

4.1 Ballina Indoor Sporting and Recreation Facility - Joint Venture

4.1 Ballina Indoor Sporting and Recreation Facility - Joint Venture

Delivery Program Community Facilities and Services

Objective To seek direction from the Committee regarding Council commitment to a joint venture for the provision of an indoor sporting and recreation facility on the Ballina High School site.

Background

The Facilities Committee considered a report in February 2016 regarding the provision of an indoor sporting facility in Ballina through a joint venture between Council and the NSW Department of Education. The background to the proposed joint venture, as outlined in the previous report, is set out below.

A proposal to construct an indoor sporting facility in Ballina has been an ambition of successive Councils over a considerable period.

Council has previously commissioned a needs analysis to ascertain the demand for a new indoor facility and to gain an understanding of the projected future needs of the various sporting codes and other groups which might benefit from and utilise such a facility.

This preliminary work was conducted on Council's behalf by the Strategic Leisure Group. A key finding of the research in relation to indoor sporting facilities was that *"Ballina has a shortfall in community and school access to suitable indoor sports courts to service basketball, netball, volleyball, badminton and indoor soccer (futsal)"*.

Whilst this observation was made by the Strategic Leisure Group as part of its feasibility work in 2008, it is fair to say that the circumstances have probably not changed to date.

In this regard, Council has continued planning for indoor sporting facilities in Ballina and has the concept embedded in various policy documents including the Ballina Shire Section 94 Contributions Plan 2008 and the Ballina Major Regional Centre Strategy.

In relation to the proposed indoor sporting facility, it is acknowledged that representatives of basketball have been the principal advocates for its establishment. However, the Council has recognised that a new building of this kind must be versatile enough to cater for a range of sporting activities.

In investigating this matter, Council has considered a number of sites on which to build a new facility. These sites have included the former Council depot on Tamarind Drive, Kingsford Smith Reserve (both of which comprise Crown Land), Gallans Road land, Treelands Reserve, land adjacent to Ballina Heights Estate, land within Southern Cross Industrial Estate and land within Ferngrove Estate (all of which comprised Council-owned sites).

Council has also previously examined the acquisition of privately owned land, which was seen at the time as having some distinct locational advantages.

4.1 Ballina Indoor Sporting and Recreation Facility - Joint Venture

More recently, the Council has been working with consultants PDT Architects in relation to this project, looking at both the siting and design options for this facility.

Available Councillors and staff accompanied PDT Architects representatives in visiting a number of indoor facilities to gain a better understanding of these options, management arrangements and, importantly, capital and operating costs.

Further, on the basis that the matter is a key initiative of the Council and a significant issue for the local community, some examination of options and ideas for indoor sporting infrastructure has also been undertaken as part of the Ballina Major Regional Centre Strategy project.

In addition, some Councillors have had the opportunity to inspect indoor facilities in Byron Bay and Casino in recent months. This has been beneficial to get a "feel" for different cost options and building configurations.

The redevelopment of the Ballina High School by the NSW State Government has also recently become of relevance to Council's intentions to progress an indoor sporting facility. The Department of Education has invited discussion with Council about opportunities for joint venture arrangements to deliver an indoor sporting facility on the high school site that might meet the community's needs.

Staff have been liaising with the Department in relation to the high school redevelopment and, as part of this, have been gathering information about possible joint venture initiatives and associated options for delivery.

In response to the joint venture concept, the Facilities Committee recommended as follows at its February meeting:

1. *That Council authorises the General Manager to commence planning and negotiations with the Department of Education and Communities with respect to the provision of an indoor sporting facility on the Ballina High School site under a joint venture arrangement. These negotiations are to ensure that adequate community access to the facility is provided at all times and there is adequate tenure protection for Council and the Ballina Shire community.*
2. *That Council's negotiations be based on the provision of a four court indoor sporting facility, with the equivalent of two courts to be funded by Council.*
3. *That the General Manager seek the support of the Member for Ballina and the Minister for Education in relation to the provision of support for the project based on both the Department of Education and Communities and Council providing two courts each.*
4. *That the General Manager seek grant funding to assist with Council's component of this project.*
5. *That Council receive a further report on funding options for the capital and operating cost of this facility.*
6. *That as part of the current negotiations, the General Manager also seek to have a new agreement formalised for the use of the Southern Cross School court that provides adequate community access based on the fact that Council funded a significant component of this facility.*

The Council subsequently adopted this recommendation at its February Ordinary Meeting [Minute No. 250216/34].

4.1 Ballina Indoor Sporting and Recreation Facility - Joint Venture

In response to the above resolution, Council staff has continued discussion with the Department of Education regarding the form and operation of an indoor sporting facility on the Ballina High School site as a joint venture arrangement. This has included the preparation of initial facility plans and costing information for the consideration of Council (Attachment 1). It is important to note that these plans are subject to refinement and detailed design should the joint venture arrangement proceed.

The planning for the redevelopment of the Ballina High School has advanced substantially since the Committee last considered this matter. In summary, planning for the school has progressed from an initiation and early planning phase to the start of the delivery phase.

The Department has indicated that it intends to progress through tender and contract processes this year with construction works commencing on the high school site next year. The intention is that the new high school will be operational from the beginning of 2019. A joint venture sporting facility would also be constructed for operation on the same timeline.

Given the advancing planning for the high school redevelopment, it is now necessary to determine whether Council is committed to the joint venture as a means of providing indoor sporting facilities for Ballina Shire. This includes the need to commit funding and staff resources to the delivery of the project over the next three years, as well as making financial and staff provision for the operation of the facility from 2019 onwards.

It is important that Council's commitment to the project is determined now (being by mid July 2016) to ensure that planning for the facility is integrated into the redevelopment. If Council is unable to give its commitment to the joint venture in this timeframe, it is likely that this method of delivery for the sporting facility will not be able to be pursued further. That is, planning for the high school will continue without the addition of community indoor sporting facilities.

The purpose of this report is to seek the Committee's direction on the commitment of Council to the joint venture project.

Key Issues

- Provision of community infrastructure.
- Opportunities for cost-sharing and efficient use of resources
- Overall cost and impact on Council's finances

Information

The facility proposed as the basis for the joint venture has the following underpinning physical characteristics:

- Four indoor sporting courts (inclusive of overrun areas) capable of accommodating key sports such netball, basketball and futsal.
- Two courts under the day to day management of Council and two courts under the management of the Ballina High School.
- Of the two school courts, one court is dedicated as a sporting court and the other is delineated as a performing arts space that is capable of

4.1 Ballina Indoor Sporting and Recreation Facility - Joint Venture

reconfiguration as a sporting court where required. This meets the school's operating need but also provides the Ballina community with a four court stadium on occasions where this is necessary.

- Council's part of the facility includes spectator areas, a mezzanine level, office and reception areas, a café area, a meeting room, amenities and change rooms and storage areas.
- Council's facility has been primarily designed as a sporting facility. It is purposely designed to meet the indoor sporting facility need that has been identified.
- Council's facility is based on provision of courts of a standard capable of hosting elite sporting matches, such as pre-season national level netball and basketball games.
- The facility would be located at the northern end of the high school with access off Cherry Street.
- With respect to size, the facility is capable of hosting conferences and dinners with numbers dependent on configuration. However, provision has not been made for a commercial kitchen at this stage due to cost and focus on the primary purpose of the building as a sporting facility.
- Separate access is provided for both the Council facility and the school facility, with the potential for the entire facility to be used as one centre where required.

A two and two court design is the Department's preferred concept as it allows the Department to use their two courts during school days without impacting on Council's operations and also eliminates any concerns regarding interactions between school children and users of the Council's two courts.

The overall management arrangements for the operation of the building and short and long term maintenance obligations remain the subject of ongoing negotiation between Council and the Department. However, the fundamentals of the approach agreed to date, and which will be documented in a formal management agreement, are as follows:

- Council will have operational control of its half of the building (two courts) at all times.
- Council will have operational control of the third court outside school hours and the fourth court by arrangement with the Ballina High School.
- The Ballina High School will be able to access Council's part of the facility by arrangement.

The estimated cost of the facility to Council is \$9.2M. This is inclusive of \$750,000 in professional fees for design and construction management and approximately \$1M for a mezzanine level added since the previous costing, based on interest expressed by the Committee. The costing provides for retractable seating storage but not for the seating itself, with spectator seating initially provided at mezzanine level in this scenario.

With respect to the mezzanine level, Council's Community Facilities section has advised that from an operational perspective removing spectators from the courtside floor to the mezzanine is preferable for the day-to-day use of the two courts. Further that the provision of retractable spectator seating would primarily serve to accommodate spectators for singular competition matches or special events.

4.1 Ballina Indoor Sporting and Recreation Facility - Joint Venture

In considering the costing, it is also important to note that provision will need to be made for fit out (e.g. chairs, window coverings, netting, general furniture etc) with an estimated initial additional cost of around \$150,000.

There may also be associated costs in relation to access, car parking and landscaping although these are difficult to quantify at present as many of these costs will likely be met by the Department of Education in redeveloping the school site.

The capital cost of the infrastructure would need to be met over the 2016/17, 2017/18 and 2018/19 financial years. Further information regarding the proposed approach to meeting this cost is outlined in the finance section as follows.

It is currently proposed that Council would operate its part of the facility through a permanent staff presence. This, combined with routine maintenance and running costs, will likely necessitate a recurring commitment of \$150,000 to \$250,000 per annum (depending on allocation of staff, cleaning requirements, general maintenance etc) from the beginning of 2019.

With respect to tenure, it is important to recognise that the land is not owned by Council. Given this, the Department has suggested that a lease arrangement is a suitable pathway to secure Council's interest in the facility. Staff concur with this approach as providing reasonable security over Council's investment and ongoing use of the facility. If this is accepted, the key consideration is the term of the lease having regard for the economic life of the asset and Council's intentions for the operation of the facility.

In this regard, the Department has suggested a 30 year lease. It is recommended that Council seek a 50 year lease term to provide greater long term security to our community.

Separate to the new indoor sporting facility, the Department of Education has also proposed that a lease arrangement be put in place to facilitate Council's management of the Southern Cross School Hall outside school hours. Such an agreement would be addressed separately but it is encouraging to see that an opportunity to address this matter is now available.

In considering this though, Council needs to be mindful that whilst a broader community use and access to the facility may result, it is likely that Council will need to meet operational and maintenance costs that it does not currently incur (that is, shared access will result in shared costs). Unless the preference of Council is to withdraw from pursuing access to the Southern Cross School Hall, it is proposed that the General Manager will continue negotiations in this regard in line with point 6 of Council's February 2016 resolution.

Legal / Resource / Financial Implications

Legal aspects of the proposed joint venture will be formally addressed in further negotiations between Council and the Department of Education, should Council proceed with the proposed facility. It is recommended that Council authorises that these matters be addressed by the General Manager, particularly given that it is likely these matters will require detailed discussion over several months.

4.1 Ballina Indoor Sporting and Recreation Facility - Joint Venture

With respect to financial and resource allocation, a decision now needs to be made about the commitment of funds to the project to enable it to proceed. To date, in Council's draft 2016/2017 long term financial plan, Council has identified an \$8M allocation in the 2019/2020 year to fund the indoor sporting facility, with \$5M from reserves and \$3M sourced from grants.

The Council's \$5m from reserves has been sourced as a dividend from the Landfill and Resource Management (LRM) Reserve, with dividends paid as follows:

2016/17 \$1m
 2017/18 \$1m
 2018/19 \$1.5m
 2019/20 \$1.5m

The Department's preference is for Council to pay its contribution to the building up front, which would likely require the monies to be provided in the 2016/17 financial year.

Council is not in a position to comply with such a proposal and it is preferable for Council to provide incremental payments in order to maximise the time to gather the necessary funds, along with seeking grant funds. On this basis, it is suggested that Council applies a funding approach on the following basis:

Month	Financial Year	Amount (\$)
January 2017	2016/17	1M
January 2018	2017/18	1M
January 2019	2018/19	1M
July 2019	2019/20	Balance

In respect to the amount paid each year, if Council is successful in securing grant funds then payments may be able to be brought forward.

It is accepted that by having the balance paid in July 2019 (2019/20 financial year) Council is beyond the preferred timeframe of the Department but unfortunately Council is not in a position to bring this payment forward. Therefore this timeframe remains the preferred negotiating position of Council.

Council also needs to decide whether to allocate the estimated \$9.35M outlined earlier, inclusive of a mezzanine level and internal fit out costs as per the current cost estimate (thereby increasing the current commitment) or to return to a design option without the mezzanine level with an estimated cost of \$8M.

If Council prefers to return to the earlier design option, plans will need to be amended and Council will forego the provision of seating at mezzanine level (i.e. all seating will be around the courts). Council may also need to provide some additional funds for retractable seating to provide for spectator seating in the case of a significant event being held.

In considering the amount of funding, it is unlikely that Council could deliver a four court indoor sporting facility on another site in the Ballina locality within an \$8M or \$9M budget. Further, Council would not be able to deliver a facility of the standard proposed for this budget elsewhere. Fundamentally, this now needs to be weighed up against the delivery via joint venture with a

4.1 Ballina Indoor Sporting and Recreation Facility - Joint Venture

government agency under a lease arrangement. The exceptionally prominent and central location of the high school site, in terms of accessibility, also needs to be factored in to Council's consideration when compared to the other site options.

Consultation

No consultation has been undertaken with the community in relation to the joint venture option.

More generally, engagement as part of the Ballina Major Regional Centre Strategy identified that the provision of an indoor sporting facility in Ballina is a highly desirable outcome for the community. Delivery of the facility, having regard for the potential for a joint venture project, is identified as action D1.2 in the endorsed Ballina Major Regional Centre Strategy.

Options

The core options are to commit to the joint venture arrangement or for Council to withdraw from the joint venture process and pursue a stand-alone facility, along with the budget decisions.

If Council's preference is to pursue a stand-alone facility the major issues relate to a preferred site location and the cost of providing a four court facility. Sites that Council has identified for four courts such as the Southern Cross Industrial Estate and the Old Depot site require expenditure in the hundreds of thousands of dollars, if not millions, to ensure the sites are able to be developed, along with ensuring adequate site access. The cost of the facility then needs to be added with estimates ranging from \$6m to \$14m dependent upon the type of facility provided.

One of the key benefits of the joint venture option is its location in the centre of Ballina, which in itself helps to promote the Ballina town centre and the facility is readily available for the entire community.

If Council commits to the joint venture arrangement, it is recommended that this be on the basis of the following:

- That Council's financial contribution to the project be provided in a staged manner as outlined in this report. This is to allow Council time to collate the required funds, including through the seeking of grant funding
- That Council's preferred timeframe for a lease for the indoor sporting facility on Department of Education land is 50 years
- That the General Manager be authorised to negotiate the day to day operation and maintenance aspects of the joint venture with the Department of education based on the sentiments expressed in this report.

In respect to the budget for the project the Council's Long Term Financial Plan (LTFP) is based on a contribution of \$8m. Even though the preferred option may be for a mezzanine floor Council has not funded the additional \$1m. The preferred financial option is to stick with the \$8m commitment and recognise that at some future date retractable seating can be installed that will provide tiered seating for major events.

4.1 Ballina Indoor Sporting and Recreation Facility - Joint Venture

It also needs to be acknowledged that this facility will operate at a loss, with the estimate in this report at \$150,000 to \$250,000. The LTFP currently includes an annual operating loss of \$117,000 per annum from 2019/20 onwards, excluding depreciation, and it would be hoped that Council can do better than the \$150,000 to \$250,000 loss mentioned for a new facility of this nature.

The construction of this facility is at polar opposites of what Council should be trying to achieve in complying with the State Government's Fit for the Future program. We are not focusing on existing asset renewal as required by the Fit for the Future program but rather building a totally new facility that will create significant financial and asset liabilities for the community.

The facility will represent a net cost to the community, from a financial perspective and ultimately it may be necessary for Council to pursue additional rate increases on what are already planned to ensure we are compliant with our Fit for the Future asset renewal commitments, along with achieving an overall operating surplus for the General Fund.

Despite these financial concerns the elected Council has previously determined that a four court facility is the preferred option (despite this not being support by independent expert consultants) and the merit of this option is that we are able to provide four courts by effectively only funding two.

On this basis there is considered to be a number of benefits progressing the joint venture, such as the location of the facility, the opportunity for sharing costs, the quality of the facility that can be provided, planned availability of the facility in 2019 and the time available for Council to finance the works. The recommended approach is to commit to the joint venture arrangement.

Under this approach, Council will be facilitating access to five indoor courts in Ballina, which combined with the facilities at the Alstonville Leisure and Entertainment Centre and the Lennox Head Community Centre, will provide a very high level of service to the wider community.

The recommendation also reinforces that we are locking in at least \$5m worth of dividends from the LRM reserve to finance this project, which effectively precludes our waste operations from any other major activities for the next four years.

The other issues with this project include the risk that Council will not secure the \$3m in grant funds during the next three years, along with the risk that the project costs will increase. These risks will need to be carefully managed however as the elected Council is committed to the provision of a four court facility there seems little choice but to accept that future Councils will need to deal with these risks as they arise.

The recommendation makes sure that the current Council acknowledges that they are accepting these risks on behalf of future Councils.

RECOMMENDATIONS

1. That Council commits to provision of an indoor sporting facility in Ballina on the site of the Ballina High School through a joint venture with the

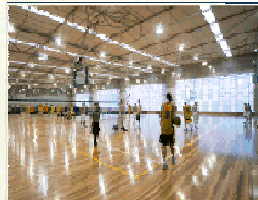
4.1 Ballina Indoor Sporting and Recreation Facility - Joint Venture

NSW Department of Education.

2. That Council's commitment to the joint venture is based on:
 - provision of a sporting facility generally in accordance with the plans contained in Attachment 1 (comprising of the equivalent of two indoor sporting courts provided by Council and two by the Department of Education).
 - a capital cost for the facility of approximately \$8 million to be paid in instalments as outlined in this report.
 - a long term lease arrangement of 50 years.
3. The Council acknowledges that in committing to this joint venture it is accepting the following risks / conditions:
 - The funding for this project is being sourced, in part, from the Landfill and Resource Management Reserve, which significantly restricts the ability of our waste operations to respond to any changes in legislative and operational arrangements for the next three to four years
 - The funding is based on a grant of \$3 million, with no guarantee that this source of funding will be provided during the construction of the project
 - If the grant funding is not secured, Council accepts that other revenue raising measures such as above the rate pegging limit rate increases may be needed to ensure the long term financial viability of Council
 - The construction of this facility, as a new asset, will place increased pressure on our ability to achieve compliance with the State Government's Fit for the Future Program, as the facility is likely to operate at a significant cost to the community, particularly once the depreciation expense is included
 - That all efforts need to be made to ensure our contribution is limited to the \$8m figure to limit any further deterioration in our overall financial position.
4. The General Manager is authorised to complete negotiations with the Department of Education to formalise the joint venture arrangement as well as operational and maintenance agreements to enable delivery of the project. The General Manager is also to report back to Council any matters that are considered to be of such significance by the General Manager, that they require a Council determination.
5. That Council affix the common seal to the joint venture agreement and associated documentation.

Attachment(s)

1. Design Plan - Ballina Indoor Sporting Facility - Joint Venture



Ballina Shire Council
Indoor Sports &
Events Complex
Feasibility Study

Final Report

STRATEGIC LEISURE GROUP
LEISURE PLANNING + MANAGEMENT CONSULTANTS

June 2009

Ballina Shire Council

Indoor Sports & Event Complex Feasibility Study

Final Report

Prepared by:

STRATEGIC LEISURE GROUP
Leisure Planning + Management Consultants
(PO Box 1358)
Suite 7, 29 Mt Cotton Road
CAPRALBA QLD 4157
Ph: (07) 3823 5688
Fax: (07) 3823 5689
E-mail: info@strategicleisure.com.au
Web: www.strategicleisure.com.au



In association with:

GRAPHITE ARCHITECTS
Level 7/ 28 Foveaux St
SURRY HILLS NSW 2010
Ph: (02) 8264 0102
E-mail: graphite@graphitearchitects.com.au
Web: www.graphitearchitects.com.au

• **graphitearchitects**

June 2009

© 2009 Strategic Leisure Group

This document may only be used for the purposes for which it was commissioned and in accordance with the terms of engagement for the commission. Unauthorised use of this document in any form whatsoever is prohibited.

