

SALTWATER Business Operations Plan 2025 – 2035 Version 8



Busselton Performing, Arts and Convention Centre (Saltwater)

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Context

The Busselton Performing Arts and Convention Centre (Saltwater) will be a first class dedicated convention, entertainment and performing arts centre capable of hosting major events and a hub for the region's creative sector.

This iconic landmark performance space has an auditorium capacity of 1000 people standing, comprising up to 640 seats (345 seats which are retractable or removable and two levels of balcony seating). The upper floor conference and convention facility can accommodate 400 people banquet style. The building will be flexible in design utilising the latest technology to fill the gap to host large indoor events, adding to the viability of the South West touring circuit and the opportunity to increase visitation to the region as a destination for conference, trade shows and conventions.

Saltwater will give an exceptional customer experience with high quality seating and a focus on comfort and sight lines to the stage and a more intimate feel for the audience. Programming for Saltwater forecasts one of the highest uses for the auditorium will be popular music. The feel of attending a concert and being able to get up close to the artist and dance, with different price points for general admission and booked seating is achieved with the changed, flexible seating arrangement. The retractable seating also creates opportunity for indoor events the City cannot currently host to sufficient capacity such as trade shows, fashion shows, expos, cabaret banquet dinners and dance.

On the first floor there will be a rehearsal room, two conference rooms and breakout rooms providing for a 400 banquet function with outdoor deck and views to the Bay. This will enable the hosting of conferences outside the main auditorium, allowing the auditorium to be used for set-up and other purposes while a conference is in progress; enabling conferences to be scheduled all year round without needing to share the auditorium with other events. These smaller lower cost spaces will provide an affordable alternative for community hire for functions and smaller sized events not requiring the large stage.

A new art gallery forms part of Saltwater facility, enabling the current gallery to be repurposed into a commercial bar and the existing ArtGeo gallery to be upgraded to an A class to enable national and international works to be exhibited there. A generous Courtyard can be used as an outdoor exhibition space for shows such as sculpture works, a further outdoor event space and an alfresco area for functions, with the ArtGeo bar to serve out into. The ArtGeo bar (heritage building that was the ArtGeo Gallery) will operate independently to Saltwater, providing a commercial tenancy opportunity and a key attraction, supporting the connection of the CBD with the vitality of the rejuvenated. Revenue from leasing the old gallery building will be used to partially fund the maintenance and asset replacement of Saltwater.

Saltwater is just one component of the broader Cultural Precinct which is already a hub for the creative and performing arts. The site includes an historic courthouse complex of considerable cultural and architectural significance, the historic and quaint 120 seat Weld Theatre, the gallery, artists' studios and workshops, an acting school and a café.

The Courthouse is listed on State and National heritage registers. The site includes several buildings housing courtrooms, gaol cells, bond store, former post office, stables, landscaped courtyard and two cottages that once housed the police constables' families.

The former Department of Agriculture building opposite the Courthouse has housed the ArtGeo Gallery since September 2008.

The cultural precinct is also home to several community and commercial leases: the Busselton Art Society, Acting Up Academy of Performing Arts, the Busselton Repertory Theatre, the Lock Up Coffee Shop and resident artists. All of these arrangements will now form part of The Cultural Precinct Business Unit operations.

The Vision

"Saltwater and the Busselton Cultural Precinct is a place where creativity lives. It reflects the rich heritage of our jetty, timber industry and picturesque region, energising Busselton as a vibrant creative town, connecting the bustling foreshore with a thriving CBD. Loved for the extraordinary range of experiences and diversity of high quality events.

There is always something happening in the Cultural Precinct."

This Business Plan details how the new operations of Saltwater will be managed and developed in the short term to work towards achieving the vision for the future.

1. Key Objectives

Saltwater will provide for the Capes region a significant visitor attraction and iconic venue of quality, contemporary design and the latest technologies that will:

- Create local jobs – 138 during construction and 44 through its operations.
- Inject an additional \$6.6m annually into the local economy.
- Create new markets for business in convention, conferences, trade shows, the arts and creative sectors, which increase local spend.
- Diversify the City of Busselton's event offerings.
- Fill the gap in indoor venues with capacity that can reach over 1000 to service the winter and shoulder seasons.
- Broaden the horizons and prospects for our youth.
- Add to established visitor attractions.
- Provide opportunities for Aboriginal cultural experiences, supporting job creation and increased recognition of the value of our rich First Nation's heritage.
- Support increased educational and training opportunities.
- Attract touring art exhibitions of national and potentially international acclaim.
- Enliven the Cultural Precinct, connecting the CBD and foreshore, providing an economic catalyst for extended trading and business viability - kick starting a night time economy.
- Enrich the lives of the community and its visitors by increasing the spectrum of quality arts and culture events.
- Provide opportunities for the region's burgeoning creative sector and a home for local artistic, cultural, educational groups and individuals.

2. Strategic Links

The establishment of a dedicated convention, entertainment and performing arts venue in Busselton is the third pillar of a regional growth strategy alongside the Busselton Foreshore Development and Busselton Margaret River Airport upgrade. In tandem these projects are set to increase interstate and international tourism, expanding from traditional intrastate visits to more lucrative, higher spend business, incentive and exhibition travel market; particularly international markets; realising greater economic returns for one of the most highly tourism dependent regions nationwide.

This growth strategy will support the City's growing community by adding to and enabling increased accessibility to established visitor attractions, connecting the Busselton foreshore with the CBD. This project has the potential to increase visitor spending and create local jobs while providing for a sustainable local and regional economy.

Saltwater and the Busselton Cultural Precinct services align with the following lifestyle and opportunity priorities in the City's Community Strategic Plan:

- Recognise, respect and support community diversity and cultural heritage
- Establish a performing arts facility for the District
- Facilitate events and cultural experiences that provide social connection
- Provide for youth development through activities, programs and events

- Work with key partners to facilitate the activation of our town centres, creating vibrant destinations and consumer choice
- Facilitate an innovative and diversified economy that supports local enterprise, business investment and employment growth
- Continue to promote the District as the destination of choice for events and unique tourism experiences.

3. Critical Success Factors

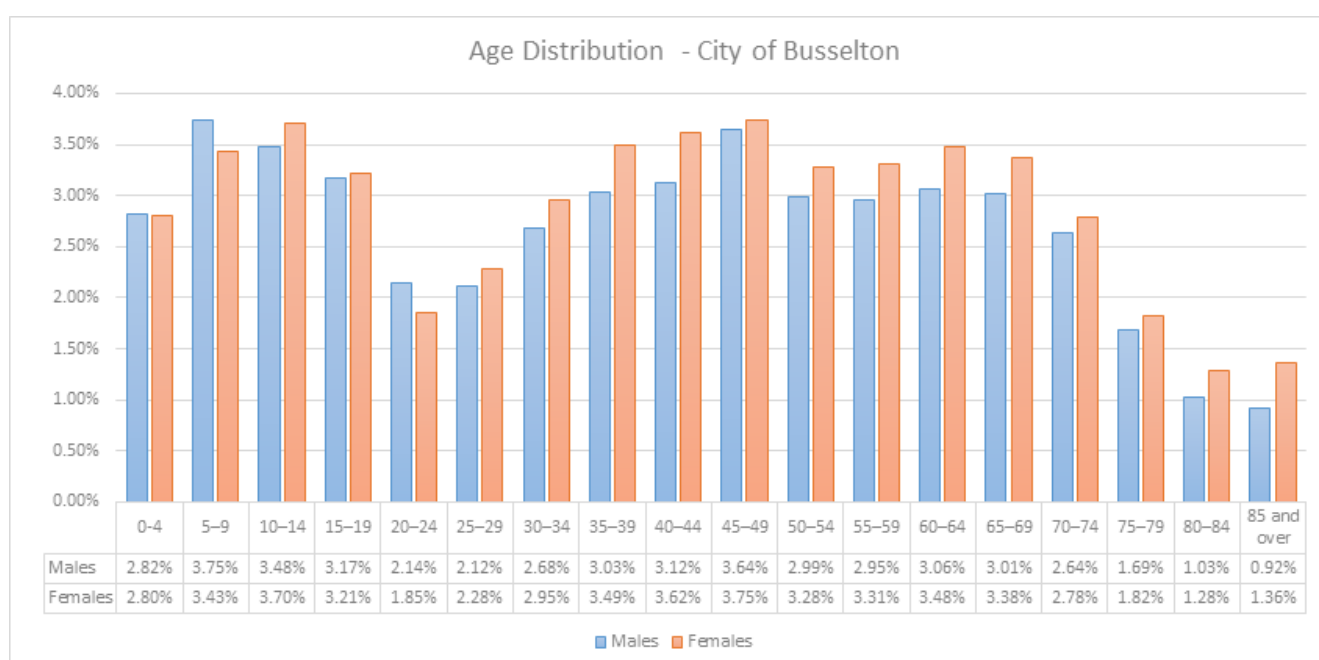
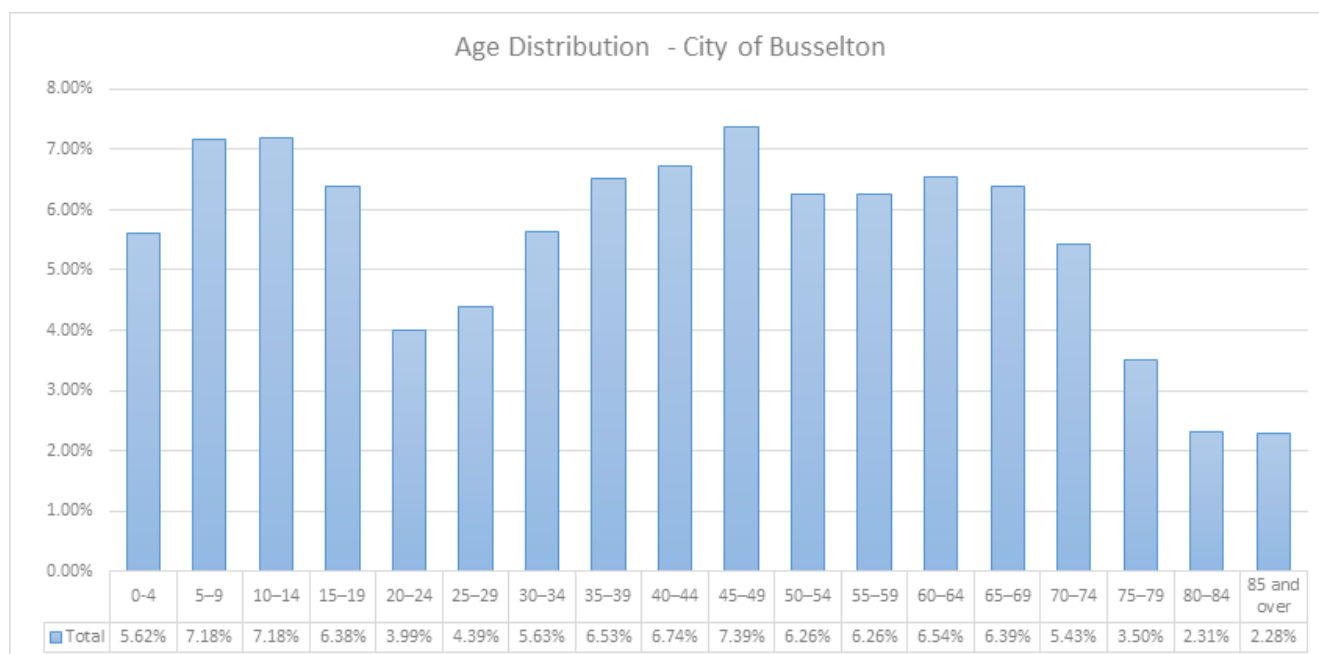
Saltwater will be a fairly complex operation, providing a diverse range of service to a broad range of customers, many internal and external environmental factors will influence its success. The following critical success factors have been identified:

