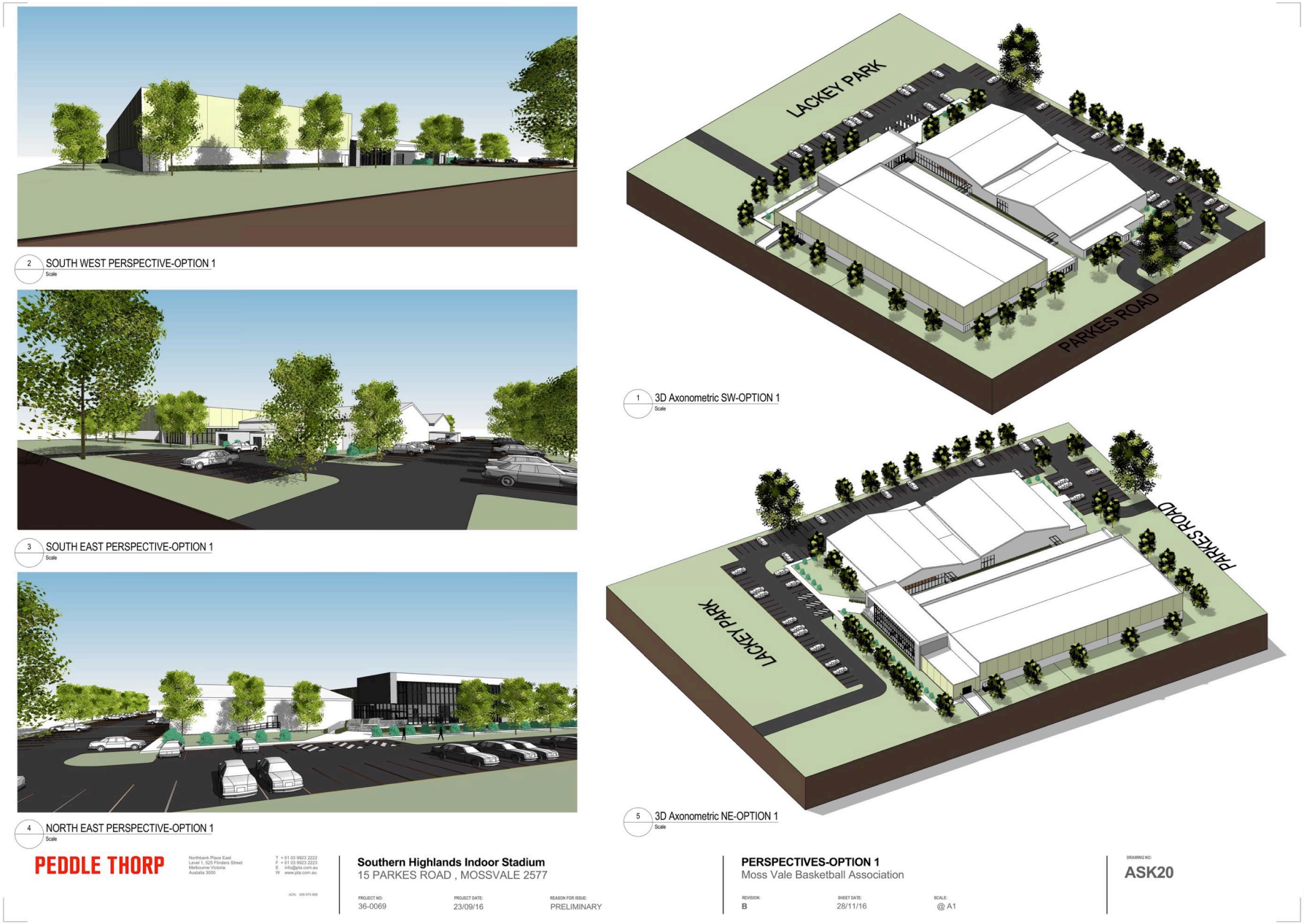
Figure 17 - Floor Plan



OPTION1 ROOM SCHEDULE - STAGE 2...

