

# DRAFT BPACC Business Plan June 2020 – 2025

## Version 5



### Busselton Performing, Arts and Convention Centre (BPACC)

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## Context

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

The BPACC will be an iconic landmark performance space with a minimum 600 seat capacity theatre, and conference and convention facility to accommodate 400 people banquet style. The building will be flexible in design utilising the latest technology to fill the gap to host large indoor events, adding to the viability of the South West touring circuit and the opportunity to increase visitation to the region as a destination for conference, trade shows and conventions.

The BPACC will deliver a traditional theatre with operational flexibility to hold events, small to large functions and a conference facility. The auditorium provides an indoor events space of over 1000 capacity, comprising 625-seats with 343 seats which are retractable or removable, 116 seats on level one balcony and 166 seats and 36 perched positions on level two balcony. Once the 343 seats are retracted or removed there will space to accommodate 515 standing in flat floor mode. The total capacity of the auditorium in flat floor mode is 833 or 669 in an all seating configuration.

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

On the first floor there will be a rehearsal room, two conference rooms and breakout rooms providing for a 400 banquet function with outdoor deck and views to the Bay. This will enable the hosting of conferences outside the main auditorium, allowing the auditorium to be used for set-up and other purposes while a conference is in progress; enabling conferences to be scheduled all year round without needing to share the auditorium with other events. With the completion of the airport project and the foreshore hotel developments, the City expects to be able to target business events of a standard that require first-class facilities.

A new art gallery forms part of the BPACC facility, enabling the current gallery to be repurposed into a commercial bar and the existing ArtGeo gallery to be upgraded to an AA class to increase the quality of touring products that can be received there. The current gallery is limited to tours it can exhibit due to its climate control, dust/mite controls and security, in particular in the storage and art transit facilities, which are a basic shed. Its configuration and size are also difficult to curate within and limit the quantity that can be displayed. Expansive heritage windows on north and south are blocked with a false wall to provide the white space galleries need, thus not allowing the full beauty of the heritage asset to be fully appreciated. Revenue from leasing the old gallery building will be used to partially fund the maintenance and asset replacement of the BPACC.

The generous courtyard can be used as an outdoor exhibition space for shows such as sculpture works, a further outdoor event space and an alfresco area for functions, with the ArtGeo bar to serve out into. The ArtGeo bar will operate independently to the BPACC, providing a commercial tenancy opportunity and a key attraction to add to the existing hospitality strip along Marine Terrace and foreshore, providing another anchor within the CBD supporting the connection of the CBD with the vitality of the rejuvenated Busselton foreshore.

The addition of a creative maker space, co-working area, recording studio and meeting room that forms a Creative Industries Hub will be provided, subject to further funding. This will provide short or long-term rental to organisations in the creative industries. This hub will be used to enable collaborations between creative groups and the production of music and arts works. The hub will support the growth of the SWs specialised creative industry segments such as: film, TV & Commercial radio, architecture, design and visual arts, music and performing arts; and publishing.

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

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

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

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

## The Vision

*"The BPACC will reflect the rich heritage of our jetty, timber industry and picturesque region. The BPACC energises Busselton as a vibrant creative town, connecting the bustling foreshore with a thriving CBD. Loved by the local community and visitors for the extraordinary range of experiences and diversity of high quality events, shows and conferences. There is always something happening at the BPACC."*

*'BPACC – where it's happening'*

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

### 1. Key Objectives

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

- Create local jobs from entry level to professional in sectors hardest hit by COVID: hospitality, tourism and the arts.
- Create new markets for business in convention, conferences, trade shows, the arts and creative industries, which increase local spend;
- Diversify the City of Busselton's event offerings;
- Fill the gap in indoor venues with capacity that can reach over 1000 to service the winter and shoulder seasons;
- Broaden the horizons and prospects for our youth
- Add to established visitor attractions
- Provide opportunities for aboriginal cultural experiences, supporting job creation and increased recognition of the value of our rich First Nation's heritage

- Supports increased educational and training opportunities
- Attract touring art exhibitions of National and potentially international acclaim
- Enliven the Cultural Precinct, connecting the CBD and foreshore, providing an economic catalyst for extended trading and business viability kick starting a night time economy
- Enrich the lives of the community and its visitors by increasing the spectrum of quality arts and cultural events;
- Improving lives with social benefits associated with this project valued at \$7m and
- Provide opportunities for the region's burgeoning creative industries sector and a home for local artistic, cultural, educational groups and individuals.

## 2. Strategic Links

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

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

The BPACC aligns with the following social and economic objectives in the City's Community Strategic Plan:

- *Be a community with access to a range of cultural and art, social and recreational facilities and experiences;*
- *Create urban design that produces vibrant, mixed use town centres and public spaces that create opportunities for people to come together, socialise and enjoy a range of activities;*
- *Sustainably manage development and value our environment (in this case Heritage);*
- *Innovate and diversify the economy to provide business and employment opportunities as well as consumer choice; and*
- *Provide events and unique tourism experiences that attract visitors and investment*

## 3. Critical Success Factors

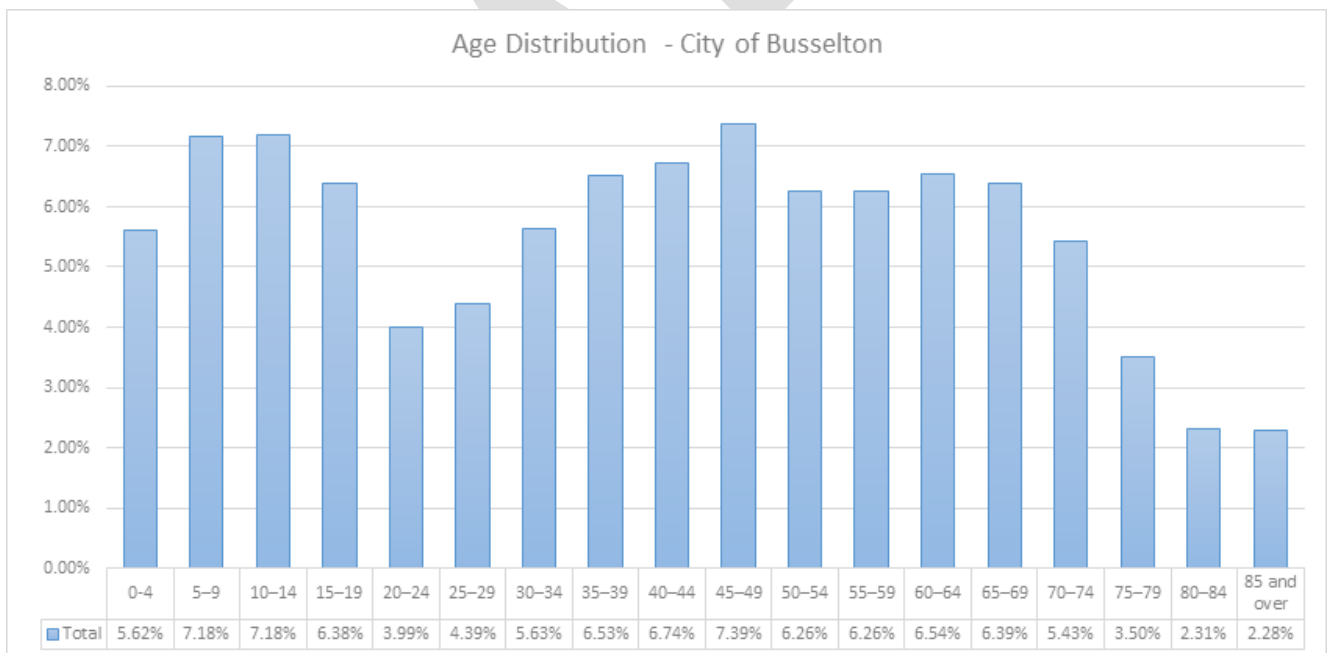
The BPACC will be a fairly complex operation, providing a diverse range of service to a broad range of customers, many internal and external environmental factors will influence its success. The following critical success factors have been identified:

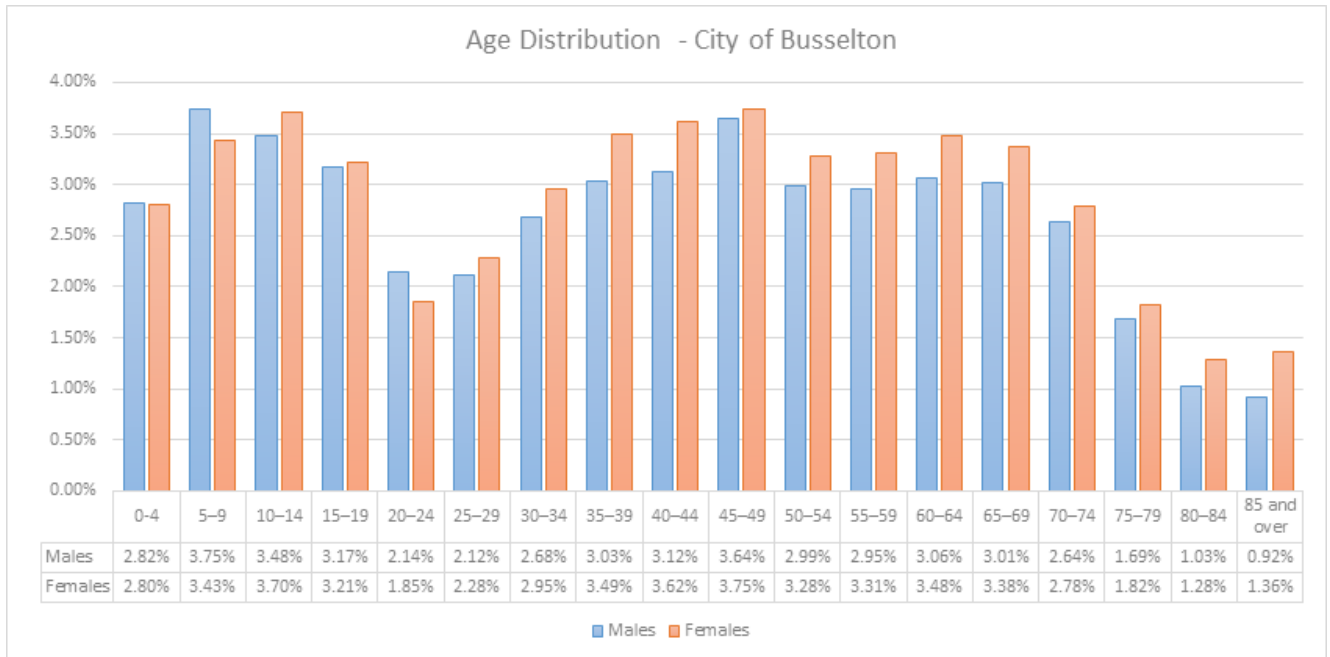
- A shared vision and endorsed Strategic Plan for the development, establishment and growth of the BPACC aligned with the City of Busselton Community Strategic Plan and the community's aspirations for the future.
- Aligned marketing, programming, financial, utilisation, community, commercial and artistic objectives.
- Versatility and adaptability to achieve the performances, conferences, meetings, events and incentive travel market revenues and attendances forecast.

- Appropriately resourced and effective audience development, event attraction, marketing and community engagement plans.
- An exceptional experience only attainable at the BPACC, highly valued by our community and visitors to the region.
- Integration with the Cultural Precinct, enhancing the heritage environment and adding to the vibrancy of the area for a diverse customer experience.
- Connection and interface with the foreshore to attract increased visitation and duration of stay.
- Enough high quality staff with the right skills, experience, values and motivation.
- A cohesive stakeholder reference group working collaboratively in the best interest of the whole complex.
- Strongly connected with industry and other centres; arts, culture, tourism, business events market.
- Clear operating policies and procedures including risk appetite to guide investment decisions.

#### 4. Audiences

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





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

Entertainment that appeals to children and their families, youth and seniors will feature strongly in BPACC programming.

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

Attendance demand has been estimated on the basis of the average propensity to consume performing arts experiences for Regional Western Australia which has then been applied to the current and forecast population of the City of Busselton. Capture rates have then been used to project scenarios for the expected demand for Performing Arts Events at the BPACC:

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

A conservative capture rate of 50% has been used to forecast the expected number of Performing Arts Events to program.

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

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

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

The review established there is little capacity in existing venues for medium to large scale business events in excess of 250 people and consequently there will be minimal displacement caused by the BPACC, particularly given the conservative number of events planned to be hosted relative to the potential future demand. The BPACC will be designed to handle larger events and grow the entire MICE industry in Busselton significantly, which should then allow for some organic growth for other venues and also scope for working in partnership to meet the anticipated demand as previously established.

## 5. Program

BPACC will cater for:

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

Community consultation and demographic profile information indicate the most popular type of performance is likely to be popular music and family friendly type events.

Emerging/continuing event trends Australia and worldwide have been identified as:



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

It is anticipated that current local school, music and dance groups’ use of BREC including users south of Busselton will transfer their bookings to the BPACC from 2022/23. Cape Naturaliste College has indicated they are likely to book the facility for their annual school ball and awards night(s) as are Busselton Senior High School. Georgina Molloy Anglican School have expressed a preference to use their own facilities. These activities usually occur for 4 weeks during Term 4.

### **The Weld Theatre**

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

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

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

The Repertory Club lease expires 30 June 2020. To date the Club have paid a peppercorn rate and been responsible under the lease for all building maintenance, except structural and heritage. The Club have struggled with the capacity to maintain the building, with their own operational needs taking priority. Under the new arrangement the City will be responsible for all building maintenance, to ensure the heritage listed asset is maintained to the required standard and fully integrates with the new development aspects of the BPACC. The new arrangement will consider:

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

### **Acting Up**

Acting Up provide community performing arts and have a lease in the Police Sergeants Cottage adjacent to the Courthouse which expires 30 June 2020 with a further 5 year option. To date they have paid a peppercorn rate and been responsible under the lease for all building maintenance, except structural and heritage. The group have struggled with the capacity to maintain the building, with their own operational needs taking priority. Acting Up will move into the new BPACC development and have provided an ideal scenario where they have

exclusive use of a storage area and office are the dominant user of a multipurpose rehearsal type room, have access to a further activity/breakout room, toilets and foyer space. The City will provide a suitably sized storage area and share use of an office space with other stakeholders with access under hire arrangements to the other aspects of the centre.

A new arrangement will need to be established which considers:

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

The cottage they currently lease is not suitable for their needs and is underutilised as a heritage asset and prime real estate with main street frontage. The draft Cultural Precinct Masterplan proposes this building, in future, becomes the Courthouse retail outlet for locally produced artisan products and Cultural Precinct souvenirs.

Acting Up's main usage periods are classes Monday to Friday from 3.30pm and Saturday mornings for 3-4 hours. On average they put on 4 annual performances of 2 weeks each. Rehearsal time for these is usually 2 hours, Tuesdays, Wednesdays and Friday evenings from 3pm to 11pm and all day Saturday for 13 weeks.

