

# ATTACHMENTS

## Special Council Meeting

15 March 2021

# ATTACHMENTS TO AGENDA ITEMS

Ordinary Council - 15 March 2021

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### **7.0.1 RECREATION AND AQUATIC FACILITY BUSINESS PLAN AND PROGRESS UPDATE**

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### **7.1.1 RECREATION AND AQUATIC FACILITY REVIEW OF BUSINESS CASE (PROJECT DEFINITION PLAN, OPERATIONAL FEASIBILITY) BY DELOITTE AND WARREN GREEN CONSULTING**

Attachment (a):	South Perth RAF Peer Review (public summary)	38
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No	Date Received	Supportive/Not Supportive	Response Summary	Officer's Response	Modification Identified
1	2 December 2020	Preference not clear	I have just updated my email address to my personal email, as I wish to be kept informed of progress and developments of the RAF.	Noted	N/A
2	2 December 2020	Supportive	This facility would be a great asset to South Perth area and I really hope that council does go ahead with this plan. I would be able to access it with ease.	Noted	N/A
3	2 December 2020	Supportive	As a long time Como resident, it's well overdue. We need to make our suburb more than just a dormitory, where people come and go. Farmer Jacks on Canning HW is a good example. I want my growing kids to find employment in SP council. Thank you	Noted	N/A
4	2 December 2020	Supportive	Great project.	Noted	N/A
5	2 December 2020	Supportive	Just love the idea of the ARF. The sooner it gets completed the better for me. I am 69 and want to get years of use out of it.	Noted	N/A
6	2 December 2020	Supportive	I'm 100% for this going ahead. So much so I would pay for memberships in advance to raise funds.	Noted	N/A
7	2 December 2020	Supportive	Cockburn recreation centre brought the community together. It was a great multi purpose space. If we could have a similar setup in south Perth that would benefit the community.	Noted	N/A
8	2 December 2020	Supportive	I went to a planning session where inclusion, accessibility and disability needs were considered but these don't seem to be reflected in the business plan in any great detail. Disability and inclusive participation needs are more than just access to sport. Its the design principles, accessibility standards (beyond compliance), innovative solutions to sensory needs, etc which is not reflected in the business plan. I am concerned this will be a stock community facility if these principles, concepts and conversations are not embedded throughout the whole process. It would be good to see statistical data on demographics and diversity. Support the location, however transport will be an issue for people with mobility needs. It would be good to have more information on how this can be accommodated. While the concept is good, I cant see how it will specifically address the inclusive community elements to achieve the desired outcomes.	This will be addressed in the detailed design of the facility - the current phase is operational feasibility	For consideration in future stages
9	2 December 2020	Supportive	Would love to see this project go ahead. Climbing wall sounds amazing. Student pricing for membership/ admission is always appreciated.	Noted	N/A
10	2 December 2020	Supportive	It's a great idea, get it built as soon as feasibly possible.	Noted	N/A
11	2 December 2020	Supportive	In my humble opinion the proposed Recreation and Aquatic Facility for the City of South Perth is long overdue. When I look around at the facilities available to the residents of neighbouring Local Government Areas, such as Town of Victoria Park and the City of Canning, they have had aquatic centres for many years. I have lived in South Perth for over 30 years and have heard residents talk about "the need for a swimming pool" for all of that time. We have been given \$20 million towards the cost by the Federal Government, and I'm sure the WA State Government will contribute towards the cost. It's time to get moving on this.	Noted	N/A

No	Date Received	Supportive/Not Supportive	Response Summary	Officer's Response	Modification Identified
12	2 December 2020	Supportive	Aquatic facilities great, health assisting facilities great, golf facilities seem to cater for a minority and should be first to go if finances short, don't want to pay through rates but pool has been needed forever and we've used other councils instead..Use of facilities should preference rate payers esp in costs for use... you should consult ratepayers again once you can be clearer re the source of the last 40000000\$ as commercial partnership s can not necessarily serve ratepayers		N/A
13	2 December 2020	Not Supportive	\$80m for this facility is an enormous amount which in my view is entirely unjustified when such facilities are currently available in both Belmont and Melville. Even the \$20m currently committed amounts to approximately \$1,000 per person in the borough without taking into account the running costs which almost universally run at a loss. The building of a RAF and its cost to the local community cannot in my view be justified. Also the \$20m from the federal government is NOT free - we have to pay this through our federal taxes. A full financial case needs to be presented and put to the voters or a special elector meeting before such a commitment can be sustained.	The Operational Feasibility Report demonstrates the facility will be financially self-sustaining. This includes covering capital repayments, operations, maintenance & replacement costs. The forecast is that the facility will reduce the rates burden not increase it. Further details are available in the November 2020 Council report.	N/A
14	2 December 2020	Supportive	We need this facility for our young kids to learn how to swim for our elderly to swim and socialise and every age to enjoy I've lived in South Perth for years wondering why we had no place in our area let's catch up with the rest and remain the best place to live in Perth	Noted	N/A
15	2 December 2020	Supportive	Go ahead its been spoken about for years!	Noted	N/A
16	2 December 2020	Supportive	I have reviewed the RAF Business plan and believe this to be an excellent long term investment for the residents and rate payers of the City of South Perth. The facility meets a wide range of leisure and sporting requirements across differing age demographics and makes better use of the land than the current golf course. Its location will attract staff and students from Curtin University, providing a boost to revenue streams from memberships, entrance fees and use of snack kiosks etc. As a resident about to retire and keen to improve & maintain my fitness, I would definitely use the pool for lane swimming and activities such as water aerobics. Many of my neighbours, like myself, are excited at the prospect of the facility being constructed and operational.	Noted	N/A
17	3 December 2020	Supportive	Please include a warm water hydrotherapy pool to be exclusively used for rehabilitation exercise. It should not be co-used for infant swimming lessons. Shared use of a hydrotherapy pool for infant swimming is not hygienic and when booked for swimming classes every day at prime periods of the day, excludes those who need to use the pool for rehab and exercise.	The current Project Definition Plan includes for warm water hydrotherapy. Access and hygiene requiremets will be considered in future definition and operational planning stages	For consideration in future stages

No	Date Received	Supportive/Not Supportive	Response Summary	Officer's Response	Modification Identified
18	3 December 2020	Not Supportive	Financial plan not viable. Wrong location...Elderfield Ave has more space. Should not destroy one viable facility to build another.	The site was selected as the preferred location after an in depth study identified it as the most appropriate and financially viable location. Full details are available in the September 2019 Council report. The Operational Feasibility Report demonstrates the facility will be financially self-sustaining. This includes covering operations, maintenance & replacement costs and matching existing City facility revenue. The forecast is that the facility will reduce the rates burden not increase it. The proposal provides a net saving over the current financial demands for the overdue renewal of the existing facilities.	N/A
19	3 December 2020	Not Supportive	I am opposed to the Aquatic Centre. I believe it will be a immense financial burden to the ratepayers of South Perth. I am also concerned about the loss of a portion of the golf course and the subsequent destruction of heritage pine trees, which have been established at Collier since the 1920's. I don't believe this project will be of great benefit to myself or my family and will most likely create an increase in our rates.	The project does not impact on the area of heritage pine trees, now post mature, that are primarily sited on the Pines and Island nines. A 27 hole golf course is maintained, but with a remodelled Lakes nine, forecast as a par 31. The Operational Feasibility Report demonstrates the facility will be financially self-sustaining. This includes covering capital repayments, operations, maintenance & replacement costs. The forecast is that the facility will reduce the rates burden not increase it.	N/A
20	3 December 2020	Not Supportive	Hard enough to get a game at Collier now. What will happen when you take out 9 holes? We have been playing golf weekly at Collier now for 10 years No one will use pool and we will use our voting power and networking influence against sitting councillors in future election	A 27 hole golf course is maintained, but with a remodelled Lakes nine, forecast as a par 31. The high usage currently is primarily related to the boom in golf due to COVID-19 and is expected to decline as competing activities re-emerge.	N/A
21	3 December 2020	Not Supportive	The feedback I have is in regards to the proposed gym. I wonder about the need for a public facility given the many existing options. Is the city intending to compete with small business in the area? If so, how can this be justified?	The purpose of the project definition phase is to create a facility that is financially sustainable. The inclusion of a gym reflects market demand. It is anticipated that it will compete with larger gyms rather than small businesses.	

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22	3 December 2020	Not Supportive	It is very difficult to justify this expenditure + mthe on-going costs. I would not vote in favor.	The Operational Feasibility Report demonstrates the facility will be financially self-sustaining. This includes covering capital repayments, operations, maintenance & replacement costs.	
23	4 December 2020	Supportive	I support the RAF. I swim nearly every day in Mandurah and hearing that the RAF was being proposed is welcome news. Swimming has enabled me to continue a healthy lifestyle and access to pools has always been important wherever I have lived. I previously lived in South Perth and have had to work around the Wesley pool's various limitations which has meant alternating with swimming at Somerset pool when access was limited. The general principle of the business plan appears sound with a wide base of services and activities to function from the one site is sensible and will provide the opportunity for flexible adjustment as different activities become popular. Many of the facilities proposed will supplement or renew those provided by the Council's facilities.	Noted	N/A
24	4 December 2020	Supportive	I am really pleased that this facility will finally be built save driving to Riverton, will there be a discount for pensioners and also will you have separate facilities for Male & Female and if need be for a gender that can't make up their minds what they are.	Pricing has not yet been fixed. It should be noted that concession pricing is common practice in City facilities. There will be appropriate provisions for various users.	For future Stages
25	6 December 2020	Supportive	Fully support proposal with available level of detail.	Noted	N/A
26	6 December 2020	Preference not clear	Whilst I think the aquatic centre is a reasonable enough idea I believe the planned location in the grounds of the Collier Park golf course is wrong. I think it makes much more sense to utilise the largely unused space behind the George Burnett leisure centre on Manning road. There is already a reception building and indoor basketball courts there as I recall. I really don't think the golf course and an aquatic centre are a good mix.	The site was selected as the preferred location after an in depth study identified it as the most appropriate and financially viable location. Full details are available in the September 2019 Council report.	N/A
27	9 December 2020	Supportive	I believe the aquatic centre is a fantastic idea. Given there are no facilities like this in the area I believe it will be utilised heavily.	Noted	N/A

No	Date Received	Supportive/Not Supportive	Response Summary	Officer's Response	Modification Identified
28	11 December 2020	Not Supportive	What assessment took place in deciding the golf course as the location for a RAF? I am totally against locating this facility on the lake 9 of the golf course. Burswood has closed, i have heard whaleback will close. In the north, Wembley golf course sustains 36 holes ....an aquatic centre has been developed elsewhere by the town of cambridge. Its inevitable that collier will be even busier. Why replace a recreation facility with a recreation facility? Why not upgrade existing facility at george burnett and add a swimming pool if that is considered necessary. Why does it all need to be concentrated at collier park golf course? With attendant parking and traffic congestion. There must be many other potential sites...including george burnett reserve! Costs must be a concern despite the upbeat language in the business plan. Has anyone checked out if aqualife and leisurelife are profitable for the vic park council? Or their basketball and other courts? My understanding is that these types of facilities nearly always run at a loss. I attend aqualife regularly (10 minute drive) and it is very underutilised, as is the leisure life centre (see Urbis community facilities needs assessment report prepared in october 2019 for town of victoria park). Where will the \$20 million the south perth council will contribute come from? I thought the new mayor was elected with a platform of reducing rates!	The site was selected as the preferred location after an in depth study identified it as the most appropriate and financially viable location. Full details are available in the September 2019 Council report. The Operational Feasibility Report demonstrates the facility will be financially self-sustaining. This includes covering capital repayments, operations, maintenance & replacement costs. The forecast is that the facility will reduce the rates burden not increase it. The proposal provides a net saving over the current financial demands for the overdue renewal of the existing facilities.	N/A
29	12 December 2020	Not Supportive	I find it difficult to understand how our Council can even contemplate spending \$80,000,000 on a swimming pool, plus destroy a 9 hole golf course in the process. Perth is loosing golf courses, Burswood, Rosehill, Glen Iris, Rockingham etc. If you are going to construct a pool keep it modest and affordable, without destroying another sporting facility, especially now that "Planners" are turning South Perth into high density living. We will need all the open spaces and sporting facilities we can get. I am totally against your wasteful proposal. Build a pool in another location that does not take out an existing sporting or recreation facility, and keep it realistic. This should not be about kingdom building.	The closure of multiple golf courses locally demonstrates the difficulties in maintaining them in a financially viable state. The Operational Feasibility Report identifies that this development provides the improved business case returns that are required support the long-term viability of the Collier Park Golf Course. It will provide additional services both for golfers and the broader community whilst maintaining 27 holes, albeit one nine of a shorter length (par31).	N/A
30	16 December 2020	Supportive	Would like RAF to proceed. Facility needed in South Perth	Noted	N/A