Level	Number	Name	Area
GL	1	PLANT	140 m²
GL	2	STORE	124 m²
GL	3	FUTURE LIFT CORE	7 m²
GL	4	FUTURE STAIR	15 m²
GL	5	KITCHEN	17 m²
GL	6	CAFE	24 m²
GL	7	RECEPTION	13 m²
GL	8	FOYER	173 m²
GL	9	CIRCULATION	298 m²
GL	10	OFFICES	49 m²
GL	11	AMENITIES	36 m²
GL	12	ACCES.	6 m²
GL	13	AMENITIES	36 m²
GL	14	STORE	10 m²
GL	16	MALE PUBLIC WC	20 m²
GL	17	CLEANER	10 m²
GL	18	FEMALE PUBLIC WC	20 m²
GL	19	REFEREE	29 m²
GL	20	PHYSIO	10 m²
GL	21	FIRST AID	15 m²
GL	22	MULTIPURPOSE ROOM	255 m²
GL	23	COURT 3	993 m²
GL	24	COURT 2	844 m²
GL	25	COURT 1	844 m²
L1	26	FUTURE OFFICES	195 m²

Figure 18 - Perspectives



4.5 Indicative Capital Cost Plan

Turner and Townsend, Quantity Surveyors, have developed indicative cost plans as a guide to the likely capital costs for the facility. These costs should be regarded as indicative only as the project is at a preliminary development phase and more detailed plans are required to enable more detailed cost plans to be developed. Cost estimates for stage 1 and 2 are shown below.

The full cost report is listed in Appendix 1.

Table 9: Indicative Capital Cost Summary

	Stage 1	Stage 2
Building Works	$4,782,187	$2,718,376
External Works and Services	$1,326,760	$217,000
Construction Total	**$6,108,947**	**$2,935,376**
Contingencies	$627,000	$302,000
Fees & Charges	$832,000	$411,000
Total Project Cost	**$7,567,947**	**$3,648,376**

5. Future Facility Management and Business Modelling

This section of the report looks at developing management, business and financial modelling for the preferred facility development option.

5.1 Review of Management Options

The land on which the current facility stands and the land identified for the new/expanded facility are both owned by the MVDBA. However, it is recognised that any development is unlikely to secure local, state or federal government funding whilst the land is 'privately' owned. MVDBA are open to vesting the land for the expanded facility into public ownership to address this, but are reluctant to accede ownership of the current site.

This gives rise to a number of issues, but the initial intent is that MVDBA contribute to the project by dedicating the land for the new facility to Council and develop a mutually agreeable management arrangement for both facilities to achieve the project outcomes. The management options outlined below generally relate to a Council perspective. Consideration of these options and other issues are then brought together to identify a possible management option.

5.1.1 Management Options for New Facility

Five primary management models have been identified (although each model can have multiple variations) to assist the process of establishing a preferred approach for the centre. In practice, these management models fit into two categories outlined below.

1. Management by Council (Internal)

- Direct management by council staff
    - Involves employing staff to manage the facility. Council is responsible for all aspects of the facility's operation including operating policies, financial performance and asset management. In some cases, a management committee may be established to help with policy development and to ensure community involvement in management decisions.

- Management by a committee of management or subsidiary of council
    - An extension of the direct management model is a formally constituted Committee of Management under Section 355 of the Local Government Act. A Council may establish committees to assist in the performance of its functions, for example to manage or administer property, facilities or activities on its behalf.
    - Alternatively a Council can establish a company limited by guarantee under Section 358 of the Local Government Act to manage facilities and/or services on behalf of Council.

- Licence or season permit to use a recreation facility
    - A licence agreement exists where Council enters into a licence detailing the rights and responsibilities of Council and the licensee. Council receives an agreed rental or income (or a percentage of the net surplus) but has no direct control over the day to day management.
    - A licence is used where the licensee has management rights only of grounds and or a facility. A licence does not convey or create an interest in a building or the land to a particular party and is typically utilised for shared use arrangements by sporting associations.
    - Whilst the contract management model (below) may be based on a licence agreement, this management model relates mainly to sporting clubs or associations which use a building or sports facility on a seasonal or other short term, periodic basis.

2. Management by a Non-Local Government Organisation (External)

- Contract management
  - Contract management exists where Council contracts out the management of the centre to an individual manager, a community based organisation or a facility management company.
  - Responsibilities of the owner and contractor are set out in a formal contract for a fixed period of time, which may be a Licence, Lease or Management Agreement.

- Lease
  - A lease agreement exists where Council enters into a lease detailing the rights and responsibilities of Council and the lessee. Council receives an agreed rental or income (or a percentage of the net surplus) but has no direct control over the day-to-day management.
  - The lessee has full property rights and is responsible for financial performance, asset maintenance and operational policies. A lease is used where the group has exclusive possession of the premises for a fixed period of time.

