



FEASIBILITY  
STUDY

A PERFORMING ARTS AND  
CREATIVE INDUSTRIES CENTRE FOR THE  
SHIRE OF BUSSELTON

Prepared by Pegasus Venue Management Pty Ltd 2008

**FEASIBILITY STUDY INTO A PERFORMING ARTS & CREATIVE INDUSTRIES  
CENTRE FOR THE SHIRE OF BUSSELTON**

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**Consultants**

*Pegasus*

**Pegasus Venue Management Pty Ltd  
Bronwyn Edinger  
Katherine Connor  
Jack Frost  
Gary Fifer**

**Contact: [kathconnor@pvm.com.au](mailto:kathconnor@pvm.com.au)**

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**Notes from the consultants:**

The consultants wish to acknowledge the significant and ongoing contribution and support of the Busselton community and the Shire in the development of this project.

This report, where possible should be printed in colour, however please consider the environment before deciding to print.

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## Contents

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Executive Summary & Key Recommendations.....	4
Brief and Methodology.....	23
University of Western Australia Design Studio.....	26
Background	
Demographic Snapshot & Attendance at Cultural Events.....	28
Creative Industries.....	33
Current Facilities.....	42
Tourism and MICE Market.....	47
Consultations.....	56
Space Model.....	73
Performing Arts Centre.....	74
Creative Industries Centre.....	83
Programming / Usage.....	90
Site Analysis.....	105
Management Models and Operating Structure.....	118
Financial Models – Subsidy Levels, Capital Costs and Five Year Plan.....	126
Social, Cultural & Economic Impact.....	142
Next Steps.....	157
Research and Resources.....	164
Appendices	
Appendix One – Public Survey.....	170
Appendix Two – Public Survey Results.....	173
Appendix Three – Potential Hirer Survey.....	185
Appendix Four – Potential Hirer Survey Results.....	189
Appendix Five – Financial Plan constants.....	198

## **Executive Summary & Key Recommendations**

*“From the Sydney Opera House to the Walkington Theatre in Karratha, the performing arts play a vital role in building stronger and more sustainable communities in Australia. Performing arts venues and touring companies are a hub for local cultural activity promoting inclusion and community development”<sup>1</sup>.*

### **Brief and Methodology**

The purpose of this report is to identify the most appropriate space model, size and site for a Performing Arts and Creative Industries Centre for the Shire of Busselton. The most important factors taken into consideration when identifying a space that will be well-utilised and financially sustainable are:

1. Capacity – what are the likely attendance rates?
2. Size – what are the current gaps in provision and what size will generate the most activity?
3. Cost – who will use it and what is affordable? What is the financial impact on the Shire to operate it?
4. Alternatives – are there currently other alternate venues that can be used to house the minority of groups who will not be able to access the proposed space due to size or cost constraints?

In applying this key criteria the consultants reviewed all literature available from the Shire of Busselton (and other sources) related to community infrastructure, tourism, cultural mapping, creative industries development, demography and planning as well as examining existing cultural facilities in the Shire and adjacent Shires. A detailed consultation process also took place including one-on-one interviews, community surveys and workshops which all reinforced the overwhelming desire from within the Busselton community for a local performance space. It should be noted that the community’s notions of appropriate size and scale of the proposed space varied immensely which further revealed that the space model (and site) identified as the most suitable for the Shire would not be universally agreed upon however, the provision of any space

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<sup>1</sup> *We All Play A Part (2008)* [www.weallplayapart.com.au](http://www.weallplayapart.com.au)

would be seen as being in the right direction. Outlined in Appendix Two are the responses received from the web survey (available to the general public) which highlights the varying ideas of what this space should be.

The Shire of Busselton indicated that the six potential sites already identified in the Cultural Plan and Leisure Services Plan should be analysed. These sites were matrixed and then rated to determine the most attractive site for the purposes of the proposed facility. Further geotechnical analysis should be undertaken on the identified preferred site(s) prior to officially allocating the site for the development.

## **Situational Analysis**

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### *Situational Analysis - Demography*

A significant characteristic of the Shire of Busselton affecting the planning and eventual operation of a PACIC is the fluctuating population experienced throughout the year (particularly in the summer months), including a significant rate of unoccupied private dwellings which, at around 26%, is very high when compared to the rest of the state. While part-time residents may be equally supportive of a venue as permanent residents, they cannot be counted as prospective patrons given that their stay may be unlikely to coincide with specific events. Further, the attendance rates of the non-permanent residents and tourists at cultural events will reflect their attendance patterns when they are at their permanent residence i.e. if they do not attend the theatre at home, it is likely they will mirror this attendance pattern in Busselton. Therefore, in the consideration of appropriate facilities for Busselton, the needs and likely attendances of the permanent residents in the Shire were of primary importance.

The population growth rate in the Shire is one of the highest in the region and indeed the state. This growth does not necessarily equate to the need for comparable facilities such as the Bunbury Regional Entertainment Centre (BREC) (in terms of size and program delivery). The venue market is not able to sustain two venues with such large capacities within 50kms of each other. One of the key rationale behind the size of BREC was to enable it to serve a population beyond its immediate catchment (including Busselton). However, the proposed PACIC has one significant competitive advantage over BREC. Currently, there are only (approximately) 2,500

room nights available in Bunbury, compared to (approximately) 13,000 in Busselton which will improve the proposed facility's desirability to the MICE (Meeting, Incentives, Conventions and Events/Exhibition) market. This is explored further in *Tourism and the MICE Market*.

In reviewing the demography of Busselton and attendance rates at cultural events across WA, it was highlighted that the greatest opportunities for the presentation of events in Busselton lie in popular music and theatre. These types of events also ranked highly in the community consultation process for the preferred performances to be presented at the proposed PACIC. This bodes well for the success of the centre and is reflected in the suggested Space Model.

### *Situational Analysis - Creative Industries*

Although a broad term, the creative industries (CI) encompass performing and visual arts, writing and publishing, fashion, architecture, multimedia, graphic and other forms of design, film, television and advertising.

In determining the appropriateness of a dedicated space in Busselton for the development of the creative industries it is pertinent to define the difference between a CI *precinct* and CI *Centre*. A CI Precinct is a collection of businesses or organisations of the same industry geographically located together with the purpose of them working together and encouraging entrepreneurship. A CI Precinct is generally a place incorporating a large land space or several dedicated, co-located buildings where cultural product is made and consumed, open to the public and a destination in its own right. The adoption of Signal Park provides the greatest opportunities for the creation of a CI precinct due to the location of existing facilities which fall under the banner of creative or cultural industries e.g. ArtGeo, the Courthouse Gallery and the potential redevelopment of the police station for cultural purposes.

A CI Centre is a smaller, singular space however the co-location with 'like' facilities provides optimum opportunities for success. A CI Centre may include a variety of organisations with interchangeable/adaptable purposes and tenants and may be considered more a workplace with exhibition space open to the public than a destination in its own right.

In Busselton (and surrounds) there is a higher concentration of companies and individual operators who can be classified as part of the creative

industries, compared to the rest of Western Australia where there is a comparatively wide dispersion and low-density of creative activities. Examination of the economic impact of these organisations had been conducted previously in the Vasse Region Creative Industries Study however the monetary output of these organisations/individuals is not an accurate reflection of the true levels of engagement in the region due to the high level of volunteer/amateur participation in this sector.

An important point raised in the Vasse Region Creative Industries Study (which was highlighted throughout the course of this study) was that there is little room for the creative industries in the region to progress without some input from Local Government in terms of infrastructure. This correlated with the findings of this study.

This study therefore suggests that the Shire needs to further define the level it wishes to engage the creative industries community. Whilst the progression and continued collaboration of the creative industries in the region seems to rely on support from the Shire or external funding bodies, the Shire needs to determine whether it wants a true Creative Industries Centre or if what it really wants is a combination of affordable studio/workshop/exhibition space for the regions artisans and, perhaps a Shire funded business incubator for startup CI businesses.

#### *Situational Analysis - Current Facilities*

In examining the facilities available for hire in Busselton a key finding was that most of those serving the arts industry are not-purpose-built for that function. Whilst the conversion of spaces such as the Old Courthouse Gallery and Agriculture building into arts venues can contribute to the aesthetic of an artistic experience, the traditional presentation of performing arts requires purpose-built spaces. Currently, professional work presented in Busselton is staged at the Weld Theatre and the Uniting Church Hall. The Weld Theatre is a much-loved community asset however it is constricted in terms of size and facilities. Other suitable performance spaces, including the Bunbury Regional Entertainment Centre and the Margaret River Cultural Centre, are deemed to be too far away and not owned by the Busselton community, reinforcing the community's desire for a local, professional performance space.

Consultation with local users highlighted that, in some cases, they may not have the capacity to pay for a local, but professionally managed, space. The

local hirers were asked what they pay for the facilities they currently use and what they would be willing to pay for a new facility. The response indicated that, without significant subsidy from the Shire, the proposed facility will be out of the financial reach of some of these groups. The Shire should not expect that the space will be used by every local group as some will never have the financial ability to pay an appropriate access fee.

### *Situational Analysis - Tourism and the MICE Market*

As previously noted, the Shire of Busselton has a competitive advantage due to the high levels of accommodation available in Busselton and the influx of tourists during peak seasons. This also represents opportunities in attracting the MICE (Meeting, Incentives, Conference and Events) market however this is not also without some limitations:

- Access – in order to attract the MICE market, venues must be easily and quickly accessible as participants are generally time-poor and require fast access therefore rail, bus and car hire are not viable alternatives, so unless air access is forthcoming, convention infrastructure at the proposed PACIC should not be viewed as a constant, reliable income stream. The recent commissioning of a feasibility study to investigate an airport for the South West region is an excellent step forward.
- Accommodation – whilst the number of room nights available in Busselton is attractive, ideally accommodation should be co-located with the conference facilities – none of the proposed sites currently fit this criterion
- Competition – a number of regional (and new) performing arts centres in regional WA are now targeting the MICE market including Bunbury, Geraldton and Albany and have plans for capital expenditure to increase their ability to cater for these events.
- Marketing support – a venue suitable for the MICE market requires specific, targeted marketing strategies outside the normal scope of a performing arts centre.

Under the proposed space model, it is expected that there might be a small volume of MICE market usage, but this would be ancillary to the core business of the venue.

### *Situational Analysis – Consultations*

The key segments of the consultation process can be summarised as follows:

- Cultural Partners Reference Group
- Shire of Busselton Councillor briefing and meeting(s) with Council Officers
- Industry Partners Meeting (e.g. Busselton Chamber of Commerce, Geopraphe Bay Tourism Association)
- Potential Hirer Survey
- Public Workshop
- Public Survey

On a local level, the key finding was that the proposed PACIC is a long-awaited and much desired project for the Shire to pursue. However, the consultants did note a gap between the perceived and actual needs of the local community when reviewing what the proposed venue can sustain in hirer use and attract in terms of audience attendances. In particular, the public survey (available on-line and in hard copy format) revealed that although there is an almost public consensus that this project should proceed, the public perceptions of size and scale of the venue(s) vary considerably.

Key issues for the Shire highlighted during this consultation will be to:

1. balance the access of local user groups at affordable hiring rates, against the operating costs of the venue; and
2. invest in an entrepreneurial program to attract and build local audiences.

Overall, the consultants compiled the varying and often conflicting needs and desires of the local community, potential hirers and the performing arts market in general to develop the most responsible and financially sustainable space model that would result in optimum utilisation.

## Space Model

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### *Performing Arts Centre*

Based on the consultations and research conducted, the consultants developed a responsible proposal to meet the needs of the community. Although there are grand visions, this model is the most fiscally and operationally sound option. The underpinning problem with developing a performance space in Busselton is that whilst there is currently an absence of any such space locally and its absence has been noticeable for seemingly some time, there is not yet the volume of hirers and audiences that demonstrate the need to replicate the Bunbury Regional Entertainment Centre. To develop a large venue at this stage would require an extremely large recurrent operating budget of possibly half a million dollars plus enormous capital costs. Even if this could be afforded, the venue occupancy would not be maximised, risking potential community backlash over an empty, expensive theatre.

The space model proposed is indicative of a sustainable venue that will provide professional facilities with room to grow as the Busselton community grows.

Key issues addressed in developing the space model include:

- Identifying gaps in provision, taking the entire region into account
- Identifying the levels of potential audiences and the types of events with the best opportunities for success
- Ensuring the venue is as financially sustainable as possible (although all venues require ongoing subsidy)

As such, the space model proposed provides two stages of development (for the performing arts centre component). It is important to adopt this phased approach as the audience and hirer market in Busselton is currently untested and the research suggests not sufficient to warrant the expenditure required for progression immediately to the facility proposed in Stage Two. The market in Busselton will take time to develop and increase and therefore the Shire should look to proceed to Stage Two in a period of not less than five years. A further feasibility study should be undertaken once the Stage One facility has had time to develop and clearly indicates the need for expansion.

*Stage One* – a 250 seat black box theatre. The theatre should be viewed as a multi-purpose space which can accommodate

not only varying types of performances but also functions, meetings and training purposes. The site plan should incorporate a cafe or similar to add vitality and increase traffic through the centre.

*Stage Two* – a 400 seat proscenium arch theatre. This theatre will allow for increased variety in programming and hiring, however a venue of this capacity should only be considered once the market clearly indicates the necessity and ability to sustain (which currently it does not).

### *Creative Industries Centre*

The Creative Industries Centre space model requires further direction and consideration by the Shire. Two options presented in this report are:

*Option One* – create a true Creative Industries Centre including affordable artist's studios, shared workshop, meeting and exhibition spaces, an education or training facility, a CI business incubator, shared reception facilities, subsidised office space, technology suites, storage space and some retail space. In assessing this option, the Shire needs to realistically assess whether they wish to engage with and support the local CI's to such a level which justifies a costly and resource hungry project.

*Option Two* – an artist's hub incorporating studios, workshop and exhibition space as well as an AV studio and music studio and/or practice rooms. This option is obviously of smaller magnitude but also more accurately represents the current needs of the creative industries in the Shire and surrounds based on their current levels of activity.

Option two is the most viable in the short-term. It is recommended that the Shire pursue option two and allow components of option one to be factored in to future planning. The Shire must recognise that from conception through the functioning, this is a long process and all stakeholders must be fully committed and willing to adapt to changes in the environment along the way.

**KEY RECOMMENDATION #1: That, should the Shire wish to proceed with a performing arts venue, the staged development approach is adopted and proceeds with the further planning of the 250 seat black box theatre**

**KEY RECOMMENDATION #2: That the Shire define the level it wishes to engage creative industry organisations (and individuals) in the Shire (and surrounds). In the short term it is recommended that the Shire adopt Option Two as the most viable and resolve to investigate further expansion of infrastructure for the creative industries as the centre develops.**

### **Programming / Usage**

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#### *Hiring*

A significant issue facing local users in Busselton will be the cost of hire. In the event that air access to Busselton (which would service the MICE market) is not forthcoming and based on the Perth Convention Centre forward bookings, the venue's ability to attract high value hiring clients will be small. Similarly, regardless of what is built in Busselton, Bunbury will attract the majority of the commercial promoters due to their established audience base and the perception that Busselton is part of that catchment. This leaves the bulk of the hiring clients as educational, community groups and local professional arts organisations.

Given the responses from these groups regarding their current expenditure on facility hire, there is some doubt that all these groups will be able to afford to use the venue without subsidy from Council. Therefore the hiring mix should occur along a spectrum of financial relationships and levels of risk. The Financial Plan supplied in this report allows for these varied relationships and divides the potential hirer market into three segments:

1. Educational – schools and other educational/training institutions
2. Community – non-profit organisations
3. Corporates and Commercial promoters – including MICE market operators, and professional promoters.

The venue should aim to maximise income from corporate and commercial hirers to ensure the viability of offering lesser rates for educational and community hirers. This may be in the form of a hiring charter, allowing a provision for community and educational hirers to secure their required dates, whilst still ensuring corporate and commercial hirers (who often require a long lead time) have access to attractive dates.

### *Programming*

The other avenue for attracting performances to Busselton is an active entrepreneurial program, which again requires subsidy from the Shire (separate from the venue's operational subsidy). Programming is essential for the cultural vitality of the venue, ensuring that the community has access to a wide-range of professional performing arts.

**KEY RECOMMENDATION #3: That the Shire pursue an entrepreneurial programming policy and encourage the use of the propose venue by local hirers by offering accessible rates and charges.**

### *Site Analysis*

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Detailed site analysis was conducted based on the criteria of the most appropriate site for the location of a Performing Arts and Creative Industries Centre. It should be noted that no geotechnical analysis was applied to the investigation and the Shire should proceed with such analysis of the top three preferred sites prior to officially adopting the final site.

The site recommended as the preferred option for the PACIC is Signal Park due mainly to its high visibility, connectedness to both the Busselton CBD and foreshore, the co-location of other cultural facilities (providing the Shire with the opportunity to consolidate the site and its surrounds as Busselton's "Cultural Precinct") and the more than adequate land size which in turn provides for greater design flexibility. Other advantages of this site include excellent pedestrian and traffic access, the opportunity for

iconic design and greater opportunities to service both residents and visitors to the Shire.

The greatest constraint on this site is that it is not owned by the Shire and is constrained by the process required to change the purpose of an A Class Reserve i.e. approval by both houses of parliament.

The Foreshore and Stanley Street site (formerly known as the FESA site) are equally ranked as the second most preferred sites and should the Signal Park site become unfeasible due to land acquisition costs or a problematic geotechnical analysis, these sites would still be adequate for the purposes of building the PACIC. As such, these sites should also be the subject of geotechnical investigations along with Signal Park.

The other sites investigated as part of this study were:

1. Vasse Newtown
2. The current Shire Administration Offices site
3. The current Busselton Hospital site

**KEY RECOMMENDATION #4: That the Shire adopt Signal Park as the preferred site for the proposed Performing Arts and Creative Industries Centre and conduct geotechnical analysis on this preferred site as well as the Foreshore and Stanley Street sites (as contingencies).**

### **Management Models & Operating Structure**

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The management of cultural spaces involves the delivery of multiple and often conflicting outcomes and requires a high level of specialisation.

The proposed PACIC should be viewed as one development, however management structures vary for each component depending on which options the Shire resolve to pursue. As such the management models are separated here for the purpose of clearly defining the requirements of each component.

#### *Management Models - Creative Industries Centre*

Option One – requires a management structure that represents the partners and both undertakes the collaborative marketing of the

businesses and the precinct as well as managing the tenancies and the physical assets. Ideally a cultural manager should be in place to oversee the strategic development and programming of the precinct and a separate body be engaged to manage the tenants.

Option Two – the proposed artist’s hubs management should be aligned with the performing arts centre management structure as it is simpler and within the overall centre’s core business and management skills set. A relationship with an advisory body (e.g. the Margaret River Artisans) should be set up to assist in collaborative marketing efforts for the artists and input into the decision making such as the selection of which artists access studios and at what cost.

### *Management Models - Performing Arts Centre*

The most appropriate management model for the proposed performing arts centres is identified based on the following key objectives:

- The appointment of an experienced, professional arts manager
- The effective sourcing and management of entrepreneurial product
- Efficient and sustainable management of the facilities resources
- The delivery of the Shire and community’s vision for the centre
- The capacity to develop and deliver strategic plans and budgets
- The ability to respond to the changing environmental needs of the venue, the arts industry and community expectation
- A clear organisational structure with defined roles and responsibilities

The two most appropriate management models identified for the performing arts centre were:

1. A company limited by guarantee; or
2. Outsourced management

These options afford management the required flexibility to respond to the needs of cultural centre management whilst providing for finite financial input from the Shire. At all times the Shire retains ownership of, input into and credit for their vision for the community.

The human resource requirement for a centre of the scale and size proposed includes:

- Venue / General Manager
- Front of House Manager + casual staff / volunteers
- Operations / Technical Manager + casual staff
- Marketing Manager
- Box Office Manager + casual staff
- Administration Assistant
- Bookkeeper

**KEY RECOMMENDATION #5: That the Shire identify the preferred option for the performing arts centre management; either a company limited by guarantee or outsourced management and bring management on board early in the process to advise on the overall project development.**

**Financial Models / Five Year Plan**

The financial modelling conducted based on the space model proposed indicated the below operating and entrepreneurial programming subsidies required for the proposed centre.

*Operating Subsidy*

Stage One – 250 seat black box theatre

	<i>Pre Opening</i>	<i>Year 1</i>	<i>Year 2</i>	<i>Year 3</i>	<i>Year 4</i>	<i>Year 5</i>
	\$	\$	\$	\$	\$	\$
<b>Total Income</b>	0	167,224	243,343	275,177	303,694	344,370
<b>Total Expenses</b>	144,170	416,852	470,940	497,413	532,464	568,624
<b>TOTAL PROFIT / LOSS</b>	<b>-144,170</b>	<b>-249,628</b>	<b>-227,597</b>	<b>-222,236</b>	<b>-228,770</b>	<b>-224,254</b>
<b>Accumulated subsidy</b>		<b>-393,798</b>	<b>-621,395</b>	<b>-843,631</b>	<b>-1,072,401</b>	<b>-1,296,655</b>

Stage Two – 250 seat black box and 400 seat theatre<sup>2</sup>

	<i>Pre Opening</i>	<i>Year 1</i>	<i>Year 2</i>	<i>Year 3</i>	<i>Year 4</i>	<i>Year 5</i>
	\$	\$	\$	\$	\$	\$
<b>Total Income</b>	0	306,379	411,331	478,715	526,151	586,644
<b>Total Expenses</b>	190,925	645,331	717,195	755,623	799,908	844,208
<b>TOTAL PROFIT / LOSS</b>	<b>-190,925</b>	<b>-338,951</b>	<b>-305,864</b>	<b>-276,908</b>	<b>-273,757</b>	<b>-257,563</b>
<b>Accumulated subsidy</b>		-529,876	-835,740	-1,112,649	-1,386,406	-1,643,969

*Entrepreneurial Subsidy*

Stage One – 250 seat black box theatre

<b>ENTREPRENURIAL PROFIT LOSS</b>	<b>Year 1</b>	<b>Year 2</b>	<b>Year 3</b>	<b>Year 4</b>	<b>Year 5</b>
	\$	\$	\$	\$	\$
<b>Total Income</b>	37,763	38,475	38,475	44,531	48,094
<b>Total Expenses</b>	80,993	94,492	94,492	94,492	94,492
<b>NET PROFIT ON EVENT(S)</b>	- 43,231	- 56,017	- 56,017	- 49,961	- 46,398

Stage Two – 250 seat black box and 400 seat theatre

<b>ENTREPRENURIAL PROFIT LOSS</b>	<b>Year 1</b>	<b>Year 2</b>	<b>Year 3</b>	<b>Year 4</b>	<b>Year 5</b>
	\$	\$	\$	\$	\$
<b>Total Income</b>	54,260	51,200	55,280	63,950	69,050
<b>Total Expenses</b>	119,206	139,074	139,074	139,074	139,074
<b>NET PROFIT ON EVENT(S)</b>	- 64,946	- 87,874	- 83,794	- 75,124	- 70,024

<sup>2</sup> based on proceeding directly to Stage Two which incorporates the operation of both facilities

Therefore the combined subsidy required is:

Stage One – 250 seat black box theatre

	<i>Pre Opening</i> \$	<i>Year 1</i> \$	<i>Year 2</i> \$	<i>Year 3</i> \$	<i>Year 4</i> \$	<i>Year 5</i> \$
<b>Total Income</b>	0	167,224	243,343	275,177	303,694	344,370
<b>Total Expenses</b>	144,170	416,852	470,940	497,413	532,464	568,624
<b>PROFIT / LOSS</b>	-144,170	-249,628	-227,597	-222,236	-228,770	-224,254
<b>Accumulated subsidy</b>		-393,798	-621,395	-843,631	-1,072,401	-1,296,655
<b>Entrepreneurial Profit/Loss</b>	0	-43,231	-56,017	-56,017	-49,961	-46,398
<b>Combined Subsidy</b>	-144,170	-292,859	-283,614	-278,253	-278,730	-270,652

Stage Two – 250 seat black box and 400 seat theatre<sup>3</sup>

	<i>Pre Opening</i> \$	<i>Year 1</i> \$	<i>Year 2</i> \$	<i>Year 3</i> \$	<i>Year 4</i> \$	<i>Year 5</i> \$
<b>Total Income</b>	0	306,379	411,331	478,715	526,151	586,644
<b>Total Expenses</b>	190,925	645,331	717,195	755,623	799,908	844,208
<b>PROFIT / LOSS</b>	-190,925	-338,951	-305,864	-276,908	-273,757	-257,563
<b>Accumulated subsidy</b>		-529,876	-835,740	-1,112,649	-1,386,406	-1,643,969
<b>Entrepreneurial Profit/Loss</b>	0	-64,946	-87,874	-83,794	-75,124	-70,024
<b>Combined Subsidy</b>	-190,925	-403,898	-393,738	-360,702	-348,881	-327,587

<sup>3</sup> based on proceeding directly to Stage Two which incorporates the operation of both facilities

### Capital Costs

Proposed Busselton PACIC*	250 (Stage one)	Not including the Creative Industries Component	\$8million (approx)
Proposed Busselton PACIC*	250 & 400 (Stage Two)	Not including the Creative Industries Component	\$20-23million (approx)

\* These are preliminary estimates only and will be largely affected by design options, building footprint, capacity and site restrictions/costs and should not be a substitute for calculations made by a quantity surveyor.

### Social, Cultural & Economic Impact

*“The extrinsic benefits of the arts (including the development of non-cognitive skills) are brought about by a prolonged or habitual interaction with the arts”<sup>4</sup>.*

As well as investigating the economic impact of the proposed PACIC as required in the study brief, the consultants also reviewed the potential social and cultural impact on the Busselton community.

#### *Social & Cultural Impacts*

Overall, the a PACIC in the Shire will contribute to

- community pride
- self esteem
- social cohesion
- social behaviour
- individual’s mood & health
- crime prevention
- cognitive skills and educational attainment

The provision of a space which offers outlets for creativity and exposure to arts and culture in Busselton will enhance all levels of cultural

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<sup>4</sup> Education for the Creative Workforce

development existent in the Shire and expand the possibilities for development for all residents from a young age through to adulthood.

### *Economic Impact*

The proposed PACIC will have numerous economic impacts in the Shire of Busselton. The most obvious being the employment benefits directly related to the centre and the flow on spending from activities taking place at the centre.

In summary:

#### *Employment:*

OPTION	Total estimated FTE employees	Employment in direct dollar terms over 5 year period
250 seat theatre only	8	\$1.6m
250 and 400 seat theatres	10.5	\$2.4m

#### *Direct Expenditure:*

OPTION	Total estimated 5 year expenditure other than wages
250 seat theatre only	\$1.1m
250 and 400 seat theatres	\$1.6m

#### *Direct expenditure (flow on effect):*

OPTION	Total estimated 5 year expenditure	Gross value added multiplier	Gross valued added contribution	Total value added employment
250 seat theatre only	\$2.6m	1.79	\$4.65m	272
250 and 400 seat theatres	3.9M	1.79	\$6.98m	357

*Direct visitor expenditure:*

OPTION	Total accommodation spend over 5 years	Total meals spend over 5 years	Total local transport spend over 5 years	TOTAL SPEND IN LOCAL ECONOMY (not including gifts and personal)
250 seat theatre only	\$81,000	\$29,700	\$5,400	\$116,100
250 and 400 seat theatres	\$207,000	\$75,900	\$11,500	\$294,400

*Indirect visitor expenditure (flow on effect):*

OPTION	Total touring visitor spend in local economy over 5 year period	Gross value added multiplier	Gross value added contribution
250 seat theatre only	\$116,100	1.46	\$169,506
250 and 400 seat theatres	\$294,400	1.46	\$429,824

### Next Steps

The Shire should again look at the development of the proposed PACIC as a singular development but note the separate avenues for progression of the performing arts centre component and the creative industries component.

*Progressing the entire development*

**KEY RECOMMENDATION #6: Develop a detailed project plan which highlights project milestones and funding requirements.**

**KEY RECOMMENDATION #7: Develop a Community Engagement Plan which may include design workshops, a naming competition for the building and fundraising activities.**

*Progressing the Creative Industries Centre component*

**KEY RECOMMENDATION #8: Identify potential funding sources for both the planning and building phases as well as the operations and programming requirements.**

**KEY RECOMMENDATION #9: Define the mix of artists and industry sectors to be included in the development.**

*Progressing the Performing Arts Centre component*

**KEY RECOMMENDATION #10: Confirm the availability of funding within the Shire budget and other potential external sources.**

**KEY RECOMMENDATION #11: Commence business planning to define the vision and strategy for the centre.**

**KEY RECOMMENDATION #12: Develop a design brief and detailed cost estimates which will allow the Shire to proceed to concept designs.**

## **Brief & Methodology**

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### ***Brief***

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In 2005, Council commissioned and endorsed two reports, the Cultural Plan and Leisure Services Plan. In both plans, the community identified the lack of a performing arts centre within the Shire as a gap in the provision of cultural services.

Concurrently, an increase in the number of organisations and individuals working in the creative industries within the Shire led to the formation of a Creative Industries Working Group by the Busselton Chamber of Commerce, which also included representatives from the Augusta Margaret River Shire.

Consequently the Shire commissioned this study to assess the feasibility of a performing arts and creative industries facility. The objectives of the project were to examine:

- suitable sites,
- management models,
- identification of user groups and uses,
- innovative design,
- urban vitality,
- regional partnerships
- sustainability.

Further investigation was to be undertaken in regards to the continued development of emerging creative industries within the region and the provision of conference and educational opportunities.

The University of WA Faculty of Architecture, Landscape and Visual Art conducted a design studio to develop concept designs however time lines were such that the programme ran prior to this feasibility study. As a result the designs offer a range of inspirations but have not been respondent to the specific site assessments or space model.

The consultants were required to undertake the following tasks:

- 1) A review of the demographics of the Shire particularly in relation to culture and future population growth.
- 2) A review of the current cultural landscape, including details on existing cultural facilities in the Shire and adjacent Shires within the following framework:
  - a. What are the shortfalls/gaps in provision?
  - b. Who uses the current facilities and for what purpose?
  - c. How much are users paying?
  - d. Potential for audience development/building audiences.
  - e. Identification of existing cultural hubs/precincts/clusters in terms of facilities.
- 3) A consultation process.
- 4) Sites already identified both through the Cultural Plan and Leisure Services Plan and additional sites based on potential opportunities, land assembly and informal public comment/suggestion including:
  - a. Signal Park
  - b. Foreshore Reserve near Jetty
  - c. Current Shire Building
  - d. Vasse Newtown
  - e. Current Busselton Hospital site
  - f. Stanley Street
- 5) Rating of sites.
- 6) Recommend a space model identifying facilities such as for example, performance, workshop, storage, rehearsal space, meeting spaces, cafe, office space etc which will inform the eventual design.
- 7) Financial modelling and management options. This also includes the delivery of a project Five Year Financial Plan.
- 8) Assess programming, training and multi-media use.
- 9) Identify possible funding options and timeframe for construction.

## Methodology

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The consultants worked with Council Officers to develop a project plan to meet the requirements set out in the brief. Research activities are detailed through the report. A summary of those activities includes:

- 1) Literature review and desktop research with particular reference to Council's Cultural Plan and Leisure Services Plan.
- 2) Meetings with Council Officers as outlined in the Consultation section.
- 3) Council briefing that gave Councillors an opportunity to feedback their thoughts to the consultants.
- 4) Meetings with UWA representatives and assessment of the UWA Students Design Studio work.
- 5) Consultation with local business and tourism bodies, further detailed under the Consultation section.
- 6) Workshop with Cultural Partners Reference Group.
- 7) Arts and culture industry consultation through one-on-one interviewing.
- 8) Site visits and inspections to develop the site matrix.
- 9) Public survey implemented on line and made available through Council in hard copy.
- 10) Public consultation through focus group sessions advertised by Council to the general public.

## University of Western Australia Design Studio

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Students from the UWA Faculty of Architecture, Landscape Architecture and Visual Arts were engaged by the Shire of Busselton to work with the community and create concept designs for the Performing Arts and Creative Industries Centre. Community aspirations, dialogue and an open approach to the designs by the students went into the creation of drawings and models exhibited at ArtGeo during the month of August and have been compiled for ongoing public view, however these designs should not be construed as design options for the proposed PACIC.

Initially, the Design Studio was slated to run concurrently with this Feasibility Study, however due to the timing of funding applications and grants this became impracticable. The UWA Design Studio has provided an excellent forum to inspire, excite and provoke discussion on the future of arts, culture and creativity in the region, however it should be noted that this Feasibility Study has been prepared by professional, industry based consultants who conducted independent quantitative research and detailed consultation with a wide variety of key stakeholders. Although the findings from UWA students have been taken into account when preparing this Feasibility Study, they have not and should not be relied upon to evaluate the findings and recommendations provided in this report.

*“As a Lecturer at the University of Western Australia we had a unique opportunity to be involved in a Design Studio which focused on the design issues for the proposed Performing Arts Centre for Busselton. The Design Studio is a subject undertaken by the final year students of the Bachelor of Architecture degree which allows students to experience real world conditions within an educational environment. Throughout the twelve week semester the students visited Busselton twice and met with community members on each occasion to discuss the feasibility and placement of the proposed Performing Arts Centre. This was undertaken with the support and guidance of the Shire of Busselton. These comments summarise the outcomes of the student’s research.*”

*The students discovered in their research, there was great potential for a Performing Arts Centre for the Shire of Busselton. There was a very active community culture in the Arts and existing events which could take advantage of such a facility however with no immediate centre to draw the disparate groups together as well as to provide a local venue for professional events and locally orientated community organisations. The students found that the design of the theatre should be done to provide a venue compatible with international and national performance space standards with particular emphasis on the technical requirements of the fly tower, stage size and backstage facilities.*

*Positioning the Centre seemed to be an important factor among many community members however the students thought that all the sites were appropriate except the Hospital site because of proximity and scale to the surrounding residential area. The foreshore sites were seen as advantageous however it would need to be considered over the long term within the context of a broader master plan for the whole foreshore. The FESA and existing council office sites were both ideal and had many opportunities to connect the facility directly back into the town either as a Gateway building or as part of the existing fabric of the town of Busselton. The Vasse site had good connections with the existing school and because it was free from historical or aesthetic heritage was able to sustain a more experimental approach in the design process. From a design point of view all the sites investigated were potentially rich except the Hospital site.”*

UWA Rene Van Meeuwen  
Masters / Honours / 5th Year Co-ordinator  
Lecturer  
Faculty of Architecture, Landscape and Visual Arts  
The University of Western Australia

## Background / Situational Analysis

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In this section:

Demographic Snapshot & Attendance at Cultural Events

Creative Industries

Current Facilities

Tourism and MICE Market

Consultations

### Demographic Snapshot and Attendance at Cultural Events

The 2006 Census data confirmed that the Shire of Busselton is one of the fastest growing non-metropolitan Local Government Areas in the state – the desirable lifestyle and holiday opportunities available in the Shire have created a high rate of growth and development over the past 20 years and is forecast to continue over the next 20 years.

The Shire's rapidly increasing population has placed demand on urban development, with the Shire's population forecast to reach more than 40,000 by 2021<sup>5</sup>. The annual population growth rate of 2.9%<sup>9</sup> (as recorded in the '06 census) is also well above the State average of 1.6%.

	Population	Average Annual Growth Rate 2001-2006	Density (persons/km <sup>2</sup> )
AUSTRALIA	20,701,408	1.3%	2.7
<b>Busselton Shire<sup>6</sup></b>	<b>26,638</b>	<b>2.9%</b>	<b>18.3</b>
Augusta Margaret River	10,942	1.4	4.9
Vasse Region	37,580	2.5	10.2
South West	217,791	2.3	7.6
Perth	1,519,510	1.8	282

A significant characteristic of the current population in the Shire is the rate of unoccupied private dwellings, at approximately 26%<sup>7</sup> which is very

<sup>5</sup> Source: Shire of Busselton Demography and Planning (2007)

<sup>6</sup> Source: Australian Bureau of Statistics (3218.0 July 07)

<sup>7</sup> Source: Shire of Busselton Demography and Planning (2007)

high when compared to the rest of the state. What this means for the cultural infrastructure of Busselton is that the call on cultural infrastructure could be higher than suggested by census population measures, however whether those residents replicate the attendance patterns of full-time residents is debatable. It is common in the Shire for resident numbers to fluctuate during holiday periods – it is estimated that between tourists and part-time residents occupying their Busselton dwellings, the Shire’s population swells to a total of 70,000 people during the peak summer seasons. The likely PACIC attendances of this influx of visitors to the Shire is investigated in Tourism and Mice Market opportunities.

This fluctuating population can make it difficult to identify population attributes, however the ABS Busselton Regional profile offers some statistics.

<b>POPULATION AND PEOPLE CHARACTERISTICS</b>						
		<b>2000</b>	<b>2001</b>	<b>2002</b>	<b>2003</b>	<b>2004</b>
<b>POPULATION BY SEX - at 30 June</b>						
Persons	no.	22,240	23,099	24,333	24,998	25,896
Males	no.	11,043	11,472	12,031	12,331	12,794
Females	no.	11,197	11,627	12,302	12,667	13,102
<b>POPULATION : PERCENTAGE BY AGE GROUP - at 30 June</b>						
Percentage aged 0 to 14 years	%	23.1	22.8	22.4	22.0	21.6
Percentage aged 15 to 24 years	%	11.5	11.6	11.6	11.6	11.6
Percentage aged 25 to 34 years	%	13.5	13.3	13.3	12.9	12.7
Percentage aged 35 to 44 years	%	15.9	15.7	15.7	15.6	15.4
Percentage aged 45 to 54 years	%	12.6	13.0	13.1	13.5	13.7
Percentage aged 55 to 64 years	%	9.2	9.3	9.9	10.0	10.4
Percentage aged 65 to 74 years	%	8.2	8.1	8.0	8.1	8.1
Percentage aged 75 to 84 years	%	4.6	4.7	4.8	4.9	5.0
Percentage aged 85 years +	%	1.5	1.5	1.4	1.4	1.5

The consultants compared the population of Busselton against the attendance at selected cultural events across Australia<sup>8</sup> and noted the following:

1. Attendance rates for at least one cultural venue or event decreased with age from 97% for those 15–17 years to 59% for those 75 years and over. This bodes well for Busselton with a higher younger population.
2. Probable attendance at cultural events in Busselton can be relatively accurately mapped based on the following profiles.

<b>WA ATTENDANCE RATES(%)</b>	
Classical music concerts	10.8
Popular music concerts	30.8
Theatre performances	16.8
Dance performances	9.7
Musicals and operas	14.8
Other performing arts	17.6

*Popular music:*

- Attendance rates declined with increasing age from 40% in the 18–24 year age group to 7% for people aged 75 years and over.
- Almost two-thirds (65%) of those who attended popular music concerts did so more than once.
- Of those who attended a popular music concert in Western Australia, almost two thirds (65%) did so more than once.

*Classical Music*

- 11% of women and 8% of men attended a classical music concert at least once per year.
- The age group 55–64 years recorded the highest attendance rate (13%), over double that of those aged 18–24 years (6%).
- Of those who attended a classical music concert in Western Australia, almost three-fifths (58%) did so more than once.

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<sup>8</sup> Attendance at Selected Cultural Venues 2005-2006, Cultural Ministries Council (Statistics Working Group) and the Australia Bureau of Statistics (2007)

### *Theatre*

- The attendance rate was higher for women (21%) than men (13%).
- Of those who attended the theatre in Western Australia, over one-half (53%) of those who attended did so more than once.

### *Dance*

- Females were more likely to attend dance performances than males, (13% compared with 7%) with females aged 15–17 years recording the highest attendance rate at almost one-third (30%).
- Of those who attended a dance performance in Western Australia, 46% did so on more than one occasion.

### *Musicals and Opera*

- One-fifth of people aged 45–64 years had been to a musical or opera in the twelve months before interview.
- The attendance rate was higher for women (21%) than men (12%).
- Of those who attended musicals and operas in Western Australia, 45% did so more than once.

### *Possible Implications for Busselton:*

1. The WA data suggests attendance would be higher at popular music events than other performance events.
2. Theatre attendances represent the second highest share of audiences after popular music with age representations consistent with the population characteristics of the Shire of Busselton.
3. Musicals and opera represent a significant attendance level. The drivers of this statistic are predominantly large commercial musicals and fully-staged opera. Due to the scale and nature of these productions, these events do not tour to regional centres so it can be expected that these specific art forms will not provide a driver of the same magnitude for audience attendance in Busselton. This is not to say that reduced scale musicals and opera do not tour, but simply their audience appeal and therefore attendance rates are much lower.

Regional audiences are more likely to travel to capital cities to attend musicals and/or operas as part of a weekend away. Therefore, the statistics relating to Musicals and Opera attendances are not considered significant in relation to planning for performance space/s in Busselton.

The consultants compared the population of Busselton with other neighbouring regional centres to compare the population of each and the provision of cultural/performance facilities of each, and to identify any gaps in the market. This exercise helped to define an appropriate space model for Busselton based on current and expected future needs. (see Space Model).