No	Date Received	Supportive/Not Supportive	Response Summary	Officer's Response	Modification Identified
31	16 December 2020	Not Supportive	I do question the feasibility of an Aquatic Centre for South Perth when there is already one operating nearby in the Town of Victoria Park. Aquatic centres are expensive to operate and do not usually make a profit or even break even. The City of Melville closed the Leeming Recreation and Aquatic facility due to this. The City of Canning demolished the Bentley swimming pool recently. Although a Recreation Centre may have some merit there are adequate private gymnasiums available in the region including one at Curtin Uni which will be in direct competition. I note in your proposal that you consider Curtin University students as potential customers? This may be wishful thinking given there is already a gym available at Curtin and students don't usually have a lot of disposable income. All I can see from this grandiose proposal is future debt for South Perth ratepayers. I object to this proposed major trading undertaking.	The Operational Feasibility Report demonstrates the facility will be financially self-sustaining. This includes covering capital repayments, operations, maintenance & replacement costs. The forecast is that the facility will reduce the rates burden not increase it. The proposal provides a net saving over the current financial demands for the overdue renewal of the existing facilities. Discussions with Curtin University, as a project partner, indicate that additional gym capacity is required.	N/A
32	17 December 2020	Supportive	Please make sure the lanes in the swimming pool are international width. The ones in Wesley pool are much too narrow and as such deem the lane swimming almost useless.	The swimming pool design will be built to international standards	For future Stages
33	17 December 2020	Not Supportive	Hello, Can my questions be addressed please. In an effort to "increase community involvement in exercise" you are proposing to reduce the amount of organised outdoor exercise space reducing collier park golf course back to 18 holes. Impacting underutilized golf holes on a golf course is impossible its impossible to play golf an under utilize golf holes. How exactly will the RAF help the GBLC run at a profit or at least not run at a deficit where is this business plan for this ?? During the selection process for the proposed site was consideration given to its proximity the the other facilities in the area this proposed site is less than 4 kms from another aquatic facility close by and other similar facilities within 8 to 10 kms of this proposed site. There are local learn to swim programs in the area at the above mentioned facilities they are certainly local and about as local as this proposed facility is to the South Perth foreshore area in the city of south perth. Is there a need for netball courts in the city where is this case study ?? Are "much needed" water polo facilities really needed ? Where is this case study ?? Where in the proposed RAF will there be a 100% specific senior citizens area ?? This sounds like reaching. Senior citizens currently use all parts of the golf course. You are proposing to take that away by reducing the opportunity for them to interact with each other due to the reduction in the amount of holes possible to play and engage in low impact exercise which is a necessity of all senior citizens please don't discriminate against this segment of the population. In the submission 30% of the population are overseas born. What percentage of this population is overseas students ?? What is the percentage of this 30% that currently can't swim an would like to learn ?? Where is this case study ? The business model supplied has no figures attached at all. What is the expected return on investment time frame ? \$80 million dollars plus revenue lost due to disruption while building and any interest occurred for funding such a project ?? And budget blowouts etc. The rush to move on this project has holes in it like swiss cheese. No concrete	The facility will retain 27 holes at Collier Park albeit with one nine having a reduced length (par31). The Operational Feasibility Study considered the relative location of alternative facilities. The City is working with SportWest to meet the current demand for sport in the City, particularly basketball. The Council of the Ageing (CoTA) is a project stakeholder who will likely be a tenant of Community House. It is anticipated that CoTA will run programmes in the RAF. The lower par remodelled lake nine is expected to be of key appeal to older golfers as it will prioritise skill over power and also provide for a more manageable option during extreme weather.	N/A

No	Date Received	Supportive/Not Supportive	Response Summary	Officer's Response	Modification Identified
34	18 December 2020	Preference not clear	If the GBLC is losing money yet some of its services are common to the RAF it isn't clear as to why the RAF will do better. It's also interesting that it cannot cater for indoor netball - or is the issue no room for spectators? Good that there are some environmental benefits. Hopefully they would be made learning features for visitors. Hope that preventive health will include fitness assessments and the like. I understood the Redbacks basket-ballers used the Town of Vic Park's indoor sports facility. No mention is made of a need to accommodate spectators. The plan and organisation look to be clear but the costs appear to be still to be worked out.	GBLC has a single undersized basketball court. The replacement with a full size multi-court facility catering to multiple sports will provide an improved service as well as improved financial viability. The courts will accommodate spectators when required. There will be an allied health component providing services such as fitness assessments and physiotherapy.	N/A
35	27 December 2020	Supportive	I am really happy for this to go ahead. All aspects of the proposal suit what my growing family will need in the next few years, and what I will need as I age (gracefully) in an area that I love. This facility will close some gaps, such as having access to activities that will be gentler on the joints as I age.	Noted	N/A
36	10 January 2021	Supportive	I support the Business Plan for the City's proposed Recreation & Aquatic Facility. I have examined it and believe it clearly articulates the opportunity and unique features of the RAF. It has evaluated market opportunities in the City and adjacent local governments including Curtin and Clontarf as key organisations. The Business Plan outlines the community need for a swimming pool and how the RAF which incorporates an aquatic facility is the solution to meeting these unmet needs. The financials and numbers are key parts of the Confidential documents, yet I am confident that the City's Property Committee who have vetted these (with the membership of this group including external representatives) and their opinions informing decisions this group make in analysing the Business Plan. I view the Business Plan as a living document and feedback from community engagement undertaken by the City, along with diverse support through Deputations presented to the Council's November 2020 Meeting show that the community wants and needs the RAF. The Business Plan demonstrates community need, community support, economic, health and social benefits on a large scale.	Noted	N/A

No	Date Received	Supportive/Not Supportive	Response Summary	Officer's Response	Modification Identified
37	14 January 2021	Supportive	I am very supportive of this project, and I wish to thank the City of South Perth for including this target in their strategic plan. The business plan is designed not to impact on council rates, which speaks about inclusivity and access. I find the site choice balanced as it maintains an inviting Golf Course next to a diverse and rich community centre, which would serve well Curtin University. In my experience, the RAF would not benefit from proximity to the library (site 3). My real only concern is about the proposal to realise an outdoor swimming pool. Most of the survey respondents placed swimming in the first place (RAF report October 2020). Such a response most likely includes various groups like ageing people, youngsters, people with disabilities etc. With this in mind, preference should go to a semi-indoor 50 meters swimming pool, which would be relatively more expensive, but is more attractive in winter times and after hours in the evenings. In the summer, opening the pool venue on three sides would connect to the outdoor space and allow for sunlight and natural ventilation. Keeping the pool roofed would also protect all population groups from the risk of skin cancer. Another point is selecting high-quality operators for food services and retail to add value to the centre. Ensuring that this is a lively place, where diverse communities can gathering at different moments in time is also very important. To this end, the significant number of overseas resident in the area would appreciate extended opening hours. Lastly, the concept design can be improved, considering the input from the local Indigenous community in particular.	The facility will provide both indoor and outdoor aquatic facilities. These will be further developed during the design phases. The outdoor pool will have shade structures. There has been early consultation with local indigenous groups and this will continue throughout the project.	For future Stages
38	14 January 2021	Supportive	I am very happy to see this proposal moving forward. Our daughters love to swim and they will certainly benefit from the presence of a walking distance aquatic centre in South Perth!	Noted	N/A
39	18 January 2021	Supportive	Strength for Life (formerly LLS) Strength for Life, endorsed by COTA, is an over 50's exercise program that encourages and supports mature people to achieve improved health and quality of life. Progressive Strength training has been shown to have a huge impact on wellbeing and quality of life. A RAF, as per proposal, could provide such a program to support local citizens, over 50 years of age, thus enhancing prospective use of facilities by that cohort - contributing to financial viability. Retirees, in particular, could be encouraged to utilise such, or similar, programs during the day (in off-peak periods) to balance demand on available resources. Currently our citizens are having to travel to surrounding Local Government areas which provide such options; or, more likely, don't participate in such programs because of time, traffic and distance considerations. If other Councils' can provide attractive Recreation and Aquatic facilities for their Ratepayers', why not South Perth? State and Federal Governments' should support, as potential health benefits reduce cost to the 'public purse'.	This will be addressed in future project phases once the operational details are finalised	For future Stages

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40	18 January 2021	Not Supportive	<p>The business plan does not list the identity of each joint venturer, other than the indicative list on page 4. The plan does not disclose the benefits to which each joint venturer will become entitled under the arrangement. Other local governments provide such details for major land or trading undertakings and such disclosure appears to be a requirement of section 10 of the Regs. The City is relying on revenues from golf course and mini golf to offset loan repayments due on city borrowings. These revenues were previously available to the City and contributed to, or were planned to contribute to consolidated revenue. Diversion of such revenue to repayment of borrowings would reduce funds available to day-to-day city operations and either affect levels of service or lead to rates increases. The City's accounts show that golf course revenues rarely exceed operating and capital costs incurred in relation to the golf course. It is not clear how the golf course revenues will contribute to paying down loans. The City currently has borrowings of approximately \$2.5m relating to the golf course. Further debt on a 'revenue neutral' part of the City jeopardises the city's financial capacity. Several councillors held out their concerns for the City's financial position and the addition of \$20m of additional debt is likely to cause their concerns to materialise. The business plan does not disclose risks of the project. While project execution may be contracted, it seems the City will still bear the residual risk of activity and operational matters at the facility. Financing this project requires careful consideration of the long term risks of the centre, as ratepayers of South Perth seem to be the parties that will fund any rectification/remedial works. The business plan does not explain what third parties will receive for their \$40m. The RAF is being marketed as a community facility, yet this level of funding is likely to require significant exclusive use facilities on the site. The landscaping and 'free' community facilities should be provided in our existing parks and reserves. This would avoid persons needing to travel to passive recreation facilities. The</p>	<p>The RAF will be a City of South Perth facility. There are currently no Joint Venture Partners. Whilst commercial partners are expected the City's legal advice is that commercial negotiations cannot be commenced without a Section 3.59 business plan in place. The Business Plan would be updated if required as a result of alternative commercial arrangements.</p>	For future Stages