TABLE OF CONTENTS

1. ACKNOWLEDGEMENTS	1
2. INTRODUCTION	2
2.1. PURPOSE OF THIS REPORT	2
2.2. STUDY APPROACH	2
3. PRE-FEASIBILITY REPORT – SUMMARY OF FINDINGS AND RECOMMENDATIONS	4
3.1. NEED FOR INDOOR SPORT AND LEISURE FACILITIES	4
3.2. FACILITY MIX REQUIREMENTS	4
3.3. PREFERRED LOCATION – GALLANS ROAD SITE	6
3.4. PRELIMINARY CONSULTATION FINDINGS	8
3.4.1. Potential User Groups	8
3.4.2. Community Needs	8
3.4.3. Facility Use and Design Needs	9
3.4.4. Feedback from Ballina Shire Council	10
4. SUPPLY ANALYSIS – CURRENT INDOOR FACILITY PROVISION	11
4.1. ALSTONVILLE LEISURE & ENTERTAINMENT CENTRE	11
4.2. BALLINA INDOOR SPORTS CENTRE	12
4.3. LAKE AINSWORTH SPORT & RECREATION CENTRE	12
4.4. SOUTHERN CROSS STATE HIGH SCHOOL	12
4.5. BALLINA INDOOR POOL AND GYM	13
4.6. OTHER HEALTH & FITNESS CENTRES	13
4.7. ADJOINING MUNICIPALITIES	13
5. LOCATION AND POPULATION ANALYSIS	14
5.1. CATCHMENT POPULATION – GALLANS ROAD SITE	14
5.1.1. Current Population	15
5.1.2. Future Projections	15
5.1.3. Age Profile	16
5.1.4. Implications for Indoor Sports Planning	17
6. INDOOR SPORT AND RECREATION TRENDS	18
6.1. PARTICIPATION DATA	18
6.1.1. Australian Sports Participation	18
6.1.2. NSW Indoor Sports Participation Trends	18
6.1.3. Organised Participation	19
6.1.4. Type of Activity	19
6.2. CONTEMPORARY FACILITY DESIGN	20
6.2.1. Overview	20
6.2.2. Design Features	22
6.2.3. Examples of Contemporary Indoor Facilities	25
7. BENCHMARKING ANALYSIS	27
7.1. OTHER INDOOR SPORTS CENTRES	27
7.1.1. Sports Central – Coffs Harbour	27
7.1.2. Comubia Park Sports Centre (Insports)	28
7.1.3. Nonsa Leisure Centre	28
7.1.4. CEHM Data	29
7.2. IMPLICATIONS FOR ANY FUTURE BALLINA FACILITY	29
7.3. POPULATION BENCHMARKING	31
8. DEMAND ANALYSIS – STAKEHOLDER CONSULTATION	38

8.1.	ONLINE COMMUNITY SURVEY	35
8.1.1.	Sample Characteristics	36
8.1.2.	Importance and Adequacy of Existing Provision	37
8.1.3.	Priorities for Proposed Indoor Centre.....	39
8.1.4.	Price Expectations.....	40
8.1.5.	Other Comments	41
9.	STAKEHOLDER DISCUSSIONS.....	42
9.1.	COUNCIL STAFF COMMENTARY	42
9.2.	BALLINA SCHOOLS.....	43
9.3.	SPORTING ORGANISATIONS	45
9.3.1.	Ballina Basketball Association.....	46
9.3.2.	Ballina Netball Association.....	46
9.3.3.	Futsal (Indoor Soccer).....	47
9.3.4.	Marhal Arts and Olympic Gymnastics	47
9.3.5.	Volleyball.....	47
9.3.6.	Badminton.....	47
9.3.7.	Squash	47
9.4.	OTHER POTENTIAL USER GROUPS	48
9.4.1.	Chamber of Commerce.....	48
9.4.2.	NSW North Coast Academy of Sport.....	48
9.4.3.	Ballina Indoor Sports Centre.....	49
9.4.4.	Local Health and Fitness Operators.....	49
9.4.5.	Ballina RSL.....	49
9.4.6.	Service Clubs.....	50
9.5.	BALLINA JOCKEY CLUB AND EVENTS CENTRE	50
10.	EMERGING DIRECTIONS.....	51
11.	FACILITY MIX BRIEF.....	52
11.1.	RECOMMENDED COMPONENTS.....	52
11.1.1.	Forecast Use of Multi Purpose Indoor Facility	53
11.1.2.	STAGE 1 – Priority Components: Immediate Development Planning.....	54
11.1.3.	STAGE 2 – Secondary Priority Components (4-7 Years).....	58
11.1.4.	STAGE 3 – Longer Range Components.....	60
11.1.5.	STAGE 4 – Optional Components (10+ Years).....	61
	Stand Alone Events Centre Component.....	61
11.2.	INDICATIVE CAPITAL COSTS	65
12.	FINANCIAL PROJECTIONS AND MANAGEMENT OPTIONS	66
12.1.1.	Indicative Operating Projections.....	66
12.2.	FINANCIAL PROJECTIONS	70
12.2.1.	Revenue.....	70
12.2.2.	Expenditure	70
12.2.3.	Estimated Cost of Recurrent Operations.....	70
12.2.4.	Estimated Cost of Depreciation.....	70
12.3.	MANAGEMENT MODELS	71
12.3.1.	Option 1: Management by Lease	71
12.3.2.	Option 2: Contract Management	72
12.3.3.	Option 3: "in House" or Direct Council Management.....	74
12.3.4.	Recommended Management Approach for Ballina.....	75
12.3.5.	Guiding Principles	76
13.	FEASIBILITY AND CONCLUSION.....	77
13.1.	KEY STUDY FINDINGS	77
13.2.	CONCLUSION.....	78
	WARRANTIES & DISCLAIMERS	78

1. ACKNOWLEDGEMENTS

The Strategic Leisure Group gratefully acknowledges the project coordination and assistance of Mr Chris Allison, Ballina Shire Council Project and Contract Co-ordinator, and the Project Steering Committee members which included:

- Ms Jillian Pratten – Ballina Shire Council, Manager - Open Space and Reserves;
- Mr Steve Barrier – Group Manager, Strategic Services;
- Mr David Kitson – Ballina Shire Council, Strategic Planner;
- Mr Peter Morger - Ballina Shire Council, Asset and Infrastructure Manager; and
- Mr Craig Brown - Ballina Shire Council.

Other specific contributions which have greatly assisted the research were received from:

- Mr Ian Martineau, Principal of Emmanuel Anglican College;
- Mr Murray Deeps, Principal – Holy Family Catholic Primary School
- Ms Jeanette Wilkins, Assistant Principal, St Francis Xavier Primary School
- Mr Eric Little, Principal – Xavier Catholic College
- Mr John Baker, Principal - Southern Cross K – 12 School
- Ms Megan Reswick-Taylor, Assistant Principal Ballina Public School
- Mr Ross Mayberry, Principal –
- Mr John Bryan – Lennox Head Public School
- Ms Benetta Avery-Kim, Empire Vale Public School
- Mr Chris Oeland – Alstonville State High School
- Ms Judy Albans - Newrybar Public School
- Ms Sue Martin, Wardell Public School
- Ms Kerrie Maguire – Wollongbar State School
- Ms Eva Ramser – Ballina Basketball Association
- Ms Judy Smith – Ballina Netball Association
- Mr Shane McKecknie – Owner / operator Strike Martial Arts
- Mr Anton - Owner / operator Ballina Indoor Sports Centre
- Ms Ros Lewis and Mr Keith Morrow – Ballina Jockey Club and Function Centre
- Ms Nadia Elliott-Burgess - Ballina Chamber of Commerce
- Mr Bill Coulter, General Manager, Ballina RSL
- Mr James Vought - Lismore City Council Recreation Project Officer
- Mr David Westaway – Owner Operator, Riverside Health Studio
- Ms Vanessa Frost - Owner Operator, Ballina Fitness Centre
- Mr Fred Hertnell – Lions Club of Ballina
- Mr Tony Clarke – Manager, North Coast Academy of Sport
- Mr Clinton Anderson & Mr Graham Skinner - Ballina Squash Club
- Mr Preston Bond - Management of the Alstonville Leisure & Entertainment Centre
- Ms Lorraine Fox – Secretary Ballina Lighthouse RSL Day Club
- Mr Peter Charleton – Owner / operator, Ballina Swim and Gym

We also thank other staff from Ballina Shire Council and members of the Ballina community who attended the community workshops, participated in individual meetings and the members of the broader community who participated in the project surveys.

2. INTRODUCTION

2.1. PURPOSE OF THIS REPORT

Ballina Shire Council sought the preparation of a full feasibility report to determine the likely demand and viability of developing a new community multi-purpose indoor sports centre in the Shire. This report has been prepared as a result of Council's consideration of the 2007 *Pre Feasibility Report* which involved a preliminary assessment of the proposed Ballina Indoor Sport & Event Centre (ISEC).

Ballina Shire Council commissioned consultants, Strategic Leisure Group, to prepare the full Feasibility Study and to determine if the ISEC proposal would be sustainable in both the short and long term.

Major project deliverables included:

- Background research building on findings of the 2007 Pre-Feasibility Study
- Benchmarking analysis of similar indoor sport and event centres in New South Wales and Queensland, to inform planning and design of the proposed Ballina ISEC
- Demographic analysis of the catchment population
- Targeted stakeholder consultation
- Facility mix brief supported by Concept Plans, capital cost estimates and a review funding sources
- Financial forecasts for operating costs
- Assessment of management model options
- Assessment of overall feasibility of the proposed Ballina ISEC.

2.2. STUDY APPROACH

The study methodology comprised four integrated stages as follows:

STAGE 1 – BACKGROUND RESEARCH

- Inception meeting with key Council personnel
- Collection and review of background information
- Site analysis
- Review of other indoor facility provision in Ballina Shire and the broader regional catchment.

STAGE 2 – BENCHMARKING AND CONSULTATION

- Benchmarking of trends and developments in indoor facility provision in Australia
- Review of population profile and projections within the catchment area
- Consultation with a broad range of project stakeholders including sporting clubs, potential user groups, local schools, special interest groups and the wider community.

STAGE 3 – INFORMATION ANALYSIS

- Synthesis of research findings and consultation feedback
- Identification of needs and future directions
- Formulation of facility mix description, supported by:
 - Concept plan drawings
 - Indicative capital cost prepared by a Quantity Surveyor
 - Indicative financial projections
 - Management options
 - Identification of potential funding sources to advance the project

STAGE 4 – REPORT PREPARATION

- Preparation of Draft Feasibility Study Report.
- Submission to Ballina Shire Council for review and comment

Public exhibition of the Draft Report will be at Council's discretion, prior to study finalisation.

3. PRE-FEASIBILITY REPORT – SUMMARY OF FINDINGS AND RECOMMENDATIONS

A 'pre-feasibility' report for the ISEC was prepared for Ballina Shire Council by the Strategic Leisure Group in February 2008. It provided an overview of the key issues associated with the proposed development project and was used to determine:

1. If more detailed investigation and analysis was warranted, and
2. The scope and framework for that further research.

3.1. NEED FOR INDOOR SPORT AND LEISURE FACILITIES

In respect to *facility need*, the Pre-Feasibility Study found that:

- (a) *Ballina has a shortfall in community and school access to 'suitable' indoor sports courts for the sports of basketball, netball, volleyball, badminton and indoor soccer (futsal)*
- (b) *Ballina is over represented in all age groups of 50 years and over, and there may be a need to plan for the provision of indoor spaces suitable for 'active recreation' and meetings, other than sporting competition and training needs*
- (c) *A level of demand exists for inclusion of aquatic facilities in any future indoor sports and leisure centre development. The integration of 'wet' and 'dry' facilities is consistent with contemporary planning for, and development of, leisure centres in similar communities the size of Ballina*
- (d) *The inclusion of a swimming pool(s) in any future indoor sports and leisure centre could be consistent with Council's planning for the future of the existing Ballina Swimming Pool and water slides currently situated on the river in River Street.*

3.2. FACILITY MIX REQUIREMENTS

In respect to the *facility mix requirements* (i.e. indoor centre's size and components), salient points arising from the Pre-Feasibility Study were:

- (a) *Sections of the community nominated the development of four (4) indoor sports courts as the immediate requirement. However, current use and participation in Ballina would be unlikely to support the development of four indoor courts in the first stage of any new facility.*
- (b) *Netball is likely to continue its use of courts at Kingsford Smith Park. It will only move to a new centre to run elite and 'A' Grade competitions.*

- (c) Futsal has experienced large growth in recent years and is currently based at Alstonville Leisure & Entertainment Centre 5 nights a week. Additional courts could be used, however it was uncertain if this would equate to use of 4 courts on multiple nights.
- (d) Basketball is played 3 nights a week at Southern Cross High School (a single court stadium). Current shared use arrangements appear to cause regular disruption to the association and existing arrangements are restricting growth and promotion of the sport. However, industry data and anecdotal facility reports demonstrate that basketball has experienced a downturn in participation levels over the past decade.
- (e) Volleyball and badminton are not seen as major drivers for the development of indoor facilities; however this may be due to lack of current facilities and/or associated community interest.
- (f) The synthesis of preliminary consultation and demographic data for the Shire suggests that Stage 1 of any future indoor sport and leisure centre would likely only require the development of two (2) indoor sports courts with provision for other multipurpose recreation spaces.

The preliminary facility mix analysis identified the following potential facility components, which are typically capable of generating revenues that will offset some of the costs associated with operating and maintaining a community sports and leisure centre:

- Coffee shop and kiosk and retail space
- Health and Fitness Centre (500m² +)
- Crèche
- Meeting rooms and multi-purpose spaces
- Sports medicine rooms (leased to local operators); and
- Squash courts.

Moreover, it identified a number of other facility mix components that may be particularly appropriate for Ballina Shire, namely:

- Performing arts spaces
- Youth centre
- Offices and administration spaces (venue management and user clubs)
- Storage spaces; and

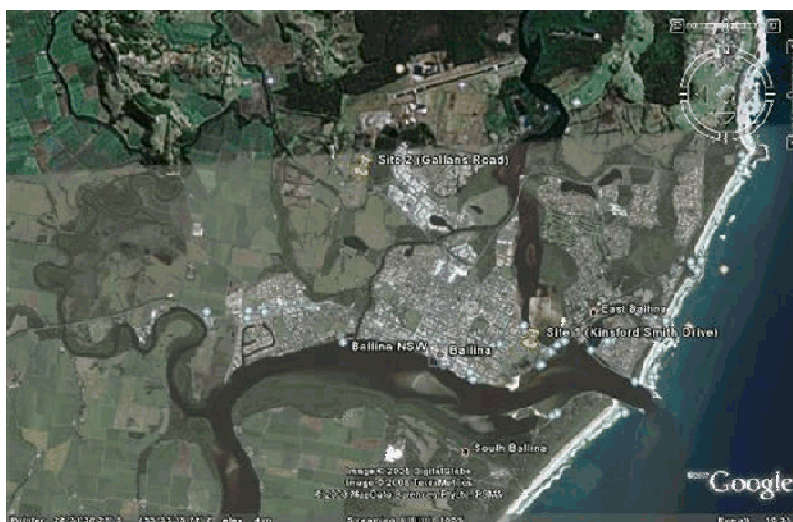
- Council 'Shop Front' (i.e. delivery of some Council services and receipt of monies etc)

3.3. PREFERRED LOCATION – GALLANS ROAD SITE

Two locations were nominated by Council for investigation as possible sites for any future indoor sports and leisure centre, namely:

1. Kingsford Smith Park, Ballina, and
2. Gallans Road Site (current land fill site approx 3 km out of the town centre).

Figure 1: Air photo of both potential sites



While there are significant arguments for considering both sites, in terms of planning for growth and the potential catchments within a 5km radius, the Gallans Road site was ultimately recommended for further investigation. In regard to the Gallans Road site, the Pre-Feasibility Study identified the following:

- (a) The site is centrally located, and would have an immediate 5km catchment radius of approximately 18,000 persons.
- (b) As the Shire continues to grow, this site will serve a regional or 'shire wide' community of more than 50,000 persons by 2031.
- (c) It is well situated on the Pacific Highway supporting regional access.
- (d) It is 13 ha (approx), allowing for the site to be 'master planned' to accommodate all of Ballina's future indoor sport and function requirements, provide additional public open space and community sporting fields and potentially include Ballina's future swimming pool facilities.

(e) Planning for development on this site will need to take into account design and budget constraints generated by potential flooding and ground conditions¹.



In summary, the full Feasibility Study has been prepared on the basis of the proposed Ballina ISEC being developed at the Cellans Road site.

¹ Source: DSC Staff advice.

3.4. PRELIMINARY CONSULTATION FINDINGS

The Pre-Feasibility Study investigated at a 'general level' the apparent need for any further indoor sporting facilities in Ballina Shire, and if a need was identified, broadly what facilities should be investigated further in the full feasibility study.

The targeted consultation process included the following activities:

- Ballina Shire Council internal stakeholder interviews
- Schools based survey
- Potential user group survey
- Schools workshop, and
- Potential user group workshop

3.4.1. POTENTIAL USER GROUPS

During the pre-feasibility phase, the following potential user groups were identified for the proposed Ballina ISEC:

- | | |
|---|--------------------------------|
| ■ Basketball | ■ Swimming |
| ■ Netball | ■ Martial arts |
| ■ Futsal | ■ Boxing |
| ■ Volleyball (played at Lennox squash courts) | ■ Youth clubs generally |
| ■ Lifeball | ■ Personal trainers |
| ■ Schools throughout region | ■ Celebratory event organisers |
| ■ Ballina Shire Council | ■ Performing arts groups |

3.4.2. COMMUNITY NEEDS

School and club representatives identified a range of broad planning needs for an indoor sport and recreation facility in the region. These included:

- (a) Design to meet the stated needs of the Ballina sport and recreation community.
- (b) Incorporate Environmentally Sustainable Design (ESD) principles, in keeping with Ballina's image
- (c) Needs to be financially viable and this will require a mix of commercial uses and not just sports competitions
- (d) Community use and access will be dependent on the affordability to participate
- (e) Ensure equity of access, and effective management on behalf of the entire community

- (f) *Plan and identify potential to stage the development of the venue to provide capacity for hosting major events in future, even if funding isn't immediately available.*

3.4.3. FACILITY USE AND DESIGN NEEDS

Groups that participated in the preliminary consultation phase identified the following priorities for facility use and design:

- (a) *Ensure the design specifications are based on the highest standards for all sports provided for (i.e. roof heights and 'run off' space)*
- (b) *Investigate squash courts and indoor hockey in the final facility mix*
- (c) *Consider developing an indoor 25 metre swimming pool as part of the facility mix to accommodate year round swimming for individuals and clubs*
- (d) *Consider sports medicine offices as a commercial opportunity for the venue*
- (e) *Locate the venue to service the regional catchment, providing good access from Byron Bay and Lismore*
- (f) *Location needs to be able to accommodate future growth and 'Master Plan' footprint if everything is not developed at once.*

Respondents commented that the final design and facility mix should further consider:

- *Indoor pool*
- *Hydrotherapy*
- *Health & fitness facilities*
- *Food & beverage services*
- *Squash courts*
- *Commercial attraction and viability for future lessees*
- *Transportation issues (incorporate interchange)*
- *Options to link with existing facilities (i.e. RSL and Ballina Recreation and Bowling Club)*

Finally participants stressed that there is an urgent need for these facilities and they should be progressed to make a significant "Community Statement" about the Ballina region and any planning should not be drawn out, or generate a long term planning process.

It was however considered necessary to prepare a master plan so that all the identified initiatives are included even if that requires several development stages over the next 10 years (i.e. future proof the design stage).

3.4.4. FEEDBACK FROM BALLINA SHIRE COUNCIL

In addition to community representatives, the preliminary consultation phase included discussions with key Council officers to ensure Council's views and expectations were understood from the outset. Critical issues to emerge from these discussions were:

- (a) *The pre-feasibility is to be used to commence the planning process. No commitment to any project has been made by Council to date*
- (b) *Council and residents want to retain the 'village atmosphere' of the Ballina community*
- (c) *Any facility planning could be a precursor to a wider study for a possible 'Sports Precinct' and could involve benchmarking with similar communities and facilities such as Coffs Harbour etc*
- (d) *Current swimming pool situated on the river is 37 years old and will come under increasing scrutiny as maintenance and repairs impact on budgets – Council may look for options to simple redevelopment*
- (e) *Possible need for regional planning that could include a 2 court facility with 'Show Court'*
- (f) *Council recognises the 'peculiarities' of the Ballina population compared to State demographic data (i.e. higher median age and representation of 'over 50's'). The study needs to take this into account*
- (g) *No real potential for joint venture with existing clubs is thought to exist*
- (h) *Regional facility may be appealing in future plans and location close to airport could be a determinant with increased flights being announced*
- (i) *Transportation issues and before and after work opportunities need to be factored in – "a lot residents commute to work in Lismore"; and*
- (j) *Subject to the report's findings, the project could become a consideration for 'Section 94' funding*

These preliminary findings provided the starting point for more detailed investigation of community needs and expectations, industry trends, and other key 'drivers' for the project. They also enabled development of a concept plan or "blueprint" for the Ballina ISEC, and finally, an assessment of the likely viability of a multi-purpose indoor sport and recreation centre in Ballina Shire.

4. SUPPLY ANALYSIS – CURRENT INDOOR FACILITY PROVISION

There are four existing indoor sports centres in the Shire, catering for active sports². These are:

- Alstonville Leisure and Entertainment Centre (single court)
- Ballina Indoor Sports Centre (indoor cricket and netball)
- Lake Ainsworth Sport and recreation Centre (single court), and
- Southern Cross State High School (single court).

4.1. ALSTONVILLE LEISURE & ENTERTAINMENT CENTRE

Owned by the Council, this centre is situated at 42 – 43 Commercial Road, Alstonville and is situated as part of the Showgrounds. It contains two large halls, the first a sports hall, and the second, a multi-purpose hall. There are meeting rooms and the Alstonville Branch Library is also situated at this venue.

The 'sports hall' is a single court facility (685m²) with parquet flooring on concrete which provides for most indoor sports and is currently used predominantly for the sports of Futsal and Netball during evenings, and school and community program use during the day. Some sports reportedly won't use the court due to its concrete floor.

In the 2008 summer season, the court was booked 5 nights a week for Futsal competitions and in winter, the court was shared between Futsal and Netball.

The facility is operated as a business under licence from Council and it is reported the venue has an approximate weekly occupancy rate of 80%.



² As distinct from other recreation activities that can be programmed from indoor halls, clubs etc, and activities requiring purpose built facilities such as ten pin bowling, squash etc.

4.2. **BALLINA INDOOR SPORTS CENTRE**

This centre is located in Barlows Road, Ballina and is a commercially operated facility providing for indoor sports which include:

- Soccer
- Cricket
- Netball
- Skating
- Beach Volleyball
- Euro Handball
- Table Tennis



*Ballina Indoor Sports Centre Main Entrance
Contact details: (02) 6666 2806*

*Ballina Indoor Sports Centre
Beach Volleyball Courts*

4.3. **LAKE AINSWORTH SPORT & RECREATION CENTRE**

Owned and operated by State Government the single indoor sports court is the main assembly area for the entire camp and is used on a daily basis by the resident campers at night for activities and programs associated with the camps.

There is limited use for casual community hire and no opportunity for regular community competitors.

4.4. **SOUTHERN CROSS STATE HIGH SCHOOL**

This venue is a single court facility and is used by the community for evening sporting competitions. The Ballina Basketball Association uses the centre three nights a week and reports that they are struggling to develop their senior competitions due to lack of multi court facilities. Ballina Shire Council contributed financially to the construction of this Centre in exchange for out-of-hours access for the community.



4.5. BALLINA INDOOR POOL AND GYM

Situated at Ballina Fair Shopping Centre, this venue provides commercial learn-to-swim and fitness services, but does not provide floor space for indoor ball sports.

4.6. OTHER HEALTH & FITNESS CENTRES

There are a range of other health and fitness centres operating in Ballina but none were identified as providing significant indoor competition sport courts.

4.7. ADJOINING MUNICIPALITIES

Lismore City Council is situated next to Ballina Shire and within the LGA eight (8) indoor courts were identified.

- Trinity Catholic College (2 court indoor facility)
Dawson St, Lismore
- Lismore Basketball Centre (Home of the Lismore Basketball Association Inc)
342 Keen Street Lismore.
- Goonellabah Sport and Aquatic Centre (2 court indoor facility)
50 Oliver Avenue, Goonellabah.

Trinity Catholic College and Lismore Basketball Centre are reportedly well utilised. The Lake Ainsworth facility can be hired for casual training but does not accommodate seasonal competitions and the Goonellabah Sport and Aquatic Centre opened in April 2009 and reports to hold casual bookings for 3 nights prior to the commencement of the full sports season (Term 2, 2009).