<b>Resident Population<sup>9</sup></b>			
Local Authority	2001	2006	Average Annual Growth Rate
Mandurah	48,877	58,457	3.6%
Bunbury	30,493	31,421	0.6%
Busselton	23,099	26,638	2.9%
Capel	7,107	10,630	8.4%
Augusta-Margaret River	10,187	10,942	1.4%
Manjimup	10,309	9,773	-1.1%
Donnybrook-Balingup	4,691	5,000	1.3%
Nannup	1,218	1,260	0.7%
Dardanup	8,955	10,777	3.8%
Bridgetown-Greenbushes	4,188	4,119	-0.3%

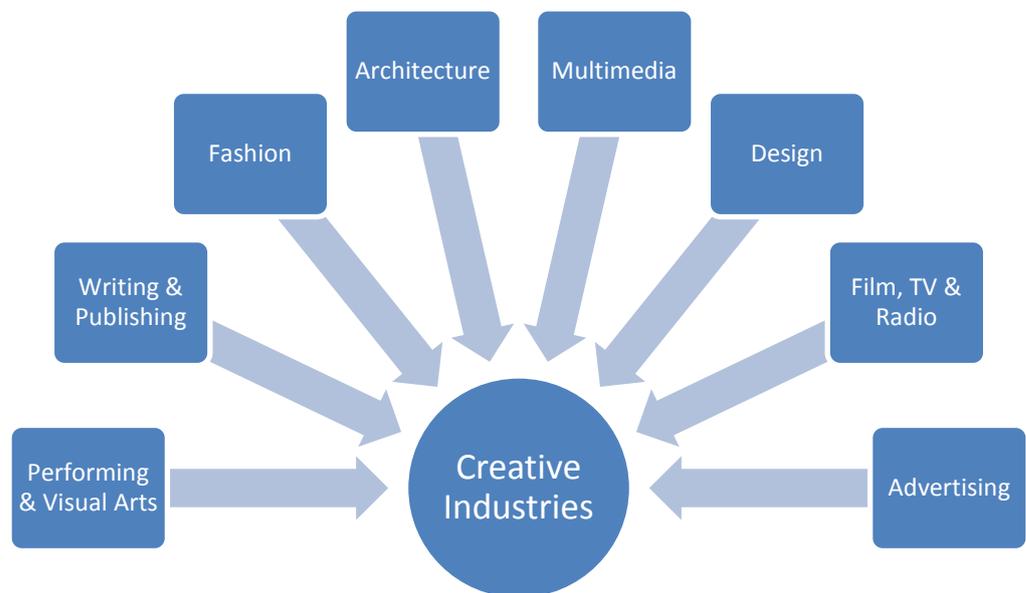
Although Busselton is catching up to Bunbury in terms of population and is experiencing a higher average annual growth rate, this does not necessarily suggest that Busselton requires a venue of comparable size to the Bunbury Regional Entertainment Centre (BREC). This is explored in further detail in the Space Model rationale, however it is worth noting here that despite Busselton's growing population, the venue market would not be able to sustain two venues of this size within 50kms of each other, particularly given that they are both regional centres. The motivation behind building BREC with such a large capacity was to enable it to serve a population beyond its immediate catchment. In fact surrounding Councils (including Busselton at one stage) contribute to the theatre's annual operating expenses.

<sup>9</sup> Source: Census – Australian Bureau of Statistics (2007)

## The Creative Industries

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The term 'Creative Industries' (CI) is a very broad term and encompasses a number of different industry sectors including, but not limited to; performing and visual arts, writing and publishing, fashion, architecture, multimedia, graphic and other forms of design, film, television and advertising. The widely used definition by UK Department of Culture, Media and Sport is industries that “have their origin in individual creativity, skill and talent and which have a potential for wealth and job creation through the generation and exploitation of intellectual property”<sup>10</sup>.



CI's play an important role in:

- The regeneration and animation of the region
- Attracting skilled and talented people to the area
- Stimulating the local economy
- Social inclusivity

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<sup>10</sup> Source:

<http://www.creativeclusters.com/modules/eventsystem/?fct=eventmenus&action=displaypage&id=33>

### *What is a creative industries precinct?*

The term 'creative industries precincts' or 'clusters' is very broad and can mean different things to different people. Often the words 'precincts' / 'centres' / 'clusters' and 'hubs' are interchanged but stripped down, they basically mean a collection of businesses / organisations of the same industry, geographically located together with the purpose of them working together to encourage entrepreneurship. The UK project, Creative Clusters Ltd, further defines CI clusters as precincts which "include non-profit enterprises, cultural institutions, arts venues and individual artists alongside the science park and the media centre. Creative clusters are places to live as well as to work, places where cultural products are consumed as well as made. They are open round the clock, for work and play. They feed on diversity and change and so thrive in busy, multi-cultural urban settings that have their own local distinctiveness but are also connected to the world"<sup>11</sup>. Thus, CI precincts are by their very nature, complex beasts.

Clustering is also used in other industries – Silicon Valley (IT) in the US is often used as an example and Technology Parks, which many cities have (including Perth) are other examples. However growing research by the UK group Creative Clusters, is showing that CI clusters have different needs than that of other business clusters and that standard business strategies applied to these clusters do not necessarily work. Therefore, getting the purpose and planning for a Busselton CI centre right at the beginning is absolutely essential.

The key driver behind CI centres is about sharing and connectedness – so that all components can "feed" off one another to develop innovation, creativity and business growth. Another important feature is that they have a local distinctiveness and connect to their local community both physically and intellectually. This suggests they cannot be "imposed" but rather should arise from the needs and desires of the local community. A recent study into creating CI precincts in Barcelona, Spain found that the need for the precincts to grow and reflect the local culture and identity is critical as ultimately, these precincts contribute to a sense of place and

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<sup>11</sup> Source:

<http://www.creativeclusters.com/modules/eventsystem/?fct=eventmenus&action=displaypage&id=36>

belonging. The report also found that the involvement of a mix of private, public and 'other' partners is a vital ingredient for success<sup>12</sup>.

### *Creative Industries Centres in Australia*

Currently, it appears that there are not yet any *fully working* models of a CI centre in Australia. This being due in the main to the long period of time needed to plan and implement these precincts and the need to secure the right mix of private and public partners. CI centres are more than just the physical infrastructure or buildings therefore, they are incredibly difficult to get up and running.

There is an ambitious and impressive precinct being developed by the Queensland University of Technology (QUT) at their Kelvin Grove campus, however this is not yet fully functional. The precinct is described as "Australia's first site dedicated to creative experimentation and commercial development in the creative industries. It provides a unique opportunity for designers, artists, researchers, educators and entrepreneurs to easily connect and collaborate with others to create new work, develop new ideas and grow the creative industries sector in Queensland"<sup>13</sup>.

The cost of the site is estimated at \$60 million (not including the costs of the residential development) and when completed, will be a stand out model for Australia. The QUT precinct brings together education and training facilities (the precinct is primarily driven by the QUT), mixed density and mixed cost housing (the Kelvin Grove Urban Village – land owned by the QLD government and homes developed by private developers), artist and digital studios, business incubator, performance and exhibition spaces, retail, hospitality and commercial premises. The major partners are the QUT and the Queensland Government (Dept of Housing) and a major focus is the emerging multimedia industry in QLD.

### *Creative Industries Precincts or Centres in Western Australia*

In WA, there is only one creative industries precinct in development and this is far from fully operational (although some artists are already based there). FORM has partnered with the Midland Redevelopment Authority

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<sup>12</sup> Source:

[http://www.ecotec.com/idele/themes/oldindustrial/studies/barcelona\\_creative\\_clusters.pdf](http://www.ecotec.com/idele/themes/oldindustrial/studies/barcelona_creative_clusters.pdf)

<sup>13</sup> Source: <http://www.ciprecinct.qut.com>

to develop the Midland Atelier at the Midland Workshops site – a series of disused state government owned railway workshops that are undergoing substantial redevelopment. The Workshops site will eventually be a mix of residential, education facilities, retail, hospitality, businesses, artist studios and exhibition space. Like the QUT Creative Industries Precinct, the ‘Midland Atelier’ is part of a much bigger urban planning project that includes commercial and residential development, other government and private usage and transport infrastructure. Importantly, the Midland Workshops redevelopment is driven by a desire to retain the heritage value of the buildings, which reflect an important connection to the Midland community and its history. The industrial feel of the current site is being incorporated into the planning design and usage and this will inspire those traditional and creative businesses that become part of the precinct. The intention is to ensure that the local community retains its strong bond with the site<sup>14</sup>.

The Midland Atelier will be home to artist studios for renowned artists with a focus on contemporary design. Already, it is home to furniture and jewellery designers and glass artists will soon also be resident there. The Atelier will comprise workshop and studio spaces and will host residencies from international and national artists, to forge global and national links. The Atelier will work with the educational and industry partners located at The Workshops, to address training and professional development needs and industry development needs. It will be an integral part of the Midland Workshops environment. FORM will play an important role in both its development and on-going operations and programming.

#### *Australian Findings on creative precincts / centres / clusters*

An Australian Government report in CI clusters in 2001<sup>15</sup>, found that some of the important factors underpinning them are:

- The inclusion of institutional infrastructure (universities, R&D companies, industry associations) play an important role in cluster development
- There are important linkages between commercial and not-for-profit R&D activity that CI clusters should foster

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<sup>14</sup> Source: <http://www.theworkshops.com.au>

<sup>15</sup> Source: <http://www.cultureandrecreation.gov.au/cics/>

- Training is a critical issue and is central to the ongoing development of creative industries
- Digital content is one of the drivers of CI clusters
- Intellectual Property (how it's developed, who owns it and its future income generating capacity) is an important consideration and feature of the creative industries.

In Perth, a CI analysis was undertaken in 2007, that found “The largest employing CI segment is software, which is also very fast growing” and this is then followed by advertising and music <sup>16</sup>. Amongst other recommendations, it urged the Perth City Council to consider instigating creative “hubs” and connections between CI sector. It also recommends that the state government address some of issues of high speed broadband provision in the state to assist the growing IT development industry.

*Other creative hubs that partly mirror the model*

There are a number of successful creative hubs that in some way meet the definition of CI precincts / centres / clusters. Strictly speaking they are not a CI true precinct and as they only bring together one segment of the creative industries, or have a focus that is not about developing entrepreneurship within creative businesses. However, they are interesting models to consider in regarding to supporting and stimulating local artists.

- JamFactory (Adelaide) – “Contemporary Craft and Design is a unique centre for the design, production, exhibition and sale of work by leading and emerging Australian designer / makers. Our four studios work in the areas of ceramics, furniture, metal and glass, each combining a rigorous training program with commissions and high quality production work. The studios are amongst the largest and best equipped studios in the southern hemisphere and are national leaders in fostering and developing contemporary craft and design. The Gallery showcases contemporary Australian craft practice and our two award-winning retail spaces offers a wide range of high quality and collectable craft and design. The accomplishments of JamFactory's artists and designers have gained an international reputation for quality and

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<sup>16</sup> Source: <http://www.cci.edu.au/publications/perth-creative-industries>

creativity. The emphasis is on fostering the best in Australian craft and design”<sup>17</sup>

- Media Centre (UK) - The Media Centre was established in 1995 in the heart of West Yorkshire. It comprises a number of refurbished warehouse buildings, providing 72 office spaces for 30 companies and 250 employees. It also includes 21 creative “lofts”, live work spaces for creative enterprises, a digital research unit, media lounge (public showcase for creative use of new technologies) and public internet access stations. The Media Centre is located 25 minutes from Manchester and Leeds.

The Media Centre offers serviced accommodation for creative businesses, each of a contemporary design in order to stimulate creative thinking. All offices are equipped with broadband and digital facilities, as well as virtual office services such as secretarial services. Common facilities include meeting and conference rooms and internet labs. Tenants are offered different rates depending on the status of their business. Start-ups access cheaper rates and a range of business sizes and structures are accommodated, including not for profit, commercial business and trade and industry associations. The centre also houses public exhibition spaces and offers public programs. A digital research unit is supported by the Arts Council of England and the National Lottery. This unit exists for research and development purposes of tenants and, commissions artists to develop new technologies. The Unit houses creative labs which are run by the University of Huddersfield in areas such as games design, interactive graphics, 3D design, computing, 3D animation and interactive video. The local councils and Arts Councils are involved in funding these access programs. Industry and education / training programs are encouraged to be developed there and facilities are made available for this.

The Media Centre also has a café and bar that is open to tenants, tourists and community residents. The facility management company is a not for profit organisation and the centre is staffed by both business and creative practitioners. Roles range from Operations Manager to Creative Director. The Media Centre is an excellent example of collaboration between governments (all levels), regional development agencies, industry and arts development<sup>18</sup>.

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<sup>17</sup> Source: <http://www.jamfactory.com.au/>

<sup>18</sup> Source: The Media Centre information pack

- Salamanca Arts Centre (Hobart) – the Salamanca Arts Centre is a mixed commercial and not for profit arts centre that offers accommodation for state funded arts organisations (cross artform), artist’s studios, commercial arts based business, commercial galleries and theatre and gallery spaces. It is run by a not for profit arts organisation and is funded by both state and local governments. The Centre is based on the Hobart waterfront, which connects the city. The buildings are historically significant and located in one of Tasmania’s oldest heritage areas. The architecture is stunning and the area is a major tourist precinct, which incorporates cafes, bars, restaurants and other retail. Craft and fresh produce markets are held each Saturday and these are widely marketed by the Tasmania Tourism Commission as one of the ‘must dos’ in Hobart.

In Busselton (and surrounds) there is a higher concentration of companies and individual operators who can be defined as part of the “creative industries”<sup>19</sup>, compared to the rest of Western Australia where there is a comparatively wide dispersion and low-density of creative activities.

The economic impact of the Creative Industries in the region was investigated in the “Vasse Region Creative Industries Study”<sup>20</sup>. The total economic outputs from creative industry segments in the region were cited as:

Segment	Economic Output
Software and Interactive Media Development	\$27.79m
Visual Arts & Design	\$18.57m
Architecture	\$14.74m
Publishing	\$14.27m
Film, TV, Radio	\$6.77m
Music and Performing Arts	\$2.32m
Advertising Services	\$0.06m
<b>Total</b>	<b>\$84.42m</b>
Total value-add contribution to the economy	\$47.19m

<sup>19</sup> 536 registered businesses in the Vasse Region, estimated number of employees exceeding 900, representing 7.1% of the State’s CI economy, “Vasse Region Creative Industries Study” (2006)

<sup>20</sup> Vasse Region Creative Industries Study (2006)

A review of the existing CI organisations in Busselton revealed that the level of activity and engagement in these activities is not necessarily reflected by the monetary output of each segment. For example, whilst architectural organisations effect a higher economic output (17.5%) than the music and performing arts (2.8%) the volume of organisations (and thus the level of engagement) in the latter is greater (396 organisations/groups versus 269)<sup>21</sup>. There is also a higher level of voluntary/amateur participation in segments such as Visual Arts/Design and Music/Performing Arts than others such as Software and Interactive Media, Architecture and Publishing.

The study further articulates a number of issues including the lack of infrastructure in Busselton (and to a lesser extent, the South West). Despite the higher density of CIs in Busselton, there is currently little formal connection between and little adequate infrastructure for these groups. This shortfall was also highlighted in the Shire of Busselton's Cultural Plan. The establishment of the Cultural Partners Reference Group provided the first steps towards a dialogue between existing creative groups in Busselton, however this framework may not suit the needs of the commercially focused CI's.

#### *Busselton's Proposed Creative Industries Centre*

Busselton's challenge is to determine whether it wants (and needs) a true creative industries precinct as described above or whether what it really wants is a combination of affordable studio / workshop / exhibition space for the region's artisans and, perhaps a low cost business incubator for startup CI businesses. On the surface, the latter may appear to be a CI centre, but in reality it is not. CI centres and precincts are more than just the physical infrastructure – there is much intangible infrastructure that needs to be created, over a long period of time, if a successful CI centre is to emerge. These intangibles include:

- creating a supportive environment and opportunities for the diverse CI businesses to share, enter into joint projects, create entrepreneurial opportunities and therefore generate shared, income generating Intellectual Property (IP);

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<sup>21</sup> Vasse Region Creative Industries Study (2006)

- a commitment to and culture of the need for on-going training, education and R&D that underpins continued growth and innovation;
- a culture of sharing ideas where issues around ownership of IP rights are clear and easily resolved;
- creating a place where tenants, residents and visitors actually want to visit, so that the centre does not become purely a place to work (think Technology Parks in the cities – a traditional business cluster). This will be even more important if the CI centre is to be co-located with the PAC. A successful PAC is a vibrant place that has a sense of community, feels alive and is a source of constant activity. If the CI centre does not also emulate this, there is a danger that it will affect the vibrancy of the area that the PAC needs.

All of these intangibles need to be managed and continually developed – they won't just happen by building a centre and locating businesses there (the “build it and they will come mentality”). This is the all-important programming side of a CI centre – an on-going role. The proposed model for the Shire of Busselton is outlined in the Space Model.

## Current Facilities

The below table outlines the venues that are available for use or that organizations in Busselton currently utilise to stage their artistic or corporate events. Only venues in the Shire have been included here and outdoor events (e.g. Southbound and winery concerts) have not been considered, as the very nature of these events is based on their outdoor surrounds and are not comparable with the type of events that would be staged at the PACIC.

<b>Facilities ▼      Uses ►</b>	<b>Conferences and Community meetings</b>	<b>Performance</b>	<b>Other Arts</b>	<b>Recreation</b>	<b>Other (accommodation, dining etc)</b>
Abbey Beach Resort	X	X	X		X
Bayview Geographe Bay Resort	X				X
Goose Cafe	X				X
Broadwater Beach Resort	X				X
Wyndham Vacation Resort & Spa	X				X
Busselton Jetty				X	X
Busselton Senior Citizen's Centre	X			X	
Busselton Youth & Community Centre	X	X	X	X	
Busselton Senior High School Hall	X	X			X
Weld Theatre		X	X		
Churchill Park Hall	X			X	
Geographe Leisure Centre				X	
Naturaliste Community Centre	X			X	
Old Courthouse Complex	X	X	X		X
ArtGeo Gallery			X		
Railway Hall	X				X
Acton Park Hall	X				
Carbunup Hall	X			X	
Dunsborough Hall	X			X	X
Kaloorup Hall	X			X	
Ruabon Hall	X			X	
Scout Hall, Busselton	X			X	
Vasse Hall	X			X	
Wilyabrup Hall	X			X	
Yallingup Hall	X			X	
Yoongarillip	X			X	

A key characteristic of these facilities is that most of those serving the arts markets are not purpose-built for that function. The conversion of spaces such as the Old Court House and Agriculture building into arts venues can contribute to the aesthetic of an artistic experience, however, for traditional presentations of arts and performance, purpose built spaces are required.

### *Current Expenditure on Venue Usage*

Whilst the predominant use of local halls or school facilities is not necessarily an indication of the respondents capacity to pay for the facilities they utilise given that there is an under-supply of suitable venues for arts and cultural endeavours, the response to questions regarding the amount users would be prepared to pay for the proposed new facility causes some concern. 36% of respondents indicated that they would expect/be willing to pay up to \$50 to utilise the facility, with 14% indicating that they would expect to use the facility for free<sup>22</sup>. These hiring rates were consistent with the type of groups who utilise local halls or school facilities. Without significant subsidy from the Shire, the proposed PACIC would be out of some of these groups' financial reach. Given the current lack of opportunities, the consultants can only estimate that some local groups will be able to elevate to the new PACIC with minimal to zero difficulty, however the indications of willingness or ability to pay for the proposed venue will result in a significant amount of groups finding it difficult to source funds to utilise the venue.

These results from the user group survey indicate little knowledge regarding the structure and operation of facilities of the scale and nature as the proposed PACIC and the commensurate costs (not only in potential hire costs<sup>23</sup>, but also in production costs). The response did, however, indicate that this is a much long-awaited and desired venue. It was the consultants impression (based on conversations with local groups and through the potential hirer data) that the space model that is proposed in this report may not be accessible for all groups in Busselton. However, if a space model were developed that could accommodate access for every group, this model would not be of the standard that meets the overall community vision for the centre.

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<sup>22</sup> Refer Appendix Three - User Group Survey Results

<sup>23</sup> Refer Financial Model for proposed hiring fee structure

### *Purpose Built Venues*

The primary facilities the residents of Busselton attend for cultural events are the Bunbury Regional Entertainment Centre and the Margaret River Cultural Centre, both about 45 minutes drive from Busselton. Smaller local events are staged at the Weld Theatre which provides an intimate theatre experience with its smaller capacity of 138 seats. This intimacy is appealing to many types of work, such as that produced by the Busselton Repertory Club and the Bare Naked Theatre Company and the Weld Theatre is viewed as a component of a wider context.

### *Bunbury Regional Entertainment Centre*



Located in the heart of the City of Bunbury (175 kilometres south of Perth and 45 km north of Busselton), the Bunbury Regional Entertainment Centre (BREC) serves a population of approximately 80,000 (including catchment areas). The Bunbury City Council built the entertainment centre in 1990 after a community campaign raised over \$2 million. The Centre features an 810-seat theatre on 2 levels and a foyer that can be adapted to accommodate receptions, conventions and exhibitions and also operates a Friends of the BREC club which includes discount ticket prices for shows and provides a volunteer base for front of house duties. In 2006, the venue reached a utilisation rate of 260 days<sup>24</sup>.

Council and the management of BREC are planning an extension to the Centre to include a smaller theatre space of approximately 400 seats. The ability to program events as part of the MICE market has been limited in past due to a shortage of available room nights in Bunbury (see also "Tourism & MICE Market Opportunities"), however Council have taken

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<sup>24</sup> APACA Economic Impact, Venue Charges & Salaries Survey (2006)

steps to address this with the addition of 1050 beds planned between 2007-2021.

Feedback received by the consultants indicated that there is a sense of Busselton being a 'secondary' audience at Bunbury; often Busselton audiences hear about shows at Bunbury after they have been on sale for some time and miss out on tickets. There is also unrest, particularly amongst families with young children and older residents, that it is inappropriate (and unsafe) to be driving to Bunbury to attend evening events.

There are several organisations in Busselton who currently utilise BREC for staging their performing arts events, such as high schools and dance schools. Usage of this venue by some of these groups is expected to continue even after the establishment of the PACIC as these groups will still require the higher capacity than that which will be offered in Busselton.

#### *Margaret River Cultural Centre*



The Margaret River Cultural Centre is a 400 seat (non-raked) theatre (with small fly tower) which can be configured for a variety of events including conferences, theatre, concerts and cinema. The venue celebrated its 25<sup>th</sup> anniversary in 2008 and it forms part of the upcoming Council review into establishing the surrounds as a cultural precinct as part of the Augusta Margaret River Shire Council Town Planning Scheme.

This venue is managed by Arts Margaret River (AMR) who actively program events and manage a significant proportion of the cultural activity in the Shire and beyond. AMR also program events in and around Busselton, although have not reported large attendances at these events to date. Consultation with AMR revealed opportunities for partnerships between the Margaret River Cultural Centre and the PACIC in terms of programming, marketing and audience development.

There were no specific references from the Busselton user groups sampled regarding usage of the Margaret River Cultural Centre, however other consultations revealed that residents do attend the venue for cultural events; theatre shows in particular.

### *Other Venues*

Research indicates a small percentage of Busselton residents attend performances further afield at venues such as the Mandurah Performing Arts Centre and some in Perth. These attendances are generally combined with a night or weekend out of town due to distance and, in most cases, the trip is pivotal around the cultural event being attended.

## Tourism and MICE Market Opportunities

The Shire is one of the State's most popular tourist and holiday destinations due to its mild climate, attractive coastline, relaxed lifestyle and world-class wine and surf. Income from tourism in the Shire over a single year was estimated by the ABS as over \$20.5million, 5.4% of the State's total. The following snapshot of the nature of the Busselton tourism market comes from data aggregated by Tourism Western Australia<sup>25</sup>.

Purpose of Visit	Annual Average 02/03		Annual Average 03/04		Annual Average 04/05		Annual Average 05/06	
	Visitors	%	Visitors	%	Visitors	%	Visitors	%
<b>Domestic</b>								
Holiday/Leisure	390,000	68%	417,000	72%	403,500	70%	391,500	67%
VFR	124,000	22%	115,000	20%	125,500	22%	145,000	25%
Business	37,000	6%	31,000	5%	34,000	6%	36,500	6%
Other	18,000	3%	8,500	1%	9,500	2%	7,500	1%
Total	572,500	100%	580,500	100%	578,000	100%	581,500	100%
<b>International</b>								
Holiday/Leisure	26,400	92%	22,700	88%	24,600	88%	25,500	89%
VFR	2,700	9%	3,000	12%	2,600	9%	2,800	10%
Business	0	0%	300	1%	500	2%	200	1%
Other	100	0%	0	0%	200	1%	500	2%
Total	28,800	100%	25,900	100%	27,900	100%	28,800	100%
<b>Total</b>								
Holiday/Leisure	416,400	69%	439,700	73%	428,100	71%	417,000	68%
VFR	126,700	21%	118,000	19%	128,100	21%	147,800	24%
Business	37,000	6%	31,300	5%	34,500	6%	36,700	6%
Other	18,100	3%	8,500	1%	9,700	2%	8,000	1%
Total	601,300	100%	606,400	100%	605,900	100%	610,300	100%

**Note:**

Purpose categories may not add to total overnight visitor estimates as overnight visitors may report several purposes for visiting various locations on a visit to the region.

Purpose may not add to total due to not all respondents being asked purpose

Purpose for visit categories include the following: **Holiday/Leisure** comprises holidays, leisure/relaxation/getting away, entertainment/attending special events, sport participation, sport spectating, shopping; **Visiting**

**Friends/Relatives (VFR)** comprises visiting friends and relatives of residents; **Business** comprises work (as driver/transport crew), business/other work, conferences/exhibitions/conventions/trade fairs, training and research; **Other** includes everything else such as education (mostly students), employment leisure (e.g. working holiday), personal appointment/business (excl. Health), health related and providing transport.

Consultations with local businesses and the Busselton Chamber of Commerce revealed that there is a general expectation that the PACIC might create an increase in tourism to the region, particularly during off-peak periods, on the basis that performances and activities on offer at the PACIC would provide incentive to visit the town. This is potentially partly true, and a segmentation of the total visitor market and their consumer behaviour gives a deeper insight.

<sup>25</sup> Tourism Western Australia – Regional research and statistics [www.tourism.wa.gov.au](http://www.tourism.wa.gov.au)

## Tourism

In 2005/06 the Busselton visitor profile was made up of:

- Intrastate visitors who accounted for 89% of all visitors.
- Interstate visitors who accounted for 7% of all visitors
- International visitors who accounted for 5% of all visitors

Busselton is a town of fluctuating population driven mainly by the tourism market. There are also a number of residents who live only part-time in the Shire. These part-time residents are not considered part of the tourism market for the purposes of providing a snapshot of visitors, however it should be noted that a large percentage of intrastate and interstate visitors to the region stayed in private homes (with friends or relatives) and not in commercial accommodation, so there may be some cross-over between these visitors and part-time residents. These visitors are accounted for in the VFR Purpose of Visit in tables above.

Visitor length of stay can be analysed as follows:

Table: Overall Visitor Summary<sup>26</sup>

Overnight Visitors	Annual Average 02/03	Annual Average 03/04	Annual Average 04 /05	Annual Average 05/06
<b>Average Length of Stay (nights)</b>				
Intrastate Stay	3.3	3.4	3.5	3.3
Interstate Stay	3.0	2.9	3.0	3.3
International Stay	3.9	3.9	4.3	5.2

As is evidenced by the above table, the average stay over the four year period has only increased noticeably in the International Visitor segment, whereas intrastate and interstate visitors have remained relatively static. While their stay represents more nights than that of Interstate visitors, it is highly unlikely that the presence of a performing arts venue will increase their daily spend.

The nature of programming in regional performing arts centres is such that professional performances will almost never be programmed for more than one night. The core audiences in Australian regional towns are

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<sup>26</sup> Source: LG Area Fact Sheet, Shire of Busselton – Tourism Western Australia

the local residents and venues in regional WA, who have been building subscription audiences over many years, are rarely able to sustain more than one night of any show. Amateur and local professional work often have multiple performances, but unless the performances offer what international visitors believe is an authentic Australian experience, ie indigenous, tourists do not attend in any significant volume.

For the purposes of this report, the key information concerning domestic visitors to Busselton is the purpose of their visit and the activities they are likely to participate in during their stay. The following tables indicate the volume of visitors to Busselton who stayed for leisure purposes. Note that these are visitors who stayed overnight, not day-trippers. There are a significantly smaller percentage of domestic day trip visitors who participate in Arts/Heritage related activities<sup>27</sup>. This sector generally visit for a specific purpose and the limited amount of time spent in the town coupled with the nature of regional performing arts centre programming suggests this is not a sector that will engage with the PACIC.

Table: Purpose of Visit –Holiday /Leisure, Domestic OVERNIGHT visitors

Activity	Annual Average 2002/03		Annual Average 2003/04		Annual Average 2004/05		Annual Average 2005/06	
	Visitors	%	Visitors	%	Visitors	%	Visitors	%
Outdoor/Nature	347,000	61%	346,000	60%	331,500	57%	338,500	58%
Active outdoor/sport	202,000	35%	202,500	35%	196,500	34%	191,500	33%
Arts/Heritage	87,000	15%	102,000	18%	100,00	17%	89,000	15%
Local attractions/ Tourist activities	198,000	35%	216,000	37%	221,000	38%	238,000	41%
Social/other	496,500	87%	503,000	87%	495,000	86%	521,000	90%
Total	572,500	100%	580,500	100%	578,000	100%	581,500	100%

Note: Numbers and percentages do not add up to total as visitors undertake more than one activity when visiting the region. Also, rounding, averaging and those who gave no response is taken into account.  
Activity categories include: **Outdoor /Nature** – going to the beach, visit national/state parks, bush walking, rainforest walks, visits to gardens, go whale/dolphin watching, visits to farms. **Sports activities** – scuba diving, fishing, golf, other sports, exercise etc. **Arts/heritage** – visit museum/art galleries, art/craft workshops/studios, attend festivals, fairs, experience aboriginal art/craft and cultural displays, visit history/heritage buildings, sites or monuments. **Local attractions/tourist activities** – amusement/theme parks, wildlife parks/zoos/aquariums, guided tours or excursions, wineries etc. **Social/other** – VFR, restaurants, movies, pubs and clubs, discos, shopping, general sightseeing, picnics, other day trips etc.

Tourists visiting Busselton for holiday/leisure purposes opt to participate in a range of other activities - attend outdoor/nature activities, active outdoor/sports events, general sightseeing, go shopping or on day trips – in far greater numbers than those attending an arts or heritage event. Of

<sup>27</sup> Purpose of Visit – Domestic Day Trips, Tourism Western Australia

course they are not discrete and any one visitor will engage in a range of activities, but clearly arts/heritage currently is significantly less attractive.

The question may be posed whether the development of the professional performing arts may increase the participation rate for arts events, however the experience of venues Australia-wide suggests otherwise. There will certainly be some visitors who participate or attend an event at the Performing Arts Centre, particularly children’s events in the school holidays, however the experience of performing arts centres around the country suggests that people who do not attend the theatre as part of their day-to-day life do not change those habits while on holiday and become theatre attendees. Evidence suggests that the tourism market should not be relied upon to attract or create audiences for regional performing arts centres even in destinations such as Busselton that already boasts higher levels of arts/cultural tourism than the state average<sup>28</sup>.

<b>Region</b>	<b>Purpose of Visit - Arts/ Heritage %<sup>29</sup></b>
Busselton	15% - 18%
South West	7%
Peel Region	3% - 6%
Perth	3% - 5%

This position should come with one caveat, and that is in regard to special events and festivals. Many Australian regional towns have developed festivals that increase tourism and have significant economic impact, in the same way that the Busselton Ironman Triathlon currently does. Parkes has its Elvis Festival, Wangaratta has jazz, Tamworth has country music, Townsville has chamber music, Byron has blues, Broome has its Shinju Matsuri festival; the list goes on. While the funding programme only has a four year lifespan, it is useful to note that Eventscorp is currently running a Regional Events Scheme (RES) to fund local festivals and sporting events across regional Western Australia. Festivals Australia run by the Federal Department of Environment, Water, Heritage and the Arts also provides support for these types of events. A PACIC would provide some of the necessary infrastructure to create events such as these. It should also be noted that the creation of these events require dedicated professional management and staffing and they cannot be produced by the PACIC core staff.

<sup>28</sup> Purpose of Visit (2002-2006) - Tourism Western Australia

<sup>29</sup> Domestic Overnight Visitors

The comparatively high levels of arts/cultural tourism activity by tourists are due mainly to the volume of galleries and workshops dedicated to arts and crafts in the South West. A PACIC may not necessarily increase the numbers of tourists to the town, but it may increase their spend whilst in town. The development of the Creative Industries Centre in the proposed precinct poses opportunities to expand this market, if sectors that offer interest for tourists such as visual art, pottery, jewellery-making, craft, etc, have a retail outlet. Therefore, the potential of the tourism market as an audience base for the PACIC is identified to be most relevant for the Creative Industries Centre, with the potential of the Performing Arts Centre/ theatre as more of a value-add attraction unless as part of a special event or festival.

### *MICE Market*

“MICE” stands for meetings, incentives, conferences and exhibitions (some substitute “events”). Recently, there has been an industry driven initiative towards using the term "The Meetings Industry" rather than the "MICE Market" label. Whichever term is used, in regard to Busselton it essentially refers to “business tourism”.

Globally, the conventions market is massive, with the quest for bigger, better, more sophisticated and impressive conventions being the trend. It is clear that Busselton would benefit from a convention centre to cater for the MICE market. Conventions are no longer just about the business of the agenda, they are about the whole experience provided to the delegate. Tourism features heavily in this and convention organisers are seeking to provide as many destinational experiences for delegates as possible.

The business tourism industry has a vested interest in destinational marketing and relies on high quality visitor experiences and attractions to complement their pitch for conventions in the state. Delegates often stay on after the convention to extend their business activities into leisure. For many conventions, a ‘partner program’ is delivered alongside so that partners of delegates are encouraged to accompany them. With full free days on their hands, partners need entertaining and organised tours and activities are favoured.

The ‘incentives’ industry is also a growing market. Incentives are ‘reward’ holidays for achieving business targets (and thus, incentives to achieve

them) and are prevalent for sales teams. Incentives are generally purely leisure-based and take advantage of local attractions, tours and activities. Money is generally not an issue for these trips, as the host employer wants to spend money and therefore, 'incentivize' their staff.

It is clear that Busselton would benefit from a convention centre to cater for the MICE market. Some of the principle drivers of success for a convention centre include:

- The attractiveness of the area for a tourist market.
- Easy access for interstate and international delegates.
- Co-located or easy to access appropriate levels of accommodation.
- Marketing (sales) support.

The meeting/function room(s) and theatre proposed in the Space Model will be able service some of this market. Busselton's 13,000 hotel/motel beds and its tourist attractions make the town an attractive offering, especially compared to other regional centres such as Bunbury.

Busselton may be well placed to be part of the business tourism scene. It has the potential to provide cultural experiences as part of the business tourism scene – both to the independent delegate who is extending their stay and organised groups.

For groups, scheduled visits to the Busselton PACIC, sunset cocktail functions and themed dinners in the theatre are all attractive activities and at the same time, provide opportunities for delegates to learn about the region. International delegates in particular, want to learn about the place they are visiting, as well as enjoying the social and leisure activities. An important part of this is alternative venues for dinners and cocktail parties that provide a unique experience (i.e. not simply a restaurant or the convention venue). Current examples of this as suggested by the Perth Convention Bureau<sup>30</sup> include, "sundowner cocktails served amid the graceful eucalyptus trees of Kings Park with spectacular views across the pristine Swan River" and "A Night of Stars – Sun Pictures is Australia's oldest picture gardens (outdoor movie theatre) and located right in the middle of Broome".

Since the opening of the Perth Convention and Exhibition Centre, the Art Gallery of WA have reported that requests for hire of their galleries and function rooms for these types of activities have increased. *Australia's*

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<sup>30</sup> Perth Convention Bureau [http://www.pcb.com.au/files/incentive\\_itinerary\\_asw.pdf](http://www.pcb.com.au/files/incentive_itinerary_asw.pdf)

*South West* has also recognised the potential of this industry and within their business plans, developed a number of strategies designed to “work closely with Perth Convention Bureau (PCB) to encourage and bid for conferences, special cultural and sporting events and encourage Business Tourism members to market cooperatively to develop incentive activities and conference touring programs for delegates”.

The following are key issues that need to be considered in regard to the MICE market:

1. *Access* – the commissioning of a feasibility study to investigate the need for an airport in the State’s South West region is an excellent step forward. Convention centres must be easily and quickly accessible. Although there are arguments made about the viability of rail as a transport option for tourists, it is the consultants’ experience that participants in MICE events are time poor and require fast access. For the MICE market, rail, bus and hire car are not viable alternatives, so unless air access is forthcoming, convention infrastructure will be unsustainable.
2. *Accommodation* – while there are significant numbers of bed nights available, the convention model features co-located facilities and none of the proposed sites for the PACIC currently fit this criterion.
3. *Competition* – a number of regional performing arts centres in regional WA are currently targeting the MICE market. Bunbury and Geraldton already operate in this market and have plans for capital expenditure to increase their ability to cater for a range of events. Albany is currently in the construction phase for an entertainment centre that includes a convention/corporate function space. There is also \$5M of state money already earmarked for a performing arts centre in Broome, which will also cater for this market. These projects are further advanced than Busselton, and while some towns have accommodation challenges, all already have acceptable transport infrastructure.
4. *The existing market* – out of 148 conferences registered with the Perth Convention Bureau for the period March 2007 to May 2010 only 4% of these are scheduled to take place in regional WA (although only 48% had confirmed their location when this data was released). The Perth Convention Bureau (PCB), despite its

name, caters for the entire WA market, however not all conferences taking place in WA are registered through the PCB. The PCB has recently appointed managers to promote regional WA and increase the number of events taking place; however it should be noted that the PCB has stated that its current direction is to encourage large conventions, which would not necessarily suit the size of the PACIC.

5. *Marketing support* –accessing the MICE market requires specific, targeted marketing strategies, such as membership of bodies such as PCB and the Meetings and Events Australia. It requires strategies such as appropriate targeted advertising and attendance at sales events.

From their META report in 2003<sup>31</sup> Meetings and Events Australia data, which analysed Australian conferences trends, reported that the average conference size was 392 delegates. The report also noted that September was the most popular month to hold conferences and the average length was approximately 2 days. The mean income per participant day was A\$469. This augurs well for the suggested size of the PACIC and the capacity trends for Busselton accommodation.

Table: Accommodation Occupancy Averages (2002-2006)<sup>32</sup>

Month	Occupancy Rate
January	70%
February	55%
March	58%
April	56%
May	35%
June	33%
July	39%
August	33%
September	41%
October	51%
November	53%
December	64%
Average	49%

Note: establishments with 15 or more rooms/units surveyed

<sup>31</sup> <http://www.meetingsevents.com.au/research/meta.shtml>

<sup>32</sup> Source: ABS, Survey of Tourism Accommodation (STA)

### *Conclusion – Tourism and MICE market*

The provision of a space that can handle larger MICE market events than is currently available in Busselton is appealing. However, there is an inherent tension between the operational requirements and the objectives of a performing arts venue and a convention centre, as well as differently focused skill sets. This doesn't entirely rule out the proposed PACIC as a venue for the MICE market as it will still be able service these clients, however it is not possible for a single venue to suit all the fundamental requirements of both the performance and MICE markets. Clearly there are opportunities existent, particularly if the access issue is solved. However if Busselton wishes to focus on the MICE market, then consideration should also be given to a building specifically for that purpose. Co-location with the PACIC would leverage the strengths of both functions.

While the MICE market is a possible target, the general tourist market cannot be relied upon as a solid audience base for the centre. A retail outlet/s for the creative industries component may well convince those tourists to increase their spend while in the area.

Concurrently positioning Busselton as a destination for large events or the creation of unique festivals will contribute to the usage of the facility in terms of hires and the performing arts centre format is conducive for these types of events.

## Consultations

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The key segments of the consultation process can be summarised as follows:

- Cultural Partners Reference Group
- Shire of Busselton Councillor Briefing and meeting(s) with Council Officers
- Industry Partners Meeting (e.g Busselton Chamber of Commerce)
- Potential Hirers Survey
- Public Workshop
- Public Survey

Overall, there is overwhelming support for the development of a PACIC and these consultations highlighted the gap in provision for any kind of cultural or creative hub in the Shire and outskirts, resulting in a lack of support and direction for artistic development of any kind (as also evidenced in the Shire of Busselton's Cultural Plan).

Although there is a desire for a venue with a comparable (or larger) capacity than the Bunbury Regional Entertainment Centre, the consultation process also indicates that there is a gap between the perceived and actual needs of the Shire when also compared to what the venue can sustain in both hirer and audience bases. Hirer aspirations for the venue need to be carefully balanced against their actual usage, especially when considering their capacity to pay for usage. A key issue for Council will be to balance the access of local user groups at affordable hiring rates against the operating costs of the venue.