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41	19 January 2021	Not Supportive	As a regular golfer at Collier Park I was astounded by the statement in this so called Business Plan that says "The RAF impacts the most underutilised golf holes on the course" Clearly whoever wrote this has never tried to book a Tee Slot at CPGC! The three 9 hole courses are regularly grouped (weekly I think) into one 18 hole course and one 9 hole course combinations for patrons who wish to play 9 or 18 holes. I cannot see then how this statement is correct! Losing 9 holes from the course will adversely affect the golfing community and put more pressure on the remaining facility. The recent closure of Glen Iris GC and several years ago Burswood GC coupled with the loss of one third of the CPGC facility will make matters worse! This document is called a Business Plan, and although I live outside of the CoSP municipality, I find it astonishing that there is no indicative mention of operating costs, or ROI for ratepayers (CoSP loan of \$20m) and taxpayers (Federal and State Govt grants of ~\$40million!) to see that their dollars are being put to good use. Nor is there any cashflow statement of funds required for ongoing project management and project outcomes. e.g what will each stage of the project cost. I note that in the minutes of the Council meeting earlier that a revenue stream of only ~\$13,500 has been projected (at the feasibility stage, no detail given on how this has been derived) on a capital investment of \$80m - which is less than 0.02% ROI. Given that the margin of error on the cost estimate could be +/- at least 20%, then at best this would lead to a miniscule increase or decrease in ROI. CoSP may be better investing in something else to benefit ratepayers.	The closure of multiple golf courses locally demonstrates the difficulties associated with long term financial viability. The Operational Feasibility Report identifies that mix of services provided by the RAF development will enhance and support the long-term viability of the Collier Park Golf Course. The RAF will provide additional services both for golfers and the broader community whilst maintaining 27 holes, albeit one nine of a shorter length (par31). The RAF Business Plan document is a statutory business plan that complies with the requirements of the Local Government Act. The Operational Feasibility Report demonstrates the facility will be financially self-sustaining. This includes covering capital repayments, operations, maintenance & replacement costs. The forecast is that the facility will reduce the rates burden not increase it. The proposal provides a net saving over the current financial demands for the overdue renewal of the existing facilities. The Operational Feasibility Report was Commercial in Confidence but the outcomes are detailed in the November 2020 Council Report.	
42	19 January 2021	Supportive	I would particularly like for the RAF to have both a steam room (firstly) and a spa (secondly) adjacent to the Wellness Pool along with the sauna. Both should be significant business opportunities. I note that the Cockburn ARC has both with its hydrotherapy centre, which is an adult only section of the facility. It is set up very well. I sometimes travel all the way to Cockburn to use it because there isn't anything like it near South Perth.	The inclusions will be confirmed during detailed design.	For future Stages
43	19 January 2021	Supportive	Why are we not using the site where the old library used to be on Manning Road for recreational activities like yoga, pilates, martial arts. It has great parking, has historical value and just needs renovating. There have been expressions of interest made by local groups. The cost of this new build is massive yet existing assets are not being considered. Having such a well-located facility is not in competition with the golf course proposal rather is adding value to the south Perth community at a very affordable price. Losing this asset would be a great loss. If I could have a response that would be great.	The site was selected as the preferred location after an in depth study identified it as the most appropriate and financially viable location. Full details are available in the September 2019 Council report.	

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44	21 January 2021	Preference not clear	<p>My primary concern with the RAF is the cost ie the affordability for the South Perth ratepayers. 1. Capital Cost Ø With a proposed total cost of \$80m there is still a \$40m shortfall. Unless this shortfall is fully met from external sources the project should not be allowed to proceed. I even have concerns about the \$20m already committed by the City with respect to the ability of the RAF to finance the servicing and repayment of this loan. What effect will this have on rates and will other important services and projects be sacrificed to do this? I note the commitment from Council that the RAF will not result in an increase in rates. This commitment must be honoured. 2. Operating Costs Ø In the financial/revenue modelling high importance seems to be placed on comparisons with the Cockburn Arc. Comparison between the RAF and the ARC are at best, highly tenuous, and at worst very high risk. The Arc boasts a 10 to 15km radius catchment area in which there is little of no competition for the types of amenities which it offers. Within that same 10-15km radius the RAF is surrounded by significant and numerous competition for similar services including 50m aquatic facilities and stadia. I find it difficult to believe that many, if any, metro residents are going to drive past the Riverton Leisure Plex, the Belmont facility or even Challenge Stadium to come to the RAF. This is even before the proposed State of the Art facility is developed at the WACA. Any financial modelling needs to take this into account and avoid risky comparisons with the Arc that are not valid. If this is not carried out diligently and correctly the City's ratepayers could be left with a significant debt and resulting financial burden. To ameliorate this, I believe that any financial modelling needs to be the subject of extensive independent and external audit to ensure that all assumptions are thoroughly scrutinised and tested. Thank you.</p>	<p>The Operational Feasibility Report demonstrates the facility will be financially self-sustaining. This includes covering capital repayments, operations, maintenance &amp; replacement costs. The forecast is that the facility will reduce the rates burden not increase it. The proposal provides a net saving over the current financial demands for the overdue renewal of the existing facilities.</p>	

No	Date Received	Supportive/Not Supportive	Response Summary	Officer's Response	Modification Identified
45	22 January 2021	Not Supportive	The proposal would place the ratepayers under financial disadvantage without sufficient reward as a result of (1) the initial capital requirement (lack of significant state government funding, lack of evidence of a MOU with Curtin University and other identified major anchor tenants). I note that significant design and other changes have been made to accommodate these entities without any financial commitment / consideration. This cost of equity and or debt will be borne ultimately by ratepayers; (2) the operational deficit of a pool facility. There is no evidence the CofSP can provide a, at best, cost neutral, facility to the community. There is a lack of commitment to provide a facility to other users other than main stream sports that already have very generous facilities and support from the CofSP. The Town of Vic Park already has a multi faceted facility within 2 kms of the proposed site. The pool of potential users/clients is not any bigger. The impact of the lack of students on site at Curtin Uni has not been considered. This is not forecast to change. The Council continues to fail to truly consider the green space aspects in all developments. The heat hazes that have been created at Connect South and Manning Hub projects is appalling! The retro fitting of awnings at Manning Hub and the venue behind South Perth Library is evidence of this lack of planning and foresight! Has a suitably qualified Landscape Architect even been consulted? The council has continued to fail to fully utilise its existing assets - old Manning Library and George Burnett Leisure Centre. The policy of urban renewal should not include the shortsighted demolition of the CofSP public assets. There is a significant lack of true public consultation. The initial RAF public feedback survey lacked basic participant survey controls and the structure of the questions was narrow and self serving to create only one real picture viz 'the residents of South Perth want a pool regardless of any other considerations'	The Operational Feasibility Report demonstrates the facility will be financially self-sustaining. This includes covering capital repayments, operations, maintenance & replacement costs. The forecast is that the facility will reduce the rates burden not increase it. Whilst commercial partners are expected, the City's legal advice is that commercial negotiations cannot be undertaken without a Section 3.59 business plan in place. The Business Plan can be updated if required as the project progresses.	N/A
46	22 January 2021	Not Supportive	I dont believe that there is a need to build an aquatic facility within the City of South Perth as the Town of victoria park has an adequate facility which is quiet close. Also within the city of South perth we have as residents access to the Wesley College facilities and Curtin university facilities for a nominal fee. There are private gym facilities as well that can also be accessed. I feel that these facilities will merely become a burden to the rate payers.	The Operational Feasibility Report demonstrates the facility will be financially self-sustaining. This includes covering capital repayments, operations, maintenance & replacement costs. The forecast is that the facility will reduce the rates burden not increase it. The proposal provides a net saving over the current financial demands for the overdue renewal of the existing facilities.	N/A
47	22 January 2021	Supportive	The RAF proposal is an excellent one. The project will provide much needed facilities for the surrounding areas. The sooner it is in operation the better.	Noted	N/A

### **Recreation and Aquatic Facility (RAF) proposed by City of South Perth**

[REDACTED]  
[REDACTED]

This submission is on behalf of [REDACTED] who have been regulars each week at Collier for over 25 years. We have also met with [REDACTED] player groups. We have about 180 regular golfers between us, most playing twice a week. Collectively we have grave concerns about the way the golfers are going to be disadvantaged by the RAF, and the potential financial impacts on the City of South Perth (COSP) over many years. [REDACTED] see the RAF as a COSP dream, mostly driven by senior staff. The deficit of approx. \$40million in funding is likely to be the major hurdle.

**Availability of the Business Case;** On Friday 13-11-20 we finally had access to the Agenda Briefing. The Business Case was embedded in approximately 700 pages of documents and attachments. Much of the important detail especially re risk factors has been redacted. We have found several flaws in the design and operational details.

**Major deficit in funding;** With an estimated total initial cost of \$79 million, there is \$20 million promised via Federal Member Steve Irons. It would have seemed necessary and truthful to disclose that a letter from the WA State Government has been received by COSP. It clearly stated that the State Government has no funds to offer the RAF. With WA funds committed to the revamp of the WACA, it is unlikely that significant funding would now be offered to COSP.

**Curtin University focus over optimistic ;** The funding/ usage/involvement suggested through Curtin Uni are all painted with great optimism. Curtin University is in financial stringency with staff recently in the process of being dismissed. A large financial contribution from Curtin is unlikely.

The Curtin Walk through the middle of the Pines 9 of CPGC is especially a problem. Designed to cater for an expected deluge of Curtin students using the RAF please rethink this Curtin Walk. Golf is a quiet sport, and is NOT compatible with loud talking and persons using mobile phones nearby. Five of

the 9 holes on the Pines 9 would be affected by noise issues. The safety of the students would require shelter from stray golf balls and in bushland there are problems for personal safety, especially for females.

**Why ruin the golf course?** Golf is popular, and with closures at Glen Iris and Burswood, Collier is likely to maintain the current good patronage. Currently CPGC is profitable, serves the public golfers well and the 18 holes/ 9 hole combination is good. If the RAF were constructed on the Lakes 9, it would result in a 30% reduction in available tee off time slots for longer course golf compared with the current 27 holes availability. The removal of 9 holes from the 27 hole Collier Park Golf Course (CPGC) is not a sensible idea.

The CPGC buildings are very functional with a good clubhouse, café, covered areas. It is a long stretch to say the facilities need replacement. We have received independent advice from an architect viewpoint that the facilities are NOT requiring replacement/major upgrades for many years.

Some other golf related points to consider; The 56 bay driving range is neither one thing or the other. Hitting into netting about 100 metres away is not a substitute for having a driving range catering for hits of 200 metres, as at present at CPGC. Parking at a RAF would be an issue for golfers, especially with plans to impose paid parking.

**COSP does not HAVE to provide a full range of facilities.** The COSP does not have major shopping centre complex (although the Mends Street, Waterford, Angelo Street and other shopping centres are excellent). The COSP does not have an industrial area, and people manage to reach a Bunnings store elsewhere.

**If councillors allow the RAF to proceed South Perth Council Rates MUST go up.** All the early publicity on the RAF gave a “no rate increase” answer given in the FAQ section of the COSP website for the RAF. Now that \$20 million funding from COSP was committed on 24-11-2020, this certainly cannot be the case. We contend that there is no mandate to proceed.

### **Submission on the City of South Perth RAF Business Plan.**

The following comments are based on feedback I have received from numerous ratepayers and residents in the City of South Perth and surrounding LGAs together with advice from experts within Western Australia and interstate who have considerable experience with aquatic / recreation centre complexes.

