44. Other box office charges

	Fee	per	max. per transaction	Type ie Paid for
Charge for tickets sold by telephone				
Charge for tickets sold online				
Charge for counter sale at primary box office				
Charge for counter sale at external agencey				
Refund at the request of the patron				
Refund as a result of cancellation				

45. Merchant fee for tickets purchased on purchase cards

	Charged to
Credit Card	
Debit Card	
Paypal	

46. If you offer a subscription season please indicate the number of subscribers ?

47. If you offer a subscription season please indicate the number of shows in your subscription package?

48. Please provide details of any Membership, Friends or loyalty program

	Type	No. members
-		

17

APACA

11. Venue Catering Charges

49. Food and Beverage services

	Service provided	by
Beverage / Bar Services		
Food- Light Meals / Snacks		
Full restaurant meals		
Function Catering		
Backstage Catering		

12. Staff Recharge - other services

50. Commission Rates

	Charge
Programs	
Other merchandise	
Equipment Hire	

19

APACA

13. Administration Charges

51. Are any of the following functions or services outsourced to the building owner or parent organsiation i.e. Local Government. Please indicate if the cost of providing this service is recorded against the operating expenditure of the venue.

	Provided at No Cost	On Charged to Venue
Finance	☐	☐
Payroll	☐	☐
Human Resources	☐	☐
Marketing	☐	☐
Building Maintenance	☐	☐
Cleaning	☐	☐
Building Security	☐	☐

52. How many house seats do you hold per performance when the venue is hired by an external party

APACA

14. Salary - Venue Manager

53. Venue Manager Salary (Cash component only)

54. Overtime is

- paid in addition to Salary above
- included in Salary
- is remunerated by the provision of TOIL (Time Off in Lieu)
- is remunerated by a combination of TOIL and paid overtime
- is largely ignored by my employer despite all of their 'talk' of work life balance

55. On average over the past three months how many hours has the Centre Manager worked per week

- <35 hours
- 35 - 40 hours
- 40 - 45 hours
- 45 - 50 hours
- more than 50 hours

56. In many centres the person that has direct management responsibility for the Performing Arts program and venue often has other operational responsibilities. Please indicate if you also manage the following programs

- [ ] Art Gallery / Visual Arts programs
- [ ] Events and Community Celebrations
- [ ] Community Arts programs
- [ ] Heritage programs
- [ ] Showgrounds
- [ ] Stadiums

Other (please specify)

57. The employment / engagement is under the terms of an

- ◯ industrial award
- ◯ enterprise agreement
- ◯ private contract of employment
- ◯ contract for service via a separate legal entity

Other (please specify)

58. A motor vehicle is

- ◯ provided by the employer for commuter (private to and from work) use only
- ◯ provided by the employer for full private use
- ◯ not provided by the employer but an additional payment is made to the employee
- ◯ not provided by the employer but an additional payment is made to the employee which must be used to lease a suitable vehcile ie a novated lease
- ◯ not provided by the employer

59. Where superannuation is provided at a level above the legislative requirement (ie 9%) please provide details.

(This is the amount paid by your employer - do not include your pre-tax salary sacrifice or post-tax private contribution)

60. Is a performance bonus paid

◯ Yes ◯ No

61. Please provide details of any other remuneration or non-cash benefits provided. You may select more than one option.

- ☐ Mobile phone - business calls only
- ☐ Mobile phone - all calls
- ☐ Laptop available for private use
- ☐ Uniforms
- ☐ Clothing allowance
- ☐ Subsidized residential housing
- ☐ Professional memberships
- ☐ Travel for professional development

22

62. Total value of the package provided (including all benefits and superannuation)

23

APACA

15. Salary - Venue Staff

63. Staff Salary and Conditions

	Salary	Overtime is
Operations Manager/Director		
Technical Manager/Director		
Box Office/FOH Manager		
Marketing Manager/Director		
Program Manager		
F&B Manager		
Finance Manager		
HR Manager		
Admin. Officer		

APACA

16. Employment Agreements

64. Venue staff (as above) are engaged under the terms of

	Type of Agreement
Management	
Admin. staff	
Technical	
Front of House	
Food and Beverage	

65. Provide the total number of FTE (Full-time equivalent) employees, including casual staff and contractors in each department.

For example, if you employed 3 casual staff for 20 hours per a week that would be 3 x 20=60 hours, which is 1.5 FTE's.

Operations	
Technical	
Box Office	
Marketing	
Public Programs	
Food and Beverage	
Finance Manager	
Administration	

66. Provide the TOTAL number of FTE (Full-time equivalent) staff employed across your entire organisation (including yourself, contracted and casual staff).

25

67. If the venue utilises volunteers in what areas are they engaged

- [ ] Front of House
- [ ] Food and Beverage
- [ ] Technical
- [ ] Administration

68. If the venue utilises volunteers, please enter the total number of hours worked per annum in each area in which they are engaged [please enter '0' if no hours are volunteered]

Front of House	
Food and Beverage	
Technical	
Administration	

26

APACA

17. Programming / Cultural Plan

69. Does your centre have a written programming policy or plan?

- Yes
- No

Other (please specify)

70. Does your centre have a written audience development plan or strategy?

- Yes
- No

Other (please specify)

71. Does your Local Council have a Cultural Plan?

- Yes
- No

Other/Comment:

27

APACA

18. Cultural Plan

72. Does your Local Council Cultural Plan refer to the activities or goals of your centre?

- Yes
- No

Other/Comment (please specify)

19. THANK YOU

Thank you for completing this survey.

Subject to the timing of responses, we hope to be able to distribute the survey to participating members by the end of April. Thanks for your patience.

73. Can you please confirm that you have completed this part of the survey?

- Yup all done
- Nup still lookin' - I'll be back to add more responses

74. Do you have any comments regarding questions that you found difficult to answer ?

75. Any other comments

Appendix 7 - Examining Perth's Performing Arts Infrastructure: Committee for Perth (2013)

Committee for Perth

Examining Perth's Performing Arts Infrastructure

Actions to position Perth as a global leader in the arts

June 2013

About the Committee for Perth

The Committee for Perth is a member funded think tank focused on maintaining and improving the liveability of the Perth metropolitan region by ensuring its vibrancy, economic prosperity, cultural diversity and sustainability.

We currently have over 90 members representing a broad cross sector of the business community, civic institutions and local government and rely solely on our members' financial contribution to enable us to undertake the work, research and activities that we do. A full membership listing is included as Appendix F.

The role of the Committee for Perth is to advocate on issues that we believe will help us realise our vision for Perth and we have developed a unique model of advocacy through which this is achieved. Regardless of whether a project is our initiative or one implemented by government or others, we remain informed advocates for projects that we believe will benefit future Perth whatever stage they are at in concept or development.

Further information about the Committee for Perth and our work can be obtained from our website at www.committeeforperth.com.au

(2013) Examining Perth's Performing Arts Infrastructure,
The Committee for Perth, Perth

Foreword

In late 2008 the Committee for Perth released its landmark report *A Cultural Compact for Western Australia, the 10 year challenge (the Compact)*. In the report we invited the arts and cultural sector, the Western Australian Government and other political parties, the business and philanthropic sectors and Local Government Authorities to commit to work through the report's recommendations together for 10 years to revitalise our capital city, regional cities and towns and to achieve:

- a vibrant state where arts and cultural appreciation and activity are part of everyday life for all Western Australians;
- acknowledgement of the importance of Aboriginal culture and the arts to the future fabric of Western Australia;
- the engagement of young artists who chose to stay, return to, or visit because they are encouraged and supported within an incubator environment;
- a dynamic capital city that all Western Australians are proud of; and
- bold and courageous art that places WA firmly on the international stage.

Since *the Compact* was released there has been a significant re-energisation and coalescence across the sector itself, governments and the business and philanthropic sectors which has brought the vision closer to reality.

In *the Compact* we noted the need to address deficiencies in arts infrastructure. This was not addressed in *the Compact* project because we understood that the Department of Culture and the Arts was undertaking an audit of arts and cultural infrastructure across the state which would inform the development of an infrastructure plan. Many years later we await that plan which we believe would be a key enabler to fully realising the vision.

Without such a plan, the conversations about needs, wants, gaps and desires continues without direction. The Committee for Perth therefore decided to commission this quantitative audit of performing arts venues in Perth as a first step in examining the region's major performing arts venues in their current context and against the backdrop of decades of predicted population growth. The report also compares how Perth fares in terms of infrastructure provision against a number of other cities.