### *Cultural Partners Reference Group*

The Cultural Partners Reference Group includes organisations such as:

- Down South Writers Group
- Busselton Pottery Club
- LAMP
- Activ Accommodation
- Leeuwin Links
- Wardan Aboriginal Cultural Centre
- Koorlangka Community Centre Inc
- Busselton Woodturners
- Busselton Historical Society
- Busselton Repertory Club

- Bare Naked Theatre Company
- Geographe Arts Bureau
- Busselton Arts Society Inc
- Busselton School of Dance
- Margaret River Artisans
- Southern Rip
- ArtGeo Gallery and Court House Arts Centre
- Artatac – Busselton Beach Festival Inc

The consultants met with the Busselton Cultural Partners Reference Group on Tuesday 6<sup>th</sup> May 2008. Identified as potentially the greatest advocates as a group for the Performing Arts and Creative Industries Centre, the group were probed on a variety of aspects of the potential project to elicit answers to the following questions:

- 1) *Why is a Performing Arts & Creative Industries Centre necessary in Busselton?*
- 2) *What are your programming and usage aspirations for the Centre?*
- 3) *What do you identify are the greatest threats to the proposed Centre?*
- 4) *What parameters do you perceive as vital to the proposed Centre?*

The forum provided the following feedback:

- 1) Why is a Performing Arts and Creative Industries Centre necessary in Busselton?
  - There is currently no hub for cultural activity in the region
  - It is not appropriate that the residents of Busselton should have to travel up to 45 minutes to Bunbury to attend cultural/entertainment events, especially for schools, families with young children and older residents
  - Further to this point, it is often not feasible for Busselton residents to travel to attend cultural/entertainment events, resulting in these residents simply 'going without'. In particular, education in culture and the arts lacks direction and support which the PACIC would provide
  - The Shire of Busselton is a world class destination that lacks in cultural experiences aside from the exhibition of the visual arts
  - The Shire of Busselton generates large amounts of creativity but lacks any organisation of such and results in a loss of identity

- A Performing Arts and Creative Industries Centre would increase levels of creativity and cultural activity and act as a driver for arts development in all forms for all residents, generating a sense of life and vitality for the region

2) What are your programming and usage aspirations for the Centre?

- Fundraisers
- Fashion Parades
- Production / Studio
- Live Music
- Dinner & Dance
- Rehearsals
- Workshops / Meetings
- Nightclub
- Integration with existing and future outdoor activities / events
- School productions / recitals
- School Presentations
- Cabaret
- Touring theatre e.g. Bell Shakespeare
- Workshops from professional theatre companies
- Conventions / Product Demonstrations
- Exhibitions – art & craft
- Commercial Uses
- Variety Shows
- Family / Children’s events
- All forms of performance e.g. ballet, opera, theatre, comedy
- Buskers / outdoor entertainment
- Outdoor art installations
- Artisans Precinct
- Community Meeting Place
- Integration with Tourism / Visitor Centre
- Regard the centre as a “Village”, a cultural precinct that maintains a constant pedestrian traffic flow

3) What do you identify are the greatest threats to the proposed Centre?

- Compromises due to funding
- The time required to develop audience bases
- Design issues

- Staffing Framework
- Accessibility
- Requires community involvement embedded into operations
- Affordability
- Lack of inclusivity
- Public Transport

#### 4) What parameters do you perceive as vital to the proposed Centre?

##### *Overall*

- Aesthetic appeal / ambience
- Design reflecting community culture / values
- Access
- Functionality
- Signage
- Inclusivity / welcoming to all
- Continual use and flow of general public to maintain vibrancy
- Future Planning
- World Class experience
- Parking facilities provided underground or in aesthetically pleasing surrounds

##### *Functionality*

- Flexible seating configuration
- Lecture Theatre
- Storage
- Proscenium Arch for the theatre
- Rehearsal Room with a sprung floor
- Dressing Rooms
- Recording Studios
- Concert standard acoustics
- Sprung stage
- Bars
- Office space
- Workshop space
- Exhibition Space
- Outdoor performance space e.g. amphitheatre

### *Other Issues Arising*

- There is a culture of volunteer staff in and around Busselton which the proposed centre could capitalise on.
- Most Cultural Partners attend multiple events at the Bunbury Regional Entertainment Centre each year, although reiterated that Busselton seems to be regarded as a secondary audience source and tend to hear about performances at Bunbury well after shows go on sale, often missing out on tickets.

### *Shire of Busselton Councillors & Council Officers*

In addition to the ongoing consultation with Lorna Secrett (Cultural Planning Officer), the Project Officer responsible for this Feasibility Study, the consultants also met with Paul Martin, Manager of Economic Development, Debra Summers, Manager Corporate Services and conducted a Councillor Briefing.

The meeting with Paul Martin and Debra Summers informed the consultants on the status of the Civic Precinct Project and discussions were held regarding possible co-locations between this site and the Performing Arts and Creative Industries Centre. In particular, the plans for a new Library as part of the Civic Precinct indicated opportunities to enhance the vibrancy and usage of the PACIC. Since this meeting Council have opted to reconsider the siting of the Civic Precinct.

The response from a Councillor briefing indicated that the PACIC would be a welcome addition to cultural life in Busselton but highlighted Council's financial constraints in funding such a major project in the current environment.

## *Industry Partners Meeting*

### *Attendees:*

- Ray MacMillan – Busselton Chamber of Commerce and Pro Busselton
- Doug Kelly – South West Opera
- Jane Manning – Regional Coordinator, Vasse - South West Development Commission
- Russell Chandler – Bare Naked Theatre Company
- Dave Coleman – Rock West Production Company
- Peter Gordon – Owner/Manager – Equinox Cafe
- Matt Walker – Geographe Bay Tourism Association

### *Key feedback provided by the attendees:*

- There are currently high levels of community concern regarding the cost of other major Shire projects and this will highlight the economic viability of a Performing Arts and Creative Industries Centre
- The proposed enhancement of the foreshore and the CBD will see a major change for the future of Busselton (and the wider region) and it should be inherent in the future that planning a performing arts facility continue
- The selection of the preferred site should reflect the economic impact of locating the centre close or within the Busselton CBD and should identify shared facilities such as car parks and the regularity of pedestrian traffic.
- The ideal capacity of the centre varied:
  - 250 seats would be ideal for local and touring theatre productions
  - 500-600 seats would be ideal for commercial uses
  - 800 seats would be ideal for large scale touring musical actsThe group suggested that a capacity that “engendered the most effective financial sustainable solution” should be selected
- Future expansion of Busselton economically, socially and culturally should be considered when determining the site and space model recommended
- The inbound tourism market should be a key consideration of the space model. Busselton has 13,000 (approximate) hotel/motel beds and a fluctuating population during major events and spring/summer months. The PACIC was seen as an opportunity to

fill beds during non-peak seasons, however the group recognised that the tourism market is not perceived as a key audience sector in any performance space in Australia, however, the PACIC could be seen as a vehicle to attract the conference market.

- The availability of rehearsal space was flagged as an important issue for local dance groups in particular.
- The PACIC should be viewed as a creative industry incubator for current and future groups/organisations in Busselton.
- Busselton is an ideal location for major events and the Chamber of Commerce and Pro Busselton have specific targets for these large scale events, with the goal of one major event in Busselton every weekend. The PACIC is recognised as potentially a key driver to support these targets.
- The conference and convention market is currently driven by the local major hotel groups, most of whom currently need to bring in the required facilities such as marquees to accommodate these markets. The PACIC could supplement and increase the levels of activity in this market by permanently housing the facilities required.
- The economic sustainability of the centre can be enhanced by introducing either Volunteer Programs (such as the Friends of the Theatre at the Bunbury Regional Entertainment Centre) or by privatising management.
- Programming opportunities include:
  - Outdoor Events
  - Incorporate existing major events
  - Lunchtime concerts
  - Lectures / Workshops
  - Training and Education (e.g. Rock West already conducts training in technical production, which is currently unsupported by the lack of suitable production and training facilities).

### *User Group Survey*

In order to establish the levels of usage by the local community, the consultants distributed a survey to 80 potential hirers of which 32 responded. An analysis of the potential levels of usage from other hirers (promoters, non-local hirers etc) was conducted separately.

Potential users were asked to respond to the survey, even if they did not perceive a need to utilise the proposed Centre and to indicate as such.

An analysis of the Survey results established the following key points:

#### *Capacity*

- The greatest percentage of respondents required the theatre's capacity to be between 251-400 seats and any additional spaces in the venue (function rooms, rehearsal spaces etc) to hold up to 50 people.
- Over 60% of potential users indicated that they expect an increase in audience/attendee numbers in the next three years, mostly an increase of up to 50 people.
- Whilst there appears to be some demand for a larger capacity in the theatre, the number of groups expecting to need such a capacity and their estimated regularity of use is not enough to justify the increase in the recommended theatre capacity if the entire centre is to be financially sustainable.

#### *Current Usage*

- Most user groups currently either use their own facilities (e.g. school halls) or local community halls. In particular school facilities are also currently utilised by both schools and other community groups.

#### *Potential Future Use*

Whilst the survey appears to result in high levels of proposed usage, there is a significant gap between the level of facilities required/requested by these potential users and their capacity to pay for them.

Presently, 58% of hirers are able to use their current venue for free and 29% are paying between \$0-\$50. Although the majority of groups indicated that they were willing to pay slightly more than they do presently, the survey results indicate that this is still only up to \$250 per hire. Whilst the respondents advise that they use their current facility either at no charge or at a 'nominal' fee may be indicative of their inability to pay for venue hire at the proposed PACIC, the consultants are cognisant of the fact that often the facility these potential hirers are utilising is their own and therefore would not cost them any additional fees therefore the potential hirer's capacity to pay for the new centre is gauged by the amount they advised they would be willing to pay (q.5), the type of event

they present/manage and how high the level of audiences/attendees is that they attract.

There may be opportunities to hire spaces within the proposed centre within this price range specified by some potential users, however without significant Council subsidy, these groups would not be able to afford to utilise the main theatre space. As indicated in the Financial Plan<sup>33</sup>, the median hiring fee to utilise the theatre space could be expected to be over \$2,000 per day once all necessary hiring fees, staff costs and ancillary expenses such as theatre equipment are covered.

Those potential hirers wishing to only use spaces such as a meeting/function room or rehearsal space may find it easier to access the facility, depending on the final hiring fee structure proposed.

These findings should also be considered in conjunction with the consultant's findings on other potential users (promoters, non-local hirers etc) when reviewing the recommendations on the space model adopted.

### *Functional Requirements*

- Fly Tower – although 46% of respondents indicated that they would utilise a fly tower if available, the consultants have recommended several options regarding the inclusion of this facility<sup>34</sup> (applicable only to Stage Two – the proscenium arch theatre). In this instance, hirers who wish to utilise this facility will have significant increases in production expenses for several reasons:
  - The construction of 'fly-ready' sets adds to production costs.
  - The operation of a fly tower must be handled by trained, theatre personnel, a cost which is reimbursable by the hirer to centre management.
  - The cost of maintaining a fly tower to industry and safety standards increases operational costs which Council may require to recoup via increased hiring rates.

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<sup>33</sup> Refer Financial Plan

<sup>34</sup> Refer Space Model

- The following functional requirements were considered vital by the respondents:

Box Office
Food & Beverage facilities – bar, kiosk, café etc
Office space
Cinema capabilities
Commercial Kitchen
Storage space
Orchestra pit
Workshop space
Reception
Greenroom (sound proofed)
Dressing Rooms (sound proofed)
Piano
Display boards for exhibitions
Meeting facilities – projector & screen, whiteboard, TV/DVD, Internet
Loading Dock

Detailed results of the survey are included in Appendix Four.

### *Industry Consultations*

Many individual industry participants were kind enough to voluntarily give their time and advice on the proposed venue. These views are brought to bear in the recommendations made later in this report. Other industry consultations include:

#### *Australian Performing Arts Centres Association (APACA)*

APACA is the national network of performing arts centres, dedicated to the professional development and support of, and to advocate for, its memberships whilst contributing to the development of the performing arts throughout Australia.

It should be noted here that between the time of appointment and the conclusion of this study, consultant Bronwyn Edinger was voted in as President of APACA following the September 08 AGM. The consultants spoke with Rick Heath, Executive Officer, to determine APACA's position on the proposed Performing Arts and Creative Industries Centre in

Busselton. APACA supports the creation of performing arts spaces in regional communities, however cautions that these venues require significant yearly financial commitment from their owners (usually local or state government) to appropriately leverage the infrastructure investment and ensure optimum community benefit. In order to ensure viability, the venue must complement, rather than compete with existing regional cultural infrastructure. Venue success is also predicated on professional management.

### *Arts Margaret River*

A not-for-profit organisation, Arts Margaret River is actively engaged in all forms of the arts as the major arts umbrella organisation in the Shire of Augusta-Margaret River for the past 35 years. It provides an admirable variety of programs; music of all forms, theatre and dance performances and workshops, visual art events, community celebrations including free outdoor concerts and activities and a volunteer run cinema.

Now based in the Margaret River Cultural Centre, Arts Margaret River (AMR) manages all venue hire for this facility on behalf of the Augusta-Margaret River Shire Council.

AMR are active programmers of touring product and have in the past provided arts and cultural events in the Shire of Busselton and reported poor attendances. It is AMR's position that the focus on the proposed centre for Busselton should be on the Creative Industries Centre as its key function and the performing arts centre is only one element of the centre's focus.

AMR perceived the establishment of a Performing Arts and Creative Industries Centre in Busselton as an opportunity for collaborative cultural projects, rather than a competition for audiences and touring product.

### *Bunbury Regional Entertainment Centre & the City of Bunbury*

The consultants met with Graham Harvey, manager of the Bunbury Regional Entertainment Centre. This venue currently consists of an 810 seat proscenium arch theatre, with plans for expansion to add a smaller theatre, capable of hosting more intimate theatrical events.

Built with the support of the people of the South West, who raised over a third of the construction costs, BREC aims “to provide EVERYONE in the South West with the very best of regional, national and international entertainment”<sup>35</sup>

Whilst BREC is currently an attractive option to promoters who wish to tour to regional cities due to its wide catchment and audience capacity, the venue management also undertakes significant levels of entrepreneurial programming.

A key market segment that Bunbury has not been able to service well is the MICE market (Meetings, Incentives, Conventions, Exhibitions) due to the lack of available accommodation in the City of Bunbury. This is something that the City is currently addressing, having commissioned a report into the level and availability of accommodation including recommendations for future increases. The purpose of any increases in accommodation availability would be two-fold – to increase availability of room nights for the inbound tourism market and to expand the opportunities for the city to entice the MICE market.

Graham Harvey suggested that there is a significant level of audience at BREC from Busselton, which is also evidenced in the public survey (nearly 40% of respondents to the Public Survey indicated that they currently attend shows at BREC).

### *CircuitWest*

CircuitWest is the state based member organisation for performing arts centres. Graham Harvey (Bunbury Regional Entertainment Centre) is the President. Longstanding member Brian Robartson (Queenspark Theatre, Geraldton) is the WA representative who sits on the APACA committee. Brian suggested that the relationship between Bunbury and Busselton venues may be similar to the relationship between Geraldton and Dongara and so the best outcome would be that the Busselton provide a complementary venue to the existing Bunbury Regional Entertainment Centre and would ideally be smaller – maybe 450 seats. Commercial promoters who visit Bunbury are very concerned with capacity and catchment, and would be unlikely to present another event in such a small

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<sup>35</sup> Source – [www.bunburyentertainment.com](http://www.bunburyentertainment.com)

radius. Brian cited the problems he had attracting commercial promoters to his 670 seat theatre, even though it is 4 hours from Perth.

#### *Department of Culture and the Arts WA*

The consultants have discussed a potential venue for Busselton and the current funding environment. Obviously DCA cannot provide a position on the funding of a venue without receiving a submission, however it is the consultants' view that the perceived need in Busselton is not as high as other regional areas, given its proximity to Bunbury, and therefore possibly of lesser priority. It should also be noted that there has been significant arts investment by the state government in the past 12 months, further reducing the likelihood of significant support for the project.

#### *WA Music Industry Association*

The West Australian Music Industry Association Inc, is a non-profit membership based association and the peak representative body for contemporary music in WA.

The consultants spoke with Nigel Bird, Regional Officer at the WA Music Industry Association (WAM). These conversations highlighted the identifiable lack of a contemporary music venue in Busselton and in the case of WAM, no space for workshops. Whilst the regularity of music workshops by WAM varies depending on the availability of funding, the association generally partners with the main centre in each region to deliver these workshops and at present, are limited in the services they can provide to Busselton given the absence of an appropriate venue

WAM has identified that there may be a need for a regional office in the Southwest and has flagged Busselton as an ideal location for such an office. WAM is therefore supportive of the inclusion of a Creative Industries Centre where such an office may be situated. This regional office would be established to support all regions in the Southwest, including Margaret River, Bunbury, Dunsborough, Albany amongst others, and not as an independent association with Busselton. This highlights the opportunity for Busselton to become the centre of Creative Industries in the Southwest. Whilst the positioning of this office in Busselton would require a level of subsidy in order to sustain the operation, there may be

opportunities to partner with other Local Governments in providing this subsidy as part of a Creative Industries Strategy for the South West.

WAM acknowledged that the lack of a creative or cultural hub in Busselton also limits their ability to assist developing local groups. As with the entire music industry itself, the creative industries in Busselton require a hub to maintain and support the levels of activity that currently have little support or direction.

The WAMI Festival also travels to different regional centres each year – locations depend on the funding available– and even though the festival has been to the South West in the past, a Performing Arts and Creative Industries Centre would enable Busselton to be considered as a location for future festivals.

#### *Public Consultation/Workshop*

A workshop open to all members of the public was held on Saturday 22<sup>nd</sup> August 2008. This workshop provided attendees background on the project, including findings to date from the consultants. The attendees were also asked to divide into two focus groups and provide feedback on three set questions:

- 1) Which of the suggested sites do you think will maximise the opportunities for success of the centre and why?
- 2) Which of the suggested performing arts centre formats do you think will be most appropriate for the community and why?
- 3) What are the unique things about Busselton that will ensure this centre is a place that encourages innovation?

The rationale and background of the focus group questions and the responses provided are given overleaf.

Focus Group Question One:

*Which of the suggested sites do you think will maximise the opportunities for success of the centre and why?*

The consultants provided the top three sites ranked in their independent research – Signal Park, Jetty Foreshore and Stanley Street (provided in no particular order) – for the groups to discuss and analyse.

### Focus Group #1

This group opted for the Stanley Street site as they perceived this to be more central in the Busselton CBD and already provided adequate parking. The other two sites were not deemed appropriate due to their location on the waterfront and the inherent issues with inclement weather.

### Focus Group #2

This group identified Signal Park as the preferable site although they acknowledged that all sites would be appropriate. They recognised the potential weather issues in locating the centre towards the waterfront, however deemed that Signal Park provided better opportunities in terms of amenities and other cultural facilities. It was also perceived that Signal Park would allow space for an outdoor performance venue such as an amphitheatre to cater for large outdoor events and festivals, whereas this is not possible/appropriate in the Stanley Street site.

### Focus Group Question Two:

*Which of the suggested performing arts centre formats do you think will be most appropriate for the community and why?*

The groups were provided with two spaces models to discuss:

- 1) A 250 seat black box theatre
- 2) A 400 seat proscenium arch theatre

Examples of each format were also provided via a powerpoint presentation to familiarise participants with the opportunities, limitations and features of each model.

### Focus Group #1

This group identified that they would prefer a centre with both space models, however they believed that the proscenium arch theatre should accommodate up to 800 seats and the black box should seat between 300 and 400 with the capability to expand the capacity. The group also responded that they would like to see an outdoor performance space such as a sound shell or amphitheatre for audiences of 1000-2000. They acknowledged that this facility would not fit on the Stanley Street site (nominated as their preferred site) and that the facility should be co-located with other cultural facilities somewhere in the Shire.

## Focus Group #2

This group also responded with the desire for both space models in the one centre, highlighting the growing population and diverse cultural needs of the area as drivers for including both spaces. Due to the greater versatility of a black box space, they nominated this as the preferred space model if the centre was limited to one of the options only. They also acknowledged that the outdoor space suggested by Focus Group One was also appealing.

## Focus Group Question Three:

*What are the unique things about Busselton that will ensure this centre is a place that encourages innovation?*

## Focus Group #1

- A high concentration of creative people and industries
- Growing population and the increase/fluctuation in population during the summer months
- A high Youth segment, currently with no outlets for creativity

## Focus Group #2

- Growing population and a changing demographic (increases in young families and youth)
- Exchanges with artists in the region
- Large tourism and artistic industry
- Tourists have money to burn, with nothing to do
- Large catchment of creative people beyond the immediate Busselton catchment who could utilise the centre, making Busselton the South West 'capital' for creativity.

## *Public Survey*

In order to allow all members of the public to provide input and feedback on the process, the consultants developed and distributed a survey available via the web and in hard copy form at outlets such as the Council Administration Centre and the Busselton and Dunsborough Libraries. The purpose of this particular consultation was to gauge the level and type of activity the proposed centre could sustain and to inform the rationale

behind the performance space model selected. See Appendix Two for full details of the survey results.

One of the key results of this survey is that no one art-form in particular was overly predominant in the desired activities to be provided at the PACIC although “Theatre” rated highest overall.<sup>36</sup>

The survey results were consistent with other consultation and research conducted to date, however one result of note is that the number of times residents travel outside of Busselton mirrored the number of times they expected to attend the proposed PACIC. In fact, the majority of survey respondents indicated that they didn’t attend as many cultural/entertainment activities as they would like due to the lack of a dedicated venue within the Shire and would probably attend more should such a space become available.

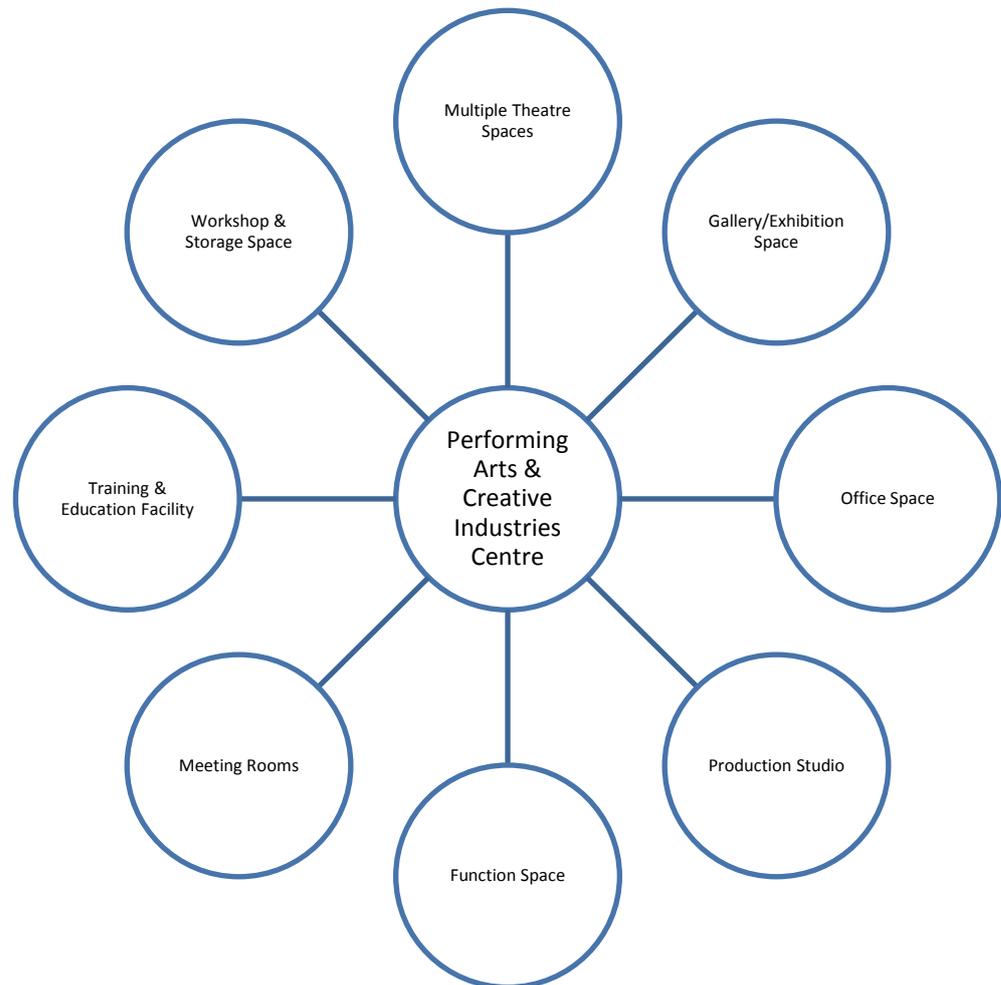
The overwhelming desire in the community for the development of a performance space in the Shire was of particular note during this survey process. In particular, the commentary received during the process is indicative of the community’s longing for this space – this commentary is included in Appendix Two.

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<sup>36</sup> Refer Appendix Two –Survey Results

## Space Model

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### *Actual Need vs Perceived Need*

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The space model presented above represents the community's vision of their ideal PACIC. All performing arts centres in regional Australia require subsidy to operate, so a centre of this size could not operate without significant ongoing subsidy. The capital costs of a properly planned and constructed venue of this nature could be in excess of \$40m. For example, the Willoughby City Council project, Civic Place, incorporates a 1000 seat concert hall and a 500 seat lyric theatre, studio/rehearsal space, library and function and meeting rooms. The capital cost for the cultural spaces in this precinct is close to \$70m and Council has already assumed \$1,000,000 per annum in its forward budgets for recurrent operational funding of that complex. Whilst the space model proposed for Busselton is not on the same scale, the Civic Place example is indicative of the high levels of recurrent funding required to operate facilities incorporating multiple

spaces. Therefore, in response to the consultations conducted and the overall vision outlined in the consultants brief, the desires of the community, existing infrastructure, actual needs and the financial implications were examined to formulate the Space Model.

### **PERFORMING ARTS CENTRE**

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It is unlikely that any recommendation that offers fewer facilities than the graphic on the previous page will suit the entire community and potential hirers (identified in the consultation process). The most obvious gap in the provision of cultural infrastructure for the performing arts in Busselton in particular (not taking the entire South West region into account) is a professional performance space. The challenge for the consultants is to arrive at an appropriate size venue and ancillary services that is flexible, but is not so compromised that it becomes a white elephant. When looking at the most appropriate performance space for the Shire, the consultants considered the provision of existing facilities throughout the region as well as the types of existing and potential performance work that local arts workers currently produce or would tour to the area.

After reviewing the demographic and population statistics presented earlier in this report it may appear that Busselton is fast catching up to Bunbury in terms of size, indicated by a greater annual average growth rate (2.9% in Busselton, 0.6% in Bunbury) which suggests that a comparable sized venue is required in Busselton to accommodate for this future growth. The greater volume of tourists through Busselton may also create a perception that a large venue is required, however the reality of the market is that two regional centres in such close proximity cannot sustain two centres of this size.

Further, Bunbury has had nearly 20 years upon which to build their audience base and has a greater fixed population than Busselton (which, as already noted, has a large percentage of part time residents).

In terms of hiring income, it also must be noted that Bunbury's size, accessibility and established audience base will attract any commercial promoters that venture out from Perth. For the most part, the scale of these productions prohibits regional touring, however those that do will consider Busselton as part of Bunbury's catchment area and would assess it as unnecessary to pay for the extra freight and down time that playing Busselton as well would incur.

There are programming opportunities where venue management can 'purchase' performances to come to Busselton. The types of shows that can be presented at the performance space(s) proposed here are further explored in "Programming", however it is important to recognise that proactive programming increases the recurrent funding required by Council.

In terms of local need for a larger venue, only 22 % of potential Busselton hirers require a venue with more than 400 seats and the frequency for each of those hirers is low. That is, a small percentage of users require a high capacity. Given that a venue that can service these hirers already exists in Bunbury and the assessment that commercial promoters will not be a significant market, it is recommended that the largest venue be no more than approximately 400 seats.

The consultation process identified that, ideally, the PACIC should incorporate both a proscenium arch theatre and a black box. Of the user groups surveyed, the required capacity identified by the highest percentage of respondents (35.5%) was 250-400 seats. The different qualities of these facilities are detailed further below, With this in mind, the consultants have developed a space model to be developed in two stages which includes both theatre spaces.

**STAGE ONE:** Black Box Theatre (250 seats) suitable for performance, small MICE events, rehearsals and training purposes, foyer/exhibition space and meeting and function room/s.

**STAGE TWO:** Proscenium Arch Theatre (400 seats), expansion of foyer to include gallery space

It is vital to note that simply incorporating the two sized theatres and propose one 650 seat theatre is not a solution. This would be self-defeating in that it does not match the actual needs identified by the consultants and has many implications including taking the space out of reach of the majority of potential hirers in Busselton.

The purpose of splitting the project into two stages is to ensure that the Shire can develop new infrastructure in response to the community's levels of activity - creating venues for existing participants rather than enduring low occupancy and small audiences which make the project look unsuccessful. At the present time, it has been identified that there is

insufficient demand from local groups to access and pay for facilities larger than those proposed in Stage One. The phased development of future facilities will allow Busselton to develop audiences and activities, built to such a level that Stage Two infrastructure can be reasonably justified. As community participation in cultural events increases, so will the demand for venues. Therefore it is recommended that the Shire does not proceed to Stage Two until at least five years following the opening of the centre.

In 2006, the Victorian Association of Performing Arts Centres (VAPAC) developed the document *“Oh! You Beautiful Stage! – Benchmarks for Performing Arts Centres”* to serve as a framework for the design of new centres in Victoria. The document has been recognised by the venue management industry as an important working document in the development of new centres across all of Australia. The performances spaces proposed in Stages One and Two fall under the benchmark categories of “B1” or “B2” facilities and the consultants utilised the minimum requirements of these categories to develop the space model outlined here, to ensure the PACIC in Busselton is developed in accordance with best practice. “B1” categories are suitable for touring small to medium productions with full flying facilities (such as the proposed proscenium arch theatre). “B2” categories are suitable for similar sized production but with limited stage height (such as the proposed black box theatre).

### *STAGE ONE*

The black box theatre will be a multi-purpose space, adaptable for meeting, function, rehearsal and training functions. It is also recommended that the building footprint include provision for a cafe and/or retail space, the latter of which is outlined further in the Creative Industries component. Whilst the cafe increases the required building footprint size and capital costs, it adds value to the overall concept in the following ways:

- Increasing the potential for alternate revenue sources and enhances opportunities to provide catering to service other spaces in the venue such as the function/meeting room(s).
- The availability of such facilities is critical to servicing the conference market.
- A constant flow of activity in the centre adds to the venue’s image as a vibrant, busy space and encourages traffic through the centre.

The cafe should be incorporated into the site plan in such a way that it can operate on 'dark' (or no performance) venue days and does not require the entire centre to be open.

### *Black Box Theatres*

A black box theatre is a simple theatrical space, with bare walls and flat floor. This type of venue promotes smaller, more intimate theatrical productions with the focus on the performance rather than technical elements and many are painted black to give a sense of 'anyplace' but this is not necessary.

This type of performance space is financially much more accessible for hirers than a proscenium arch theatre as the basic level of staffing that a hirer must pay for is generally lower. A black box is cheaper to maintain and the space can be as versatile as the show being presented requires.

If the black box theatre is versatile and easy to change, the theatre can also serve as a function and meeting room. The black box space can host:

- lectures and other educational symposia
- conferences and corporate meetings
- training in theatre or performance craft
- rehearsals
- functions

The black box theatre format is popular in arts training organisations (colleges/universities) and is often co-located with proscenium arch theatres<sup>37</sup>. The design and the sound-proofing of the PACIC will need to ensure that the use of one space does not exclude use of other spaces at the same time. Portable or retractable seating is the obvious choice for a multi-purpose venue but it does carry with it labour costs for moving and assembly (although this expense is variable depending on the type of seating system utilised), as well as storage issues which need to be incorporated into the centre's design for when seating needs to be reduced and/or removed altogether.

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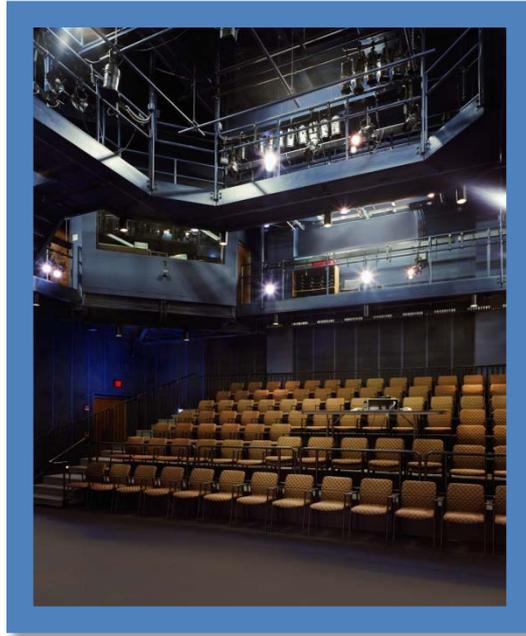
<sup>37</sup> e.g. NIDA – Parade Theatre and Parade Studio, University of Indianapolis - Ransburg Auditorium and Studio Theatre

Some examples of black box theatres include:

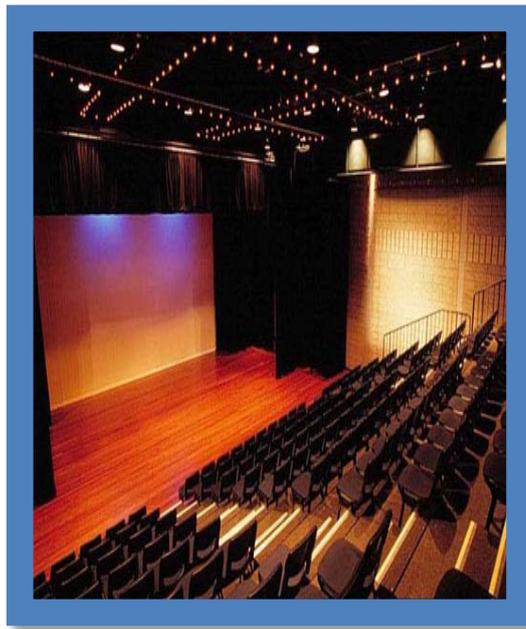


**Parade Studio, NIDA**





**Carnegie Mellon University Theatre, Pittsburgh**



**Lennox Theatre, Riverside Theatres**

## STAGE TWO

### *Proscenium Arch Theatres*

This type of theatre format is more traditional, whereby the audience view the performance piece through a large archway at or near the front of the stage (proscenium arch); however a theatre can also be referred to as a “proscenium” in any format where the audience directly face the stage, even in the absence of the arch (often referred to as ‘end-on’ theatre spaces). In all proscenium formats, the audience directly faces the stage which is usually raised several feet above audience level. The side areas masked by the arch are unseen by the audience and serve as wing space.

The proscenium theatre format services a wide variety of performance types from school and dance studio concerts, to theatre and classic or contemporary music.

Some examples of proscenium arch theatres include:



**Glen Street Theatre**



**West Gippsland Arts Centre, Warragul**

The inclusion of a fly tower in the proscenium arch theatre proposed in this report is optional. A fly tower is the space above a stage where pieces of set are raised up or ‘flown’ when not in use.

There are important issues which Council will need to consider when evaluating the inclusion of a fly tower:

- a) The variety of performances available for programming would be increased/enhanced by the inclusion of a fly tower. Not all touring performances require the use of a fly tower, however it can be a fundamental technical requirement for a large percentage of these shows.
- b) There is currently insufficient demand for a fly tower from the local user groups. The cost implication of using a fly tower may also place this facility out of the financial reach of these users. These cost implications include the minimum staffing requirements to operate the flying system which would be an expense reimbursable by the hirer/user and the increased production expenses inherent with flying sets.
- c) Benchmarking of performing arts centres in Australia indicate the inclusion of a fly tower as fundamental to the development of any new centres however, this is dependent upon the type of programming the venue will pursue.
- d) The height of the fly tower will have an impact on the urban landscape. Industry standard fly towers are up to six stories high and could create a greater impact at the top rated site (Signal Park<sup>38</sup>) due to its location by the foreshore.

The next step in progressing and further detailing specific building requirements of the proposed PACIC is detailed further in Next Steps which includes specifying the basic requirements of what the space model proposed should encompass.

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<sup>38</sup> Refer Site Analysis

## *Cinema and Live Performance*

There is a common desire to combine live performance and cinema activities in the same space due to the assumption that their similar appearance means the two uses can be combined in the one venue. The consultants received feedback that the PACIC should be able to accommodate these two uses, however the specific requirements of each form generally exclude their compatibility in a single space. However, the emergence of film festivals in Busselton (e.g. Cinefest Oz) does require noting when discussing this potential use of the PACIC.

An auditorium designed for live performance can accommodate the screening of films, however the fundamental requirements of both artforms generally precludes cinema as a part of the venue's core business. The acoustic requirements and normal sightlines of cinema differs from those of live performance and the combination of commercial film exhibition and live performance on a regular basis in one space is discouraged<sup>39</sup>. The usage of the proposed PACIC for film festivals which are one-off annual events rather than regular, scheduled exhibition is a possibility, however the technical requirements (supply of suitable projection equipment) becomes an asset management and capital outlay issue without assured ongoing usage of such.

## *Outdoor Performance Space*

The provision of an outdoor performance space was considered in formulating the space model; however this will be reliant on the final site selection. This space can possibly be accommodated if the Signal Park or Foreshore Reserve sites were selected, however it is not feasible to include such a space at the Stanley Street and Shire Office sites. The provision of this space is not considered as essential as other facilities and therefore has not been considered in this report's recommendations. The integration of outdoor performance facilities should be addressed once further geotechnical analysis is conducted and a design brief is developed for detailed costing and concept designs.

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<sup>39</sup> VAPAC - Benchmarks for Performing Arts Centres (2006)

## CREATIVE INDUSTRIES CENTRE

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From reading various Creative Industries (CI) reports and talking to a number of local people in the community, there are two different views as to what a CI centre is and, what the CI related businesses in the region need. These have been distilled into two possible options that the Shire can pursue as the next phase. It should be noted that what is proposed here is a CI Centre and not a CI *precinct*. The selection of Signal Park as the preferred site offers opportunities to explore the surrounds as a Cultural Precinct, however the options below provide alternatives for a CI centre that would operate as a component of the PACIC no matter which site is selected.

### *Option One*

Create a true CI centre along the same lines as the QUT CI precinct and the Midland Atelier at the Midland Workshops – albeit smaller to reflect the differences in size (now and future) of the region’s population and available resources and infrastructure. This model would include:

- “Affordable” (\$50 - \$150 pw<sup>40</sup>) artist studios for varying artforms – studios of varying size, some with wet areas and provision for large scale designers and artisans to work (eg furniture designers). The size, type and height of these studios need to reflect the type of artisans working in the region. For example, there are a number of ceramicists in the region and therefore, provision of large studios, with wet areas and kiln space will be important. Similarly, there are a number of furniture designers and studios for these artisans would need to be large, have height and ability to use machinery within them (and be soundproofed if they are going to sit alongside quieter artisans). However, it is important to note that most of the established artists in the region that have established home studios on their properties (where they often draw their inspiration), are unlikely to move into a town studio. Therefore, these studios are most likely to be occupied by emerging artists and new residents to the area. Rental rates should be offered on a sliding scale and with short terms leases, with the cost considerations being around the stage of the artist’s career, size and facilities in the studio and the commercial realities and potential of their artform (eg likely turnover or annual income). Studio sizes should range – for some

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<sup>40</sup> Based on current (second quarter FY08/09) rates

50 m2 would be adequate and for others, they would be require greater area. Height is also important, therefore smaller areas could be OK if there is higher ceilings.

- Shared workshop space – areas where artists can hold public workshops, classes and master classes. This would be particularly important to encourage mentoring between established and emerging artists, where limited numbers of established artists actually work in the studios. It is important that it does not just become an emerging artist space – established artists need to be encouraged to come to the centre for other reasons (exhibitions, professional development, sharing, networking).
- Shared meeting space – for industry meetings (eg Vasse Creative Industries Working Group) and professional associations (eg Margaret River Artisans) meetings.
- Shared kitchen and wet area facilities.
- Shared exhibition space for local artists – not limited to those that have studios in the building but definitely with a focus on local artists. This should also not be limited to one artform – i.e. encourage collaborations between visual artists and designers and digital artists.
- An education or training facility / partner – a creative industries outreach campus of TAFE or one of the Universities. Importantly, the courses taught need to reflect the growing CI employment and business needs of the community for example, the graphic design and multimedia sector that is experiencing skills and labour shortages in the region. This facility would be a feeder to the industries that are being simulated by the precinct and, would assist in providing some of the R & D and professional development opportunities that the precinct should foster.
- CI business incubator for the commercial sectors of the industry – eg graphic design, multimedia, advertising and architects. This would be a series of small (10 – 30 m2) studio spaces designed for 1-2 people in start up businesses. The rent would need to be affordable but comparable to commercial rents in the region (perhaps slightly below market rates) so as not to undercut other commercial rentals in the area (and therefore undermine local business support for the centre). Access to these studios would be time limited (2 – 4 years) to enable the business to establish and grow but also enable new players to come in as the start-ups mature. Although the rent may be comparable on a m2 rate to commercial rentals, the real value in these studios would be in:

- the ability for micro business operators (who often operate from home) to have a more professional look and somewhere to meet clients.
- the ability for them to tap into a community of peers (connectivity) and to have access to administration facilities (shared copiers, faxes, receptionist, meeting rooms) that would otherwise be unaffordable for a start-up or micro business .
- the ability to be able to lease a small amount of space (often all that is required), as this is not possible with most commercial tenancies and people end up paying for space that they don't use.
- Rents could be between \$80 - \$150<sup>41</sup> p m2) and a mix of studio / office sizes would be appropriate to attract some small business (3-5 people), however the focus would be on micro (sole operator) businesses. It is unlikely that mature business would be attracted to this centre as they need larger space, and provision for larger offices would limit the number of business that could be housed at the centre.
- Shared meeting rooms, reception and administration facilities.
- Subsidised larger office space for other not for profit and industry associations (eg a regional office from the WA Music Industry Association, Busselton Beach Festival Inc or the local youth advisory council).
- High speed broadband cabling throughout all offices and studios
- Some retail space – whether this be CI related businesses (eg fashion, jewellery, music or book stores) or non CI related (cafes, small bars).
- “Technology” suites - music recording studios and soundproofed practice rooms (available at cost to local bands – practice rooms are very hard to find), AV edit suites. These could have equipment that can also be hired out to local users – both not for profit and commercial - on a sliding scale of rates.
- Storage space for band equipment – safe and secure - but at cost.