5. LOCATION AND POPULATION ANALYSIS

The Shire of Ballina is a rural coastal community with an area of approximately 480 square kilometres. It is bounded by the local government areas of Byron to the north, Richmond Valley to the south and Lismore to the west. The region is characterised by:

- A dispersed settlement pattern of towns, villages and residential hamlets
- Close proximity to the coast, and
- A mild sub-tropical climate³.

The main communities of interest are:

- | | |
|------------------|---------------------|
| ■ Ballina Island | ■ Skennars Head |
| ■ East Ballina | ■ Alstonville |
| ■ West Ballina | ■ Wollongbar |
| ■ North Ballina | ■ Wardell |
| ■ Cumbalum Ridge | ■ Other Rural Areas |
| ■ Lennox Head | |

According to Council's Census Fact Sheet, the Shire had a total population of 40,266 in 2006, growing by an additional 2,107 people since 2001 at a rate of 1.1% p.a. The Fact Sheet notes that recent growth has been subdued, when compared with the 1996-2001 inter-censal period which registered a larger increase of 3,509 additional people at 1.9%p.a⁴. Projections of future population growth for Ballina Shire and communities of interest are discussed in the following sections.

The Shire's age structure continues the trend towards an increasing proportion of residents aged over 50 years old, and declines in the under 15 year age group. Interestingly, the 2001-2006 inter-censal periods saw an increase in the number of youth and young adults in the 15-29 cohort.

This has implications for the development of future indoor facilities in terms of the balance between active sports courts and more passive recreation and community activity spaces.

5.1. CATCHMENT POPULATION – GALLANS ROAD SITE

For the purpose of this analysis a notional 5km catchment radius⁵ was applied to the Gallans Road site, comprising 35 Census Collection Districts located in the surrounding area.

³ Ballina Shire Facts and Figures 2003.

⁴ Ballina Shire Council (2007). Fact Sheet: Census 2006 Update Preliminary Data (for Ballina Shire LEP Renewal).

⁵ Anecdotal industry data suggests that the highest proportion of attendances recorded at indoor sports centres are generally drawn from within a 5 km radius. It is however acknowledged that any Ballina Regional Facility would serve a much larger community than indicated by this notional 5km radius and would include the surrounding communities of East Ballina, Lennox Head, Alstonville etc.

Reference was also made to industry data such as the Centre for Environment and Recreation Management (CERM®).⁵

The notional service catchment has been applied to the site, in order to:

- Identify key characteristics of the surrounding catchment population relative to Shire and State trends; and
- Highlight any emerging needs or implications for sports facility planning.

5.1.1. CURRENT POPULATION

Based on the ABS Census, the estimated resident population of Ballina Shire was 38,461 persons in 2006⁶. For forward planning purposes, a 5km catchment over the Gallans Road site yields a population of approximately 18,000 persons. This represents 47% of the Shire total. It is recognised that the proposed facility will service a much greater regional catchment although in some instances it is anecdotally reported that, the 5 km catchment will often represent circa 80% of a venues' catchment with a further 20% being drawn from outside the primary 5km catchment.

Based on the forecast 2011 Ballina population of 43,610 (see Table 1), this represents a growth of 13.4% on the 2006 population. Using these forecasts and the 80/20 5km catchment model, the report assumes a catchment population for forecasting sporting participation of 25,051.

Given the absence of a major events centre capable of accommodating more than 400 patrons for seated functions, it is further assumed the Ballina ISEC will serve the entire Ballina population and parts of the adjoining LGA's and Richmond-Tweed Region.

5.1.2. FUTURE PROJECTIONS

State Government forecasts suggest strong future growth for Ballina Shire and the broader Richmond-Tweed Region, which it can be assumed will generate equally significant new demands for community infrastructure, including indoor sport, recreation and aquatic facilities across the region.

Population projections released by the Department of Planning indicate that, assuming sufficient unconstrained land is available and is provided for further residential development; Ballina Shire should continue to experience solid growth.

The Shire is estimated to reach a total population of 51,800 by 2026, equating to almost 13,600 additional people over 20 years at an average growth rate of 1.5% p.a.⁷ Furthermore, projections

⁵ CERM is the University of South Australia's Centre for Environmental and Recreation Management and has national recognition in the development of performance indicators for indoor sport & leisure centres and aquatic centres. CERM PI @ data measures operational management efficiency (cost recovery, maintenance, catchment usage rates, secondary spending etc) and customer service quality (customer satisfaction, profile of attendees, performance against expectations etc).

⁷ It should be noted that reporting of Census data as it applies to the notional catchment has been sourced directly from the ABS website, resulting in some apparent anomalies with data reported in Ballina Shire Council's Census Fact Sheet.

⁸ NSW Department of Planning (2005)

for Richmond-Tweed forecast sustained growth reaching about 315,600 by 2036 at a rate of 1.06% p.a., outpacing the State average of 0.96% p.a.⁹

Projections at the local level are not available for the purpose of this study. As such, future population estimates for the Gallans Road catchment area cannot be calculated. The Department of Planning advises that statistical local area and local government area population projections are scheduled for release in 2009.

Table 1 – Population Projections for Ballina Shire

LOCALITY	CURRENT POPN	PROJECTED POPULATION ¹				POP N CHANGE (2013-21)
	2006 ²	2011	2016	2021	2026	
Ballina Shire	38,481	43,310	46,420	49,170	51,800	13,339

¹ Source: ABS, 2008 Census

² Source: NSW Dept of Planning, 2005 Release

5.1.3. AGE PROFILE

Based on 2006 ABS data, the median ages for Ballina Shire and the Gallans Road catchment area were 43 and 46 years respectively, compared with 37 for NSW. Again this is significant in terms of the 'what will the community need in 10 and 20 years time' planning for future indoor sport and recreation.

Table 2 – Existing Age Structure (Proportion of Total Population %)

AGE GROUP	CATCHMENT POP N	BALLINA SHIRE	NSW
	0 - 4	5.0	5.2
5 - 14	11.3	13.5	13.4
15 - 24	11.1	11.2	13.3
25 - 54	36.1	37.7	42.0
55-64	12.6	12.8	11.0
65 & Over	23.9	19.6	13.3
Median Age (in yrs)	46	43	37

Source: ABS, 2007

Currently, the Gallans Road catchment area and Ballina Shire have older age profiles when compared to NSW. In particular, there are a large proportion of people aged over 55 – this equates to 36.5% of the catchment population, compared with only 24.8% for NSW.

The representation of infants and school aged children in the catchment area is slightly lower than the NSW average, with 16.3% of the catchment population aged under 15.

⁹ NSW Department of Planning (2008), New South Wales State and Regional Population Projections: 2008 Release

The Shire will experience steady population ageing in future, primarily focused on the 65+ age group. According to State Government projections for the Shire, the proportion of people aged 65+ will increase from 18.9% (in 2001) to 31.9% by 2031, compared with 21.9% for NSW. By 2031, the Shire and State will register median ages of 52 and 42 respectively.

Between 2001-2031 the Shire is forecast to see a decrease in the proportion of people under 50.

Projected age data for the Gallans Road catchment area is not available for analysis. However, it is likely that ageing trends will generally reflect the Shire's demographics.

Significant longer term population ageing in the region may generate increased demand for specialised indoor sporting competition. There may also be opportunities to cater for fitness, therapy and accident rehabilitation opportunities, particularly for senior citizens.

Figure 1 – Projected Age Structure for Ballina Shire and NSW (Proportion of Total Population %)

LOCALITY	AGE GROUP					MEAN AGE (YRS)
	0-14	15-29	30-49	50-64	65+	
Ballina						
2001	19.9	18.0	27.5	17.7	18.9	41
2031	13.8	11.8	21.6	20.6	31.8	52
NSW						
2001	20.4	20.7	29.7	16.1	13.1	35
2031	16.0	17.2	23.6	18.2	21.9	42

Source: NSW Dept of Planning (2005), NSW Statistical Local Area Population Projections 2001-2031.

5.1.4. IMPLICATIONS FOR INDOOR SPORTS PLANNING

The key implications for the planning of any indoor sports facilities in Ballina are:

- In Ballina children, teenagers and young adults aged under 25 (key users of indoor facilities) are significantly lower percentages of the total population than the NSW state average. This means that while the percentage may be decreasing, the increased growth in population will probably see the actual 'raw' numbers for these age groups remain relatively constant over the next 25 years (i.e. between 13,000 and 14,000).
- Persons over 50 represent a significantly higher percentage of the total population compared to the NSW state average, and this will have implications for the planning and operation of any indoor sports centre's mix of facilities required in Ballina. In real terms this means this age group will nearly double from 14,000 to 27,000+ persons.
- Demand for traditional court sports 'all other things being equal' will therefore remain constant and demand and provision for spaces to partake in more passive recreational pursuits will need to be planned for.
- The balance between sports courts and meeting and recreational spaces will likely be 50:50.

6. INDOOR SPORT AND RECREATION TRENDS

6.1. PARTICIPATION DATA

6.1.1. AUSTRALIAN SPORTS PARTICIPATION

The 'Participation in Exercise Recreation and Sport Annual Report'¹⁸ 2006 reports:

- In 2006, Australia wide, the organised activity with the highest participation rate (at least once a year) was aerobics/ fitness activities (8.0%) followed by golf (3.8%), netball (3.1%).
- In 2006, Australia wide the non-organised activity with the highest participation rate (at least once in the year) was walking (other than bushwalking) (35.5%), followed by aerobics/ fitness activities (12.1%), swimming (12.1%), cycling (9.7%) and running (6.5%).

6.1.2. NSW INDOOR SPORTS PARTICIPATION TRENDS

Like the Australia wide result, the organised activity with the highest participation rate in NSW was "Aerobic Fitness"

Other sports are listed below showing the NSW and Australian participation rates¹⁹

Figure 2: Participation rate (%) for indoor activities participated in New South Wales and Australia by persons aged 15 years and over (2006)

ACTIVITY	TOTAL PERSONS	
	NSW Participation Rate (%)	Aust. Participation Rate (%)
Aerobic Fitness	18.6	19.1
Yoga	2.9	2.9
Weight Training	2.8	3.1
Dancing	2.7	2.4
Basketball	2.5	3.3
Martial Arts	2.2	1.8
Football (indoor)	1.7	1.9
Volleyball	0.8	1.2
Badminton	0.4	0.9
Gymnastics	0.4	0.2
Boxing	0.7	0.7
Hockey (indoor)	0.1	0.2

¹⁹ Australian Sports Commission, Department of Communications, Information Technology and the Arts

6.1.3. ORGANISED PARTICIPATION

- During the 12 months prior to interview in 2006, an estimated 4.2 million persons aged 15 years and over participated at least once per week in a physical activity for exercise, recreation and sport that was organised by a club, association, fitness centre or other type of organisation. This represented a participation rate of 25.3%. It also represented 38.3% of the 10.9 million persons who participated at least once per week in a physical activity for exercise, recreation and sport.
- 9.7% participated in organised physical activity for exercise, recreation and sport three times a week or more.
- Overall, males and females were equally likely to participate in organised physical activity for exercise, recreation and sport three times a week or more (9.9% and 9.4% respectively)
- Participation three times a week or more was more common among those aged 15 to 24 years (21.1%).
- Participation in organised sport three times per week or more was higher for males compared with females in the 15 to 34 age groups and higher for females in the 35 to 64 age groups.
- Overall participation in exercise, recreation and sport three times a week or more remained steady at 42.8% compared with 2005 (44.2%), up from 37.2% in 2001
- The physical activities participated in at least once in the previous 12 months for exercise, recreation and sport that comprise the 'top ten' activities by number of participants have remained unchanged from 2001 to 2006. Aerobics/fitness has enjoyed the largest increase since 2001 (51.2% increase). Other activities in the 'top ten' to experience significant increases since 2001 include walking (37.9% increase), football (outdoor) (26.5% increase), cycling (17.0% increase) and running (12.9% increase).
- Participation in organised sport three or more times per week has decreased compared with 2005 for both men and women (9.9%, from 11.5% and 9.4%, from 11.1% respectively)

6.1.4. TYPE OF ACTIVITY

- Organised activity with the highest participation rate was aerobics/fitness activities (8.0%)
- Other sports and physical activities that had high numbers of participants involved in an organised environment were golf (3.8%), netball (3.1%), outdoor football (2.7%), tennis (2.7%), outdoor cricket (2.4%) and basketball (2.3%).

6.2. CONTEMPORARY FACILITY DESIGN

6.2.1. OVERVIEW

Indoor sport and recreation facilities have undergone significant changes over the past three decades. Originally designed and developed as just a 'sports hall' they served the basic 'fare' of basketball, netball, volleyball and badminton with a reception counter, drink machine and a cleaners cupboard. In 2009, the traditional tin sheds are 'moving on' as they are replaced with the development of indoor sport and recreation venues which are 'destination venues' or 'community hubs' offering a wide range of quality services, programs and facilities in one location or precinct.

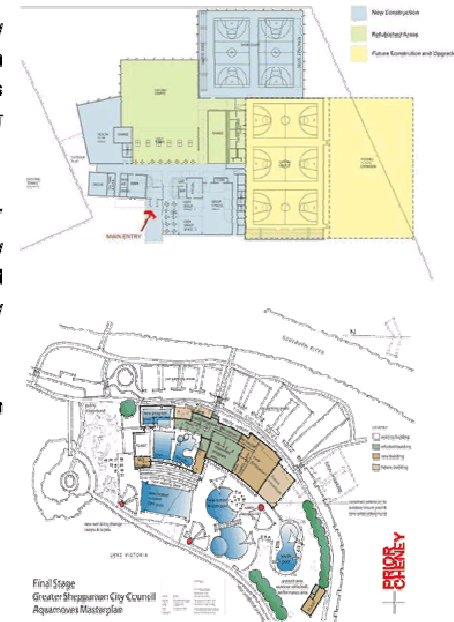
More and more indoor sports halls are being linked with aquatic venues and meeting spaces to provide a 'one stop' service in the area of sport and leisure services. In fact, in developing this section of the report, it became increasingly difficult to identify new indoor sport and recreation facilities that are 'just indoor sports halls'. Libraries, pools, health and fitness centres and linkages to retail precincts (shopping centres) are becoming the norm in Australia's contemporary planning and design of integrated community facilities.

New venues are also being planned to meet environmentally sustainable design (ESD) requirements and these can include:

- Improved Indoor Environmental Quality (EQ)
- Minimise Energy Use & Greenhouse Gas Emissions
- Maximise Water Conservation
- Minimise Waste

Increasingly modern indoor sports venues are being designed to:

- Create a comfortable inclusive and secure environment
- Create a design which is responsive to the usage
- Maximise the opportunities for connection and integration to the wider community through integrated site planning and broader linkage activities.

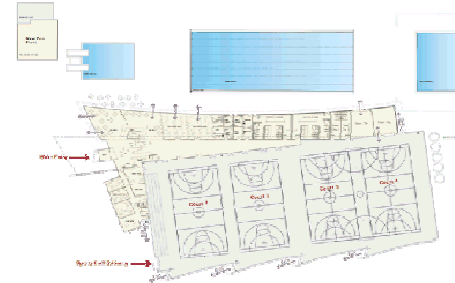


9.7 Ballina Indoor Sporting Centre - Draft Lease and Terms.DOC

Ballina Shire Council – Indoor Sport & Event Centre Feasibility Study (Draft Report)

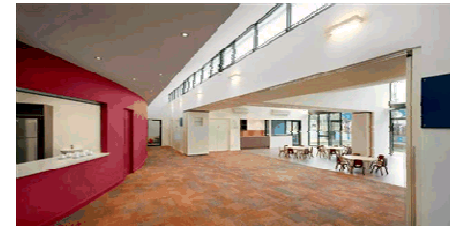
24

- The design of the building incorporating ESD initiatives
- Logical layout with excellent way finding
- "Shopping Centre" model to 'cross sell' activities
- Efficiencies in management & control
- Zoning of operations
- Flexibility for evolving uses
- Expansion capabilities (Master Planning)
- Technology infrastructure
- Area efficient



They are built on well founded research into community need, community capacity to pay (capital and operational) and long term sustainability. In the 2000's, a community leisure centre planning brief is often developed using prompts like:

- Destination
- Existing community asset needs
- Stakeholder ownership
- Links to community and precinct
- Social focus, before, during and after the activity
- Competition needs
- Security
- Zoning of users
- Access for all with ease of 'way finding' and circulation
- Flexibility for future expansion
- ESD energy and materials



6.2.2. DESIGN FEATURES

An environmental scan of contemporary leisure centres from around Australia identifies a range of new sport, leisure and aquatic facility models. Features that are consistently appearing in modern planning for indoor community sports include:

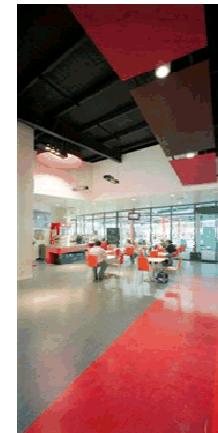
1. THE “COMMUNITY HUB” CONCEPT

Continuing on from the diversification of the traditional sports hall or swimming pool, the modern leisure facility is a ‘Community Hub’ either anchoring a suite of community services or forming one feature of a much larger community precinct featuring:

- Linkages between ‘wet’ and dry facilities under one roof (to enable a more holistic approach to meeting the broadest spectrum of venue user needs and reduced staffing costs)
- Libraries
- Health and fitness centres
- Shopping centres
- Child care centres
- Neighbourhood houses
- Large tracts of embellished ‘public open space’.

Architects are responding to briefs for community indoor leisure venues that are required to a ‘Gateway’ to more than indoor sport. They are designing to address and provide for:

- A free, safe and open place for the community to meet and gather, inquire and reflect;
- A place where the community can cultivate their interests in a range of community and personal development activities;
- Access and technology and develop and pursue ‘non sporting’ recreational interests and hobbies;
- A community learning centre – a place for formal and self education and personal development;
- A community information centre – providing access to information in a variety of forms and from a variety of sources, often in co-operation;
- Integration with Council community information frameworks



9.7 Ballina Indoor Sporting Centre - Draft Lease and Terms.DOC

Ballina Shire Council – Indoor Sport & Event Centre Feasibility Study (Draft Report)

26

- A recreational materials centre – providing high interest materials for persons of all ages for reading, viewing, and listening; and
- A children's resource centre – a place for children to visit and for parents/ child care providers to obtain materials for use with children.

2. CRÈCHE/ CHILD CARE

The provision of these facilities has been a staple of facility design since the early 70's. Child care areas allow the venue to be programmed for day time competitions and programs. These spaces are also becoming increasingly popular to enable programming before and after school, and components of vacation care programs.



3. ANCILLARY FACILITIES FOR RELATED PROFESSIONALS (PHYSIOTHERAPY, SPORTS MEDICINE ETC)

A regular feature of the late 1990's facility design has been the consideration of including commercial sports medicine and commercial office spaces to complement the activities of the centre and to add an additional line of revenue to the centre's annual operational budget. Such inclusions are generally only successful in larger regional centres or venues that are located in precincts with high levels of patronage and passing traffic.

4. HIGH QUALITY INTERIOR/ EXTERIOR LIGHTING FOR SAFETY AND ATMOSPHERE

Similar to modern retailing, new leisure and community centres are being designed to present the venue as a quality, well lit, clean, safe environment. Use of colour, lighting and quality fittings and fixtures throughout creates a positive first impression and engenders an ongoing feeling of community pride and subsequent desire to use the facilities regularly



5. FOOD AND BEVERAGE SERVICES

The majority of facilities being planned now are based around central café facilities with non-users being able to use the café without accessing the facility. Venues are moving from the kiosk to the café, in fact some projects are now embracing fine dining. Increasingly, these facilities are being seen as 'community centres' which incorporate swimming and/ or recreation facilities. We are starting to see a cross to the hospitality industry. They are no longer just recreation facilities.



6. CHANGE ROOMS AND AMENITIES

The traditional sports facility change room with concrete floor and often open ceilings are a thing of the past. Design of new amenity blocks take into consideration the needs of all users and provide a set of "balanced" services for patrons. They offer flexible spaces for groups, families, people with disabilities and individuals.



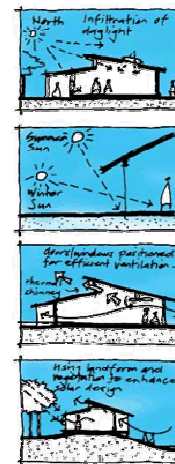
7. WAYFINDING AND SIGNAGE

Because they are more than a 'large shed' the range of products and services offered throughout the venue or precinct are clearly and logically marked and usually lead off a major spine, thoroughfare or esplanade. All the functional areas are easily accessible with areas requiring access control or payments points readily identifiable from a central reception point(s).

8. ECOLOGICAL SUSTAINABLE DESIGN

The most important feature of modern design trends for all buildings in 2009 is attention to environmental opportunities and issues. New venues need to be able to demonstrate that they deliver on planning criteria such as:

- Providing healthy and comfortable working areas
- Reducing energy use
- Reducing water use
- Reducing waste to landfill
- Reducing environmental impact of materials
- Improving / preserving site ecology



6.2.3. EXAMPLES OF CONTEMPORARY INDOOR FACILITIES

Goenellabah Sport and Aquatic Centre (Lismore City Council - NSW)

To meet the indoor and aquatic leisure needs of the Lismore community, Council has constructed a multipurpose complex featuring:

- two-court indoor sports court facility with dividing net;
- 600m² heated indoor leisure water including a 25 metre lap pool
- Youth Centre;
- Health & Fitness Centre (860m²);
- Kiosk/ cafe
- Three sets of amenities (wet, dry and gym)
- Foyer circulation space and administration and meeting rooms.

The new venue will cater for the sports of basketball, netball, volleyball and indoor soccer. Lismore City Council has developed the facility at a total cost of approximately \$17.0 (\$15.0 construction cost and \$2.0 for land value).

Wyndham City Council (Victoria)

To meet the needs of the growing Wyndham population, Council is proposing to construct a three-court facility to service the growing communities in Wyndham's north and east, being Tameit/Truganina and Point Cook.

The new venue will cater for the sports of basketball, netball, volleyball, badminton and indoor soccer. Council is referring \$8m to its 2009/2010 budget for the construction of the new centre.

9.7 Ballina Indoor Sporting Centre - Draft Lease and Terms.DOC

Council's Recreation Planning Unit recently reviewed its provision ratios for indoor multi-purpose courts and Council has determined a viable ratio as one senior basketball court per 22,000 residents¹¹.