#### **Financing**

The most important issue that has been inadequately addressed is the Business Plan which relates to the funding aspects of the proposed RAF. According to accountants including those with expertise in the finances of recreation / aquatic centres here and interstate, the financial aspect of the Business plan is inadequately presented. They say that the figures are presented in such a way that it is impossible to determine their accuracy. They suggest that a truly **INDEPENDENT review on this aspect by people who are experts in the finances of such large and complex recreation / aquatic centres is made public before any further decision is made to progress the RAF proposal.** The selection of such experts will be critical to the integrity of whole project. It is time to end what many residents feel is a *smoke and mirrors approach* with feel-good statements that have dominated the 'marketing campaign' on this project to date.

The justification of the proposed location at Collier Park Golf course is an inadequately substantiated attempt to claim that it will provide significant construction and ongoing operational cost savings. CP Golf Course already apparently has a significant loan that requires servicing and the annual claimed 'profits' it generates seem to be overstated. This is particularly so with the ongoing upgrading / maintenance costs to the course. These 'profits' could according to accountants, be significantly eroded through the loss of the Lakes 9 as a 'regular' 9-hole course.

The upheaval to the current relatively efficient Collier Park Golf Course and the costs associated with the reconfiguring the Lakes 9 course are likely to be substantial. The planned expensive 'computerised / video-game-like' driving range is according to golf experts likely to be far inferior to the current 'natural' range with grass practice tees and real-life tracking of balls.

The \$20M CoSP ratepayer's 'contribution' has blown out from what we understand was initially a \$10M maximum 'contribution' from this source. Fortunately, the loan interest will be relatively low for a few years until interest rates *eventually* creep back to 'normal' levels. But there will be an immediate significant annual impost on rates through paying back the capital component.

For an estimated capital cost of \$80M, the City has received only a commitment of \$20M from the Federal Government and its own commitment of \$20M. This leaves the *remaining* \$40M capital cost required to build the RAF yet to be found. 'Grapevine' communication suggests that up front funding from Curtin University for example is very unlikely in light of their massive financial deficits that have already resulted in 140+ staff redundancies. It is purported that the NTEU (National Tertiary Education Union) is unlikely to look favourably on any significant multimillion dollar contribution from Curtin while further staff job losses are threatened. This is especially so when the relatively new Curtin University Stadium Complex adjacent to Collier Park with its outstanding recreation facilities already adequately services their student and staff population plus a significant community clientele.

We are aware that the State Government has written to the CoSP CEO and Council clarifying that they have no intention of providing any funding for the construction or

operational costs of the RAF. It is therefore perplexing that the CoSP is still pursuing this potential funding source.

#### **Impact on existing other non-council owned aquatic and recreation facilities.**

The economic impact of the RAF on other non-council owned aquatic and recreation facilities within South Perth and neighbouring communities is unclear. Some private operators are concerned that ratepayers will be contributing to a Council owned business that will compete for the same clientele and threaten the viability of their privately owned businesses.

In the past CoSP has worked collaboratively with adjoining Councils (Vic Park, Melville, Canning etc). Some Councillors and residents in those LGAs see the construction of the RAF as a serious impediment to future positive relationships. The stated catchment area for the RAF overlaps significantly into their areas and will compete seriously with their existing aquatic and recreation facilities. In some instances, the future viability of those facilities is likely to be threatened. I was advised recently that the Town of Vincent is also very concerned about the Federal and State funding for a new aquatic centre at the WACA that will compete with Beatty Park Pool for both patronage and sorely needed funding for the upgrade of the heritage listed buildings. I am also aware that residents of S Perth currently regularly use the Beatty Park pool. Of course, the recently announced funding for the WACA facility is yet another reason why a new RAF in South Perth is likely to be superfluous.

Similarly, it is unclear about the likely effect of the RAF's on-going loan servicing and operational costs on the financial ability of the CoSP Council to support other local services / organisations in South Perth over the next 20 years or so (e.g., bowling, cricket, football, tennis, hockey, rowing and other sports; bridge, Historical Society, scouts, and the S Perth – Victoria Park Joint Bicycle Plan).

#### **The Future of Collier Park Golf Course (CPGC)**

Informed members of the 'golfing community' have expressed surprise with the RAF proposal for the CPGC. They point out that such a large multi-use complex is likely to have a detrimental rather than an enhancing effect on golf in the City of South Perth. Demand for golf will continue to grow with the increasing promotion of golf among children and youth and along with a growing retiree group and overall population growth. There has also been a concomitant decrease in golf courses available to people living in S Perth and surrounding LGAs in recent years. Burswood, Glenn Iris, and Rosehill courses have been closed for housing and other developments, and there is a possibility some of the Melville course could be sold for housing, and the Fremantle public course is under threat. Hence the future looks very positive for the 27 holes at Collier Park. The loss of the Lakes 9 as a viable 'regular' course could impact not only the revenue for CP but also result in a major shortage of playing slots. It is already very competitive to secure a game during the busy morning sessions on most days of the week.

#### **Possible Alternative Proposal**

The location of the RAF at Collier Park Golf Course (CPGC) is very controversial with likely significant negative effects. If only part of the funds required for the RAF are confirmed then maybe a less ambitious facility could be considered at the 'original' and more logical site, the George Burnett Centre (GBC) on Manning Road. The smaller RAF could include the 50m pool but fewer other expensive aquatic facilities, along with a scaled down version of the more profitable fitness centre facilities. This will need to be subject to a new rigorous business case. The GBC site is more accessible than CP, adjoining excellent public transport links, and bicycle routes and has significant vehicle parking areas with a relatively

safe traffic light-controlled intersection at Manning Road. It is within walking and cycling distance for a large local population in adjoining Karawara, Manning, Salter Point, Cygnia Cove, Waterford and Como. It is also in proximity to Curtin University, Curtin Primary School, Manning Primary School, Como Secondary College, Clontarf Aboriginal College and Aquinas College.

In comparison, the entrance to Collier Park Golf Course is already very dangerous especially with vehicles exiting to the south. The annual traffic volumes into the proposed RAF at CP will be extremely large with a majority of an estimated in excess of one million annual 'visits' arriving by car. Costly road works will be needed to accommodate this increased traffic, including traffic lights or a new roundabout. These costs have not been included in the RAF estimates, but will still likely be borne by CoSP ratepayers.

City of South Perth

22 Jan 2021

### Responses to Detailed Submissions not submitted via “Your Say”

	Officer Response
\$40million funding deficit	The City continues to work on funding for the project and are progressing well towards the target.
Availability of the Business Case	<p>The document is commercial in confidence, and therefore not appropriate for release publically, this includes the details of the case. It is the role of Council to make a determination on behalf of the community under these circumstances.</p> <p>Council were provided un-redacted details together with multiple briefings, to ensure they were fully informed prior to making any decision.</p>
Need for an Independent review of the Business Case	The Operational Feasibility Report was commercial in confidence.
Letter from State Government	Council were made aware of the letter and that discussions with the State Government on funding continue. The State Government have made clear in these discussions that approval of the Business Case and a City commitment is necessary before the State will consider their own contribution.
Curtin university Focus over-optimistic	Curtin have continued to confirm their commitment to the project. The City is awaiting a formal letter confirming a capital contribution and the potential for ongoing operational support. (The business case assumes a model of a capital contribution in return for no-rent) The quantum of capital contribution will allow the City to confirm what operational contribution to rent will or will not be necessary.
The Curtin Walk through – concern over noise impacts	Given Royal Perth golf course, the City’s other course, is located immediately adjacent to the Kwinana Freeway, we believe the concerns over noise are being over-stated. There is a walking access through the course that will be designed to ensure safety and screening from active golf. It is not expected to attract a “deluge” of students, but to provide an alternative shaded access route.
The location of the RAF at CPGC and options for a smaller facility at GBLC	<p>The site was selected as the preferred location after an in depth study identified it as the most appropriate and financially viable location. Full details are available in the September 2019 Council report.</p> <p>The Operational Feasibility Report demonstrates the facility will be financially self-sustaining. This includes covering capital repayments, operations, maintenance &amp; replacement costs. The forecast is that the facility will reduce the rates burden not increase it. The proposal provides a net saving over the current financial demands for the overdue renewal of the existing facilities.</p> <p>The City has investigated options for smaller facilities and this is the first proposal that has been forecast as being financially sustainable.</p>
Competition with other facilities	The patronage studies demonstrate there is sufficient patronage to provide for the facility.
Why ruin the golf course?	<p>The closures of other WA golf courses demonstrate the commercial environment Collier Park golf operates within. It is essential to the ongoing financial sustainability of the course that it modernises and updates its offerings.</p> <p>Traditional golf is the form of golf with the lowest financial return. The 27 hole course must therefore be supported by additional golf based offerings e.g. mini-golf, technology driving range for a course to remain financially viable into the future.</p> <p>The RAF supports the business plan objectives that have been developed for the course following commercial review and consultation.</p>
“Loss” of 9 holes and 30% capacity	<p>The course will be maintained at 27 holes.</p> <p>The capacity is not expected to be impacted – and the longer and shorter nines will be preferred by different types of golfer. The shorter course will preference skill over power and will take less time to play. Accordingly it will attract golfers seeking skills improvement, those with physical limitations and those with time limitations.</p>

The CPGC facilities are NOT requiring replacement/major upgrades for many years.	<p>This is factually incorrect.</p> <p>The buildings are in a poor state of repair and now require significant investment with inadequate toilets and changing facilities for large groups. The facilities are not suitable to support the expansion of the business. Good examples are the potential for significant F&amp;B profits and the single level driving range that does not provide sufficient bays to maximise revenue.</p>
Technology Driving Range	<p>The concern is understood as the driving range is proposed to utilise a new type of technology to WA – the feedback from other international facilities is that golfers now use the feedback on screens rather than following the ball. Customers are expected to adapt to the new technology once they have experience of it.</p> <p>The gamification and integrated F&amp;B service will significantly broaden the customer base and improve the profitability of the range.</p>
Parking at a RAF would be an issue for golfers, especially with plans to impose paid parking.	<p>The parking provisions have been confirmed to be adequate in the first instance, and the design includes for future expansion of parking via a second floor.</p> <p>There are no plans for paid parking.</p>
COSP does not HAVE to provide a full range of facilities, and concern over competition with other recreation and aquatic facilities	<p>The provision of local aquatic facilities had been an established desire of the South Perth community for some time, leading to its inclusion in the Strategic Community Plan.</p> <p>The population of South Perth and the broader metro area is continuing to expand and will require additional facilities. The Operational Feasibility report indicates there is suitable demand for additional facilities.</p>
If councillors allow the RAF to proceed South Perth Council Rates MUST go up. Concern over the \$20million City contribution.	<p>The Operational Feasibility Report demonstrates the facility will be financially self-sustaining. This includes covering operations, maintenance &amp; replacement costs and matching existing City facility revenue. The forecast is that the facility will reduce the rates burden not increase it. The proposal provides a net saving over the current financial demands for the overdue renewal of the existing facilities.</p>
Access to the Golf Course is hazardous	<p>The access to the golf course was reviewed in the traffic study and it has been confirmed that it can be appropriately modified.</p>

CITY OF SOUTH PERTH

# BUSINESS PLAN

RECREATION AND AQUATIC FACILITY



City of  
South Perth



## Business Plan – Recreation and Aquatic Facility

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## Business Plan – Recreation and Aquatic Facility

# Business Plan

Proposal to enter into a major land transaction for the provision of a Recreation and Aquatic Facility (the “RAF”) to provide a premier health, wellness, fitness, recreation and education hub centrally located in the City of South Perth (the “City”), located at the existing Collier Park Golf.

This is a joint project between the City of South Perth, Curtin University, Clontarf Aboriginal College, SportWest and a number of other partners.