These are the tangibles. The intangibles as mentioned earlier, would also need to be provided and the collaborative management structure required to manage these are outlined further in the Management Model.

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<sup>41</sup> Based on end 2008 market rates

It is recommended that an industry body with experience in developing CI precincts, such as FORM, be engaged for the early stages of planning through to implementation and may also have an ongoing role in managing the tenants. Other partners, such as the education and training institution, must also be brought in at the early stages of conception and planning i.e., the Shire should not attempt to develop a centre of this nature on its own – it must engage strategic partners from the outset who are likely to be key stakeholders, and develop the centre as a consortium.

This is a very serious and big proposition that ultimately will take a lot of money (multi millions), time and energy from a consortium of stakeholders to make happen. A successful CI centre requires consistent programming (from educational through to business development and international and national network creation) and therefore, an appropriate and well-resourced body will be required to do this. The Shire would therefore need to consider:

- a) who would do this;
- b) if any existing organisations in the local community have the capacity to do it and if so;
- c) how would they be financially resourced to do it.

At present, FORM, who is best placed in WA to do this type of work, are working extremely hard with a number of stakeholders, to fund the Midland Atelier project and it would be fair to say, that they are not finding this to be an easy task<sup>42</sup>.

In considering this option, the Shire needs to realistically assess whether there is enough current activity and growth potential in the CI industries to justify such a costly and resource hungry project. Although the Vasse Region Creative Industries Study calculates that in 2006 some \$84 million of direct and flow on CI income was contributed to the region's economy, contrast this with the estimated \$10.6 billion that in 2006 the Perth CI income contributed to the economy<sup>43</sup>. Similarly, the same reports (undertaken by the same consultants) estimated Vasse's CI employment levels at 900 – 1100 people and Perth's at 40,000 people (in metropolitan Perth only), which represents 90% of employment in the state's total CI related businesses. Perth's figures are similar to other major Australian cities and yet, QLD is the only state to have a true CI precinct almost fully functional and the Midland Atelier (metro Perth) is WA's first CI precinct,

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<sup>42</sup> Source: FORM

<sup>43</sup> Source: "Perth's Creative Industries – An analysis"

which is still in the early stages of planning and implementation. Both of these developments are multimillion dollar undertakings that have been many years in the planning stage.

*Note of caution* – like performing arts centres, CI centres are not tourist attractions in their own right. Tourists will be attracted only if there is a thriving, vibrant community of creative people working in and around the building. Therefore, some of the activities taking place in the centre may attract tourists, but it should not be viewed as a tourist attraction. Its primary purpose is to stimulate and grow creativity and creative entrepreneurship, not to capitalise on the tourist market.

### *Option Two*

This option is to simply create an artist's hub next to the PAC and is considered by the consultants as the most appropriate model to start with. The predominate focus here would be the visual and performing arts (theatre, dance and music) and would incorporate artist studios, workshop and exhibition space as described above, as well as an AV and music studio and / or practice rooms. This could be managed by the PAC management structure, as it would be simpler and more aligned to the PAC's core business, however there would also need to be an interfacing relationship with an appropriate visual arts body to assist in collaborative marketing efforts for the artists, and the decision making as to which artists access studios and at what cost. This is further explored in the Management Model.

Whichever of the two options eventuates; careful consideration is needed – particularly in relation to the proposed urban and residential plans around the recommended site. Without this, there is a danger that the centre will sit out on its own with no connection to the rest of its surrounds, the CBD and any current or planned tourism precincts and may become a place where no-one thinks to or needs to go. The identification of Signal Park as the preferred site provides the best opportunities in this regard given current planning work being conducted by the Shire regarding the current and future uses of surrounding buildings such as ArtGeo, the Courthouse and the proposed future use of the old police building.

Further to this point, the centre must not be looked at in isolation of what is currently situated and what is being planned around it. It must link to the natural and manmade features around it and create links between the

CBD and the foreshore area. As the Council is about to undergo a Cultural Land Use Planning Strategy (CLUPS) due for completion mid 2009 and a 'Local Planning Strategy' for the next 10 – 15 years, it would be prudent for any further decisions about the CIC to await the results of these strategies, to ensure that the aims of these strategies are being met:

- As stated in the CLUPS application: “This initiative will support existing and future culturally significant sites and infrastructure, unifying experience and procedures. The CLUPS will inform future resource requirements, both human and financial, for the successful implementation of any recommendations” and “identify and recommend the development of policies, procedures and strategies which underpin the cultural identity of the Shire and serve to embed arts and culture into Shire of Busselton corporate and planning processes” and
- “The Local Planning Strategy sets out the long term planning directions for the local government, applies State and regional planning policies and provides the rationale for the zones and other provisions of the Local Planning Scheme. It provides the strategic framework within which future amendments to local planning schemes will be considered and involves the formulation of a number of strategies and policy outcomes that relate to settlement, tourism, commerce, environment, culture and heritage and rural land use and will inform the Scheme review. Once the Local Planning Strategy has been formulated, the Scheme provisions and associated land use (zoning) outcomes can be confidently addressed through preparation of a new Local Planning Scheme. The Local Planning Scheme provides the statutory framework within which future amendments may be considered<sup>44</sup>”.

Ideally, the CLUPS and Local Planning Strategy processes should have taken place before the feasibility for the PACIC commenced, however since this wasn't the case, delaying Council's decision making on the final CIC option, while it may not be palatable, will provide for much better and more integrated outcomes in the long term.

It is further noted that there is also a Regional Economic Development Strategy, being developed jointly between the Shires of Busselton and Augusta Margaret River that has identified CIs as one of 10 potential

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<sup>44</sup> Source: RFQ Local Cultural Planning Strategy

industry clusters and will be developing a strategy for the development of this. This must also be considered in determining the options for the CIC as it is highly unlikely that the region could support more than one CI centre/cluster. This group could be one of the consortium partners for the CI centre planning and development.

In addition, in considering these two options, the current expectations in the community need to be taken on board as they could become so all encompassing that the resulting centre is not useful for any one sector or, that they are so broad, that the reality can never actually be met. It may be useful for some education strategies be employed to generate awareness as to what CI centres actually are and what creating what would mean for the community (e.g. resourcing). FORM could be engaged to assist with this process.

## Programming / Usage

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There is a fundamental driver in any infrastructure development, such as the PACIC, to optimise usage. There are also a multitude of stakeholders with sometimes competing needs. In projects such as this, compromise is often made to facilitate these competing needs, but experience shows that there is a point where compromise and the attempt for optimisation can turn the project into a white elephant that addresses no-one's needs adequately. It is very important, at the start of a project, to identify the core purpose of the venue in order to ensure that other uses do not compromise the ability to fulfill the original purpose.

This report considers that the centre's primary purpose is as a performing arts venue (programming and usage of the Creative Industries Centre is addressed separately in the options provided in the Space Model). This primary function – presenting performance – has two principle occupancy strands that can be described as follows:

- Hiring – whereby hirers book and pay for the use of the venue, implement their own marketing strategies and take the financial risk on the box office. In comparative terms, this type of occupancy offers a lower financial risk.
- Entrepreneurial programming – whereby the venue management actively curates events and management/Council takes a financial risk on the activity. The venue purchases the event (for the “sell-off fee”) and pays all costs associated with the marketing and presentation. The venue keeps the ticket income, thus taking the box office risk. Generally, events are purchased “delivered”, i.e. the promoter or tour coordinator (e.g. Country Arts WA) is responsible for delivery of the show to the venue. Entrepreneurial programming is a high risk strategy and must be balanced with income from hiring and managed within an appropriate policy framework.

## *Entrepreneurial Programming & Policy*

Industry trends show the increase of entrepreneurial programming as a strategy to maximise occupancy, develop audiences and increase profile. Venues around the country are increasingly co-presenting and producing their own events. This type of programming generally requires Council to provide a dedicated annual subsidy outside of the operating budget. It needs to be emphasised that it takes venues many years to grow solid audience bases and that funding is required in all regional performing arts centres across the country to subsidise these activities due to the inherent financial risk.

Programming will reflect the venue and community's cultural maturity and the desired positioning of the venue as an icon of the South West and should not be simply measured by financial success alone. It is critical that programming be approached in a holistic way to ensure both financial and artistic objects are met, and the brand and integrity of the venue are not eroded. Programming should attempt to address a range of target audiences in the Shire and be reflective of the Shire of Busselton's Access and Inclusion Plan.

The following information gives a flavour of the intricacies of programming and the considerations required when managing a modern performing arts venue. The nature of performing arts is that while expenses can usually be well controlled, presenters and producers are exposed to the uncertainty of income levels. This risk can be mitigated by:

- The implementation of a programming policy and product selection criteria (see overleaf)
- A holistic approach that favours balanced programming, offering a range of financial relationships and a range of products that spread the risk.
- Realistic, sophisticated budget tools to model scenarios based on income sensitivities.
- Constant monitoring of expenses, event sales and marketing activities to assess the achievement of targets and provide opportunities for corrective action.
- The employment of specialised, skilled staff.
- The development of contingency plans.

Due to the level of financial risk, programming of this type cannot be employed as a strategy without highly skilled and experienced staff with:

1. Professional performing arts programming experience
2. Specific arts marketing experience
3. Relationships with principle arts organisations, funding bodies and industry wide networks
4. Expertise in budgeting and financial modelling

Some venue managers also advocate sponsorships as a medium to address the financial risks of entrepreneurial programming. This can be of benefit to Busselton, however, it should not be relied upon in the planning stages of the centre due to the uncertainty surrounding sponsorship availability and appropriateness.

In the consultant’s experience as venue managers, we recommend the adoption of the below selection criteria for entrepreneurial programming.

<b>SELECTION CRITERIA</b>	
<b>Events considered to be presented at the risk of the Centre must meeting a minimum of three of the below requirements:</b>	
<i>Occupancy</i>	Increase the volume or range of events presented at the venue
<i>Artistic excellence</i>	Develop, present and promote high quality and innovative performing arts products in a local, national or international context.
<i>Audience development</i>	Engage with audiences to deliver capacity building outcomes for the venue and increase box office activity.
<i>Industry Capacity Building</i>	Collaborate with, develop and facilitate the local performing arts industry and value the role of the artist.
<i>Financial sustainability</i>	Definable target market or track record of audience attendance; delivers effective and innovative business or revenue strategies.
<i>Community value</i>	Content or strategy that celebrates Australian and local heritage, distinctiveness and identity, cultural diversity and pluralism, social justice, accessibility and inclusion.

There are also fundamental requirements of events which are considered for entrepreneurial programming that will govern their inclusion, such as technical specifications, the producer/promoter's capacity to deliver a quality show at a professional level and market requirements (potential of the product to attract an audience). The size and adaptability of the auditorium and the adaptability of ancillary spaces such as a proposed rehearsal space/black box will offer the venue manager more flexibility in programming choices.

The most cost effective way to purchase programming product is through the national touring circuits managed by the state touring coordinators such as Country Arts WA. Product sourced through associated mechanisms is an important source because it is usually subsidised by state and federal government funding and therefore offers less risk to the venue. Delivery of interstate product, however, is also predicated on the volume of WA venues selecting the same show in order for a tour to viably travel to the West, so programming often becomes partially dependent upon factors outside the specific programming needs of Busselton.

Before committing to events in an entrepreneurial program, or any event which poses a financial risk to Council, a detailed budgeting process should be undertaken. An average ticket price is modelled based on expected price reserves and discounts as indicated by identified target markets. Expenses are budgeted and the financial outcome is modelled to clarify income sensitivities – i.e. is “break-even” possible, at what capacity, and what are the implications for changes in the average ticket price. In order to assess the ongoing viability of an entrepreneurial program, assessments must be carried out on the basis of each individual event and the programme as a whole.

A further task in scheduling entrepreneurial events is to calculate proximity to other entrepreneurial events or in order to assess the availability of staff resources and consider marketing database fatigue. Additionally, in participating in the national touring circuits, dates are also often strictly prescribed by the touring coordinator in order to make the tour logistically viable. The date inflexibility of this model may also curtail programming ability, however it is not preventable in the current touring model used in Australia.

All entrepreneurial events should be evaluated post-show. Common indicators include:

- Total attendance (sales plus complimentary tickets).
- Actual ticket sales against budget
- Average ticket price attained
- Actual income and expenditure against budget
- Technical assessment of the event
- Front of house service assessment
- Publicity report indicating level of exposure
- Marketing report assessing value of specific marketing activities

The three principle indicators of the success of the total entrepreneurial programme at the end of a year should include:

- Financial outcome – the extent to which the programme met its overall budget targets
- Audience response – the level of attendances and feedback gained. Audiences can be cost effectively surveyed to assess their opinion of their experience
- Artistic success – quantitative KPIs are not possible in this area, however it is possible to make an on-balance assessment of the artistic success of an event through collating industry feedback and media coverage and reviews where present

It should be noted that, whilst entrepreneurial programming increases the required subsidy from Council, it is essential for cultural vitality and ensuring the community has access to a range of professional performing arts. The touring model in WA is a little different to most other states whereby some of the major WA companies occasionally self-present i.e. hire and take the box office risk, however their sponsorship commitments see that activity more often taking place in the north-west of the state and cannot be relied upon to provide a regular supply of product.

Entrepreneurial funding (which is separate from the operational subsidy) varies from council to council across Australia and it is difficult to determine how much each venue allocates to underwrite entrepreneurial programming as these funds are taken out of the overall subsidy at the budgetary discretion of venue management. The volume of performances programmed are anywhere between 5-20 events (not individual performances) per year. Country Arts WA tours four shows a year; one with technical requirements that only professional performing arts centre can fulfill and three shows that are appropriate for community run venues

of a potentially lower technical standard. These touring shows are supplemented by a national circuit of touring shows (underwritten by the federal government's Playing Australia Fund) however there are issues accessing reasonably priced touring product via this network in Western Australia as not many national tours will come to the state due to its distance.

### *Hiring*

Hiring occurs along a spectrum of financial relationships and level of risk. The line between programming and hiring is often blurred, but best defined by the level of engagement the venue has with the event/show. At the end of the spectrum where the venue is executing the marketing and making decision about the event, the relationship would be considered as a co-presentation and therefore part of a programming strategy, rather than hire. Each event should utilise the most appropriate financial model depending on the nature of the product, the funding sources available and the risk profile of the event. Hire relationships can be articulated as:

- 1) Straight hire – the hirer takes the full financial risk, pays the venue for all services and executes their own marketing campaign
- 2) Discounted hire – the client and the venue negotiate a reduction in rates. The venue may use this to introduce a new client to the venue in the circumstance where that client may bring repeat business. Possible financial scenarios include where the venue charges a base amount roughly equivalent to variable costs until box office income reaches an agreed level, after which the venue takes a percentage of the gross box office.
- 3) Shared risk – the producer/promoter and the venue take an agreed percentage of the box office each, sometimes calculated on comparative expenses. This strategy may be used to attract events that may be otherwise booked at other venues.

The majority of hires at the proposed PACIC would be “straight hires”. This category can be segmented in a number of ways which reflect pricing strategy. Most importantly, this segmentation needs to be well-defined and ensure that those who have the greatest capacity to pay, do. Different venues approach this segmentation differently, however the segments include:

1. Corporates – essentially the MICE market.
2. Commercial promoters – those hirers whose motivation behind staging the event is to earn a profit, either directly or indirectly from the event. It should be noted that Busselton will attract few from this segment as they are looking for maximum capacity for minimum performances. Most who consider regional touring (and in WA, many don't) would be attracted to the capacity of Bunbury and will consider Busselton as part of the Bunbury catchment, in the same way as Wollongong in NSW is often considered by commercial promoters as part of Sydney, despite the 90 minute drive.
3. Educational – high school productions and presentation nights. Sometimes dance and performance schools are included, although it should be noted that many of these are private businesses.
4. Non-profit organisations – often called “community hire”, but may also include non-profit, but professional arts organisations.

Obviously the venue will want to maximise income from corporate and any commercial promoters, while ensuring that community groups pay lesser rates. The difference between the top and bottom rates is often a factor of up to 30%.

Policies around the release of venue booking dates are critical for the management of hirers and the maximisation of programming opportunities. There is a balancing act in which all venues engage in regard to “diary management”. The policy may include:

1. Provision for local hires that take place roughly the same time every year to be renewed first, such as local festivals or eisteddfods, for example.
2. MICE events are often booked well in advance and the difficulty of attracting these events puts a high premium on ensuring those clients can access confirmed dates.

3. Next in importance would be the finalising of the entrepreneurial program.
4. And lastly the diary is opened to all other hirers.

Some venues also implement particular policies around the November/December dance school end of year presentations to manage competing claims on the most attractive dates.

Charging policies should also define the approach. The two basic approaches are:

- “Bare walls” – a hire charge is made for the venue and then all ancillary charges such as electricity, staff, equipment, etc are added, based on actual usage.
- “Packaged” – a single charge is made for rent, electricity consumption, core staff and basic equipment and then extra staff, equipment, etc is added to the basic package.

The different approaches suit different hirer groups. Non-professional community and educational hirers often prefer the packaged approach as they can understand clearly up front what costs they are incurring provided they keep within the parameters of services/equipment offered in their package. Professional organisations often prefer the bare walls approach as they have the capacity and skill to budget and identify costs that are unnecessary in their particular circumstance. The down side of this approach for the venue is the extra labour required to quote and re-quote events that are calculated on this basis.

Some venues feature a mix of approaches to tailor their cost structure for specific hirer segments. Given the impact on staffing, the venue charging approach will often be dictated by the staff resources available to the venue.

As already previously established, a significant issue facing local users in Busselton will be the cost of hire. In the event that air access for the MICE market is not forthcoming and based on the Perth Convention Centre forward bookings, the corporate sector and therefore the venue’s ability to attract high value hiring clients will be small. Similarly, regardless of what is built in Busselton, Bunbury will continue to attract the majority of the commercial promoters. This leaves the bulk of the hiring clients as educational, community groups and local professional arts organisations. Given the responses from these groups about their current expenditure on

facility hire, there is some doubt that these groups will be able to afford to use the venue unless there is a very high level of Council subsidy.

There are also other indirect costs to hirers which they may not be aware of and should be highlighted, particularly those in the community who will be 'upgrading' by utilising the PACIC.

- Insurances - while most groups will already have policies in place, the costs may be increased e.g. for the standard \$10m public liability cover that professional venues require.
- Production costs to increase the level of staging etc to suit the venue (voice amplification, fly tower, larger sets, mandatory venue technical staff).
- Ticketing fees – to ensure appropriate levels of patron service and to comply with industry ticketing codes, professional venues require that specific ticketing systems are used which impose a per ticket charge for the service.

### *Training Uses*

Those venues that have successfully created training partnerships and programs are organisations with multiple venues, large staff, high volumes of entrepreneurial work and large subsidies such as the Sydney Opera House and the Victorian Arts Centre. Some larger regional venues such as the Illawarra Arts Centre and the Civic Theatre Newcastle have also engaged in this area.

The programming and hiring aspects of venue management and the nature of the business models in operation in this industry preclude the commitment of the auditorium on a regular basis for training programs. One off training events are possible to schedule in, but regular events such as the streaming of lectures to a large screen as suggested by the study brief lockout dates and therefore preclude the venue being available for its core purpose. Of course much depends upon specifics and time lines. If the lectures represent a hire that can be booked after the confirmation of the yearly entrepreneurial program (approximately December of the preceding year) then, notionally, all uses can be accommodated.

In circumstances where the PACIC might be paid to deliver specific modules of a training course the following issues arise which present challenges for a smaller centre:

- The pattern of occupancy, particularly for new venues is very ad hoc and there is not a consistent run of productions on which to train people.
- In the technical area the venue would only have one full time person and this could represent an unsustainable impost on their time.
- Good OHS management will mean restricted access to back of house areas so all training must be done by venue staff or with staff in attendance.
- Availability of venue staff with training credentials is often low in regional areas.
- The availability of qualified staff coupled with the requirement for professional levels of client servicing preclude many hirers' events from being used as opportunities for training institutions (aside from in-house staff training).

For these reasons, very few venues have been able to make training partnerships work beneficially, aside from simply hiring the venue out to training institutions.

In order to uncover potential training and education purposes for the proposed PACIC, discussions took place with:

- Ric Stacey – Head of Multimedia - South West Regional College of TAFE
- Jane Harvey – Portfolio Manager, Art & Design - South West Regional College of TAFE
- Jeff MacNish – Director Schools, Warren Blackwood District Education Office
- Jo Dorrington – Participation Officer, Warren Blackwood District Education Office (Busselton / Margaret River Office)

## Multimedia

Currently, TAFE runs a multimedia course (Certificate IV In Information Technology – Multimedia) out of the Margaret River campus that has been well subscribed in previous years (though reported numbers down a little this year). The reason it is run out of Margaret River (and not Bunbury) is due to greater demand in the Margaret River and Busselton areas in the past. The Margaret River multimedia course caters for students who want professional careers in the industry and the campus was recently upgraded to provide studio space and facilities for this course. Currently, the multimedia course is only run in Margaret River and this would only change if there was significant demand to run the course elsewhere. The TAFE reported that there is some demand currently from Bunbury and there is also some resistance from students from Bunbury and Busselton having to travel to Margaret River to study. Currently, short courses aimed at those not seeking a professional career in multimedia are run from the Busselton campus in areas such as Photoshop, which are well supported. These courses are run on a fee for service basis.

### *Course delivery*

It was felt that it was unlikely that qualification courses could be run from the proposed PACIC unless the studios were fully equipped with up to date, high end hardware and software (10 – 12 machines in each training room) and in order to take on new qualifications courses, they would have to close down an existing course (e.g. Margaret River). Given that the Margaret River campus has been recently upgraded to cater for the multimedia course, this seems unlikely in the short term. However, this could be re-visited again in the future depending on the timeframe for construction of the PACIC, as at some point, TAFE will need to purchase all new hardware and software to stay abreast of current developments. If these were provided to TAFE as a part of a training co-location strategy, this would make it a potentially viable option.

However, TAFE did see a very real possibility in running fee for services (e.g. night and weekend) courses from the CIC, as they would have the staff capacity and skills and the costs of running these would be fully recouped by the fees. In this light, they would still need access to 10 – 12 high-end computers and current software and should the CIC charge a fee for room or equipment hire, this may not then be viable. However, a contra exchange for hire fees and access to teaching staff could be a

potential for the CIC and TAFE to investigate, as part of the professional development program that the CIC may provide.

#### *Access to exhibition space*

Other opportunities that currently exist for the multimedia course is use of a multimedia exhibition space in the centre for the graduating exhibition in October / November. TAFE would need a guarantee of the space being available each year for this time and, this would be dependent on hiring changes, as TAFE does not currently have a budget for this. Currently there is no physical exhibition space for the multimedia students – they exhibit on-line.

#### *Work experience*

Currently, 50% of each student's time is spent on work placements in the industry. The students are always looking for local placements and the PACIC could offer this – particularly within a CIC multimedia / design incubator. A planned annual program of work placements could be designed and negotiated each year with the CIP management body and TAFE, to ensure that a number of opportunities can be provided.

#### Art & Design

Currently, most of the art and craft courses are run out of the Bunbury campus, with a range of qualifications offered. Some are also run from campuses in Manjimup and Bridgetown (through the local Telecentres) as well as Busselton and Margaret River campuses. There are many professional artists in the Busselton area available to teach.

#### *Course delivery*

The Art and Design manager felt that there could be potential to deliver courses at the new PACIC however, there would need to be a solid business case for doing this – i.e. facilities available at low cost that are currently not available at any other campus or, high industry demand for new courses (such a graphic design). She reported that they have currently been discussing bringing on board graphic design courses, as they currently do not run any. This has been discussed in light of the Bunbury campus but could easily be run in Busselton. They would need to assess industry demand and availability of people to teach the course in

order to make this decision. They believe there is currently an appetite for graphic design and multimedia courses in the South West.

The cost of hiring facilities at the PACIC may be prohibitive as they do not have this in their budget. The manager reported that they have been trialing a similar mode of delivery through the Manjimup and Bridgetown Telecentres and the hire fees have been problematic for them, as they cannot recoup the additional costs. However, in implementing a new course such as graphic design, where capital outlay for hardware and software would be high, if these facilities were provided by the new CIC, then this would mean that money could be made available for hiring of the facilities. The new CIC would need to discuss with TAFE what their needs would be in terms of hardware / software in order to ensure the right equipment is being provided, if this link is to occur. The TAFE would welcome further discussion about this possibility in the near future. This could be an exciting and important opportunity for the CIC, as it would assist in providing that all-important training and education component.

Similar to the multimedia manager, the arts and craft manager felt that using the centre for the delivery of short (fee for service) courses is also a potential. This would mean that the necessary facilities would need to be provided at the CIC and, they would only choose to run courses there if the venue offered something different and / or unique to the students (e.g. access to facilities that the TAFE cannot provide) or, a more pleasant / unique environment. It would not make sense for them to pay to use an external venue if the facilities or environment was similar to or less than their existing campus / facilities. Again, TAFE would need to be able to fully recoup additional hire fees for this to be viable, so the level of fees will be an important factor.

### *Exhibition space*

The art and craft manager also felt that access to an exhibition space could be a great opportunity – throughout the year and for end of year shows. Cost and guaranteed availability would be considerations here once again.

## Education

The opportunities for education centres around two key areas:

- a) Facility usage
- b) Career pathways

- a) Facility usage

### *Performances and education delivery*

Access to facilities that the schools did not have at their own premises was the main link identified. This was mainly for school productions at the PAC but could extend out to any facilities provided through the CIC (multimedia and visual arts). As has been scoped out in the programming model, there is potential for schools to use the PAC for school productions and annual concerts however, it was felt that this would only be if the venue were big enough and / or the schools did not have adequate facilities. This would differ from school to school and the cost of hire would be the main consideration.

In addition to performances, schools may also wish to use the facility for rehearsals, so provision of rehearsal rooms at the PAC was seen as an advantage. In relation to the CIC, it was seen as conceivable that small groups of students could come in to use the technical facilities for areas such as multimedia or art and craft, however there would be many logistical difficulties in doing this, as well as added cost to the school. It would also vary from schools to school depending on the facilities they already have available. This would probably only work for the schools in the Busselton town centre, as class time would be lost for travel.

### *Professional development and conferences*

The district office also felt that depending on the size of the theatre and whether break out rooms were available, there is potential to hire the space for conferences. The office often gets all district teachers together and struggles to find a venue big enough for them to gather in the region (Bunbury is generally their only option). They felt that such a venue could be good for these big gatherings or ever smaller professional development and in-service needs. This would particularly be the case for arts related teachers.

## b) Career pathways

The Participation Officer looks after the needs of non-academic students (16 & 17 years) who are undertaking VET pathways. She felt that the PAC would be very valuable for demonstrating to those students that have identified the arts as a career pathway, that this is a viable option. In this light, she felt work experience and structured workplace learning placements, as well as possible traineeships and apprenticeships (where they exist) would be a great opportunity for linkages. Currently, there is very little in the region that can be used in this way. It was felt that the provision of short arts related courses that ran out of the centre would be valuable for these students – although who would pay would be an issue (DET may not pay and this is likely to be costly for students).

## Site Analysis

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### Summary

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The analysis of the sites suggested by the Shire was conducted based on the criteria outlined overleaf. All sites, in particular the preferred site recommended, require further investigation on a geotechnical basis prior to be officially adopted by the Council as the site nominated for the PACIC.

For the purposes of evaluating and ranking each site, the grade allocated to sites have been considered based on their own merits as well as in comparison to each other. For example, the Stanley Street site may be considered “excellent” in the Visibility criteria, however when compared to Signal Park, the former site is not considered AS excellent as the latter.

### Additional Notes to the Criteria

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Land status and ownership – Crown Land, Council owned, influenced by covenants. All sites except the Shire Offices are owned by other entities and the availability of acquisition is not known at the time of writing this report.

Access – including walkability to and from transport, parking, other facilities, proximity to town centre, regional vs local role. In this criteria, the consultants have also considered access to include the ability for vehicular access e.g. trucks access to loading docks for show bump in and out. It is also important to highlight that each site which ranked 'good' in the above matrix each still have their individual inherent flaws (see individual site analysis) however, with these flaws weighted against one another, the sites each meet the 'good' status.

Visibility – prominent site, visible from main roads. The consultants also included a weighting with regards to the type of main road the site is (or is not) visible from. That is, if the site is visible from a main road which is not necessarily frequented by locals but more by visitors or people passing through Busselton. Visibility is weighted heavily in the examination of each site – it is vital for any cultural centre which encourages participation and high levels of activity to always be visible in the community's eye and to avoid the 'out of sight, out of mind' syndrome.

Flexibility – ability to apply adaptive reuse for a new purpose, design suitability, e.g. noise, building footprint etc.

Connections / co-locations / associations – ability to maintain and support current associations, potential for compatible co-locations, potential for developing income streams through co-location / rental.

Partnerships – potential for private / public development partnerships, potential for cost sharing and community partnerships.

Financial Sustainability – potential for significant income generation to minimise impact on Council's recurrent funding, regional role (potential for audience development and not competition).

Landmark significance – cultural/heritage value to the community as a cultural landmark, potential for gateway site, potential for iconic design.

Innovation / Creativity – commissioning an imaginative design, fostering creative partnerships, encouraging innovative programming.

Role in urban vitality and social inclusion – potential to foster networks of community association to build social cohesion, to make a social impact, activation of town/village centres, proximity to cafes, restaurants etc

## Site Analysis

Unsatisfactory	Poor	Satisfactory	Good	Excellent
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### Land Status & Ownership

Signal Park			X		
Foreshore Reserve			X		
Current Shire Building					X
Vasse Newtown			X		
Busselton Hospital			X		
Stanley Street			X		

### Access

Signal Park				X	
Foreshore Reserve				X	
Current Shire Building				X	
Vasse Newtown		X			
Busselton Hospital	X				
Stanley Street				X	

### Visibility

Signal Park					X
Foreshore Reserve				X	
Current Shire Building				X	
Vasse Newtown				X	
Busselton Hospital		X			
Stanley Street					X

### Flexibility

Signal Park					X
Foreshore Reserve					X
Current Shire Building			X		
Vasse Newtown				X	
Busselton Hospital				X	
Stanley Street			X		

### Connections / Co-locations / Associations

Signal Park					X
Foreshore Reserve				X	
Current Shire Building			X		
Vasse Newtown			X		
Busselton Hospital		X			
Stanley Street					X

	Unsatisfactory	Poor	Satisfactory	Good	Excellent
<b>Partnerships</b>					
Signal Park					X
Foreshore Reserve				X	
Current Shire Building			X		
Vasse Newtown					X
Busselton Hospital	X				
Stanley Street					X

<b>Financial Sustainability</b>					
Signal Park					X
Foreshore Reserve				X	
Current Shire Building			X		
Vasse Newtown			X		
Busselton Hospital	X				
Stanley Street					X

<b>Landmark significance</b>					
Signal Park					X
Foreshore Reserve					X
Current Shire Building					X
Vasse Newtown			X		
Busselton Hospital	X				
Stanley Street			X		

<b>Innovation / Creativity</b>					
Signal Park					X
Foreshore Reserve					X
Current Shire Building				X	
Vasse Newtown					X
Busselton Hospital	X				
Stanley Street				X	

<b>Role in urban vitality and social inclusion</b>					
Signal Park					X
Foreshore Reserve				X	
Current Shire Building			X		
Vasse Newtown			X		
Busselton Hospital	X				
Stanley Street					X

Note: To be read in conjunction with the explanatory notes.

### Score and Rating

	Signal Park	Foreshore Reserve	Current Shire Building	Vasse Newtown	Busselton Hospital	Stanley Street
Land Status & Ownership	3	3	5	3	3	3
Access	4	4	4	2	1	4
Visibility	5	4	4	4	2	5
Flexibility	5	5	3	4	4	3
Connections / Co-locations / Associations	5	4	3	3	2	5
Partnerships	5	4	3	5	1	5
Sustainability	5	4	3	3	1	5
Landmark significance	5	5	5	3	1	3
Innovation / Creativity	5	5	4	5	1	4
Role in urban vitality and social inclusion	5	4	3	3	1	5
<b>Total Score</b>	47	42	37	35	17	42
<b>RANKING</b>	<b>1</b>	<b>=2</b>	<b>4</b>	<b>5</b>	<b>6</b>	<b>=2</b>

## Signal Park



This site rated highest overall and has been identified by the consultants as the preferred site for further investigation by Council.

There is significant opportunity for Council to solidify the foreshore end of Queen Street as Busselton's Cultural Precinct, as recommended in the Cultural Plan (2005), with the inclusion of the Performing Arts and Creative Industries Centre with existing cultural facilities such as the Weld Theatre, ArtGeo Gallery and the Old Courthouse Complex. The location will also provide a link between the Busselton CBD and the foreshore. It's location near the Busselton land mark, the Jetty, and popular restaurants and cafes will merge cultural and tourism outlets, heightening the economic impact of the centre and contributing to its identity as a new Busselton icon. This constant flow of pedestrian traffic will also generate a sense of the vitality to the centre as a vibrant, bustling centre of activity.

Importantly, the size of the site (especially in comparison to other sites) provides for a greater level of flexibility in design options.

This site provides excellent pedestrian and traffic access and there is ample parking already available in the site surrounds, however further parking facilities may be required during peak summer seasons when car parking will be stretched to accommodate higher levels of activity at the foreshore.

The consultation process revealed a desire by respondents for the PACIC to service not only the residents of the Shire, but the high levels of tourism in both peak and non-peak seasons. Signal Park (and the Foreshore Reserve to a similar extent) provides the greatest opportunities to service this market.

There is some concern that this sites' close proximity to the foreshore is less visitor-friendly in inclement conditions creating an impact of a less-desirable space in poor conditions. This element requires further investigation regarding the geotechnical implications of the site.

## Foreshore Reserve (near Jetty)



This site was ranked as equal second in the preferred site options. It offers similar opportunities as Signal Park (providing good linkages with tourism and creating a constant flow of activity), however the Signal Park site provides a better overall opportunities for partnerships and co-locations which resulted in the higher rating.

The Foreshore Reserve provides great opportunities for iconic design and for becoming a landmark site and should Signal Park become unavailable or unviable for any reason, this site would also service the cultural and economic needs of the Centre well. Along with Signal Park, this site would also service the tourism market as an outlet for holiday or evening activities.



Initially, the consultants were asked to investigate the viability of the current FESA site, however during the course of the study, the area become inaccessible in the short to medium term and the site now identified as Stanley Street was substituted as a further site along the railway reserve with the same attributes.

It is important to note that this site was assessed against the above criteria keeping in mind that the nearby Busselton Library site was under investigation for the Shire of Busselton's new Civic Precinct. The proposed Civic Precinct was to accommodate the Shire Administration Centre, a Community Resource Centre and an expanded, new Busselton Library. In relation to the evaluation of the Stanley Street site as a location for the PACIC, there are complementary objectives with the Civic Precinct in terms of injecting 'large amount(s) of capital in to making the Busselton

CBD a more vibrant and valuable place to conduct existing business' and "underpin(ning) an integrated precinct of a civic theme to bookend the southern entrance to the CBD"<sup>45</sup>.

In terms of evaluating the site as a viable location for the PACIC it was noted that the ability to make the facility an iconic building may be diminished if the building was to be in anyway integrated with the rest of the precinct, however at the same time, if the Civic Precinct does not proceed at this location it will significantly reduce the site's overall attractiveness as a location for a PACIC. Even though the site is located in the CBD, the co-location with other purpose built facilities is a key factor in generating a sense of vibrancy and purpose. The landmark significance of this site rated lower in comparison to Signal Park and the Foreshore Reserve based on comparative qualities, but not necessarily based on its independent merit as there is certainly great potential to solidify the centre as a Busselton landmark.

In terms of accessibility, the Stanley Street site rated highly based on pedestrian traffic and its location in an established part of town, however it was also noted that the site may be constrictive when considering the functional requirements of a PACIC. The fundamental requirement of adequate space for access to loading docks by large vehicles would be inhibited by the footprint size and ease of accessibility via surrounding roads. Signal Park and the Foreshore Reserve scored higher than Stanley Street in this criterion because it was perceived that these sites provide ample space for adequate loading facilities and access for larger vehicles such as pan tech trucks and school buses.

Overall, the Stanley Street site was rated as the equal second preferred site. In most cases, where Stanley Street rated lower than Signal Park, the score was issued based on the comparative assets of each site and not necessarily on its individual appeal. Should Signal Park become unfeasible after geotechnical investigations are completed, the Stanley Street site would still service the Shire of Busselton well.

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<sup>45</sup> Business Plan for Civic Precinct Facility on Reserve 41445 Lot 416 Stanley Place, Busselton



This is a desirable site when measured against many of the criteria especially in terms of land ownership as the site is the only land currently owned by the Shire, which would significantly reduce the PACIC's capital costs. There are other key advantages such as the potential to be a landmark, gateway site and the subsequent possibilities for iconic design. There is, however, a perception of separation from the Busselton CBD because of its location on the opposite side of the river and despite it being within walking distance from the CBD. Importantly, the location as a gateway into the CBD affects only those entering the town from one direction and (especially for tourists and visitors to the region) there is currently few reasons for visitors to cross the river again except to leave town. This feature resulted in a lower score when compared to other sites in terms of identity.

A key advantage of this site is its aesthetically pleasing surrounds and the subsequent opportunity to commission a creative and even iconic design. This may also create a link between the CBD and the site which would in turn offer opportunities to co-locate other facilities such as the Visitor Information Centre.

### *Vasse Newtown*

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Whilst the parcel of land nominated for investigation poses great opportunities for iconic design with its adaptable footprint and the lack of surrounding structures, for the purposes of constructing a PACIC, Vasse is considered too out of town from the Busselton CBD to embrace the cultural identity and sense of vitality sought by the creative and cultural communities in Busselton. The ongoing expansion of Vasse does allow for integration with future developments but the ability to sustain an audience and hirer base in the near future is so low that this site is not considered viable.

Although this site may also be considered visible from main roads, its location out of the Busselton CBD detracts from its attractiveness as a centre visible to all Shire residents. Venues set apart from the daily activities of the broader community are much harder to animate, and any hospitality ventures such as a café or restaurant would be bound to fail, at least in the short to medium term until this area is further developed.



Again, this site was considered to be too far out of the Busselton CBD and there are no identifiable opportunities for co-locations or partnerships, impacting the financial sustainability and role in the creative community. There are currently no cultural activities associated in the immediate surrounds and would result in the PACIC struggling to establish an identity as a vibrant, cultural hub or a place of social inclusivity.

Although located along the Bussell Highway and close to the shoreline, the site was not deemed a visible location, especially when compared to other sites such as Signal Park. Access for small to large vehicles would suit this site, however little to zero pedestrian traffic could be expected. Similar to the Vasse site, it would also preclude successful hospitality outlets.

The potential availability of the land is generally the only advantage this site currently bears, however even this benefit is uncertain pending a decision on the future location of the hospital.

## Management Models and Operating Structure

*“A Performing Arts Centre is probably the most complex facility that a Council is likely to own and manage. Their usage change frequently, often daily... Because of the operational complexity and occupational safety responsibilities, theatres require highly skilled staff, professionally experienced in the performing arts, to ensure their operation is effective, efficient and safe.”<sup>46</sup>*

The management of cultural spaces involves the delivery of multiple and often conflicting outcomes. The provision of cultural services especially for regional communities within a financially sustainable framework requires a high level of specialisation.

### *Creative Industries Centre*

In defining the most appropriate management model for the proposed PACIC, the consultants note that the two options of space models presented separately for the creative industries centre have differing management requirements; one operating, in part, separately from the day-to-day operations of the PAC and one integrated to expand the scope of the PAC management.