City of Whitehorse (Victoria)

The City of Whitehorse is developing an \$8.0 million multipurpose indoor sports facility in Hanover Road, Vermont South. The multipurpose indoor sports facility will accommodate a range of sporting groups including netball, basketball, indoor soccer and volleyball. It will feature four indoor and four outdoor courts, an occasional childcare centre, multipurpose community room and a kiosk with adjoining covered community terrace.

Craigieburn Leisure Centre (Victoria)

Hume City Council has approved redevelopment of the Craigieburn Leisure Centre. \$3.2 million is committed to building two brand new multi-purpose indoor courts in 2009.

The multi-purpose indoor courts will be the first stage of what is expected to be a major \$29 million Craigieburn Leisure Centre redevelopment.

The new courts will be located next to the existing three-court indoor stadium which will be refurbished as part of the multi-million dollar investment into basketball, netball, volleyball and badminton in Craigieburn.

The new courts will also feature a 'show court' that will be available for a range of community events with seating for up to 1,500 people.

Council planning to date has highlighted the emerging trends in new indoor sports facilities which see such facilities being central parts of much larger "Community Hubs". Hume City Council has identified that future Craigieburn Leisure Centre redevelopments will be completed progressively and go beyond the traditional aquatic, health and fitness style centre to feature a mix of community development, sport and cultural facilities as well as education and social environments¹².

¹¹ Source: <http://www.wyndham.vic.gov.au/council/media/2008/3452/sports> as at March 2008

¹² Source: <http://www.hume.vic.gov.au/Files/CraigieburnLeisureCentre.pdf> as at March 2008

7. BENCHMARKING ANALYSIS

7.1. OTHER INDOOR SPORTS CENTRES

In order to help determine the scale and type of facility that *could or should* be developed in Ballina, three equivalent indoor sports centres to that proposed for Ballina were reviewed.

These were:

- Sportz Central – located in Coffs Harbour (NSW)
- Comubia Park Sports Centre (Insports), located south of Brisbane.
- Noosa Leisure Centre on Queensland's Sunshine Coast.

Further the report sought additional information from the University of South Australia's Centre for Environmental and Recreation Management (CERM) to obtain the median average of the CERM Performance Indicators® for Indoor Sports Centres with similar catchments to the Ballina community and who have either a 2 or 3 court indoor venue.

The objectives of the review were to:

- Identify the elements which apparently contribute to the success of a facility e.g. mix of compatible activities, management arrangements.
- Identify the typical mix of sport, recreation and other activities available at such facilities.
- Assess issues affecting general performance and level of financial self-sufficiency.
- Inform planning and management for the proposed Ballina ISEC.

This review included interviews with Centre Managers, site visits and the analysis of other relevant data.

7.1.1. SPORTZ CENTRAL – COFFS HARBOUR

- Four (4) court Indoor facility.
- Opened 1987 with 2 courts and extended to 4 courts approx 10 years ago
- Managed by private operator on behalf of Council,
- Estimated 5km catchment = 26,591
- Number of full time staff 2; Number of Casual staff 8 – 10
- Sports offered: basketball, netball, futsal, volleyball and wheelchair basketball
- Basketball is growing and being given a lot of promotion;
- Sports court hire \$52.00 peak and \$30.00 off peak
- Meeting Rooms \$12.00 peak and off peak
- \$32,000 profit with 15% of revenues generated from sponsorships;
- Council pays \$119,000 to management for wages and \$25,000 towards maintenance.

7.1.2. CORNUBIA PARK SPORTS CENTRE (INSPORTS)

- Four (4) court Indoor facility with meeting rooms, health and fitness centre cafe and rockwall
- Managed directly by Logan City Council;
- Estimated 5km catchment = 52,281
- Number of full time staff 1; Number of Part Time 2 Number of Casual staff 5
- Total employment costs \$385,000
- Sports offered: basketball, netball, futsal, volleyball, badminton and wheelchair basketball and rugby.
- Sports court hire \$43.00 peak and \$30.50 off peak
- Function Rooms \$61.00 with air con and \$23.50 without
- In 2008/09 Council forecasts \$180,000 operating deficit based on \$500k plus revenues
- Situated next to 2 schools;
- Accommodates significant numbers of children via centre based holiday programs.
- Accommodates 2500 children per year through school holiday programs.
- Council is building another three (3) court facility in Browns Plains to accommodate needs of Volleyball and National Women's Basketball League (NWBL)
- The new facility (Browns Plains) will be fully air-conditioned and seat 2000 spectators when in show court mode;
- Limited use by schools due to the cost of transport;
- Browns Plains venue will open in 2009 and cost approx \$17.0 million (8,500m²)

7.1.3. NOOSA LEISURE CENTRE

- Two (2) court Indoor facility with meeting rooms (2) and kiosk.
- Opened 1993 with 2 courts
- Managed directly by Sunshine Coast Regional Council
- Estimated 5km catchment = 21,351
- Number of full time staff 1.5; Number of Casual staff 20
- Total employment costs \$212,962
- Sports offered: basketball, netball, futsal, volleyball and badminton.
- Sports court hire \$47.50 peak and \$37.00 off peak
- Meeting Rooms \$33.00 peak and off peak
- In 2008/09 Council forecasts \$134,700 operating deficit.
- Sports activity has been static in recent years;
- Limited use by schools due to the cost of transport;
- Accommodates significant numbers of children via centre based holiday programs.
- Original construction cost was \$2.4 million in 1993 (2,750m²)

7.1.4. CERM DATA

- 2 Court data is based on median size of 2,730m² (Range is 7,488 m² to 2,169m²)
- 3 Court data is based on median size of 4,062m² (Range is 15,497 m² to 2,643m²)
- Median Expense recovery for a two court stadium = 90%
- Median Expense recovery for a three court stadium = 80%;
- Subsidy per visit for a two court stadium = -(\$0.44)
- Subsidy per visit for a three court stadium = -(\$0.89)
- Energy Cost as % of Expenditure for 2 court centre = 3.8%
- Energy Cost as % of Expenditure for 3 court centre = 3.3%
- Labour Cost as % of Expenditure for 2 court centre = 62%
- Labour Cost as % of Expenditure for 3 court centre = 54%
- Fees per visit for 2 court centre = \$3.50
- Fees per visit for 3 court centre = \$4.26

7.2. IMPLICATIONS FOR ANY FUTURE BALLINA FACILITY

Based on findings of the benchmarking analysis and the community research, the following key planning, design and management guidelines should be considered for the proposed Ballina indoor centre:

Facility Planning and Design

- Designed to facilitate and allow a blend of programs and activities
- Commercial Health and Fitness Centres are becoming an integral part of community sports centres and are off setting operating costs;
- Design flexibility to allow change to programming and use of the floor space and enable modifications to activities and services delivered from the centre in the future.
- Planning for non competition activities is imperative for both maximum revenue generation and high occupancy levels (i.e. school vacation programs and community classes).

Facility Management

- During the 80's and early 90's there was a trend to outsource venue management but increasingly, Council's are choosing to operate their own facilities or at least do so for the initial years to establish the true cost of operations prior to seeking external operators.

Operational Considerations

- Design needs to take into account supervision and ways to minimise staffing costs during off peak times;
- Construction materials should be durable to minimise maintenance and / or replacement costs.

- Energy saving devices should be incorporated for environmental reasons and to lower overall operating costs (This may impact on the initial capital costs but these should be recouped over time)
- It is apparent that from the benchmarking exercise and the CERM data it is likely that any new indoor sports facility will in the initial years (and maybe over a longer period of operation) operate with some form of annual deficit. It is likely that the amount will be between \$100,000 and \$200,000 excluding debt servicing and sinking fund costs (depreciation)

7.3. POPULATION BENCHMARKING

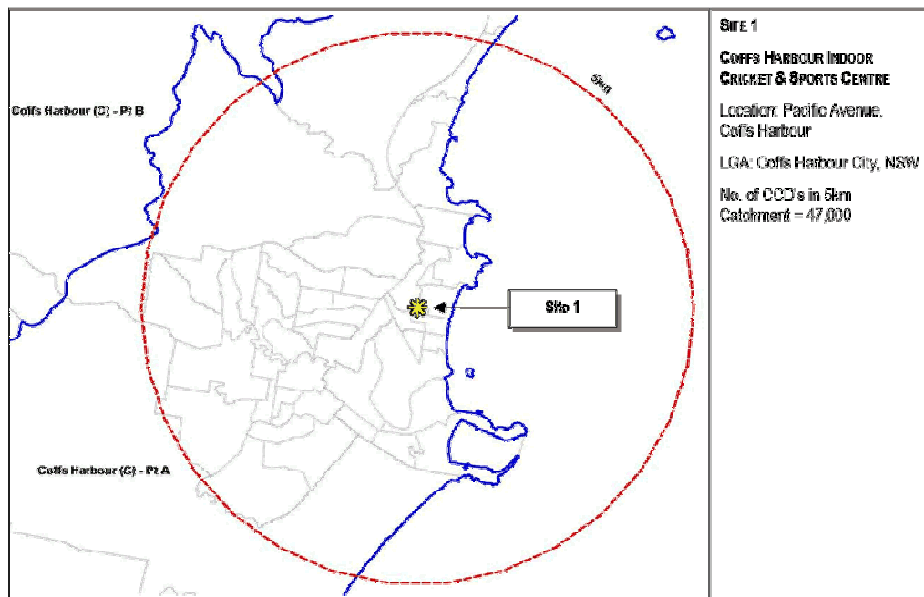
Building on the preceding facility benchmarking analysis, this section provides a snapshot of the catchment population for the three “case study” centres, based on 2006 ABS Census data. These are:

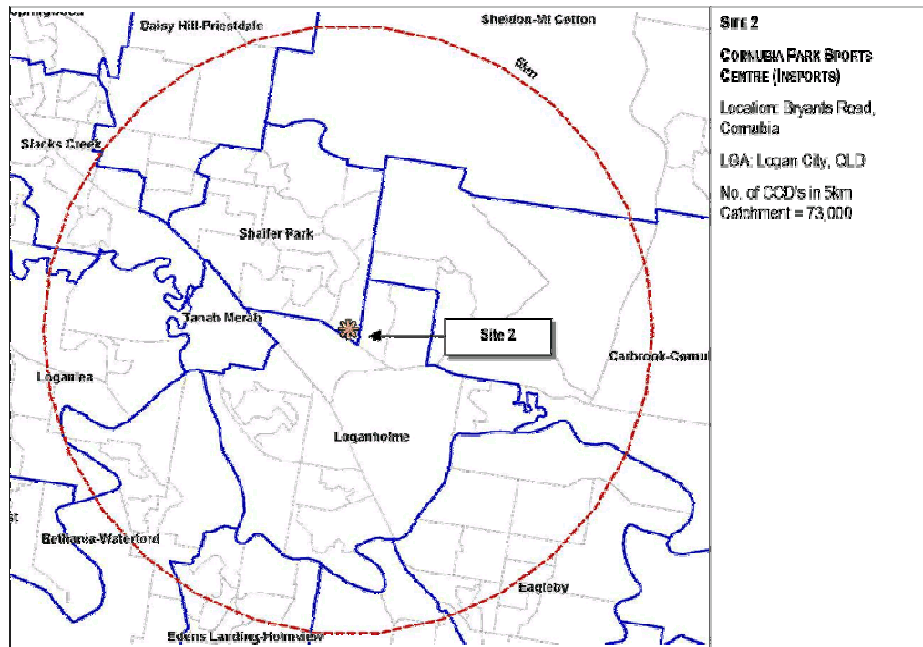
- Coffs Harbour Indoor Cricket & Sports Centre (ICSC).
- Comubia Park Sports Centre (Insports).
- Noosa Leisure Centre.

A notional catchment was applied to Census Collection Districts (CCD's) located within 5km of each site. The purpose of the analysis was to:

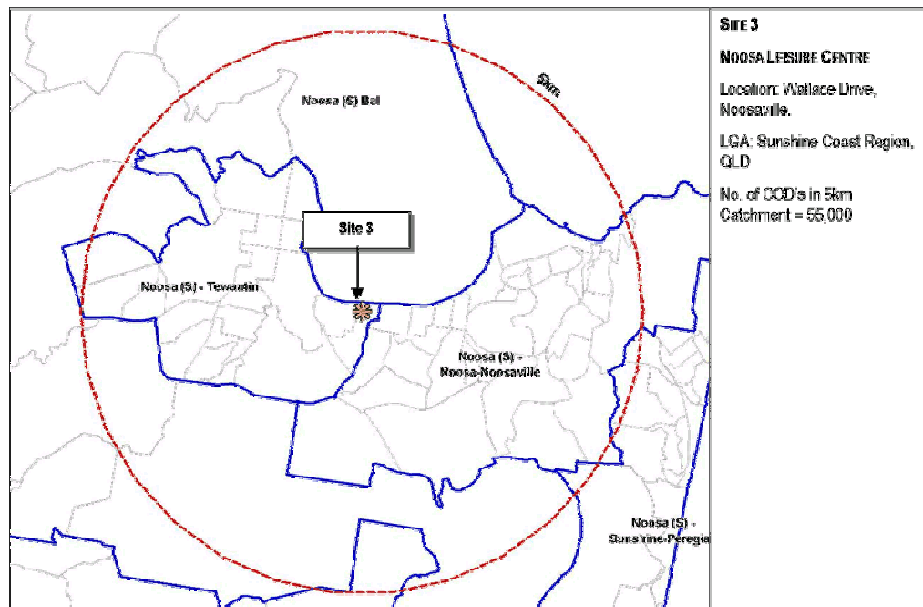
- Identify key demographic characteristics of the indoor centres' catchment populations; and
- Inform planning for the proposed Ballina ISEC.

Facility locations and 5km notional catchment areas are shown below.





Site 2
CORNUBIA PARK SPORTS CENTRE (INDOPORTS)
 Location: Dryants Road, Cornubia
 LGA: Logan City, QLD
 No. of CCD's in 5km Catchment = 73,000



Site 3
NOOSA LEISURE CENTRE
 Location: Wallace Drive, Noosaville.
 LGA: Sunshine Coast Region, QLD
 No. of CCD's in 5km Catchment = 55,000

CATCHMENT POPULATIONS FOR BENCHMARKED FACILITIES

- All three centres are located in Local Government Areas which experienced solid population growth between 2001 and 2006.
- There are major differences in the base population serviced by each indoor centre – catchment populations range from approximately 21,000 to 53,000 people.
- Centres located in coastal, regional areas appear to service smaller catchment populations, in comparison to metropolitan facilities with higher population concentrations within 5km of the venue.
- There is a marginally higher representation of females in each catchment, which is consistent with national trends.
- Apart from the Coffs Harbour ICSC, the catchment populations had a small ATSI population compared with the Australian average of 2.3%.

Table 3 – Population Summary by Catchment Area (2006)

FACILITY	TOTAL CATCHMENT POPULATION	PROPORTION OF MALES	PROPORTION OF FEMALES	PROP N OF INDIGENOUS PERSONS
Coffs Harbour ICSC	26,581	48%	52%	4.4%
Cornubia Insports	52,281	50%	50%	1.6%
Noosa Leisure Centre	21,351	49%	51%	0.6%
Australia	-	49%	51%	2.3%

AGE PROFILE

- The facility catchments had a median age ranging from 33 to 44 years old, compared with Australia's median of 37.
- The Coffs Harbour and Noosa facility catchments demonstrate an older age profile, with lower representations of children and young adults, and higher proportions of residents aged over 55.

Table 4 – Age Profile Summary by Catchment Area (2006)

FACILITY	AGE GROUPS (% OF TOTAL POPULATION)					MEDIAN AGE
	0-14	15-24	25-54	55-64	65+	
Coffs Harbour ICSC	17.5%	12.6%	36.4%	12.3%	20.0%	42
Cornubia Insports	22.1%	15.4%	42.4%	10.7%	7.9%	33
Noosa Leisure Centre	19.1%	9.7%	38.9%	15.3%	18.0%	44
Australia	19.8%	13.6%	42.2%	11.0%	13.3%	37

HOUSEHOLD STRUCTURE AND EMPLOYMENT

- Apart from Corumbia Insports, the catchments' workforces had significantly lower household incomes than the national average.
- The catchments for Noosa Leisure Centre and Coffs Harbour ICSC demonstrate higher levels of social disadvantage, with low household incomes and high unemployment.
- In respect to household structure, no strong themes emerged between the three catchments assessed.
- The higher proportion of lone person households in the Coffs Harbour ICSC catchment is largely attributed to its older age profile. In contrast, the Corumbia facility services a large number of family households with couples and dependent children.

Table 5 – Household Structure and Employment (2006)

FACILITY	HOUSEHOLD COMPOSITION*			UNEMPLOYMENT RATE	WEEKLY INCOME **
	Family Households	Lone Person H'holds	Group Households		
Coffs Harbour ICSC	60.5%	28.7%	4.8%	10.8%	\$683
Corumbia Insports	77.4%	14.2%	3.0%	4.7%	\$1,185
Noosa Leisure Centre	64.3%	8.1%	0%	6.1%	\$895
Australia	67.4%	22.9%	3.7%	5.2%	\$1,027

* Refers to Occupied Private Dwellings.

** Refers to Average Weekly Household Income.

PLANNING IMPLICATIONS FOR THE BALLINA CENTRE

Based on the population snapshot presented above, key considerations for indoor sports planning in Ballina will be:

- The unique demographic characteristics of an indoor centre's catchment area will generate specific needs. This has particular implications for the:
 - Mix of facilities available at the complex.
 - Service and program delivery.
- Future population growth and change within the catchment area needs to be carefully assessed when considering the number, type, size and staging of facilities to be catered for within a new centre.
- Where demographic change is occurring, this may generate a need to "build in" design flexibility so the indoor centre has capacity for staged development, future expansion or integration of multi-use spaces.

- The catchment's age and gender profile is a significant planning consideration for new indoor facilities, particularly if there is a high representation of key target groups such as:
 - Family households (children and adults).
 - Lone person households.
 - Older people.
 - Mothers with infants.
 - People with disabilities.
- Activity programming and opportunities for social interaction are important to engage residents, particularly if the facility catchment has a higher representation of older people and/ or people living alone.
- Price sensitivity will be a significant consideration in communities with lower income levels or an incidence of social disadvantage. Affordable and accessible participation options should be provided to encourage facility utilisation and active living choices.

8. DEMAND ANALYSIS – STAKEHOLDER CONSULTATION

This chapter presents a summary of stakeholder ideas, needs and expectations for the proposed Ballina ISEC.

The consultation phase sought to supplement findings of the pre-feasibility study, by focussing on:

- The need for the proposed Ballina ISEC.
- Potential use of the proposed facility
- Essential facilities and features required.
- Price expectations i.e. how much user groups are willing to pay to use the facility.
- Other requirements, issues, needs, constraints or concerns.

The consultation phase involved the following activities:

- Meetings with BSC Staff
- Preliminary Community Workshop
- Shire-wide Community Survey.
- Schools Survey
- Local School Staff Interviews
- Stakeholder discussions with potential user groups.
- Interviews with adjoining LGA Staff
- Interviews with equivalent Facility Managers from NSW and Queensland

8.1. ONLINE COMMUNITY SURVEY

8.1.1. SAMPLE CHARACTERISTICS

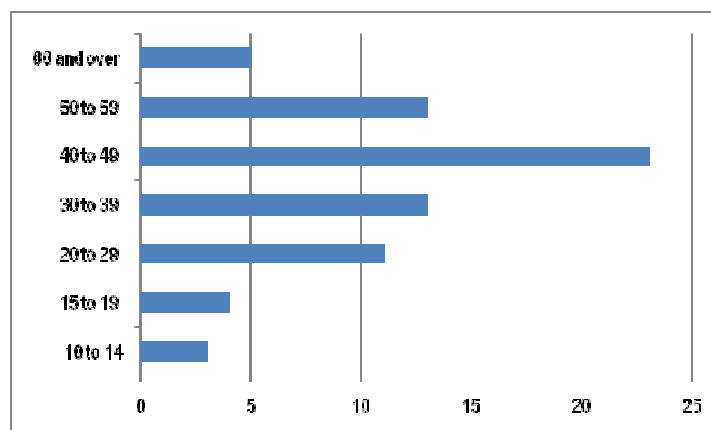
Council facilitated a one month Community Survey for interested residents and groups to complete online via its website. In total, 108 Community Surveys were returned for analysis.

Almost one-third of survey respondents were aged 40-49 years old (32%), followed by 30-39 and 50-59 year olds (18% each). Other age groups represented a small proportion of the sample.

A majority of responses were completed by females on behalf of their households (67%). Survey research such as this typically elicits a high response rate for females compared to males, so this result is expected. This may also suggest that certain issues are of greater concern to females.

Given the above age and gender constraints, survey results should be interpreted with caution, and conclusions should be validated against other research and consultation findings.

Figure 2 - Survey Respondents by Age Group (No. of Persons)



8.1.2. IMPORTANCE AND ADEQUACY OF EXISTING PROVISION

Table 6 provides an overview of the level of “importance” assigned by survey respondents in response to certain sport and recreation facilities/ activities of relevance to the Ballina ISEC. It is apparent that facilities considered as most important were:

- Indoor recreation activities (67%).
- Health and fitness facilities (62%).
- Indoor sport – training (61%).
- Indoor sport – competitions (61%).

Items rated highly by respondents as “Unimportant” appear to be:

- Theatre group rehearsal space (21%).
- Theatre group performance space (18%).
- Areas for public displays (15%).

Table 6 – Importance of Sport and Recreation Facilities / Activities for Residents

FACILITY / ACTIVITY TYPE	VERY IMPORTANT	IMPORTANT	UNIMPORTANT	TOTALLY UNIMPORTANT	NO OPINION
Indoor Sport - Competitions	61%	28%	9%	3%	4%
Indoor Sport - Training	61%	28%	6%	3%	4%
Indoor Recreation Activities	67%	28%	1%	1%	3%
Health and Fitness Facilities	62%	30%	4%	1%	3%
Community Classes	57%	26%	11%	1%	6%
Youth Meeting Places	54%	27%	9%	8%	6%
Theatre Group Rehearsal Space	28%	36%	21%	8%	6%
Theatre Group Performance Space	31%	37%	18%	8%	6%

FACILITY / ACTIVITY TYPE	VERY IMPORTANT	IMPORTANT	UNIMPORTANT	TOTALLY UNIMPORTANT	NO OPINION
Areas for Public Displays	39%	39%	15%	3%	5%
Indoor Swimming	50%	31%	11%	4%	4%
Older Adult Activities	48%	37%	8%	2%	5%

Respondents were also asked to rate the “adequacy” of sport and recreation provision in Ballina Shire. As shown in Table 7, facilities that rated well were:

- Health and Fitness Facilities;
- Indoor Swimming; and
- Areas for Public Displays.