For each model outlined above a unique solution must be designed to meet the specific needs of Council and its community. There is no single best solution or approach. In simple terms, there are good and bad examples of in-house managed recreation facilities and good and bad examples of externally managed recreation facilities.

A key point to note is that both 'in-house' and 'external' management of recreation facilities will achieve policy outcomes desired by Council if the management model is correctly structured. Given this caveat, in practice the relative importance of a small number of criteria will suggest whether in-house or external management is most appropriate. This can be summarised as follows:

- **Management by Council is not best suited to situations where:**
  - The core purpose of a facility is to provide a commercial return on the investment.
  - Council does not have senior and/or executive staff with skills and experience in managing, operating and/ or maintaining the type of recreation facility under consideration.

- **Management by Council is best suited to situations where:**
  - Council wishes to exert a high level of control over the day-to-day operation of the facility, including elected members making operational decisions on an ad hoc basis.
  - Council wants to ensure that the facility is maintained to a high standard and has the capacity to provide adequate funds for all categories of asset management including cyclical and structural maintenance.
  - Council wants to directly manage its potential risk exposure.

- **External management is best suited to situations where:**
  - Council wishes to minimise the cost of operating the facility.
  - Council wants to attract a substantial capital investment in the facility or plant and equipment.
  - Council wants a fixed budget to operate a recreation facility.
  - The facility competes in a dynamic market, requiring rapid response to changing market conditions.

5.1.2 Potential Management Model for SHMISC

Given the unique 'ownership' structure proposed for this project, there are four main management options:

1. Council operate the new facility independently (but collaboratively) from MVDBA facility which continues to be operated by MVDBA
2. MVDBA lease the new facility from Council and run both facilities as one centre
3. Council lease the existing MVDBA facility and run both facilities as one centre
4. Council and MVDBA engage a common management company to manage both facilities as one

There are numerous variations on each of these options. However, in order to establish a base management arrangement for the business model it will be assumed that a management company will be engaged to manage the existing and proposed facilities as one centre. This could be facilitated, in one way or another via options 2, 3 and 4 above, however, options 2 03 would be the most practical (that is, one party leases the other's facility and appoints a mutually acceptable third party management company).

5.2 Proposed Facilities Business Model

Based on the research conducted and discussions with MVDBA, a range of business assumptions have been developed which will be applied to a financial model for the proposed facility.

5.2.1 General Business Assumptions

The general business assumptions are listed in table 9

Table 10: Business Model Assumptions

Item	Assumption	Source/Basis/Rationale
Management and staffing	○ Management company appointed and staffed by 2.5 EFT positions	
Management Overheads	○ 8% of operational expenditure	○ Allowance for management overheads
Operating Hours	○ Mon-Fri - 9am – 10pm (peak hours 4pm – 10pm) ○ Sat/Sun (as required) - 9am – 6pm	○ Based on similar facilities
Fees (per hour)	○ Peak hour rate - $55 ○ Off peak rate - $36	○ Entry charges are based on similar charges to indoor sporting facilities and exclude GST
Recurrent Operating Expenditure	○ Recurrent operating expenditure including utilities, administration, marketing, maintenance, floor resurfacing and cleaning	○ Industry benchmarks for similar facilities
Seasonal utilisation patterns	○ Winter season – April – September (18 weeks) ○ Summer season – October - March (18 weeks) ○ Holiday-season – periods between main seasons and school holidays	○ Based on common sport seasons
Food/ Beverage and Merchandise	○ Kiosk /café - $2.00 per spend with a 50% penetration and 20% margin on sales ○ Merchandise - $5.00 spend with a 5% penetration and 10% margin on sales.	
CPI Increases	○ Assumes average 2.3% yr. 2 to 10.	○ Consumer price index
Business Growth	○ Assumes yr. 3 is base year at 100% and yr. 2 is discounted by 4% to 96% of yr. 3 and yr. 1 is discounted by 10% to 90% of yr. 3. ○ Business growth yr. 4 103%, yr. 5 106%, yr. 6 109%, yr. 7 110%, yr. 8 111%, yr. 9 112% and yr. 10 112%	○ Allows for business establishment period
Real Price Growth	○ Assumes 1.0% price increases from yr. 2 to yr. 10.	
Expenditure Increases	○ Assumes annual expenditure increase of C.P.I as indicated.	
Annual Salary Increases	○ Allows for annual increases of 1.2% above CPI	
Pre-Opening Expenses	○ Not included at this stage	○ Unknown start date
Annual Maintenance	○ Allowance of $30,000	○ annual programmed maintenance allowance for high wear areas
Asset Management and Replacement Allowances	○ No allowances for asset management and renewals included in the 10 year operating projections at this stage.	○ Allow for clear definition of operating costs ○ Updated capital cost yet to be determined
Depreciation or Loan Repayments	○ No allowances for annual depreciation or any loan repayments included in the model at this stage.	○ Allow for clear definition of operating costs ○ Updated capital cost yet to be determined