## 1. Introduction

The City Strategic Community Plan 2020-2030 (SCP) has the Vision “A city of active places and beautiful places”. Outcome 1.2.3 of the SCP is to Plan for and promote the development of recreation and aquatic facilities to service City of South Perth residents. This proposal has been developed in accordance with the SCP, as described in section 2.4 of this Business Plan.

Development of the City of South Perth’s (‘City’) Recreation and Aquatic Facility (‘RAF’) has been an aspiration for the City for an extensive period of time. In 2018, the City commissioned the development of a feasibility study for the RAF, with the priority being identification of a preferred location as well as preliminary concepts, cost estimates, financial operational models and funding strategy.

Collier Park North was endorsed as the preferred location due to:

- Co-locating Collier Park Golf with the RAF, creating a unique, recreational and community facility, while also assisting with on-going revenue generation;
- Upgrades were required to Collier Park Golf in the near future and this option allows the City to meet this objective in the single development;
- Impacts the most underutilised golf holes on the course and limited impact to existing trees and the wildlife living within; and
- Access to the Curtin University market.

In support, in March 2019 the Federal Government made a commitment of \$20 million in funding towards the project.

To date, the City has established \$41 million of project funding (which includes Federal Government (\$20m), the City (\$20m), together with SportWest (\$1m)) – with \$39 million additional funding required to achieve the proposed \$80 million facility. The project will now be progressed in line with available funding, with the remaining funding targeted to be:

- State Government funding of \$20 million will be targeted, with a draft Treasury Business Case prepared for this purpose, potentially through \$80 COVID-19 stimulus and/or

## Business Plan – Recreation and Aquatic Facility

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supported by the inclusion of a Community House to accommodate State sporting entities and the Council on the Ageing and affiliated organisations, together with SEDA College and Clontarf College; and

- Funding from Commercial and other Funding Partners of \$20 million is targeted, considered to include to following parties:
  - Commercial Operator;
  - Curtin University;
  - SportWest (\$1M committed); and
  - Others, comprising neighbouring municipalities, key sport users, naming rights partner, supply rights, etc.

The City established the Collier Park Golf Course (CPGC) in 1984, prior to the Local Government Act 1995 and the introduction of section 3.59 – Commercial Enterprises by Local Governments. This section, and corresponding Regulations, require the City to prepare a Business Plan before it considers entering into a major land transaction and/or major trading undertaking. Under the Local Government (Functions and General) Regulations part 8A and part 9 describe a major land transaction and major trading undertaking (respectively) as being either \$10m or 10% of the Operating Expenditure (approximately \$6.1M).

This individual proposal, as described below, is greater than \$6.1M as required under Regulation, and therefore this Business Plan has been prepared. A Business Plan requires an overall assessment of the transaction and is required to be advertised for a period of not less than six (6) weeks. During this advertising period, submissions are invited from members of the public.

Council must consider any submission received during the advertised period before it decides whether to proceed with the Business Plan. The Business Plan has been developed to comply with the Local Government Act 1995 and the Local Government (Functions and General) Regulations.

## 2. The Proposal

The proposal is for the construction and operation of a Recreation and Aquatic Facility within the Collier Park Golf Course, with the site (approximate) depicted in Attachment A. To facilitate this, the main responsibilities are described as:

- Design and construct the Recreation and Aquatic Facility, in accordance with City and other partner requirements;
- Operate the Recreation and Aquatic Facility; and
- Purchase the Recreation and Aquatic Facility for construction up to an indicative project value of \$80 million.

## Business Plan – Recreation and Aquatic Facility

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The existing Course Controllers Agreement, together with the Lease of Buildings are subject to a renewal in April 2023. The Operator for the new Recreation and Aquatic Facility will be appointed under the renewal of these contracts.

The construction process for the establishment of the Recreation and Aquatic Facility may be described as a multi-stage process, this being:

- 1. Feasibility, planning, project definition and business case;**
- 2. Concept and schematic design;**
- 3. Detailed design and building approval process;**
- 4. Procurement and tender;**
- 5. Construction; and**
- 6. Commissioning and asset handover.**

The stages are to be undertaken by the Project Team led by the City and will be finalised subject to the contract procurement route. The City retains absolute discretion in relation to the approval to proceed from to each stage. The overall estimated project value (and associated fees) will be subject to final design and cost estimates once the detailed design is completed.

The requirements for additional third party funding will continue to be pursued during Stages 1 and 2, allowing the finalisation of an appropriate facility to meet funding requirements prior to the construction procurement phase.

### **2.1. The expected effect of the RAF development on the provision of facilities and services by the City of South Perth**

#### **2.1.1. Effect relative to the City Assets**

There are two key existing City assets (together the proposed aquatic facilities) under consideration within the RAF planning process, which have existing renewal requirements and will require further consideration of operational need post completion i.e. residual demand post RAF delivery. These assets are the George Burnett Leisure Centre (GBLC), comprising a recreation hall for local community sport, plus meeting rooms, located external to the proposed RAF development site and the Collier Park Golf Course (CPGC) incorporated within the overall proposed RAF development.

It is proposed that the delivery of the RAF will provide a streamlined asset renewal and operating structure for the City, integrating the functionality and benefits of these two key assets, together with the integration of aquatic facilities (with sport, health and wellness programs) in a single

## Business Plan – Recreation and Aquatic Facility

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multi-purpose venue. **Thereby increasing the potential to attract funding, economic generators and provide economies of scale in service provision and costs.**

The existing strategic drivers supporting this renewal and streamlining being;

### 1. Collier Park Golf (CPG)

- The facilities are nearing end of life both physically and functionally, with a need for renewal in the short to medium term to maintain operational sustainability and to meet market demands.

### 2. George Burnett Leisure Centre (GBLC) – Built in 2000

- The functionality is not adequate and is generally underperforming. The facility requires re-purposing to improve market demand and utilization;
- Operates at (\$200k) annual deficit; and
- The asset strategy will be subject to a future business case to determine repurposing or other.

### 3. Proposed Aquatic Facilities – Federal funding commitment of \$20m

- The community for many years have been requesting a swimming pool in the City of South Perth. Conventional stand-alone pools require significant ongoing financial subsidy. The integration of aquatic facilities with sport, health and wellness programs in a single multi-purpose venue provides economies of scale in service provision and costs, together with attracting economic generators and funding.

#### 2.1.2. Effect during the RAF Development Construction Process

The final staging plan for the RAF development within the existing Collier Park Golf Course, will be determined in consultation with the golf course operator and contractor, having regard to the operational and financial implications of any option. However, the pre-installation of the mini-golf next year, together with maintaining the majority of golfing operations during construction, will aid in the project and City economic revenue drivers.

An indicative staging plan has been prepared as shown below, which would allow for access, car parking and retention of the existing club house to facilitate ongoing golf course operations (golf course, existing driving range, mini-golf) throughout the main RAF construction works. Demolition of the existing club house could occur at the end of the construction program, subsequent to which the driving range and golf cart storage can be constructed. The alternate to this is to demolish all existing facilities and construct the RAF in one stage, providing temporary facilities for the ongoing golf course operations (e.g. office, food and beverage facility, golf cart storage, etc.).

## Business Plan – Recreation and Aquatic Facility

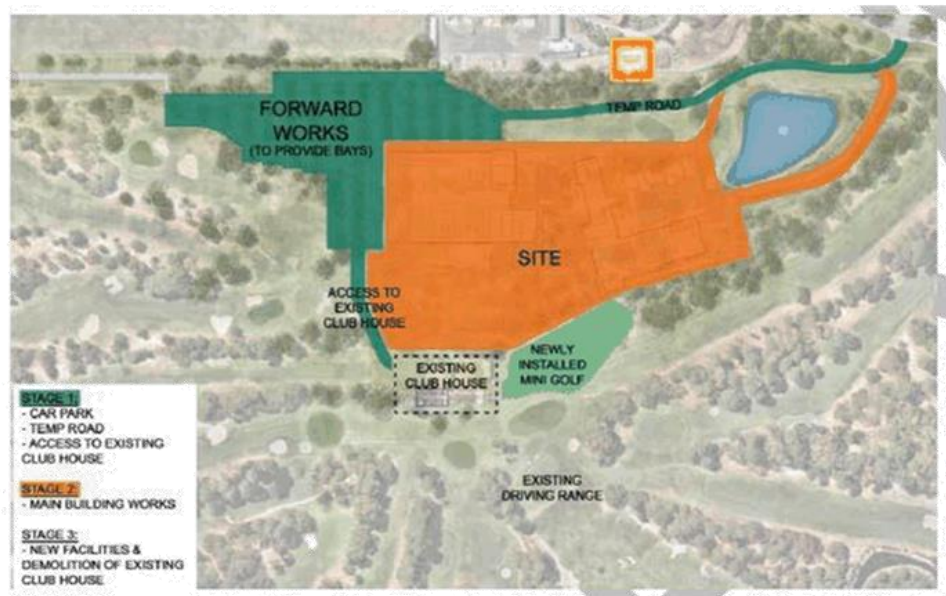


Figure 1: Indicative Staging Plan

### 2.2. The expected effect of the RAF development on persons providing facilities and services in the City of South Perth district

There are a number of persons providing individual facilities and services within the City of South Perth district that may or may not be effected by the proposed RAF development, these are described below.

#### Golf and Mini Golf

There is an existing private golf club (Royal Perth Golf Club) within the City, in contrast to the existing public golf course offered at the RAF location. Given the different nature of service offering (private club Vs public) it is anticipated; the development of the RAF will not have any substantial impact on the Royal Perth Golf Club. In terms of Mini Golf, there are no current or foreseen future providers of Mini Golf within the City. The Mini Golf providers outside the City were considered within the Business Plan advertised on 26 September 2019 (submission period is closed).

#### Aquatic Centre & Gym facilities

There are existing aquatic facilities and gym facilities operated by persons within the City, included services offered as part of private secondary educators. Wesley College offer aquatic, gym and associated services to the broader community, with the remaining private secondary schools offering these services within their school community only. The RAF may have a negative impact on these services, although only Wesley College provide this offering on a fee for service basis outside school hours. The City has not undertaken analysis of the likely impact to Wesley College,

## Business Plan – Recreation and Aquatic Facility

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although the College are supportive of the RAF as they are unable to provide a full service offering due to their primary focus on their student community.

There are a number of Gym facilities operated by persons within the City, these typically provide 24/7 access and on major transport routes. The RAF integrated model is quite different to these types of Gym facilities and whilst there is potential for the RAF to negatively impact on these services, it is difficult to determine and therefore the City has not undertaken this analysis.

### **Courts: Basketball, Netball, Volleyball, Badminton**

There is a well-documented need for additional courts to service the demand. Traditionally these services are offered by Local Governments or other Not For Profits (NFP). Through close liaison, the City is aware of one NFP considering the construction of Basket Ball facilities, however those plans are on hold considering this proposal.

The proposed RAF facility is also adjacent to the oval and hockey fields where opportunities are being investigated to build on the close connection both in the build form and at stakeholder level to again maximize on the recreation and sporting opportunities, together with supporting facilities and shared parking and cycle/pedestrian routes. Consideration is also being given to relevant transport and access guidance, including the Town of Victoria Park and City of South Perth Bike Plan and the proposed City of South Perth Integrated Transport Strategy.

In terms of aquatic facilities, the current situation in the City of South Perth region through the initial feasibility studies completed as part of the Federal Government commitment identified the following items which are being addressed within the RAF facility and can only be seen as a positive and upside to the local and regional community:

- Lack of public aquatic facility, no local Learn to Swim programs;
- Lack of indoor sporting facilities;
- Low participation rates in local sports, particularly amongst females;
- Insufficient community meeting and gathering spaces;
- Lack of integrated sport and wellbeing opportunities;
- Lack of preventive health programs delivered in the community; and
- Inadequate and ageing facilities that are no longer fit for purpose.