#### *Creative Industries Centre Option One*

The space model proposed in Option One requires a collaborative management structure that represents the partners and both undertakes the collaborative marketing of the businesses and the precinct as well as managing the tenancies and the physical assets. This may or may not be the same body that oversees the strategic development and programming of the centre (and may be the same as the PAC management) while a

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<sup>46</sup> Benchmarks for Performing Arts Centres – VAPAC, 2006

separate body is engaged to manage the tenants and work with the representative management body<sup>47</sup>.

### *Creative Industries Centre Option Two*

The proposed artist's hub facility co-located with the Performing Arts Centre could be managed by the PAC management structure as it would be simpler and more aligned to the PAC's core business. There would also need to be an interfacing relationship with an appropriate visual arts body to assist in collaborative marketing efforts for the artists and input into the decision making as to which artists access studios and at what cost. It will be important to maintain the integrity of the subsidised and affordable studios and space and ensure that it is not viewed as a potential revenue source for the rest of the facility. A relationship with an advisory body, such as the Margaret River Artisans could be set up to meet this need and perhaps this group is charged with the responsibility of managing and programming the workshop and exhibition space. Failing that, a visual arts curator or program manager should be employed by the PAC management to oversee these functions. The level of activity of the Creative Industries Centre will of course, impact upon the staff levels and skill mix (both staff and governance) of the facility's management structure.

### **Performing Arts Centre Management**

In listing the types of performing arts centre management structures it's important to keep in mind that any facility of this type should not be 'owned' or used or managed exclusively by any particular hirer organisation. The reason for this is borne out of nation-wide experience which has seen difficulties arising from a single or selected group being seen by other users as having priority status in the use of the facility. It generates access and equity problems for the venue and eventually alienates other community groups, creating conflict and ill-will.

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<sup>47</sup> It appears the QUT precinct has a similar structure where a separate Pty Ltd body is responsible for managing the business incubator however, the overall precinct is managed and developed by QUT. The Workshops at Midland is also similar – FORM manages the Midland Atelier component and the Midland Redevelopment Authority manages the strategic development of the entire Workshops site.

There are several options for management of cultural venues. For comparison purposes, the following is a list of the most common options currently in practice around Australia:

*Instrument of Delegation or Company Limited by Guarantee:* The instrument of Delegation to a Management Committee usually comprising of Councillors, council staff and some community representatives more specifically maintains close monitoring by Council of the venue's activities and finances. However the Company Limited by Guarantee model separates Council from the daily operations of the venue and allows a Board of Management representing a broad skills base to report regularly to Council. This model has an appropriate level of Council representation on it and allows management to more efficiently manage the facility.

*Department of Council:* This management type is more common in regional areas of Australia with varying degrees of autonomy depending on whether or not delegation is given under Section 377/378 to the theatre management, or whether the facility is managed by Council Committee. Many venue managers agree that the Committee model is an unsatisfactory type of management largely because it rarely allows for adequate professional management of a specialist business. It also burdens Council staff with operational and programming decisions which are outside their professional expertise. In the past this model has also allowed the potential of political interference from Councillors in the programming of the venue, thus becoming captive to a particular community group rather than delivering a broad range of cultural opportunities for all ratepayers. A further difficulty with this model is that sometimes the industrial relations instrument in place does not provide the flexibility required by the arts industry making staffing significantly more costly and onerous.

*Lease to Producing Company:* This structure is not favoured and has few precedents. While it absolves council of all management and financial responsibilities, it also means the relinquishment of control over ensuring community access and the delivery of cultural services.

*Privatisation:* Contrary to some perceptions, privatisation does not mean outsourced or commercial contract management. It involves the sell-off of property as a whole. The most obvious reason to dismiss this as an option is that Council as vendor would have little influence over the development of the building/site and once again would not be able to ensure appropriate cultural service delivery to all stakeholders.

*Statutory Body:* This will not apply as it relates to those venues such as the Sydney Opera House and the Adelaide Festival Centre which were established and built under a purpose-drawn Act of Parliament.

*Outsourced Management:* Although relatively rare in cultural venues across Australia, this management function provides an organizational structure which is designed to be flexible, integrated and geared to safeguard the assets of Council. Outsourced management effectively relieves Council of most of the legal and financial burdens of the venue's operations. Under this model, the contracted manager would carry legal and financial responsibility for the facility for an annual management fee while delivering the agreed cultural outcomes. An example of this type of management structure is the current contractual relationship between the Perth Theatre Trust and Ogden IFC.

### **Conclusion – Management Models**

In determining the most appropriate management model for the proposed PACIC, the following objectives were identified as key to the success of the PACIC:

- the appointment of an experienced, professional arts manager
- the effective sourcing and management of entrepreneurial product
- efficient and sustainable management of the facilities resources
- the delivery of the Shire and community's vision for the centre
- the capacity to develop and deliver strategic plans and budgets
- the ability to respond to the changing environmental needs of the venue, the arts industry and community expectation
- a clear organisational structure with defined roles and responsibilities

As outlined above, the management of the Creative Industries Centre may or may not be integrated with the PAC management, depending which option Council chooses to pursue; however, with the above objectives in mind, the two most appropriate management models are either:

- **A company limited by guarantee; or**
- **Outsourced management**

These options afford the venue management the required flexibility to respond to the needs of cultural centre management, whilst providing for finite financial input by Council. Either option requires the appointment of a professional manager who recruits the appropriately skilled staff and reports to Council, removing Council from the daily operations of the facility (which is critical as cultural centre management is not the core business of local government). These models also allow Council to maintain a relationship with the PACIC in order to monitor its ongoing activities and financial status.

Either option pursued by Council will require a strict reporting framework and management guidelines to ensure Council maintains a level of control and contributes to the outcomes of the centre. Key performance indicators ensure the venue is being operated under the required framework designed by Council. These may include:

1. Levels of hirer and audience satisfaction
2. Levels of occupancy
3. Audience attendance
4. Standards of facility management and presentation
5. Safe workplace practices

### ***Operating Structure***

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The roles of venue management, under either management model option presented above, include:

1. Business Planning
2. Financial Management & Reporting
3. Human Resource Management
4. Programming
5. Venue Hire
6. Marketing
7. Technical Services
8. Front of House Services
9. Ticketing Services
10. Occupational Health and Safety
11. Maintenance and capital works programming

In terms of delivering these roles and responsibilities, it is useful to outline the principle human resource requirements. These key positions are supported by a range of casuals and volunteers. The information provided here should be explored in greater detail in a Business Plan for the centre (see Next Steps).

#### Venue Manager

- Develop, implement and monitor a strategic plan in collaboration with Council
- Develop and manage an annual budget
- Take a leadership role in the community and maintain professional relationships with the performing arts sector
- Maintain the bookings system to manage events and meetings held at the venue
- Appoint and manage staff
- Develop entrepreneurial program
- Overview food and beverage operations and contracts

#### Front of House Manager

- Prepare cost-effective rosters for all FOH staff
- Liaise with and provide advice to all hirers in matters relating to FOH
- Recruit, supervise and train casual FOH and bar staff
- Manage and control
- Manage FOH sales and merchandising activities Ensure that all staff, public and hirers observe statutory regulations within the venue including the responsible serving and consumption of alcohol
- Ensure cleanliness of the venue including toilets and garbage bins during performance and advise cleaners of areas requiring particular attention the following day

#### Operations/Technical Manager

- Manage existing and potential service contracts relating to the maintenance and repair of the venue and environs
- Issue and management of contracts and schedules related to all hirings within management guidelines

- Maintain detailed venue event management documents and plans, distributing these documents to hirers at regular intervals leading up to the hiring period
- Provide advice to all potential and current hirers in technical matters including the provision of estimates for staff, equipment hire and the like
- Recruit, supervise roster and train technical staff Manage all technical equipment
- Manage safety on the worksite

#### Marketing Manager

- Develop marketing and communication programs to achieve planned goals from increased venue activity and ticket sales and enhance PACIC's visibility and reputation locally and nation-wide.
- Work with hirers and touring coordinators to improve the venue profile and their respective sales
- Implement an "e-strategy" for the venue including the development and management of a web site
- Create and implement marketing and publicity plans to sell tickets for specific performances entrepreneured by the venue
- Manage the venue's marketing research strategy

#### Box Office Manager

- Responsible for hiring, training and supervising casual box office staff, and for cost-effective rostering
- Management of the front-line sales service for all customers
- Manage ticketing computer system and database
- Manage all financial requirements of the box office
- Provide statistical data and reporting relating to ticketing and performances
- Manage the ticketing requirements of hirers and external ticketing clients, including event building and consignments, as well as ongoing services such as the management of holds, reporting and general advice

#### Administration Assistant

- Provide an efficient front line answering service for enquiries, directing calls where appropriate to relevant staff
- Collection, distribution and posting of mail and documents
- Photocopying, filing and archiving

- Manage general office procedures including stationery requisitions and storage, and equipment maintenance
- Co-ordinate staff events and meetings, including minutes and agenda
- Oversee style standards and formatting of office documents as required
- Provision of staff amenities
- Provide clerical support for the Venue Manager

#### Finance - Bookkeeper

- Maintain accurate and timely debtor and creditor controls
- Prepare monthly financial statements and statistical data
- Prepare and monitor weekly time sheets for payroll
- Monitor reconciliations/settlements and issue tax invoices as relevant
- Monitor inventories and stock-takes of liquor and other consumables
- Administer and monitor petty cash and undertake banking duties as required

## Financial Models / Five Year Plan

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### Operational Funding

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The Australian Performing Arts Centres Association (APACA) is the peak, representational body for regional and metropolitan performing arts centres around Australia; of its 120-odd member venues, most are Local Government-owned. APACA surveys its membership at two-three year intervals to measure their economic impact. The surveys indicate that all of its constituents receive annual subsidies, principally from their Owner/Councils. Some have occasional capital or project support from their respective State or Territory arts funding agency or from the Australia Council, the federal government's arts funding body.

The following table offers a snapshot of subsidy levels applicable to a sample of performing arts centres around Australia. These have been selected because of their variances in subsidy, seating capacity and configuration, some akin to the proposed PACIC and these should be used as an indicator only. The higher the subsidy the more likely that the venue is actively programming entrepreneurial seasons. These subsidy figures represent the operational funds paid directly to the venues; they do not reveal the 'hidden' subsidies such as capital works, maintenance, marketing or administrative support provided by some Councils to their performance venues.

Table: Comparative Venue Subsidies

Venue Location (capacity)	Subsidy Level
WA Regional (800)	\$350,000
NSW Metropolitan (759)	\$937,000
QLD Regional (684)	\$435,000
WA Regional (810)	\$468,000
NSW Regional (495)	\$558,000
VIC Regional (490)	\$575,000
NSW Metropolitan (400)	\$442,000
VIC Regional (400)	\$476,000
<b>Busselton - Year One (Stage One)</b>	<b>\$292,859</b>
<b>Busselton - Year One (Stage Two)</b>	<b>\$403,898</b>

## **PROPOSED FIVE YEAR FINANCIAL PLAN - 250 Seat Black Box & 400 Seat Theatre ("the Budget")**

This Budget has been prepared in order to attain a realistic idea of the potential Shire subsidy required for the proposed Centre over the first five years of operation. As directed, the consultants provided financial plans for both Stage One and Two (assuming that the black box will still operate under the Stage Two model). The Stage Two figures are provided should the Shire decide to proceed directly to this stage *however this report recommends that Stage Two of the development does not proceed for at least five years following the opening of Stage One.*

It should be understood that the results represent the best estimate based solely on the assumptions and constants applied, and all figures should be read in conjunction with the details provided hereunder.

There are inherent risks involved when relying solely on the results as presented here as they assume a level of support indicated by potential hirers in the consultation process which ultimately are the greatest variable. The nature of performing arts is that while expenses can usually be well controlled, presenters and producers are exposed to the uncertainty of income levels.

Any theatre operational budgeting and can be further affected by:

1. The market perception of hire rates and the ability to amend those rates;
2. The ability (and rate) to on-charge relevant reimbursable expenses;
3. Community economic factors;
4. The standard and type of management.

### **Definitions**

*Reimbursements* – relate to cost incurred by the venue directly related to venue hire such as staff, technical equipment, electricity and cleaning which are usually charged back to the hirer, sometimes with a specific mark up to cover additional overheads.

*Hires* - relate to venue usage in which an external organisation seeks to use the venue and pays a hiring fee and applicable reimbursements. There is generally no financial risk to the venue as the hirer pays all expenses

and receives all box office takings. The venue management may wish to implement alternative arrangements for some hires where the venue enters into an agreement whereby the hirer pays a hiring fee or a percentage of box office sales, whichever is the greater. In formulating this budget, only straight hires have been included as it is assumed this will be the agreement in place for the majority of hires.

*Entrepreneurial Programming* – activity staged at the venue in which the venue management have sourced and paid for the performance, taking the full financial box office risk.

*Live Performance Australia (LPA)* – the peak body for Australia’s live entertainment and performing arts industry. Established in 1917 and registered as an employers’ organisation under the Workplace Relations Act 1996.

*Ticketing Fees*

1. Inside Charges – a source of revenue for the venue from the sale of each ticket, applied to the face value of the ticket.
2. Booking Fees & Processing Fees – commonly referred to as a transaction or service fee applicable to phone or internet bookings.

**Assumptions**

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The following specific assumptions are relied on:

1. *Hire Rates*

<b>Proposed Base* Hire Rates</b>	<b>Educational</b>	<b>Community</b>	<b>Commercial</b>
250 Seat Black Box Theatre	\$350	\$275	\$600
Meeting/Function Room/hr	\$45		
Average Hours per function	4		
400 seat theatre	\$800	\$650	\$1,200

\* Not including staff, equipment etc

2. *Staff* - reimbursement rates are based the Live Theatre Awards with minimum 4 hour calls. Please refer Appendix Five for detailed constants.

3. *Ticketing Income* - it is assumed that the theatre will be a member of Live Performance Australia and will therefore be a respondent to the “Code of Practice for Ticketing of Live Entertainment Events in Australia”.

There are various ticketing software packages available with different rates and application of license fees and we have therefore based the ticketing fees on the average per ticket expense. Please refer the relevant appendix (five) for detailed constants.

4. *Reimbursements* - mark-ups are calculated based on industry standards however may be affected by local market fluctuations and negotiated rates with individual hirers. Full details of the constants used are provided in Appendix Five.
5. *Beverage* - While gross profit on beverage sales can be calculated with some certainty, the level of beverages actually sold either per performance or the number of performances that may operate beverage services can only be estimated on past experience from venues of similar size and nature.
6. *Entrepreneurial Programming* is a high risk venture and nation-wide experience indicates a deficit should always be expected. The income and expense details will vary considerably from performance to performance and is heavily dependent on a range of variables including ticket price, occupancy rates and type of performance.
7. At this stage no allowance for sponsorship has been included. There is always a difficulty in sponsorship for regional venues:
  - (a) Such sponsorship can clash with commercial hirers and their products;
  - (b) It can be difficult providing sponsorship rights and concessions under acceptable terms. As an example, a sponsor would ordinarily expect a number of seats allocated per performance. This creates issues with hirers and any entrepreneurial activity for such a small space.
  - (c) Aligning a brand in the form of sponsorship can be in direct conflict with the community-minded nature of such venues;
  - (d) Legal limitations

8. *Operational Expenses* - In order to provide a true cost it is important, to provide an operating result on the basis of the theatre (as a stand alone operation) being responsible for the payment of all expenses. Some economies of scale may be realised through amalgamating some expenditure items within the Shire's budgets or the Shire providing direct services to the theatre. These may include:

- (a) IT consultants - may be absorbed by the Shire as an in-house expense.
- (b) Insurance - Full insurance has been included in the budget provided, however if insurance is included in the Shire's overall facilities insurance, some savings may be made.
- (c) Electricity rates and telephone charges - may be reduced by using lower rates applied to Local Government.
- (d) Wages - The Shire may be able to supply in-house bookkeeping alleviating this expense, although it is preferable for this work to be conducted within the PACIC operating structure.

Conversely there are some expenses omitted:

- (a) Land Tax – State Government
- (b) Payroll Tax – State Government
- (c) Council Rates

Currently, the Shire would be exempt from these cost items. As early as 3<sup>rd</sup> November 2008 the Independent Pricing & Regulatory Tribunal (IPART) has recommended Local Councils pay their share, however no final decisions have been made public. Western Australia has indicated no change in the status quo.

9. *Live Performance Australia* fees applicable to the presentation of professional performances (the Industrial Relations Service fee) are not included as an expense item as it is assumed it would be fully reimbursable against the particular hirer.
10. We have not been requested to prepare a budget for any opening event. Allowances for pre-opening expenses are included e.g. staff should be employed prior to opening to set up venue management systems and programs.

*Summary of Stage One*

	<i>Pre-Opening</i>	<i>Year One</i>	<i>Year Two</i>	<i>Year Three</i>	<i>Year Four</i>	<i>Year Five</i>
<b>Total Subsidy required</b>	<b>\$144,170.00</b>	<b>\$292,859.00</b>	<b>\$283,614.00</b>	<b>\$278,253.00</b>	<b>\$278,731.00</b>	<b>\$274,215.00</b>

**PROPOSED FIVE YEAR BUDGET 250 Seat Black Box “Stage One”**

	<i>Pre Opening</i>	<i>Year 1</i>	<i>Year 2</i>	<i>Year 3</i>	<i>Year 4</i>	<i>Year 5</i>
	\$	\$	\$	\$	\$	\$
<b>INCOME</b>						
Rental Hire Income	0	30,330	43,314	48,389	53,345	59,020
Wages Reimbursements	0	58,391	86,283	95,478	103,371	116,021
Other Reimbursements	0	50,150	76,206	85,339	92,573	104,909
Ticket Income	0	13,575	21,449	28,089	34,684	42,422
Beverage Profit/Loss	0	-375	219	1,434	2,768	4,615
Cafe Income	0	14,000	14,000	14,000	14,000	14,000
Sundry Income	0	1,152	1,872	2,448	2,952	3,384
<b>Total Income</b>	<b>0</b>	<b>167,224</b>	<b>243,343</b>	<b>275,177</b>	<b>303,694</b>	<b>344,370</b>
<b>LESS EXPENSES</b>						
Administration / Finance / Operational	34,200	82,971	87,639	88,238	90,882	93,685
Performance Production costs	2,500	58,700	74,190	84,802	99,528	111,660
Marketing Costs	23,000	13,400	19,685	16,977	17,277	17,583
Wages	84,470	261,781	289,425	307,396	324,777	345,696
<b>Total Expenses</b>	<b>144,170</b>	<b>416,852</b>	<b>470,940</b>	<b>497,413</b>	<b>532,464</b>	<b>568,624</b>
<b>TOTAL PROFIT / LOSS</b>	<b>-144,170</b>	<b>-249,628</b>	<b>-227,597</b>	<b>-222,236</b>	<b>-228,770</b>	<b>-224,254</b>
<b>Accumulated proposed subsidy</b>		<b>-393,798</b>	<b>-621,395</b>	<b>-843,631</b>	<b>-1,072,401</b>	<b>-1,296,655</b>
<b><u>ADD: Proposed Entrepreneurial Programming</u></b>						
<b>Entrepreneurial Profit/Loss</b>	<b>0</b>	<b>-43,231</b>	<b>-56,017</b>	<b>-56,017</b>	<b>-49,961</b>	<b>-46,398</b>
<b>Combined Proposed Subsidy</b>	<b>-144,170</b>	<b>-292,859</b>	<b>-283,614</b>	<b>-278,253</b>	<b>-278,730</b>	<b>-270,652</b>

## Summary of Stage Two

	<i>Pre Opening</i>	<i>Year One</i>	<i>Year Two</i>	<i>Year Three</i>	<i>Year Four</i>	<i>Year Five</i>
<b>Total Subsidy required</b>	<b>-\$190,925</b>	<b>-\$403,898</b>	<b>-\$393,738</b>	<b>-\$360,702</b>	<b>-\$348,881</b>	<b>-\$327,587</b>

### PROPOSED FIVE YEAR BUDGET 250 Seat Black Box & 400 Seat Theatre "Stage Two"

	<i>Pre Opening</i>	<i>Year 1</i>	<i>Year 2</i>	<i>Year 3</i>	<i>Year 4</i>	<i>Year 5</i>
	\$	\$	\$	\$	\$	\$
<b>INCOME</b>						
Rental Hire Income	0	60,505	81,539	93,189	100,795	109,120
Wages Reimbursements	0	96,242	131,057	149,300	160,636	176,729
Other Reimbursements	0	100,500	137,731	158,764	171,348	189,034
Ticket Income	0	34,637	44,363	57,355	69,859	84,029
Beverage Profit/Loss	0	-1,377	193	3,227	6,345	10,277
Cafe Income	0	14,000	14,000	14,000	14,000	14,000
Sundry Income	0	1,872	2,448	2,880	3,168	3,456
<b>Total Income</b>	<b>0</b>	<b>306,379</b>	<b>411,331</b>	<b>478,715</b>	<b>526,151</b>	<b>586,644</b>
<b>LESS EXPENSES</b>						
Administration/Finance / Operational	39,700	133,960	139,071	145,539	150,129	154,956
Performance Production costs	4,500	101,507	138,530	145,964	174,097	194,668
Marketing Costs	25,000	14,200	14,555	18,916	15,084	15,461
Wages	121,725	395,664	425,039	445,203	460,598	479,122
<b>Total Expenses</b>	<b>190,925</b>	<b>645,331</b>	<b>717,195</b>	<b>755,623</b>	<b>799,908</b>	<b>844,208</b>
<b>TOTAL PROFIT / LOSS</b>	<b>-190,925</b>	<b>-338,951</b>	<b>-305,864</b>	<b>-276,908</b>	<b>-273,757</b>	<b>-257,563</b>
<b>Accumulated proposed subsidy</b>		<b>-529,876</b>	<b>-835,740</b>	<b>-1,112,649</b>	<b>-1,386,406</b>	<b>-1,643,969</b>
<b><u>ADD: Proposed Entrepreneurial Programming</u></b>						
<b>Entrepreneurial Profit/Loss</b>	<b>0</b>	<b>-64,946</b>	<b>-87,874</b>	<b>-83,794</b>	<b>-75,124</b>	<b>-70,024</b>
<b>Combined Proposed Subsidy</b>	<b>-190,925</b>	<b>-403,898</b>	<b>-393,738</b>	<b>-360,702</b>	<b>-348,881</b>	<b>-327,587</b>

Note: Although this report recommends that the Shire does not proceed with the Stage Two facilities (the 400 seat theatre) until at least five years following Stage One, these figures are supplied to indicate the impact the development of Stage Two would have on operating and programming subsidies.

## Capital Costs

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Provided here is information regarding venues either proposed or currently being built across Australia to provide an indication of the scale and cost of new centres.

### THE GLASSHOUSE, PORT MACQUARIE



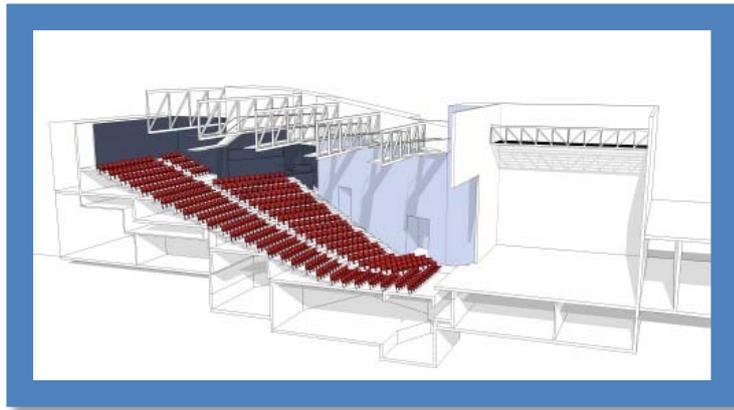
Servicing a population of approximately 69,000 people and located in the town's CBD, the Glasshouse in Port Macquarie is scheduled to open in early 2009. The centre will be owned and operated by Hastings Shire Council.

The construction cost for this project has been valued at \$26.67 million. This figure excludes consultant's costs, land acquisition, technical equipment and archaeology. Council has budgeted for the new centre to cost approximately \$500,000 per year to run after income has been deducted. This cost will largely be in relation to subsidies for schools and local groups who want to use the facility but could not afford to pay the full costs.<sup>48</sup>

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<sup>48</sup> Source: Hastings Shire Council [www.hastings.nsw.gov.au](http://www.hastings.nsw.gov.au)

## SHOALHAVEN CULTURAL CENTRE



The new Shoalhaven Cultural Centre will be located within the CBD of Nowra to complement Council's Arts Centre and new Multimedia Centre. Together, it is hoped the three centres will provide Nowra with the means to showcase performing and visual artists and an avenue for local people to undertake various courses in performance arts.

## DUBBO REGIONAL THEATRE AND CONVENTION CENTRE



Dubbo City Council has an existing Dubbo War Memorial Civic Centre, constructed in 1967, which serves as the current entertainment/cultural facility for the City. The new Dubbo Regional Theatre and Convention Centre will comprise a 500 seat theatre to be built adjacent to the Civic Centre site.

The entire complex is designed to host a range of events including all performance forms, conferences, meetings, school presentations, fairs and product launches. Construction commenced in August 2008 and the venue should be operational by 2010. The total construction cost is estimated at \$13.5million with additional land acquisition costs of approximately \$1.5million and design costs of around \$300,000.

## CIVIC PLACE CHATSWOOD



This project is planned by Willoughby City Council who governs a population of about 63,000 people and is located 8.5kms away from the Sydney CBD. The Civic Place project will provide a significant Cultural Precinct primarily for the residents of the Shire, but also for the wider Sydney arts community. Built on the existing Civic Centre site, the new Civic Place will include a 1000 seat concert hall, 500 seat theatre, exhibition hall, rehearsal spaces, a visual arts space, a 5000sqm library, 6000sqm of open space including an amphitheatre as well as incorporating commercial uses such as retail space and serviced apartments.

The total project costs for Civic Place are \$162.5million including all professional fees, construction costs and allowances for inflation and contingencies. Willoughby City Council plans to meet these costs by contributing approximately 78% in equity and 22% (\$30million) in loan borrowings repayable over 20 years. As part of the overall funding plan for the project, a \$3million target has been set for community fundraising which takes including a seat endowment program, special fundraising events, one off donations and sponsorships.

The precinct is expected to open in 2011.

## PERTH PERFORMING ARTS CENTRE – “THE HEATH LEDGER THEATRE”



Located on at the corner of Roe and William Streets in Northbridge, the new performing arts venue, which will be named after actor Heath Ledger, will feature a 575 seat main theatre and a 200 seat flexible studio theatre, with associated rehearsal spaces. Designed by award-winning Kerry Hill Architects, the concept for the venue was unanimously judged the winner of the CentreStage design competition by an international jury panel in 2005.

Kerry Hill Architects' design will deliver a building which will not only provide a functional and inspiring venue for performers and their audiences, but will also be a defining architectural landmark for Perth.

The venue will present contemporary performing arts, such as theatre and dance, in diverse ways with a focus on distinctive professional and contemporary work produced locally, nationally and internationally. With state-of-the-art technology and facilities, the venue will ensure that audiences are able to experience this diversity of work.

Design development commenced soon after Kerry Hill Architects appointment and has involved more than 70 specialists, including artists, architects, theatre consultants and planners; lighting designers; acousticians; quantity and land surveyors; theatre, program, heritage, ethnographic, archaeological and consultants; and structural, mechanical, civil, electrical, façade, fire, environmental and traffic engineers.

The venue is expected to open in 2010 at a cost of \$91 million.

## ALBANY ENTERTAINMENT CENTRE

As the existing Albany Town Hall (with a maximum capacity of 310) cannot cater for larger touring acts or the conference market, the Albany Entertainment Centre is designed to attract a wide range of uses and will be part of the Albany Waterfront Precinct development, including a new hotel, cafes, shops and a marina.

Funding for the entire waterfront project has been sourced from the State Government (\$46.3million), the City of Albany (\$1.2 million – in addition to purchasing land from Landcorp for \$1million). The City of Albany anticipates that the building and staffing of the Albany Entertainment Centre will create up to 300 new jobs for the region.

The venue itself incorporates a 620 seat auditorium, a multifunction space for community and conference uses and large glass foyers overlooking the harbour and is scheduled to be completed in mid-2010.

## BROOME PERFORMING ARTS CENTRE



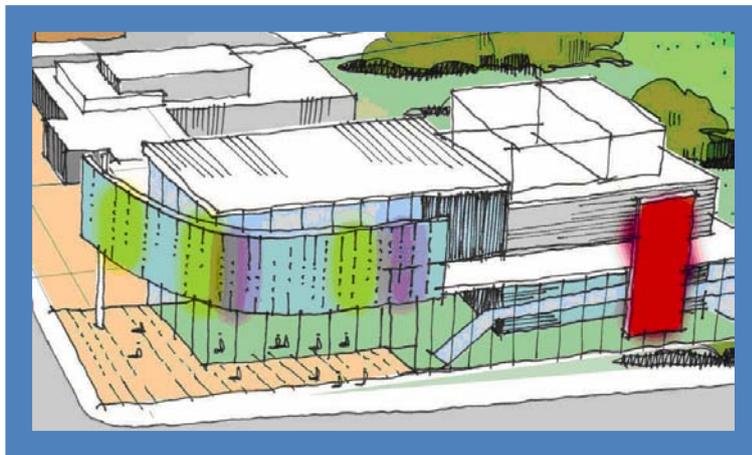
In November 2005, consultants Woodhead International submitted their feasibility study to the Shire of Broome. The project brief was to establish the feasibility of a Performing Arts Centre for the Shire and recommended that the current Civic Centre be redeveloped as an alternative to building a new facility. Built in 1973, the Civic Centre seats 450 people and has housed all types of functions from theatrical performances to banquets and award presentations.

The study estimated the proposed development would cost up to \$8.2 million with an ongoing operational subsidy of between \$135,000 to

\$165,000 per annum. In early 2008, the Shire of Broome appointed a Project Officer to steer the development and the West Australian Government has committed \$5million to the project.

The proposed redevelopment will serve the population of approximately 14,000 and provide for small to medium scale performing arts activity, with a 336 seat auditorium and two community rooms suitable for rehearsals, functions and meetings.

### GERALDTON CONVENTION CENTRE



In July 2008, the City of Geraldton-Greenough (population approximately 55,000) released the convention centre design brief for public comment. The Convention Centre is proposed based on an identified need for a purpose designed space to support existing conference, convention and function opportunities and to stimulate new business in these areas and in performing arts activity in general. The consultants who developed the design brief recommended the space be co-located with the current Queens Park Theatre and suggested a capital cost of \$16.5million based on a cost per square metre on other performing arts building projects in WA of \$6250 (although this figure was provided as a guide only and is not a substitute for calculations made by a Quantity Surveyor from architects drawings).

As this project is still in the planning stages, capacities and building functions are still to be finalised.

## ROCKINGHAM CONTEMPORARY AND PERFORMING ARTS COMPLEX

The City of Rockingham (approximately 45 minutes south of Perth) is currently investigating the feasibility of the establishment of a Rockingham Contemporary and Performing Arts Complex. The development of this venue was originally identified as a priority in the 1994 Regional Arts Strategy Implementation Study. The original sketch plans for a 250 seat theatre were prepared in the mid 1990's, based on a 1994 analysis of local needs and the extensive consultation with local theatre and other community groups. More recently, community groups have sought a larger venue than originally anticipated – up to 650 seats – to enable a much wider range of activities to be accommodated in the building.

The cost of the building was originally estimated at \$5.2million with both the City and the State contributing \$2.6million each. These building estimates will be reviewed as part of a new feasibility study.

Table: Summary of proposed and new venues across Australia

Venue/Precinct	Capacity (main space)	Alternative Spaces	Capital Cost	Opening
The Glasshouse, Port Macquarie	620	Rehearsal/performance studio, meeting and conference rooms, community workshop space, retail	\$26.67million or \$3,865/m2	Early 2009
Shoalhaven Cultural Centre	930	200 seat theatrette, conference rooms	\$23 million or \$4,643/m2	2008
Dubbo Regional Theatre & Convention Centre	500		\$15 million (estimate)	2010
Perth – The Heath Ledger Theatre	575	200 seat flexible studio, two rehearsal studios, outdoor courtyard, two VIP meeting rooms	\$91million	2010
Albany Entertainment & Convention Centre	620	Rehearsal space, cafe, convention/corporate function space and an observation platform taking in views of Albany harbour	\$46million (part of Waterfront Development)	2010
Civic Place, Chatswood	1000 – concert hall 500 - theatre	Exhibition Space Library Rehearsal Studio Amphitheatre Commercial Uses	\$162million	2011
Broome Performing Arts Centre	336	Function and Community rooms	\$8.2million (estimate)	Unknown
Geraldton Convention Centre	TBC	Function, Rehearsal and Community Rooms	\$16.5million (estimate)	Unknown
Rockingham Contemporary and Performing Arts Complex	650	Exhibition, rehearsal and community rooms	Unknown	Unknown
Proposed Busselton PACIC*	250 (Stage one)	Not including the Creative Industries Component	\$8million (approx)	
Proposed Busselton PACIC*	250 & 400 (Stage Two)	Not including the Creative Industries Component	\$20-23million (approx)	

\* These are preliminary estimates only and will be largely affected by design options, building footprint, capacity and site restrictions/costs and should not be a substitute for calculations made by a quantity surveyor.

## Potential Funding Sources

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The PACIC clearly represents a high capital cost. The Shire may require funding partners to bring the project to fruition:

- 1) *Western Australia Government* - Department of Culture and the Arts. The Community Cultural and Arts Facilities Fund (CCAFF) exists to improve access to the arts through funding arts facilities. Local government is an eligible applicant and theatres and cultural centres are specified as eligible projects. Applicants can apply for up to one third of the total cost of the project subject to category limits and the total funding pool. The fund is highly competitive and has one application round per year.
- 2) *Lotterywest* - Service Accommodation and Community Facilities. Council officers have identified this fund as the means to support community facilities which are incorporated in the proposed Civic Precinct, so the likelihood of further support in the same town may be reduced. The Creative Industries Centre space would be more likely to attract support than the theatre. It should also be noted that funding is available for performing arts centre programming through Lotterywest's Gordon Reid Fund.
- 3) *Federal Government - Building Australia Fund*. Peak arts organisations and local government is currently lobbying the federal government through Infrastructure Australia to include cultural infrastructure applications in the new Building Australia Fund. Direct funding to local government for infrastructure has recently been announced and further funds may be available through federal initiatives directed at regional areas.

## **Social, Cultural & Economic Impact**

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As well as investigating the economic impact of the proposed PACIC as required in the study brief, the consultants also provide here supporting information on the potential social and cultural impact on the Busselton community.

The social, cultural and economic impact of a community's engagement in the arts has been highlighted recently through the Australian initiative "We All Play A Part" developed by AMPAG in association with Live Performance Australia, the Media Entertainment and Arts Alliance and its campaign partners (e.g. the Australian Performing Arts Centres Association, Australian Children's Music Foundation, Australian Network for Arts and Technology).

The campaign highlights "the importance of performing arts to Australia's future as a strong, vibrant nation that is a world leader and that we all play a part in realising these opportunities". Spokeswoman for "We All Play a Part", Louise Withers, says that the industry contributes \$8billion a year to the Australian economy: "There are many, many benefits – from the economic impact of tourism, to every taxi that is taken to go to a performing arts venue.... it's about the benefits".

### **Lisa Scaffidi, Lord Mayor of the City of Perth & We all Play a Part Building Stronger Communities Ambassador:**

*"Can any city be a dynamic, inviting city without the arts... the answer is a resounding 'No'. As the Lord Mayor of the City of Perth I believe the arts are such an essential part of a lively city. Without the arts and all they bring to a city, we lack balance, substance, heart and soul.*

*The arts contribute enormously to our Western Australian lifestyle. Our Council believes that by supporting and engaging in artistic and cultural activities, we as a community find a greater sense of connection and identity with each other.*

*Not only does the pursuit of the creative arts stimulate economic growth, employ thousands of people and provide interest and entertainment to the people of Perth, it helps create a better understanding of global cultures, creates a more dynamic city and breaths life and spirit into our urban fabric."*

The performing arts and creative industries are a source of social, economic and cultural development and are an important contributor to the regions lifestyle, creating cultural and social capital. In a world where innovation is more and more highly regarded, there is an inextricable link between innovation and creativity. As the Prime Minister, Kevin Rudd told the 2020 Summit this year:

*“Our ambition should be to create and to foster a creative imaginative Australia because so much of the economy of the twenty-first century is going to require that central (creative) faculty”.*

### **Economic Impact**

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The proposed PACIC will have numerous economic impacts in the Shire of Busselton. The most obvious being the employment benefits directly related to the centre and the flow on spending from activities taking place at the centre. Other benefits include the future employment that will be generated by the proposed CIC incubator, which will be long term benefits that will result from both the training of cultural industries participants and the business start up support given to them in their formative business years when they leave their training institutions through the CIC incubator.

In 2006, the Vasse Region Creative Industries Study estimated employment at around 800 - 1000 people in the CI industries. The report also identified that by providing premises and clustering, strategy and marketing, business support, networking and access to skills development – all things that the CI centre would provide - this will assist employment growth in the region. Therefore, we can assume that growth in employment will occur with government intervention such as the development of a CI centre. Further, the ABS Cultural Statistics Working Group in 2004<sup>49</sup> found that between 2001 and 2004, there was a significant increase in people working in computer art<sup>50</sup> (+41.8%), and performing arts (+16.2%) Australia wide, demonstrating a trend in employment increases in these areas in Australia. The Vasse report also

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<sup>49</sup> ‘Survey of Work in Selected Culture and Leisure Activities’, 2004

<sup>50</sup> Computer based graphics, design and multi media

identified an increase in growth in these industries, as does the Perth Creative Industries Report, 2006.

### Direct expenditure

#### *Employment*

Based on the proposed financial models, over the first 5 years, the new PACIC would directly create the following new jobs for the region.

<b>OPTION</b>	<b>Total estimated FTE employees</b>	<b>Employment in direct dollar terms over 5 year period</b>
<b>250 seat theatre only</b>	8	\$1.6m
<b>250 and 400 seat theatres</b>	10.5	\$2.4m

#### *Other Goods and Services*

Other direct expenditure would include purchase and hire of goods and services (equipment, food and beverage stock, advertising, printing, postage, communications, cleaning, security and IT contractors, maintenance and building services, rents and taxes) totalling over the 5 year period:

<b>OPTION</b>	<b>Total estimated 5 year expenditure other than wages</b>
<b>250 seat theatre only</b>	\$1.1m
<b>250 and 400 seat theatres</b>	\$1.6m

### Flow on effects (indirect expenditure)

Using the identified government cultural industries multipliers<sup>51</sup>, the following table illustrates potential flow on effects to the economy, arising from direct expenditure from the proposed PACIC.

<sup>51</sup>

[http://www.culturaldata.gov.au/publications/statistics\\_working\\_group/other/multipliers\\_for\\_culture-related\\_industries](http://www.culturaldata.gov.au/publications/statistics_working_group/other/multipliers_for_culture-related_industries)

<b>OPTION</b>	<b>Total estimated 5 year expenditure</b>	<b>Gross value added multiplier</b>	<b>Gross valued added contribution</b>	<b>Total value added employment<sup>52</sup></b>
<b>250 seat theatre only</b>	\$2.6m	1.79 <sup>53</sup>	<b>\$4.65m</b>	<b>272<sup>54</sup></b>
<b>250 and 400 seat theatres</b>	3.9M	1.79	<b>\$6.98m</b>	<b>357</b>

**Notes:**

- These levels are likely to increase beyond the first 5 years, as usage and demand increases
- These levels will also increase depending on when the PAC is actually built due to employment and goods and services escalation costs.

Visitor spending in the local economy

With the proposed PAC programming model, there will be an increase in direct spending in the local economy as a result of the activities of the centre. For example, tours of music and theatre productions from outside of the region will not only benefit local casual employees (technical, ushers and bar staff)<sup>55</sup>, there will be direct expenditure in the region that cannot be spent elsewhere – e.g. accommodation, meals and local transport.

Based on the programming model of 6-14 programmed toured shows and 4-10 commercial hires per year – presumed from outside of the region, the following direct expenditure is projected to be spent in the local economy by visitors. These figures are not included in the flow on figures above as they relate to programming activities as opposed to PAC operational activities.

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<sup>52</sup> FTE employment generated through other industries as a result of direct employment

<sup>53</sup> Using the agreed government multiplier for music and theatre productions

<sup>54</sup> Using the agreed government employment multiplier for music and theatre productions of 34

<sup>55</sup> Already factored into the projections above

*Direct visitor expenditure*

<b>OPTION</b>	<b>Total accommodation spend over 5 years</b>	<b>Total meals spend over 5 years<sup>56</sup></b>	<b>Total local transport spend over 5 years<sup>57</sup></b>	<b>TOTAL SPEND IN LOCAL ECONOMY (not including gifts and personal)</b>
<b>250 seat theatre only</b>	\$81,000 <sup>58</sup>	\$29,700	\$5400	<b>\$116,100</b>
<b>250 and 400 seat theatres</b>	\$207,000 <sup>59</sup>	\$75,900	\$11,500	<b>\$294,400</b>

*Indirect visitor expenditure (flow on)*

The flow on figures below will include optional touring visitor spending on gifts and personal goods. As the region has a vast array of beautiful art and craft and internationally renowned wines, it is anticipated that gift purchasing from the region will be highly desired by visiting acts.