- A shared vision and endorsed Strategic Plan for the development, establishment and growth of Saltwater and the Cultural Precinct aligned with the City of Busselton Community Strategic Plan and the community's aspirations for the future.
- Aligned marketing, programming, financial, utilisation, community, commercial and artistic objectives.
- Versatility and adaptability to achieve the performances, conferences, meetings, events and incentive travel market revenues and attendances forecast.
- Appropriately resourced and effective audience development, event attraction, marketing and community engagement plans.
- An exceptional experience only attainable at Saltwater and in the Cultural Precinct, highly valued by our community and visitors to the region.
- Saltwater's integration with the Cultural Precinct, enhancing the heritage environment and adding to the vibrancy of the area for a diverse customer experience.
- Connection and interface with the foreshore to attract increased visitation and duration of stay.
- Enough high quality staff with the right skills, experience, values and motivation.
- A cohesive stakeholder reference group working collaboratively in the best interest of the whole complex.
- Strongly connected with industry and other centres; arts, culture, tourism, business events market.
- Clear operating policies and procedures including risk appetite to guide investment decisions.

4. Audiences

Theatre and performing arts demand

Busselton has previously been a popular retirement destination and as we see globally has an aging population. However, with the development of Dunsborough and new town sites of Vasse and Yalyalup the City has seen an increase in young families moving to the area. The City of Busselton's age population below shows 20% of the community are aged 60 plus and over 30% are aged 24 or under with females higher in most age brackets.



3235.0 Regional Population by Age and Sex, Australia, Population Estimates by Age and Sex, Local Government Areas (ASGS 2018), Released 29 August 2019

On this basis, entertainment that appeals to children and their families, youth and seniors will feature strongly in programming.

A further study examining preferences for consuming different performing arts genres has been undertaken to understand local demand for this content. The average propensity to consume performing arts experiences for Regional Western Australia which has then been applied to the current and forecast population of the City of Busselton, is outlined in the table below.

Expected Demand for Persons Attending Performing Arts Events, City of Busselton							
Performance type	Year						
	2016	2021	2026	2031	2036	2041	2046
Classical music concerts	4,484	4,924	5,436	5,931	6,388	6,823	7,237
Popular music concerts	25,103	27,568	30,435	33,203	35,763	38,197	40,515
Theatre performances	11,134	12,227	13,499	14,727	15,862	16,941	17,969
Dance performances	3,712	4,077	4,501	4,910	5,288	5,648	5,991
Musicals and operas	6,858	7,532	8,315	9,071	9,770	10,435	11,069
Other performing arts	12,694	13,941	15,390	16,790	18,084	19,315	20,487
Total attendance	63,985	70,268	77,576	84,632	91,155	97,360	103,268
Total potential attendance based on % local audience share:							
80%	79,981	87,835	96,970	105,790	113,944	121,700	129,085
85%	75,276	82,669	91,266	99,567	107,241	114,541	121,492
90%	71,094	78,076	86,195	94,036	101,284	108,178	114,742
Expected attendance based on capture rate:							
50%	37,638	41,334	45,633	49,784	53,621	57,271	60,746
75%	56,457	62,001	68,449	74,675	80,431	85,906	91,119

Based on this analysis, a conservative 'capture' rate of 50% has been used to understand potential demand for Saltwater performing arts and theatre events.

Consultation in January 2019, for the City's Event Strategy review, established the most popular types of events for our local community are concerts/live music, cultural events (theatre, comedy, non-pop/classical music, and ballet), family/youth events, food events, winter festivals and New Year's Eve type celebrations.

Since 2019, the COVID-19 pandemic has had a significant impact on the performing arts sector nationally. However, as pandemic-related restrictions have eased, audiences have shown a strong preference to return to live theatre.

Business events market

As well as providing a contemporary venue for performing arts, the proposed venue will also have as a core objective the capacity to host key business events for the City of Busselton and Capes region, which currently has few suitable venues. The business event, or MICE, industry comprises three market segments: meetings and conventions, exhibitions, and incentives (i.e. travel rewards to motivate and recognise staff for performance).

A review of the current local conferencing and event offer has been undertaken, including the following venues:

- Abbey Beach Resort
- Geographe Bayview Resort
- The Ramada (previously Wyndham resort)
- Pullman Bunker Bay Resort
- Old Broadwater Farm
- The Equinox

The review established there is little capacity in existing venues for medium to large scale business events more than 250 people and consequently there will be minimal displacement caused by Saltwater. Saltwater is designed to handle larger events and grow the entire MICE industry in Busselton significantly, which should then allow for some organic growth for other venues and scope for working in partnership.

This analysis has been supported by engagement with the national conference and business events market, which has shown strong interest in Busselton as a conferencing destination. The business events and conference market has seen significant growth since pandemic-related restrictions were eased, with major convention centres across the country recording near record levels of business post COVID-19.

Busselton is a well-established tourist destination due to its beachfront setting and its location on key travel routes between Perth and the Margaret River region. The City hosts nearly 900,000 overnight visitors each year and a visitor spend of \$561 million in 2019. The Busselton Margaret River Airport, an eight-minute drive from the City, is a major gateway for the broader South-West region with direct routes to Melbourne and Sydney opening in the past two years. These factors make the City well-placed as a business events destination and poised to capitalise on the large number of potentially displaced events should the Perth Convention and Exhibition Centre be redeveloped in the next decade.

5. Program

Saltwater will cater for:

- Popular music concerts
- Theatre performances
- Conferences / Expos / Workshops
- Dance performances
- Musicals and operas
- Classical music performance
- Other/community performances such as bands, amateur dramatics, stand-up comedy, concerts
- School Performances / school graduations / school showcases
- Rehearsals / Studio
- Development of the performing arts and creative sector
- Educational / Training Programmes
- Entertainment
- Cultural experiences
- Professional development

Community consultation and demographic profile information indicate the most popular type of performance is likely to be popular music and family friendly type events, with emerging/continuing event trends Australia and worldwide identified as:

- Winter activations – ice rinks/themed villages.
- Light festivals – light installations/projections onto buildings/landscapes.
- Multicultural food night markets ‘noodle markets’.
- Trail running/hiking/biking events – more connection with nature.
- Niche/themed food events i.e. seafood (squid), winter reds, beer and BBQ, chilli, dessert, cocktails.
- Focus on wellness – health, fitness, mental well-being.
- Purpose – socially responsible, social, or environmental statement, reduced carbon footprint.
- Venues with a story – historic and unique venues, non-traditional event spaces.
- Instagrammable events – themed, interactive experiences.

The City will deliver this programming through a number of different content streams, including:

- Saltwater Presents – City-produced content that will be curated based on Saltwater’s Programming Strategy.
- Commercial venue hire for entertainment events – hire of the theatre and other spaces for local and national touring events (e.g. musical theatre, comedy).
- Community hire – hire of the venues by community groups and schools for awards nights, dance presentations and local theatre.
- Business events – hire of the venues for conferences, conventions and other meetings and business events.

Community hire

It is anticipated that current local school, music, and dance groups' use of BREC including users south of Busselton will transfer their bookings to Saltwater from 2025. These activities usually occur for 4 weeks during Term 4. Cape Naturaliste College has indicated they are likely to book the facility for their annual school ball and awards night(s) as are Busselton Senior High School. Both these schools are also keen to explore how they can use the new facility to showcase their talent and provide opportunities for their students in their visual arts and music streams. St Mary Mackillop, Georgina Molloy Anglican School and Cornerstone Colleges have expressed support for Saltwater and see opportunities for their students.

The Weld Theatre

The Busselton Repertory Club ran 98 performances in the Weld Theatre during 2018/19 as well as actual performances/productions by Busselton Repertory Club, Acting Up and other visiting artists. The Weld Theatre has many other non-performance activities, such as:

- Auditions and rehearsals (usually for each production, a min of 100 hours of audition/rehearsal time)
- Choral Society practices
- Dance practices
- Regular U3A Script Reading sessions
- Singing lessons by Acting Up
- Theatre workshops

With the additional spaces provided by Saltwater the Weld circa 120 seat theatre is likely to have capacity, especially during the day to be programmed for other uses and can be considered as an additional break out space for Business Events.