An example of Acting Up's indicative programming is shown below:

Course Name (age ranges are approximate)	Term Cost \$	Busselton				
Recreational Drama ages to 8	110.00	Mon 3.45-4.30	Tue 3.45-4.30	Wed 3.45-4.30	Thu 3.45-4.30	Fri TBA
Recreational Drama ages to 11	120.00	Mon 4.30-5.30	Tue 4.30-5.30	Wed 4.30-5.30	Thu 4.30-5.30	Fri TBA
Recreational Drama ages to 17+	120.00	Mon 5.30-6.30	Tue 5.30-6.30	Wed 5.30-6.30	Thu 5.30-6.30	Fri TBA
Advanced Drama Certificate Ages 12-14	180.00	Mon 5.30-7.00				
Advanced Drama Certificate Ages 15+	180.00	Mon 5.30-7.00				
Musical Theatre Introductory	120.00			Wed 5.30-6.30		
Musical Theatre Advanced	180.00			Thu 5.30-7.00		
Singing Lessons		Individual and Group sessions as arranged - Monday to Saturday available. Contact Emma on <a href="mailto:emma@actingup.com.au">emma@actingup.com.au</a>				
Adult Musical Theatre Adult Drama	120.00	Tuesday 7.00-8.30pm Thursday 7.30-8.30pm Or during the day or evenings – six week course available				Register your interest now
Directors and Directing	135.00	Course to be arranged				
Stage Make-up and Special Effects		Course to be arranged – please register your expression of interest				

Drama for Toddlers ages 2½-5	110.00		Tue 10.00-11.00			
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### Key events

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

#### CinefestOz:

1 week in August likely to want to use the whole centre for: opening gala night (full capacity), closing award night (full capacity), screenings daily using main auditorium and Weld, industry workshops, school visits, meetings, ticketing

Gourmet Escape opportunity to grow the event

Jazz by the Bay opportunity to grow the event

Busselton Fringe Festival

Festival of Busselton

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

Busselton Jetty Swim awards night

Battle of the Bands

### Business events

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

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

The BPACC is forecast to deliver:

<b>Auditorium use</b>	<b>per annum</b>	<b>per week</b>	<b>Attendees per event 60% occupancy of 650 seats</b>	<b>Attendance per annum</b>
Commercial hires	47	0.90	390	18330
Community hires	50	0.96	390	19500
Programmed events	20	0.38	390	7800
<b>Total</b>	<b>117</b>	<b>2.25</b>	<b>1170</b>	<b>45630</b>
<b>Rehearsal room hire</b>	<b>per annum</b>	<b>x per week</b>	<b>Ave attendance</b>	<b>Attendance per annum</b>
Music/dance schools	200	3.85	30	6000
Community hires	100	1.92	20	2000
<b>Total</b>	<b>300</b>	<b>5.77</b>	<b>50</b>	<b>8000</b>
<b>Meeting room</b>	200	3.85	<b>10</b>	<b>2000</b>
<b>Large events using multiple indoor/outdoor areas</b>	7		<b>1000</b>	<b>7000</b>
<b>Conference rooms</b>	<b>per annum days hired</b>	<b>x per week</b>	<b>Ave attendance</b>	<b>Attendance per annum</b>
1 room <50 PAX 1 day hire	63	1.21	27	1680
2 rooms 50-150 PAX 1 day hire	33	0.63	83	2750
Full suite > 150 PAX incl 11 conferences 4 day hire	47	0.90	290	13630
<b>Total</b>	<b>143</b>	<b>2.75</b>	<b>400</b>	<b>18060</b>
<b>Gallery exhibition opening events*</b>	12		<b>40</b>	<b>480</b>
<b>Bar</b>	<b>Visitors per annum</b>	<b>Visitors per week</b>		<b>Visitors per annum</b>
	19417	373.40		<b>19417</b>
<b>Creative hub</b>	<b>per annum</b>	<b>x per week</b>	<b>Ave attendance</b>	<b>Attendance per annum</b>
Leased office/desk space	8	8	8	8
Community desk hire	100	1.92	100	100
Studio hire	200	3.85	2	400
Meeting room hire	200	3.85	10	2000
<b>Total</b>	<b>500</b>	<b>9.62</b>	<b>112</b>	<b>2500</b>
		<b>TOTAL ATTENDEES 1ST FULL YEAR</b>		<b>103087</b>
		Increasing to 148,000 to 197,000 by year 5		
* excludes daily visitation in 2018/19 was 16,000				

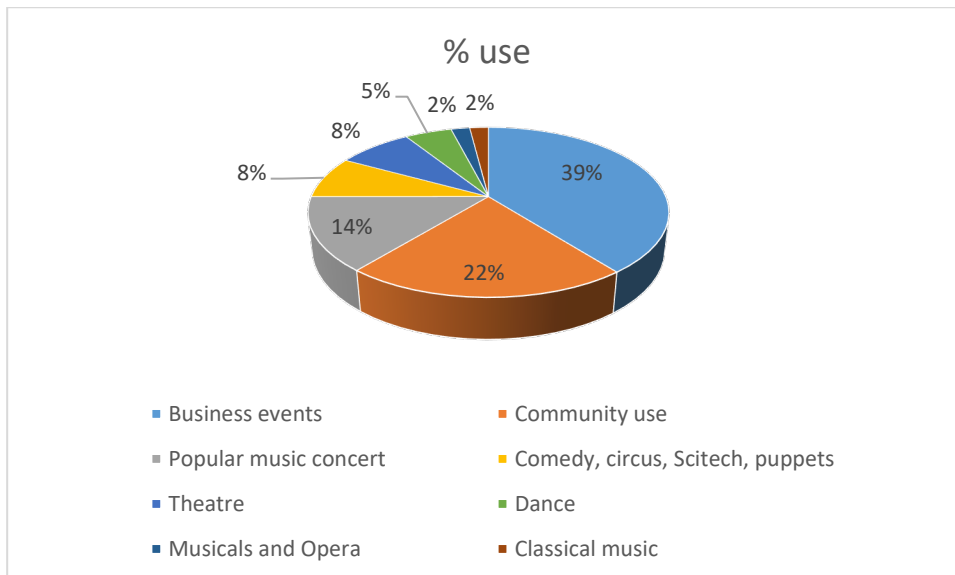
## Programming Policy

The BPACC programming will consist of the following streams;

1. *Community Production* – Programs produced and coordinated by the community supported by the City by the provision of leased/licensed areas within the BPACC e.g. for the Busselton Repertory Club and Acting Up!
2. *City funded events* - Events produced and coordinated by commercial and community organisations supported by the City e.g. CinefestOz and Busselton Festival from funding available through the City's Marketing, Events Reference Group (MERG) cash and in kind by way of venue hire fee waiver and support service waiver considerations.
3. *City programming* - The City will source, negotiate price, program, fund, incentivise and ticket (where relevant) performances, business events and other events of a commercial nature. An annual allocation of MERG funding has been forecast commencing at \$150,000 per annum.
4. *Venue hire* – The BPACC will be marketed for hire by community and commercial users. Business Events will be entirely by venue hire, with event organisers able to procure their own catering, furnishings and staffing. Venue hire for commercial use of the auditorium, foyer, courtyard and gallery will specify equipment and services included and charge out rates for specific items and labour. A local supply list will be developed for hirers to purchase from. Kitchens and bars will be supplied with basic glassware, crockery, utensils and furnishings – also available to hire. Affordable rates of subsidised hire for not-for-profit, local community groups will be provided as the City does for all its other halls, rooms and venues for hire.

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

Based on the City's demographic profile, market demand assessment and consultation for the City's Event Strategy review the following indicative program model has been forecast which will form the basis from which the Programming Policy will be developed:



## Production

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

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

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

## 6. Marketing and Audience Development

### Brand

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

The BPACC will have its own website, possibly containing the gallery, the Weld Theatre and Acting Up, subject to how incorporated in the BPACC operations they become.