It is our desire that the research efforts in this report, which culminate in a number of recommendations, again act as a catalyst for renewed energy and focus in planning for the future. We have identified that additional research will be required to progress this issue including a qualitative analysis of venues, research into venue cost and funding and broad stakeholder consultation to determine the needs and aspirations of the performing arts sector.

We are confident that by highlighting the major infrastructure gaps in Perth's current and future infrastructure this report will lay the foundation for further investigation and action that leads to a genuinely vibrant and sustainable arts and cultural sector for the benefit of all Western Australians.

Marion Fulker
CEO, Committee for Perth

Table of Contents

Executive Summary

Cities today are increasingly competing with each other. They compete to attract investment, people, businesses and company headquarters, along with sporting and cultural events. Cultural prowess and economic success are becoming interlinked and cultural vibrancy is recognised as central to a city's liveability.

In this context, high quality cultural facilities are integral to any liveable, modern city, and while Perth is considered highly liveable in terms of a high standard of living, the area of arts and culture has not traditionally been viewed as one of the region's strengths.

In recognition of the role cultural facilities play in developing a competitive city as well as the importance of effective long term planning for cultural infrastructure needs, the Committee for Perth commissioned two pieces of work :-

- an audit of major performing arts infrastructure in the Perth and Peel region; and
- an analysis of the audit in order to benchmark Perth's major performing arts infrastructure offerings against other cities.

This report is the combined findings of those research projects. Purely quantitative in nature, it is intended to help the Western Australian government in planning for Perth's future performing arts needs. It also will assist the Committee for Perth and other associated organisations in advocating for improved cultural infrastructure in Perth.

Perth's cultural sector is flourishing. Attendance at performing arts events is increasing and there is significant evidence that Perth's people not only have a growing appetite for arts and culture but that there remains untapped potential for audience growth.

In addition, ongoing rapid population and economic growth could direct Perth towards attendance growth up to or even in excess of 34% by 2021, meaning that Perth's existing cultural infrastructure, some of which is already struggling to meet demand, will come under enormous pressure over the next decade.

Furthermore, over the next 40 to 50 years Perth will need adequate performing arts infrastructure to meet the demand of an estimated population of four million people, meaning that Perth will need infrastructure that is of comparable size and quality to that in metropolitan Melbourne today. This means that the number of performing arts venues in Perth will need to approximately double.

In addition to this, Tourism Western Australia has a target to double the value of tourism in Western Australia by 2020. Achieving this target requires positioning WA as a recognised events destination for locals and visitors, and providing every visitor with the opportunity to have an Indigenous cultural experience – both goals that are likely to increase demand for cultural facilities and specifically highlight the need for a world-class Indigenous cultural centre in Perth.

The report includes an audit of 35 venues in the Perth and Peel region with a seating capacity of 200 or more that are currently used as performing arts venues. Of these, 22 are indoor venues whose primary function is for the performing arts and 13 are outdoor venues or stadiums, 6 of which do not have performing arts as their primary function but do stage large concerts and festival style events.

In addition to the audit, a smaller selection of 21 venues, each with a seating capacity of 500 and a location within 20 kilometers of the Perth city centre, has been used to provide a comparison of performing arts infrastructure in Perth with that in seven other national and international cities. This comparison indicates that Perth generally compares favourably with the other cities on a number of venues and seating per capita basis but it also identifies some major infrastructure gaps.

In particular it has found that:

- Perth is very well served in some infrastructure categories (particularly large outdoor venues) but relatively poorly served in others.
- Perth appears to be relatively well served with dance and drama theatres.
- Perth has a relatively large number of arenas/large multipurpose venues compared to benchmarked cities.
- Perth has a comparatively high proportion of stadiums that are primarily for sporting use but are also occasionally used for performing arts events. This may reflect the popularity of outdoor events in the region, but could also be a reflection on the lack of large purpose built venues in the region, particularly prior to the opening of the Perth Arena.
- Perth has an undersupply of lyric theatres, with currently only one lyric theatre and no dedicated lyric theatre for musicals.
- Perth has an undersupply of concert halls with 0.5 venues per million people compared to an average of 1.35 venues per million across the benchmarked cities.
- Perth has a slight undersupply of contemporary music venues.

The report indicates that investment in some types of performing arts infrastructure is needed to meet current demand in Perth and to enable performing arts attendance rates to continue to grow.

It is also evident that very substantial medium and long term investment in performing arts infrastructure will be required to meet the demand generated by population growth – investment that should also aim to position Perth as a global leader in the arts.

On the basis of the report findings, we make the following recommendations to the State Government:

1. The State Government prepares a long term Plan for Arts and Cultural Infrastructure that positions Perth as a global leader in arts and culture.
2. The Infrastructure Plan should be completed within 12 months and funding decisions flowing from the Plan commence in the 2014-15 Budget
3. Priority infrastructure requirements to be addressed in the Plan include:
    - the development of an Indigenous cultural centre in Perth that includes performing arts space in order to meet the demand for Indigenous cultural events both within the Indigenous communities and the tourism sector.
    - the development of a new major lyric theatre in Perth that is suitable for large scale opera, ballet and musical theatre.
    - whether there is a need for an additional concert hall or recital hall.
4. The plan should develop locational criteria for major infrastructure to ensure that it makes a positive contribution to the urban landscape and capitalises on the potential for city activation and economic benefits.

The scope of works of this report has been to analyse the commercial performing arts infrastructure that is presently in use in the Perth and Peel region with an audience capacity of over 200, offering ticketed events and available for public hire.

Following a review of the draft report by the Committee for Perth's Revitalising Working Group and representatives of the Chamber of Arts and Culture, it is felt that the report gives rise to other considerations that require further examination from within the sector. These include:

- Should additional work be undertaken to examine in detail the demand for dance and drama theatres in Perth to identify whether there remains a shortage of supply; whether there is a shortage of high quality theatres; and whether there is a need for additional rehearsal space in the region?
- Should additional work be undertaken to examine cultural infrastructure funding in Perth in comparison to other cities and identify potential funding opportunities to ensure that existing, new and renewed cultural infrastructure remains financially viable through its projected life cycle?
- Is the current situation in regards to suitability, availability and affordability of performance and rehearsal venues acceptable?
- Are adequate considerations for costs of and funding for the ongoing maintenance and improvement of existing venues in place?
- Would a further study into global audience and live performance trends and demographics provide useful information as to the nature of the performing arts venues that are likely to be in demand in the future?
- Should consideration be given to the development of a proposal to incentivise developers to provide a lyric theatre / rehearsal space and arts administration facility as part of a precinct / arts hub in the Elizabeth Quay waterfront project area?

1.0 Introduction

In this era of globalisation, cities are increasingly competing with each other. They compete to attract investment, people, businesses and company headquarters, along with sporting and cultural events. Cultural prowess and economic success are becoming interlinked and cultural vibrancy is recognised as central to a city's liveability.

High quality cultural facilities are therefore integral to a liveable, modern city. While Perth is considered highly liveable in terms of a high standard of living, the area of arts and culture has not traditionally been viewed as one of the region's strengths. Perth has long been criticised for lacking vibrancy and recreation choice and as a community we smarted when Lonely Planet labelled our city 'dullsville'.

The Committee for Perth is a think tank and advocate for a bright future for the Perth region. Our vision of this future is one in which Perth becomes increasingly innovative, culturally vibrant and forward thinking.

The Committee supports the aspirations of local arts champion, the Chamber of Arts and Culture to 'imagine Western Australia as a global leader in the arts'.

Ensuring that Perth has high quality arts and cultural infrastructure is integral to this aspiration.

Recognising this importance, the Committee for Perth commissioned Hames Sharley (WA) Pty Ltd to conduct an audit of major performing arts venues in the Perth metropolitan region and long-term research consultant to the Committee, Gemma Davis to analyse how well Perth fares.

This report is the combined findings of those research projects. It is intended to help the Western Australian government in planning for Perth's future performing arts needs. It also will assist the Committee for Perth and other associated organisations in advocating for improved cultural infrastructure in Perth.

The purpose of this report is therefore to examine existing and likely future demand for performing arts infrastructure in Perth as the region grows and changes; and to audit Perth's existing performing arts infrastructure to identify existing infrastructure gaps and priority needs. The report also aims to identify the likely performing arts infrastructure needed to make Perth a liveable and vibrant city into the future.

This report provides a comprehensive overview of major performing arts venues in Perth and enables comparison with other cities in Australia and overseas. The report:

- Provides an overview of the demand for and importance of arts and cultural activities and infrastructure to Perth and the Western Australian economy.
- Examines the findings of a comprehensive, desktop review of performing arts venues across Perth.
- Benchmarks Perth's performing arts infrastructure against that in other Australian capitals and cities overseas.
- Identifies infrastructure gaps in Perth.
- Makes recommendations on major performing arts infrastructure needs for the future.