In contrast, facilities cited as having the highest perception of “inadequate” provision were:

- Indoor Recreation Activities;
- Indoor Sport – Competitions; and
- Indoor Sport – Training.

Table 7 – Adequacy of Selected Sport and Recreation Facilities / Activities in Ballina Shire

FACILITY / ACTIVITY TYPE	EXTREMELY ADEQUATE	ADEQUATE	INADEQUATE	EXTREMELY INADEQUATE	NO OPINION
Indoor Sport - Competitions	2%	7%	44%	41%	5%
Indoor Sport - Training	2%	7%	41%	43%	6%
Indoor Recreation Activities	3%	8%	51%	36%	2%
Health and Fitness Facilities	5%	35%	41%	14%	3%
Community Classes	0%	18%	43%	22%	13%
Youth Meeting Places	5%	3%	38%	30%	13%
Theatre Group Rehearsal Space	4%	19%	36%	13%	23%
Theatre Group Performance Space	5%	18%	40%	14%	22%
Areas for Public Displays	4%	28%	37%	18%	12%
Indoor Swimming	8%	25%	38%	24%	4%
Older Adult Activities	7%	14%	38%	25%	15%

Respondents who identified current provision as “inadequate” were asked to provide reasons for their answer. A number of major themes emerged:

- Lack of suitable venues for youth activities and programming.
- Indoor sport and recreation facility provision has not kept pace with local population growth.
- Significant capacity/over-crowding issues are evident at existing indoor venues.

- Too much reliance on public use of school and private indoor venues.
- Existing facilities are run down.
- No competition size indoor courts for basketball, volleyball and futsal.
- No opportunity to swim during the winter months.
- Contemporary indoor and aquatic facilities are required in Ballina to encourage the community to be more active and healthy.

8.1.3. PRIORITIES FOR PROPOSED INDOOR CENTRE

(a) *Desirable Facilities Mix*

Respondents were asked to identify their top priorities for facilities for inclusion in the proposed indoor sport and entertainment centre. Ranking of priorities is summarised below:

Table 8 – Community Priorities for Indoor Centre Facilities

RANK / IMPORTANCE	FEATURES / FACILITIES
1	■ Indoor Sport Courts - 3 Courts
1 (equal)	■ Indoor Sport Courts - 4 Courts
3	■ Indoor Sport Courts - 2 Courts
4	■ Multi Purpose Community Meeting Rooms
4 (equal)	■ Indoor Assembly Hall/ Large Meeting Area
6	■ Indoor Sport Courts - 1 Court
6 (equal)	■ Dedicated Youth Activity Areas & Spaces
8	■ Change/ Dressing Rooms
9	■ Child Minding Area/ Crèche
9 (equal)	■ Convention/ Display Areas
11	■ Simple Kitchen
12	■ Stage Area & Performance Space
12 (equal)	■ Rehearsal/ Practice Areas
14	■ Sporting Club Offices
15	■ Large Commercial Health & Fitness Centre
16	■ Large Outdoor Meeting Area
17	■ Squash Courts
18	■ Coffee Shop & Kiosk Area
18 (equal)	■ Projection Room
19	■ Rock Climbing Wall
20	■ Recording Stud/ Radio Station

These results show greatest demand for an indoor multi-court facility, followed by multi-purpose space for community activities, and youth activity areas.

Secondary priorities focus on support facilities such as change rooms, child minding areas and convention space/ display areas.

(b) Preferred Activities

Further to the facilities above, respondents were asked to prioritise those sports, recreation activities and community events they would like to see offered at the proposed indoor centre.

The top priorities for sporting activities were:

- Basketball
- General indoor sport – training
- Futsal (indoor soccer)
- Volleyball
- Netball

The top priorities for recreation activities were:

- Aerobic/ Community Fitness
- Yoga/ Tai Chi
- Club Meetings & Activities
- Community Education (How To' classes)
- Dance Lessons (jazz, ballet, etc)

The top priorities for community events were:

- School use during the day
- Presentation and award nights
- Live youth music / concerts
- Emergency assembly area
- Exhibitions/ trade shows

8.1.4. PRICE EXPECTATIONS

Survey respondents were asked what they would realistically expect to pay for different activities and events at the proposed indoor centre. The results are tabulated below, including an acceptable price range, together with the minimum and maximum fees suggested by respondents in the sample.

Clearly, a high level of price sensitivity was expressed by respondents, many of whom noted the proposed facility should be affordable to the local community.

Table 9 – Price Expectations for Indoor Centre Activities

ACTIVITY	Unit	DESIRABLE RANGE (INDICATIVE)	MINIMUM	MAXIMUM
Junior Indoor Sports	\$/game	\$5 - \$3	Free	\$30
Senior Indoor Sports	\$/game	\$5 - \$10	Free	\$55
Community Hall Hire	\$/hour	\$10 - \$50	Free	\$200
Recreation Activities	\$/session	\$5 - \$10	Free	\$100
Movie Nights	\$/person	\$5 - \$10	Free	\$15
Local Theatre Productions	\$/person	\$10 - \$20	Free	\$40
Visiting Professional Performances	\$/person	\$20 - \$30	\$10	\$100

8.1.5. OTHER COMMENTS

Finally, the comments below provide a snapshot of survey respondents' feedback to the proposed indoor centre, expressed in their own words:

"Hurry up and build it!!!"

"Build it ASAP" give our older generation, youth and sporting people somewhere to call home and be proud of."

"This would be an extremely positive and valuable community resource for many different organisations."

"Indoor activities catering for all ages ensure everyone has access to affordable, healthy, exercise where the sun and rain can be a barrier as well"

"Follow the Coffs Harbour model - it has overwhelming community support and is used to capacity by sporting groups, phased in over many years."

"Spend money on the facility not on architectural wonderment .. Allow an area for tiered seating, either fixed or temporary for enjoyment of matches and performances. Plan for the need to change and adapt the use of the building for the future, what we see as a need now may change for future generations."

"An indoor swimming pool with a separate aqua aerobics pool/exercise pool would be of a huge benefit to Ballina."

"This area needs to keep up with the times. We are a thriving and growing community and need to think ahead to encourage people to live here.... bring in more commerce and tourist dollars. Plus the community will benefit from infrastructure."

"Let's get the youth off the streets and into sports."

"As the town is growing rapidly and there are a lot of young families moving to the area, it needs to be family friendly, easy to get to for school children commuting by bus ...Maybe used in conjunction with the police as a PCYC."

9. STAKEHOLDER DISCUSSIONS

9.1. COUNCIL STAFF COMMENTARY

Members of Council's Project Steering Committee have provided valuable input and background material to this study.

- Gallans Road site has considerable potential based on:
 - Can be designed as a major sports precinct due to the size of land parcel;
 - Minimal noise issues and proximity to residential development;
 - Capacity to master plan allows planning for future Council decisions including the future of the Ballina and Alstonville Swimming Pools;
 - Both the proposed sites (Ferngrove and Gallans) will support the new Cumberland residential estate;
 - The Ferngrove Estate is being built up by 1500mm for residential purposes, this would likely be required for the ISEC too if the Ferngrove site was favoured;
 - Future road linkage from the 'Big Prawn' will come east of the Ferngrove Estate and provide improved access to either site;
 - Planning for the future of the Ballina Swimming Pool needs to be taken into account by this master plan (provide realistic options), the pool is approaching the end of its realistic life cycle in terms of its maintenance requirements and is costing Council significantly to maintain and operate (reported subsidies by Council of 36%);
 - Gallan land for a pool would be a different direction the majority of Ballina residents have the ability to walk to the pool;
 - Council's future funding strategy for infrastructure may need to investigate capacity to provide hydrotherapy and leisure water given the changing demographics of the community. See sections 5.1.2 and 5.1.3;
 - Section 94 contributions will not fund the majority of ISEC capital costs;
 - As at August 2008 no project funding identified for the ISEC Project BUT there are components that could fit the requirements;
 - Land acquisition = \$318,000
 - Hockey facilities (likely to be at KSR) = \$780,000
 - Club house facilities = \$380,000
 - Community Hall = \$1,300,000
 - Land acquisition \$1,200,000
 - Performance Space Land Acquisition = \$580,000
 - Performance Space Facility = \$970,000
 - ISEC Project will need to compete with transport and commercial assets maintenance and infrastructure costs;
 - Transport may be an issue for the Gallans site and will need planning to address access by all the community;
 - Any borrowing model will be based on a 20 year repayment schedule
 - Population planning assumes 61,000 by 2031 and 8,000 additional dwellings
 - Fernvale site would involve land acquisition costs whereas Gallans land is already in Council ownership

9.2. BALLINA SCHOOLS

All Schools in the Ballina LGA were telephoned and invited to provide feedback regarding their likely use of any new indoor sports facilities.

Responses were received from:

- Astonville High School
- Ballina High School
- Ballina Public School
- Cabbage Tree Island Infant School
- Empire Vale Public School
- Lennox Head Public School
- Newrybar Public School
- Southern Cross K-12 School
- Wendell Public School
- Wollongbar Primary School
- Richmond Christian College
- Emmanuel Anglican College
- Holy Family Catholic Primary School
- St Francis Xavier Primary School
- Xavier Catholic College

There was general support for the need for additional indoor sports facilities within the Shire however there was also a clear message that transport to any new facilities will be an issue for many schools in terms of basing regular school programs from any new facility. This was especially true if travel involved more than 10 minutes in a bus.

Other comments supported the development of a new indoor facility for schools to access for end-of-term events and regional carnivals and holiday and after school programs and activities.

If the pool was developed, swimming programs would also be supported by several of the schools.

The pre-feasibility study also identified a range of current facilities that are used by the schools. This information is shown on the next page.

Table 10: Schools and indoor sports venue currently used

SCHOOL	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
Emanuel Anglican	✓	✓	✓	✓	✓	✓	✓								
Holy Family Skerrins	✓	✓		✓	✓			✓	✓	✓					
Southern Cross school					✓						✓				
Alstonville Public school								✓			✓	✓	✓		
St Josephs Alstonville												✓		✓	✓
Wardell Public School	Nil														
Lennox Head Primary	Nil														

The legend shown at Table 11 indicates which centres were identified as being used by each school.

Table 11: Legend for which centre schools currently use

1	Ballina Indoor Sports Centre	9	Lennox Aquatic Centre
2	Indoor Swim & Gym	10	Lake Ainsworth S & R
3	Strike Martial Arts	11	School halls
4	Squash Centre	12	Alstonville Leisure & Entertainment Centre
5	Tenpin Bowling	13	Uniting Church Hall
6	PCYC Gymnastics Centre	14	Alstonville Squash & Gym Fitness Centre
7	Ballina Fitness Centre	15	Alstonville Parish Catholic Hall
8	Ballina RSL Youth Club		

Further, staff from five schools within the immediate 5 km catchment of the proposed Callans Road site were personally interviewed to obtain their specific thoughts on the design, use and operational requirements of the proposed Ballina ISEC from the local schools perspective.

These schools were:

- Southern Cross K-12 School
- Emmanuel Anglican College
- Holy Family Catholic Primary School
- St Francis Xavier Primary School
- Xavier Catholic College

Key comments arising from these personal interviews included

- Increased awareness of 'Sun Smart' program will see programs go indoors
- Too many events during the year are cancelled due to rain. Need to be able to have major indoor events.
- There is a need for a regional indoor centre and the associated Health & Fitness.
- Alstonville Centre was a good idea but not of sufficient quality

- Gallans Road site is generally supported, "can't go south and Gallans is reasonably central
- Southern Cross K-12 School has its own indoor facility but the thing that is missing in the region is performance space.
- Southern Cross Indoor Centre is heavily booked during the day and the evenings.
- Essential components of Stage 1
 - Professional management
 - Stage with lighting and sound system
 - Good acoustics
 - 25 metre pool
 - Bus transport for schools
- Programs that could be operated from a new indoor centre included:
 - Visiting Performers
 - Graduation Dinners
 - Carols at Xmas
 - Speech Nights
 - School Discos
 - Bush Dances
 - Gymnastics (if staff appropriately qualified)
 - Eisteddfods
 - Choirs, Chorale and Public Speaking
 - Interscholar Sports Competitions
 - School musicals
- Capacity to pay for event hiring would be in the vicinity of up to \$400 for events and up to \$5.00 for daily programs including transport costs

9.3. SPORTING ORGANISATIONS

9.3.1. BALLINA BASKETBALL ASSOCIATION

- The Ballina Basketball Association (BBA) strongly supports the development of a new indoor sports complex. Currently there are 217 members an increase of 10% on previous year.
- The BBA currently uses all the available time at the Southern Cross K-12 School and cannot expand its competitions and programs
- In terms of the location the BBA has concerns about the Gallans Road site due to lack of public transport to the site and access by the elderly and those without private transport. BBA would like to see the 'old Council yard' site considered also.
- Immediate need is for multipurpose stadium with at least 3 basketball courts. Plan should accommodate growth and make provision for 2 more courts in the future.
- Floor surfaces should be a combination of sprung wooden floor and synthetic surfaces to enable maximum use of the facility.

- Management of the venue should be through the Council.
- Opportunities for fundraising could include bringing large sporting events to Ballina. Hosting special events.
- There are no all weather sporting venues in the area.
- Examples of activities that would be based from the Centre:
 - Volleyball
 - Lifeball
 - Indoor Soccer
 - Badminton
 - Dance Performances
 - School Concerts
 - School Sports
 - Exhibitions
 - Community Gatherings/ Dances
 - Travelling Performers/ Bands
 - Etc.
- Centre would be a drawcard for local Tourism
- The BBA also provided the study with letters of support from local Ballina business supporting the construction of an Indoor Sporting / Convention Centre for the community of Ballina.

9.3.2. BALLINA NETBALL ASSOCIATION

- The Ballina Netball Association (BNA) has an interest in a new indoor sports facility but currently runs a successful competition program from their home facility located at the Kingsford Smith Reserve (KSR) in Ballina. It consists of 4 outdoor courts.
- BNA currently has 600 members (400 juniors and 200 seniors).
- Don't play indoors currently as Alstonville is booked out and Lake Ainsworth is not available on a regular basis
- The majority of competitions and training is likely to continue at the KSR venue.
- Currently provide for 2 – 4 competitions per week depending on the season.
- ICA offer indoor Netball (off the net style) at a cost of \$48 per team per night.
- There may be potential for an elite indoor competition at night (A Grade) or a home ground for the Regional Netball Competition (needs minimum of 200 spectator seats)
- Potential for Junior and School Social competitions to be developed indoors.
- Potential for mixed netball to be developed.
- Juniors would continue to be based at KSR.
- Would like to be able to hire courts casually during inclement weather.
- Referees and Umpires are provided within the BNA structure and player costs are kept to a minimum.
- BNA consider the Shire is well supplied with Health and Fitness and Swimming Pool facilities.
- BNA would consider assisting in setting up a new indoor competition but not at the expense of their current operations.

9.3.3. FUTSAL (INDOOR SOCCER)

- Futsal operates from several locations in the region but is based out of the Alstonville Sport and Entertainment Centre. The Centre has a single multipurpose court facility.
- Futsal is run via a management agency and the sport has an interest in expanding its operations but with reservations about ‘canalising’ the current competitions.
- As the sport expands it would be interested in knowing more about any new Centre operations and the scope to introduce the sport in Ballina Central. Current ‘5-a-side’ competitions are played at Alstonville, Grafton, Casino, Ocean Shores, Lismore, Maclean, Evers River and Lennox Head
- Current cost per team is \$45.00 / game with registrations ranging from \$45.00 to \$65.00

9.3.4. MARTIAL ARTS AND OLYMPIC GYMNASTICS

- A purpose built gymnastics centre (RSL Youth Club) operates from the airport industrial estate so the demand for this sport in another location in Ballina would probably be minimal.
- The RSL Youth Club also offers Karate programs.
- A purpose built 350m² martial arts (Strike Martial Arts) operates from the airport industrial estate so the demand for these sports would again be minimal. Martial Arts indicated it would likely use a large Ballina venue once or twice a year for large competition or grading events. Currently travel to Boondall in SEQ for such a venue.
- Both venues report having spare capacity and the martial arts centre is expanding its floor space in 2009.
- Limited demand for purpose built facilities martial arts facility in the new centre but maybe some capacity for boxing or ‘PCYC’ style youth activities at the new facility

9.3.5. VOLLEYBALL

- No established Indoor Ballina volleyball association was identified by the research however this may be due to the limited extent of suitable indoor playing facilities currently available.

9.3.6. BADMINTON

- Like volleyball, no badminton club was identified for comment on future needs and use, however the sport is played at the Southern Cross University in Lismore and may have potential for expansion as it is played across a broader demographic and may appeal to the ‘over 40’s’ as well as the competition players. Currently there are 6 – 10 players per night (Thursdays 7.00pm – 8.30pm) using the four (4) University courts.

9.3.7. SQUASH

Existing six (6) Squash Courts in Norton Street Ballina are reportedly scheduled to be demolished which will leave the current group of players without a facility.

- There is no club at this time as the venue operator offers the competition directly.
- The existing squash courts are hired for a range of activities other than squash including volleyball, dance classes and martial arts.

- Monday night has approx 20 squash players;
- Tuesday 30 – 40 squash players
- Thursday 50 – 60 squash players
- Junior squash squad of 10 (seasonal)
- Volleyball on Monday also attracts 25 – 30 players.
- There are 2 tournaments a year attracting players from Sydney and Brisbane
- Court Hire is \$20.00 per hour - ½ hour hire is \$11.00
- Competition night is \$10.00 per person
- Saturday Club Practice is \$5.50 per person

Group would like to see four (4) courts in the initial design and provision for 2 more in the overall masterplan.

9.4. OTHER POTENTIAL USER GROUPS

9.4.1. CHAMBER OF COMMERCE

The Chamber of Commerce hosts several large events each year such as the Ballina Business Awards Dinner. These are conducted in the main function room of the Ballina RSL. The capacity of this room is circa 412 pax (380 comfortably) and the Chamber of Commerce believes it could exceed this number regularly if a suitable venue with a larger capacity could be found.

It is noted that the Ballina RSL has plans for expansion and a large conference and exhibition space but there is no timeline for development at the time of writing this report. The Chamber of Commerce would utilise a new facility for conferences and events if a venue was available.

9.4.2. NSW NORTH COAST ACADEMY OF SPORT

The NSW North Coast Academy of Sport (NCAS) is located in Lismore at the Southern Cross University.

- The NCAS has no facilities of its own and uses schools and community facilities to run its talent identification programs and training squads.
- The NCAS currently looks after the region from the Tweed to Port Macquarie and hires venues at various times throughout the year at locations including:
 - Southern Cross University (no charge)
 - Grafton Basketball Complex
 - Coffs Harbour Sports Central
 - John Paul College
 - Port Macquarie Community Complex (4 courts)
 - Lake Ainsworth Sport and Recreation Camp
- The NCAS intentionally supports all of the venues and is not looking for one central home because of the large zone covered by their program.
- If a facility was available in Ballina it would likely be hired for 1 to 3 weekends a year

9.4.3. BALLINA INDOOR SPORTS CENTRE

The Ballina Indoor Sports Centre is described in section 4.2. The operators report the centre offers indoor cricket, netball and soccer. Sports are played over 4 nights a week and the centre can also accommodate roller skating.

- The Centre is used during the day by some local schools
- Looking to expand their activities to incorporate European Handball and more soccer and could be interested in hiring the facility from Council to grow these sports.
- It is difficult to run team sports on Friday and this info is consistent with other anecdotal industry advice.

9.4.4. LOCAL HEALTH AND FITNESS OPERATORS

Several local health and fitness centre operators were interviewed. These included:

- Ballina Swim and Gym
- Riverside Gym
- Ballina Fitness Centre
- Intershape Women's Exercise

There are 6 local health and fitness centres identified in Ballina and the operators consulted expressed concern about another facility being developed as part of Council's proposed development.

Some interest expressed by one operator for an Expression of Interest to be called to operate a Health and Fitness Club as part of a new Council Centre

9.4.5. BALLINA RSL

The Ballina RSL function room can accommodate up to 400 persons at a seated function and up to 700 patrons for a dance or concert

- The RSL does not get many enquiries for events over 400 people
- RSL offer event packages in association with the Ramada Hotel. (The Ramada can accommodate approx 200 in their function area).
- More realistically looking at 400 person function every week rather than trying to establish 12 x 1000 (i.e. once a month).
- The RSL function spaces are not used to their capacity.
- If Council venue was looking to host events, it would need to be closer to the CBD for accommodation and transport reasons.

9.4.6. SERVICE CLUBS

Both the Lions and the Rotary Clubs of Ballina were approached for their thoughts on the need for an indoor sports and event facility in Ballina.

- The need for a major indoor facility for youth and community purposes was acknowledged by both representatives.
- Lions Club has its own Hall and meets twice a month. Hall is hired out (\$10 / hour) and revenue is used to maintain/improve that facility.
- Activities and use of the hall is limited as it is located in a residential area.

9.5. BALLINA JOCKEY CLUB AND EVENTS CENTRE

As part of the research undertaken, members of the Ballina Jockey Club (BJC) and Events Centre were interviewed regarding the level of demand for events in their function rooms.

- While there is considerable demand, there is capacity to hold more events and functions throughout the week.
- The BJC also enquired into the possibility of developing the Ballina Sports and Events Centre on land currently available within the BJC Deed of Grant.
- The BJC carnivals can attract up to 4,000 people per day and the opportunity to link the existing infrastructure with the proposed facility mix described in section 11 was raised by the BJC representatives. While outside the scope of the feasibility study brief, it may be in Council's interests to discuss the preliminary potential of such a model as a means of sharing the projects capital and operating costs assuming all other things are equal regarding the design, equitable community access and planning.