The BPACC brand will launch with the BPACC website, in the lead up to the new facility opening when promotion of events, ticket sales and bookings commence and include:

- Domain name
- Style guide and colour scheme
- Logos

- Tag line/slogan
- Uniform specification

### Audience development

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

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

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

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

### Community Engagement

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

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

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

### Marketing the BPACC

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

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

Marketing will align with the income streams identified as:

- Community hire program including schools, music and dance group, Repertory Club, Acting Up and community events organisers.
- Multipurpose venue and conference space for hire
- Programming (curated / produced / purchased) influenced by the degree of artistic/financially driven Policy established.

## Technology

The technological capabilities of the BPACC will reflect the state of the art facility and exceptional experience only attainable at the BPACC, the following systems and capabilities will be provided. Timeframes are based on construction completion December 2022 and live operations by May 2023 at the latest.

System	Timeframe for Delivery
Financial management systems that can budget and report by service	Start of Financial Year 2022/2023
Bespoke website; intuitive design, informative, educational and built to attract and convert ticket sales	Ready to launch October 2022
Online ticketing supporting paperless ticketing transaction options	Launch with website in October 2022
Facebook, email systems	Ready to launch October 2022
Online venue bookings that incorporates and manages all Cultural Precinct venues in one precinct booking schedule	For opening – March 2023 at latest Ideally with website for 2022
Free Wi-Fi	Prior to opening – early 2023/April at latest
Customer Relationship Management System	For opening – May 2023 latest earlier would be ideal to handle enquiries
Point of sale software that integrates with other City systems	For opening – April 2023
People counter	For opening – April 2023
Culture counts customer experience evaluation system	For opening – April 2023
Volunteer management system	Year 2 – 2023-2024
Self-serve ticketing	Year 3 – 2024-2025

Ownership and technical support for these systems needs to be established with the City's IT Department and budgeted and resourced accordingly. It needs to be recognised that many of the BPACC's online services need to be accessible 24/7 and BPACC ordinary hours of work are significantly outside of standard business hours. If systems are down the customer experience and associated revenue flow on effects will be compromised.

## 7. Service Definitions

The BPACC will provide the following services:

What we do
• Attract new and vibrant arts and event opportunities
• Venue hire – community, commercial and business
• Devise, promote and deliver community engagement and audience development programs.
• Manage and promote exhibitions at ArtGeo and Railway House.
• Manage the City's art collection.
• Negotiate and manage community and commercial lease arrangements in association with Property Services.
• Manage and promote the heritage-listed Courthouse and interpret its history in innovative ways.
• Manage retail sales in the Courthouse shop



## 8. Governance and Management

### Governance

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

The integration and inter-relationships with key stakeholders, the Busselton Repertory Club, Acting Up and CinfestOz is also a critical success factor. A terms of reference for a BPACC stakeholder reference group consisting of an appropriate Office Bearer from each organisation and a minimum of two City staff will be established to ensure there is opportunity for regular communication, joint programming initiatives and a collective vision for success. Individual lease, license and or hire arrangements will clarify roles and responsibilities within the Hub operations.

### Staffing

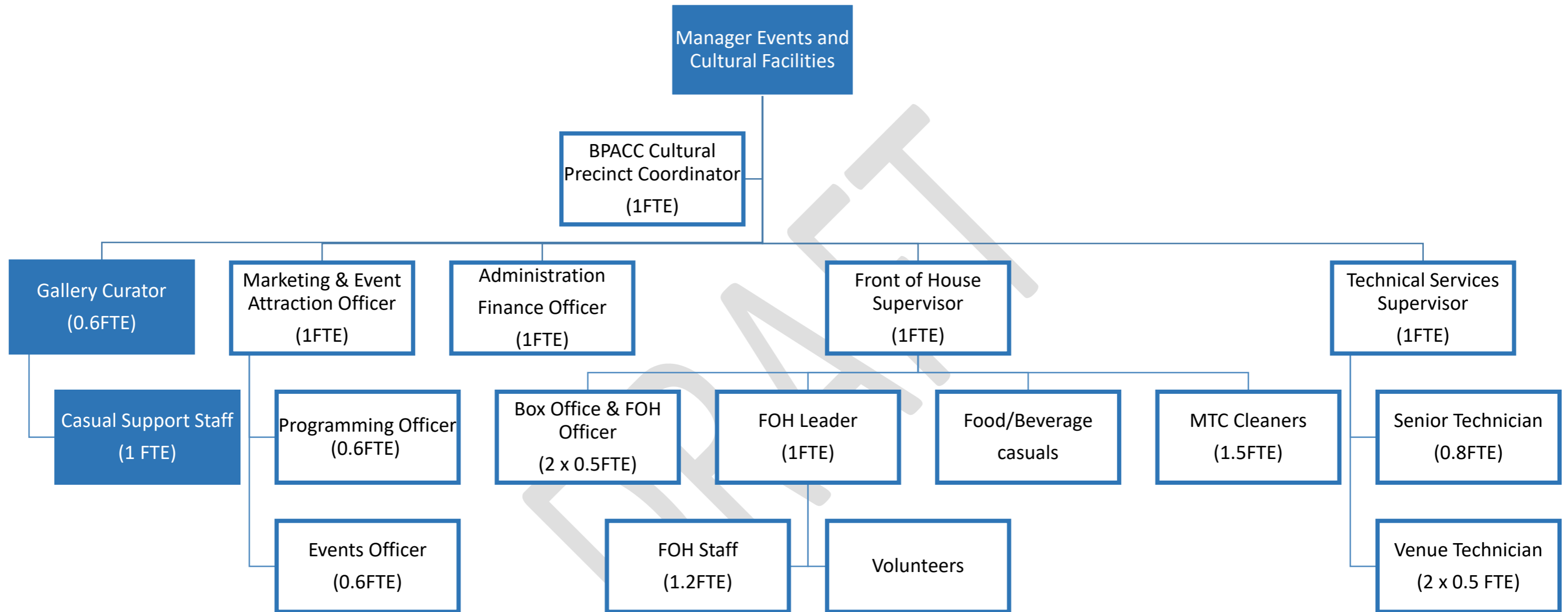
The ArtGeo Cultural Complex is managed by a Coordinator, a part-time Curator (0.6FTE), and a casual budget of \$50,000 (excl. super) for exhibition changeovers, administration and weekend customer service with volunteer customer service at all other times to resource opening hours 7 days a week between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

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

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

9. Resources

Org Structure (subject to possible change as review of existing teams is undertaken over 2020/21)



Existing Existing

11.5 Permanent FTE

1.7 Casual FTE

13.2 Total BPACC FTE

1.6 Total Gallery FTE

+ Recoverable Casuals subject to program

**Abolished Roles**

- ArtGeo Complex Coordinator

## Key Skills

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

### *Venue Manager /Coordinator*

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

The position is planned to be recruited once the construction Tender is awarded in July 2021 and in place from January 2022 to recruit staff and volunteers, inform system, equipment and technical infrastructure specifications and procurement and develop strategies, plans, policies networks and partnerships that achieve the objectives outlined in this Business Plan. This role will eventually replace the existing ArtGeo Coordinator role by January 2023.

### *Marketing & Event Officer*

Reporting to the Venue Manager/Coordinator the purpose of this position is to oversee BPACC business streams, create new business opportunities and relationships and generate income to allow the Centre to achieve strategic outcomes and build stronger relationships across the community. This role will develop and implement plans for marketing, brand development, event attraction, income generation and innovative program development and lead the contractual and partnership negotiations with a range of external and internal partners and venue hirers in order to meet the projected budget forecasts.