2.0 Methodology

To provide a comprehensive review of supply and demand for cultural facilities a three stage methodology has been used to undertake this study. This has included:

1. A summary of performing arts demand and attendance trends and likely future demand growth.
2. An audit of existing performing arts venues and facilities in Perth and Peel focused on commercial venues that have a seating capacity of 200 or more, that offer ticketed performances and are available for public hire. The selection of venues considered was informed by discussion with the Department of Culture and the Arts. 35 venues from across the region met the required criteria and were included in the study.

   Each venue has been audited to achieve consistent data capture and includes: venue name; street address; Local Government Authority; primary and secondary purposes; stage configurations; operator and management arrangements; funding sources; seating capacity in all configurations; images of the exterior and interior of the facility; the year the venue was built, dates of significant renovations with an outline of the works undertaken; additional amenities within the facility such as bars, dining venues, exhibition spaces or meeting rooms.
3. A comparison of major performing arts venues in Perth with those in three national and four international cities using benchmark data from *Planning Sydney's Cultural Facilities* review prepared by Sweet Reason Pty Ltd in 2011 for the City of Sydney. The Sydney benchmark data only included venues located within 20 kilometres of the city centre with a seating capacity of 500 or more and so, in order to make a like for like comparison, we only used data from the 21 Perth venues that also meet this criteria.

   The comparison cities are:

   - Sydney
   - Brisbane
   - Melbourne
   - Manchester
   - Hong Kong
   - Copenhagen
   - Chicago

3.0 Demand for Arts and Culture in Perth

Perth's arts and cultural sector is flourishing. With a booming economy and expanding population, Perth's people have a growing appetite for arts and culture. The local arts and culture scene is in the midst of a period of renewed energy and creativity and the sector has more private sector support and champions than ever before.

Attendance statistics for some of Perth's major performing arts companies show they are experiencing solid attendance growth which in part has been assisted by investment in new infrastructure. This increase in patronage is bucking national and international trends of audience decline.

The huge success of new performing arts initiatives in Perth such as Fringe World Perth is encouraging a broader range of community participation and developing new arts and cultural enthusiasts.

Growing audiences when cities elsewhere are experiencing a drop in patronage, coupled with projections for continued population and economic growth for this region, signifies an opportunity for Perth to become a global leader in arts and culture.

However Perth is still fighting criticism for lacking vibrancy, sophistication and recreation choice, from its own residents, from national business and academic leaders[1] and from international 'liveability' surveys such as the Economist Intelligence Unit[2] and Mercer Consulting[3], both of which rate Perth relatively poorly against their culture, recreation and environment criteria.

These criticisms and negative perceptions should not be ignored as they have a direct negative impact on our own satisfaction with living in Perth; on Perth's national and international reputation; and on the region's ability to attract and retain talented people and investment dollars.

It is also evident that, despite the cultural attendance growth that has been achieved, Perth's cultural participation rates fall well below the nation's leader, the Australian Capital Territory, and there is potential for Perth to develop a significantly stronger cultural tourism sector.

This section provides a snap shot of attendance at performing arts venues and events in Western Australia and the Perth and Peel region based on the most recently available statistical data. It examines attendance trends and the benefits of cultural sector growth and provides indicators for the future.

[1] Wetzstein S (2010) *Perceptions of Urban Elites on Four Australian Cities: How does Perth compare?*, Committee for Perth, Perth www.committeeforperth.com.au

[2] Economist Intelligence Unit (2011) *Global liveability report*, EIU, London

[3] Mercer Consulting (2012) *Quality of Living Survey 2012*, Mercer LLC, New York

3.1 Attendance at Performing Arts Venues in Western Australia

Western Australia has not traditionally had a reputation as a cultural leader and statistics indicate that performing arts attendance in the state has been average in comparison with other states and territories.

In 2009-10, a total of 945,500 people or 53.7% of people aged over 15 years in Western Australia and 55.5% of people over 15 living in Perth attended a performing arts venue[4].

This is consistent with the national average of 53.6% attendance but is behind the nation's leader, the Australian Capital Territory which achieved 63.9% attendance (among those aged 15 years and older).

Comparing attendance in 2005-06 with that in 2009-10 indicates that overall rates have remained relatively stable.

In 2009-10, 16% of people aged over 15 in Western Australia attended a theatre performance, compared to 16.8% in 2005-06; 12% went to a musical or opera, compared to 14.8% in 2005-06; 9% attended classical music concerts compared to 10.8% in 2005-06; and dance performances attracted 11% of people in 2009-10 compared to 9.7% in 2005-06. In 2009-10 17% (compared to 17.6% in 2005-06) of people in the state attended other types of performing arts[5/6].

Younger people are the most culturally active age group in the state. In the 12 months prior to April 2009 over two thirds (72%) of Western Australian children aged 5 to 14 years attended a public library, museum, art gallery or performing arts event at least once outside school hours[7].

Of people aged over 15 years, individuals in the 15 to 34 year age group are the most culturally active and are the most likely people to attend a performing arts event, with annual attendance rates of between 64.4% (25 to 34 year olds) and 68.4% (18 to 24 years olds). Popular music concerts are the most attended performing arts events by people in these age groups[8].

Indigenous Western Australians are also highly culturally engaged. In 2008, one third (29%) of Indigenous persons aged 15 years and older living in Western Australia participated in at least one Indigenous creative activity, with the most popular activities being art and craft and writing or story-telling; while more than two thirds (70%) attended at least one Indigenous cultural event[9].

[4] Australian Bureau of Statistics (2013) Arts and Culture in Australia, A Statistical Overview Category Number 4172.0, Commonwealth of Australia, Canberra

[5] Australian Bureau of Statistics (2012) *Attendance at Selected Cultural Venues and Events 2005-06, Catalogue Number: 4114.0*, Commonwealth of Australia, Canberra

[6] Australian Bureau of Statistics (2007) *Attendance at Selected Cultural Venues and Events 2005-06, Catalogue Number: 4114.0*, Commonwealth of Australia, Canberra

[7] National Centre for Culture and Recreation Studies, Australian Bureau of Statistics (2012) Culture Report 2012 for Western Australia, Western Australian Department of Culture and the Arts, Perth

[8] Australian Bureau of Statistics (2012) *Attendance at Selected Cultural Venues and Events 2005-06, Catalogue Number: 4114.0*, Commonwealth of Australia, Canberra

[9] Australian Bureau of Statistics (2009) *2008 National Aboriginal and Torres Strait Islander Social Survey (NATSISS)*, Commonwealth of Australia, Canberra

3.2 International Performing Arts Trends

There is international evidence that the structure of the performing arts system is undergoing a fundamental shift, with the recorded and broadcast performing arts industry becoming more concentrated; increasing numbers of small, local, low budget organisations; and a few very large non-profit and commercial organisations growing larger and staging ever more elaborate productions on a global scale[10].

Within this paradigm shift, midsized non-profit organisations are expected to experience the greatest difficulties in attracting adequate revenues to cover their costs and opera companies, symphony orchestras, ballet companies and theatre groups serving small and medium-sized cities in particular will be facing realities of ageing audiences, escalating costs, and static or even declining funding forcing them to rethink their primary mission – the audiences they want to reach, and their organisational structure[11].

3.3 Current Attendance Trends in Perth

There is evidence that this shift is having some bearing on performing arts attendance in Australia and in major east coast cities. Yet the story for Perth is a good one in that overall performing arts attendance in Perth is rising and, contrary to national and international trends, this growth is occurring across a wide range of performing arts types and organisations.

A 2011 Australia wide survey of live entertainment industry ticket attendances and revenues indicates that in 2010 and 2011 Western Australia accounted for between 10% and 11% of the live entertainment industry (behind New South Wales 34-36.5%; Victoria 31-34%; and Queensland 12.5-12%)[12].

However the same survey indicates that Western Australian attendance figures are significantly higher in some categories than this proportion suggests with the state accounting for 12.8% of attendance at ballet and dance performances; nearly 33% of multi-category festival attendance (the highest attendance figure in Australia); and approximately 16.5% of attendance at single category festivals.

There are also indicators that Western Australia's share of the performing arts market is increasing. For example, in 2011 1,788,262 tickets were sold to live performances in Perth compared to 1,468,882 tickets in 2009, an increase of 22%.