5.2.2 Key Utilisation Assumptions

The following usage assumptions have been used to build the base business model:

- Winter Season
    - MVDBA will be the main user (domestic competition and training and representative season) - 78 court hours per week
    - Minor school use – 6 court hours per week
    - Minor futsal and netball competitions – 20 court hours per week
    - Minor cricket training and development programs – 5 court hours per week
    - Other community/general use – 6 court hours per week
- Summer Season
    - MVDBA will be the main user (domestic competition and training only) – 67 court hours per week
    - Major futsal use (competitions) – 36 court hours per week
    - Moderate school use – 10 court hours per week
    - Moderate netball use (competitions) – 17 court hours per week
    - Moderate cricket use (training and development) – 10 court hours per week
    - Other community/general use – 6 court hours per week
    - Minor hockey use (competitions) – 6 court hours per week
- Holidays and Events
    - Allowance for sport and general community events
    - Allowance for training, development programs and casual use

5.3 Ten Year Financial Models

Based on management and business assumptions, a detailed 10 year electronic financial model has been developed for Stage 1 of the preferred development option.

The key results of the financial model are summarised on the following page. A full version of the model is available as a supporting document.

Table 11: Projected Operating Forecast

Item	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Revenue										
Court Hire	$223,657	$246,977	$266,337	$283,997	$302,571	$322,102	$336,515	$351,544	$367,215	$380,159
Events and Stadium Hire	$18,900	$20,871	$22,507	$23,999	$25,569	$27,219	$28,437	$29,707	$31,031	$32,125
Food and Beverage	$82,498	$90,197	$96,304	$101,673	$107,251	$113,043	$116,932	$120,945	$125,086	$128,213
Merchandise	$20,624	$22,549	$24,076	$25,418	$26,813	$28,261	$29,233	$30,236	$31,271	$32,053
Total Revenue	**$345,679**	**$380,595**	**$409,224**	**$435,087**	**$462,203**	**$490,625**	**$511,117**	**$532,433**	**$554,603**	**$572,550**
Expenditure										
Staff Costs	$163,800	$167,895	$172,092	$176,395	$180,805	$185,325	$189,958	$194,707	$199,574	$204,564
Power	$40,000	$41,000	$42,025	$43,076	$44,153	$45,256	$46,388	$47,547	$48,736	$49,955
Insurance	$8,000	$8,200	$8,405	$8,615	$8,831	$9,051	$9,278	$9,509	$9,747	$9,991
Repairs and Maintenance	$20,000	$20,500	$21,013	$21,538	$22,076	$22,628	$23,194	$23,774	$24,368	$24,977
Administration Costs	$5,000	$5,125	$5,253	$5,384	$5,519	$5,657	$5,798	$5,943	$6,092	$6,244
Sundry	$5,000	$5,125	$5,253	$5,384	$5,519	$5,657	$5,798	$5,943	$6,092	$6,244
Security/Waste/ Cleaning	$52,000	$53,300	$54,633	$55,998	$57,398	$58,833	$60,304	$61,812	$63,357	$64,941
Promotion	$10,000	$10,250	$10,506	$10,769	$11,038	$11,314	$11,597	$11,887	$12,184	$12,489
Annual Court Maintenance	$30,000	$30,750	$31,519	$32,307	$33,114	$33,942	$34,791	$35,661	$36,552	$37,466
Cost of Sales (F+B & Merch)	$84,560	$92,452	$98,712	$104,215	$109,932	$115,869	$119,856	$123,969	$128,213	$131,418
Total Expenditure	**$418,360**	**$434,597**	**$449,411**	**$463,681**	**$478,385**	**$493,533**	**$506,961**	**$520,752**	**$534,916**	**$548,289**
Operating Result - Surplus/(Deficit)	**($72,681)**	**($54,003)**	**($40,187)**	**($28,594)**	**($16,182)**	**($2,909)**	**$4,156**	**$11,681**	**$19,688**	**$24,262**

The 10-year base case business projections indicate:

- Revenue is expected to increase annually ranging from $345,679 in year 1 to $572,550 by year 10.
- Expenditure is expected to increase annually ranging from $418,360 in year 1 to $548,289 in year 10.
- The Centre is expected to operate at an annual operating deficit from year 1 to 6 before generating small surpluses.
- The average 10-year operating deficit is estimated to be approximately $15,477 per annum.
- Excluding the establishment years (1 & 2) the average operating deficit is $3,511 per annum.