The Repertory Club lease expires 30 June 2025. The City is committed to providing a new lease to the club for their existing facilities, which are being upgraded as part of Saltwater's integration, and providing new arrangements that enable the Club to use the other new facilities in Saltwater. Responsibility for building maintenance, including structural and heritage will be reviewed during negotiations for the new lease and may change from those previously agreed to ensure a consistent standard of maintenance is achieved for the entire centre and to allow the Club to focus on their own operational needs. The new arrangement(s) will consider:

- 1) The Club's area of exclusive use under a lease arrangement.
- 2) The Club's access to shared common areas under a license agreement.
- 3) The Club's hire of areas and the terms and conditions of hire.
- 4) Saltwater management's use and hire of the Club's exclusive use (leased) areas and the terms and conditions.

Acting Up

Acting Up provides events, drama classes and singing lessons and have a lease in the Police Sergeants Cottage adjacent to the Courthouse which expires 30 June 2025. Acting Up will be a resident production company hosted at the Saltwater venue, with arrangements to be negotiated.

Commercial and business events

The following are examples of key annual events that are likely to use Saltwater, those that the City supports with funding required under the funding arrangements to have an opening and/or closing event at Saltwater and a renegotiation of any existing funding agreements:

CinefestOZ 1 week in August likely to want to use the whole centre for: opening gala night (full capacity), closing award night (full capacity), screenings daily using main auditorium and Weld, industry workshops, school visits, meetings, ticketing. There is opportunity to grow and diversify the event with Saltwater.

Perth International Jazz Festival opportunity to grow the event.

Busselton Fringe Festival opportunity to grow the event.

Busselton Mardi Gras opportunity to grow the event.

Festival of Busselton opportunity to provide indoor evening event elements.

Ironman for registrations, gala dinner and awards nights, potential to grow expo side of event.

Busselton Jetty Swim awards night.

Battle of the Bands opportunity to grow the event.

Business events that showcase the region and leverage Saltwater's unique point of difference will be targeted, including:

- Agribusiness/Agritourist
- Trade and Export
- Wine Tourism
- Creative Industries (Emergence, Guitar Festival)
- Biodiversity
- Marine Tourism (whale-watching, surfing etc.)
- Health and Medical Conferencing
- Cultural Heritage including Aboriginal tourism

In the first year of operating Saltwater from opening in July 2025 the following utilisation is estimated:

	Total events	Total event days
Commercial entertainment	19	21
Community hire	12	36
Saltwater Presents	18	38
Business events	8	36
TOTAL	57	131

Programming Policy

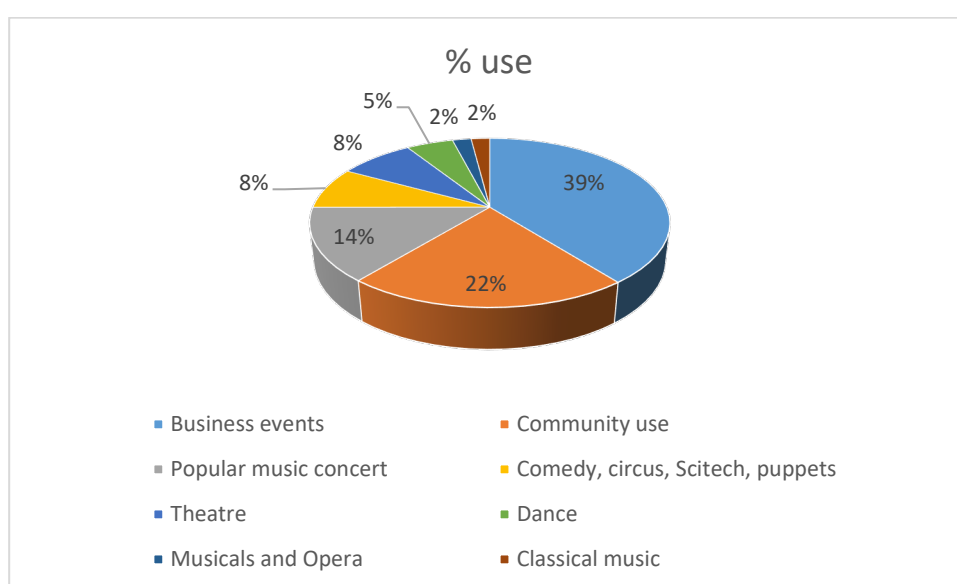
Saltwater programming will consist of the following streams:

1. *Community Production* – Events, performances and activities that are produced and coordinated by the community. This usage can either be through a one-off hire of the facility or part of the facility or through a regular lease or license of defined areas within Saltwater, e.g. The Busselton Repertory Club and Acting Up!
2. *City funded events* - Events produced and coordinated by commercial and community organisations supported by the City e.g. CinefestOz and Busselton Festival from funding available through the City's Marketing, Events Reference Group (BDEMP) cash and in kind by way of venue hire fee waiver and support service waiver considerations.
3. *City programming* - The City will source, negotiate price, program, fund, incentivise and ticket (where relevant) performances, business events and other events of a commercial nature. An annual allocation of BDEMP funding has been forecast commencing at \$150,000 per annum.
4. *Venue hire* – Saltwater will be marketed for hire by community and commercial users. Business Events will have the option of straight venue hire for a room only; or for larger events, can be catered and

charged at a per head fee, with hirers offered a choice between the City's preferred caterers. Venue hire for commercial use of the auditorium, foyer, courtyard and gallery will specify equipment and services included and charge out rates for specific items and labour. A local supply list will be developed for hirers to hire any additional equipment required. A fully equipped kitchen will be available for hirers and caterers to use for an additional fee. Bars will be operated by the venue, with minimum spends enforced. Affordable rates of subsidised hire for not-for-profit, local community groups will be provided as the City does for all its other halls, rooms and venues for hire.

Saltwater programming will provide a balance of community access at affordable rates and commercial activities which generate sufficient returns to achieve the annual operating budget and acceptable operating subsidy level.

Based on the City's demographic profile, market demand assessment and consultation for the City's Event Strategy review the following indicative programming breakdown has been forecast which forms the basis of the Programming Strategy:



Production

As popular music events are forecast to be a main income generator and significant part of the program the following amplification and sound equipment items will be required:

- Sound / hanging array system, power requirements and amps to power system.
- Location of production (sound and lighting desks) in auditorium as usually on floor centre of room.
- Lighting hanging from front / middle / back of stage.
- Recording ability to get a feed from sound deck.
- Acoustic variability to suit the various program of events.

For CinefestOZ and similar users Saltwater will have the functionality to be set up as a cinema, however this will not be to the same specifications as a cinema such as Orana and the hirer will be required to bring in their own specialist equipment.

6. Marketing and Audience Development

Brand

A strong and consistent brand identity for the Cultural Precinct and Saltwater will be developed. The name 'ArtGeo Cultural Complex' will no longer be used. A powerful brand identity has been developed through a Cultural Interpretation Strategy. The brand will support the marketing and promotion of the new venue locally, throughout WA, interstate and internationally. The brand identity will have local resonance and be synonymous with Saltwater's unique point of difference. The Cultural Precinct's brand 'where art and heritage meet' will be reviewed. The current ArtGeo website will be changed to reflect the Courthouse complex and new branding for the Cultural Precinct.

Saltwater will have its own website, with a focus on venue hire and ticket sales.

The Saltwater brand will include:

- Domain name
- Style guide and colour scheme
- Logos
- Tag line/slogan
- Uniform specification

Audience development

The purpose of audience development is to increase repeat attendance, find new audiences and increase the existing audience's depth of understanding or experience of events at Saltwater. Key outcomes sought as a result of audience development activities will include:

1. Increased attendance
2. Support for cultural growth in the community
3. Increased revenue
4. Development of audience understanding of an art form or work
5. People introduced to new art forms and experiences

The audience development plan will drive new ways of reaching audiences to increase attendance and their depth of experience by detailing how the following strategies will be actioned:

1. Market Penetration: creates more attendance from the existing audience for existing programs and products; increases frequency of attendance and brings back lapsed attenders.
2. Market development: attracts new audiences for the first time with existing programs.
3. Product development: creates more attendance from existing audiences with new programs and products, extending the range of program offer.
4. Diversification: increases attendance via new products or programs for new audiences.

Community Engagement

Methods of community engagement to build affinity with Saltwater and the programmes and events it generates will be established and how they will be achieved articulated in the Audience Development and Marketing Plans.

Effective community engagement is an inherent part of the organisation's culture and how we will work with community. Typical goals of community engagement might include:

- Enhance audience understanding of and connection to a performance
- Build community skills (creative or more general e.g. lateral thinking)
- Encourage creative activity in community
- Increase or maintain social interaction and strengthen networks
- Bring to the Cultural Precinct people who have never been before or haven't been for a while.

Marketing Saltwater

A marketing plan will be developed that establishes market segments, strategies to capture and grow them, key activities, methods and allocation of budget.

The marketing and event purchase and incentivisation budgets have been estimated using benchmarking with similar other regional performing arts and convention centres.

Marketing will align with the income streams identified as:

- Community hire program including schools, music and dance group, Repertory Club, Acting Up and community events organisers.
- Multipurpose venue and conference space for hire
- Programming (curated / produced / purchased) will be influenced by either the degree of community demand or financially driven. A Programming Strategy to be developed.

Technology

The technological capabilities of Saltwater will reflect the state of the art facility and exceptional experience only attainable at Saltwater, the following systems and capabilities will be provided. Timeframes are based on construction completion April 2025 and live operations by July 2025 at the latest.