An analysis of 2012 ticket and audience figures for individual companies prepared by media organisation *Crikey* also indicates that while audience figures for many of the major performing arts companies and organisations have been stagnating in recent years, Western Australia's major theatre, ballet and opera companies have experienced solid growth[13].

The analysis compared data from 17 large opera, music, theatre and dance companies from 2007 to 2011. It found that most major Australian performing arts companies are shedding audiences, and attendances in total have declined by 6% over the past five years.

Of the 17 companies surveyed, 10 have seen declining audiences since 2007. This includes all six of the largest performing arts companies with audiences of more than 200,000 annually. Australia's largest performing arts organisation, Opera Australia, is down about 130,000 attendances from its 2008 peak.

Yet Perth companies are an exception. For example *Crikey* reported that, from 2007 to 2011, Black Swan Theatre Company had more than doubled its footprint.

[10] McCarthy, Brooks A, Lowell J, Zakaras L (2001) *The Performing Arts in the New Era*, RAND Corporation, Santa Monica

[11] Ibid.

[12] Ernst & Young (2011) *Ticket Attendance and Revenue Survey*, Live Performance Australia, Melbourne

[13] Ibid

In 2011, paid attendance to Black Swan productions increased by 60%, three of the company's five major productions reached sell out capacity and the season of one production was extended for an additional week to meet popular demand. Attendances as a percentage of capacity also grew by 8% (to 85%) despite the company moving performances to the newly opened State Theatre Centre's 575 seat Heath Ledger Theatre from the 427 seat Playhouse Theatre, indicating that the company's growth was most likely previously constrained by seating capacity[14].

The Western Australian Symphony Orchestra and the Western Australian Ballet have also experienced more modest but very healthy gains.

For example, the Western Australian Ballet achieved a 15% increase in box office income in 2011; a 5% increase in main stage attendance and a 220% increase in education and access participation from 2008 to 2011[15].

Similarly the Western Australian Symphony Orchestra achieved a 4.5% increase in revenue from subscriptions and ticket sales from 2010 to 2011[16].

It is also evident from the annual reports of all three companies that the reported gains can be at least partially attributed to new creative directions and innovative strategies to engage with the community and build new audiences. These types of strategies are essential in the current age of shifting public and audience expectations and Western Australian creative industries are clearly showing leadership in adapting and capitalising on this change.

3.3.1 Perth International Arts Festival

The success of Perth's original festival, the Perth International Arts Festival (known as the Perth Festival) established in 1953 also demonstrates the appetite for arts and culture in Perth.

At the completion of the 2013 festival in March this year, with the Lotterywest Festival Films still to run, the Festival reported that it had exceeded its box office target of $4,800,000, reached a paid audience of about 190,000, and engaged approximately half a million people in festival activities and events[17].

Together, for a few months of the year, Perth Festival and Fringe World transform Perth into a vibrant melting pot of creativity - reaching vast audiences and demonstrating that Perth's people are hungry for new cultural experiences.

3.3.2 Fringe World Festival

An additional boost to audience numbers has been achieved through the establishment of the staggeringly successful Fringe World festival.

The inaugural Fringe World festival was held in 2012. According to an impact assessment of the 2012 festival prepared by BOP Consulting, Fringe World attracted audience numbers in excess of 150,000 people in its first year, 50,438 of whom attended ticketed performances, generating box office revenue of over $1,038,500[18].

But that was just the start. Figures from the 2013 Fringe World indicate that this year's ticket sales more than doubled to 110,000 with more than $2,000,000 spent through the box office and total attendance (to both ticketed and non-ticketed events) reaching 215,000[19].

[14] Ernst & Young (2009) *Ticket Attendance and Revenue Survey*, Live Performance Australia, Melbourne

[15] Western Australian Ballet Company (2012) *Annual Report 2011*, Western Australian Ballet Company, Perth

[16] Western Australian Symphony Orchestra (2012) *WASO Annual Report 2011*, Western Australian Symphony Orchestra, Perth

[17] Perth International Arts Festival (2013) Media Release Perth International Arts Festival Draws to a Close 4 March 2013, http://www.perthfestival.com.au/About/Media/Media-Releases/

[18] BOP Consulting (2012) *Impact Assessment of the Fringe World Festival*, Artrage, Perth

[19] Artrage (2013) Fringe World Festival 2013 Results Snapshot, Unpublished

Yet, perhaps even more significant is the fact that Fringe World appears to have successfully tapped into new cultural audiences in Perth, substantially increased city vibrancy, made people feel safe in the city centre, given people a new sense of pride in the city and helped to re-invigorate Perth's arts and cultural scene.

A survey of more than one thousand 2012 Fringe World audience members and more than two thousand eight hundred 2013 attendees indicated that:

- 44% of 2012 respondents and 49% of 2013 respondents are not regular attendees at arts events.
- 76% of 2012 respondents and 70% of 2013 respondents would have stayed at home if Fringe World had not been happening.
- 86% of respondents in 2012 and 90% of 2013 respondents said that Fringe World increased their pride in Perth.
- 83% of 2012 respondents and 89% of 2013 respondents said that Fringe World promoted Perth as a city that is globally connected.
- 99% said that they intended to attend Fringe World again in 2013 and 2014[20].

This shows that Perth's people see arts and culture as central to Perth's development as a vibrant, competitive, globally connected city, and that new events like Fringe World are making a contribution to the city that goes far beyond entertainment or dollars and cents – they are positively contributing to Perth's competitive identity. Critically, it also indicates that there is untapped demand for arts and cultural events in Perth.

Fringe World Director Marcus Canning has also observed that Fringe World has had a positive impact on Perth's local arts and culture scene.

"From the performing arts sector, one thing that I've really been pleased with at the Fringe this year is the growth of local practitioners plugging in," he said, saying local performers "saw the success of the 2012 festival and have all really jumped on board"... "The excitement is palpable."[21]

3.4 Contribution to the Economy

Cultivating Perth's arts and cultural resurgence is in the best interests of both our society and our economy.

The arts and cultural sector is a significant and growing part of the economy. In 2009-10 Australian households spent four per cent of their income—more than $19 billion—on arts and cultural goods and services, demonstrating the economic value of culture in everyday life[22].

In Perth, a 2007 study estimated the direct output of Perth's creative industries to be $4.6 billion, and total value (including flow on effects) was estimated to be in excess of $10.6 billion. Of this the music and performing arts sectors generated an estimated $331 million in economic output[23].

It is reasonable to assume that this output is likely to have increased significantly in the past 6 years, with Fringe World alone estimated to have generated spending within the Perth economy (including application of relevant gross value added multiplier) of over $14.5 million in its first year[24].

[20] Ibid.

[21] Eltham B, (2013) *And the centre of arts innovation is … Perth*, Crikey 15 February 2013, www.crickey.com.au

[22] Australian Government (2012) *Creative Australia – The National Cultural Policy*, Commonwealth of Australia, Canberra http://creativeaustralia.arts.gov.au/full-policy/

[23] Telsis Consulting et al (2007) *Perth's Creative Industries – An Analysis, Department of Culture and the Arts*, Government of Western Australia, Perth

[24] BOP Consulting (2012) *Impact Assessment of the Fringe World Festival*, Artrage, Perth

3.5 Population Growth

Population growth alone will drive demand for more arts and cultural activities, events and infrastructure in Perth's future, and this growth is occurring at a rapid pace.

At June 2011, the population of Greater Perth was 1.83 million people[25], which was 78% of the state's total population. Between 2001 and 2011, Greater Perth increased by 380,100 people, or 26%. This was the fastest growth of all capital cities in Australia[26].

It is further predicted that Perth will grow to a population of between 2.1 million and 2.45 million by the year 2021 and between 2.8 million and 4.2 million by 2056[27]. Based on historic growth patterns in Perth and the economic outlook for the region, we believe that a medium to high growth scenario is most likely.

This means that, even if performing arts attendance rates remain the same, Perth's performing arts sector will need to cater for audience growth of between 24% and 34% just to keep pace with growth needs over the next eight years.

Longer term it is reasonable to expect that Perth will need to cater for growth in demand of approximately 80% to more than 100% by 2056.

Accommodating this demand will require a doubling in the capacity of our performing arts infrastructure in just over 40 years - meaning that what Perth has slowly built over more than 100 years now has to be reproduced in just 40.

3.6 Tourism Growth

It is fair to assume that what is good for residents is also good for visitors. Therefore it can be expected that as Perth grows so too will the number of visitors that the region attracts.

National projections for Perth's tourism sector predict only modest growth however Tourism Western Australia has a target to double the value of tourism in Western Australia - from $6 billion a year in 2010 to $12 billion a year by 2020[28].