10. EMERGING DIRECTIONS

This section summarises the potential demand for development of a new multi-purpose indoor sport and event centre in Ballina Shire, based on background research and stakeholder consultation. The key points to emerge are:

Potential Demand

- There is demonstrable demand for additional indoor sports courts in Ballina;
- Based on the demand analysis, there is community based evidence to indicate that by the time the project is completed, three courts would be warranted and reach approximately 70% - 80% of their peak hour¹³ occupancy capacity;

Strategic Market Opportunities

- Development of a long term wet and dry sports precinct could significantly reduce the operating costs of councils sport and recreation facilities if centralised at the Gallans Road site;
- Linking a performance space to one of the three sports courts could provide additional demand for Friday and Weekend occupancy and 'bigger ticket' events;
- Planning for the future leisure and indoor swimming pool needs could be linked to the Gallans Road sports precinct master plan;
- Planning for the relocation (if required) of the Ballina Pool could be linked to the Gallans Road sports precinct master plan;
- The reported demise of the Ballina Squash Centre could be linked to the Gallans Road sports precinct master plan;
- The opportunity to investigate the potential of a partnership with the Ballina Jockey Club may be a significant planning opportunity (but not addressed in this report as it is out of study scope and brief requirements)

Non Sport and Recreation Demand

- There is a demonstrable need for additional public meeting spaces;
- There is a likely demand for increased after school and holiday program activities to be based from the proposed Gallans Road ISEC;

Other Significant Considerations

- The need for indoor sport and recreation facilities has been on the community agenda for several years. The opportunity to master plan the Gallans Road site and commence planning and designing the community sports precinct could engender positive community feedback and this report and the progression of the design planning would likely assist in procuring funding assistance from other parties including State and Federal Governments.

¹³ Peak Hour being described as 5:00pm to 10:30pm Monday to Thursday and 9:00am to 6:00pm Saturdays

11. FACILITY MIX BRIEF

This section outlines the final recommended Facility Mix Brief for the proposed Ballina ISEC. The recommendations have been developed based on the findings of the pre-feasibility study undertaken in late 2007 and the subsequent 2008/09 research, and more detailed investigations.

11.1. RECOMMENDED COMPONENTS

The recommendations include information supplied by:

- a) Pre-feasibility research conducted in 2007;
- b) Input from Ballina Shire Council staff;
- c) On line and 'mail out' Community Surveys;
- d) Interviews with majority of local schools;
- e) Demographic analysis and associated preliminary demand assessment;
- f) Interviews with local organisations and groups with interest in indoor sports and events; and
- g) The Ballina ISEC study team's knowledge of the indoor sport and leisure venue industry.

In 2007 the 'Pre Feasibility study' identified by using a simple formula, based on the current Ballina population of 38,461¹⁴ and then applying the NSW 'participation rates' described in Figure 2 this would suggest the number of persons who 'all other things being constant' may participate in these activities "if suitably designed and located indoor facilities" were provided.

Figure 3: Predictions for Ballina participation numbers using NSW Participation Rates (2006)

PARTICIPATION AND ACTIVITY FORECASTS FOR INDOOR SPORTS IN BALLINA 2006 – BASED ON 38,461 PERSONS	TOTAL PERSONS	BALLINA
	NSW Participation Rate (%)	Forecast 'Units' of participation numbers
Aerobic Fitness	18.6	7154
Yoga	2.9	1115
Weight Training	2.8	1077
Dancing	2.7	1038
Basketball	2.5	962
Martial Arts	2.2	846
Football (indoor)	1.7	654
Volleyball	0.8	308
Badminton	0.4	154
Gymnastics	0.4	154
Boxing	0.7	269
Hockey (indoor)	0.1	38

¹⁴ Source: ABS, 2006 Census

11.1.1. FORECAST USE OF MULTI PURPOSE INDOOR FACILITY

Assuming any new indoor sports venue has a 'peak hours capacity' be used 4 hours a night for competition (4:30pm – 10:30pm) and 10 hours per day on Saturdays and Sundays that would provide for a total of 44 hours per week available for competition hiring. If the above data was to be simply 'converted' into teams and hours of competition requirements, it would appear as shown in Figure 4 below.

Figure 4: Forecast Occupancy assuming Ballina Participation Rates follow reported NSW Rates

ACTIVITY	BALLINA Extrapolated Participation Numbers	TEAMS Assumed Games/ week	ASSUMED COURTS FULL COURTS		
			2	3	4
			Centre Hours / week	Centre Hours / week	Centre Hours / week
Basketball	982	63	29	19	15
Football (indoor)	654	47	20	13	10
Volleyball	306	25	8	4	2
Badminton	154	31	8	5	4
Hockey (indoor)	38	2	1	1	1
Netball (seminats only)	N/A	7	3	2	2
Assumed Hours of Competition per Week			68	44	34

The information on the previous page suggests a three court facility could be fully occupied assuming the assumptions made and the NSW participation data is translated into the Ballina community accurately. However it should be noted that these forecasts are based on a very simple extrapolation of raw data and the preliminary report cautioned that the findings should be used as indicative guides only as they could not take into account:

- Cautionary notes about relative standard error in some sections of the data;
- The Ballina community's over representation in all age groups over 50 years of age (unlikely participants in some of the activities listed above);
- Ballina's under representation in all age groups 29 years and less (traditional indoor sporting competition participants);
- Season nature of some indoor sports and the reduction in annual court hire forecast (by up to 50%);
- The current Ballina resident's participation at other indoor sports centres in BSC and surrounding districts.

Based on the further research undertaken in 2008/09, it is forecast that Basketball, Futsal and Netball would take up at least 50% of their forecast potential within 2 years of opening and that while three courts would be 'ahead of demand' the economies of scale and the benefits of having the 2 +1 model allowing for other non sporting events in the third court would generate a sound business case for the immediate construction of the three court stadium.

The Facility Mix Model has been recommended in four (4) stages with the highest identified community needs being identified by:

- (i) current lack of provision or reasonable access to similar indoor venues or service in the Shire;
- (ii) the perceived long term viability of the early stage facility mix components; and
- (iii) Each component's anticipated capacity to contribute to a reduction of future operational costs.

11.1.2. STAGE 1 – PRIORITY COMPONENTS: IMMEDIATE DEVELOPMENT PLANNING

Key components of Stage 1 are considered to be:

- Three (3) Court Multipurpose Indoor Sports and Event Stadium
- Multi-Purpose Programmable Space
- Reception Area Foyer and Circulation Space
- Commercial Kitchen
- Kiosk
- Change Room and Amenity Blocks
- Reception and Management Offices
- Car Parking
- Occasional Care Space
- Storage/ Cleaning Goods Spaces

Three Court Stadium (2 + 1)

Two Court Space

- Two (2) court multi-purpose indoor sports courts with sprung wooden or synthetic sports flooring to service basketball (2 courts), netball (2 courts), indoor soccer (2 courts), volleyball (3 courts – Show court plus two training).

The two court component will also incorporate:

- Storage spaces for sporting equipment and program materials accessible from two court and single court areas (area 80m²)
- Creative provision for spectator seating that can also be utilised in the single court/ events area (consider capacity for a common storage space for the retractable seating)

Connectivity Requirements

The two court space needs to have connectivity with:

- Commercial kitchen
- Main foyer and circulation areas

Single Court Space:

- One (1) multi-purpose indoor sports court with synthetic sports flooring to service basketball (1 court), netball (1 court), indoor soccer (1 court), volleyball (1 court), badminton (4 courts across one BB Court). This court will also be used for events and should be designed and positioned in such a manner as to be separated from the two wooden sports courts to enable two separate community events to run concurrently.

The single court component will incorporate:

- acoustic treatment to facilitate successful community functions and musical events
- Creative provision for spectator seating that can also be utilised in the single court/ events area (consider common storage space for retractable seating?);
- Stage area suitable for local performances, events and speech nights etc (up to 300m² designed to be a separate program space if required);
- Gantry to service stage lighting and event design;
- Dressing rooms and small amenities area to service the main stage OR linkages to main toilet and change areas;
- Storage spaces for sporting equipment, program materials and table and chairs for up to 800 persons (circa 120m²); and
- Bio box for music and presentation controls.

Connectivity Requirements

The single court space needs to have connectivity with:

- Commercial kitchen;
- Main circulation areas; and
- Toilet and change amenities.

Multi-Purpose Programmable Space

- Suggested area 300m²
- Soundproof operable walls to create three separate program spaces of (i) 150m², (ii) 75m² and (iii) 75m². Each area will have access to storage spaces for various user groups and a small sink / kitchenette for catering. Alternatively ready access to communal kitchen.

Connectivity Requirements

The multipurpose programmable spaces need to have connectivity with:

- Kitchenette or communal catering space; and
- Circulation space.

Reception Area Foyer and Circulation Space

- Air conditioned entry foyer and exhibition space BCA compliant space for up to 1000 people incorporating a covered drop off area leading into main foyer and circulation space.

Connectivity Requirements

The reception and circulation space needs to have connectivity with:

- Both sports halls;
- Kiosk;
- Change rooms;
- Multipurpose programmable space; and
- Future staged development of aquatics area.

Commercial Kitchen

- Designed to service Stage One requirements of supplying kiosk operations and catering for sit down events of up to 800 persons (circa 100m²).

Connectivity Requirements

The commercial kitchen needs to have connectivity with:

- Single court events and sports hall; and
- Kiosk.

Kiosk

- Linked to commercial kitchen (circa 20m²)

Connectivity Requirements

The kiosk needs to have connectivity with:

- Circulation foyer;
- Commercial kitchen;
- Reception area; and
- Outdoor areas should future stages incorporate an aquatic components

Change Room and Amenity Blocks

- Change rooms sized to comply with BCA requirements for up to 800 persons based on:
 - Sport participants and spectators (circa 126 persons) and
 - Meeting rooms (circa 250 persons) OR
 - Events of up to 800 participants.

Reception and Management Offices

- Reception area and management / staff facilities (circa 50m²)

Connectivity Requirements

The reception and management areas need to have connectivity with

- circulation foyer;
- kiosk area;
- views into sports and events courts (both if possible); and
- Stage 2 Fitness Centre (see below).

Occasional Care Space

- Sufficient space for compliance with requirements for up to 24 children (area TEA but assume minimum indoor area of 100m²); including children's toilet, Mothers room and baby change area in the immediate vicinity.

Connectivity Requirements

The Occasional Care Space needs to have connectivity with:

- circulation foyer with direct viewing from reception counter;
- kiddies toilet and baby change area in the immediate vicinity; and
- fully fenced outdoor playground space.

Storage Space

- Storage space for equipment and other centre furniture (circa 40m²).

Connectivity Requirements

The storage areas need to have connectivity with:

- circulation foyer; and
- reception/ managers areas.

Cleaning Cupboard

- Storage space for cleaning equipment and materials (circa 10m²); and
- Requires plumbing.

Car Parking

- Car parking compliant with events of up to 800 persons;
- Delivery bays and loading docks to main stage and commercial kitchen
- Disability parking spaces compliant with 800 person events

Connectivity Requirements

The car park needs to have close proximity and connectivity with the main entrance and circulation foyer.

11.1.3. STAGE 2 – SECONDARY PRIORITY COMPONENTS (4-7 YEARS)

Stage 2 components are detailed below – based on the feasibility research these are likely requirements within 4-7 years of the Stage 1 venue opening but would be valuable inclusions in Stage 1 if capital funding can be sourced early in the program. Key components of Stage 2 are:

- 25m indoor swimming pool
- LTS / Program pool
- Fitness centre
- Squash courts

25m Indoor Swimming Pool

- 25 metre x 10 lane indoor swim pool (circa 800m²).

The 25 metre pool would incorporate:

- Ramp entry;
- LTS teaching shelf;
- ESD design features;
- Heating (solar);
- 10 lanes;
- Depths ranging from 1100mm – 1800mm; and
- Separate amenity and change room.

Indoor Learn to Swim Pool

- 12 metre x 8 metre indoor learn to swim pool (circa 96m²)

The LTS pool would incorporate:

- Ramp or Beach entry;
- LTS teaching shelf;
- ESD design features;
- Heating (solar);
- Depths ranging from 600mm – 1200mm, and
- Separate plant and filtration unit.

Fitness Centre

- Fitness Centre (circa 800m²)

The fitness centre would incorporate:

- Main strength and conditioning area;
- Group exercise space;
- ‘Spin Room’ or the like;
- Tasting rooms and adjunct sports medicine; and
- Separate amenity and change room.

Squash Courts

- 3 x Squash Courts (circa 300m²)

The squash courts would incorporate:

- One championship glass back court; and
- Two (2) competition and training courts.

Connectivity Requirements

The squash courts need to have close proximity and connectivity with:

- The main entrance and circulation foyer;
- Change rooms; and
- If practical and consistent with other features, a mezzanine spectator viewing area.

11.1.4. STAGE 3 – LONGER RANGE COMPONENTS

These are components that should be depicted on the Master Plan, but are unlikely to be realised in the first 7 years of venue operation

Key components of Stage 3 will comprise:

- Fourth indoor multi-use sports court
- 51.5m outdoor swimming pool with 1.5 moveable bulkhead and associated leisure water

Fourth Sports Court

- Fourth multi-purpose indoor sports courts with sprung wooden flooring to be added to original (Stage 1) two court sprung floor facility, basketball (1 court), netball (1 court), indoor soccer (1 court), volleyball (2 courts – training)

The Stage 3 court component will incorporate:

- Storage spaces for sporting equipment and program materials
- Basic seating for spectators.

50m Outdoor Swimming Pool and Associated Leisure Water

- 51.5 metre x 20 metre outdoor swim pool:
 - The 51.5 metre pool would incorporate:
 - Ramp entry
 - Heating (solar/heat pumps)
 - Moveable 1.5 metre bulkhead
 - 8 lanes
 - Shade to 40% of the pool
 - Depths ranging from 1400mm – 2000mm
 - Links to kiosk and el fresco eating areas
 - Links to indoor pool amenity and change rooms
 - Additional car parking
 - The Leisure Water would incorporate:
 - 500m² soft-fall water playpark
 - Depths ranging from 00mm – 600mm
 - Shade to 100% of the playpark
 - Heating (solar/heat pumps)
 - Water slides;
 - Picnic areas;
 - Links to indoor pool amenity and change rooms, and
 - Additional car parking. Concept Plan Designs

11.1.5. STAGE 4 – OPTIONAL COMPONENTS (10+ YEARS)

STAND ALONE EVENTS CENTRE COMPONENT

Subject to the success of the Stage 1 single court or 'Show Court' with its capacity to host major expos and celebratory events, this optional component has been depicted on the Master Plan, but is unlikely to be realised in the first 4–7 years of new venues operation.

Key component of this stage would comprise of:

- A dedicated 'Theatre, Expo and Events' space

The development of this aspect of Stage 4 of the Ballina ISEC to incorporate a dedicated 800 plus person 'dedicated theatre and event centre' would need to take into account the following:

- The size of the Gallans Road site's capacity to allow for a large community facilities precinct to be master planned to enable cost efficiencies and overall operating synergies to be realised in the future;
- The success of using the Gallans Road site for major community events and expos would need to have been '*clearly identified*' by the demonstrated demand, use and net revenues generated by the 'multi-use Stage 1 Court for such functions; and/ or
- The Ballina RSL has not increased its function room capacity and as such the need for a venue with a capacity for 400 plus persons still exists; and/ or
- The need for a fourth basketball court is not demonstrated and in which case the three courts associated with Stage 1 are seen to be sufficient to meet the long term needs of the sporting and recreation community but not at the expense of delivering regular high quality functions and events.

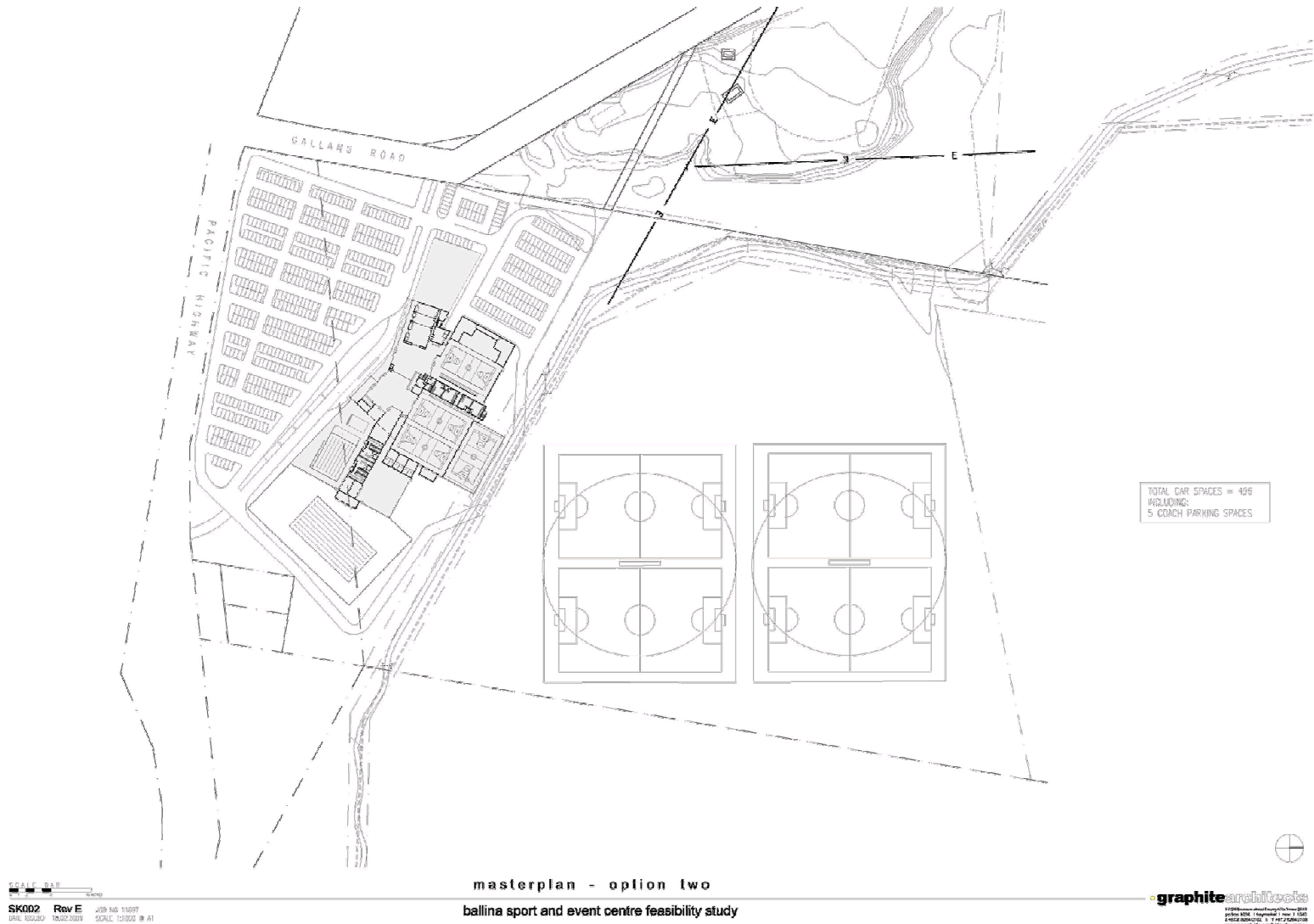
Based on the Facility Mix Brief components, Graphite Architects have developed draft concept designs and floor plans for the proposed Ballina ISEC at the Gallans Road site. These are shown on the next page. The design concepts are based on the facility mix developed using the research from the 2007 pre-feasibility and the most recent feasibility research undertaken and reported in this study.

Subject to Council's consideration of the report and its recommendations, the concept plans can be modified to add or exclude any of the facility mix components in any order across the four proposed stages.

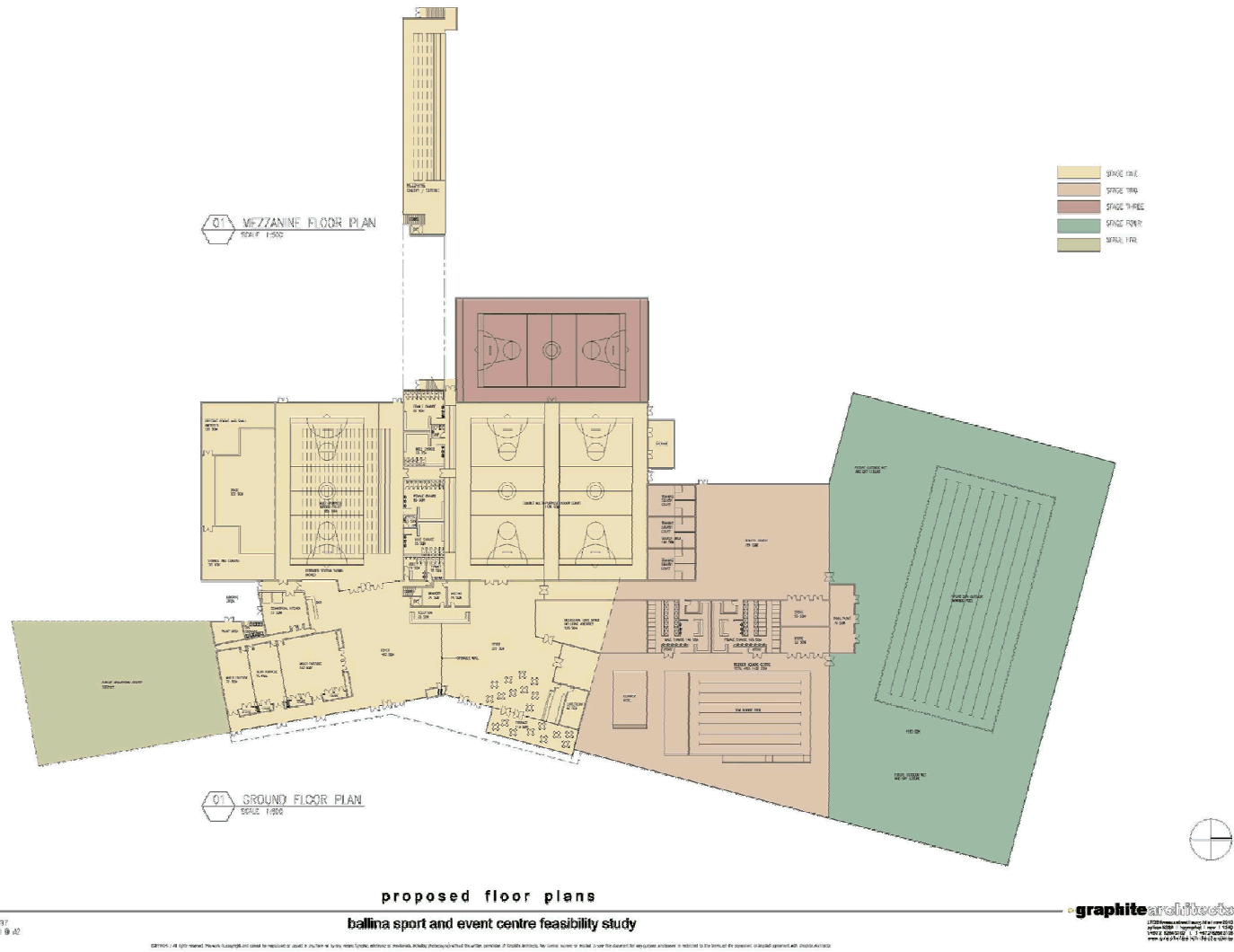
It is noted the draft report has recommended the staging of the four staged components based on:

- Demonstrated immediate need and/or lack of existing similar or sufficient community facilities within the Shire;
- Likely capital cost considerations and need to stagger expenditures in line with Council's capacity to fund the proposed developments over several years;
- And then the capacity of each subsequent stage to contribute to reduced operating costs.