In order to test the sensitivity of the operating forecast, two alternate models were developed. A 'conservative model based on a 10% reduction in demand and an 'optimistic' model based on a 10% increase in demand. Summaries of all three operating forecasts are shown in the tables below.

Table 12: Conservative Operating Forecast Summary

Item	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Revenue	$311,111	$342,535	$368,301	$391,579	$415,983	$441,562	$460,006	$479,190	$499,143	$515,295
Expenditure	$409,904	$425,352	$439,540	$453,260	$467,392	$481,946	$494,976	$508,355	$522,094	$535,147
Surplus/(Deficit)	**($98,793)**	**($82,817)**	**($71,238)**	**($61,681)**	**($51,409)**	**($40,384)**	**($34,970)**	**($29,166)**	**($22,951)**	**($19,851)**

Table 13: Base Operating Forecast Summary

Item	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Revenue	$345,679	$380,595	$409,224	$435,087	$462,203	$490,625	$511,117	$532,433	$554,603	$572,550
Expenditure	$418,360	$434,597	$449,411	$463,681	$478,385	$493,533	$506,961	$520,752	$534,916	$548,289
Surplus/(Deficit)	**($72,681)**	**($54,003)**	**($40,187)**	**($28,594)**	**($16,182)**	**($2,909)**	**$4,156**	**$11,681**	**$19,688**	**$24,262**

Table 14: Optimistic Operating Forecast Summary

Item	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Revenue	$380,247	$418,654	$450,146	$478,596	$508,423	$539,687	$562,229	$585,676	$610,064	$629,805
Expenditure	$426,816	$443,843	$459,282	$474,103	$489,378	$505,120	$518,947	$533,149	$547,737	$561,430
Surplus/(Deficit)	**($46,569)**	**($25,189)**	**($9,136)**	**$4,493**	**$19,045**	**$34,567**	**$43,282**	**$52,527**	**$62,327**	**$68,375**

Together, these models provide an overall range of likely performance for the centre. In both the 'Base' and 'Optimistic' models, forecast surpluses could be directed towards an asset renewal fund to ensure the asset is more sustainable long term. The 10 year average result for each model is as follows:

- Conservative Case: – loss of $51,362
- Base Case: – loss of $15,477
- Optimistic Case: – surplus of $20,372

5.4 Project Funding Opportunities

As noted previously, in order to facilitate government funding, it is recommended that ownership for the new facility be placed with Council under an appropriate agreement. With this in place, Council along with sporting stakeholders could develop a funding strategy to procure the facility.

It is suggested that this be done on a staged basis as outlined by the cost plan. With an estimated Stage 1 cost of $7.6m 'base' funding of $2m-$4m would need to be sourced from sporting bodies and Council. This could then be matched by state and/or federal funding. An indicative funding model is shown in the table below.

Table 15: Sample Funding Model

Source	Amount	Comment
Base Funding	$2m	Could include funding from sporting groups (local and state), Council and other funding sources
State Government	$2m	Represents approx. 26% of the project, this with base funding can then be potentially matched by federal funding
Federal Government	$3.6m	Represents approx. 47% of project costs (could source up to 50% but the lower the better)
	$7.6m	

5.4.1 External Funding Opportunities

With a shrewd funding strategy, Council and the community can use any internal and/or local funding to leverage external grant opportunities. By partnering with one or two external funding bodies, the local contribution to a project can be reduced to 50% or less. Some of the main external funding opportunities are outlined below.