This is a target which the organisation believes is achievable and will require the development of seven 'strategic pillars' which include positioning WA as a recognised events destination for locals and visitors and providing every visitor with the opportunity to have an Aboriginal tourism experience - both goals in which the arts and cultural, and performing arts sectors should play an important role.

The need for an Indigenous cultural centre in Perth with the inclusion of a space for performing arts has also been well documented and supported, and the demand for such a centre is likely to substantially increase as demand for cultural tourism in the State grows.

[25] Australian Bureau of Statistics (2012) *2011 Census of Population and Housing*, Commonwealth of Australia

[26] Ibid.

[27] Australian Bureau of Statistics (2011) *Regional Population Growth Catalogue Number: 3218.0*, Commonwealth of Australia, Canberra

[28] Tourism Western Australia (2012) *Annual Report 2011-12*, Government of Western Australia, Perth

3.7 Key Findings

- Perth's arts and cultural sector is thriving. Attendance at performing arts events is increasing and there is significant evidence that Perth's people not only have a growing appetite for arts and culture but that there remains untapped potential for audience growth.
- Perth's population is expected to increase by 24% to 34% (from 2011 to 2021) which will very significantly increase demand for performing arts in the region and place enormous pressure on existing arts and culture infrastructure over the next decade.
- Longer term it is reasonable to expect that Perth will need to cater for growth in population and associated arts and culture demand of between 80% and 100% by 2056 – meaning that the region will need to effectively double its infrastructure capacity in just 40 years.
- Evidence suggests that performing arts attendance has already increased in the past three years with three of the state's top performing arts companies reporting solid growth.
- The strong growth reported by State Theatre Company Black Swan in 2011 coincided with the opening of the new State Theatre Centre, which significantly increased performance seating capacity.
- Continued growth of performing arts companies in the medium to longer term could be constrained by lack of seating capacity within existing venues.
- The Perth International Arts Festival performances and events continue to reach very large audiences and engage close to one third of the region's population, indicating that there is broad demand for arts and cultural activities.
- Perth's Fringe World has delivered a major boost to the city and the local arts and cultural sector by attracting large, new audiences and activating the central area and reinvigorating the local arts and cultural scene.
- Indigenous Western Australians are among the most culturally active in the State, with more than two thirds of Indigenous people aged over 15 participating in at least one Indigenous cultural event per annum, reinforcing the need for Perth to have its own dedicated Indigenous performing arts space.
- There is widespread acknowledgement of the need for an Indigenous Cultural Centre that includes performing arts space in Perth to meet local Indigenous, non-Indigenous and tourist demand for Indigenous performing arts and culture. It is also evident that demand for a dedicated Indigenous cultural space is likely to increase with population and tourism growth, and specifically with growth in cultural tourism.
- WA Tourism has a target to double the value of tourism in WA by 2020 which is likely to increase demand for arts and culture in the Perth region.
- The Tourism WA strategy to grow tourism includes goals to raise WA's role as an event destination and deliver Aboriginal tourism experiences to visitors – both goals in which the arts and cultural sector can play a vital role.

4.0 Audit of Perth's Existing Performing Arts Facilities

In order to identify whether Perth's existing performing arts infrastructure is adequate to meet current demand and what investment will be required to meet demand in the medium and long term, the Committee for Perth commissioned Hames Sharley Pty Ltd to undertake a major audit of existing performing arts venues and facilities in Perth and Peel. The audit focused on commercial venues that have a seating capacity of 200 or more, that offer ticketed performances and are available for public hire. The selection of venues considered was informed by discussion with the Department of Culture and the Arts.

35 venues from across the region met the required criteria and were included in the study, ranging from intimate indoor theatre spaces to large outdoor arenas and stadia.

4.1 Index of Venues and Map Reference Numbers

The following table provides reference to the numbering of the venues on the map (located on page 18). Detailed information on each venue is shown in alphabetical order in Appendix B.

Map No.	Venue	Address
1	Bassendean Steel Blue Oval	Cnr of Guildford Road and West Road, Bassendean
2	Belvoir Amphitheatre	1177 Great Northern Highway, Upper Swan
3	Challenge Stadium	Stephenson Avenue, Mount Claremont
4	Claremont Showgrounds	Equestrian Centre, Graylands Road, Claremont
5	Crown Theatre Perth	Great Eastern Highway, Burswood
6	Don Russell Performing Arts Centre	Murdoch Road, Thornlie
7	Fremantle Arts Centre	1 Finnerty Street, Fremantle
8	Fremantle Town Hall	8 William Street, Fremantle
9	His Majesty's Theatre	825 Hay Street, Perth
10	Joondalup Arena	Kennedya Drive, Joondalup
11	Kalamunda Performing Arts Centre	48 Canning Road, Kalamunda
12	Kings Park	Fraser Avenue, Kings Park
13	Koorliny Theatre	20 Sulphur Road, Kwinana
14	Mandurah Performing Arts Centre	Ormsby Terrace, Mandurah
15	Metcalfe Theatre at the Empyrean	12 Lake Street, Northbridge
16a	NIB Stadium	310 Pier Street, Perth
16b	Dolphin Theatre	UWA, 35 Stirling Highway, Crawley
16c	New Fortune Theatre	UWA, 35 Stirling Highway, Crawley
16d	Octagon Theatre	UWA, 35 Stirling Highway, Crawley
16e	Sunken Gardens	UWA, 35 Stirling Highway, Crawley
17	Winthrop Hall	UWA, 35 Stirling Highway, Crawley
18	Paterson's Stadium	Subiaco Road, Subiaco
19	Perth Arena	700 Wellington Street, Perth
20	Perth Concert Hall	5 St Georges Terrace, Perth
21	Perth Zoo	20 Labouchere Road, South Perth
22	Quarry Amphitheatre Reabold Hill,	Oceanic Drive, City Beach
23	Regal Theatre	474 Hay Street, Subiaco
24	Riverside Theatre,	PCEC, 21 Mounts Bay Road, Perth
25	Short Street Theatre	1 Short Street, Fremantle
26	Speigletent	Perth Cultural Centre (mobile venue)
27	State Theatre Centre	174-176 William Street, Perth (cnr Roe St)
28	Subiaco Arts Centre	180 Hamersley Road, Subiaco
29	Swan Park Theatre	Gray Drive, Midvale
30	The Bakery	233 James Street, Northbridge
31	WACA Stadium	WACA grounds, Nelson Crescent, East Perth

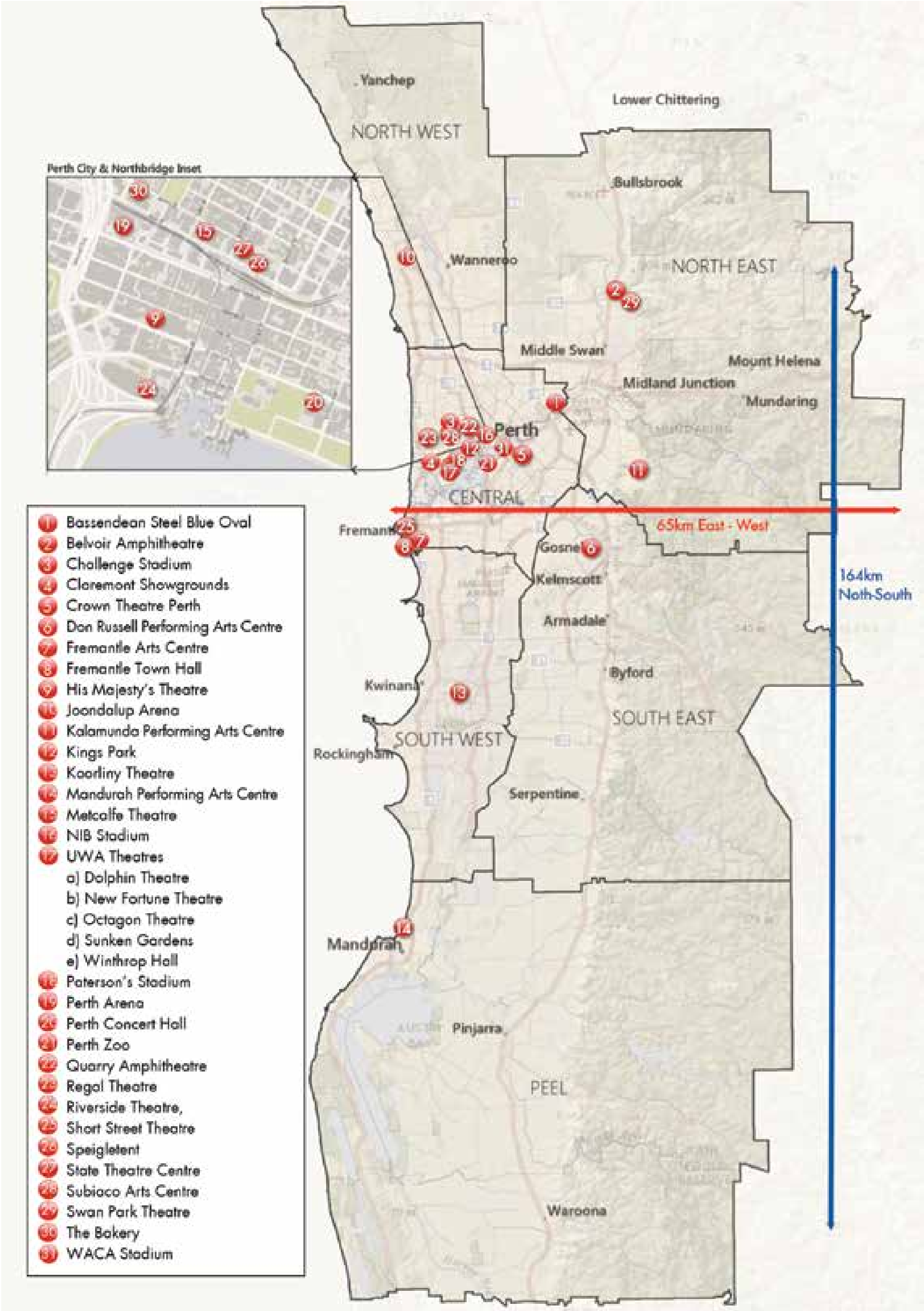
Some venues were investigated and excluded on the basis that they did not meet all of the requirements of the audit as outlined above. These include:

- PICA, Northbridge
- Blue Room, Northbridge
- Harbour Theatre, Fremantle
- Somerville Auditorium, UWA, Crawley

4.2 Summary of Audited Venues by Primary Use and Capacity

A number of the venues were used for a variety of purposes such as theatre and concerts and did not have a primary purpose. Where this is the case, more than one primary use has been identified.

			Primary Use									
Map No.	Venue	Seating Capacity	Theatre	Concerts	Community Based Performances	Dance	Musicals	Opera	Broad range of performing arts	Conferences	Calisthenics	Sport
1	Bassendean Steel Blue Oval	2,500		X								X
2	Belvoir Amphitheatre	4,500		X								
3	Challenge Stadium	5,031		X								X
4	Claremont Showgrounds	55,000		X	X				X			
5	Crown Theatre Perth	2,311							X			
6	Don Russell Performing Arts Centre	210	X									
7	Fremantle Arts Centre	3100							X			
8	Fremantle Town Hall	294		X								
9	His Majesty's Theatre	1,240	X			X	X	X	X			
10	Joondalup Arena	25,000		X								X
11	Kalamunda Performing Arts Centre	257		X								
12	Kings Park	6000	X	X	X		X		X	X		
13	Koorliny Theatre	244			X							
14	Mandurah Performing Arts Centre	800							X			
15	Metcalfe Theatre at the Empyrean	280	X									
16a	NIB Stadium	35,000		X								X
16b	Dolphin Theatre	198							X			
16c	New Fortune Theatre	250		X								
16d	Octagon Theatre	758							X			
16e	Sunken Gardens	385							X			
17	Winthrop Hall	974							X			
18	Paterson's Stadium	43.405		X								X
19	Perth Arena	15,500		X								
20	Perth Concert Hall	1,731		X								
21	Perth Zoo	4,500			X					X		
22	Quarry Amphitheatre Reabold Hill	556		X								
23	Regal Theatre	1,086	X									
24	Riverside Theatre,	2,500		X						X		
25	Short Street Theatre	215	X									
26	Speigletent	320	X									
27	State Theatre Centre	809	X									
28	Subiaco Arts Centre	305	X									
29	Swan Park Theatre	594			X						X	
30	The Bakery	650		X								
31	WACA Stadium	24,500		X						X		X


Perth City & Northbridge Inset
Yanchep
Lower Chittering
NORTH WEST
Bullsbrook
Wanneroo
NORTH EAST
Middle Swan
Mount Helena
Midland Junction
Mundaring
Perth
CENTRAL
Fremantle
65km East - West
Gosnells
Kelmscott
164km Noth-South
Armadale
Kwinana
Byford
SOUTH EAST
SOUTH WEST
Rockingham
Serpentine
Mandurah
Pinjarra
PEEL
Waroona
1 Bassendean Steel Blue Oval
2 Belvoir Amphitheatre
3 Challenge Stadium
4 Claremont Showgrounds
5 Crown Theatre Perth
6 Don Russell Performing Arts Centre
7 Fremantle Arts Centre
8 Fremantle Town Hall
9 His Majesty's Theatre
10 Joondalup Arena
11 Kalamunda Performing Arts Centre
12 Kings Park
13 Koorliny Theatre
14 Mandurah Performing Arts Centre
15 Metcalfe Theatre
16 NIB Stadium
17 UWA Theatres
a) Dolphin Theatre
b) New Fortune Theatre
c) Octagon Theatre
d) Sunken Gardens
e) Winthrop Hall
18 Paterson's Stadium
19 Perth Arena
20 Perth Concert Hall
21 Perth Zoo
22 Quarry Amphitheatre
23 Regal Theatre
24 Riverside Theatre,
25 Short Street Theatre
26 Speigletent
27 State Theatre Centre
28 Subiaco Arts Centre
29 Swan Park Theatre
30 The Bakery
31 WACA Stadium

433

4.3 Summary of Audited Venues by *Directions 2031* Regions

The following table provides a breakdown of venues into the *Directions 2031* planning regions.

Map No.	Venue	Address	
North East Region			
2	Belvoir Amphitheatre	1177 Great Northern Highway, Upper Swan	NE
11	Kalamunda Performing Arts Centre	48 Canning Road, Kalamunda	NE
North West Region			
10	Joondalup Arena	Kennedya Drive, Joondalup	NW
Central Region			
1	Bassendean Steel Blue Oval	Cnr of Guildford Road and West Road, Bassendean	C
3	Challenge Stadium	Stephenson Avenue, Mount Claremont	C
4	Claremont Showgrounds	Equestrian Centre, Graylands Road, Claremont	C
5	Crown Theatre Perth	Great Eastern Highway, Burswood	C
7	Fremantle Arts Centre	1 Finnerty Street, Fremantle	C
8	Fremantle Town Hall	8 William Street, Fremantle	C
9	His Majesty's Theatre	825 Hay Street, Perth	C
12	Kings Park	Fraser Avenue, Kings Park	C
15	Metcalfe Theatre at the Empyrean	12 Lake Street, Northbridge	C
16	NIB Stadium	310 Pier Street, Perth	C
17a	Dolphin Theatre	UWA, 35 Stirling Highway, Crawley	C
17b	New Fortune Theatre	UWA, 35 Stirling Highway, Crawley	C
17c	Octagon Theatre	UWA, 35 Stirling Highway, Crawley	C
17d	Sunken Gardens	UWA, 35 Stirling Highway, Crawley	C
17e	Winthrop Hall	UWA, 35 Stirling Highway, Crawley	C
19	Paterson's Stadium	Subiaco Road, Subiaco	C
19	Perth Arena	700 Wellington Street, Perth	C
20	Perth Concert Hall	5 St Georges Terrace, Perth	C
21	Perth Zoo	20 Labouchere Road, South Perth	C
22	Quarry Amphitheatre Reabold Hill	Oceanic Drive, City Beach	C
23	Regal Theatre	474 Hay Street, Subiaco	C
24	Riverside Theatre	PCEC, 21 Mounts Bay Road, Perth	C
25	Short Street Theatre	1 Short Street, Fremantle	C
26	Speigletent	Perth Cultural Centre (mobile venue)	C
27	State Theatre Centre	174-176 William Street, Perth (cnr Roe St)	C
28	Subiaco Arts Centre	180 Hamersley Road, Subiaco	C
29	Swan Park Theatre	Gray Drive, Midvale	C
30	The Bakery	233 James Street, Northbridge	C
31	WACA Stadium	WACA grounds, Nelson Crescent, East Perth	C
South West Region			
13	Koorliny Theatre	20 Sulphur Road, Kwinana	SW
South East Region			
6	Don Russell Performing Arts Centre	Murdoch Road, Thornlie	SE
Peel Region			
14	Mandurah Performing Arts Centre	Ormsby Terrace, Mandurah	P

4.4 Stakeholder feedback

During the process of conducting the audit and preparing this report, informal feedback was received from a number of stakeholders which suggested that:

- there is a need for more theatres with a capacity of 800 to 1,000;
- there is a shortage of affordable, appropriately sized rehearsal space in the region;
- some performing arts companies have a need for appropriate administration space;
- Perth is in need of a dedicated recital hall or appropriately sized new music venue; and
- venue maintenance and cost is an ongoing problem that is limiting the financial sustainability of performing arts venues in the region.