9.7 **Ballina Indoor Sporting Centre - Draft Lease and Terms.DOC**



9.7 **Ballina Indoor Sporting Centre - Draft Lease and Terms.DOC**



11.2. INDICATIVE CAPITAL COSTS

Indicative capital costs for each stage of the Draft Concept Plan elements described above are estimated to be:

Stage 1 Works	\$12,578,000
Stage 2 Works	\$6,478,000
Stage 3 Works	\$4,806,000
Stage 4 Works	\$2,855,000
Site Filling	\$ 130,000

These amounts represent a total project cost if all five stages were completed as shown of \$26,847,000 as at March 2009 (excluding GST). It is important to note that cost estimates are indicative only and include a contingency sum of \$2,963,800.

These estimates exclude

- GST
- Major car parking area and associated roads
- Site and civil works, car parking, landscaping
- External services
- Consultant Fees
- Escalations in construction from March 2009
- Loose furniture, furnishings and tenants fit out costs
- Council on costs and finance charges

Finally, these estimates should not be relied upon for budgeting purposes. Should more accurate costings be required, it is recommended that detailed design and technical investigations be completed to determine the full scope of works required and Quantity Surveyor costings.

12. FINANCIAL PROJECTIONS AND MANAGEMENT OPTIONS

Data supplied for the purposes of this study forecast a high rate of peak time usage of the proposed indoor courts (see section 11.1.1) based on NSW sporting participation rate data. This data indicates that on an average week the three courts would be used for a total of 120 court hours and, assuming the various competitions held at the Complex are conducted for 40 weeks each year, this equates to total sporting competition court utilisation of 4,800 hours per annum.

However this simple extrapolation would be realised by and more applicable to an established centre and would take several years for the proposed Ballina ISEC to realise such potential. Accordingly the forecast use for Year 1 is predicted to be in the vicinity of 75% of the NSW sporting participation rate data and the likely 'High Income Scenario' court hours are forecast to be 3,500 in Year 1. A Medium and Low Case Scenario has been developed too, and these are based on 75% and 55% of the High Income Scenario modelling respectively.

12.1.1. INDICATIVE OPERATING PROJECTIONS

Projections under this model are based on industry benchmarking and Strategic Leisure Group staff experience in commissioning and managing similar indoor facilities. It is a stand-alone model based on court hire fees and charges that are consistent with similar facilities in South-East Queensland and NSW. It provides an estimate of the potential revenue that 'could be' generated by a 3-court facility with a 5km catchment containing 18,000 persons and a Total catchment including areas outside the 5 km catchment of approximately 25,000. The model can be based on either a third party management group (lease or contract operator) or Council taking responsibility for the 'in house' management of the Centre.

For the purposes of this study the benchmark analysis has been based on the CERM performance indicators for 'Group 4 - Dry Centres' which comprise indoor dry facilities greater than 3,000m² in floor space. The Ballina ISEC has a Stage 1 facility mix consisting of circa 5,600m².

Industry benchmarking data from CERM has been used to develop the model. In analysing the CERM data, a median catchment multiple for similar facilities throughout Australia of 4.1 was applied (i.e. 4.1 user visits per person per annum within a 5km catchment radius of the centre). Therefore, based on the existing population within a 5km radius of the proposed Ballina ISEC Centre of 25,000, the potential visitation for sport at a 2 + 1 court facility in this area could be as high as circa 102,500 visits per annum¹⁵.

In developing the financial modelling projections outlined below, the Strategic Leisure Group considered the likely usage pattern of the proposed 2 + 1 court facility which, based on the research provided by the clubs and associations interviewed. This strong activity provides evidence that the projected weekly activity data outlined below of 30 hours per court per week outside of school holidays is realistic based on current and proposed use by Ballina ISEC community.

The size of the catchment population, combined with limited multi-court facilities competing for business in the immediate catchment also provides further evidence that the proposed three court facility could be well utilised if promoted and programmed professionally.

The potential indoor court utilisation and revenue generation of a 3-court facility is outlined in the Table 12 below

Table 1: Indicative usage and revenue – External or Direct Management Model

Rate Description	Rate	Hours per Court	# Courts	# Day/ Nights	Units / Week	Hours / Annm	Annual Revenue
Off Peak - Mon to Fri	\$30.00	1	3	5	15	630	\$ 18,000
Peak - Mon - Fri	\$45.00	5	3	4	60	2,400	\$108,000
Weekends	\$30.00	5	2	1	10	800	\$ 12,000
Major Events	\$2,000					6	\$ 12,000
Minor Events	\$1,000					20	\$ 20,000
Holiday Program	\$95.00			5	400	3,800	\$128,000
Total Court Revenue							\$ 302,000

The revenue associated with "Off Peak - Mon to Fri", "Peak - Mon - Fri" and "Weekends" has been developed based on activity for 40 weeks per annum in line with contemporary delivery of sporting based competitions. It is assumed that 75% of the maximum potential revenue from court hire will be generated. The income from Events assumes one (1) major event (Dinner dances, theatre performances) held at the Centre every two months and 20 minor events (blue light discos, award nights etc) each year. Holiday program incomes assume 80 participants registering each day of the Holiday Program, five days per week for nine weeks per annum.

To provide the necessary expertise, supervision and services to realise the potential court hire and activity revenue, the staffing model at Table 2 would be required.

Table 2: Estimated staffing costs – External or Direct Management Model

	Hourly Rate	Weekly Hours	Annual Salary	Loadings	Trains	Work Cover	Super	TOTAL
Venue Manager	\$38.00	40	\$79,040	\$1,084	\$1,581	\$1,186	\$7,209	\$90,090
Administration	\$23.00	30	\$35,880		\$718	\$538	\$3,228	\$40,366
Venue Supervision	\$23.00	40	\$47,840		\$957	\$718	\$4,308	\$53,823
Program/Events			\$85,900		\$1,738	\$1,304	\$7,821	\$97,763
Canteen/Merchandise			\$14,760		\$295	\$221	\$1,328	\$ 16,605
TOTAL		110	\$244,420	\$1,084	\$6,268	\$3,966	\$23,894	\$286,632

The staffing model includes the cost of engaging a full-time, professional venue manager (employee or contractor) to oversee the operation of the indoor courts and to identify program initiatives aimed at maximising the usage and return of the facility. Providing administrative and low-level site supervision support to the Venue Manager would be up to two Administration Officers working a combined total of 30 hours per week (5 hours per day, Monday to Friday). Supervision and client services outside of business hours would require additional Venue Supervisors and the model outlined above has provided an additional allowance for shift changeover and opening/ closing procedures. Program/ Event wages are calculated based on 55% of the estimated turnover from

¹² The potential of the Events component is not included in this figure and could increase the annual attendance significantly depending on the programs and events developed by Centre Management.

these initiatives as they tend to be labour intensive delivery exercises. Canteen/ Merchandise wages are based on an estimated cost to turnover of 35%.

Taking into consideration the staffing and revenue projections outlined above, the "mid-range" potential income and expenditure under the external or direct management model for a 2+1 court indoor facility is outlined at Table 3 below

Table 3. Indicative financial performance – External or Direct Management Model (mid-range forecast)

INCOME	
Indoor Courts	\$ 170,000
Programs and Activities	\$ 126,000
Canteen/Merchandise	\$ 36,900
Community Space and Room Hire	\$ 30,000
TOTAL	\$ 362,900
EXPENDITURE	
Cost of Goods Sold	\$ 20,295
Administration	\$ 10,000
IT/ Phones	\$ 16,500
Insurance	\$ 9,000
Consumables	\$ 8,064
Uniforms	\$ 1,500
Printing & Stationery	\$ 3,000
Wages and Salaries	\$ 298,632
Marketing	\$ 19,225
Energy	\$ 44,072
Water	\$ 4,266
Repairs and Maintenance	\$ 57,624
TOTAL	\$ 499,823
OPERATING SURPLUS (DEFICIT)	(\$ 136,923)

Notes:

1. The indoor court income has been developed based on a "mid-range" projection of 75% of potential revenue from court hire and is estimated to generate \$170,000.
2. Canteen and Merchandise income has been developed based on 80% of the Group 4 CERM data for secondary spending of \$0.36 per visitation (25,000) equating to estimated revenue of \$36,900
3. Income from Room Hire (\$30,000) based on \$600 per week at 20 hours (3 rooms) at an average of \$30.00 per hour.
4. Cost of Goods Sold (\$20,295) has been developed based on 55% of the total anticipated canteen and merchandising revenue.
5. A nominal allowance for Administration expenses (\$10,000) has been applied which excludes the remaining operational costs outlined in the financial projection as individual line items.
6. An amount of \$16,500 for telecommunications and information technology has been developed based on industry benchmarking with other similar facilities.
7. Consumable expenses of \$8,064 relates to those goods required to deliver the Holiday Programs provided by the Centre and are based on 8% of the anticipated income from this revenue stream.

8. Uniforms (\$1,500) and Printing & Stationary (\$3,000) are nominal estimates based on other similar indoor court facilities.
9. Salaries and wages expenditure has been developed based on 90% of the maximum revenue generation salaries and wages model outlined at Table 14 above and are estimated to be in the order of \$298,623
10. Marketing (\$24,864) costs are based on the Group 4 CERM median of \$4.44 per m² applied to the estimated total floor area of 5,600m²
11. Energy (\$27,262) and Water (\$2,633) costs have also been developed based the Group 4 CERM data by applying a median rate of \$7.87 per m² for Energy and \$0.76 per m² for Water to the total floor area. Repairs and Maintenance costs (\$67,624) are based on the CERM data which estimates a median cost of \$10.29 per m² for Group 4 Centres.
12. The 'High Income Scenario' model projection excludes depreciation costs, however it is estimated that the depreciation associated with the proposed new building works would be in the order of \$315,000 per annum.
13. The external or direct management model concentrates on the potential revenue and expenditure of the Stage 1, 2+1 (3) indoor centre only and has not considered the proposed subsequent stages identified by the Master Plan developed or the potential revenue to be generated from the proposed subsequent 3 stages as these are outside the scope of the immediate research.

The External or Direct Management model estimates that a 2+1 (3) court indoor facility in this catchment could generate an operating deficit of approximately \$136,923 representing a cost recovery of 72% which is somewhat less than the CERM cost recovery figure for Group 4 indoor facilities of 84%. This is based on achieving 75% of the estimated maximum potential revenue from court hire, and peak time hourly court hire rates of \$45. Under a 'Low Income Scenario' (i.e. 55% of the estimated 'High Income Scenario' shown) the reduced potential revenue from court hire, this deficit could grow to circa \$193,500.

While the Model is likely to necessitate a level of Council subsidy, a Direct Council Management Model is likely to generate significant utilisation, a high standard of maintenance, strong community benefits, and outcomes consistent with promoting an active and healthy community. Importantly, the level of any Council subsidy should be viewed as a dollar amount per user visit, not as simply a net figure. Based on the figures contained in this report the projected sports participation subsidy is forecast to be (\$1.33) per visitation in Year 1 compared to the CERM PI Industry median for a Group 4 Centre of (\$0.72). It could be forecast that the subsidy would reduce as levels of participation grew in the ensuing years and the activity in the Events Centre area grew.

12.2. FINANCIAL PROJECTIONS

The projections below show the potential income and expenditure of the proposed Ballina ISEC, based on the following:

- proposed Concept Plan;
- notional estimation of usage from the research; and
- benchmarking of equivalent indoor centres identified by CERMPID data and indoor sports centres located in Coffs Harbour, Logan and Noosa.

12.2.1. REVENUE

1. High Income Scenario (based on 75% of NSW Participation Rate Model)	\$362,900
2. Medium Income Scenario (based on 75% of High Income Scenario - see 1 above)	\$272,175
3. Low Income Scenario (based on 55% of High Income Scenario - see 1 above)	\$199,500

12.2.2. EXPENDITURE

1. High Income Model Expenditure Scenario *	\$499,823
2. Medium Income Expenditure Scenario *	\$443,291
3. Low Income Expenditure Scenario *	\$393,437

* Before depreciation

12.2.3. ESTIMATED COST OF RECURRENT OPERATIONS

1. Forecast High Income Model Operating Deficit	-(\$138,923)
2. Medium Income Model Operating Deficit	-(\$171,116)
3. Low Income Model Operating Deficit	-(\$193,437)

* Before depreciation

12.2.4. ESTIMATED COST OF DEPRECIATION

The forecast capital cost of Stage 1 ONLY being \$12,578,000, based on an assumed life expectancy of 40 years, the cost of depreciation in April 2009 \$'s is estimated to be **\$314,458**.

12.3. MANAGEMENT MODELS

Management of multi-use indoor facilities requires a combination of specialist knowledge including general business management; marketing and promotion; food and beverage services; health and fitness centre operations; program delivery; OH&S and risk management procedures.

Each of these criteria should form the basis for venue management requirements irrespective of the management model used by Ballina Shire Council in the future operation of its indoor facilities. The three most commonly used management models for contemporary indoor leisure centres in Australia are:

1. Management by lease
2. Contract management
3. Direct Council management

12.3.1. OPTION 1: MANAGEMENT BY LEASE

A lease generally transfers responsibility for the care, control and management of a venue to an independent entity set up specifically to manage the community sport and recreation venue in return for an agreed lease fee which may involve payment by the lessee to Council or by Council to the lessee, depending on the potential commercial viability of the venue(s) concerned.

ROLES AND RESPONSIBILITIES

A lease is structured to reflect Council's facility management requirements and can be structured to give short, medium or long term tenure to the lessee. If well documented, the agreement will clearly specify the lessee's responsibilities and the areas in which Council will retain control.

Areas Council's may wish to retain control of include:

1. Setting of fees and charges with a view to ensuring ongoing equitable community access;
2. Cyclical / planned building maintenance with a view to protecting Council's investment;
3. Capital improvements;
4. Purchase and supply of bulk chemicals and energy supply;
5. Aspects of 'Occupational, Health and Safety' requirements;
6. Public safety (training in areas such as emergency procedures and evacuations etc);
7. Infrastructure Insurances.

In addition, a lease may also specifically nominate the degree of tenure and rights and responsibilities to be afforded to third parties (e.g. food and beverage outlets and/ or a health and fitness centre).

STRUCTURE

Under the lease, Council removes itself from the day-to-day operations of the facility, in favour of a single-point of contact and relationship with the designated representative of the leasing entity. This normally simplifies the Council's involvement by divesting the majority of normal day to day operational responsibilities directly to the lessee.

POTENTIAL ADVANTAGES OF MANAGEMENT BY LEASE

Potential advantages of management by lease can include:

1. Responsibility for all staff matters including salary and wages rest with the lessee.
2. The risk of fluctuations in net costs is transferred to the lessee.
3. Annual net operating cost are defined and stabilised as a pre-determined budget amount.
4. A greater degree of flexibility in day-to-day management/ decision-making is extended to the lessee.
5. Council is able to selectively determine the aspects of facility management it wishes to retain (e.g. major asset maintenance).

CAPITAL WORKS

A lease also carries some potential for Council to seek capital contributions from the lessee by developing a Public Private Partnership (PPP) arrangement. This is usually negotiated under the terms of the tender in return for a longer lease term (i.e. 15 - 25 years) and/ or a reduction in the expected annual return to Council. This can remove the need for Council to initiate and carry all the venue development capital costs while delivering new facilities to the community in a timely fashion.

POTENTIAL WEAKNESSES OF MANAGEMENT BY LEASE

Potential disadvantages of management by lease can include:

1. Availability of service providers in the marketplace. Council may discover that well qualified venue managers are scarce, and that a tender process yields disappointing results in terms of applicants and/ or leasing fees.
2. Council becomes once-removed from the Centre and loses its understanding and control of the day-to-day operation and more particularly, loses control of the programming, recruitment and selection standard of staff hired to deliver the programs and other aspects of quality control and pricing of the programs and services.
3. The requirement for staff to setup and oversee lease contract conditions can also be a significant 'hidden cost' to Council and should be considered part of a total lease cost.
4. Venue management companies may seek to insure themselves when tendering for the management rights to new unknown facilities. This can translate into Council paying a premium for the 'unknown' quantity associated with operating a new venue.

12.3.2. OPTION 2: CONTRACT MANAGEMENT

Contract management offers Council an opportunity to retain direct management of the facility, but divest itself of the responsibilities accruing to staff recruitment, selection and management, together with any other aspects that Council would choose to transfer.

In short, contract management is a hybrid version of Direct Council Management and Management by Lease, but tailored to suit Council's immediate short to medium term management needs.

ROLES AND RESPONSIBILITIES

Under Contract Management, Council effectively retains the bulk of responsibility for the facility, as described in the Direct Council Management model. These can include:

1. Setting of pay-as-you-enter fees and charges with a view to ensuring equitable access.
2. Cyclical/ planned building maintenance with a view to protecting Council's investment.
3. Asset maintenance with a view to protecting Council's investment.
4. Capital improvements.
5. Purchase and supply of equipment or goods and services.
6. Other aspects pertaining to public safety e.g. – training in defined areas such as Emergency Procedures & Evacuations etc.
7. Public Liability Insurance and infrastructure insurance with a view to protecting Council's investment.

Council chooses the aspects of day-to-day operation in which it seeks to remain involved, the main feature being that Council retains the right to direct the contractor as, and when necessary. Under a Contract Management scenario, Council is likely to transfer responsibility for the following components to the contractor

1. Recruitment, selection and management of onsite staff
2. Day-to-day facility management
3. Program delivery and operations
4. Cleaning and minor maintenance.

STRUCTURE

The contract management model will effectively reflect the Direct Council Management model, with the exception that the contractor forms the link between Council and the Centre staff. As under the Lease Management Model, Council retains its role of arbiter, should a stakeholder or provider become dissatisfied with the relationship/ services offered by the contract manager

This is however, less likely to occur due to the closer professional relationship between the contractor and Council's line management

POTENTIAL ADVANTAGES OF CONTRACT MANAGEMENT

Potential advantages of contract management can include:

1. Responsibility for all staff matters including salary and wages can rest with the Contractor.
2. A greater degree of flexibility in day to day management/ decision making on the part of the contractor will enable a pro-active response to changing market conditions, particularly in terms of the range of programs on offer, and/ or their pricing. This should also apply to response times for on-site matters such as minor maintenance.
3. Council retains a high level of understanding and control of the day-to-day operation, and most particularly, retains control of:

- a. Programming made available to the community.
 - b. Quality and pricing of programs and services.
4. The contractor delivers staff, programs and services for a set fee which will include the contractor's profit margin; Council can determine to retain all revenues and if well-managed and operated, these revenues can, over time, offset the initial contract fee, particularly if the programs become established and attendances increase.

POTENTIAL WEAKNESSES OF CONTRACT MANAGEMENT

Potential weaknesses of the Contract Management model can include:

1. Ability to secure suitable contract managers from the marketplace.
2. The risk of fluctuations in net operating costs rests with Council.
3. Council's line management needs to have a clear understanding of the venue's objectives and a capacity to manage the contractor accordingly.

12.3.3. OPTION 3: "IN HOUSE" OR DIRECT COUNCIL MANAGEMENT

Under the Direct Council Management option Council's would need to establish or add to an existing area of responsibility (such as the current swimming pool operations) to directly oversee the management and operation of the new facilities. This would entail:

1. The recruitment and retention of a highly experienced 'Venue Management Team'.
2. Recruitment of all supervisory, reception and program staff to fill the roles required to operate the venue (can be up to 120 hours per week).
3. 'Standards of Service' to be developed and implemented.

POTENTIAL ADVANTAGES OF DIRECT COUNCIL MANAGEMENT

Potential advantages of contract management can include:

1. Council has 'hands on' control in 'real time' of the operations and asset maintenance of its Centre(s) as per the adopted 'Standards of Service'.
2. Operational costs can be defrayed or minimised by using Council's existing operations, (payroll, insurances, accounting procedures, asset and building services etc).
3. Flexible and responsive management systems which can be linked directly to Council policies.
4. Provides an initial understanding of each venue's management and operational requirements thereby building a data base of performance information to assist in determining any future management system requirements.
5. Council has an accurate picture of the performance and potential of the venue and is able to work closely with residents and user groups in regard to future operational and development initiatives.
6. Council retains the benefits and any operational surpluses associated with the management of each centre.

POTENTIAL DISADVANTAGES OF DIRECT COUNCIL MANAGEMENT

Potential disadvantages of Direct Council Management can include:

1. Council is seen as the operator and this can impact positively and negatively on the community's perception of the new facility.
2. Council is not seen as being 'arms length' from the operational issues and community demands.
3. Council may not consider venue management to be its 'Core Business'.
4. Greater expenditure is often required for staffing under LG Award Rates.
5. Council's processes and procedures may not be conducive to the timing associated with 'commercially driven decision' making.
6. Requires additional initial investment by Council in management systems (e.g. bookings, asset management, ticketing, catering, financial management, HR setup etc).
7. All of the operational risk rests with Council.
8. Council is responsible for all operating costs and any unforeseen deficits.
9. Potential for exposure to industrial relations issues.
10. Possible difficulty in recruiting and retaining suitable staff due to 'in-house' staff benchmarking and structures.

12.3.4. RECOMMENDED MANAGEMENT APPROACH FOR BALLINA

Considering the three options described in Section 12.3, it is recommended that Council adopt a conservative approach to the initial management arrangements of the new venue and consider operating the first stage of the Ballina Indoor Sports and Events Centre 'In-House' for the initial two years of operation. This will afford Council the opportunity to:

- Recruit and select the most appropriate staff to administer the 'start up' phase of the venue;
- Establish the policies and procedures required to protect Council's investment;
- Set the fees and charges in the initial years and ensure community access and equity issues are addressed by the Centre's operation ; and
- Establish a realistic operating budget and set of benchmark standards for use in future years should Council wish to test the market for alternative management models at some time in the future.