- Federal Government
    - The Commonwealth Government through GrantsLINK provides a comprehensive website maintained by the Commonwealth Department of Infrastructure, Transport, Regional Development and Local Government offering direct links to existing information on Commonwealth Government grants programs. GrantsLINK © may assist Councils to find suitable and relevant grants for community projects from the many Commonwealth grants that are available. The Community Portal provides information for community groups in Australia including a selection of links to sources of grants and funding.
    - Building Better Regions Fund - this program has $250M in funding for the next term of Government and provides funding for infrastructure projects and community investment that will create jobs, drive economic growth and build stronger regional communities into the future. First round applications are now out and close 28th Feb 2017.
- State Government
    - Club Grants - delivers funding to communities across NSW to support healthy lifestyles through increased participation in sport, recreation, arts and cultural activities.
    - Community Building Partnerships Program - offers grants across the State at an individual State Electorate level for the enhancement of community facilities.

5.4.2 Procurement Process

Subject to adequate funding being sourced both locally and externally, the procurement process would involve the following major steps:

- Concept Design and Feasibility (completed)
- Funding
    - Detail and confirm funding strategy

- Establish financing arrangements for internal funding
- Seek external funding

- Design and Development
  - Development Application
  - Construction Certificate
- Procurement
  - Tender documentation
  - Tender selection
  - Construction
- Management
  - Determine preferred model
  - Procure resources

6. Project Summary and Recommendations

This section of the report provides a summary of key points and recommendations for consideration by MVDBA and other stakeholders.

6.1 Summary

Through a review of relevant market and industry information the following points have been established:

- Court provision – although there is a relatively high number of courts in the area, the majority of these have some form of limitation in regard to contributing to the 'real' supply of facilities
- Population growth will continue, but with an aging profile
- Strategic links - consultation with key stakeholders identified a number of possible strategic links including:
    - Basketball – BNSW support the addition of courts to cater for existing and future demand in the Southern Highlands district, potential venue for events
    - Cricket – CNSW supports the establishment of a 'cricket and Community Hub' in the Highlands as part of its development strategy
    - Football – possible development of a referees centre of excellence, facilitation and promotion of futsal through indoor courts
    - Netball – need for indoor facilities to address climate issues and subsequent impacts on participation rates
    - Hockey – indoor facilities support skill development for field hockey
    - Council – link to Parks Strategy recommendation for the establishment of a multi-purpose sports park hub and link to preliminary planning to upgrade Lackey Park
- Industry and participation trends point to increasing demand for indoor facilities
- Facility review demonstrate that multi-court facilities can operate at a sustainable level
- Local demand modelling demonstrates a need for approximately 4-5 courts long term (i.e. 2-3 more 'publicly accessible' courts in addition to existing supply)
- A sports event market of approximately $5.5m exists for a 4 court multi-purpose facility

Based on this background research, the following planning and assessment tasks were completed:

- Potential sites were assessed with the current site being identified as the preferred location
- A component brief for a 4-5 court was developed
- A concept design plan was prepared based on a two-stage approach
- An estimated construction cost was prepared which identified a cost of $7.6m for stage 1 and $3.6m for stage 2
- Management options were reviewed with alternatives involving a management company identified as the most suitable option
- A range of business and utilization assumption were developed based on project research
- Financial models for the centre were developed showing that, after initial establishment, the centre is likely to operate at a sustainable level
- An indicative funding model and potential funding sources for the project were identified

6.2 Project Recommendations

Should MVDBA wish to pursue this project further the following recommendations are suggested. These are based on the findings and analysis of this report.

1. **Develop and implement Key Project Directions/Principles**
    a. Engage with potential sports partners to build support and demonstrate for the project
        i. Chiefly netball, football (futsal), cricket and hockey
        ii. Engage with relevant state sporting organisations
    b. Engage with Council to establish the project as a whole of community priority
        i. Identify and prioritise the project in corporate planning documents.
    c. Resolve an acceptable ownership and/or management model with key partners (principally with Council)
2. **Continue Planning and Secure Funding**
    a. Prepare an economic impact assessment and cost benefit analysis to assist with demonstrating the project's value.
    b. Establish a Project Control Group to guide and facilitate further planning and to undertake the task of securing funding for the project.
    c. Based on the model presented in this report, further develop and adopt a funding strategy.
    d. Seek funding
        i. Set up funding campaigns and strategies to lobby state and federal government representatives and ministers to gain support for the project.
        ii. Promote the project and seek support from potential project partners including seeking partnership funding commitments where possible.
        iii. Monitor funding opportunities (from programs listed in this report and other sources) and prepare grant submissions as required.
    e. Undertake a preliminary development approval process to identify key requirements and/or potential barriers.
3. **Plan the Procurement Process**
    a. Develop a procurement plan – the preparation of a procurement plan will clarify the specific methods to be employed to deliver the project.
    b. Base detailed planning on the progress of funding acquisition – the success of implementing internal and external funding strategies will ultimately determine the ability to procure the project and will determine the extent and timing of further detailed work. Ideally, detailed planning would take place once substantial funding is secured.
    c. Detailed design and development approval – a traditional procurement process will require a detailed design and development application to be prepared to enable the project to be approved for development and procured through a typical tender process.
    d. Detailed business and management planning – as further design detail is developed it is advisable that business and management implications are identified and monitored to ensure that operating forecasts are updated and remain relevant and as accurate as possible.
    e. Tender and construction – subject to the acquisition of funds and the identified procurement method, a tender process for acquiring a project builder will need to take place prior to construction being undertaken.
    f. Management acquisition – regardless of the management model selected (internal or external), it is advisable to secure facility management resources as soon as practicable during the delivery phase to provide input into ongoing project and design detail.