4.5 Key Findings

- There are 35 commercial venues in the Perth and Peel region with a seating capacity of 200 or more that are currently used as performing arts venues.
- Of these, 22 are indoor venues and 13 are outdoor venues or stadiums.
- 24 of these venues have a seating capacity of 500 or more.
- 26 are purpose built performing arts venues while 9 are either stadiums that are primarily used for sporting events, or outdoor parks/gardens that have been subsequently developed as performing arts venues.
- The venues are relatively dispersed, with four of the region's major venues located more than 20 kilometres away from the Perth city centre (reflecting the dispersed nature of the region's urban growth).
- Stakeholder feedback suggests that there is a need for more theatres with a seating capacity of between 800 and 1,000 and that there is a shortage of suitable affordable rehearsal and administration space in the region
- Stakeholder feedback suggests that funding for venue maintenance is a significant ongoing issue for performing arts venues in the region.

5.0 Benchmarking Perth's Performing Arts Infrastructure

International research indicates that the amount and quality of cultural infrastructure in a city is an indicator of cultural vibrancy.

The 2012 *'World Cities of Culture'* report[29] shows that world cities of culture like London, Paris and New York are very well supplied with cultural infrastructure, and that this infrastructure not only supports cultural industries but makes a very significant contribution to city economies, by stimulating new jobs and growth and is an important tool in urban regeneration.

For example, New York is home to 420 theatres hosting more than 43,000 performances per year; London supports 214 theatres showing in excess of 32,000 performances; and Paris is home to 353 theatres attracting nearly 27,000 performances per annum.

This section provides a comparison between the number, capacity and types of venues in Perth and seven other Australian and international cities on a direct and per population basis.

Benchmarking data for the comparison cities has been taken from the 2011 *Planning Sydney's Cultural Facilities* report[30] which selected the international cities of Manchester, Hong Kong, Copenhagen and Chicago based on their international standing, regional representation, size and a sense of similar cultural aspiration. Melbourne and Brisbane were also included for a more local comparison.

It is our view that this already existing data is relevant to Perth and provided a useful benchmark from which to analyse the state of Perth's performing arts and cultural infrastructure.

As the Sydney study provides data on performing arts venues with a seating capacity of approximately 500 or more that are located within 20 kilometres of the city centre, only the Perth venues which meet this criteria have been included in this analysis. As a result, out of the 35 venues that we audited, only 21 have been included in the comparison data, with the remaining 14 having been excluded on the grounds of capacity or distance from the CBD. Stadiums have been included in the comparison to ensure that the data is directly comparable with that gathered in the benchmark cities. Those venues that were included are detailed in Table 1 in the seven categories that were used in the original Sydney study.

Table 1 Summary of Perth Venues by Category

Venue Type	Venue Name
Concert Hall	Perth Concert Hall
Contemporary Music	The Bakery*
Lyric Theatre-Major	His Majesty's Theatre
Lyric Theatre- Musicals	
Dance and Drama Theatre	Octagon Theatre Regal Theatre State Theatre Centre
Arena/Large Multipurpose	Crown Theatre Perth Arena Riverside Theatre Bassendean Steel Blue Oval Challenge Stadium Claremont Showgrounds NIB Stadium Paterson's Stadium WACA Stadium Winthrop Hall
Outdoor Spaces	Fremantle Arts Centre Kings Park Perth Zoo Quarry Amphitheatre

* It is noted that there are two dedicated contemporary music venues in Perth however The Astor requested not to be included in this survey. Whilst this venue has therefore not been featured in the audit, it has been included in the comparative data in order to get the most accurate results.

[29] BOP Consulting (2012) *World Cities Culture Report*, Mayor of London, London

[30] Sweet Reason Pty Ltd (2011) *Planning Sydney's Cultural Facilities*, Arts NSW, Sydney www.artsnsw.com.au

5.1 Benchmark Data: Number, Type and Capacity of Venues

The following tables provide a summary of the comparative data collected for Perth and each of the comparison cities.

Table 2 provides a direct comparison of the number and average capacity of venues across seven venue categories – concert hall, contemporary music, lyric theatre (major), lyric theatre (musicals), dance and drama theatres, arena/large multipurpose theatres, and outdoor spaces.

Table 3 compares the number of venues per category on a per capita basis (i.e. number of venues per million people).

Table 2 Number and Average Seating Capacity of Venues 1

Venue Type	Sydney	Melbourne	Brisbane	Manchester	Copenhagen	Chicago	Hong Kong	Perth	Average
Concert Hall	4 venues Average capacity 1,605	6 venues Average capacity 1,677	6 venues Average capacity 1,243	4 venues Average capacity 2,286	5 venues Average capacity 1,225	3 venues Average capacity 1,870	2 venues Average capacity 1,727	1 venue PCH Capacity 1,731	3.9
Contemporary Music	4 venues Average capacity 1,638	7 venues Average capacity 1,989	3 venues Average capacity 5,067	1 venue Capacity 1,300	6 venues Average capacity 783	9 venues Average capacity 1,372	0	2 venues Average Capacity 775	3.875
Lyric Theatre - Major	1 venue Capacity 1,507	1 venue Capacity 2,079	1 venue Capacity 2,000	2 venues Average capacity 1,825	2 venues Average capacity 1,546	3 venues Average capacity 3,697	1 venue Capacity 1,734	1 venue HMT Capacity 1,240	1.5
Lyric Theatre - Musicals	3 venues Average capacity 1,867	4 venues Average capacity 1,610	0	3 venues Average capacity 1,492	2 venues Average capacity 856	5 venues Average capacity 1,822	6 venues Average capacity 1,133	0	2.87
Dance and Drama Theatre	6 venues Average capacity 724	7 venues Average capacity 671	2 venues Average capacity 795	4 venues Average capacity 586	3 venues Average capacity 583	4 venues Average capacity 718	3 venues Average capacity 905	3 venues Average capacity 884	4
Arena/Large Multipurpose	10 venues Average capacity 21,700	7 venues Average capacity 33,086	8 venues Average capacity 17,920	3 venues Average capacity 37,500	2 venues Average capacity 22,500	2 venues Average capacity 20,959	5 venues Average capacity 4,980	10 venues Average capacity 20,922	5.87
Outdoor Spaces	5	4	2	0	2	5	4	4 venues Average capacity 3,539	3.25
**TOTAL	33	36	22	17	22	31	21	21	25.375

Source: Sweet Reason Pty Ltd, 2011, Planning Sydney's Cultural Facilities, Arts NSW, Sydney

* Benchmarking data was sourced through desktop research, and data collected was confirmed by arts sector representatives of each city. It was noted by Sweet Reason Pty Ltd that the level of detail gathered for Sydney venues was significantly more extensive than that collected for the comparator cities. Similarly, more detailed information was available for artist run initiatives in Sydney, Melbourne and Brisbane than for comparable international venues.