## Business Plan – Recreation and Aquatic Facility

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### 2.3. The expected financial effect of the RAF development on the City of South Perth

The expected financial effect of the RAF development relates in the first instance to the asset construction/commissioning and secondly to the ongoing operating of the of the RAF facility. Construction and funding of the RAF, as well as the potential operating is incorporated within the Business Case that comprises of two key documents, these being:

- Project Definition Plan, and
- Operational Feasibility Report

The Business Case incorporating the Project Definition Plan and Operational Feasibility Report were considered by Council at the Ordinary Council Meeting on 24 November 2020. Included within these reports are a range of assumptions, based on best available planning to date.

In summary, the construction cost to commission the RAF asset is expected to cost \$80 million. Funding of the \$80m include the \$20m Federal Government commitment, \$20m City of South Perth contribution, with the remaining \$40m expected to be funded from a range of other agencies, including the State Government and the private sector.

In relation to operating the RAF, it is expected this will occur via a future Request For Tender (RFT) process. The operating viability of this model is described in detail in the Operational Feasibility Report. In summary, the RAF will return the existing revenue derive from the site, cover a sinking fund (to cover future capital replacements) and cover a \$20m City of South Perth contribution from a loan. It should be noted that the \$20m loan facility was included on a conservative basis to illustrate the viability of the RAF. Council have absolute discretion, at each Annual Budget, to determine the funding mix of the \$20m contribution, which may be via Municipal Funds, Reserve Funds, Loan funds or a combination of all three.

### 2.4. The expected effect of the RAF development on the City of South Perth Strategic Community Plan 2020-2030 and Corporate Business Plan

The development of the RAF aligns with one of the key strategies of the **City's Strategic Community Plan 2020-2030** – to plan for and promote the development of recreation and aquatic facilities to service community needs. It also closely aligns with the **Public Health Plan** which advocates for the promotion of a healthy lifestyle and the aspirations of the City's Corporate Business Plan.

The City seeks to encourage the on-going sustainability of their community and work to promote healthy lifestyles amongst their residents. This is primarily achieved through engagement with the community and providing infrastructure, services and events that bring the community together and allow for local growth. Based on the City's Strategic Community Plan 2020-2030, the City's vision for the next ten years is to provide:

## Business Plan – Recreation and Aquatic Facility

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“A City of active places and beautiful spaces. A connected community with easily accessible, vibrant neighbourhoods and a unique, sustainable natural environment”.

To implement this vision, the City have developed **four strategic objectives** to help focus their operations. The aspirations for these objectives and activities identified which the RAF will assist in facilitating have been documented below:

### 1. Community – “A diverse, connected, safe and engaged community”

#### Relevant Strategies

- Develop and facilitate events, services and programs to respond to changing community needs and priorities;
- Facilitate and create opportunities for social, cultural and physical activity in the City;
- Encourage and educate the community to embrace sustainable and healthy lifestyles;
- Plan, develop and facilitate community infrastructure to respond to changing community needs and priorities;
- Manage the provision, use and development of the City’s properties, assets and facilities; and
- Plan for and promote the development of recreation and aquatic facilities to services City of South Perth needs.

#### Expected Effect of the RAF

The RAF will deliver a range of ongoing benefits for the community, Curtin University staff and students, local sporting clubs and community groups. A number of community benefits and corporate business generators include but are not limited to the following:

- Providing in-demand facilities for public schools including compulsory swimming lessons;
- Meet demand for Learn to Swim programs to an existing high-risk demographic (overseas born citizens) representing 30% of the City’s population;
- Increase netball participation (currently no courts within the City of South Perth);
- Provide a home for a number of state sporting associations including the Perth Redbacks basketball club;
- Increase physical activity across the region by approximately 500,000 people per year;
- Provide much needed water polo facilities for the South Perth region;
- Create facilities for senior citizens building social cohesion;
- Increase female club sport participation beyond its existing 23%;

## Business Plan – Recreation and Aquatic Facility

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- Provide proactive and preventive health programs that in the future can be self-funding;
- Create an inclusive sport and recreation hub for the whole community, including those with disabilities; and
- Provide a home for sporting bodies and community groups. A number of sports-related partnerships will be enhanced as a result of the RAF and the facility will play an active role in sports development for the region.

### **2. Economy – “A thriving City, activated by innovation, attractions and opportunities”**

#### **Relevant Strategies**

- Facilitate economic development opportunities to enhance local business success; and
- Facilitate activity centres and neighbourhood hubs that offer a diverse, viable and attractive mix of uses.

#### **Expected Effect of the RAF**

The RAF will deliver a range of ongoing benefits and corporate business economic generators:

- Provide revitalised golf facilities to meet changing trends including retaining the original 18 hole layout and development of additional and diverse range of golfing facilities including 9-hole short format, pro-shop, social and golf entertainment;
- A community café, restaurant/bar, function facilities and playground/picnic areas will position the RAF as a local meeting place where physical activity blends with leisure and lifestyle within a beautiful setting;
- Introduce international connections for overseas students and business (predominantly Asian markets);
- Enable training, research and work placement for Curtin University students (more than 8,000 currently enrolled in the Faculty of Health Sciences, incorporating Physiotherapy, Exercise Science as well as Occupational Therapy) and Clontarf Aboriginal College students; and
- Provide proactive and preventive health programs that in the future can be self-funding.

### **3. Environment (Built and Natural) – “Sustainable urban neighbourhoods”**

#### **Relevant Strategies**

- Maintain and improve ecosystem biodiversity in the City;
- Improve the amenity value and sustainable uses of our streetscapes, public open spaces and foreshores; and

## Business Plan – Recreation and Aquatic Facility

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- Promote and implement sustainable water, waste, land and energy management practices.

### **Expected Effect of the RAF**

The RAF will have a strong focus on the delivery of a range of sustainable environmental initiatives both during and within the built form to enhance operational excellence and functionality.

Within the building envelope it is anticipated that a baseline target of 4-star Green Star certification will be targeted, with the ability to target a 5-star Green Star certification as detailed design versus life cycle costs are finalised.

## **4. Leadership – “A visionary and influential Local Government”**

### **Relevant Strategies**

- Be agile to stakeholder, community and customer needs;
- Advocate for public infrastructure improvements; and
- Maximise and diversify non-rate income

### **Expected Effect of the RAF**

- The RAF is a significant infrastructure development that will provide for the needs of the community. The facility is predicted to return additional income to the city.

### **2.5. The ability of the City of South Perth to manage the undertaking or performance of the RAF development**

The City has an experienced team of professional staff and contractors capable of managing the transactions relating to this Business Plan.

#### **2.5.1. Project Implementation – Project Definition Plan and Business Case, Design, Tender, Construction, Commission and Handover of the RAF development**

##### **2.5.1.1. Project Governance Framework**

In order to ensure that the project is managed in a manner that minimises risk for all partners and also provide partners with opportunities for considered input, a formalised project governance framework has been implemented. A Project Governance Structure has been established in order to define roles, responsibilities and accountabilities and facilitate decision making throughout the project.

## Business Plan – Recreation and Aquatic Facility

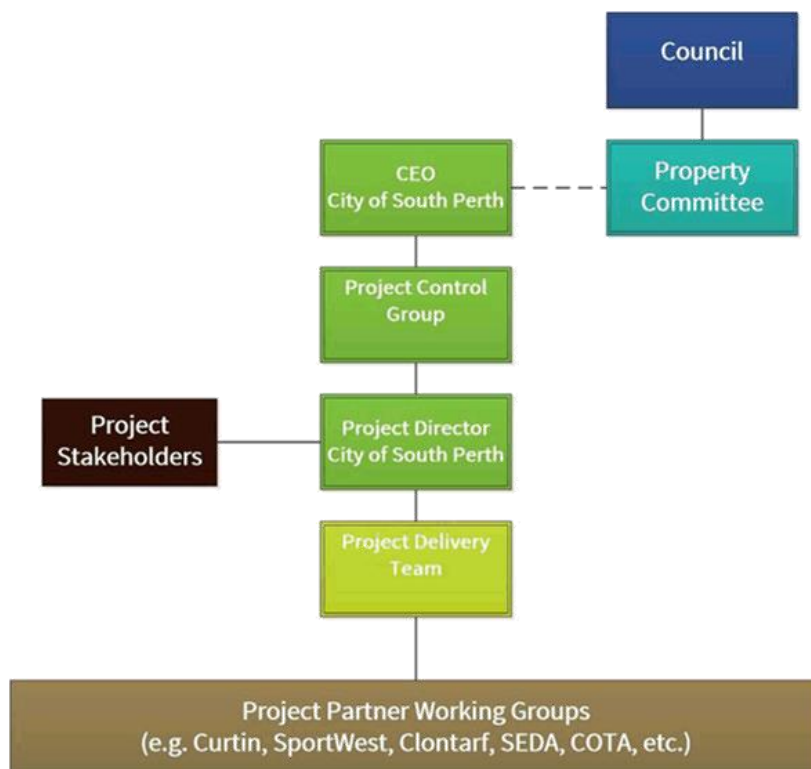


Figure 2: Indicative Project Governance Structure

### 2.5.1.2. Project Delivery Framework

A delivery structure has been established to detail delineation of project roles, together with delegation authorities upon definition of the decision making and delegation authorities within the project team.

## Business Plan – Recreation and Aquatic Facility

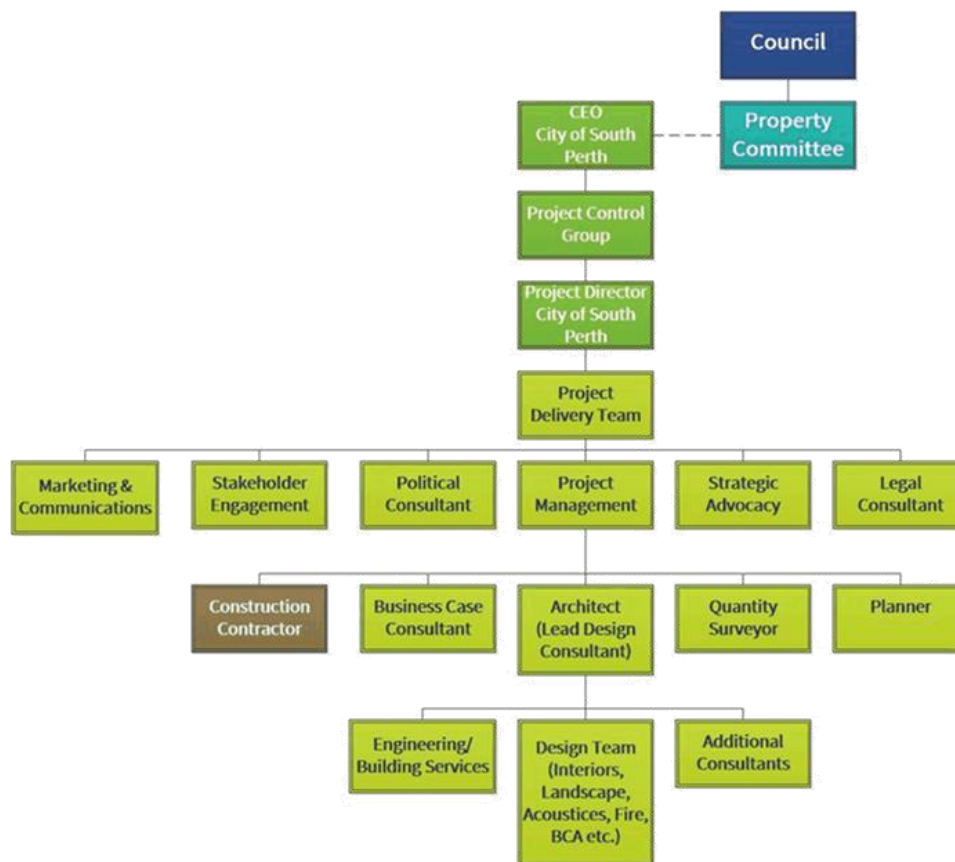


Figure 3: Project Delivery Structure

### 2.5.2. Project Implementation – Operation, Delivery and Maintenance of the RAF Facility

#### 2.5.2.1. Operational On Going Management Structure

It is proposed that an operator will be appointed for the RAF, having the knowledge, skills and capacity to manage a facility of this scale and nature, whilst also ensuring its financial viability.