<b>OPTION</b>	<b>Total touring visitor spend in local economy over 5 year period</b>	<b>Gross value added multiplier</b>	<b>Gross valued added contribution</b>
<b>250 seat theatre only</b>	<b>\$116,100</b>	1.46 <sup>60</sup>	<b>\$169,506</b>
<b>250 and 400 seat theatres</b>	<b>\$294,400</b>	1.46	<b>\$429,824</b>

Resident spending in the local economy

In addition to the purchase of tickets for shows, part of the experiencing of attending a live theatre or music production is pre or post theatre dining or beverages. Every ticket purchased will produce additional spending in the local community on activities such as babysitting, taxis, fuel, parking, dining out, drinks before or after the show at cafes and bars (other than the theatre bar) and hotel accommodation for people that travel from out

<sup>56</sup> Based on average of \$55 per day spend x 2 days on meals only – not including alcoholic beverages

<sup>57</sup> Based on \$100 per tour for fuel / taxis

<sup>58</sup> Based on an average of 5 people per tour for 2 nights each @ \$150 per night

<sup>59</sup> Based on an average of 6 people per tour for 2 nights each @ \$150 per night

<sup>60</sup> Using the agreed government multiplier for retails spending in restaurants, cafes and accommodation

of town. This expenditure is factored into to flow on figures detailed above under 'Indirect expenditure'.

### Further economic benefits

#### *Australian Statistics*

The Australian production of cultural goods and services in 2001–02 totaled \$49 billion, with Advertising Services producing \$11,512m (24%), Printing and Services to Printing producing \$9,932m (20%), Radio and TV Station Services producing \$6,236m (13%), and Pay TV services \$2,187m (5%). Production of cultural goods and services in 2001–02 made up 3.4% of total Australian production of goods and services (\$1,418 billion). This represents an increase from 2.9% of the total in 1998–99<sup>61</sup>.

#### *Economic value of Culture and Arts to Western Australia<sup>62</sup>*

Recent statistics that project the economic value of the arts in WA are:

- In 2007/8, the performing arts in WA generated income of \$44.8m (6.1% of GSP).
- Performing arts venues generated \$30.7m or 6.2% GSP.
- At the end of June 2007, there were 16 employing and significant non-employing businesses in WA in the performing arts venues industry. These businesses operated 34 performing art spaces, generated \$31 million of income and spent \$11 million on wages and salaries in 2006–07
- Over 6,600 businesses in Western Australia were actively trading within the cultural sector at the start of the 2006–07 financial year.
- 2003 data showed that the arts and cultural industries contribute \$2.3 billion (2.2 per cent) of Western Australia's total production which is double that provided by sport, gambling and recreational services (1.1 per cent). Based on the 2001 census results, 23,515 people in Western Australia (2.8% of the employed population) had their main job in a cultural industry and their total income was \$732.2m.

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<sup>61</sup> DCA Vital Statistics 2008

[http://www.dca.wa.gov.au/\\_data/assets/pdf\\_file/0004/19444/Vital\\_Statistics\\_2008.pdf](http://www.dca.wa.gov.au/_data/assets/pdf_file/0004/19444/Vital_Statistics_2008.pdf)

<sup>62</sup> Source: *Vital Statistics*, DCA 2003 and 2008

- The percentage increase in the number of people employed in cultural industries in Western Australia (11.4%) since the 1996 Census was slightly greater than the increase nationwide (11.1%).
- In 1998–99 households in Western Australia spent an average of 3.8% of their total goods and services on cultural goods and services
- Western Australian households spent a combined total of \$969.3m on cultural goods and services in 1998-99 – a 20.9% increase from 1993-94.
- In 2002, during the previous 12 months, 91.1% of the population aged 18 years and over in Western Australia attended one of the cultural venues/events surveyed by the ABS. This was slightly higher than the equivalent figure for the whole of Australia (88.2%).

The PACIC will no doubt assist in attracting tourists to the region, as it will add to the suite of destination activities that the Vasse region already offers. A snapshot of relevant WA economic benefits is below.

*Economic value of tourism in Western Australia<sup>63</sup>*

- Direct tourism contribution to Western Australia's Gross Value Added (GVA) was \$2.97 billion or 2.3% of total GVA generated by all industries in Western Australia.
- Direct tourism Gross State Product (GSP) was \$3.66 billion or 2.6% of total GSP generated by all industries in Western Australia
- Tourism generated total direct employment of 45, 660 people in 06/07
- Accommodation, cafes and restaurants (49.9%), retail trade (7.8%) and transport and storage (7.4%) are the industries that have the highest reliance on tourism
- Between Sept 2001 and Sept 2004, total tourism in Western Australia increased by \$800 million (over 70% attributable to international visitor expenditure) and total visitor nights spent in the State has increased by 13%.
- In 2004 for the first time, 1 million Eastern States visitors came to WA.

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<sup>63</sup> Source: (Draft) Aboriginal Tourism Development Strategy For Western Australia, Tourism WA, 2005 and [http://www.tourism.wa.gov.au/Research\\_and\\_Statistics/Documents/Tourism%20Satellite%20Accounts%202006-07%20-%20Western%20Australia%20Factsheet.pdf](http://www.tourism.wa.gov.au/Research_and_Statistics/Documents/Tourism%20Satellite%20Accounts%202006-07%20-%20Western%20Australia%20Factsheet.pdf)

- Global tourism is estimated to grow by an average of 4.1% per year to 2020.

### *Cultural Tourism*

Tourism WA identifies cultural tourism as a growing area and the government has developed a joint strategy between the DCA and Tourism WA to further develop this industry sector. *Journey Further – An Arts and Cultural Tourism Strategy 2004 - 2008* identifies that “Tourists are interested in what is distinctly local and authentic”. It goes on to say that “According to the World Tourism Organization, cultural tourism accounts for 37 per cent of world travel and this is growing at the rate of 15 per cent a year”. It notes that global tourists are increasingly interested in a city’s social, ecological and natural heritage features and that this interest is not passive, but interactive.

To this end, Tourism WA and the DCA are working towards building WA’s arts and cultural sector profile and strengthening WA’s image as a culturally rich state. The strategy also aims to work with and develop understanding between the cultural and tourism sectors and to develop new cultural products for visitors. The Busselton PACIC concept is ideally placed to work within this strategy and take advantage of the benefits that will result from it.

Statistics from 2002/3<sup>64</sup>, show that of the total number of international tourists to WA:

- 28% visited History/Heritage buildings, sites or monuments
- 27% visited Museums or Art Galleries
- 13% attended Theatre, Concerts or other Performing Arts
- 9% attended Aboriginal art and craft and cultural displays
- 7% visited Art and craft workshops and studios
- 7% attended Festivals/Fairs or Cultural Events

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<sup>64</sup> Source: *Journey Further, An Arts & Cultural Tourism Strategy For Western Australia 2004 - 2008*, DCA / Tourism WA

### *Australian cultural tourism statistics*<sup>65</sup>

Over the years 1997/98 to 2000/01:

- Cultural visitors spent around \$18.2 billion per annum on goods and services while travelling in Australia.
- Cultural visitors accounted for 2.1 million international visitors, 9.3 million domestic overnight trips and 10.6 million day trips annually and contributed approximately \$7 billion to Australia's Gross Value Added (GVA) over the period 1997/98 – 2000/01. This was in effect 28.1 per cent of tourism's total contribution to GVA or 1.2 per cent of Australia's GVA.
- International cultural visitors contributed \$8.7 billion to export earnings in 2000/01.
- Cultural visitors also supported the employment of 146 200 Australians and contributed \$4.3 billion per annum to Australia's wages over the years 1997/98 to 2000/01.
- Compared to all visitors, on average, cultural visitors tended to consume goods and services in industries which generated higher levels of gross value added.

### *Business Tourism*

An area of major growth for WA is business tourism (as explored in *Tourism & MICE Market*). The opening of the Perth Convention and Exhibition Centre has spurred a leap in the number of large delegate (over 1,500) conventions and conferences held in the state. The sole driver of this has been the state's commitment to a new facility as previously, WA did not have appropriate facilities to host conventions over 1,500.

All of these will have direct economic impact to the region if the PACIC is able capitalise on these markets. Research in similar markets to Busselton<sup>66</sup> has estimated that using a multiplier effect of between 2.2 and 7, between \$18.5 million to \$24.3 million could be contributed to the local economy over a 10 year period from the convention market<sup>67</sup>.

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<sup>65</sup> Bureau of Tourism Research, *Economic Impact of Cultural Tourists in Australia*, 2004

<sup>66</sup> Specifically, Bunbury

<sup>67</sup> Note that this data relates to the provision of a fully fledged convention centre in Bunbury and should not be assumed that a PAC in any locality would produce this type of impact, as it would only be providing a small number of services to the convention market. However, the existence of a facility like a PACIC would make Busselton a more attractive destination for conventions and would assist in generating these additional economic benefits should a suitable sized convention centre be available in the region.

## *Social and Cultural Impact*

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Exposure to the arts and cultural activities can contribute to:

- cognitive skills and educational attainment
- self esteem
- community pride
- mood
- social cohesion
- crime prevention
- health
- social behaviour

The importance of developing creativity at an early age, continued throughout adulthood, is imperative to support creative innovation and thoughtful minds. Many theorists of child development view young children as highly creative with a natural tendency to fantasy, experimentation and exploration of their physical and conceptual environment. This development requires reinforcement through cultural activity and experience and the provision of supporting programs and infrastructure.

The provision of a space which offers outlets for creativity and exposure to arts and culture in Busselton will enhance all levels of cultural development existent in the Shire and expand the possibilities for development for all residents from a young age through to adulthood.

The cultural/creative industries do not have a monopoly on teaching creativity; however there are elements of the creative process contributing to innovation and the creative process which are more evident than in other disciplines.

The positive effects of exposure to the arts are also evident in the academic performance of students.

Table: Involvement in the Arts and Academic Performance<sup>68</sup>

Eighth Grade		High Involvement in the Arts	Low Involvement in the Arts
% in each group surveyed			
	Earning mostly A's and B's in English	82.6%	67.2%
	Leaving by Tenth Grade	1.4%	3.7%
	Bored in school half or most of the time	37.9%	45.9%
Tenth Grade			
% in each group surveyed			
	High Reading proficiency	61.0%	43.5%
	Top 2 quartiles in standard testing	64.7%	45.4%
	Top 2 quartiles History/Geography/Citizenship	62.9%	47.4%
Twelfth Grade			
% in each group surveyed			
	High Reading proficiency	58.8%	42.9%
	Top 2 quartiles in standard testing	57.4%	39.3%
	Top 2 quartiles History/Geography/Citizenship	54.6%	39.7%

Perhaps the clearest indication of the potential social and cultural impact of engagement with the performing arts and creative industries is provided in the report *Social Impacts of Participation in the Arts and Cultural Activity*<sup>69</sup>. The impacts cited in the following tables show the wide range of impacts “said to be associated with creative participation in the arts and cultural activities or with both creative and receptive participation in different types of programs”<sup>70</sup>. These tables summarise the findings of other studies completed which reported a social and cultural impact on individuals via direct exposure to the arts and cultural activities and the impact such exposure has on other well-being programs (such as health and education).

<sup>68</sup> Source: Champions of Change, The Impact of Arts on Learning – The Arts Education Partnership

<sup>69</sup> Cultural Ministries Council, Statistics Working Group (2004)

<sup>70</sup> Cultural Ministries Council, Statistics Working Group (2004)

## Impacts of Arts Programs

Activity	Impact Claimed	Study
Participation in an arts program	<ul style="list-style-type: none"> <li>• Increased employment rates</li> <li>• Reduced levels of crime</li> <li>• Better and more equal standards of health</li> <li>• Enhanced personal development</li> <li>• Social cohesion</li> <li>• Active citizenship</li> <li>• Public art and a sense of public ownership</li> <li>• Building cultural bridges</li> <li>• Better equipped cultural citizens</li> <li>• Better understanding of different cultures through diverse touring artists' performances</li> <li>• The development of cultural facilities as centres of civic pride</li> <li>• Improved education and life-long learning</li> <li>• Improved economic and employment opportunities</li> <li>• Improved social cohesion and community empowerment and community safety</li> <li>• Some environmental impacts</li> <li>• Development of self confidence and self-esteem</li> <li>• Increase in creativity and thinking skills</li> <li>• Improvement of skills in planning and organising activities</li> <li>• Improvement in the communication of ideas and information</li> <li>• Increased appreciation of arts</li> <li>• Creation of social capital</li> <li>• Strengthening of communities</li> <li>• Development of a community identity</li> <li>• Decrease in social isolation</li> <li>• Activation of social change</li> <li>• Raised public awareness of an issue</li> <li>• Enhanced mental and physical health and well-being</li> </ul>	<p>Long <i>et al.</i> 2002; California Arts Council 2003; Coalter 2001; Jermyn 2001; Matarosso 1997</p>
Cultural & Sporting Activities	<ul style="list-style-type: none"> <li>• Contributions to urban regeneration</li> <li>• Reduction in offending behaviour</li> <li>• Alleviation of the impact of poverty</li> <li>• Personal growth</li> <li>• Injects creativity into organisational planning</li> </ul>	<p>Department for Culture Media and Sport 2003</p>
Cultural Participation	<ul style="list-style-type: none"> <li>• Make a vital contribution to the educational attainment of children and young people</li> <li>• Can contribute to neighbourhood renewal</li> <li>• Emotional, spiritual and physical well-being</li> </ul>	<p>London Arts 2001</p>

## Impacts of community programs

Activity	Impact Claimed	Study
Participation in an arts program	<ul style="list-style-type: none"> <li>• Positive role models for those living in deprived neighbourhoods</li> <li>• Economic benefits to communities and individuals</li> <li>• Help develop personal confidence, flexibility and self-reliance</li> <li>• Develop a sense of community</li> <li>• Help communities to express their identity and develop their own, self-reliant organisations</li> <li>• Restores individuals and community identity</li> <li>• Give individuals social, organisational and marketable skills</li> <li>• Bring out hidden talents</li> <li>• Give individuals greater self respect, self-confidence and a sense of achievement</li> <li>• Can contribute to greater self-esteem and improved mental well-being</li> </ul>	Policy Action Team 10 1999
Participation in community based arts projects	<ul style="list-style-type: none"> <li>• Change perceptions of an area</li> <li>• Help to build outside links for insular communities</li> <li>• Gaining skills</li> <li>• Increasing confidence</li> <li>• Divert youth from gangs, drugs and the juvenile system</li> <li>• Reduce truancy</li> <li>• Improve academic performance</li> <li>• Build self-discipline, communication and job skills</li> <li>• Crime prevention</li> <li>• College attendance</li> <li>• Increase ability to express anger appropriately</li> </ul>	University of Glasgow Centre for Cultural Policy Research and Department of Urban Studies 2002; Americans for the Arts 1997a; Americans for the Arts 1997b
Being creative and becoming absorbed in the arts	<ul style="list-style-type: none"> <li>• Increased ability communicate effectively with adults and their peers</li> <li>• Increased ability to work on tasks from start to finish</li> <li>• Improvements in attitude towards school, self-esteem and self-efficacy</li> <li>• Helps in acknowledging and revealing feelings</li> </ul>	Everitt and Hamilton 2003

### *Impacts of health programs*

<b>Activity</b>	<b>Impact Claimed</b>	<b>Study</b>
Participation in an arts program	<ul style="list-style-type: none"> <li>• Stress reduction</li> <li>• Therapeutic benefit</li> <li>• Improved sociability</li> <li>• Skills development</li> <li>• Maintenance of mental health</li> <li>• Sustains brain development</li> <li>• Promotes healing</li> <li>• Helps in treating Alzheimer's</li> <li>• Improved physical and mental health</li> <li>• Promotes recovery</li> </ul>	The Centre for Arts and Humanities in Health and Medicine 2003; California Arts Council 2003
Development of arts programs Exposure to the arts	<ul style="list-style-type: none"> <li>• Positive staff development and retention in the area of health</li> <li>• Lowered anxiety</li> <li>• Elevated mood</li> </ul>	The Centre for Arts and Humanities in Health and Medicine 2003

### *Impacts of arts education programs*

<b>Activity</b>	<b>Impact Claimed</b>	<b>Study</b>
Participation in arts activities	<ul style="list-style-type: none"> <li>• Perform better at school in a range of areas</li> <li>• Improving academic performance</li> <li>• Imparting skills for the 21<sup>st</sup> century workforce</li> <li>• Improving citizenship</li> <li>• Improving academic attendance</li> <li>• Fortifying cognitive skills</li> <li>• Supporting life-long learning</li> <li>• Reclaiming at-risk youth</li> <li>• Higher academic grades</li> <li>• Higher measured reading levels</li> <li>• Improved attitudes concerning commitment to the community</li> </ul>	The Arts Education Partnership and The President's Committee on the Arts and the Humanities 1999; California Arts Council 2003
Instruction in music	<ul style="list-style-type: none"> <li>• Enhanced spatial-temporal performance for preschool children at least while instruction is occurring and at least up through two years of instruction</li> <li>• There is a "Mozart Effect". It is limited to a specific type of spatial task that requires mental rotation in the absence of a physical model.</li> </ul>	Catterall 1997  Butzlaff 2000; Hetland 2000a; Hetland 2000b

A good case study on the social impacts of a Performing Arts Centre is the Musica Viva “Sweet Tonic” project established as a community and health pilot project in partnership with the Campbelltown Arts Centre in South-West Sydney. The project sought to demonstrate how participation in musical activities has health and wellbeing benefits that are real and quantifiable and that musical and creative activity can assist in building stronger communities.

The workshop program, delivered by Linda Marr, a vocalist in groups including Blindman’s Holiday, Zingari Voci and Keklik Aile, encouraged creative expression. Participants with little to no musical background worked together as an ensemble to practice, compose and perform in their community.

One participant, Beth, said of the project: “I had no social contact before; basically I never got out of the house. Week to week the workshops were something to get up for, they really made a difference in my life. I live alone and I had no contact with anyone other than family. I’m a lot more motivated now to get out and do other things.”

‘Sweet Tonic’ was successful in building a more inclusive community for senior Australians through creative expression, impacting positively on self-esteem, depression, loneliness and general health of its participants. Participants and their doctors saw older Australians transformed through the creative expression of music. The project enhanced the physical and mental health of the participants and built a greater connectedness between the community and older residents of the region.

## Next Steps

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Steps for progression are outlined in this section as:

1. The entire Performing Arts and Creative Industries Centre;
2. The Creative Industries component; and
3. The Performing Arts Centre component

### *Progressing the Performing Arts and Creative Industries Centre*

1. **Develop a detailed Project Plan** which highlights the project milestones and funding requirements to outline a clear direction for the Shire to proceed.
2. **Confirm Signal Park as the preferred site option and commence geo-technical analysis.** The Shire should consider Signal Park as the preferred site and analysis should be conducted with regards to land levels and slippage, flooding and general land surveying. In the case that Signal Park becomes untenable for any reason, geo-technical investigations should also be conducted at the Jetty Foreshore and Stanley Street sites as alternative options/contingencies.
3. **Develop a Community Engagement Plan.** This study has engaged the community through significant consultation and it's important that the community continue to have a tangible contribution to further planning given that the proposed building will be purpose built *for the community*. A comparable project undertaken in Australia is the Glasshouse in Port Macquarie. Considerable community and industry consultation took place in the development stages of this project including with theatre, gallery and conference users at a local level and national industry consultation with other venues, touring companies, producers and managers. This will be a critical step in the process for the proposed facility in Busselton as the project moves into the next stages of concept designs and business planning. Community engagement could be in the form of:
  - Design workshops, based on the space models proposed in this report
  - Naming competition
  - Fundraising activities

## *Progressing the Creative Industries component*

The next stage is to define the level to which the Shire wishes to engage with the creative industries and overlay that with the Shire's future town, cultural and economic planning strategies<sup>71</sup>, and the overall long term viability of such a project. Other strategic decisions for the Shire include:

- 1. The sources of funding for both the planning and building phases and the ongoing operations and programming need to be considered by the Shire.** The centre will not be self funding - some of the studio rental may fund services such as shared reception, however the intangibles (programming, strategic development, networking etc) will need to be managed by an appropriate body that is funded to do so. Failure to provide for this will result in the CIC not realising its full potential as it won't program or market itself and nor can artists or volunteers be expected to do this at no cost. Council therefore needs to identify where the recurrent operational funds can be sourced from as well as the capital for establishment of this component.
  
- 2. Getting the mix right** – getting the mix of artists and industry sectors right is important. CI centres are traditionally multi-disciplinary and the decision as to what disciplines are included will determine the design and planning of the building and individual studios. At this stage (from anecdotal evidence provided by community members and from future predictions in the Vasse Creative Industries and Perth Creative Industries reports), the industry sectors that are most likely to benefit from this type of facility and therefore grow in the future are (not in priority order):
  1. Visual arts, craft & design
  2. Music
  3. Multimedia and software
  4. Film / TV

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<sup>71</sup> It is understood that the Shire is about to undergo a Local Planning Strategy and Cultural Land Use Planning Strategy, which ideally should have taken place prior to any decisions being made about the site of the CI centre and PAC, as this will inform the siting options and the plans for the 'neighbourhood'.

Additionally, there has to be a strong policy as to who goes resides in the CIC and why, and acknowledge that this will ebb and flow over the years and therefore, people / businesses will need to move in and out. 'Cliques' should be avoided at all costs, therefore professionalism and independence in decision making is critical. Attraction of local artists is also critical to ensure that a sense of place and identity is fostered through the centre and the region must put its best foot forward so a high calibre of artists should be engaged for both studios and any classes and exhibitions.

For a CIC to be successful the stakeholder and funding partners must be diverse and so should the tenants. Thus a mixture of subsidised / not for profit, commercial (retail and hospitality) and government (education or training) tenants would be ideal. Attracting some commercial retail and hospitality tenants with shop frontage will be important to ensure ongoing activity and hubs. Related retail such as designer fashion, bookstores, music and IT suppliers will also contribute to the overall aims of the precinct in generating cross fertilisation of ideas and opportunities.

### ***Progressing the Performing Arts Centre component***

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The next immediate steps to progress the performing arts centre component of the proposed facility include:

- 1. The Shire should consider the availability of funding within the Shire budget and other potential external sources.** This should include capital funding sources and allowances for the ongoing operational costs. It should be noted here that all performing arts centres are not self-funding and all require some level of ongoing subsidy (refer the Financial Plan)
- 2. Commence Business Planning** – the Shire should continue to define the vision and strategy for the venue by developing a business plan that includes (but is not limited to):

<b>Business Planning</b>	
Management	Confirm management model and operating structure, establish KPI's.
Staffing Levels	Roles and responsibilities.
IT requirements	General Administration, event management and box office systems.
Licensing Requirements	Liquor Licence, etc.
Marketing, business development & audience development Plans	Marketing of programs and venue to audiences and potential hirers respectively.
Financial Plan	Development of operational budgets including utilisation projections.
Repairs and maintenance	Allocation of funds and identification of future upgrades/improvements to be programmed.
Occupational Health and Safety	OHS programs and policy specific to venue operations and industry requirements.
Hiring and Programming Policy	Establishment of framework for applications of hiring fees and conditions.
Ticketing	Ticketing infrastructure including preferred ticketing system supplier, external ticketing opportunities, ticketing outlets (phone, counter, internet).

3. **Develop a design brief and detailed cost estimates.** The design brief will allow Council to proceed to concept designs. These concepts will comprise the Architect's vision for the project based on the information compiled to date. The Shire can then engage the services of a Quantity Surveyor to provide cost estimates.

Should Council adopt the staged-approach to the development, the design brief should detail the requirements of Stage One (the black box theatre) only, whilst ensuring that it allows for the expansion of the centre to include Stage Two (the 400 seat proscenium arch theatre) at a later date. Detailed specifications have not been provided in this report as it is beyond the scope of this study, however the design brief should include (but is not limited to) the following (based on the space model proposed):

<b>Site &amp; Facility Planning / Design Brief Considerations</b>	
<b>Requirement</b>	<b>Detail</b>
Vehicle Access & Car Parking	Entry / drop off area, short stay parking, accessible car parking.
Street Presence	High level of visibility, signage, theatrical and welcoming atmosphere.
Patron Facilities	Patron toilets - desirable to double code requirements for women, baby change facility in unisex toilet
	Foyer space – prominent and accessible box office, capacity for cross arts use e.g. gallery, exhibition, comfortable lounge seating, clear directional signage, cloakroom facilities, pram storage, wheelchairs.
	Refreshments / Bar / Kiosk or cafe. Cafe should be located so that it is accessible when the venue proper is not open.
	Merchandising – counter space (or space for tables), display and storage
Accessible Persons / Special Users Facilities	Access/egress, toilets, facilities to code requirements for patrons, performers and staff.
	Hearing Assistance Systems – audio frequency induction loop installed to Australian Standard, optional infrared / RF system
	Crying Room / Latecomers – applicable more to the 400 seat theatre, a sound insulated room, foyer access.
Box Office	Prominent and accessible, able to be open when the venue proper is not open. Secure cash handling space.
	Box Office – front counter requires minimum two workstations adjoining back office space (ideally linking with admin office) for ticketing administration and secure cash storage.
Office Accommodation	Management office – to house venue manager and other staff including part time/ ancillary services, print/copy services, meetings, desirable to link with box office
	Front of House – preferably also linked with box office and adjoining foyer space. Houses controls (paging, foyer lighting controls).
	Technical – may be housed close to administration office or backstage facilities.

	Production Office – for use by visiting productions, located backstage with easy stage access.
	Staff Room- to house lockers, uniforms, wash facilities etc.
Auditorium	Seating – (both black box and proscenium theatre) comfortable seats, upholstered to provide consistent room acoustics regardless of audience numbers.
	Sound and lighting locks or ‘air locks’– to auditorium at all access points from foyers and back of house.
Auditorium Lighting	All light fitting dimmable and divisible into zones, controlled from back stage, lighting control room and front of house.
	House lighting – designed to contribute to achieving theatrical ambience.
	Safely accessible for maintenance and lamp changing.
	Cleaners lighting – low energy, high output luminaries should be discreetly installed in the auditorium ceiling.
	Aisle and Exit Lights – To regulation. Must not compromise a stage black out, controllable from FOH Managers control point. Aisles and seating row lights should downcast light distribution i.e. not facing stage. Adequate step lighting is particularly important in theatres with dark colour schemes.
Acoustics	Mechanical e.g. (air conditioning noise) and theatrical acoustics to be taken into account. Acoustic treatments to be applied in all areas of the venue, particularly the auditorium and backstage.
	Ensure both theatres are acoustically isolated.
Technical Positions	FOH Lighting, follow spot positions, lighting/sound control room, auditorium mix position, stage management position(s).
Stage	Stage One and Stage Two have differing configurations and therefore stage size and specifications will vary. Factors to be considered include: Acting area, stage floor, proscenium (stage two), wing space, stage cross over, rear stage area, fly tower grids and galleries (if applicable to stage two), loading gallery.
Backstage	Level access between back stage and FOH (foyers) essential.
	Co-located backstage facilities for both theatres including dressing rooms, stage door, loading facilities and production offices
	Dressing Rooms - number would increase when developing stage two but all should include individual mirrors, incandescent mirror lighting, hanging space, hand basins, toilets and showers. Given large numbers of community

	users such as schools will be utilising the space a minimum of two large dressings rooms and warm up spaces should be allocated (in addition to principal dressing rooms)
	Wardrobe / Laundry – facilities to include washing, drying machines, ironing, hanging space in a ventilated room.
	Green room – can double as a meeting or assembly room. Not imperative for Stage One but desirable for Stage Two.
Storage	Storage for black box theatre seating and rostra when the space is used for other purposes, storage of other loose chairs and tables, props store, technical equipment and front of house chattels
	Piano store – dust and climate controlled, secure.
Loading Dock	At stage level, semi-trailer access to well-lit, covered dock, set down for tray height. Separate pedestrian entry.
Essential Services	Air-conditioning, zoned and able to be isolated to allow for theatrical smoke and haze effects
	Fire Protection – to code requirements. Includes smoke and/or thermal detectors, emergency warning intercommunication system (EWIS), sprinkler systems, hydrants, hose reels, extinguishers and fire doors.
	Security – stage door security station, key systems, card access systems, alarms, CCTV monitoring, segregation of public spaces from back of house spaces.
Rigging	Scenery suspension, stage grid or structure carrying capacity, battens.
Stage Furnishings	Stage draperies, scrim, cyclorama, dance floor covering as applicable to each Stage.
Stage Lighting	Power supply, stage lighting dimmers, dimmer room, stage lighting outlets, control desk, lighting bars, lighting luminaries and accessories, data network, work lights, music presentation equipment.
Communications	Headset communication system, stage switch panel, stage managers desk, stage view camera, video distribution, MATV distribution, A/V presentation, radio communications equipment.
Audio Systems	Power supply, front of house mixing consoles, sound reinforcement systems, audio replay and recording facilities, audio processing, speaker systems, foldback loudspeakers, audio patch panels, multi-core infrastructure, audio cabling, performance relay.
Projection	Projection screen and hung equipment.

## Research / Resources

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Arts & Culture – Australia Bureau of Statistics (2007)
Arts and Culture in Australian Life – A Statistical Snapshot – Cultural Ministries Council
Bunbury Accommodation Study (prepared for Tourism Western Australia and the City of Bunbury) – Marke trade (2007)
Busselton Regional Profile – Australian Bureau of Statistics
Busselton Urban Growth Strategy (1999)
Championing Creativity – An arts development policy framework for Western Australia, Department of Culture and the Arts WA (2004-2007)
Champions of Change, The Impact of Arts on Learning – The Arts Education Partnership.
Civic Precinct Facility Project Feasibility for the Shire of Busselton – SFJ Down and AMD Chartered Accountants (2008)
Civic Precinct Facility, Stanley Place Busselton Business Plan (2008)
Civic Precinct Project Research Paper (2008)
Civic Precinct Risk Assessment
Community Cultural Development – Australia Council for the Arts

Community Facilities Implementation Policy (Shire of Busselton Town Planning Scheme)
Cultural Mapping Report – Shire of Busselton (2004)
Demography and Planning – Shire of Busselton (2007)
Determination of Future Location of the Shire Administration Building, Options Cost Report - James Christou + Partners (2007)
Economic Impact / Venue Charges Survey – Australian Performing Arts Centres Association (APACA) (2006)
Educating for the Creative Workforce: Rethinking Arts and Education – ARC Centre of Excellence for Creative Industries and Innovation in partnership with the Australia Council for the Arts (2007)
Heartwork – Great arts stories from regional Australia – Regional Arts Australia (2004)
Leisure Services Plan for the Shire of Busselton - CCS Strategic Management (April 2005)
Local Tourism Planning Strategy for the Shire of Busselton – Sustainable Development Facilitation
Oh! You Beautiful Stage! Benchmarks for Performing Arts Centres – Victorian Association of Performing Arts Centres (2006)
Performing Arts Centre at Vasse Newtown Project Proposal/Scope – Lorna Secrett for the Shire of Busselton (2005)
Perth Performing Arts Precinct Master Plan Report – Hassell for the City of Perth (2007)
Perth’s Creative Industries – An Analysis. City of Perth, Department of Culture and the Arts, Department of Industry and Resources, Department of the Premier and Cabinet, prepared by Telesis Consultatin, SGS Economics and Planning Pty Ltd, ARC Centre of Excellence for Creative Industries and Innovation, Designer Futures (2007)

Proposed Busselton Dunsborough Community Resource Centre Feasibility Assessment and Business Case (2008)
Selected Cultural & Leisure Activities Survey – Australian Bureau of Statistics (2004)
Shire of Busselton Administration Design Brief – James Christou + Partners Architects (2008)
Shire of Busselton Cultural Plan
Social Impacts of Participation in the Arts and Cultural Activities – Cultural Ministries Council, Statistics Working Group (2004)
Ticket Attendance and Revenue Survey Live Entertainment Industry in Australia – Live Performance Australia (2006)
Tourism Western Australia – Local Government Area Fact Sheet Shire of Busselton (2007)
Various Council Memorandums pertaining to the Civic Precinct Project (as supplied on the Shire of Busselton’s website as part of the Civic Precinct Consultation process)
Vasse Region Creative Industries Study – Designer Futures, SGS Economics & Planning, ARC Centre of Excellence for Creative Industries and Innovation, Queensland University of Technology, Jack in the Box

### ***Consultations:***

Circuit West  
Australian Performing Arts Centres Association (APACA)  
Community Arts Network  
Department of Education and Training  
ArtSource  
FORM  
Busselton Chamber of Commerce  
Shire of Busselton – Councillors and Council Officers:  
    Councillor Briefing held on Tuesday 6<sup>th</sup> May  
    Lorna Secrett, Cultural Planning Officer  
    Paul Martin, Manager Economic Development  
    Deborah Summers, Manager Corporate Services  
South West Development Association  
Geographe Bay Tourism Association  
WA Music Industry Association  
Arts Margaret River  
Augusta Margaret River Shire Council  
Bunbury Regional Entertainment Centre  
Department of Culture and the Arts WA  
Department of Education and Training WA  
South West Regional College of TAFE  
Warren Blackwood District Education Office  
Sunset Events (producers/promoters – *Southbound Festival*)  
Busselton Arts Society  
Busselton Woodturners  
Busselton Beach Festival  
Cornerstone Christian College  
Mackillop Catholic College  
Vasse Primary School  
St Joseph’s Primary School  
West Busselton Primary School  
Dunsborough Primary School  
Busselton Rotary Club  
Busselton School of Dance  
Our Lady of the Cap Primary School  
Cape to Cape Artisans  
Geographe ESC  
Busselton Senior High School  
Busselton Primary School  
Down South Writers Centre  
Rotary Club of Busselton/Geographe Bay  
Geographe Primary School  
Busselton Shire Brass Band

RockWest  
CineFest Oz  
Jazz Attack  
ArtGeo  
SouthWest Opera  
Southern Rip  
Busselton Beach Festival  
Geographe Arts Bureau  
Bare Naked Theatre Company  
Busselton Cultural Partners Reference Group  
Dunsborough Yallingup Chamber of Commerce and Industry  
Linx Events  
Busselton/Dunsborough Volunteers

## **Appendices & Attachments**

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In this section:

Appendix One – Public Survey

Appendix Two – Public Survey Results

Appendix Three - Potential Hirer Survey

Appendix Four - Potential Hirer Survey Results

Appendix Five – Financial Plan – detailed constants

## Appendix One – Public Survey

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### **Busselton Performing Arts & Creative Industries Centre**

The Shire of Busselton is investigating the feasibility of a Performing Arts and Creative Industries Centre. This is your opportunity to let us know your thoughts and ideas.

Please take five minutes to complete the survey. Your answers are completely anonymous – if you choose to enter your contact details at the end of the survey, these details will not be attributed to your answers.

You are also welcome to attend a public workshop/forum to discuss the proposed venue at St Mary's Hall on Saturday 23rd August at 2-3.30pm.

Thank you for your time in completing this survey.

1) What type of activities would you like to see at the proposed centre? Select all that apply.

- Musical Theatre
- Contemporary Music
- Classical Music
- Theatre
- Dance (in any form)
- Comedy
- Opera
- Cabaret
- Children's shows
- Rare or arthouse movies
- Art Exhibitions
- New media
- Workshops – Art
- Workshops – Craft
- Workshops - Performance

2) Do you currently travel outside of Busselton to attend live performances or exhibitions?

- YES
- NO (please continue to question 5)

3) If yes, to where do you currently travel?

- Bunbury
- Margaret River
- Mandurah
- Perth
- Other, please specify.

4) How often do you travel outside of Busselton for this purpose?

- Once per year
- 2-3 times per year
- More than 4 times per year

5) Depending on the performance on offer, how much is the MAXIMUM you would be willing to pay per ticket to see a performance at the proposed centre?

- Under \$15
- \$15 - \$20
- \$21 - \$30
- \$31 - \$40
- \$41 - \$50
- \$50 or over

6) How would you prefer to purchase tickets to events?

- Internet (via a secure website)
- In person at the box office
- Over the phone

7) How many times per year would you envisage attending the centre for any of the activities listed above?

- Once per year
- 2-3 times per year
- 4-5 times per year
- 6+ per year

8) If there was a subscription season of up to nine theatrical performances offered at a discounted price at the beginning of each year would you be most likely to:

- subscribe to the entire season
- subscribe to some shows
- purchase tickets to shows individually closer to the date
- ignore it, I'm interested in other types of events

9) Would you be most likely to attend an event at the centre on a:

- Weekday
- Weekday night
- Saturday day time
- Friday or Saturday night
- Sunday day time

10) Please indicate whether you agree or disagree with the following:

	Agree	Disagree	Neither agree nor disagree
I think a performance space is important to community life in Busselton	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
I would attend more entertainment/cultural events if there was a dedicated venue in Busselton	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
I don't attend as many entertainment/cultural events as I would like due to the lack of a dedicated venue in Busselton	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
When I go to a performance, I would be likely to dine out as part of the evening/day out	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
I would be likely to see a performance out of town as part of a weekend away	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

11) Do you live in the Shire of Busselton?

- YES
- NO

12) What is your age group?

- Under 15
- 15-24
- 25-39
- 40-54
- 55-64
- 65 +

13) What is your employment status?

- Full Time
- Part Time
- Casual
- Self-employed
- Unemployed
- Student
- Retired
- Pensioner
- Other, please specify

14) Please provide any other thoughts you may have on the Performing Arts & Creative Industries Centre. You can add as much information as you like.

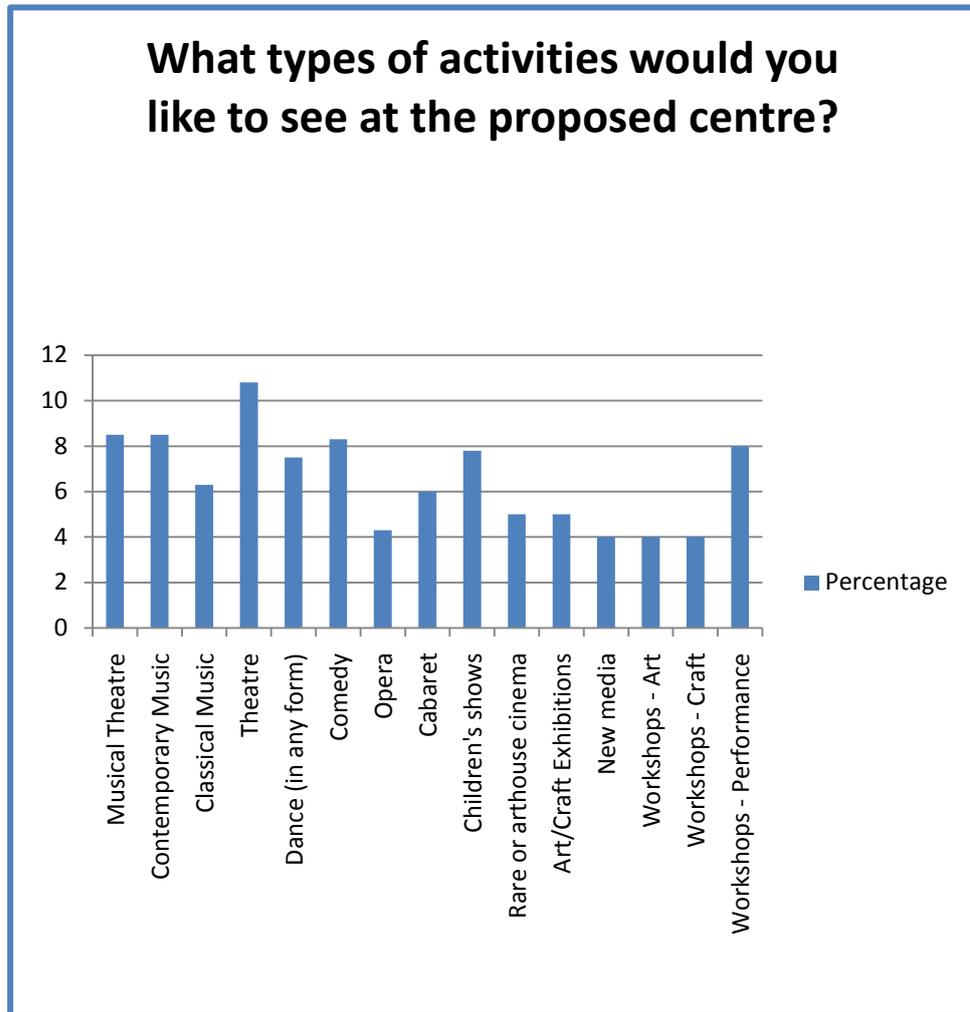
15) Optional: Please enter your name and email address if you would like to be added to a database for updates on the project. Your details will not be attributed to your survey answers.