Given the Council's current operations of the Ballina and Aletonville Swimming Pools and the Aletonville Sports and Entertainment Centre, a specific Unit could be established either through the Ballina Sports and Event Centre Management or an existing Department of Council to oversee and operate all Council's Sport and Recreation facilities requirements and contracts.

12.3.5. GUIDING PRINCIPLES

The following guiding principles form the suggested foundation upon which standards or procedures can be developed for the effective, equitable and transparent operation of the proposed Ballina ISEC on behalf of all the future user groups.

STATEMENT OF INTENT

The proposed development of the Ballina ISEC is being undertaken to meet the requirements of Ballina Shire's indoor sport and recreation needs. It is anticipated that the Ballina ISEC will:

- Meet the sport and recreation venue requirements of Ballina's indoor sports associations in an equitable and transparent manner;
- Deliver a quality venue to meet the day-to-day competition needs of indoor court sports in Ballina Shire;
- Offer fair access to all indoor sporting associations user groups by allowing each group access to the centre in a manner that is consistent with Council's standards and procedures as determined from time to time;
- Where suited to their requirements, serve as the home to Ballina's regional, state and national indoor sports representative teams;
- Facilitate and provide access to other sporting and community events which would benefit from such a venue;
- Actively seek to position Ballina Shire's sporting associations to host local, regional and potentially state and national events by ensuring that the development and management standards of the centre meet each of the sports minimum facility specifications and performance standards;
- Act as a regional 'Sporting Hub' and destination by providing a wide range of physical activities and community programs to serve all Ballina Shire residents, and beyond.

PUBLIC ACCESS & AVAILABILITY

- The Ballina ISEC is designed to meet the Shire's indoor sporting and recreation requirements.
- The Ballina ISEC is not designed as a sport specific venue and will be managed to maximise and encourage physical activity outcomes from across a broadest range of sport and recreation competitions, activities and programs.
- Access to and booking of the centre will be administered in accordance with the guidelines and procedures adopted by Council from time to time and administered by Council's preferred venue management model (see section 12.3.4.)
- Seasonal bookings of the venue will be allocated in accordance with policies and guidelines approved by Council from time to time.
- Special events conducted at the venue will be approved by the centre management in accordance with policies and guidelines approved by Council from time to time.

13. FEASIBILITY AND CONCLUSION

13.1. KEY STUDY FINDINGS

1. A three (3) court indoor multipurpose stadium is a feasible development subject to:
 - a. Ballina Council having access to funds for the capital development of Stage 1 and the subsequent stages described in this study if required; and
 - b. Ballina Council underwriting the day to day operational requirements to the value of between \$137,000 and 195,500 in Year 1 and subsequent years (The deficit forecast to reduce to circa \$120,000 to \$150,000 from Year 3 and beyond).
2. The capital cost of Stage 1 as at March 2009 was estimated to be. \$12,579,000.
3. The estimated cost of Stages 1 to 4 as at March 2009 is estimated to be \$26,847,600. The Stages identified by the research and recommended by this feasibility study consist of:
 1. Three (3) Court Multipurpose Indoor Sports and Event Stadium with:
 - a. Multi-Purpose Programmable Space
 - b. Reception Area Foyer and Circulation Space
 - c. Commercial Kitchen
 - d. Kiosk
 - e. Change Room and Amenity Blocks
 - f. Reception and Management Offices
 - g. Car Parking
 - h. Occasional Gate Space
 - i. Storage Space
 2. Community Health and Fitness facilities including:
 - a. 25m indoor swimming pool
 - b. LTS / Program pool
 - c. Fitness centre
 - d. Squash courts
 3. Aquatic Facilities including:
 - a. Forth Indoor Multi-Use Sports Court
 - b. 51.5 x 20 metre Olympic Swimming Pool with moveable bulkhead
 - c. Leisure Water Playground
 4. Dedicated Events Centre
 - a. 800 seat Events and Community Centre

13.2. CONCLUSION

Based on the projected usage, viability and community support, the following conclusions are made for the proposed Ballina Indoor Sport & Event Centre:

1. There is demonstrable need for multi-court indoor sports centre to serve the community of Ballina and surrounding districts.
2. The Gallans Road site is seen to be a suitable location for a master planned sport and leisure precinct based on the:
 - a. The available land and capacity to accommodate the proposed stages of the facility mix identified by the feasibility study.
 - b. Locality to new estates and the new road networks currently being developed or in the planning stage.
 - c. The current land ownership Council holds over the site (no land acquisition costs).
 - d. General consensus that the site is suitable for a sports precinct (other sites have been suggested but there was no strong opposition to Gallans Road land during the consultation phase).
3. The development of a 2+1 (3) court stadium will meet the immediate needs of the community and support the training and competition needs of the community for 4 – 7 years, during which time Council would assess the long term requirements of indoor sports and events in Ballina.
4. Council should consider managing the operations of the Ballina ISEC for the first two years of its operation to ensure the implementation of the systems and procedures are consistent with Council's expectations and policy for community sport and leisure service delivery.

WARRANTIES & DISCLAIMERS

Strategic Leisure Pty Ltd (trading as the Strategic Leisure Group) has prepared the Ballina Shire Council Indoor Sports and Events Feasibility Study to assist the Council to better understand the opportunities and issues associated with any future development of indoor sporting and community recreation facilities in the Shire.

The information contained in this report is provided in good faith. While the Strategic Leisure Group have applied their own experience to the task, we have relied upon information supplied to us by other persons and organisations engaged in the delivery of similar sport and recreation activities.

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.

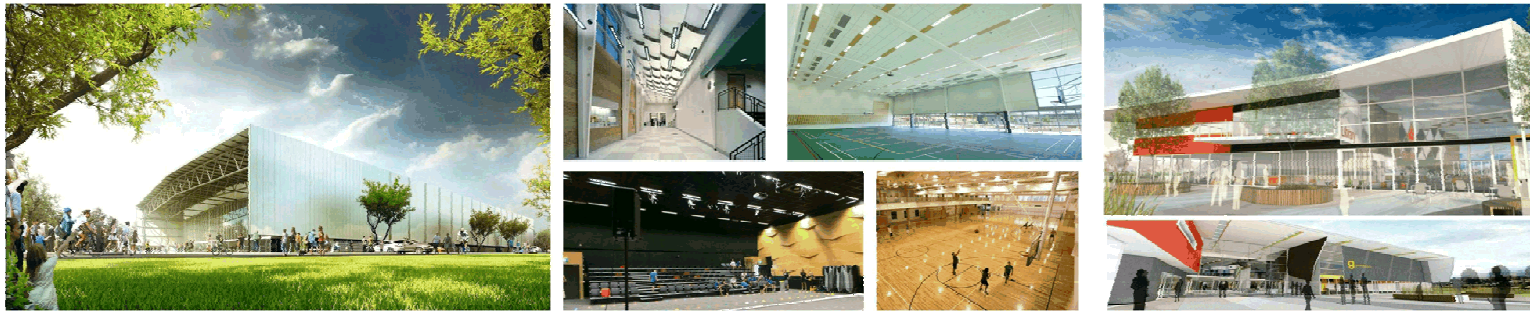
Readers should be aware that the preparation of this report has necessitated projections of the future that are inherently uncertain and that our opinion is based on the underlying representations, assumptions and projections detailed in this report.

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, the Strategic Leisure Group, nor any member or employee of Strategic Leisure Group undertakes responsibility arising in any way whatsoever to any persons other than Ballina Shire Council in respect to the preparation of this report, for any errors or omissions herein, arising through negligence or otherwise however caused.

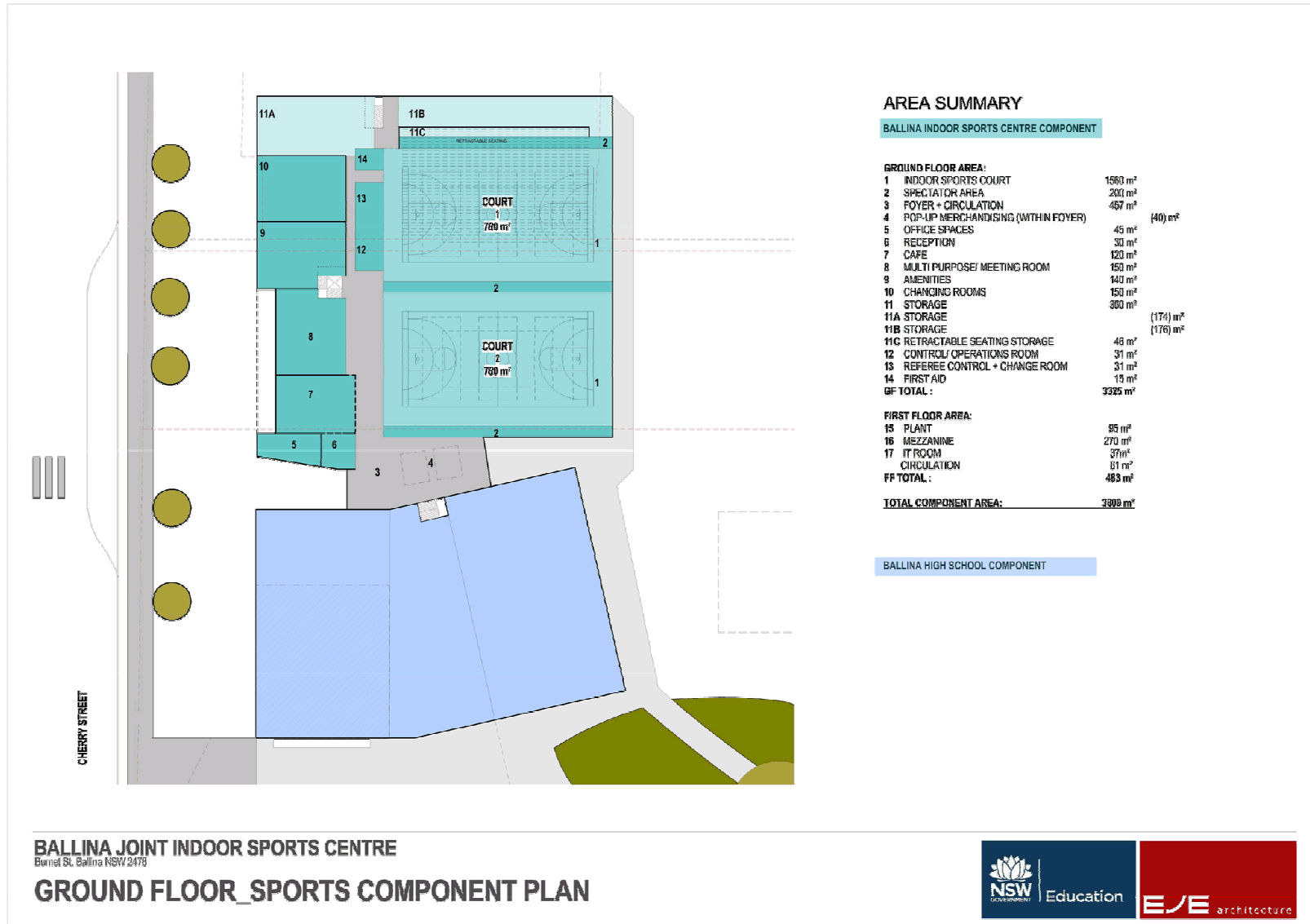
**BALLINA INDOOR SPORTS CENTRE PARTNERSHIP
CONCEPT DRAWINGS
REVIEW**
2016/05/03



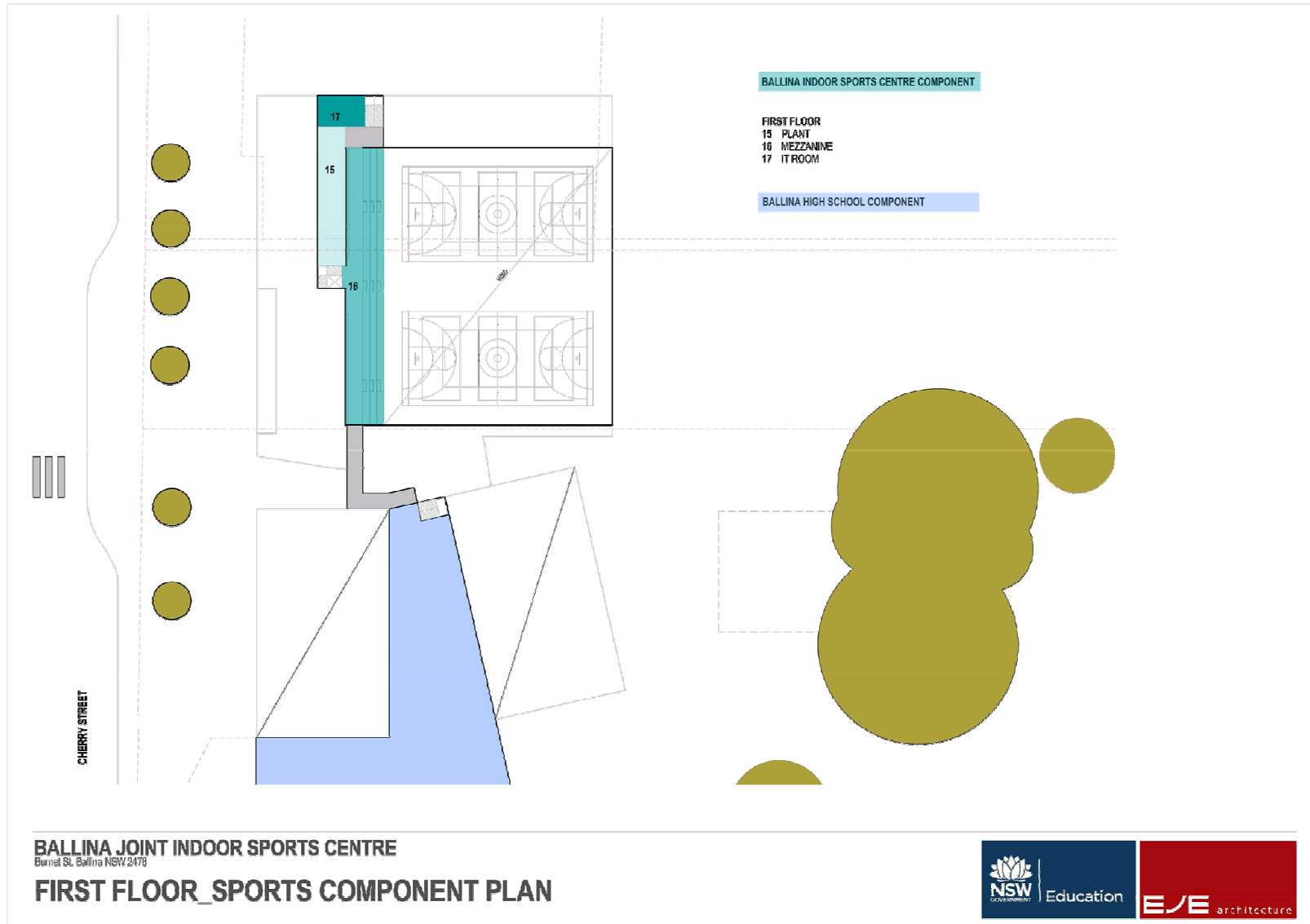
BALLINA JOINT INDOOR SPORTS CENTRE
Burnett St, Ballina NSW 2478

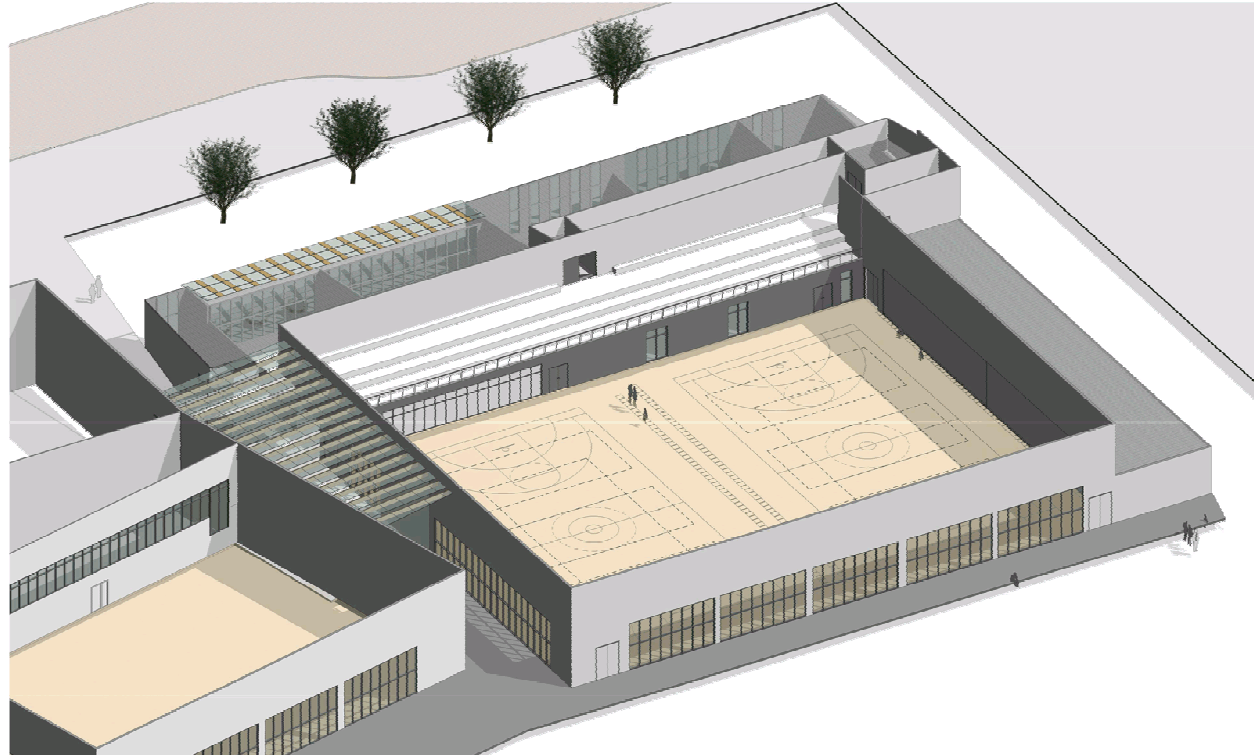


9.7 **Ballina Indoor Sporting Centre - Draft Lease and Terms.DOC**



9.7 Ballina Indoor Sporting Centre - Draft Lease and Terms.DOC

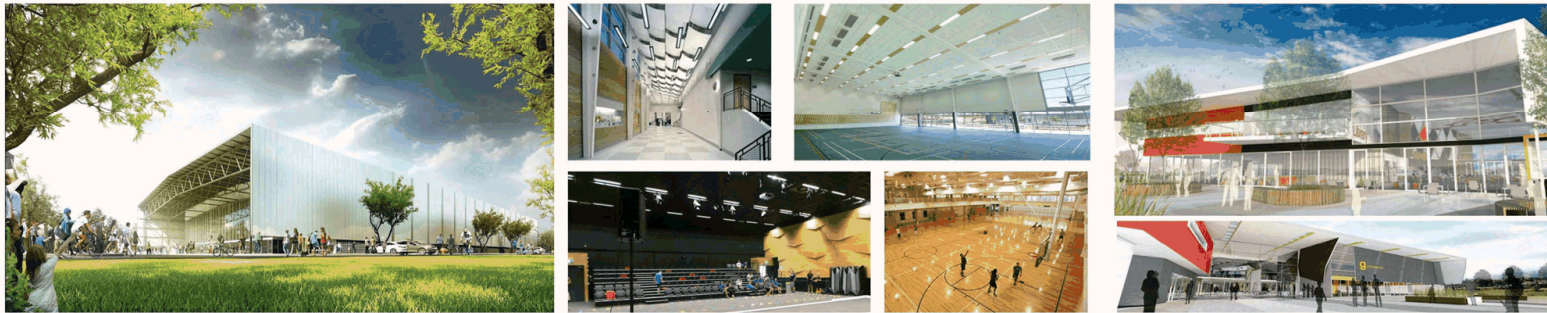
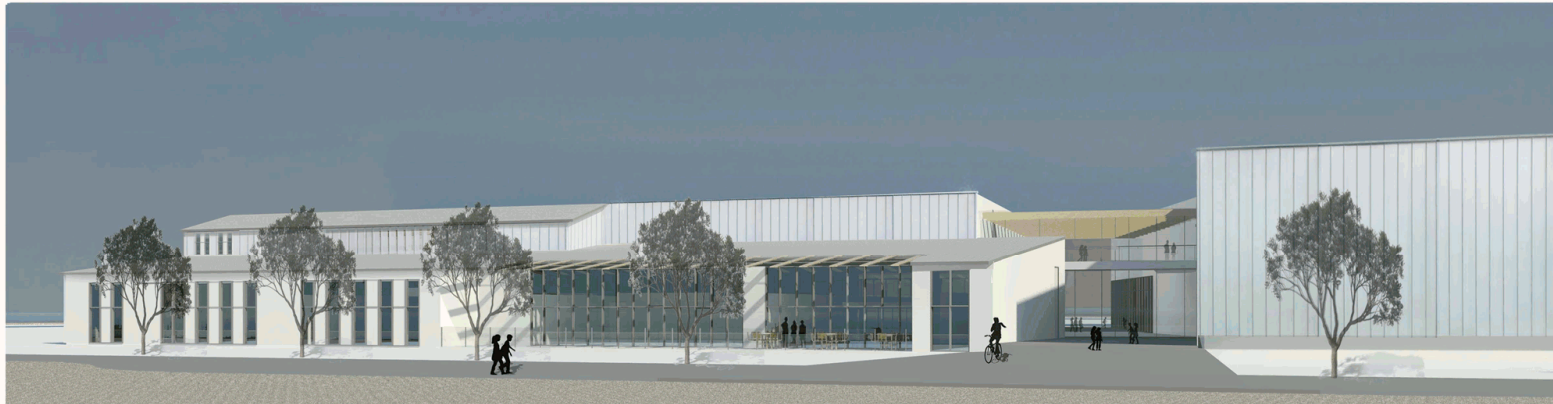




BALLINA JOINT INDOOR SPORTS CENTRE
Burnet St, Ballina NSW 2478
3D_SPORTS COMPONENT



9.7 Ballina Indoor Sporting Centre - Draft Lease and Terms.DOC



BALLINA JOINT INDOOR SPORTS CENTRE
Burnet St, Ballina NSW 2478
STREETVIEW



9.7 Ballina Indoor Sporting Centre - Draft Lease and Terms.DOC