Three main operational management structures have been developed by the project team and were further considered at the Procurement Workshop attended by key City personnel in order to determine the most appropriate procurement/management approach for the operation of the RAF, with these being:

- Single external management group (i.e. Clublinks, YMCA, Belgravia Leisure, BlueFit, other specialist firms);
- Multiple external management groups (e.g. each responsible for management of an individual component(s) of the facility); and

## Business Plan – Recreation and Aquatic Facility

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- Direct Management by the City of South Perth.

The current assumed management option was deemed to be the single external management group, adopted for the purpose of the determining the Operational Feasibility and performance of the RAF during the Stage 1 Project Definition and Business Case undertakings.

Ultimately, the final operational management structure will be determined following a market procurement process, which is anticipated to be in the form of a market sounding process via an Expressions of Interest campaign, followed by a tender process to those shortlisted operators. This is planned to be undertaken early in the next stage of the design process, in order to gain their input into the ultimate design from an operational perspective through early operator involvement, necessitating Local Government Procurement processes to be followed in this regard.

### 2.6. Other matters of which details are required to be given

Nil.

## 3. Business Plan Access and Submissions

The Business Plan is available from the City's website [www.southperth.wa.gov.au](http://www.southperth.wa.gov.au). Alternatively you can request a copy by telephone (08) 9474 0777 or via email [enquiries@southperth.wa.gov.au](mailto:enquiries@southperth.wa.gov.au).

A hard copy of the Business Plan is available at:

- City Administration or South Perth Library: Cnr South Tce & Sandgate St, South Perth WA 6151
- Manning Library: 2 Conochie Cres, Manning WA 6152

Submissions related to this proposal are invited from members of the public. Any submissions received during the six week advertising period will be considered by Council, at a Council Meeting, before Council make a decision on whether to proceed with the Business Plan, or not.

To make an online submission, visit [yoursay.southperth.wa.gov.au](http://yoursay.southperth.wa.gov.au). Written submissions should be addressed to: Chief Executive Officer, City of South Perth, Cnr Sandgate St & South Tce, South Perth, WA 6151 or emailed to [enquiries@southperth.wa.gov.au](mailto:enquiries@southperth.wa.gov.au).

Submissions must be received by 5pm, DAY DATE MONTH 2021.

Any enquires relating to this proposal should be directed to the Project Director RAF, Beverley Davies on (08) 9474 0777.

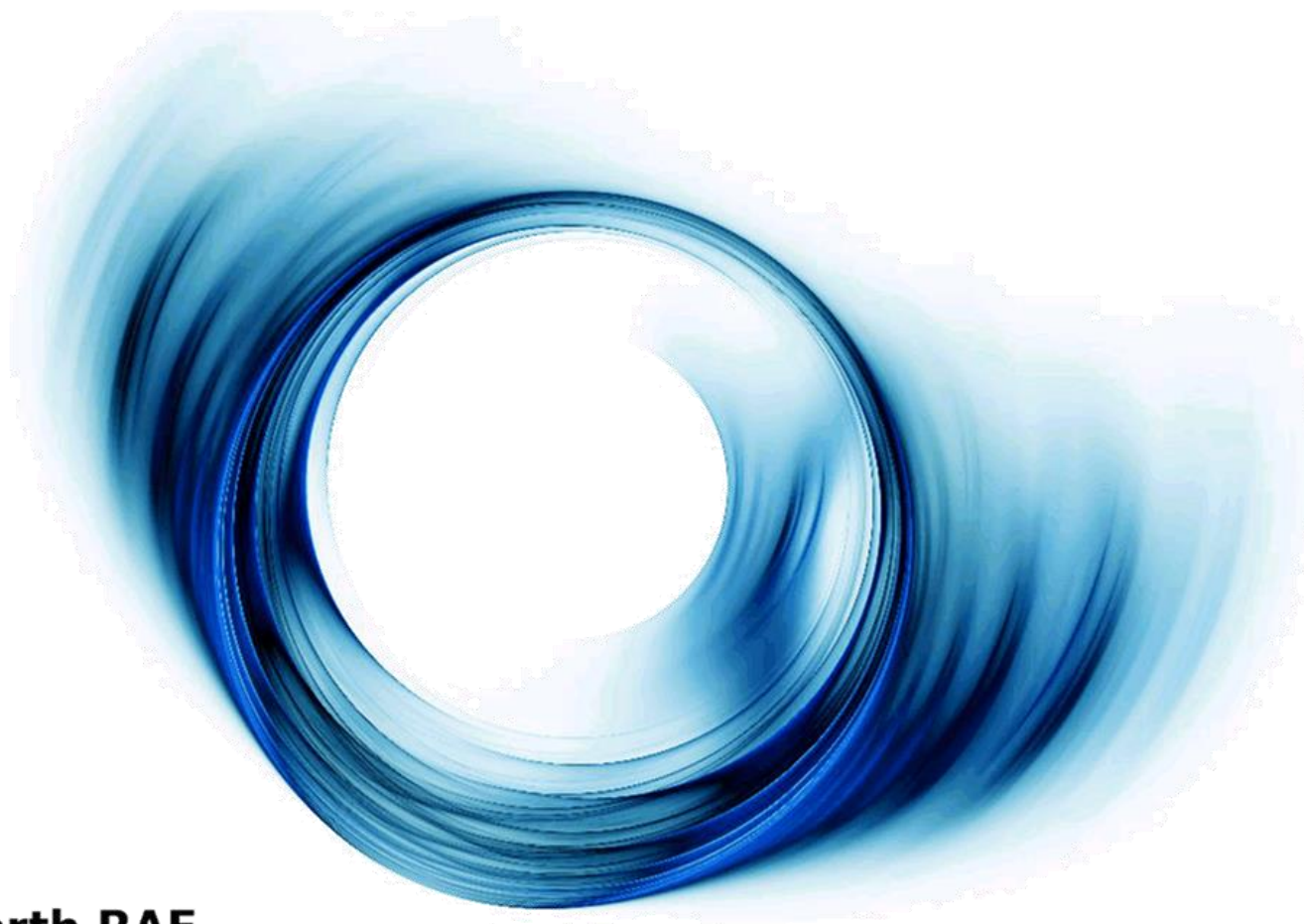
## Business Plan – Recreation and Aquatic Facility

### Attachment A

Below are two images that provide for the likely location of the Recreation and Aquatic Facility within the Collier Park Golf Course (CPGC). CPGC is located west of Curtin University, the location address is Hayman Rd, Como. CPGC boundary is Hayman Rd to the North, Murray Street to the West, Jackson St to the South and Kent St to the East.

	<p>This image depicts the entire CPGC, with Kent St and Curtin University to the East. The red lines depict the approximate location of the Recreation and Aquatic Facility within the CPGC.</p>
	<p>This image provides a close-up of the likely layout of the Recreation and Aquatic Facility, being over and north of the existing Club House. This image is indicative only and subject to change through the design process, should Council agree to proceed with this Business Plan, following the close of the comment period.</p>

**Deloitte.**



**South Perth RAF  
Peer Review (public summary)**  
City of South Perth

12 March 2021

Given the RAF is at a concept stage, this Review has not identified any fundamental barriers that would prevent the project from progressing to the next stage.

The findings highlight areas of further development for the RAF, which would typically be addressed in a Treasury business case.

# Contents

1. What is the RAF?
  2. Development process
  3. Scope of the peer review
  4. Review methodology
  5. Project assumptions and components
  6. Key findings
  7. Areas of further investigation
- Limitations and assumptions



## What is the RAF?

The South Perth Recreation and Aquatic Facility (RAF) is a health, fitness, wellness, and recreation hub located at Collier Park Golf

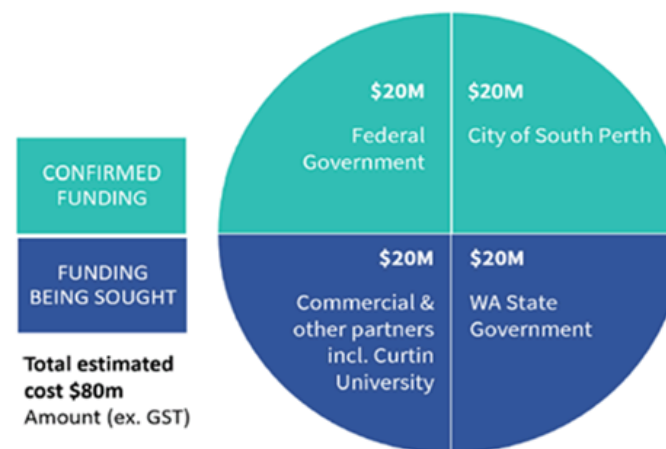
### The vision for the RAF



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### Location and funding

- > The RAF is to be co-located adjacent to Curtin University at the Collier Park Golf Course (CPGC), slightly north of the existing golf clubhouse which will be demolished and integrated with the RAF.
- > The RAF is expected to cost \$80 million, the City proposes that funding be sought through multiple parties, including commercial and other private funding partners such as Curtin University and the commercial operator of the facility.