System	Timeframe for Delivery
Online venue booking system that incorporates and manages all Cultural Precinct venues in one precinct booking schedule	Launch October 2024
Bespoke website; intuitive design, informative, educational and built to attract and convert ticket sales	Launch February 2025
Online ticketing supporting paperless ticketing transaction options	Launch with website in February 2025
Facebook, email systems	Launch January 2025
Customer Relationship Management System	Implemented as part of Ticketing System
Point of sale software that integrates with other City systems	For opening – July 2025
People counter	For opening – July 2025
Culture counts customer experience evaluation system	For opening – July 2025
Volunteer management system	Simple system for opening July 2025
Self-serve ticketing	For opening – July 2025

Ownership and technical support for these systems will be within Saltwater team for the bespoke system with any interfaces with the City's IT systems supported by IT. Cloud based software will be a preference for supplier selection due to many of Saltwater's online services needing to be accessible 24/7 and Saltwater's ordinary hours of work being outside of standard business hours. If systems are down the customer experience and associated revenue flow on effects will be compromised. Supply agreements need to reflect customer service support requirements.

7. Service Definitions

Saltwater will provide the following services within the Cultural Precinct:

Support Creative Industries - We provide support for local and national creative businesses by providing gallery and performance spaces for emerging and established artists, delivering skill-building workshops to artists, providing studio space and hosting touring performances.

Tourism Attraction - We work to attract visitors to the City of Busselton by delivering unique heritage tourism experiences at the Old Courthouse Complex, programming exciting arts and cultural experiences at Saltwater and through targeted marketing to the business events industry in Perth and interstate, leveraging airport direct flights,

Entertainment - We entertain the local community by providing spaces for community groups to hire and put events on, by programming a range of commercially popular entertainment events and by providing spaces for hire for private events and functions, awards nights, gala dinners, etc.

Education - We provide curriculum linked historic tours including supporting educational material, live performances aimed at young people linked to curriculum, educational add-ons such as author talks, workshops and Q&A's, and an annual satellite program of workshops in dance, music, drama, technical theatre skills and other streams, coordinated with and delivered by WAAPA.

8. Governance and Management

Governance

The different governance models of Independent Board and Local Government run have been considered. Due to the need to balance community with commercial objectives, the operational critical success factors, the responsibility for a multi-million dollar asset and funding acquittal requirements to achieve significant economic outcomes, the City will be owning and operating Saltwater. Once operations have been developed sufficiently and the complexities and full costs of sustaining Saltwater at an acceptable subsidised level established, this model may be reviewed.

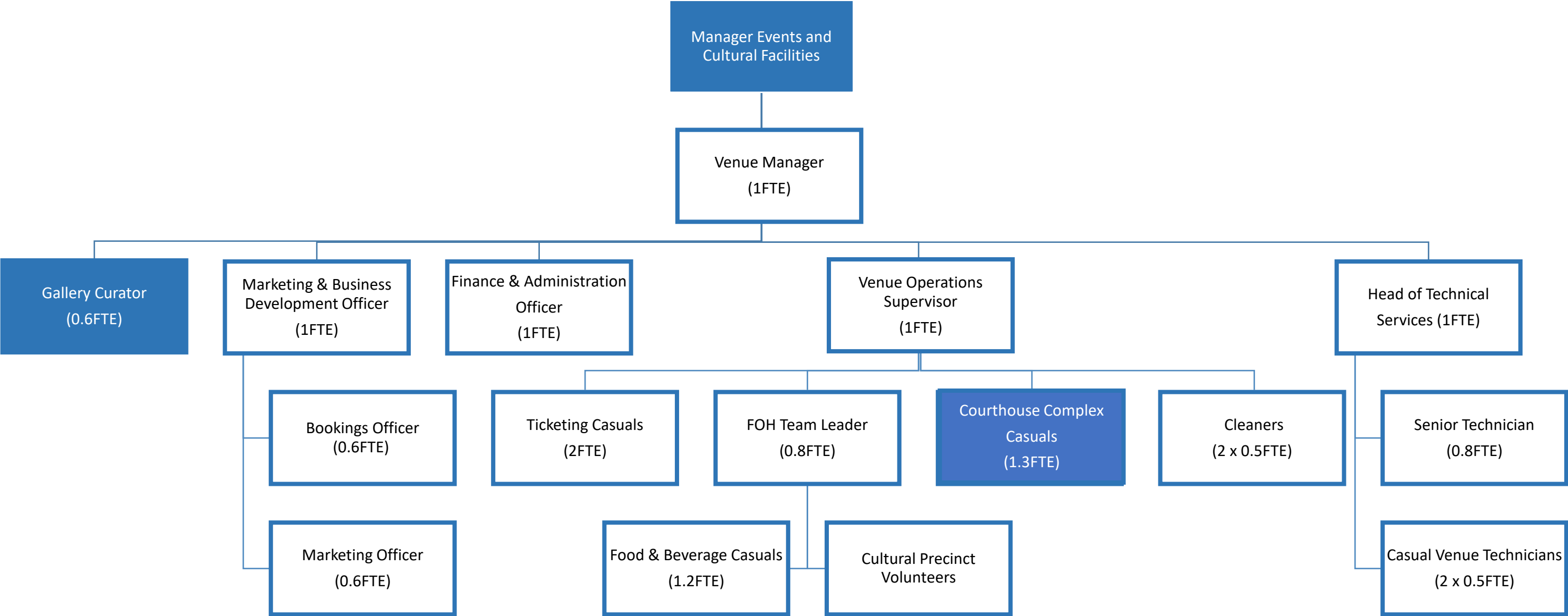
The integration and inter-relationships with key stakeholders and Precinct users is also a critical success factor. Various Saltwater stakeholder reference groups will be established including the Friends of Busselton Cultural Precinct, Precinct Tenants Group, Business Events Strategy Working Group, Art Gallery Reference Group, Education Advisory Panel and Saltwater Aboriginal Advisory Group. The Venue Manager will work collaboratively at a strategic level with these groups to inform the programming direction, utilisation, marketing and funding strategies for the whole of the Cultural Precinct.

Staffing

The Artgeo Gallery and Courthouse Complex have previously been managed by a Coordinator, a part-time Curator (0.6FTE), and a casual budget of \$50,000 (excl. super) for exhibition changeovers, administration and weekend customer service with volunteer customer service at all other times to resource opening hours 7 days a week between the hours of 10am and 4pm, 360 days a year. Volunteer resources equate to approximately 2180 hours or \$60,000 unpaid wage savings. The operations of the Courthouse Cultural Complex will now fall under the Venue Manager – Cultural Precinct. This includes the following services:

- Exhibitions at Saltwater and the Courthouse.
- The City's art collection development and management.
- Community engagement and audience development programs.
- Management and promotion of the heritage-listed Courthouse and interpretation of its history
- Retail sales in the Courthouse shop, cruise-in markets and venue hire.
- Negotiation and management of community and commercial lease arrangements in association with Property Services.
- Arts and events in the Cultural Precinct.

Based on benchmarking with similar organisations and a more detailed understanding for how Saltwater will operate the following structure has been developed. Permanent staff will be supported by volunteers and a pool of casual Front of House staff that will vary with programming and be offset by revenue.



Existing

9.4 Permanent FTE

4.2 Casual FTE

13.6 Total Saltwater FTE

1.3 Total Courthouse FTE

14.9 Total FTE Staffing for the Cultural Precinct

Abolished Roles

- ArtGeo Complex Coordinator

Key Skills

A critical success factor is the attraction and performance of essentially skilled and experienced staff and their ability to work harmoniously together in the following key role areas:

Venue Manager

The primary purpose of the manager is to develop and manage the annual programs and events within Saltwater, and the Cultural Precinct. The manager is responsible for the overall effective management and promotion of the venues, overseeing the operations, stakeholder relationships and developing the strategic vision to position Saltwater as a leading events and convention venue, delivering the best possible outcomes for the City of Busselton community and the region.

The position was appointed in May 2022, and is in the process of recruiting staff and volunteers, informing system, equipment and technical infrastructure specifications and procurement and developing strategies, plans, policies networks and partnerships that achieve the objectives outlined in this Business Plan. This role has replaced the previous ArtGeo Coordinator role.

Marketing & Business Development Officer

Reporting to the Venue Manager the purpose of this position is to plan, implement, and monitor the venue's marketing and audience development strategies, supporting the community and business objectives of the centre. This role will develop and implement plans for marketing, brand development, event attraction, income generation and innovative program development and lead the contractual and partnership negotiations with a range of external and internal partners and venue hirers in order to meet the projected budget forecasts.

The position was appointed in July 2022 in preparation to develop and implement Saltwater programme, attracting and securing bookings to ensure Saltwater achieves its first year's forecast program of events and forecast revenues.

Finance Administrator

The Finance Administrator reports to the Venue Manager and supports all teams at Saltwater and the Cultural Precinct to deliver its financial obligations, including financial procedures and reporting, budget development and tracking, procurement and record keeping requirements.

The interface and division of responsibilities with the City's Finance team and systems needs to be worked through to develop a clear position for this role.

The position was appointed November 2022 in preparation for developing finance systems and processes prior to taking payments for venue bookings.

Venue Operations Supervisor

Reporting to the Venue Manager, the Venue Operations Supervisor oversees all front of house services for Saltwater and the Old Courthouse Complex to ensure client's needs are met for their functions and events. Responsibilities include Box Office customer service and ticket sales, food and beverage services, building presentation and cleanliness and volunteer recruitment and coordination. As the face of services this role provides leadership in ensuring an exceptional customer service experience is achieved.

Head of Technical Services

Reporting to the Venue Manager, the Head of Technical Services oversees the technical team to meet the operational requirements of Saltwater for all events. This includes working in multi-skilled areas such as lighting, sound, audio visual, IT and staging during all aspects of production and technical and facilities maintenance. The role provides leadership to ensure a safe and effective operation assisting clients, visiting production companies and Saltwater staff to meet artistic and cultural needs that achieve an exceptional customer experience.