First Name:

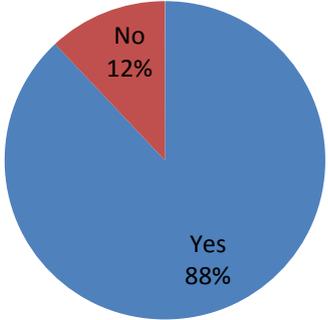
Surname:

Email address:

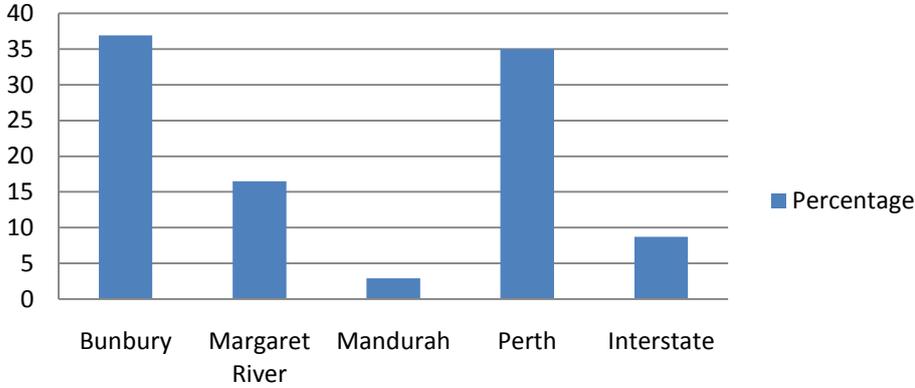
## Appendix Two – Public Survey Results



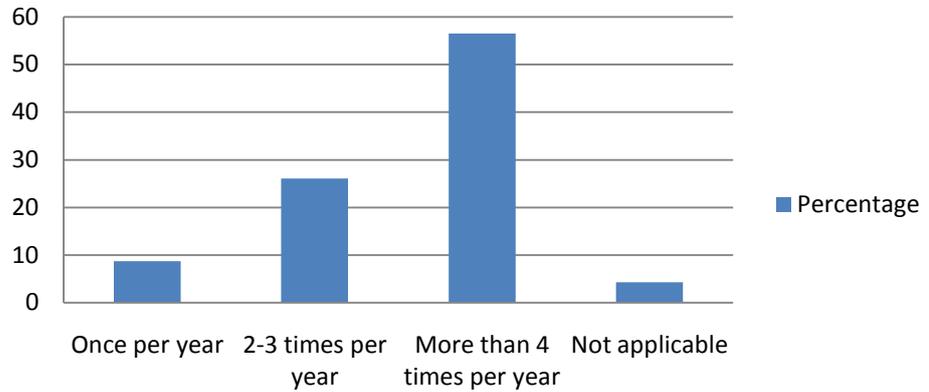
**Do you currently travel outside of Busselton to attend live performances or exhibitions?**



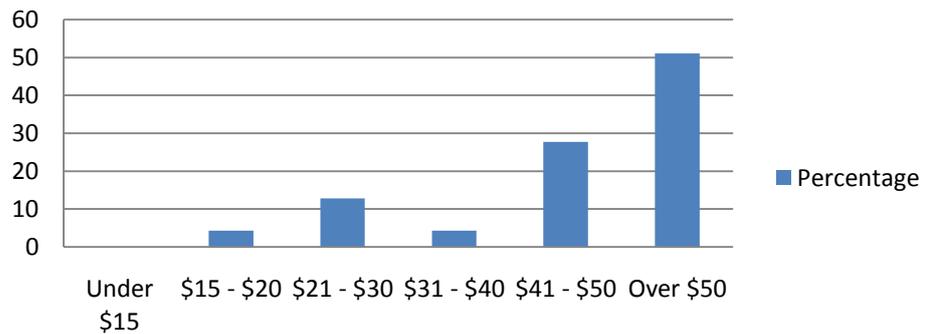
**If YES, to where do you currently travel?**



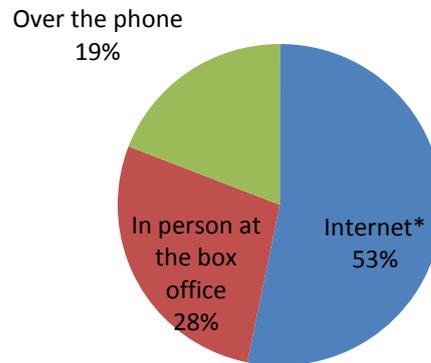
### How often do you travel outside of Busselton for this purpose?



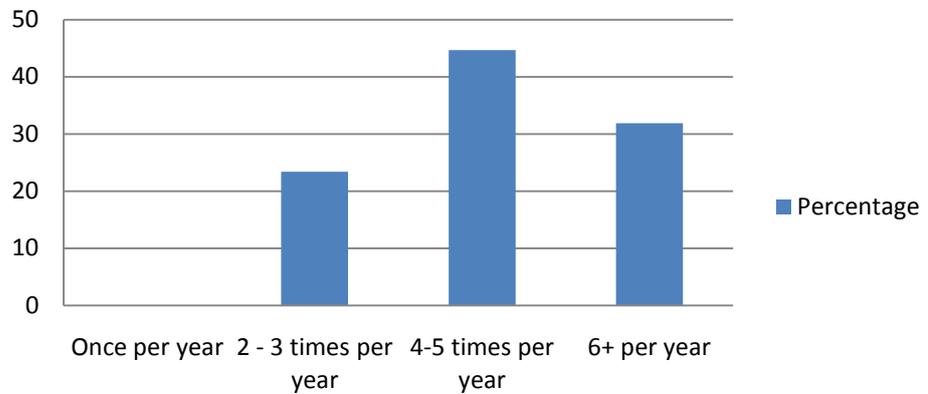
### How much is the maximum you would be willing to pay per ticket to see a performance?\*

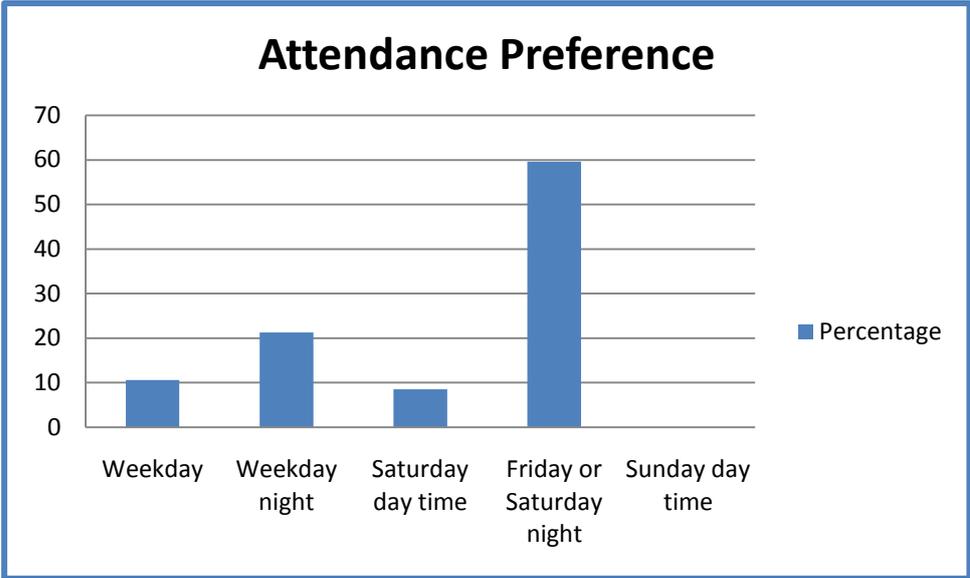
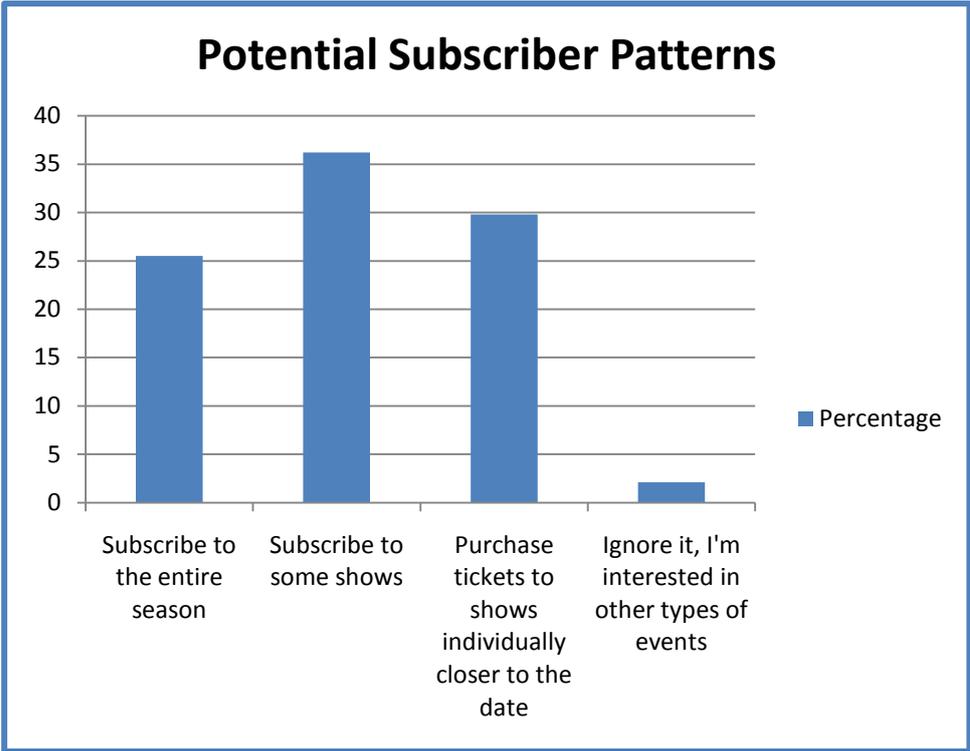


## How would you prefer to purchase tickets?

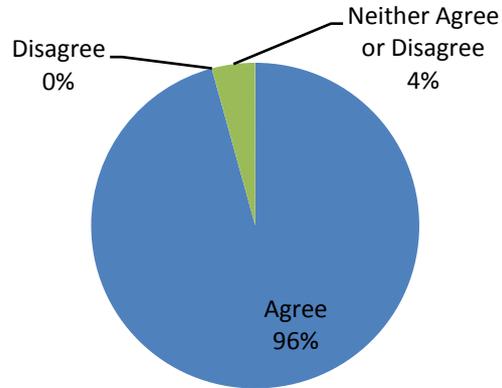


## How many times per year would you envisage attending the centre?

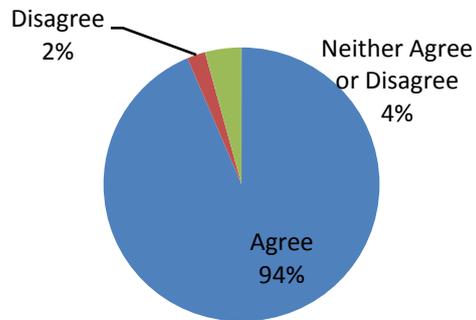




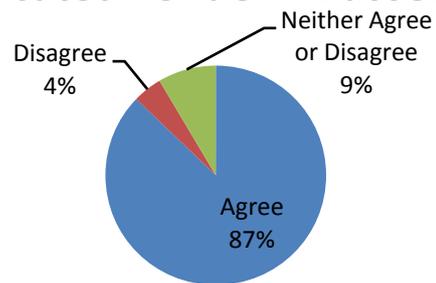
**I think a performance space is important to community life in Busselton**



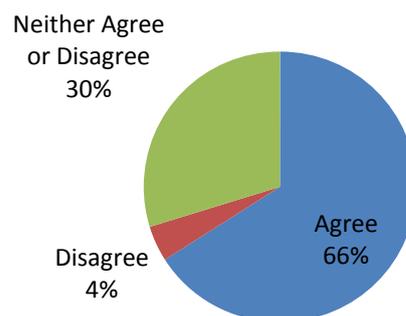
**I would attend more entertainment/cultural events if there was a dedicated venue in Busselton**



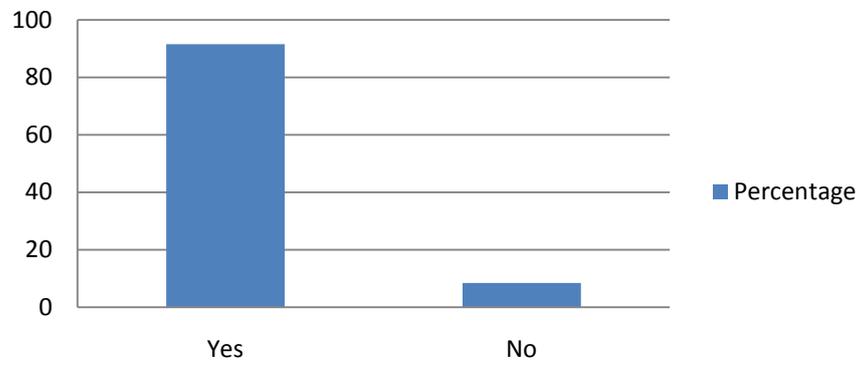
**I don't attend as many entertainment/cultural events as I would like due to the lack of a dedicated venue in Busselton**



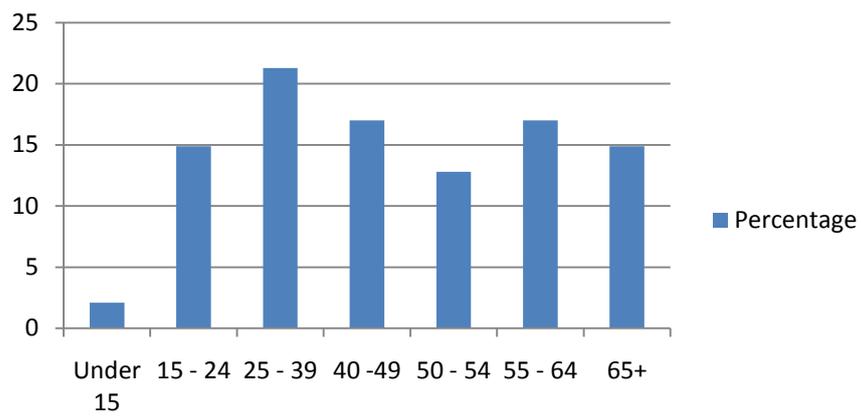
**When I go to a performance, I would be likely to dine out as part of the evening/day out**

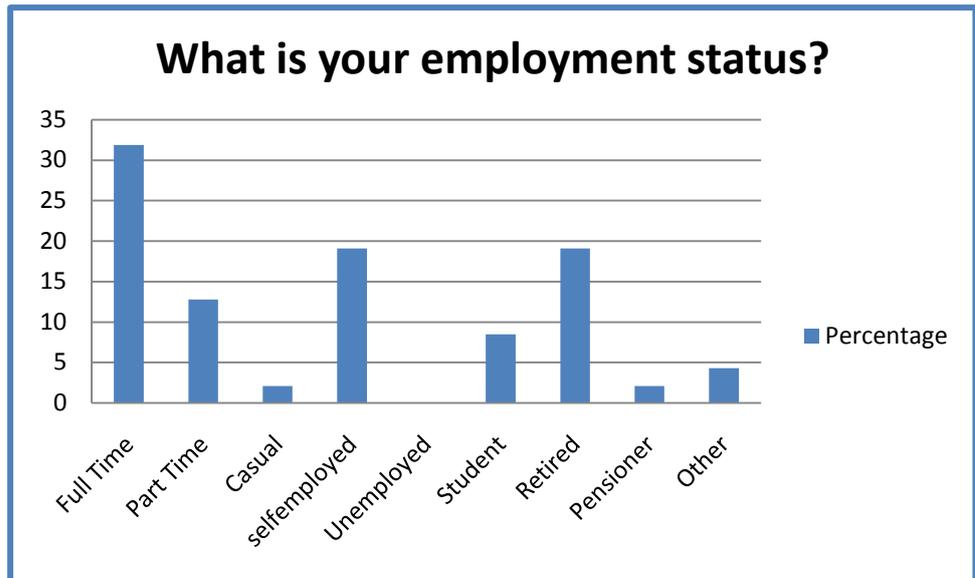


### Do you live in the Shire of Busselton?



### What is your age group?





Please provide any other thoughts you may have on the Performing Arts & Creative Industries Centre. *(note – the consultants have taken the responses directly from the survey results and have not corrected spelling or grammatical errors)*

- As a practicing performing artist and teacher of theatre arts for adults with disabilities in the Busselton Shire, I would like to see an accessible venue made available with both workshop space and performance spaces in the shire of Busselton, particularly one that is not the domain of just one group but is inclusive and accessible, hireable at affordable rates to community performance groups, and able to attract quality varied touring performance shows for audiences from Busselton and surrounding shires. Although I live in Margaret River, I travel to Busselton at least once and often twice a week to teach and facilitate performing arts in the Busselton Shire. I was very impressed by the exhibition of architectural concepts and the community consultation process thus far. Go for it Busselton!
- needs to seat approx 250-300 pax. does not need to be larger
- The idea of having a proper Performing Arts centre in Busselton is great! I love performances of any kind. It would also be beneficial to the dance clubs that are based in Busselton - they can have their concerts here in Busselton instead of travelling to Bunbury.

- We need it very much. Is very much overdue. Please make it adequate to the needs of the community and not too small like Bunbury's has been.
- The people at my work would likely be interested in attending various workshops and joining in with other events.
- I think it's a wonderful theory but I am more interested in important matters such as the jetty and Busselton hospital situations. Fix what we've got first and then develop.
- Performing arts and the creative industries are essential to a town that depends so much on tourism. Without the cultural activities we will always play second fiddle to places like Margaret River when it comes to attracting the bigger spending market. The bonus for the people that live in the town need not be explained.
- I have been lobbying for an entertainment centre for some years. Glad to see something is happening at last.
- 1. Price range I quote is pensioner concession.
  2. Lots of research required into design. There are a lot of pretty, but pretty awful, performing arts venues around, focused more on style than practicality.
  3. I would rather see the range of activities narrowed, to achieve good design for them, than try to meet all desires and do poorly in most.
  4. If this progresses, ignore pretty pictures until a practical layout is achieved - the architectural style is the icing on the cake, and must be bent around the practical structure.
  5. Pick architects with a proven record of successful venues, rather than iconic piles.
  6. KEEP IT UP. I'M RIGHT BEHIND YOU.
- i have been hoping for such an initiative for years, working in a youth organisation in order to provide some entertainment for young people. This voluntary organisation could make great use of such a centre! Please do give it serious consideration, as the population of busselton is growing and seriously lacking a cultural aspect.

- every town or community needs a soul a performing arts centre in this community would give it a soul and an opportunity for all in the community to experience the arts. Its 2008 this town needs to get up to speed with the rest of the world. Communities elsewhere that are a thousand years old and more have venues that give its community the opportunity to express then selves and to absorb outside experiences. Busselton town with its growing population needs to get in step with the rest of the world..... this is really important or other wise our money making tourist trade will give us the reputation of being culturally ignorant.
- A performing arts centre is much needed in Busselton Shire and I would like to see one built in the centre where visitors and locals can make use of the other venues for food and drink before or after performances it will add a vibrant and much needed lift to the central city area.
- A desperately needed Shire facility
- make this centre usable by all groups because the dance clubs have to go to Bunbury and further to compete and display also its a chance for busso to showcase their talents
- A new concert hall would be fantastic. then we can start luring big bands from Perth and international as well to get people to go to concerts.
- I think this is a fantastic initiative and it essential in the development of the Busselton community. It would create entertainment for all age ranges & bring culture and diversity to the currently bland town. I would like to see a good amount of youth activities at the venue and can see great potential for this in the sight. I hope it comes together well and Well Done!
- Should be in Busselton CBD -like bunbury so meal can be had before and after performances
- It is essential a performing arts and creative industries centre be built incorporating other venues - 2hrs is quite ridiculous having to travel quite long distances such as Bunbury and Margaret River to attend various shows. It will become harder to drive as I get older -

the population growth demands such a venue as soon as possible - the hospital site if and when it goes to Vasse would be ideal

- A flexible, multi-purpose space would allow numerous/various visiting shows, artistic opportunities both local and visiting. As both director and audience member, flexibility is the key!
- Make sure that the budget is sufficient that it includes an ongoing staff of full-time professional practitioners who can both run the centre but can also contribute to the education of locals. Too much of modern art budgets is wasted on administration staff whose sole purpose is to pursue additional funds to maintain the administrative status quo, which has nothing to do with producing art. Please look to the examples in Canada where public investment in the arts industry continues to pay handsome dividends with the likes of Cirque de Soleil, Ex Machina, The Canadian Children's broadcast industry. These are major industries founded on public benevolence which saw the potential in making a significant structural investment in the cultural industries. Good luck in whatever you're planning.

## Appendix Three – Potential Hirer Survey

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### Your feedback makes a difference!

As part of the cultural planning process for the Shire, Council is investigating the feasibility of a Performing Arts and Creative Industries Centre within Busselton. A key element of this process is to ensure the community has access to the venue and that the venue serves the community's needs. The information extracted from this survey will assist in understanding the requirements of the community and potential hirers and users.

We ask for your personal contact details so that we can clarify any issues arising from your responses and invite you to take part in further consultation. The Shire of Busselton does not pass on personal information to any third party without the prior permission of the person concerned. It is not compulsory for you to supply personal information, but if you do, you have a right to access it and correct it at any time.

Name of Group: \_\_\_\_\_

Type of Activity (e.g. drama, dance, craft etc): \_\_\_\_\_

Address: \_\_\_\_\_

Contact Name: \_\_\_\_\_

Telephone: \_\_\_\_\_

Email: \_\_\_\_\_

Number of Members / Students: \_\_\_\_\_

Q.1 What facilities would your group be likely to utilise? (**Circle one or more numbers**)

- Rehearsal room (mirrors and barre)..... 1
- Functions room..... 2
- Theatre ..... 3
- Office space for lease ..... 4
- Meeting room..... 5
- Foyer..... 6
- Gallery/exhibition space..... 7
- Audio recording studio ..... 8
- Editing suite..... 9
- Conference facilities..... 10
- Commercial kitchen ..... 11
- Outdoor performance space..... 12
- Other (*please specify*) ..... 20

\_\_\_\_\_

Q.2 How often would you envisage you would use this facility? **(Circle one number only)** If you would use more than one of the facilities listed (e.g. rehearsal room and theatre), please provide details of how often you would use each under “other” below:

- Daily..... 1
  - Weekly..... 2
  - Monthly ..... 3
  - Two times per year..... 4
  - Annually ..... 5
  - Other *(please specify)* ..... 20
- 

Q.3 What venues / facilities do you currently use and how often? **(Please list)**

Venue	Frequency

Q.4 What are the hourly /daily / weekly charges of the venue you currently use? **(Please list)**

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Q.5 How much would you be prepared to pay to use the proposed new facility for your existing activities?

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Q.6 If you were using the theatre, what is the average audience size you would expect? **(Circle one number only)**

- 1 - 50..... 1
- 51 - 150 ..... 2
- 151 - 250..... 3
- 251 - 400..... 4
- 401 - 600..... 5
- 601 - 800..... 6
- 801 - 1200 ..... 7
- 1201 - 1500 ..... 8
- Not Applicable ..... 9

Q.7 How many seats do you think the theatre should hold for your specific purpose.  
**(Circle one number only)**

- 150 - 250..... 3
- 251 - 400..... 4
- 401 - 600..... 5
- 601 - 800..... 6
- 801 - 1200 ..... 7
- 1201 - 1500 ..... 8
- Not Applicable ..... 9

Q8. What would you be using the theatre for? **(Circle one or more numbers)**

- Performances..... 1
  - Rehearsals..... 2
  - Corporate Events/Awards/Presentations..... 3
  - School Speech Nights/Graduations ..... 4
  - Meetings..... 5
  - Conferences/Seminars..... 6
  - Other *(please specify)* ..... 20
- 

Q9. What performance/stage size would you prefer?

- Width \_\_\_\_\_
- Depth \_\_\_\_\_
- Height \_\_\_\_\_
- Don't Know \_\_\_\_\_

Q10. How many people would the back stage area need to accommodate?

\_\_\_\_\_

Q11. What sound / lighting / multi-media facilities do you see as essential?

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Q12. If the theatre had the ability to fly sets in and out, would you use this facility? **(Circle one number only)**

- Yes 1
- No 2
- Don't know 4

Q13. Would having to pay for trained staff to use the facility preclude your use?  
**(Circle one number only)**

- |            |   |
|------------|---|
| Yes        | 1 |
| No         | 2 |
| Don't know | 4 |

Q.14 If you were using another space in the venue, what is the average participant size you would expect? **(Circle one number only)**

- |                      |   |
|----------------------|---|
| 1 - 50.....          | 1 |
| 51 - 150 .....       | 2 |
| 151 - 250.....       | 3 |
| Over 250 .....       | 4 |
| Not Applicable ..... | 9 |

Q15. What would you be using this space for? **(Circle one or more numbers)**

- |                                |    |
|--------------------------------|----|
| Rehearsals.....                | 1  |
| Corporate Events .....         | 2  |
| Exhibitions.....               | 3  |
| Meetings.....                  | 4  |
| Conferences/Seminars .....     | 5  |
| Master-classes/Workshops ..... | 6  |
| Other (please specify) .....   | 20 |

---

Q.16 Do you anticipate an increase in required capacity for your activities in the next three years? **(Circle one number only)**

- |            |   |
|------------|---|
| Yes        | 1 |
| No         | 2 |
| Don't know | 4 |

Q.17 To what level do you anticipate this increase? **(Circle one number only)**

- |                      |   |
|----------------------|---|
| 1 - 50.....          | 1 |
| 51 - 150 .....       | 2 |
| 151 - 250.....       | 3 |
| Over 250 .....       | 4 |
| Not Applicable ..... | 9 |

Q.18 What other facilities/services are required to make your event or activity a success (box office, construction workshop, reception area, food and beverage, storage space, piano etc)? Please list.

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If you have further details or comments, please feel free to add a page.

**Please return completed questionnaire in the reply paid envelope to the Cultural Planning Officer.**

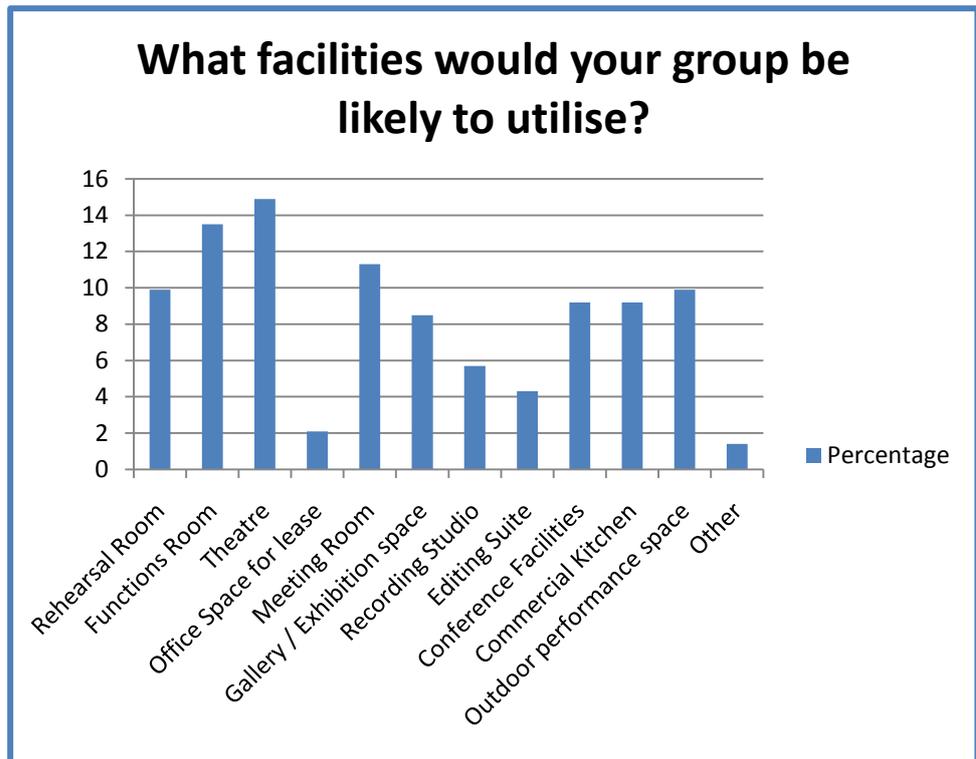
## Appendix Four – Potential Hirer Survey Results

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### Q.1 Respondents

- Dunsborough Yallingup Chamber of Commerce and Industry
- Linx Events
- Busselton/Dunsborough Volunteers
- Bare Naked Theatre
- Mackillop Catholic College
- Busselton Dunsborough Volunteers
- Cinefest Oz
- RockWest
- Busselton Shire Brass Band
- Geographe Primary School
- Busselton Woodturners
- Geographe Arts Bureau Inc
- Rotary Club of Busselton Geographe Bay
- Down South Writers Centre
- Busselton Primary School
- Busselton Senior High School
- Busselton Senior High School
- Geographe ESC
- Cape to Cape Artisans
- Our Lady of the Cape Primary School
- Busselton School of Dance
- Busselton Rotary Club
- Dunsborough Primary School
- Busselton Senior High School - Music Department
- West Busselton Primary School
- St Joseph's Primary School
- Vasse Primary School
- Mackillop Catholic College
- Cornerstone Christian College
- Artsource
- Busselton Senior High School - Arts Department
- Jazz Attack

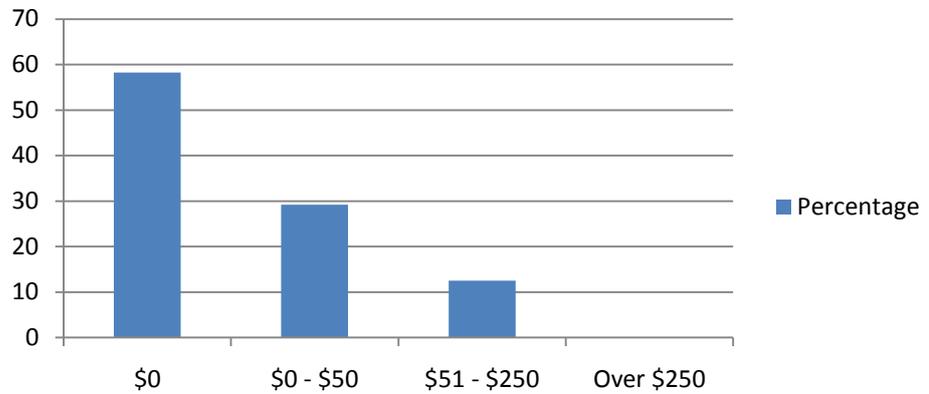
Q.2 What facilities would your group be likely to utilise?



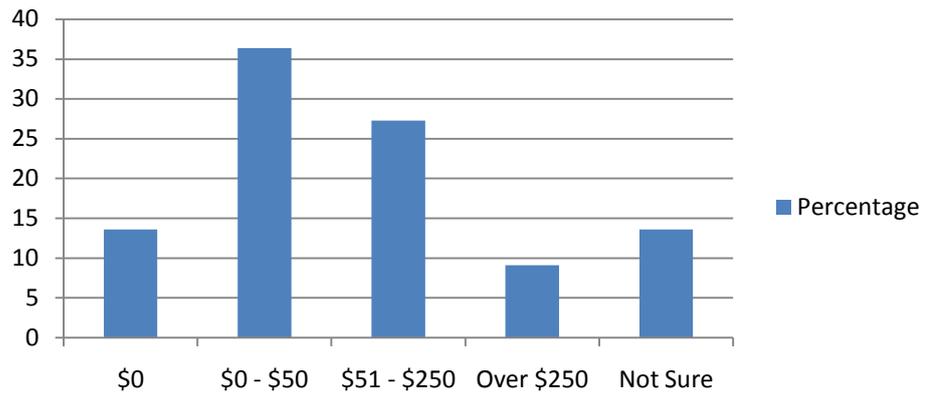
### Q.3 What facilities do you currently use?

- meeting room duns lakes sales office and country club
- open public space
- Family Centre
- Senior Citz Centre
- Community Centre
- family centre
- Senior Citz Centre
- Ace Cinema
- Private business boardroom
- Old Courthouse Gallery
- Local bars and taverns
- High School gym
- Baptist Community Centre
- Rear of old AG building
- Courthouse, Weld Theatre
- Restaurant
- Kent St Family Centre
- Weld Theatre
- School facilities
- Abbey Beach Resort
- School facilities
- Baptist Church
- Dunsborough Recreation Centre
- Own studios
- Studio above environmental centre
- Bunbury Entertainment Centre
- St Mary's Family Centre
- Dunsborough Hall
- Dunsborough Community Centre
- School gym/PAC
- St Mary's, school facilities, hotels/resorts
- Community Hall in Church
- School facilities
- Bunbury Regional Entertainment Centre
- School Facilities
- school facilities
- Dance studio, arts studio/gallery
- Entertainment Centre

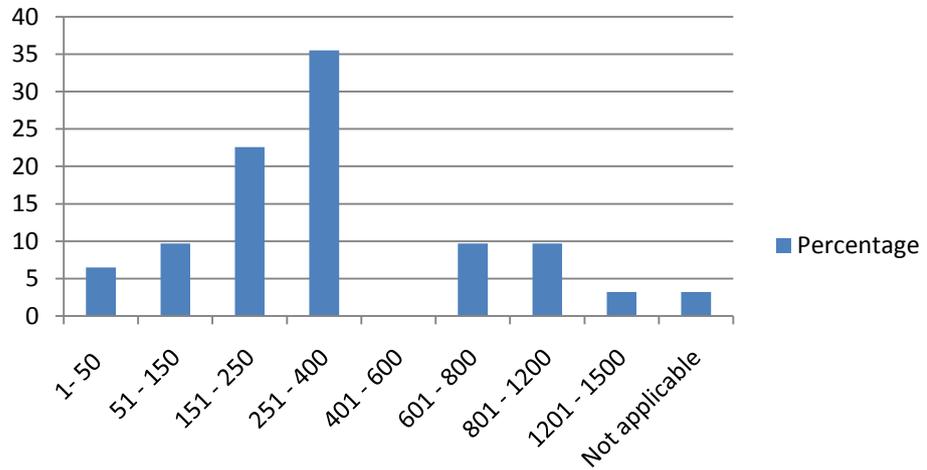
### What are the charges of the venue you currently use?



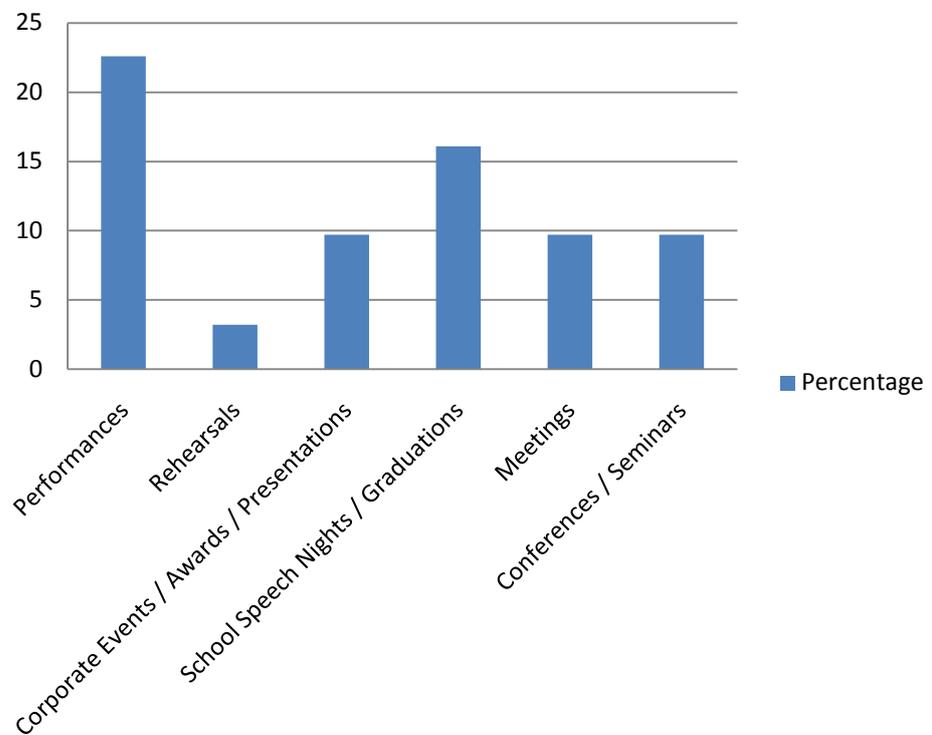
### How much would you be prepared to pay to use the proposed facility?



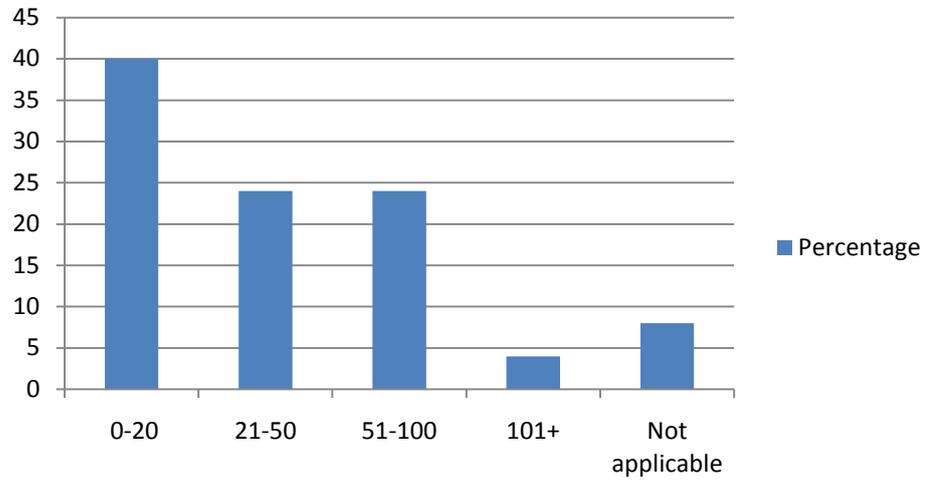
### If you were using the theatre, what is the average audience size you would expect?



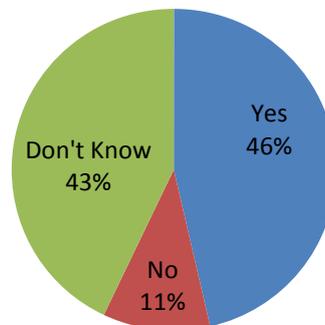
### What would you be using the theatre for?



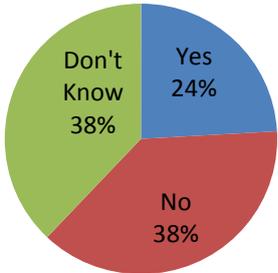
### How many people would the backstage area need to accommodate?



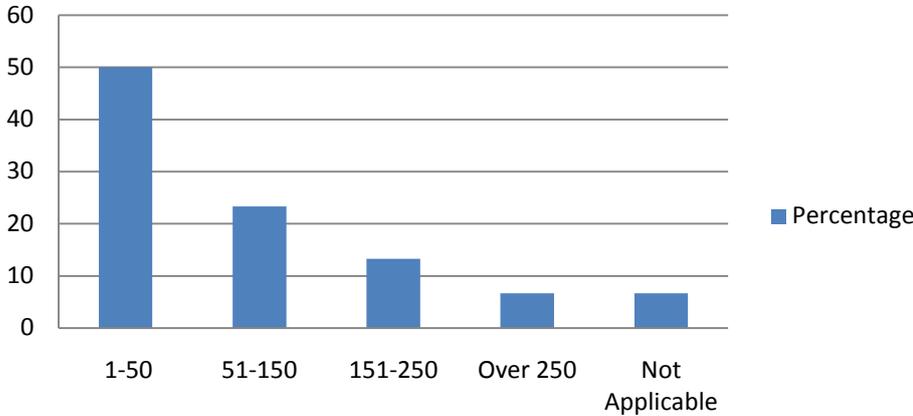
### If the theatre had the ability to fly sets, would you use this facility?