7. Warranties and Disclaimers

The information contained in this report is provided in good faith. While Otium Planning Group has applied their own experience to the task, they have relied upon information supplied to them by other persons and organisations.

We have not conducted an audit of the information provided by others but have accepted it in good faith. Some of the information may have been provided 'commercial in confidence' and as such these venues or sources of information are not specifically identified. Readers should be aware that the preparation of this report may have necessitated projections of the future that are inherently uncertain and that our opinion is based on the underlying representations, assumptions and projections detailed in this report.

There will be differences between projected and actual results, because events and circumstances frequently do not occur as expected and those differences may be material. We do not express an opinion as to whether actual results will approximate projected results, nor can we confirm, underwrite or guarantee the achievability of the projections as it is not possible to substantiate assumptions which are based on future events.

Accordingly, neither Otium Planning Group, nor any member or employee of Otium Planning Group, undertakes responsibility arising in any way whatsoever to any persons other than client in respect of this report, for any errors or omissions herein, arising through negligence or otherwise however caused.

Appendix 1 – Cost Report

18 January 2017

Report

Indicative Cost Plan Report

Southern Highlands Stadium
Moss Vale and District Basketball Association

making the **difference**

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Senior Cost Manager

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Contents

Rev	Originator	Reviewed	Date
0	Jason Flentjar	Anish Shah	18/01/2016

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1 Introduction

This project comprises the upgrade works to the redevelopment of the Southern Highlands Stadium. This indicative cost plan is intended to assist with the decision making process and applications for funding.

The works comprise three new basketball / netball indoor courts, new foyer with reception and offices, new café and kitchen, new store and plant room, new amenities and players and public, new referees, new offices on upper floor, carpark and landscape works.

The cost plan has therefore been separated into two parts – stage 1 works and stage 2 works.

2 Summary of Cost

This cost plan is intended to provide an estimated construction cost based on masterplan documentation. This cost should always be read with the drawings, information, notes, assumptions and exclusions as outlined elsewhere in this report.

	Stage 1	Stage 2
Building Works	$4,782,187	$2,718,376
External Works and Services	$1,326,760	$217,000
CONSTRUCTION TOTAL	$6,108,947	$2,935,376
Contingencies	$627,000	$302,000
Fees & Charges	$832,000	$411,000
TOTAL PROJECT COST	$7,567,947	$3,648,376

A detailed cost breakdown is included in Appendix A.

3 Quantitative Analysis

The table below provides additional data analysis

	Areas	Building Works Subtotal : Rate $/m2	Project Total: Rate $/m2
Stage 1	2,576m2	$1,857/m2	$2,938/m2
Stage 2	1,559m2	$1,744/m2	$2,340/m2

4 Information Used

The estimate is based on the following information:

Documents & Drawings	Revision
Architectural Drawings received Peddle Thorp ASK05 – ASK07 on 28/11/2016	

5 Exclusions

- Goods and Services Tax (GST)
- Removal of asbestos and other hazardous materials
- Latent Conditions
- Adverse soil conditions including rock excavation, replacement of soft spots, testing, removal and replacement of contaminated soil
- Cost Escalation beyond September 2016
- Council internal costs
- Land, legal, finance and marketing costs
- Upgrade, new or replacement of authority services infrastructure to the site
- Diversion of existing inground services infrastructure
- Staging costs
- Relocation / Decanting costs
- Blinds, Curtains and Drapes
- Public Artwork
- Stormwater detention / retention on site
- Piling or Bored Pier foundations
- Office equipment / active IT and telephone costs
- Loose furniture, fittings & equipment (FF&E)
- Audio Visual requirements
- Works to carparking and roadways
- Works to existing stadium