Volunteers

Volunteers will play an important role in the effective running of the venue. In 2018/19 BREC reported using 7000 volunteer hours which equated to \$200k in Front of House wage savings. Volunteers reinforce community engagement, introduce specialist skills to the venue, provide audience development opportunities and help

reduce stress and staff burnout. Volunteerism at Saltwater will provide opportunities for all sectors and particularly youth, seniors and socially isolated members of the community to get involved. The newly formed Friends of the Cultural Precinct group will support the attraction of volunteers across the Cultural Precinct. This will be reviewed and developed further to consider opportunities including:

- Ushers, box office support and bar service
- Events: front of house, back of house, technical assistance, parking assistance etc.

To ensure both volunteers and the venue benefit from volunteering, relevant procedures and policies will be developed and adopted which consider the following steps:

- Recruitment
- Induction
- Supervision
- Evaluation

Volunteer management will also take into account broader human resource factors such as insurance, occupational health and safety and codes of conduct.

Recruitment

All volunteers should be subject to the screening, approval, and probationary procedures as used by the venue in the recruitment of staff. Recruitment of volunteers will also take into account the City's commitment to Equal Opportunities outlined in the City's Policy.

The City will partner with existing community stakeholder groups the Busselton Repertory Club, Acting Up, Bare Naked Theatre, CinefestOz and the Busselton Volunteer Centre to attract volunteers.

Potential volunteers will be asked to register their interest by completing a Registration Form. Selection will be based on ability to perform the Position Description requirements.

Induction

All volunteers will be provided appropriate information, training and resources to carry out their position description.

Induction and training will consist of:

- A guided tour of the venue
- A walkthrough of the tasks involved
- Introduction to a mentor or buddy
- Reading of the Induction Kit (similar to new staff)
- Signing of the venue's Code of Conduct
- Discussion and agreement on rosters
- Agreement on a review process

Supervision

All volunteers will have access to proper levels of supervision in the carrying out of their tasks by either a paid member of staff, or an experienced mentor/buddy volunteer.

Volunteering is a matter of choice, personal demands on volunteer time may mean there is a greater chance of volunteer rosters not being filled – sometimes at short notice. The supervisor will organise appropriate back up to take over the volunteer role in this case.

In respect to any serious issues or concerns raised by volunteers, they will be given the opportunity to take part in the same due process available to staff in the airing of grievances or complaints.

Evaluation

All volunteers are entitled to an appraisal of their performance and be given the opportunity to have feedback about their role and volunteer conditions.

The evaluation process allows both parties to assess the role and tasks, look for improvements in process and delivery and offer formal thanks to the volunteer for their time and input.

For ongoing volunteers an annual survey will be undertaken. For one-off events or short-term volunteer positions, a simple evaluation form and/or feedback interview will be undertaken

Occupational health and safety

Volunteers will receive the same level of safety and environmental conditions as venue staff.

On arrival, volunteers will sign in to begin work, and then sign out on departure or the end of a shift.

Footwear and clothing appropriate for the volunteer position must be worn at all times. Particular attention should be paid to any positions requiring outdoor duties. Appropriate guidelines will be given around technical concerns and clear lines of communication provided to the relevant staff.

Emergency procedures will be made readily available and as a minimum an annual emergency procedure drill will be held with learnings shared to all staff and volunteers.

Insurance

Venue management will ensure current insurance policies include the use of volunteers.

Reimbursement

Consideration will be given to ensuring all volunteers can be reimbursed for any pre-approved expenditure incurred in the exercise of their volunteer tasks. Whilst volunteering is carried out for no financial payment, no volunteer should be incurring expenses to carry out their position.

Dispute resolution

All volunteers are entitled to appeal to venue management through an agreed complaints and concerns process. This includes the identification of a range of venue management personnel to ensure reduced conflict of interest.

Retention and reward

Volunteer rewards and incentives will be established to recognise the valuable contribution they make. Other centres offer lifetime memberships for outstanding service, discounted tickets and thank you functions.

Partnerships

Collaboration and partnerships are critical to the success of Saltwater, supporting financial investment, shared skills, knowledge, learnings, innovation and resources. This plan reflects the need to tap into, work with, complement and also bring something different to support the growth of the performing arts, Business Events and creative industry in the South West of WA.

The City aims to work with the following prospective partners to attract, grow and meet the Business Events markets forecast in this Business Plan.

Key Agencies	Venues	Industry	Government	Market
Tourism WA (TWA)	Bunbury Regional Entertainment Centre (BREC)	Bunbury Chamber Commerce & Industry (BCCI)	Austrade	Corporates
Business Events Perth (BEP)	Esplanade Hotel	Busselton Chamber Commerce & Industry (BCCI)	Department of Primary Industries & Regional Development	Associations
Australia's South West (ASW)	Abbey BPACC Resort	Margaret River Chamber	Department of Jobs Tourism	Incentives

	Geographe Bayview Resort	Commerce & Industry (MCCI)	Science & Innovation	
South West Development Commission (SWDC)	Bunker Bay Resort Ramada Resort	Dunsborough Yallingup Chamber of Commerce (DYCCI)	Capes Regional Organisation of Council (CAPEROC)	Conferences
Margaret River Busselton Tourism Association (MRBTA)	Margaret River HEART	Film South West		Trade Shows
Regional Development Australia SW (RDA SW)	Hilton Hotel			Exhibitions
	The Shelter			
	Cinemas			
	Undalup Room			

The following are seen as key partners to establish and grow relationships within the arts, culture and creative industry sector to achieve the goals outlined in this Business Plan.

Partner	Objective
Circuitwest	Professional development support and advise Build relationships and strategic alliances with relevant performing arts organisations, stakeholders and individuals where there is potential for mutual benefit
SWDC	Creative sector networks, partnerships and opportunities Funding opportunities
Creative Corner	Creative sector networks and opportunities
BREC & HEART	Complimenting and non-competing programming. Audience and business event market growth
Augusta Margaret River Shire & City of Bunbury	Audience and business event market growth Joint funding and event incentives
Busselton Repertory Club, Acting Up, Bare Naked Theatre, Cinefestoz	Programming collaboration Volunteer attraction
Department for Culture and the Arts and Chamber for the Arts	Strategic alignment Funding
Regional Arts WA	Funding and programming opportunities
Undalup Association	Cultural tourism and events growth
BCCI & DYCC	Local business partnerships and sponsorships

Art on the Move Art Gallery of Western Australia	Audience development Exhibition attraction
GalleriesWest	Exhibition growth and diversification
Bunbury Regional and Collie Art Gallery	Exhibition growth and diversification Funding partnerships

9. Key Action Plan

Critical success factor alignment	Action	Customer / Stakeholder	Resourcing Impacts	Timeframe for delivery			
			Operational / Capital / External / Funding	2022/23	2023/24	2024/25	2025/26
Shared vision	Develop SW Business Events Strategy	See partnerships section	Funded by SWDC, resourced by ASW			X	
	Implement Cultural Interpretation Strategy	See partnerships section Council	Operational in house	X			
	Finalise Cultural Precinct Strategy	See partnerships section, Council ELT	Operational in house		X		
	Develop and implement Interpretation Plans for the heritage assets in the Cultural Precinct.	See partnerships section, Facilities	\$20,000 facilities budget bid to be confirmed		X		
	Expression of interest for commercial lease aligned to Interpretation Plans for the Agricultural Bank (ArtGeo building) and complementary to the services of Saltwater and activation of the Cultural Precinct.	Property Valuations Officer	Operational in house	X			
Aligned plans	Develop programming strategy	ELT Events	Operational in house	X			

Critical success factor alignment	Action	Customer / Stakeholder	Resourcing Impacts	Timeframe for delivery			
			Operational / Capital / External / Funding	2022/23	2023/24	2024/25	2025/26
	Benchmark others and establish endorsed fee structure	Council	Operational in house		X		
	Establish Name and develop Saltwater brand	ELT Public Relations	\$15,000 - \$20,000	X			
	Review City's Event Strategy	CEO, BDEMP, Council	\$12,000		X		
	Develop Saltwater Marketing Plan	ELT PR	Operational in house			X	
	Programming and venue bookings for 1 st 12 months locked in	ELT BDEMP	Operational in house			X	
Cohesive stakeholder reference group	Establish structure of Saltwater stakeholder reference groups.	See partnerships section	Operational in house			X	
	Establish Friends of Busselton Cultural Precinct	See partnerships section	Operational in house		X		
	Establish regular communications and engagement activities to keep community informed, stakeholders and champions engaged and build future volunteer workforce	PR Cultural Precinct stakeholders	Operational in house		X		
	Establish offsite storage solution for Acting Up, Busselton Repertory Club	Affected Stakeholders CEO Property Team	To be costed		X		

Critical success factor alignment	Action	Customer / Stakeholder	Resourcing Impacts	Timeframe for delivery			
			Operational / Capital / External / Funding	2022/23	2023/24	2024/25	2025/26
		Facilities					
	Lease, License, hire arrangements with Acting Up (cottage lease end 30/6/25), Busselton Repertory Club and others.	CEO Council Property Team Facilities	Operational in house			X	
High quality staff	Volunteer attraction, recruitment and retention plan, processes and systems	Repertory Club Acting Up CinefestOz Volunteer Centre, HR, IT	Operational in house, system to be costed			X	
	Recruit Venue Manager/Coordinator	HR	Operational in house	In place by April 2022			
	Recruit Marketing & Business Development role	HR	Operational in house	In place by Aug 2022			
	Remaining staff recruitment, selection, induction and training	HR	Operational in house		X	X	X
Strong connections	Joint programming/collaboration strategy to compliment, diversify and not compete.	BREC, HEART and Circuitwest	Operational in house			X	
Exceptional experience	Develop website, ticketing and booking systems	PR IT	CoB budget	Scope	Procure for go live ticketing Oct 2022	X	
	Plan opening night	Council/SMG Events staff	BDEMP funded in operating budget			Soft opening June 2023	Open Oct 2023

Critical success factor alignment	Action	Customer / Stakeholder	Resourcing Impacts	Timeframe for delivery			
			Operational / Capital / External / Funding	2022/23	2023/24	2024/25	2025/26
		PR					
Appropriately resourced and effective plans	Develop funding plan (Sponsorships, donors, patrons and Friends of)	See partnerships section	Operational in house			X	
	IT Plan with roles, responsibilities, service levels and budgets	IT Manager SMG	Operational in house		X	X	
	Sound and lighting production requirements plan	Industry	Project budget consultancy	X	X		
Clear operating policies and procedures	Develop operating policies and procedures	SMG HR	Operational in house			X	
	Finance systems, processes, roles and responsibilities	Finance Manager SMG	Operational in house		X	X	
	Develop technical and room hire specifications	Industry Saltwater consultant team	Operational in house	X	X		

10. Funding and Operating Forecast

Revenue

Revenue will help to offset the annual operating costs, asset maintenance and renewal programs reducing the reliance on ratepayer funding. Revenue streams are forecast to increase over time particularly in Business Events if supported by sufficient marketing and incentive budgets. Growth strategies will be developed which consider audience development, partnerships, product extensions and diversification.