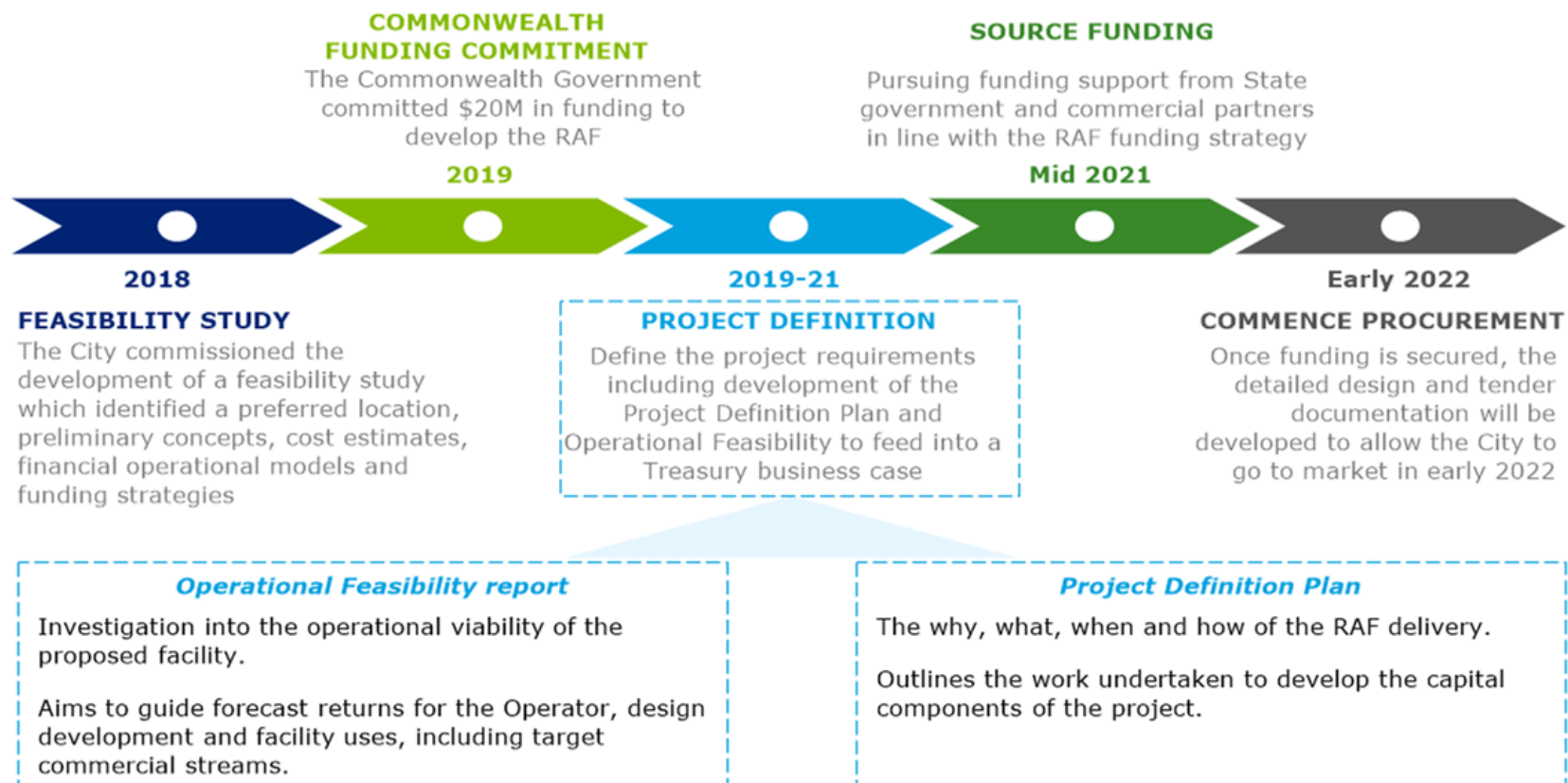
South Perth Recreation and Aquatic Facility – Peer review

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## Development process

The development process to date is documented (by the City) in two key reports: the Operational Feasibility and the Project Definition Plan

**A comprehensive planning process for the RAF project has been undertaken by the City.** This has included primary research, potential partner discussions, industry benchmarking, site visits, scenario analysis, technical advice, and the development of planning documents over an extensive period.

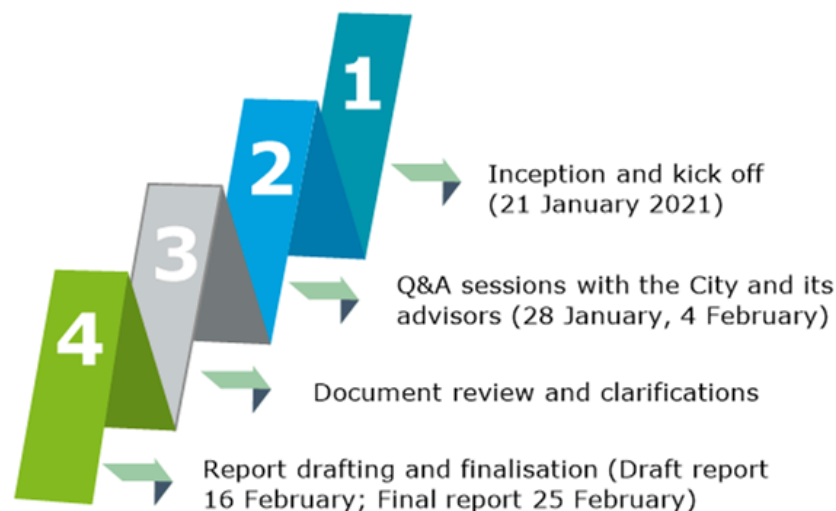


## Scope of the review

Deloitte undertook a Peer Review for the RAF, focusing on the functional and operational aspects of the RAF.

### Focus and review process

- > The review focuses on the functional and operational aspects for the RAF.
- > The intent of the review was to assess the appropriateness of benchmarks, approach, modelling and assumptions, and provide key findings regarding the feasibility assessment.
- > The review took place over five weeks:



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### Key assumptions and limitations

- > The review focuses on the RAF itself and does not assess the viability or the appropriateness of the South Perth RAF as an investment in the community and region.
- > Further it does not constitute an independent feasibility assessment, cost benefit analysis for the City or consider the City's return on investment.
- > The methodology and key findings are commensurate with the scope of the Review
- > The Review does not include a review of:
  - Capital and renewal / maintenance costs of the South Perth RAF and existing facilities or other costs provided by a Quantity Surveyor
  - Delivery costs and impacts
  - The proposed design
  - Benchmarking of golf and rock-climbing wall metrics (including financials) as these are provided by the City.

All limitations and assumptions are on page 11.

South Perth Recreation and Aquatic Facility – Peer review

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# Methodology

The methodology applies key considerations across three areas of key findings

## Areas of key findings

1.

### ***Overarching strategic aspects***

Considers the City's proposed business model and the overall approach taken by the City and its advisors in developing the RAF and the supporting documents.

2.

### ***Operational and functional aspects***

Considers the performance of the RAF and its constituent components, with respect to demand, costs, facility provisions and projections

3.

### ***Financial cashflow aspects***

Considers the components of net operating profit (beyond the operating projections) that provide insight to the viability and profitability to the City, and the operator.

## Key considerations

### Benchmarking

- > Comparison to similar projects across Australia and within WA
- > Experience in these projects informs analysis and views expressed in findings

### Reasonableness of assumptions

- > A view of the quality, appropriateness or fairness
- > Considered within the RAF context, given information, provided by the City

### Conservatism of assumptions

- > Identify risks of changes in assumptions on feasibility
- > Conservative assumptions improve feasibility when aligned with benchmarks

## Project assumptions and components

The RAF includes diverse facilities and will be operated by a private third party

### Business model assumptions

- > The City will own the RAF
- > Funding is provided from multiple parties – Federal government, the City, WA state government and commercial partners
- > The operations of the RAF are outsourced to a suitably qualified third party (the 'Operator')
- > The Operator is assumed to contribute to the capital costs of the RAF
- > The Operator is responsible for RAF revenues and costs
- > The City and Operator collaboratively make key operational decisions (such as programming, services, tenants and pricing)
- > The Operator will require the RAF to generate a net operating surplus to remain financially sustainable
- > The City is 'no worse off' than today as the Operator is required to make lease payments to the City

### Facility components

Aquatics and leisure	
 50 metre outdoor pool with boom	 Learn to swim pool
 Leisure and warm water pools	 Sports Hall
 Health club including program rooms	 Community House (incl. Curtin Uni)
 Climbing centre	 Function / multipurpose areas and carpark
Commercial	Golf
 Retail / Pro shop	 27 hole golf course and clubhouse
 Food and beverage	 Minigolf
 Creche	 Driving range

## Key findings

The key findings for each aspect of the review are summarised below, based on more detailed findings on specific topics

### ***Overarching strategic findings***

- > The proposed RAF business model is unique in that it transfers all management and financial risk to the operator.
- > This has implications for the analysis which focuses on the operator's viability, rather than the benefits of the City's investment in the community.
- > Given the stage of the project, conducting a market sounding process and comprehensive risk assessment would add to the robustness of the analysis and inform current assumptions.

### ***Operational and functional findings***

- > The RAF strategic positioning, assessment of demand, level of car parking provision and the key financial assumptions support the objectives of the project and/or the financial performance projections.
- > Critical factors such as a refinement of the RAF design and a detailed assessment of the key risks require further review by the City.
- > As part of this process, any potential implications on the financial performance and/or the project cost could then be considered in alternate financial projection scenarios.

### ***Financial cashflow findings***

- > The financial modelling approach adopted aligns to the proposed business model.
- > Many of the key financial components, such as the operator capital contribution and net operating profit, should be validated with a broad group of operators to determine their commercial viability.
- > The majority of the financial assumptions appear reasonable given the context, however the sinking fund allowance, construction contingency and some components of indexation are towards the lower end of expected ranges.

## Areas of further investigation

The findings highlight three key areas of recommended further development for the RAF



### ***Detailed functional brief***

Development of a detailed functional brief that refines the current concept design, area schedule, demand projections and facility components



### ***Quantitative risk assessment***

A quantitative risk assessment to determine the potential financial cost and performance impacts of key risks for various scenarios



### ***Operator market sounding***

Conducting a more extensive market sounding exercise with potential operators to confirm appetite for the RAF business model and key assumptions included in the feasibility assessment.

It is expected that development of a Treasury business case would address the identified areas of further investigation.

## Limitations and assumptions

The peer review report must be qualified and read within the context of the following limitations and assumptions of our work.

- Our report and this presentation are prepared solely for the use of the City of South Perth. Our report and this presentation is not intended to and should not be used or relied upon by anyone else we accept no duty of care to any other person or entity. The report has been prepared for the purpose set out in our engagement letter dated 22 January 2021. You should not refer to or use our name or the advice for any other purpose.
- Our work is based on the information provided to us. We have not audited, tested, or otherwise verified any of the information use in the preparation of this report.
- Whilst this report may contain our views as to indications of value, it is not a formal valuation and cannot be treated or relied upon as a valuation.
- The assumptions, benchmarks and interpretations assessed herein may change significantly and unexpectedly over the short-term (attributed, but not limited to factors such as a result of general market movements or factors specific to the particular property).
- We have adopted certain assessments and findings based upon our reasonable investigations and enquiries given the scope and timing of the engagement. These have been based on the information and assumptions referred to in this Report. The achievement and/or sustainability of our projections/forecasts will, by their very nature, be affected by a variety of fluctuating economic and market conditions of the type that are not necessarily capable of being known or predicted at this or any given time. We do not warrant nor assume responsibility for the accuracy of projections or assessments.

### Engagement limitations

1. In providing the Services we have relied upon and assume, without independent verification, the accuracy and completeness of information provided by the City and its advisors, and available from reputable public sources, except as appropriately set out in our engagement letter.
2. The Peer Review report is an independent, commercial-in-confidence Deloitte branded document and will not form part or be attached to Documents provided by the City's documents and is intended for internal use by the City only.
3. The Peer Review is high level in nature, has been completed within a compressed timeframe (5 weeks) and does not constitute an independent feasibility assessment, cost benefit analysis for the City or consider the City's return on investment.
4. The documentation provided is extensive encompassing the Project Definition Plan (533 pages) and Operational Feasibility (219 pages) and while we have made reasonable efforts to ensure the information provided is accurate, robust and informed, greater time to review the material or further information provided may impact the findings of this Review.
5. The review of the financial model has been restricted to a pdf version of the model – which limits our ability to assess the functionality of the model within a limited timeframe.
6. The Review has been undertaken as a desk top exercise.
7. We have consulted with the City's Officers and the NS Group, in one inception meeting and two question and answer sessions. The rational for processes and assumptions was gathered verbally through these consultations except as noted in the report.
8. The Review does not assess the viability or the appropriateness of the South Perth RAF as an investment in the community and region.
9. The Review does not include a review of:
  - Capital and renewal / maintenance costs of the South Perth RAF and existing facilities or other costs provided by a Quantity Surveyor
  - Delivery costs and impacts
  - The proposed design
  - Benchmarking of golf and rock-climbing wall metrics (including financials).



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