The position is planned to be recruited by the Venue Manager/Coordinator and in place by May 2021 to develop and implement the BPACC programme, attracting and securing bookings to ensure the BPACC achieves its first year's forecast program of events and forecast revenues.

### *Finance Administrator*

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

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

- The integration of existing ArtGeo financial processes and systems.
- Compliance with the City's Finance Policies and Procedures including internal audit procedures.
- Control and provision of, Profit & Loss, Balance Sheet and Asset Register reports.
- Management of Trust accounts
- Daily cash flow requirements and advise of issues as required.
- Monitoring of outstanding Debtors and recommendations for pursuit of overdue accounts.
- Creditor's invoices and payments within their required time frame; settlement of Petty Cash and In House expenses monthly.
- Budget outcomes and reports on the Centre's financial performance.
- Preparation of budgets for purchase and in-house shows in collaboration with the Venue Manager and the Marketing and Events Coordinator
- Show acquittals and financial transactions of events.
- Provision of statistical records
- Financial acquittal reports for funders and sponsors.
- Preparation of annual budget and review with the Venue Manager and the Marketing and Events Coordinator as required.

- Co-ordination of insurance claims.
- Finance Policy documentation review.
- Ensure that all sales and transactions made through the ticketing system are properly entered and balanced with accounting system.
- Maintain Balance Sheet Reconciliation
- Ensure accurate records are kept of all third party monies held in trust.
- Maintain accurate statistical records regarding use of BPACC

#### *Front of House Supervisor*

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

#### *Technical Services Supervisor*

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

#### *Volunteers*

Volunteers will play an important role in the effective running of the venue. In 2018/19 BREC reported using 7000 volunteer hours which equated to \$200k in Front of House wage savings. Volunteers reinforce community engagement, introduce specialist skills to the venue, provide audience development opportunities and help reduce stress and staff burnout. Volunteerism at the BPACC will provide opportunities for all sectors and particularly youth, seniors and socially isolated members of the community to get involved. Volunteer Management Models such as independent "Friends of" type groups or the current volunteer program operated by the Artgeo Complex will be reviewed and developed further to consider opportunities including:

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

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

- Recruitment
- Induction
- Supervision
- Evaluation

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

#### **Recruitment**

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

Volunteer Recruitment is entirely dependent on the specific positions and tasks required of the volunteer, position descriptions will be developed for all roles which consider:

- Is there an appropriate age range?
- Is there a minimum time commitment required?
- Is the volunteering need ongoing or just for one specific time period?

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

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

### Induction

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

Induction and training will consist of:

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

### Supervision

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

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

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

### Evaluation

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

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

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

### Occupational health and safety

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

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

Footwear and clothing appropriate for the volunteer position must be worn at all times. Particular attention should be paid to any positions requiring outdoor duties. Hats, water and sunblock will be provided by venue management.

Appropriate guidelines will be given around technical concerns and clear lines of communication provided to the relevant staff.

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

#### Insurance

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

#### Reimbursement

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

#### Dispute resolution

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

#### Retention and reward

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

#### Partnerships

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

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

Key Agencies	Venues	Industry	Government	Market
Tourism WA (TWA)	Bunbury Regional Entertainment Centre (BREC)	Bunbury Chamber Commerce & Industry (BCCI)	Austrade	Corporates
Perth Convention Bureau (PCB)	Esplanade Hotel	Busselton Chamber Commerce & Industry (BCCI)	Department of Primary Industries & Regional Development	Associations
Australia SW (ASW)	Abbey BPACC Resort Geographe Bayview Resort	Margaret River Chamber Commerce & Industry (MCCI)	Department of Jobs Tourism Science & Innovation	Incentives
South West Development Commission (SWDC)	Bunker Bay Resort Ramada Resort	Dunsborough Yallingup Chamber of Commerce (DYCCI)	Capes Regional Organisation of Council (CAPEROC)	Conferences

Margaret River Busselton Tourism Association (NRBTA)	Margaret River HEART	Film South West		Trade Shows
Regional Development Australia SW (RDA SW)	Hilton Hotel	MR WTA		Exhibitions
Bunbury Geographe Tourism Association (BGTA)	The Shelter	MR RAP		
	Cinemas			
	Undalup Room			

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

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

Art Gallery of Western Australia	
GalleriesWest	Exhibition growth and diversification
Bunbury Regional and Collie Art Gallery	Exhibition growth and diversification Funding partnerships

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## 10. Key Action Plan

Critical success factor alignment	Action	Customer / Stakeholder	Resourcing Impacts	Timeframe for delivery			
			Operational / Capital / External / Funding	20/21	21/22	22/23	23/24
Shared vision	Strategic Plan development to outline growth strategy for audience and product development	See partnerships section, Council SMG	Operational in house		X		
	Develop SW Business Events Strategy	See partnerships section	Funded by SWDC, resourced by ASW		X		
	Implement Cultural Interpretation Strategy	See partnerships section Council	Operational in house	X	X	X	
	Finalise Cultural Precinct Masterplan	See partnerships section, Council SMG	Operational in house	X			
	Develop and implement Interpretation Plans for the heritage assets in the Cultural Precinct.	See partnerships section, Facilities	\$20,000 facilities budget bid to be confirmed	X	X		

Critical success factor alignment	Action	Customer / Stakeholder	Resourcing Impacts	Timeframe for delivery			
			Operational / Capital / External / Funding	20/21	21/22	22/23	23/24
	Expression of interest for commercial lease bar/café aligned to Interpretation Plans for the Agricultural Bank (ArtGeo building)	Property Valuations Officer	Operational in house		X		
Aligned plans	Develop programming policy	CEO Events	Operational in house	X			
	Benchmark others and establish endorsed fee structure	Council	Operational in house	X			
	Establish Name and develop BPACC brand	SMG Public Relations	\$15,000 - \$20,000	X			
	Review City's Event Strategy	CEO, MERG, Council	\$12,000	X			
	Develop BPACC Marketing Plan	SMG PR	Operational in house		X		
	Event Attraction Plan and bookings for 1 <sup>st</sup> 12 months program	CEO MERG	Operational in house		X		
Cohesive stakeholder reference group	Establish Terms of Reference for BPACC stakeholder reference group.	See partnerships section	Operational in house		X		
	Establish Friends of or similar community collective of community champions	See partnerships section	Operational in house	X			
	Establish regular communications and engagement activities to keep community	BPACC Comms Group	Operational in house	X			

Critical success factor alignment	Action	Customer / Stakeholder	Resourcing Impacts	Timeframe for delivery			
			Operational / Capital / External / Funding	20/21	21/22	22/23	23/24
	informed, stakeholders and champions engaged and build future volunteer workforce	ArtGeo Cultural Precinct stakeholders					
	Establish offsite storage solution for Acting Up, Busselton Repertory Club	Affected Stakeholders CEO Property Team Facilities	To be costed	X			
	Lease, License, hire arrangements with Acting Up (cottage lease end 30/6/24), Busselton Repertory Club and others.	CEO Council Property Team Facilities	Operational in house		X		
High quality staff	Volunteer attraction, recruitment and retention plan, processes and systems	Repertory Club Acting Up CinefestOz Volunteer Centre, HR, IT	Operational in house, system to be costed		X		
	Recruit Venue Manager/Coordinator	HR	Operational in house	In place by January 2022			
	Recruit Events and Programming Officer role	HR	Operational in house	In place by May 2022			