Identified revenue streams include:

Revenue stream	Description
Hire fees	Fees charged to commercial and community venue hirers.
Ticket sales	Revenue generated through ticket sales for Saltwater presents content.
Ticket commission fees	Ticketing for venue events will be sold through the City's ticketing system with 5% commission charged on ticket sales for external content.
Ticket booking fees	Fees charged to ticket buyers to cover the cost of sale. This is \$1.60 per ticket.
Merchandise sales commission	A 10% commission charged on all merchandise related to events held within the venue.
Exhibition fees	Income generated by gallery hire for commercial exhibitions.
Commission on art sales	A 34% commission charged on any art sold through the gallery.
Expenses recouped	Expenses recouped from venue hirers for supporting services related to venue hire, including staffing costs, marketing costs, cleaning and security costs.
Commercial rent for ArtGeo Bar	Revenue generated through the hire of the former ArtGeo gallery space for use as a food and beverage offering by a third party.
Sponsorship and donations	Revenue generated through private party donations as well as sponsorship of Saltwater Presents content.
Operating grants and subsidies	Grant funding secured from state and federal grant programming to support Saltwater Presents programming.
Beverage sales	Revenue generated through the sale of beverages through the Saltwater bar on theatre program nights as well as through private functions (as the Saltwater bar will service any drinks functions associated with business and other events).
Food sales	Revenue generated through the sale of bar snacks during events.

Further detail on these revenue streams and key assumptions informing revenue and cost forecasts is provided below.

Hire fees

Hire fee revenue was based on an assumed 21 days of Commercial Hire and 36 days of Community Events hire in the first year of operation. These assumptions were developed using existing inquiry and booking data collected by the City with hire rates informed by market rates. Based on these assumptions, hire fee revenue is forecast to be \$213,300 in the first full year of operations (FY2026). It is assumed that the total number of event days will increase by 20 percent from Year 1 to Year 2, 15 percent from Year 2 to Year 3 and then 10 percent year on year, with total revenue growing to \$673,903 in Year 10 (FY2035). This growth includes escalation for CPI.

Ticket sales

Ticket sales revenue will be generated for Saltwater Presents content. This revenue assumption was based on a proportion of 50 percent of available 640 tickets sold on average in Year 1, growing year on year to reflect the City's audience development efforts to 60% in Year 5. An average ticket price for Saltwater Presents events of \$24 has been used. These assumptions were developed using benchmark information as well as the City's program planning. Based on these assumptions, ticket sales revenue is forecast to be \$291,040 in the first full year of operations (FY2026), with total revenue growing to \$1,174,918 in Year 10 (FY2035). This growth includes escalation for CPI.

Ticket commission fees

Ticket commission fees revenue is only generated for external content. This revenue forecast was based on selling 75 percent of the 660 available tickets on average across the events, and an average ticket price for external events of \$46. The City will charge a commission of five percent on this ticket income. These assumptions were developed using benchmark information and industry knowledge. Based on these assumptions, ticket commission fees revenue is forecast to be \$27,333 in the first full year of operations (FY2026), growing to \$110,342 in Year 10 (FY2035), increasing in line with underlying events growth assumptions and CPI.

Ticket booking fees

Ticket booking fees revenue was estimated based on the assumed total tickets sold at all events (i.e. comprising Saltwater Presents tickets and external events tickets), and a booking fee (per ticket) of \$1.60. The total ticket booking fee covers bank charges and the cost of the online ticketing system. Based on these assumptions, ticket booking fees revenue is forecast to be \$59,229 in the first full year of operations (FY2026), with total revenue growing to \$239,106 in Year 10 (FY2035), increasing in line with underlying events growth assumptions and CPI.

Merchandise sales commission

Merchandise sales commission revenue was based on a total merchandise sales amount of \$4.50 per person for commercial entertainment events, and a commission of 12.5 percent for the City. These assumptions were developed using benchmark information and industry knowledge. Based on these assumptions, merchandise sales commission revenue is forecast to be \$3,770 in the first full year of operations (FY2026), with total revenue growing to \$15,218 in Year 10 (FY2035), increasing in line with underlying events growth assumptions and CPI.

Exhibition fees

Exhibition fees revenue was estimated based on an assumed 12 total exhibition weeks in Year 1, growing by 20 percent to Year 2, 15 percent to Year 3 then 10 percent year on year, and a weekly hire rate of \$250. These parameters have been informed by past demand and based on benchmark information. Based on these assumptions, exhibition fees revenue is forecast to be \$3,000 in the first full year of operations (FY2026), with total revenue growing to \$10,065 in Year 10 (FY2035). This growth includes escalation for CPI.

Commission on art sales

Commission on art sales revenue was estimated based on a total art sales amount of \$3,000 per exhibition and a commission of 34 percent. These assumptions were informed by existing gallery operations. The growth rate for total art sales will increase by 20 percent from Year 1 to Year 2, 15 percent from Year 2 to Year 3 and then 10 percent year on year. Based on these assumptions, commission on art sales revenue is forecast to be \$8,160 in the first full year of operations (FY2026), growing to \$10,191 in Year 10 (FY2035). This growth includes escalation for CPI.

Expenses recouped/reimbursements

Expenses recouped/reimbursements revenue was based on the total number of external events, and the average on-costs comprised of staff wages and other event-related costs. These assumptions were developed using existing inquiries and bookings, as well as staffing forecasts and broader expense costs informed by benchmark information. Based on these assumptions, expenses recouped/reimbursements revenue is forecast to be \$142,560 in the first full year of operations (FY2026), growing to \$478,276 in Year 10 (FY2035) in line with underpinning event growth assumptions and CPI.

Commercial rent for ArtGeo Bar

It is anticipated that commercial rent for ArtGeo Bar revenue will be generated from Year 3 onwards only given capital improvements required for a tenant to convert the space, with rent to be subsidised from Years 3 to 5 (FY2030) when a full market rate of \$45,000 can be charged. This income has been estimated based on advice received from a real estate agent. Total revenue is forecast to grow to \$56,199 in Year 10 (FY2035) through escalation to account for CPI.

Sponsorship and donations

It was assumed that sponsorship and donations revenue would begin at \$10,000 in Year 1 of operations (FY2026) based on benchmark information. This revenue is forecast to grow to \$12,489 in Year 10 (FY2035) in line with CPI.

Operating grants and subsidies

It is forecast that operating grants and subsidies revenue will be \$70,000 in Year 1 and ongoing, based on funding already committed and benchmarks. This revenue is anticipated to grow to \$87,420 in Year 10 (FY2035) in line with CPI

Beverage sales

Beverage sales revenue was forecast assuming 100 drinks are sold per theatre event and 200 drinks are sold per private function, and that the average transaction value is \$10. These assumptions were based on existing inquiries/bookings, industry knowledge and benchmarks. Based on these assumptions, beverage sales revenue is forecast to be \$147,000 in the first full year of operations (FY2026), with total revenue growing to \$493,172 in Year 10 (FY2035), reflecting underlying event growth and CPI.

Food sales

Food sales revenue was forecast assuming 90 food items are sold per theatre event and that the average transaction value is \$5. These assumptions were based on existing inquiries/bookings, industry knowledge and benchmarks. Based on these assumptions, food sales revenue is forecast to be \$40,950 in the first full year of operations (FY2026) with total revenue growing to \$137,384 in Year 10 (FY2035), reflecting underlying event growth and CPI.

Funding Opportunities

As the venue owner and manager the City will have greater eligibility and access to Federal and State Culture and Arts investment and grant funding programs, community service and development and strategic development grants, including but not limited to:

- Regional Arts and Culture Investment Program (RACIP) \$20 million was available through a range of categories in 2019-2023.
- The Department Primary Industry Regional Development Regional and Remote Touring Fund grants up to \$200k.
- Regional Economic Development Grants (RED) program grants up to \$250k.
- Department of Culture and the Arts (Arts Organisation Investment Program)
- Lotterywest and Healthway grants (various funding amounts).

There is opportunity to partner for funding with HEART and BREC to develop the MICE market and the diversity of creative and cultural programs.

Sponsorships, donors, patrons and Friends Of funding opportunities will also be explored.

Costs

The City will be responsible for all operating costs consisting of the following key cost centres:

- Building operation, maintenance, and cleaning costs
- Utilities costs
- Cost of running commercial and business tourism events
- Venue staffing
- Asset Renewal and Maintenance Program for future works
- Capital Works

As a new facility, Saltwater's cost data has been established by benchmarking against other regional, similar venues adjusted to reflect programming to develop reasonable cost estimate forecasts for the operating costs to run the venue. As Saltwater establishes itself and the City develops a greater understanding of the costs and operational requirements of the new facility and its operations, these forecasts will be reviewed and refined. It will be important that financial systems have the capabilities to budget and report by service to evaluate performance and be flexible enough to be able to respond promptly to action improvements.