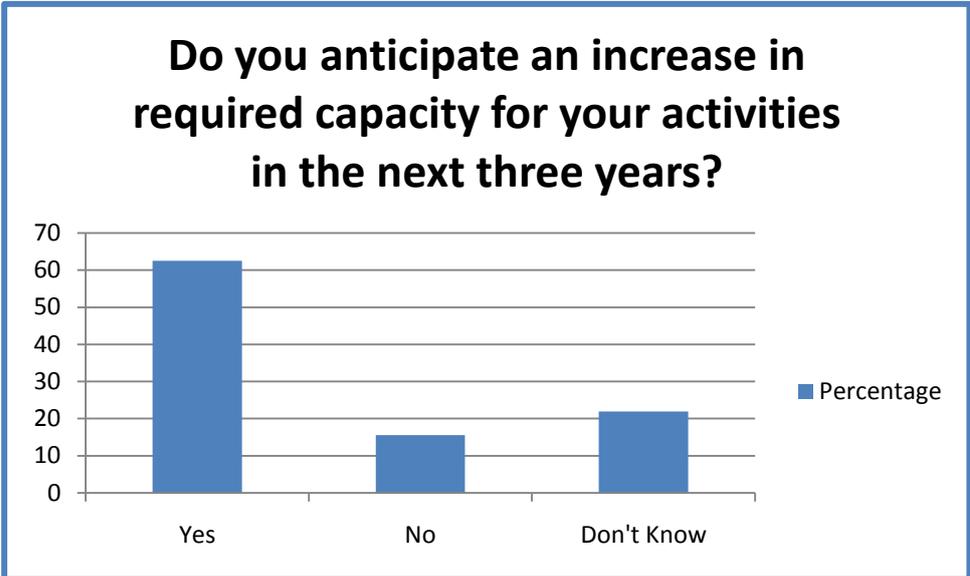
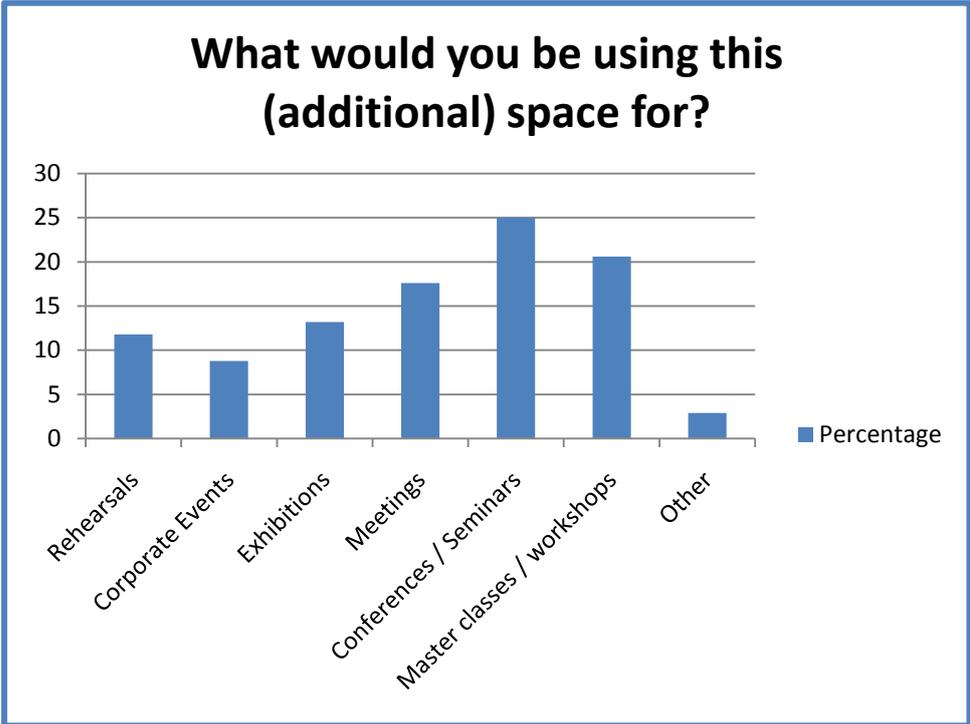


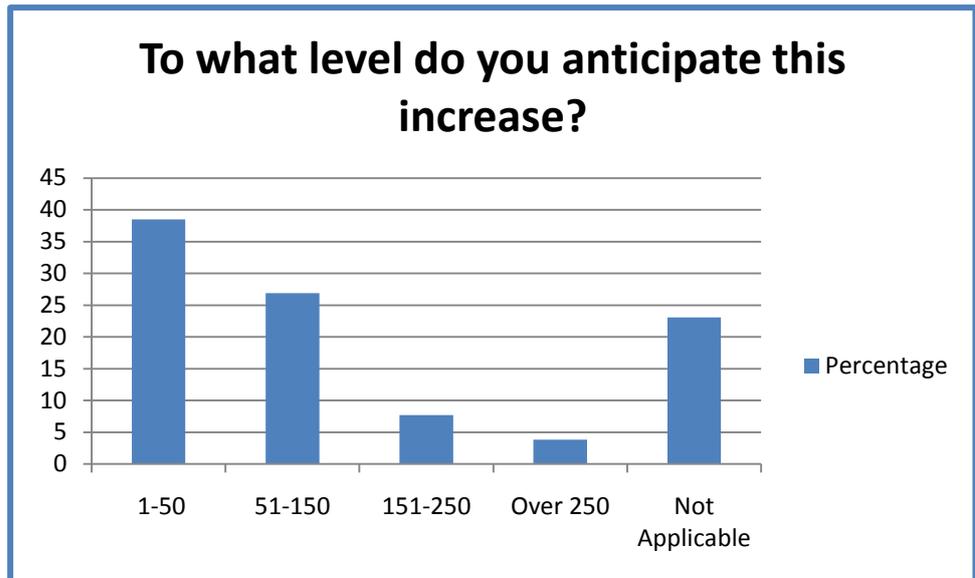
**Would you AVOID using the facility if you had to pay trained staff to manage specific operations?**



**If you were using another space in the venue, what is the average participant size you would expect?**







Please list any facilities/services required to make your event or activity a success:

- Food & beverage
- Multi-purpose building, consentina doors to reduce entry space and stage
- Food/bar reception
- Reception, kitchen
- Food & beverage, reception
- Box office, reception, food & beverage, cinema screen, large functino room, stage, commercial kitchen
- Professional office space, loading dock, workshop
- Food & beverage, piano, box office
- Storage space, display boards for exhibitions
- Workshop facilities – powerpoint, whiteboard, TV/DVD
- Reception / green room
- Food & Beverage facilities for intermission
- Food & Beverage, storage space
- Box office, food & beverage, storage space, trained staff
- Piano
- Warm up room (sound proof), orchestra pit
- Dressing rooms, kitchen, reception area
- Piano, dressing rooms
- Dressing rooms, storage, box office, food & beverage, reception, piano
- Box office, construction workshop, reception area, food & beverage, storage space, piano
- Box office, reception, food & beverage, storage

## Appendix Five – Financial Plan constants

### Wages (Both 250 seat black box and 400 seat theatre)

<u>Sell Rates</u>	Weekly	Sunday	Mean
Technical	\$ 37.50	\$ 75.00	42.86
FOH - Ushers and others	\$ 28.00	\$ 56.00	32.00
FOH - Manager	\$ 34.00	\$ 68.00	38.86
Cloak Room / Merchandising / bar	\$ 28.00	\$ 56.00	32.00
Stage Door	\$ 29.00	\$ 75.00	35.57
Box Office	\$ 30.50	\$ 61.00	34.86
<u>Buy Rates</u>			
Technical	\$ 27.72	\$ 55.44	31.68
FOH - Ushers and others	\$ 21.72	\$ 43.44	24.82
FOH - Manager	\$ 29.52	\$ 59.04	33.74
Cloak Room/Merchandise	\$ 21.72	\$ 43.44	24.82
Stage Door	\$ 22.56	\$ 45.12	25.78
Bar	\$ 21.72	\$ 43.44	24.82
<u>Box Office (non-reimbursable)</u>			
Box Office	\$ 24.24	\$ 48.48	27.70
Box Office - Supervisor	\$ 27.60	\$ 55.20	31.54
1 Staff Casual (days per month)	11	days	3,656.78
1 staff casual (percent of performances) Other	see below		
1 staff casual (percent of performances) Community	see below		
<u>Bar</u>			
Bar Staff Casuals when bar open (No. / hrs)	2	4	198.58
Function Staff (see FOH Manager)			

<b>BOX OFFICE WAGES</b>	Year 1	Year 2	Year 3	Year 4	Year 5
1 staff casual (percent of performances) Other	20%	20%	20%	20%	20%
1 staff casual (percent of performances) Community	80%	80%	80%	80%	80%

#### **MERCHANDISING**

1 staff casual (percent of performances) Community	80%	80%	80%	80%	80%
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#### **SEAT CHANGEOVER**

2 staff casual (percent of performances) Community	75%	75%	75%	75%	75%
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## Performance Constants

Estimated Occupancy per performance (*average pax per performance*)

	60%	60%	65%	70%	75%
	Year 1	Year 2	Year 3	Year 4	Year 5
250 Seat	150	150	163	175	188
400 Seat	240	240	260	280	300

Performance Statistics *Stage One - 250 Seat Black Box*

Average pax per performance	see above
Cost of production equipment per commercial hire	\$350
Cost of production equipment per other hire	\$250
Average production equipment hire - mark up	150%
<b>Beverage</b>	
Percentage of performances with bar	60%
Average Sales per event (of pax)	75%
Average \$ value per sale	\$3.00
Beverage Gross Profit - Selling Price	70.00%
<b>Miscellaneous</b>	
Workers Compensation	3.00%
Superannuation	9.00%
Performance Electricity Sale	\$250
Performance Cleaning Cost	\$150
Performance Cleaning Sale	\$ 250

Performance Statistics *Stage Two - 400 Seat Theatre*

Average pax per performance	see above
Cost of production equipment per professional	\$1,000
Cost of production equipment per community	\$250
Average production equipment hire - mark up	150%
<b>Beverage</b>	
Percent of performances with bar	60%
Average Sales per event (of pax)	75%
Average \$ value per sale	\$3.75
Beverage Gross Profit - Selling Price	70.00%
<b>Miscellaneous</b>	
Workers Compensation	3.00%
Superannuation	9.00%
Performance Electricity Sale	\$ 400
Performance Cleaning Cost	\$ 300
Performance Cleaning Sale	\$ 400

## Estimated Hire Levels

Suggested Usage Levels for *Stage One – 250 Seat Black Box*

<b>Black Box Theatre Space - Stage 1</b>	<b>YEAR ONE</b>	<b>YEAR TWO</b>	<b>YEAR THREE</b>	<b>YEAR FOUR</b>	<b>YEAR FIVE</b>
<b>Potential Hirer</b>	<b>DAYS/ year</b>				
Various Educational	10	22	22	22	24
	\$3,500	\$7,700	\$7,700	\$7,700	\$8,400
Various Commercial	16	26	34	41	47
	\$9,600	\$15,600	\$20,400	\$24,600	\$28,200
Various Community	26	32	33	33	38
	\$7,150	\$8,800	\$9,075	\$9,075	\$10,450
<b>Semi-Total</b>	<b>52</b>	<b>80</b>	<b>89</b>	<b>96</b>	<b>109</b>
Entrepreneurial Programming	6	7	7	7	7
<b>Total</b>	<b>58</b>	<b>87</b>	<b>96</b>	<b>103</b>	<b>116</b>
<b>Meeting / Function Room</b>					
Various	56	62	62	67	67
<b>Total</b>	<b>56</b>	<b>62</b>	<b>62</b>	<b>67</b>	<b>67</b>
	\$10,080	\$11,214	\$11,214	\$11,970	\$11,970

Suggested Usage Levels for *Stage Two - 250 Seat Black Box (400 seat theatre usage levels outlined in separate table)*

<b>Black Box Theatre Space - Stage 2</b>	<b>YEAR ONE</b>	<b>YEAR TWO</b>	<b>YEAR THREE</b>	<b>YEAR FOUR</b>	<b>YEAR FIVE</b>
<b>Potential Hirer</b>	<b>DAYS/ year</b>				
Various Educational	7	7	7	7	9
	\$2,450	\$2,450	\$2,450	\$2,450	\$3,150
Various Commercial	21	34	42	44	45
	\$12,600	\$20,400	\$25,200	\$26,400	\$27,000
Various Community	21	27	27	27	32
	\$5,775	\$7,425	\$7,425	\$7,425	\$8,800
<b>Semi-Total</b>	<b>49</b>	<b>68</b>	<b>76</b>	<b>78</b>	<b>86</b>
Entrepreneurial Programming Use	6	7	7	7	7
<b>Total</b>	<b>55</b>	<b>75</b>	<b>83</b>	<b>85</b>	<b>93</b>
<b>Meeting / Function Room</b>					
Various	56	62.3	62.3	66.5	66.5
<b>Total</b>	<b>56</b>	<b>62.3</b>	<b>62.3</b>	<b>66.5</b>	<b>66.5</b>
	\$10,080	\$11,214	\$11,214	\$11,970	\$11,970

Suggested Usage Levels for *Stage Two – 400 Seat Theatre*

<b>400 seat theatre space - Stage Two*</b>	<b>YEAR ONE</b>	<b>YEAR TWO</b>	<b>YEAR THREE</b>	<b>YEAR FOUR</b>	<b>YEAR FIVE</b>
	<b>DAYS/ year</b>				
Educational	11	14	14	14	14
Commercial	13	17	20	22	24
Community	8	13	18	23	28
<b>Total</b>	<b>32</b>	<b>44</b>	<b>52</b>	<b>59</b>	<b>66</b>

## Ticketing Income

### Ticket Income Statistics Stage One - 250 Seat Black Box Theatre

<b>Ticket details</b>	<b>Year 1</b>	<b>Year 2</b>	<b>Year 3</b>	<b>Year 4</b>	<b>Year 5</b>
# Tickets -Commercial	1920	3120	4420	5740	7050
# Tickets - Comm/Edu.	1080	1620	1788	1925	2325
Total Occupancy/ perf	60%	60%	65%	70%	75%
% Comm/Edu ticketing	20%	20%	20%	20%	20%
% Commercial ticketing	80%	80%	80%	80%	80%
Booking Fees / Ticket	\$2.50	\$2.50	\$2.50	\$2.50	\$2.50
Processing Fees	\$2.00	\$2.00	\$2.00	\$2.00	\$2.00
Average Ticket Price	\$30.00	\$30.00	\$30.00	\$30.00	\$30.00
Total Ticket Sales	90,000	142,200	186,225	229,950	281,250
% Tickets Sold by C/Cards	80%	80%	80%	80%	80%
Bank Credit Card Fees %	1.80%	1.80%	1.80%	1.80%	1.80%
Bank C/ Card Fees payable	1,296.00	2,047.68	2,681.64	3,311.28	4,050.00
Ext. Ticketing Net income	5%	5%	5%	5%	5%
% Phone Sales	70%	70%	70%	70%	70%
Bking Fee-(outside charge)	4,200	6,636	8,690.50	10,731	13,125
Cost of software / ticket	0.35	0.35	0.35	0.35	0.35
Ticket system cost	4,050.00	1,659.00	2,172.63	2,682.75	3,281.25
Postage Fee -\$1.00 for 50% of sales	0.50	0.50	0.50	0.50	0.50

Ticket Income Statistics - Stage Two – 250 Seat Black Box Theatre (400 seat theatre ticket income statistics outlined in separate table).

<b>Ticket details</b>	<b>Year 1</b>	<b>Year 2</b>	<b>Year 3</b>	<b>Year 4</b>	<b>Year 5</b>
# Tickets - Commercial	2520	3120	4420	5740	7050
# Tickets – Comm./Edu.	1350	1620	1788	1925	2325
Total Occupancy / Perf	60%	60%	65%	70%	75%
% Comm/Edu ticketing	20%	20%	20%	20%	20%
%Commercial ticketing	80%	80%	80%	80%	80%
Booking Fees/Ticket	\$2.50	\$2.50	\$2.50	\$2.50	\$2.50
Processing Fees	\$ 2.00	\$ 2.00	\$2.00	\$2.00	\$2.00
Average Ticket Price	\$30.00	\$30.00	\$30.00	\$30.00	\$30.00
Total Ticket Sales	\$116,100	\$142,200	\$186,225	\$229,950	\$281,250
% Tickets Sold by C/Cards	80%	80%	80%	80%	80%
Bank C/Card Fees %	1.80%	1.80%	1.80%	1.80%	1.80%
Bank C/Card Fees payable	1,671.84	2,047.68	2,681.64	3,311.28	4,050.00
Ext. Ticketing Net income	5%	5%	5%	5%	5%
% Phone Sales	70%	70%	70%	70%	70%
Bkng Fees (outside charge)	\$5,418.	\$6,636.	\$ 8,690.50	\$10,731.	\$ 13,125.
Cost of software /ticket	0.35	0.35	0.35	0.35	0.35
Ticket system cost	\$ 4,354.50	\$1,659.00	\$ 2,172.63	\$2,682.75	\$3,281.25
Postage Fee -\$1.00 for 50% of sales	0.50	0.50	0.50	0.50	0.50

Ticket Income Statistics – Stage Two - 400 Seat Theatre

<b>Ticket details</b>	<b>Year 1</b>	<b>Year 2</b>	<b>Year 3</b>	<b>Year 4</b>	<b>Year 5</b>
# Tickets - Commercial	2496	3264	4160	4928	5760
# Tickets – Comm./Edu.	912	1296	1664	2072	2520
Total Occupancy / Perf	60%	60%	65%	70%	75%
% Comm./Edu ticketing	20%	20%	20%	20%	20%
% Commercial ticketing	80%	80%	80%	80%	80%
Booking Fees/Ticket	\$2.50	\$2.50	\$2.50	\$2.50	\$2.50
Processing Fees	\$2.00	\$2.00	\$2.00	\$2.00	\$2.00
Average Ticket Price	\$30.00	\$30.00	\$30.00	\$30.00	\$30.00
Total Ticket Sales	\$102,240.	\$136,800.	\$174,720.	\$210,000.	\$248,400.
% Tickets Sold C/Cards	70%	70%	70%	70%	70%
Bank C/Card Fees %	1.80%	1.80%	1.80%	1.80%	1.80%
Bank C/Card Fees payable	1,288.22	1,723.68	2,201.47	2,646.00	3,129.84
Ext. Ticketing Net income	25%	25%	25%	25%	25%
% Phone Sales	70%	70%	70%	70%	70%
Bking Fees (outside charge)	\$4,771.20	\$6,384.00	\$8,153.60	\$9,800.00	\$11,592
Cost of software / ticket	0.25	0.25	0.25	0.25	0.25
Ticket system cost	\$852.00	\$1,140.00	\$1,456.00	\$1,750.00	\$2,070.00
Postage Fee -\$1.00 for 50% of sales	0.50	0.50	0.50	0.50	0.50

## Expense Listing

Stage One - 250 Seat Black Box

	Pre Open	Year 1	Year 2	Year 3	Year 4	Year 5
<b>EXPENSES</b>						
Card Charges		1,296	2,048	2,682	3,311	4,050
Bank Charges	100	500	513	525	538	552
Catering In-house		0	0	0	0	0
Cleaning		5,000	5,125	5,253	5,384	5,519
Computer Expenses	15,000	5,000	7,000	5,000	5,000	5,000
Council Rates		0	0	0	0	0
Couriers (and Freight)	200	1,000	1,025	1,051	1,077	1,104
Debt Collection		0	0	0	0	0
Domestic Travel/Conferences	1,500	1,500	1,538	1,576	1,615	1,656
Donations		0	0	0	0	0
Employees Amenities	200	1,000	1,025	1,051	1,077	1,104
Equipment Lease		6,000	6,150	6,304	6,461	6,623
Fees & Permits		0	0	0	0	0
Filing Fees		200	205	210	215	221
General & Other Insurance		30,000	30,750	31,519	32,307	33,114
General Expenses/Office	1,000	2,000	2,050	2,101	2,154	2,208
IT Consultants	3,000	1,000	1,025	1,051	1,077	1,104
Land Tax		0	0	0	0	0
Legal Expenses		0	0	0	0	0
Motor Vehicle Expenses	6,000	13,000	13,325	13,658	14,000	14,350
Office Expenses	200	200	205	210	215	221
Parking & Taxi		200	205	210	215	221
Payroll Tax		0	0	0	0	0
Petty Cash		200	205	210	215	221
Reference Material		200	205	210	215	221
Security Cost		675	692	709	727	745
Staff Training	1,000	2,000	2,050	2,101	2,154	2,208
Subscriptions / APACA		1,000	1,025	1,051	1,077	1,104
Telephone	5,000	5,000	5,125	5,253	5,384	5,519
Uniforms	1,000	1,000	1,025	1,051	1,077	1,104
Water Rates Main Building		5,000	5,125	5,253	5,384	5,519
LPA performance fees		0	0	0	0	0
Performance Cleaning		7,800	12,000	13,350	14,400	16,350
Electricity		25,000	25,625	26,266	26,922	27,595
Merchandising Costs - see wages		0	0	0	0	0
Piano Tuning		2,250	2,306	2,364	2,423	2,484
Ticket System Cost	2,000	4,050	1,659	2,173	2,683	3,281
Production Equipment Hire		14,600	22,600	25,650	28,100	31,950
Repairs & Maintenance	500	5,000	10,000	15,000	25,000	30,000
Advertising & Promotions <sup>72</sup>	15,000	8,000	10,250	10,506	10,769	11,038
Postage General		200	205	210	215	221
Postage Box Office		1,200	1,230	1,261	1,292	1,325
Printing & Stationery General	8,000	4,000	8,000	5,000	5,000	5,000
Wages	84,470	261,781	289,425	307,396	324,777	345,696
<b>Total</b>	<b>144,170</b>	<b>416,852</b>	<b>470,940</b>	<b>497,413</b>	<b>532,464</b>	<b>568,624</b>
Administration / Finance / Operational	34,200	82,971	87,639	88,238	90,882	93,685
Performance Production costs	2,500	58,700	74,190	84,802	99,528	111,660
Marketing Costs	23,000	13,400	19,685	16,977	17,277	17,583
Wages	84,470	261,781	289,425	307,396	324,777	345,696
	<b>144,170</b>	<b>416,852</b>	<b>470,940</b>	<b>497,413</b>	<b>532,464</b>	<b>568,624</b>

<sup>72</sup> Not including advertising and promotions for entrepreneurial programming

Stage Two - 250 Seat Black Box & 400 Seat Theatre

	Pre Open	Year 1	Year 2	Year 3	Year 4	Year 5
<b>EXPENSES</b>						
Card Charges		2,960	3,771	4,883	5,957	7,180
Bank Charges	500	1,500	1,538	1,576	1,615	1,656
Catering In-house		0	0	0	0	0
Cleaning	1,000	10,000	10,250	10,506	10,769	11,038
Computer Expenses	15,000	8,000	10,250	10,506	10,769	11,038
Council Rates		0	0	0	0	0
Couriers (and Freight)	200	600	615	630	646	662
Debt Collection		0	0	0	0	0
Domestic Travel/Conferences	1,500	1,500	1,538	1,576	1,615	1,656
Donations		0	0	0	0	0
Employees Amenities	200	1,500	1,538	1,576	1,615	1,656
Equipment Lease		13,000	13,325	13,658	14,000	14,350
Fees & Permits		0	0	0	0	0
Filing Fees		200	205	210	215	221
General & Other Insurance		50,000	51,250	52,531	53,845	55,191
General Expenses/Office	1,000	2,000	2,050	2,101	2,154	2,208
IT Consultants	5,000	3,000	3,075	5,125	5,253	5,384
Land Tax		0	0	0	0	0
Legal Expenses		0	0	0	0	0
Motor Vehicle Expenses	6,000	13,000	13,325	13,658	14,000	14,350
Office Expenses	200	1,000	1,025	1,051	1,077	1,104
Parking & Taxi	100	500	513	525	538	552
Payroll Tax		0	0	0	0	0
Petty Cash		200	205	210	215	221
Reference Material		400	410	420	431	442
Security Cost		1,600	1,640	1,681	1,723	1,766
Staff Training	2,000	4,000	4,100	4,203	4,308	4,415
Subscriptions / APACA		1,000	1,025	1,051	1,077	1,104
Telephone	4,000	10,000	10,250	10,506	10,769	11,038
Uniforms	3,000	3,000	2,050	2,101	2,154	2,208
Water Rates Main Building		5,000	5,125	5,253	5,384	5,519
LPA performance fees		0	0	0	0	0
Performance Cleaning		16,950	23,400	27,000	29,400	32,700
Electricity		35,000	35,875	36,772	37,691	38,633
Merchandising Costs - see wages		0	0	0	0	0
Piano Tuning		2,250	2,306	2,364	2,423	2,484
Ticket System Cost	4,000	5,207	2,799	3,629	4,433	5,351
Production Equipment Hire 400		17,750	23,750	28,000	31,250	34,500
Production Equipment Hire 250		14,350	20,400	23,200	23,900	26,000
Repairs & Maintenance	500	10,000	30,000	25,000	45,000	55,000
Advertising & Promotions <sup>73</sup>	10,000	5,000	5,125	5,253	5,384	5,519
Postage General		1,200	1,230	1,261	1,292	1,325
Postage Box Office		4,000	4,100	4,203	4,308	4,415
Printing & Stationery General	15,000	4,000	4,100	8,200	4,100	4,203
Wages	121,725	395,664	425,039	445,203	460,598	479,122
<b>Total</b>	<b>190,925</b>	<b>645,331</b>	<b>717,195</b>	<b>755,623</b>	<b>799,908</b>	<b>844,208</b>
Administration / Finance /						
Operational	39,700	133,960	139,071	145,539	150,129	154,956
Performance Production costs	4,500	101,507	138,530	145,964	174,097	194,668
Marketing Costs	25,000	14,200	14,555	18,916	15,084	15,461
Wages	121,725	395,664	425,039	445,203	460,598	479,122
	<b>190,925</b>	<b>645,331</b>	<b>717,195</b>	<b>755,623</b>	<b>799,908</b>	<b>844,208</b>

<sup>73</sup> Not including advertising and promotions for entrepreneurial programming

## Beverage Details

### Estimated Beverage Profit & Loss – Stage One - 250 seat Black Box

	<i>Year 1</i>	<i>Year 2</i>	<i>Year 3</i>	<i>Year 4</i>	<i>Year 5</i>
	\$	\$	\$	\$	\$
<b>INCOME</b>					
Sales	10,530	16,200	19,524	22,680	27,591
<b>COST OF GOODS SOLD</b>	<b>3,159</b>	<b>4,860</b>	<b>5,857</b>	<b>6,804</b>	<b>8,277</b>
<b>GROSS PROFIT</b>	<b>7,371</b>	<b>11,340</b>	<b>13,667</b>	<b>15,876</b>	<b>19,313</b>
<b>LESS EXPENSES</b>					
Equipment	500	513	525	538	552
Consumable Purchases	300	308	315	323	331
Repairs & Maintenance	500	513	525	538	552
Glasses and sundry purchase	250	256	263	269	276
Wages - Catering Manager	0	0	0	0	0
Wages - casual staff	6,196	9,532	10,604	11,438	12,987
<b>TOTAL DIRECT EXPENSES</b>	<b>7,746</b>	<b>11,121</b>	<b>12,233</b>	<b>13,108</b>	<b>14,698</b>
<b>NET PROFIT</b>	<b>-375</b>	<b>219</b>	<b>1,434</b>	<b>2,768</b>	<b>4,615</b>

### Estimated Beverage Profit & Loss – Stage Two - 250 and 400 seat Theatre

	<i>Year 1</i>	<i>Year 2</i>	<i>Year 3</i>	<i>Year 4</i>	<i>Year 5</i>
	\$	\$	\$	\$	\$
<b>INCOME</b>					
Sales from 250 seat events	10,749	14,918	18,062	19,963	23,583
Sales from 400 seat events	12,960	17,820	22,815	27,878	33,413
<b>COST OF GOODS SOLD</b>	<b>23,709</b>	<b>32,738</b>	<b>40,877</b>	<b>47,841</b>	<b>56,995</b>
<b>GROSS PROFIT</b>	<b>16,597</b>	<b>22,916</b>	<b>28,614</b>	<b>33,488</b>	<b>39,897</b>
<b>LESS EXPENSES</b>					
Equipment	2,000	2,050	2,101	2,154	2,208
Consumable Purchases	1,200	1,230	1,261	1,292	1,325
Repairs & Maintenance	1,500	1,538	1,576	1,615	1,656
Glasses and sundry purchase	1,200	1,230	1,261	1,292	1,325
Wages - Supervisor	2,422	3,331	3,937	4,466	4,996
Wages - casual staff 400	3,813	5,243	6,196	7,030	7,864
Wages - casual staff 250	5,838	8,102	9,055	9,294	10,247
<b>TOTAL DIRECT EXPENSES</b>	<b>17,974</b>	<b>22,723</b>	<b>25,386</b>	<b>27,144</b>	<b>29,620</b>
<b>NET PROFIT</b>	<b>-1,377</b>	<b>193</b>	<b>3,227</b>	<b>6,345</b>	<b>10,277</b>

## Entrepreneurial Programming

### Stage One

#### Performance Statistics

##### Number of Shows

6			7			7			7			7		
Shows	Occ	Tix	Shows	Occ	Tix	Shows	Occ	Tix	Shows	Occ	Tix	Shows	Occ	Tix
10%	35%	84	10%	35%	84			-			-			-
30%	45%	324	40%	45%	432	50%	50%	600	50%	50%	600	50%	60%	720
30%	55%	396	40%	55%	528	40%	55%	528			-			-
30%	65%	468	10%	65%	156	10%	70%	168	50%	75%	900	50%	75%	900
		1,272			1,200			1,296			1,500			1,620
<b>YEAR ONE</b>			<b>YEAR TWO</b>			<b>YEAR THREE</b>			<b>YEAR FOUR</b>			<b>YEAR FIVE</b>		

<b>Ticket Price</b>	\$ 40.00
<b>100% occupancy</b>	\$16,000.00
<b>Reimbursements</b>	\$200
<b>Wages Reimbursements</b>	0%

ENTREPRENURIAL LOSS	PROFIT	Year 1	Year 2	Year 3	Year 4	Year 5
		\$	\$	\$	\$	\$
	Per Show					
Ticket Sales	16,000	50,880	48,000	51,840	60,000	64,800
Ticketing Fees	1,000	3,180	3,000	3,240	3,750	4,050
Reimbursement	200	200	200	200	200	200
<b>Total</b>	<b>17,200</b>	<b>54,260</b>	<b>51,200</b>	<b>55,280</b>	<b>63,950</b>	<b>69,050</b>
<b>Less Expenses</b>						
Electricity	500.00	3,000	3,500	3,500	3,500	3,500
Cleaning	350.00	2,100	2,450	2,450	2,450	2,450
Perf Fees	5,000.00	30,000	35,000	35,000	35,000	35,000
Ushers	512.00	3,072	3,584	3,584	3,584	3,584
Technicians	685.71	4,114	4,800	4,800	4,800	4,800
Marketing	8,000.00	48,000	56,000	56,000	56,000	56,000
Equipment	500.00	3,000	3,500	3,500	3,500	3,500
Consumables	200.00	1,200	1,400	1,400	1,400	1,400
Profit Share		-	-	-	-	-
Royalties	1,920.00	11,520	13,440	13,440	13,440	13,440
Contingency	2,000.00	12,000	14,000	14,000	14,000	14,000
LPA	200.00	1,200	1,400	1,400	1,400	1,400
<b>Total Expenses</b>	<b>19,867.71</b>	<b>119,206</b>	<b>139,074</b>	<b>139,074</b>	<b>139,074</b>	<b>139,074</b>
<b>NET PROFIT ON EVENT</b>	<b>- 2,667.71</b>	<b>- 64,946</b>	<b>- 87,874</b>	<b>- 83,794</b>	<b>- 75,124</b>	<b>- 70,024</b>

Stage Two

Performance Statistics

Number of Shows

6			7			7			7			7		
Shows	Occ	Tix	Shows	Occ	Tix	Shows	Occ	Tix	Shows	Occ	Tix	Shows	Occ	Tix
10%	35%	53	10%	35%	53			-			-			-
30%	45%	203	20%	45%	135	50%	50%	375	50%	50%	375	50%	60%	450
30%	55%	248	40%	55%	330	40%	55%	330			-			-
30%	65%	293	30%	65%	293	10%	70%	105	50%	75%	563	50%	75%	563
		795			810			810			938			1,013
<b>YEAR ONE</b>			<b>YEAR TWO</b>			<b>YEAR THREE</b>			<b>YEAR FOUR</b>			<b>YEAR FIVE</b>		

<b>Ticket Price</b>	\$ 45.00
<b>100% occupancy</b>	\$ 11,250.00
<b>Reimbursements</b>	\$0
<b>Wages Reimbursements</b>	0%

**ENTREPRENURIAL  
PROFIT LOSS**

		Year 1	Year 2	Year 3	Year 4	Year 5
		\$	\$	\$	\$	\$
	Per Show					
Ticket Sales	11,250.00	35,775	36,450	36,450	42,188	45,563
Ticketing Fees	625.00	1,988	2,025	2,025	2,344	2,531
Reimbursement	-	-	-	-	-	-
<b>Total</b>	<b>11,875.00</b>	<b>37,763</b>	<b>38,475</b>	<b>38,475</b>	<b>44,531</b>	<b>48,094</b>
<b>Less Expenses</b>						
Electricity	250.00	1,500	1,750	1,750	1,750	1,750
Cleaning	150.00	900	1,050	1,050	1,050	1,050
Perf Fees	5,000.00	30,000	35,000	35,000	35,000	35,000
Ushers	256.00	1,536	1,792	1,792	1,792	1,792
Technicians	342.86	2,057	2,400	2,400	2,400	2,400
Marketing	5,000.00	30,000	35,000	35,000	35,000	35,000
Equipment	350.00	2,100	2,450	2,450	2,450	2,450
Consumables	200.00	1,200	1,400	1,400	1,400	1,400
Profit Share		-	-	-	-	-
Royalties	1,350.00	8,100	9,450	9,450	9,450	9,450
Contingency	500.00	3,000	3,500	3,500	3,500	3,500
LPA	100.00	600	700	700	700	700
<b>Total Expenses</b>	<b>13,498.86</b>	<b>80,993</b>	<b>94,492</b>	<b>94,492</b>	<b>94,492</b>	<b>94,492</b>
<b>NET PROFIT ON EVENT</b>	<b>-1,623.86</b>	<b>-43,231</b>	<b>-56,017</b>	<b>-56,017</b>	<b>-49,961</b>	<b>-46,398</b>

## Income Items

### Stage One - 250 Seat Black Box

	Year 1	Year 2	Year 3	Year 4	Year 5
	\$	\$	\$	\$	\$
<b><u>INCOME (Hire)</u></b>					
Educational	3,500	7,700	7,700	7,700	8,400
Commercial	9,600	15,600	20,400	24,600	28,200
Community	7,150	8,800	9,075	9,075	10,450
Functions	10,080	11,214	11,214	11,970	11,970
<b><u>OTHER REIMBURSEMENT INCOME</u></b>					
Cleaning	13,000	20,000	22,250	24,000	27,250
Electricity	13,000	20,000	22,250	24,000	27,250
Production Equipment	21,900	33,900	38,475	42,150	47,925
Marketing	-	-	-	-	-
Piano Tuning	2,250	2,306	2,364	2,423	2,484
Sundry	-	-	-	-	-
<b><u>WAGES REIMBURSEMENTS</u></b>					
<b><u>See Over</u></b>	58,391	86,283	95,478	103,371	116,021
<b><u>Ticketing Income</u></b>					
Inside Charges	7,500	11,850	15,519	19,163	23,438
Ticket Processing Fees	1,500	2,370	3,104	3,833	4,688
External Ticket Income	375	593	776	958	1,172
Phone Booking Fees	4,200	6,636	8,691	10,731	13,125
<b><u>CAFE Income rental</u></b>	14,000	14,000	14,000	14,000	14,000
<b><u>MERCHANDISING</u></b>					
Commission From Hirers	1,152	1,872	2,448	2,952	3,384
Merchant Fee					
Reimbursement					
<b><u>SUNDRY INCOME</u></b>					
LPA Fee (see expenses)	-	-	-	-	-
Interest Received	-	-	-	-	-
<b><u>Beverage Profit Loss</u></b>	-375	219	1,434	2,768	4,615
<b><u>TOTAL INCOME</u></b>	<b>167,224</b>	<b>243,343</b>	<b>275,177</b>	<b>303,694</b>	<b>344,370</b>

Stage Two - 250 seat Black Box and 400 Seat Theatre

	<b>Year 1</b>	<b>Year 2</b>	<b>Year 3</b>	<b>Year 4</b>	<b>Year 5</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
<b><u>INCOME (Rental &amp; Hire)</u></b>					
Educational 250	2,450	2,450	2,450	2,450	3,150
Commercial 250	12,600	20,400	25,200	26,400	27,000
Community 250	5,775	7,425	7,425	7,425	8,800
Educational 400	8,800	11,200	11,200	11,200	11,200
Commercial 400	15,600	20,400	24,000	26,400	28,800
Community 400	5,200	8,450	11,700	14,950	18,200
Functions	10,080	11,214	11,214	11,970	11,970
	<b>60,505</b>	<b>81,539</b>	<b>93,189</b>	<b>100,795</b>	<b>109,120</b>
<b><u>OTHER REIMBURSEMENT INCOME</u></b>					
Cleaning 250	12,250	17,000	19,000	19,500	21,500
Electricity 250	12,250	17,000	19,000	19,500	21,500
Production Equipment 250	21,525	30,600	34,800	35,850	39,000
Cleaning 400	12,800	17,600	20,800	23,600	26,400
Electricity 400	12,800	17,600	20,800	23,600	26,400
Production Equipment 400	26,625	35,625	42,000	46,875	51,750
Marketing	-	-	-	-	-
Piano Tuning	2,250	2,306	2,364	2,423	2,484
Sundry	-	-	-	-	-
	<b>100,500</b>	<b>137,731</b>	<b>158,764</b>	<b>171,348</b>	<b>189,034</b>
<b><u>WAGES REIMBURSEMENTS</u></b>					
<b><u>See Over</u></b>	96,242	131,057	149,300	160,636	176,729
<b><u>Ticketing Income</u></b>					
<b>250 Seat</b>					
Inside Charges	9,675	11,850	15,519	19,163	23,438
Ticket Processing Fees	1,935	2,370	3,104	3,833	4,688
External Ticket Income	484	593	776	958	1,172
Phone Booking Fees	5,418	6,636	8,691	10,731	13,125
<b>400 Seat</b>					
Inside Charges	8,520	11,400	14,560	17,500	20,700
Ticket Processing Fees	1,704	2,280	2,912	3,500	4,140
External Ticket Income	2,130	2,850	3,640	4,375	5,175
Phone Booking Fees	4,771	6,384	8,154	9,800	11,592
	<b>34,637</b>	<b>44,363</b>	<b>57,355</b>	<b>69,859</b>	<b>84,029</b>
<b>CAFE Income rental</b>	14,000	14,000	14,000	14,000	14,000
<b><u>MERCHANDISING</u></b>					
Commission From Hirers	1,872	2,448	2,880	3,168	3,456
Merchant Fee					
Reimbursement					
<b><u>SUNDRY INCOME</u></b>					
LPA Fee (see expenses)	-	-	-	-	-
Interest Received	-	-	-	-	-
<b>Beverage Profit Loss</b>	- 1,377	193	3,227	6,345	10,277
<b>TOTAL INCOME</b>	<b>306,379</b>	<b>411,331</b>	<b>478,715</b>	<b>526,151</b>	<b>586,644</b>

## Wages Reimbursements

### Stage One - 250 Seat Black Box

	Year 1	Year 2	Year 3	Year 4	Year 5
<b>WAGES REIMBURSEMENTS</b>					
Tech Casuals and Manager					
Educational	3,429	7,543	7,543	7,543	8,229
Commercial	5,486	8,914	11,657	14,057	16,114
Community	8,914	10,971	11,314	11,314	13,029
Front of House Manager	8,082	12,434	13,833	14,921	16,942
Ushers					
Educational	2,560	5,632	5,632	5,632	6,144
Commercial	4,096	6,656	8,704	10,496	12,032
Community	6,656	8,192	8,448	8,448	9,728
Bar Staff (see beverage)					
Functions	8,704	9,683	9,683	10,336	10,336
Box Office Manager	-	-	-	-	-
Box Office Casuals	-	-	-	-	-
Merchandising					
Merchandise Casuals	1,821	2,960	3,870	4,667	5,350
Seating Change Over					
Casuals	8,643	13,297	14,793	15,957	18,118
<b>Total</b>	<b>58,391</b>	<b>86,283</b>	<b>95,478</b>	<b>103,371</b>	<b>116,021</b>

*Stage Two - 250 Seat Black Box and 400 Seat Theatre*

	Year 1	Year 2	Year 3	Year 4	Year 5
<b>WAGES REIMBURSEMENTS</b>					
<b>250</b>					
Tech Casuals and Manager					
Educational	2,400	2,400	2,400	2,400	3,086
Commercial	7,200	11,657	14,400	15,086	15,429
Community	7,200	9,257	9,257	9,257	10,971
Front of House Manager	7,616	10,569	11,813	12,123	13,367
Ushers					
Educational	1,792	1,792	1,792	1,792	2,304
Commercial	5,376	8,704	10,752	11,264	11,520
Community	5,376	6,912	6,912	6,912	8,192
Bar Staff (see beverage)					
<b>400</b>					
Tech Casuals and Manager					
Educational	5,657	7,200	7,200	7,200	7,200
Commercial	8,914	11,657	13,714	15,086	16,457
Community	4,114	6,686	9,257	11,829	14,400
Front of House Manager	4,974	6,839	8,082	9,170	10,258
Ushers					
Educational	5,632	7,168	7,168	7,168	7,168
Commercial	6,656	8,704	10,240	11,264	12,288
Community	4,096	6,656	9,216	11,776	14,336
Bar Staff see beverage					
Functions	8,704	9,683	9,683	10,336	10,336
Box Office Manager	-	-	-	-	-
Box Office Casuals	-	-	-	-	-
Merchandising					
Merchandise Casuals	2,390	3,870	4,781	5,008	5,122
Seating Change Over					
Casuals	8,145	11,303	12,633	12,965	14,295
<b>Total</b>	<b>96,242</b>	<b>131,057</b>	<b>149,300</b>	<b>160,636</b>	<b>176,729</b>