Critical success factor alignment	Action	Customer / Stakeholder	Resourcing Impacts	Timeframe for delivery			
			Operational / Capital / External / Funding	20/21	21/22	22/23	23/24
	Plan and implement ArtGeo Cultural Precinct staff restructure	HR ArtGeo staff	Operational in house	X	X		
	Remaining staff recruitment, selection, induction and training	HR	Operational in house		X	X	
Strong connections	Joint programming/collaboration strategy to compliment, diversify and not compete.	BREC, HEART and Circuitwest	Operational in house		X	X	
Exceptional experience	Develop website, ticketing and booking systems	PR IT	CoB budget	Scope	Procure for go live bookings Oct 2022		
	Plan opening night	Council/SMG Events staff PR	MERG funded in operating budget		X	Open May 2022 latest	
Appropriately resourced and effective plans	Develop funding plan (Sponsorships, donors, patrons and Friends of)	See partnerships section	Operational in house	X	X		
	IT Plan with roles, responsibilities, service levels and budgets	IT Manager SMG	Operational in house		X		
	Sound and lighting production requirements plan	Industry	Project budget consultancy	X			
Clear operating policies and procedures	Develop operating policies and procedures	SMG HR	Operational in house		X		

Critical success factor alignment	Action	Customer / Stakeholder	Resourcing Impacts	Timeframe for delivery			
			Operational / Capital / External / Funding	20/21	21/22	22/23	23/24
	Finance systems, processes, roles and responsibilities	Finance Manager SMG	Operational in house		X		
	Develop technical and room hire specifications	Industry BPACC consultant team	Operational in house	X			

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## 11. Funding and Operating Forecast

### Revenue

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

Identified revenue streams include:

- Theatre rentals
- Other facility rentals
- Business event hires
- Gallery
- Creative Industries Hub (subject to development)
- Ticketed programmed events
- Event bar sales
- Commercial lease bar rent
- Sponsorships
- Membership sales
- Commission on merchandising
- Ticketing fees
- Facility community leases/license arrangements

### Theatre Rentals

The auditorium will be hired out for performances and other activities. It is estimated that the auditorium will be hired a total of 97 times in the first full year, increasing to 140 times by year 5.

The breakdown for hiring the auditorium in the first full year is expected to be:

- 27 casual hires to commercial organisations at a nominal rate of \$2,575 per hire (note that no fees and charges have been formally adopted by Council, but these are indicative rates).
- 20 incentivised commercial hires at a nominal rate of \$2,060 per hire
- 50 hires to not-for-profit community groups at a rate of \$1,545 per hire
- Additional cost recovery charges for utilities etc. will be charged and have been estimated at 10%

The total expected revenue from theatre rentals for the first full year of operating is \$206,773, increasing to \$318,800 by Year 5.

### Other Facility Rentals

In addition to the auditorium, the majority of the BPACC facility will be available for hire for business and performing arts events.

\$58,898 in the first full year of operating is forecast for hire of other areas such as the rehearsal room, function and meetings rooms for activities such as dance, music and acting schools, meetings and community use. Revenue is made up from a forecast 500 hires: 200 for music/dance type activities, 200 meetings and 100 community bookings, with hire fees ranging from \$31 a booking for community to \$100 for music and dance who are likely to be commercial users, plus recoverable charges.

## **Business Events**

Conference rooms, breakout rooms, meeting rooms, foyer and outdoor areas will be available to hire for business events. Based on market demand analysis and comparisons from other, similar venues, it is estimated that the BPACC will be hired a total of 85 times in the first full year of operation for commercial events, increasing to 110 times by year 5, with larger conferences hiring over 4 days. The revenue model completed for Business Events and Functions at the BPACC estimates that, of these 85 events, there will be a mixture of conferences, cabaret/banquet style events of varying sizes, cocktail receptions, seminars and special events. The total estimated revenue for these events is \$138,625 for the first full year, increasing to \$189,659 by year 5.

## **Gallery**

The Gallery area will be used for exhibitions and shows. In 2019/20, the ArtGeo Gallery provided \$8,400 in revenue from exhibition fees from nine exhibitions across the year. It can be assumed that, with the upgrade and extension of the gallery within the BPACC facility, there will be an increase of around three additional exhibitions a year, equating to around \$11,196 in revenue the first full year.

## **Creative Industries Hub (subject to funding to develop)**

The Hub is forecast to add an additional \$48,300 in revenue per annum, including \$33,100 from a range of hire arrangements, consisting of 200 bookings for the studio space at \$100 per hire, 200 bookings of the meeting rooms at \$50 per hire and 100 bookings of working spaces at \$31 each.

An additional \$13,154 is forecast to be generated from flow on events into the broader BPACC facility.

## **City Programming**

In addition to hiring out the venue, the City will also secure events and shows and stage them at the BPACC. For these activities, the revenue the City obtains will be from ticket sales. The City has estimated it will deliver 20 events in the first full year, growing to 25 events per year by year 5. This is based on a range of ticket prices from \$25 to \$65, an average occupancy of 60% per show (390 people). This equates to revenue of \$358,020 in the first full year operating, increasing to \$447,525 by year 5 (with an assumed slight increase in occupancy each year up to 65% in year 5).

**Bar Lease and Sales.** The City will lease the new bar in the ArtGeo building on a commercial basis. Based on a market valuation, the lease is expected to be \$30,000 for the shortened first year and \$45,000 per year thereafter. This bar will be unable to cater for the full demand of pre, post and interval drinks. The BPACC will have bar areas on all levels to cater for these drink sales. Bar sales revenue forecasts starting at \$150,000 in the first full year have been based on benchmarking with similar sized and operated venues.

**Sponsorship.** Based on the revenues for similar regional facilities, annual sponsorship such as naming rights and event sponsorship can be expected to bring in around \$20,000 per full year.

**Membership.** The City will enable patrons to 'purchase' a seat for the year for \$250. This is a common form of fundraising for new theatres. It is expected to sell 100 seats initially with this reducing over time by half each

year. Memberships will also be available at \$1,000 per annum. 15 of these are estimated to be sold initially and are forecast to double over time by year 5.

### **Royalties and commissions.**

The City will take 12.5% of royalties from the sale of merchandise during professional events. The amount of expected merchandise sales has been based on the number of venue hires, average attendance and average spending of \$4.50 per person based on benchmarking.

As per the current art gallery, the City also receives revenue from art sales commissions. In 2019/20, the City earned over \$10,000 in art sales commission. Given the inclusion of an art gallery into a performing arts venue has proven to increase the number of gallery visitors and sales in other locations, it is expected that the art sales commissions received by the City will increase by at least 20% to around \$12,000 in the first full year.

### **Ticketing**

The City will charge a per ticket fee to organisations who use the BPACC box office and ticketing facilities. Ticketing revenue is based on in the first full year 60% occupancy of the theatre which gives 43,650 attendances at an average ticket charge of \$2.88 multiplied by 0.75 to allow for 25% of the theatre performances to be non-ticketed.