Budget

The estimated budget for the Busselton Entertainment Arts and Convention Centre is as follows:

	FY2026	FY2027	FY2028	FY2029	FY2030	FY2031	FY2032	FY2033	FY2033	FY2035
	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Revenues										
Hire fees	213,300	258,191	301,123	337,305	378,126	424,097	475,873	534,193	599,890	673,903
Ticket sales - internal events	291,040	372,129	455,359	532,296	621,598	725,020	819,705	924,218	1,042,055	1,174,918
Ticket commission - external events	27,333	34,948	42,765	49,990	58,377	68,090	76,982	86,797	97,864	110,342
Booking fees	59,229	75,732	92,670	108,327	126,501	147,548	166,817	188,086	212,067	239,106
Exhibition fees	3,000	3,688	4,346	4,899	5,524	6,228	7,022	7,917	8,927	10,065
Commission on art sales	8,160	8,364	8,573	8,787	9,007	9,232	9,463	9,700	9,942	10,191
Expenses recouped/reimbursements	142,560	175,269	206,524	232,798	262,480	295,946	333,679	376,224	424,192	478,276
Commercial rent for ArtGeo Bar	-	-	15,759	32,307	49,672	50,913	52,186	53,491	54,828	56,199
Sponsorship income	10,000	10,250	10,506	10,769	11,038	11,314	11,597	11,887	12,184	12,489
Beverage sales	147,000	180,727	212,957	240,049	270,655	305,163	344,072	387,941	437,403	493,172
Food sales	40,950	50,346	59,324	66,871	75,397	85,010	95,849	108,069	121,848	137,384
Merchandise sales commission	3,770	4,820	5,898	6,894	8,051	9,391	10,617	11,971	13,497	15,218
Grant revenue	70,000	71,750	73,544	75,382	77,267	79,199	81,179	83,208	85,288	87,420
Transfer from Reserve - BDEM Funding	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000
Total revenue	1,166,342	1,396,214	1,639,347	1,856,675	2,103,692	2,367,150	2,635,041	2,933,701	3,269,987	3,648,682
Employee costs										

Salaries & Wages including cleaners & super	(866,352)	(888,011)	(910,211)	(932,966)	(956,291)	(980,198)	(1,004,703)	(1,029,820)	(1,055,566)	(1,081,955)
Casual Budget	(132,432)	(162,891)	(192,008)	(216,489)	(244,092)	(275,213)	(310,303)	(349,867)	(394,475)	(444,770)
Penalties estimate	(18,454)	(18,915)	(19,388)	(19,873)	(20,370)	(20,879)	(21,401)	(21,936)	(22,484)	(23,047)
Other Employee Related Costs	(11,603)	(11,893)	(12,190)	(12,495)	(12,808)	(13,128)	(13,456)	(13,792)	(14,137)	(14,491)
Total employee costs	(1,028,841)	(1,081,711)	(1,133,798)	(1,181,824)	(1,233,559)	(1,289,418)	(1,349,863)	(1,415,415)	(1,486,662)	(1,564,262)
Bar operating costs	(56,385)	(83,186)	(112,724)	(139,771)	(173,351)	(214,999)	(266,652)	(330,715)	(410,170)	(508,713)
Cleaning materials	(8,051)	(9,903)	(11,673)	(13,161)	(14,839)	(16,731)	(18,864)	(21,270)	(23,981)	(27,039)
Waste cost	(6,896)	(8,482)	(9,998)	(11,273)	(12,710)	(14,331)	(16,158)	(18,218)	(20,541)	(23,160)
Venue hire expenses	(43,700)	(53,751)	(63,359)	(71,437)	(80,546)	(90,815)	(102,394)	(115,449)	(130,169)	(146,766)
Volunteer expenses	(30,000)	(36,900)	(43,496)	(49,042)	(55,294)	(62,344)	(70,293)	(79,256)	(89,361)	(100,754)
Bank charges	(5,750)	(7,073)	(8,337)	(9,400)	(10,598)	(11,949)	(13,473)	(15,191)	(17,127)	(19,311)
Consumables	(1,680)	(2,066)	(2,436)	(2,746)	(3,096)	(3,491)	(3,936)	(4,438)	(5,004)	(5,642)
Marketing & Promotion	(103,500)	(127,305)	(150,061)	(169,194)	(190,766)	(215,088)	(242,512)	(273,432)	(308,295)	(347,603)
AV equipment hire	(22,500)	(27,675)	(32,622)	(36,781)	(41,471)	(46,758)	(52,720)	(59,442)	(67,021)	(75,566)
Electricity & Gas	(108,478)	(133,428)	(157,278)	(177,331)	(199,941)	(225,433)	(254,176)	(286,584)	(323,123)	(364,321)
Water & Wastewater	(71,596)	(88,063)	(103,804)	(117,039)	(131,962)	(148,787)	(167,757)	(189,147)	(213,263)	(240,454)
Building maintenance	(90,000)	(188,795)	(200,288)	(212,480)	(225,415)	(239,137)	(253,694)	(269,138)	(285,522)	(299,976)
Security cost	(10,250)	(10,506)	(10,769)	(11,038)	(11,314)	(11,597)	(11,887)	(12,184)	(12,489)	(12,801)
Insurances	(55,687)	(57,079)	(58,506)	(59,969)	(61,468)	(63,005)	(64,580)	(66,194)	(67,849)	(69,545)
Contractors & Consultants	(20,700)	(21,218)	(21,748)	(22,292)	(22,849)	(23,420)	(24,006)	(24,606)	(25,221)	(25,851)
Administration expense	(4,140)	(4,244)	(4,350)	(4,458)	(4,570)	(4,684)	(4,801)	(4,921)	(5,044)	(5,170)

Health and safety supplies	(2,070)	(2,122)	(2,175)	(2,229)	(2,285)	(2,342)	(2,401)	(2,461)	(2,522)	(2,585)
Licenses	(6,210)	(6,365)	(6,524)	(6,687)	(6,855)	(7,026)	(7,202)	(7,382)	(7,566)	(7,755)
Couriers and postage	(2,070)	(2,122)	(2,175)	(2,229)	(2,285)	(2,342)	(2,401)	(2,461)	(2,522)	(2,585)
Subscriptions	(5,175)	(5,304)	(5,437)	(5,573)	(5,712)	(5,855)	(6,001)	(6,151)	(6,305)	(6,463)
Training	(5,175)	(5,304)	(5,437)	(5,573)	(5,712)	(5,855)	(6,001)	(6,151)	(6,305)	(6,463)
Software licenses & maintenance	(29,917)	(30,665)	(31,432)	(32,217)	(33,023)	(33,848)	(34,695)	(35,562)	(36,451)	(37,362)
Telephones and mobile	(7,200)	(7,380)	(7,565)	(7,754)	(7,947)	(8,146)	(8,350)	(8,559)	(8,773)	(8,992)
Fee waivers, concessional hire	(50,000)	(51,250)	(52,531)	(53,845)	(55,191)	(56,570)	(57,985)	(59,434)	(60,920)	(62,443)
Advertising	(20,700)	(21,218)	(21,748)	(22,292)	(22,849)	(23,420)	(24,006)	(24,606)	(25,221)	(25,851)
Website development/maintenance	(10,350)	(10,609)	(10,874)	(11,146)	(11,424)	(11,710)	(12,003)	(12,303)	(12,610)	(12,926)
Graphic design	(10,350)	(10,609)	(10,874)	(11,146)	(11,424)	(11,710)	(12,003)	(12,303)	(12,610)	(12,926)
Printing	(5,175)	(5,304)	(5,437)	(5,573)	(5,712)	(5,855)	(6,001)	(6,151)	(6,305)	(6,463)
Sponsor maintenance	(6,210)	(6,365)	(6,524)	(6,687)	(6,855)	(7,026)	(7,202)	(7,382)	(7,566)	(7,755)
BDEM funded programming	(150,000)	(150,000)	(150,000)	(150,000)	(150,000)	(150,000)	(150,000)	(150,000)	(150,000)	(150,000)
Event purchases	(103,500)	(106,088)	(108,740)	(111,458)	(114,245)	(117,101)	(120,028)	(123,029)	(126,105)	(129,257)
Stage supplies	(8,000)	(8,200)	(8,405)	(8,615)	(8,831)	(9,051)	(9,278)	(9,509)	(9,747)	(9,991)
Ticketing supplies	(2,588)	(2,653)	(2,719)	(2,787)	(2,857)	(2,928)	(3,001)	(3,076)	(3,153)	(3,232)
Catering	(5,389)	(5,524)	(5,662)	(5,803)	(5,948)	(6,097)	(6,250)	(6,406)	(6,566)	(6,730)
Total other expenditure	(1,069,392)	(1,296,754)	(1,435,706)	(1,559,027)	(1,699,345)	(1,859,455)	(2,042,711)	(2,253,111)	(2,495,429)	(2,772,454)
Total profit/loss	(931,891)	(982,251)	(930,157)	(884,176)	(829,212)	(781,722)	(757,532)	(734,825)	(712,104)	(688,033)
Budget offsets										