Appendix A – Detailed Cost Breakdown

Moss Vale and District Basketball Association

Southern Highlands Stadium

Indicative Cost Plan

QS REF: me23797
Date: 1/12/2016

Function	area m2	rate $/m2	Final Concept Plans Stage 1 cost $	Stage 2 cost $
New Building Works				
Foyer	173	$ 1,800	$ 311,400	
Reception	13	$ 2,200	$ 28,600	
Café kitchen	41	$ 2,900	$ 118,900	
Kitchen equipment	Allow		$ 30,000	
Admin / Offices	49	$ 2,200	$ 108,000	
Public amenities	40	$ 2,700	$ 108,000	
Storage	132	$ 1,500	$ 198,000	
Indoor Sports Courts 1 & 2	1688	$ 1,300	$ 2,195,000	
Future Netball Court 3	993	$ 1,300		$ 1,290,900
EO for fixed tiered seating	Allow		$ 380,000	
Cleaners	10	$ 2,500	$ 25,000	
Change rooms	78	$ 2,400	$ 188,000	
Physio	10	$ 2,400	$ 24,000	
First Aid	15	$ 2,200	$ 33,000	
Circulation / wall grossing	298	$ 1,800	$ 537,000	
Referee	29	$ 2,400	$ 70,000	
Future lift core / stair	26	$ 1,800		$ 46,800
Stair	Allow			$ 30,000
Lift	Allow			$ 100,000
Multipurpose room	255	$ 2,500		$ 637,500
Future Offices	195	$ 2,400		$ 468,000
Plant rooms	90	$ 1,800	$ 162,000	
Ramp / corridor between buildings	Allow		$ 36,000	$ 36,000
Sports equipment - goals, scoreboards etc	Allow		$ 60,000	$ 30,000
Entry Canopies	Allow		$ 30,000	
ESD Initiatives	3%		$ 139,287	$ 79,176
Total Building Works	**4,135**	**$ 1,157**	**$ 4,782,187**	**$ 2,718,376**
External Works & Services				
Site Clearance / Misc Demolition	Allow		$ 27,000	$ 13,000
Earthworks	Allow		$ 80,000	$ 37,000
Ramp and steps to entry	Allow		$ 40,000	
Carpark - new	Allow		$ 368,000	
Carpark - resurface existing	Allow		$ 270,000	
Entry crossovers	Allow		EXCLUDED	
External pavements	Allow		$ 59,160	$ 10,000
Courtyard	256	$ 100	$ 25,600	
Allow for fence to site boundary	Allow		EXCLUDED	EXCLUDED
Allowance for landscaping	Allow		$ 30,000	$ 10,000
Allowance for external services	Allow		$ 427,000	$ 147,000
Total External Works & Services			**$ 1,326,760**	**$ 217,000**
Construction Cost			**$ 6,108,947**	**$ 2,935,376**
Design Contingency		5%	$ 306,000	$ 147,000
Construction Contingency		5%	$ 321,000	$ 155,000
Sub Total			**$ 627,000**	**$ 302,000**
Professional Fee Allowance		9%	$ 607,000	$ 292,000
Authority Fees & Charges	Allow		$ 62,000	$ 30,000
-Substation contribution	Allow		$ 40,000	
Loose Furniture, Fittings & Equipment (FF&E), IT and Telephone Equipment, Blinds and Curtains	Allow		$ 123,000	$ 89,000
Sub Total			**$ 832,000**	**$ 411,000**
Cost Escalation to tender (allow 12 mths)			EXCLUDED	EXCLUDED
Sub Total			**$ -**	**$ -**
Project Total			**$ 7,567,947**	**$ 3,648,376**

Exclusions:

GST	Cost Escalation beyond September 2016
Upgrade or provision of authority services infrastructure external to the site	Office Equipment costs
Land, legal, marketing and finance costs	Public Art
Relocation / Decanting Costs	Asbestos & other hazardous materials removal
Council internal costs	Staging Costs
Adverse soil conditions incl. excavation in rock, soft spot	Stormwater on site retention / detention system
Excavation, removal and disposal of contaminated soil	Works to existing stadium
Audio Visual requirements	Planning professional fees and permit fees
Piling or Bored pier Foundations	Diversion / relocation of existing inground services
Works to carparking and roadways	