### **Funding Opportunities**

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

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

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

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

### **Costs**

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

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



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

## Budget

The estimated budget for the Busselton Entertainment Arts and Convention Centre, with Creative Industry component removed is as follows:

		2021/22	2022/23 (transition 3 months operating)	2023/24 Year 2	2024/25 Year 3	2025/26 Year 4	2026/27 Year 5
<b>Revenue</b>							
Theatre Rentals	Fees and charges	-	53,782	210,908	255,921	288,119	325,176
Other Facility Rentals (Conferences, meetings, rehearsal room)	Fees and charges	-	15,319	60,076	66,159	71,231	76,852
Business Events	Fees and charges	-	36,056	141,398	166,345	190,507	193,452
Gallery exhibitions	Fees and charges	-	8,568	11,420	11,763	12,115	12,479
Commission on art sales	Fees and charges	-	10,200	12,240	12,607	12,985	13,375
Creative Hub hires		-	-	-	-	-	-
Creative Hub Leases		-	-	-	-	-	-
Programming Revenue	Fees and charges	-	93,121	365,180	456,476	465,605	474,917
Commercial rent - ArtGeo bar	Other revenue	-	-	30,900	46,350	47,277	48,223
Beverage sales	Other revenue	-	38,250	153,000	181,689	197,884	209,100
Sponsorship	Operating grants, subsidies	-	10,200	20,400	20,808	21,224	21,649
Memberships, seat endowments	Fees and charges	-	-	27,750	26,375	28,188	31,594
Ticketing	Other revenue	-	32,743	128,404	162,026	187,273	219,386
Merchandise sales	Other revenue	-	-	8,951	9,174	9,398	9,586
<b>Sub-total revenue</b>		-	<b>298,239</b>	<b>1,170,627</b>	<b>1,415,691</b>	<b>1,531,807</b>	<b>1,635,789</b>
Operating grants/subsidies and contributions	Operating grants, subsidies	-	12,355	50,407.38	51,416	52,444	53,493
Transfer from City's Marketing and Events Reserve		50,000	100,000	150,000	150,000	150,000	150,000
Transfer from City's Performing Arts/Convention Centre Building Reserve		-	-	209,123	213,223	245,981	334,569
<b>Sub-total grants and funding</b>		<b>50,000</b>	<b>112,355</b>	<b>409,530</b>	<b>414,639</b>	<b>448,425</b>	<b>538,062</b>
<b>TOTAL REVENUE</b>		<b>50,000</b>	<b>410,594</b>	<b>1,580,157</b>	<b>1,830,330</b>	<b>1,980,232</b>	<b>2,173,851</b>
<b>Expenses</b>							
	<b>Nature &amp; Type</b>	<b>2021/22</b>	<b>2022/23 (transition 3 months operating)</b>	<b>2023/24 Year 2</b>	<b>2024/25 Year 3</b>	<b>2025/26 Year 4</b>	<b>2026/27 Year 5</b>
Salaries & Wages including cleaners & matching super	Employee Costs	123,500	275,840	1,128,185	1,153,569	1,179,524	1,206,063
Casual programming budget	Employee Costs	-	25,000	102,250	104,551	106,903	109,308
Penalties estimate	Employee Costs	-	3,644	14,905	15,240	15,583	15,934
Other Employee Related Costs	Employee Costs	-	5,206	21,292	21,771	22,260	22,761
<b>Sub-total employment expenses</b>		<b>123,500</b>	<b>309,690</b>	<b>1,266,631</b>	<b>1,295,130</b>	<b>1,324,271</b>	<b>1,354,067</b>
Administration expenses	Other Expenditure	-	34,425	141,143	144,671	148,288	151,995
Communications, IT, software	Other Expenditure	-	28,200	28,905	29,628	30,368	31,128
Bar operations	Other Expenditure	-	12,125	49,713	50,955	52,229	53,535
Cleaning materials	Materials and Contracts	-	1,964	8,051	8,253	8,459	8,670
Electricity & Gas	Utility Charges	-	25,000	102,500	105,319	108,478	112,004
Water	Utility Charges	-	16,500	67,650	69,510	71,596	73,922.55
Insurances	Insurance expenses	-	10,000	41,200	42,436	43,709	45,020
Waste	Materials and contracts	-	1,625	6,663	6,829	7,000	7,175
Security	Materials and contracts	-	2,500	10,250	10,506	10,769	11,038
Fee waivers, concessional hire	Other expenditure	-	16,250	66,625	68,291	69,998	71,748
Contractors & Consultants	Materials and contracts	-	6,250	25,625	26,266	26,922	27,595
Equipment repairs & replacement	Materials and contracts	-	-	-	-	-	-
<b>Sub-total materials and contracts expenses</b>		-	<b>154,839</b>	<b>548,324</b>	<b>562,663</b>	<b>577,816</b>	<b>593,831</b>
Marketing & Publicity	Other expenditure	25,000	70,000	100,000	102,500	105,063	107,689
MERG funded programming	Other expenditure	25,000	100,000	150,000	150,000	150,000	150,000
Programming Expenditures includes show purchases, Production expense, Royalties	Other expenditure	-	34,636	142,008	145,558	149,197	152,927
<b>Sub-total marketing &amp; promotion expenses</b>		<b>50,000</b>	<b>204,636</b>	<b>392,008</b>	<b>398,058</b>	<b>404,259</b>	<b>410,616</b>
Building maintenance & preventative asset management	Materials and contracts	-	-	209,123	213,223	245,981	334,569
Transfer to City's Performing Arts/Convention Centre Building Reserve (asset renewal)		-	-	-	239,380	258,531	347,939
<b>Sub-total asset management expenses</b>		-	-	<b>209,123</b>	<b>452,603</b>	<b>504,512</b>	<b>682,508</b>
<b>Sub-Total Expenses</b>		<b>173,500</b>	<b>669,165</b>	<b>2,416,085</b>	<b>2,708,455</b>	<b>2,810,858</b>	<b>3,041,022</b>
<b>Net operating surplus/deficit</b>		<b>- 123,500</b>	<b>- 258,570</b>	<b>- 835,929</b>	<b>- 878,125</b>	<b>- 830,626</b>	<b>- 867,171</b>

## 12. Risk Management

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

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

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

	Risk	Risk Level Pre-Mitigation (low, medium, high)	Mitigation	Residual Risk Level Post-Mitigation (low, medium, high)	Comments
1	<p>No demand / uptake from MICE market or performances; underutilised asset and business case not achieved.</p> <p>Reputational risk to funding program- risk to Government / funding bodies that the BPACC does not deliver a tangible economic benefit.</p>	High	<p>Work with specialised organisations identified in this Business Plan to ensure functionality and appeal for end users and ongoing advocacy and assistance to profile and market centre.</p> <p>Development of a strong brand, well-resourced marketing program, event procurement and resourcing to operate the centre professionally.</p>	Medium	<p>Initial support from industry stakeholders has been positive and advocacy will continue. Operational costs including staffing have been factored into City workforce plan and LTTP. Busselton is one of WAs most visited and premier locations; already a desirable location ready to attract conference market; accessibility for interstate and international travel to support conference and conventions will be supported though the development of the Busselton</p>

	Risk	Risk Level Pre-Mitigation (low, medium, high)	Mitigation	Residual Risk Level Post-Mitigation (low, medium, high)	Comments
					Margaret River Airport and SW Business Events Strategy.
2	Ability to attract skilled staff to operate specialist jobs and roles.	Medium	<p>Busselton is proving a desirable location to live, and has a strong creative sector and events coordination base in existing private sector, in the event that skills cannot be sourced locally,</p> <p>Strong, competitive package offered in initial recruitment process, assisting to attract quality skilled staff to work in specialised areas, with the region showing strong capacity for events coordination and ancillary hospitality and beverage skills- opportunity to lead to traineeships, apprenticeships, skilled labour force.</p>	Low	<p>Busselton and the SW have one of the fastest growing populations, which will drive demand for employment. Added with a desirable location to live, should attract quality skilled staff to work in specialised areas. The region is one of the most heavily reliant on tourism Australia wide and has a sound base of people already trained in hospitality, and institutions that could be engaged to offer training as demand grows.</p> <p>Functions / hospitality aspect of the facility will bring an opportunity for young people to enter the workforce, and develop a robust, long term career. Traditionally, 18-25 yr. are employed in hospitality. Regional population statistics shows a leakage of that demographic from community, so there is an opportunity for population retention as an outcome.</p>
3	Programming conflicts and perception of community / stakeholders that there will be a compromise of performing arts, theatre	Medium	Employ specialist theatre technicians trained in audio visual and stage production, interior fit out etc. to ensure facility is quality state of art to attract quality performances. Undertake case studies of other centres	Low	A management model and reference group is detailed in this Business Plan. A programming policy will be developed and endorsed by Council and the CEO.