Less Offset for Existing Art Geo Expenses	(77,891)	(81,834)	(85,977)	(90,329)	(94,902)	(99,706)	(104,243)	(109,520)	(115,065)	(120,890)
Allocations										
Plant Charge Allocation	(14,220)	(14,830)	(15,467)	(16,131)	(16,824)	(17,546)	(18,300)	(19,085)	(19,905)	(20,759)
Finance & Corporate Services Support	(5,624)	(5,865)	(6,117)	(6,380)	(6,653)	(6,939)	(7,237)	(7,548)	(7,872)	(8,210)
Customer Service Charges	(14,603)	(15,230)	(15,884)	(16,566)	(17,278)	(18,019)	(18,793)	(19,600)	(20,442)	(21,319)
Records Services Charges	(7,627)	(7,954)	(8,296)	(8,652)	(9,023)	(9,411)	(9,815)	(10,236)	(10,676)	(11,134)
Financial Services Charges	(20,042)	(20,902)	(21,800)	(22,736)	(23,712)	(24,730)	(25,792)	(26,899)	(28,054)	(29,259)
Human Resources & Payroll Charge	(23,529)	(24,539)	(25,593)	(26,692)	(27,838)	(29,033)	(30,280)	(31,580)	(32,936)	(34,350)
Occupational Health & Safety Charges	(4,895)	(5,106)	(5,325)	(5,554)	(5,792)	(6,041)	(6,300)	(6,571)	(6,853)	(7,147)
Computer Services Charges	(24,214)	(25,254)	(26,338)	(27,469)	(28,648)	(29,878)	(31,161)	(32,499)	(33,895)	(35,350)
Business Systems Charges	(24,803)	(25,868)	(26,979)	(28,137)	(29,345)	(30,605)	(31,919)	(33,290)	(34,719)	(36,210)
Public Works Overheads Charges	(8,632)	(9,002)	(9,389)	(9,792)	(10,212)	(10,651)	(11,108)	(11,585)	(12,083)	(12,601)
Plant Charge Allocation	(171)	(179)	(186)	(194)	(203)	(211)	(221)	(230)	(240)	(250)
Internal Plant Depreciation Charges	(59)	(62)	(64)	(67)	(70)	(73)	(76)	(79)	(83)	(86)
Public Works Overheads Charges	(1,253)	(1,307)	(1,363)	(1,422)	(1,483)	(1,546)	(1,613)	(1,682)	(1,754)	(1,829)
Plant Charge Allocation	(354)	(369)	(385)	(402)	(419)	(437)	(456)	(475)	(496)	(517)
Internal Plant Depreciation Charges	(222)	(232)	(242)	(252)	(263)	(274)	(286)	(298)	(311)	(325)
Public Works Overheads Charges	(2,332)	(2,432)	(2,536)	(2,645)	(2,759)	(2,877)	(3,001)	(3,130)	(3,264)	(3,404)

Total allocations	(152,580)	(159,131)	(165,964)	(173,090)	(180,522)	(188,274)	(196,357)	(204,789)	(213,582)	(222,752)
Net profit (loss) including Council charges/offsets	(1,162,361)	(1,223,216)	(1,182,097)	(1,185,214)	(1,188,111)	(1,207,772)	(1,249,956)	(1,296,500)	(1,345,048)	(1,392,770)
Capital movements										
Transfer to reserve – Asset Management Renewal	-	(427,500)	(678,300)	(691,866)	(756,111)	(822,648)	(891,545)	(962,869)	(1,036,689)	(1,113,076)
Net operating position including Council charges and capital movements	(1,162,361)	(1,650,716)	(1,860,397)	(1,877,080)	(1,944,222)	(2,030,421)	(2,141,502)	(2,259,369)	(2,381,736)	(2,505,846)

11. Risk Management

Risk is an inherent component of performing arts. Risks are primarily financial (the potential for lower than forecast box office revenue), artistic (a poorly executed show which affects future results), and reputational (for example, elitist, difficult to work with, out of touch). There may also be conflicts in managing these risks. For example, a very entrepreneurial program may be an artistic success but a financial failure.

Best practice recommends budget for acceptable levels of failure, recognising that every target will not be met every time. A degree of contingency will be established in Saltwater budgets to reflect the productions that do not meet projections.

A Risk Assessment has been completed to identify and evaluate the effect of uncertainty on objectives and deliverables, including risk mitigation strategies pre and post project implementation as tabled below.

	Risk	Risk Level Pre-Mitigation (low, medium, high, extreme)	Mitigation	Residual Risk Level Post-Mitigation (low, medium, high, extreme)
1	Ability to attract skilled staff to operate specialist jobs and roles.	Medium	Busselton is proving a desirable location to live and has a strong creative sector and events coordination base in existing private sector, if skills cannot be sourced locally. Strong, competitive package offered in initial recruitment process, assisting to attract quality skilled staff to work in specialised areas, with the region showing strong capacity for events coordination. Ancillary hospitality and beverage skills have been impacted by skills shortages due to closed border controls for COVID 19. It is expected these restrictions will have eased and issues with skill shortages reduced by the time the facility opens in July 2025.	Low
2	Programming conflicts and perception of community / stakeholders that there will be a compromise of performing arts, theatre experience and functionality due to focusing on	Medium	Case studies of other centres who have achieved success from a similar model of operation have been undertaken to understand how best to manage a multipurpose facet. Employment of Venue Management with experience in operating a similar operational model. Development and adherence to an accepted management model and programming policy.	Low

	Risk	Risk Level Pre-Mitigation (low, medium, high, extreme)	Mitigation	Residual Risk Level Post-Mitigation (low, medium, high, extreme)
	commercial events that drive revenues.		Continued communication with stakeholder/user groups, so they are included and informed	
3	Competition of new City owned public facility over existing privately owned facilities – reputational risk / political.	Medium	Communications with existing commercial enterprises and potential enterprises – the foreshore development is set to add to and enhance their own enterprises and attract a new type of visitor and increase the capacity of Busselton to host more visitors.	Low
4	Capacity to maintain the newly developed infrastructure – operational.	Low	Incorporate maintenance and upgrade activities as per the CoB Asset Maintenance Plan. Income derived from commercial operations, directed into specified Reserve for the maintenance and operation of the facility, will be ongoing.	Low
5	Increased asset maintenance costs due to budget restrictions and quality of assets procured.	Medium	Budget control measures are a well-established practice in the organisation. The Asset Management Team are part of the project development and provide input into project scope and specifications.	Low
6	Saltwater is seen as competition by BREC and HEART resulting in unhealthy practice that does not benefit the region – operational.	High	Developing transparent and open communication with peers and looking at opportunities to work together to grow the amount of business in the region	Low
7	Businesses do not support the use of a portion of BDEMP funding to attract events to the facility - reputational risk / political.	Medium	Spendmapp or similar local economic outcome reporting provided to show benefit. Communications and engagement plans inform businesses of the benefits to be realised.	Low

	Risk	Risk Level Pre-Mitigation (low, medium, high, extreme)	Mitigation	Residual Risk Level Post-Mitigation (low, medium, high, extreme)
8	Operational requirements not met during design, construction and fit out.	High	Separate design and construct contracts to be awarded by CoB as the Project Principal to afford the highest level of control and certainty regarding scope. Specialist consultants to form part of Project Team in Business Planning and detailed design stages. Operational requirements fully inform detailed designs which are prepared and endorsed prior to tendering for construction. Design complexities are resolved prior to construction contract is awarded. Larger pool of tenderers increases competitive pricing.	Medium
9	Operational risk: eroding market confidence in venue due to uncertainty in opening timeframe could lead to reduced bookings and reputational damage.	Extreme	Development of a communications strategy to support the City in engaging and communicating with potential hirers. Communicating opening date with market as soon as possible.	High
10	Financial and economic risk: risk of not achieving the City's forecast growth rates in demand for venue hire, undermining the overall operating position of the venue.	High	Proactive marketing strategies to ensure regular engagement with potential hirers across all target markets including performing arts, community groups/schools and business events. Adequate and proportionate investment in marketing and promotion.	High

	Risk	Risk Level Pre-Mitigation (low, medium, high, extreme)	Mitigation	Residual Risk Level Post-Mitigation (low, medium, high, extreme)
11	Reputational risk: stakeholder and reputational risks related to poor communication of contractual issues and program delays.	High	Development of a communications strategy to support the City in engaging and communicating with the community.	High
12	Reputational risk (if opening is deferred): stakeholder and reputational risks related to poor communication, with a reversal of initial investment decision (through a long-term delay or demolition of the project) putting community trust in Council's decision making processes at risk.	Extreme	Development of a communications strategy to support the City in engaging and communicating with the community.	High
13	Reputational risk (deferral/demolition options only): stakeholder and reputational risks related to the City not fulfilling their grant obligations with key grant providers would likely damage their reputation for future grant prospects.	Extreme	Development of a communications strategy to support the City in engaging and communicating with stakeholders.	Extreme

12. Measuring Success

Critical success factors, which also consider centre and public value outcomes will be monitored and measured as follows:

Critical success factor	Measure
Appropriately resourced and effective audience development, event attraction, marketing and community engagement plans.	- Marketing and event attraction activity undertaken - Attendance at promotional activities - Community engagement activity completed - Attendance at community engagement activities
Versatility and adaptability to achieve the performances, meetings, events and incentive travel market (MICE) revenues and attendances forecast.	- Utilisation rates – number of activities by type undertaken vs forecasts - Attendance by type of activity vs forecasts - Visitors from outside Busselton and SW region - Number of enquiries converted to bookings
An exceptional experience only attainable at Saltwater, highly valued by our community and visitors to the region.	- Level of community support for Saltwater and its activities. - Audience response to program (culture counts metrics)
Enough high quality staff with the right skills, experience, values and motivation.	Staff engagement survey
A cohesive stakeholder reference group working collaboratively in the best interest of the whole complex.	Stakeholder feedback

13. Version Control

Version	Document Title	Author	Date	Changes Made
V8	Saltwater Business Operations Plan 2025-2035	External consultant	July 2024	Sections of content updated to reflect external consultant's Project Review Report
V7	Saltwater Business Operations Plan 2022 - 2025	Sharon Custers	July 2024	Timelines updated following update of construction program from Broad with opening planned for July 2025
V6	Draft Saltwater and Cultural Precinct Business Operations Plan 2022 - 2025	Maxine Palmer	April 2022	Timeframes updated following release of construction program from Broad and financial forecast updated to reflect full opening in October 2023
V5	Saltwater Business Operations Plan Draft December 2020	Maxine Palmer	Dec 2020	Creative Industry removed from financial forecast, risk reviewed, org chart job titles updated and action plan updated
V4	BEACH Business Operations Plan Draft 2020 State Government Funding Application Attachment	Maxine Palmer	Nov 2020	Timeframes adjusted and action plan updated
V3	BEACH Business Operations Plan Draft June 2020 State Government Funding Application Attachment	Maxine Palmer	June 2020	Timeframes adjusted and action plan updated
V2	BEACH Business Operations Plan Draft December 2019	Maxine Palmer	Dec 2019	Action plan updated
V1	BEACH Business Operations Plan Draft November 2019	Maxine Palmer	Nov 2019	