	Risk	Risk Level Pre-Mitigation (low, medium, high)	Mitigation	Residual Risk Level Post-Mitigation (low, medium, high)	Comments
	experience and functionality due to focusing on commercial events that drive revenues.		who have achieved success from a similar model of operation; multipurpose facet. Development and adherence to an accepted management model and programming policy for the complex. Continued communication with stakeholder /user groups, so they are included and informed		Numerous community groups have been identified that can make use of the complex. Calendar of events that are staged on or around the foreshore is increasing, that require an indoor facility – the complex will offer accommodations for events to be increased, housed out of multi-purpose centre.
4	Competition of new City owned public facility over existing privately owned facilities – reputational risk / political	Medium	Communications with existing commercial enterprises and potential enterprises – the foreshore development is set to add to and enhance their own enterprises and attract a new type of visitor, and increase the capacity of Busselton to host more visitors.	Low	Busselton is currently not attracting significant large conferences, events or trade shows, having limited number of conference venues with limited capacity. None of these smaller existing venues are near the CBD, but several kilometres out of town away from ancillary hospitality offerings. This will be a carefully designed, purpose built facility in a prime location that will offer easy access to attendees The Cultural Precinct is set to be enhanced by a quality development which will act as a drawcard for a new type of visitor, increasing viability of surrounding enterprise.
5	Capacity to maintain the newly developed infrastructure - operational	Low	Incorporate maintenance and upgrade activities as per the CoB Asset Maintenance Plan.	Low	The City has a comprehensive long term asset management plan and financial plan which caters for a worst

	Risk	Risk Level Pre-Mitigation (low, medium, high)	Mitigation	Residual Risk Level Post-Mitigation (low, medium, high)	Comments
			Income derived from commercial operations directed into specified Reserve for the maintenance and operation of the facility will be ongoing.		case operating deficit that it can clearly demonstrate can be sustainable.
6	Increased asset maintenance costs due to budget restrictions and quality of assets procured	Medium	Budget control measures are well established practice in the organisation. The Asset Management Team are part of the project development and provide input into project scope and specifications.	Low	A full lifecycle Asset Management Plan has been developed and will be maintained and updated as new assets are added or existing assets upgraded.
7	BPACC is seen as competition by BREC and HEART resulting in unhealthy practice that does not benefit the region - operational	High	Developing transparent and open communication with peers and looking at opportunities to work together to grow the amount of business in the region	Low	A SW Business Event Strategy proposal has already been tabled at CAPEROC and regular communication is taking place with BREC to work on the BPACC creating new market opportunities and not competition for audiences.
8	COVID or similar pandemic affects financial forecasts	High	Technical infrastructure and booking systems to include means to simulcast and provide for virtual events. Versatility of design enables social distancing controls.	Medium	The City, in the event of having to close the facility, could reduce operating costs to a minimum by mothballing the venue and redeploying or standing down staff as it had to at Recreation Centres during the COVID 19 pandemic.
9	Businesses do not support the use of a portion of MERG funding to attract events to the facility - reputational risk / political	Medium	Spendmapp or similar local economic outcome reporting provided to show benefit. Communications and engagement plans inform businesses of the benefits to be realised.	Low	Spendmapp or similar local economic outcome reporting established to show benefit.
10	Reduced use of facility due to community disengagement.	High	Programming is aligned with community and audience feedback so that the venue shows what people want to see/participate in. Hire fees represent value for money and area affordable, local community subsidies are built	Medium	Communications Plan established during design phase and in implementation. A draft programming strategy has been

	Risk	Risk Level Pre-Mitigation (low, medium, high)	Mitigation	Residual Risk Level Post-Mitigation (low, medium, high)	Comments
			into the forecast budget. Collaborative programming ensures schools, local groups and businesses can book into the facility in timeframes that align with their operational planning.		developed to align with community feedback received for the City's Events Strategy, Community Strategic Plan and Cultural Interpretation Strategy developments. An evaluation system such as Culture Counts will be used to collect and analyse audience feedback to ensure programming alignment.
11	Operational requirements not met during design, construction and fit out.	High	Separate design and construct contracts to be awarded by CoB as the Project Principal to afford the highest level of control and certainty regarding scope. Specialist consultants to form part of Project Team in Business Planning and detailed design stages. Operational requirements fully inform detailed designs which are prepared and endorsed prior to tendering for construction. Design complexities are resolved prior to construction contract is awarded. Larger pool of tenderers increases competitive pricing.	Medium	Operational and Business Plans are developed during concept design to inform design development. Procurement of builder will be through standard CoB construction contract. CoB has project management staff dedicated to project for contract administration and procurement. Additional funding to support fitout being investigated with Lotterywest.
12	Inability to operate due to delays of service providers	Medium	Early engagement with service providers including, where relevant, consultation to inform design process	Low	Operational Management Plan developed and regularly reviewed.
13	Inefficient operating systems	Medium	Operational plan developed at commencement of project updated at key milestones. Commissioning period established within programme to allow for identification of operational gaps and rectification.	Low	Dedicated IT Business Analyst and systems working group formed to scope system requirements and guide procurement and installation.

	Risk	Risk Level Pre-Mitigation (low, medium, high)	Mitigation	Residual Risk Level Post-Mitigation (low, medium, high)	Comments
14	Underestimated operating costs	High	Operational plan developed from industry benchmarking at commencement of project updated at key milestones. Operational plan is peer reviewed.	Medium	Regular reviews of the Business Plan have been undertaken

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### 13. Measuring Success

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

Critical success factor	Measure
Appropriately resourced and effective audience development, event attraction, marketing and community engagement plans.	<ul style="list-style-type: none"> <li>• Marketing and event attraction activity undertaken</li> <li>• Attendance at promotional activities</li> <li>• Community engagement activity completed</li> <li>• Attendance at community engagement activities</li> </ul>
Versatility and adaptability to achieve the performances, meetings, events and incentive travel market (MICE) revenues and attendances forecast.	<ul style="list-style-type: none"> <li>• Utilisation rates – number of activities by type undertaken vs forecasts</li> <li>• Attendance by type of activity vs forecasts</li> <li>• Visitors from outside Busselton and SW region</li> <li>• Number of enquiries converted to bookings</li> </ul>
An exceptional experience only attainable at the BPACC, highly valued by our community and visitors to the region.	<ul style="list-style-type: none"> <li>• Level of community support for the BPACC and its activities.</li> <li>• Audience response to program (culture counts metrics)</li> </ul>
Enough high quality staff with the right skills, experience, values and motivation.	Staff engagement survey
A cohesive stakeholder reference group working collaboratively in the best interest of the whole complex.	Stakeholder feedback



## 14. Version Control

Version	Document Title	Author	Date	Changes Made
V5	BPACC Business Operations Plan Draft December 2020	Maxine Palmer	Dec 2020	Creative Industry removed from financial forecast, risk reviewed, org chart job titles updated and action plan updated
V4	BEACH Business Operations Plan Draft 2020 State Government Funding Application Attachment	Maxine Palmer	Nov 2020	Timeframes adjusted and action plan updated
V3	BEACH Business Operations Plan Draft June 2020 State Government Funding Application Attachment	Maxine Palmer	June 2020	Timeframes adjusted and action plan updated
V2	BEACH Business Operations Plan Draft December 2019	Maxine Palmer	Dec 2019	Action plan updated
V1	BEACH Business Operations Plan Draft November 2019		Nov 2019	