Table 3 Number of venues per million people

Venue Type	Sydney	Melbourne	Brisbane	Manchester	Copenhagen	Chicago	Hong Kong	Perth	Average
Concert Hall	0.8	1.5	3.3	1.5	2.6	0.3	0.3	0.5	1.35
Contemporary Music	0.9	1.75	1.7	0.4	3.15	0.9	0	1.1	1.2
Lyric Theatre-Major	0.2	0.25	0.55	0.8	1.0	0.3	0.14	0.55	0.47
Lyric Theatre-Musicals	0.7	1	0	1.15	1.0	0.5	0.8	0	0.64
Dance and Drama Theatre	1.3	1.75	1.1	1.5	1.6	0.4	0.4	1.7	1.2
Arena/Large Multipurpose	2.2	1.75	4.4	1.15	1.0	0.2	0.7	5.5	2.1
Outdoor Spaces	1.1	1	1.1	0	1.0	0.5	0.6	2.2	0.94

A number of observations are immediately apparent when comparing Perth to the benchmarked cities:

- The total number of venues in Perth is comparable with other cities, however Perth's venues tend to be smaller.
- Perth is undersupplied with concert halls, with one venue compared to an average of 3.9 across the benchmarked cities, and 0.5 venues per million people compared to an average of 1.35 venues per million.
- Perth has only one lyric theatre with a seating capacity of 1,240, compared to an average of 1.5 in the benchmarked cities with an average seating capacity of 2,055. This is, however, slightly above the per capita average on a per population basis.
- Perth does not have a major lyric theatre dedicated to musicals.
- Perth has just 2.0 dedicated contemporary music venues compared to an average of 3.9 in the benchmarked cities, however this is comparable with the city average on a per capita basis, with Perth having 1.1 venues per million people compared to an overall average of 1.2.
- Perth is relatively well served with dance and drama theatres (with 3 compared to the benchmarked average of 4) and 1.7 venues per million people compared to an average of 1.2.
- Perth compares favourably in regard to supply of arenas/large multipurpose venues, however it is noted that this is partially due to the large number of sports stadiums in the region that are only occasionally used as performing arts venues. This may be due to Perth's climate, which suits outdoor events in summer, but could also reflect a lack of purpose built, large multipurpose venues in the region, particularly prior to the development of the Perth Arena. Despite this Perth's supply of indoor arenas and large multipurpose venues is generally consistent with the average - and has been very significantly boosted by the construction of the Perth Arena.
- Perth is well supplied with outdoor performance spaces.

A further comparison of performing arts infrastructure within each of the cities is provided by comparing the total number of seats and venues in the benchmarked cities on a per population basis.

Table 4 compares the total number and seating capacity of venues in Perth with those in the benchmark cities.

Table 4: Number of seats and venues surveyed for each city *(including outdoor venues and stadiums)*

City	Population*	Total Seats	Seats Per 1,000 People	Total Venues	Venues Per 1,000,000 Population
Chicago	9,700,000	136,448	14	31	3.2
Copenhagen	1,894,521	62,380	32.9	22	11.5
Hong Kong	7,100,000	39,601	5.6	21	2.9
Manchester	2,600,100	132,110	50.8	17	6.5
Melbourne	4,000,000	290,317	72.6	36	9
Brisbane	1,800,000	181,104	100.6	22	12
Sydney	4,500,000	272,021	60.5	33	7.3
Perth	1,800,000	230,551	128.1	21	11.7
Average	N/A	167,954	58.13	25.38	8

Source: Sweet Reason Pty Ltd, 2011, Planning Sydney's Cultural Facilities.

* It is noted that Planning Sydney's Cultural Facilities was prepared in 2011. As a result the population statistics included are outdated but have not been altered due to the need to ensure the data provides an accurate representation of facilities/population at the time of collection.

It should also be noted however that the figures for Perth are correct as of end of 2012 in order to capture the more recently opened West Australian State Theatre and Perth Arena in the data.

Table 5 provides a comparison between the total number and seating capacity of venues in the benchmark cities *excluding* outdoor venues and stadiums. These venues have been excluded due to the comparatively large number of these venue types in Perth and their limited availability for performing arts as well as limitations in data availability for some international venues. Please note that indoor stadiums have not been excluded.

Table 5: Number of seats and venues surveyed for each city *(excluding outdoor venues and outdoor stadiums)*

City	Population	Total Seats	Seats Per 1,000 People	Total Venues	Venues Per 1,000,000 Population
Chicago	9,700,000	49,330	5.0	25	2.5
Copenhagen	1,894,521	27,380	14.5	19	9.5
Hong Kong	7,100,000	39,601	5.6	17	1.7
Manchester	2,600,100	42,110	16.2	16	5.4
Melbourne	4,000,000	66,717	16.7	29	6.3
Brisbane	1,800,000	39,046	21.7	16	6.7
Sydney	4,500,000	70,521	15.7	25	4.2
Perth	1,800,000	33,490	18.6	12	6.6
Average	N/A	46,024	14.25	19.9	5.36

Source: Sweet Reason Pty Ltd, 2011, Planning Sydney's Cultural Facilities.

* It is noted that Planning Sydney's Cultural Facilities was prepared in 2011. As a result the population statistics included are outdated but have not been altered due to the need to ensure the data provides an accurate representation of facilities/population at the time of collection.
It should also be noted however that the figures for Perth are correct as of end of 2012 in order to capture the more recently opened West Australian State Theatre and Perth Arena in the data.

These comparisons indicate that:

- Perth has fewer venues overall than the average (21 as opposed to an average of 25) but is well served on a seating per capita and venue per capita basis.
- Including outdoor stadiums and venues Perth has the largest number of seats available per capita of any of the benchmarked cities although it is noted that a significant proportion of these seats are within stadiums which are primarily for sporting use.
- Excluding outdoor venues and stadiums the number of seats available per capita in Perth is well above the overall average but is below Copenhagen and Brisbane.
- Perth also has a higher number of venues per capita than the average, although the region has fewer venues per million people than Copenhagen and Brisbane.
- There is a general trend for medium sized cities to have a larger number of venues and seats per capita than major cities.
- It is noted that the quality of venues has not been considered in this analysis and it is likely that some venues are less attractive and functional for users than others; and that some of the cities included in this analysis may have higher quality venues than others.

5.2 Observed Trends in Performing Arts Infrastructure

The report *Planning for Sydney's Cultural Facilities* makes some additional, general observations arising from the examination of the performing arts life in the benchmark cities. A summary of these observations is outlined below:

- Melbourne, Manchester and Chicago have all undertaken careful renovations of old venues in the last few decades as well as building new ones. Cities that have invested in their performance venue infrastructure have developed reputations for being lively, culturally vibrant cities with a wide range of performance experiences on offer.
- In some cases, investment in existing and new infrastructure has led to a resurgence of a theatre district and helped to enliven the surrounding city centre.
- The most successful and active venues are often those with the most striking architectural features – whether in the meticulous restoration of former glory or in the creation of bold, striking new buildings.
- Cities with a good supply of venues tend to have a more active cultural life at many levels throughout the community.
- A clear and strong thread emerged – that cultural facilities are more successful when they are aggregated and integrated within a particular precinct.
- It was observed in the cases of Melbourne and Chicago (and, incidentally from common experience in other cities including London and New York) that a critical mass of venues within one precinct can provide a vibrancy which is more than the sum of its parts. Once these precincts are established (or revived), they tend to become a significant tourist attraction and are promoted as a key feature of the character of a city.
- Cultural development provides an opportunity to revitalise previously 'dead' urban space. Salford Quays in Manchester, Millennium Park in Chicago, and the planned Federation Square East development in Melbourne are all cited as examples of the regeneration of urban/industrial voids into active, central cultural environments.

5.3 Key Findings

- Perth generally compares favourably with other cities on a number of venues and seating per capita basis indicating that Perth has an active and vibrant performing arts sector.
- Perth is very well served in some infrastructure categories (particularly large outdoor venues) but relatively poorly served in others.
- Perth has no major lyric theatre that caters specifically for musicals.
- Perth has an undersupply of concert halls with 0.5 venues per million people compared to an average of 1.35 venues per million across the benchmarked cities.
- Perth has a slight undersupply of contemporary music venues.
- Perth appears to be relatively well served with dance and drama theatres, although stakeholder feedback indicates that theatre venues are hard to find, and there is a need for more (affordable) theatres with between 800 to 1,000 seat capacities. This suggests that there is either a disconnect between perception as opposed to actual supply, or between the number of venues and the quality of venues (i.e. the number of venues that are attractive to local performers).
- Perth compares favourably in regard to the number of arenas/large multi-purpose venues in the region, the capacity of which has been substantially boosted by the opening of the Perth Arena.
- Perth has a comparatively high proportion of stadiums that are primarily for sporting use but are also occasionally used for performing arts events. This may reflect the popularity of outdoor events in the region, but could also be a reflection on the lack of large purpose built venues in the region, particularly prior to the construction of the Perth Arena.
- Performing arts infrastructure in the region is primarily concentrated in inner and middle suburbs, with the only distinct cluster being in Northbridge.
- International research indicates that concentrating new performing arts infrastructure within a cultural precinct or theatre district has been shown to both contribute to the success of venues and to generate vibrancy within the precinct that is 'more than the sum of its parts'.
- A number of cities have invested in renovations of old venues in the last few decades as well as building new ones. The report *Planning Sydney's Cultural Facilities* found that cities that have invested in their performance venue infrastructure have developed reputations for being lively, culturally vibrant cities with a wide range of performance experiences on offer.

The Committee for Perth supports the growth of accessible cultural and arts activities in the Perth region.

6.0 Conclusions and Recommendations

6.1 Conclusions

Perth's arts and cultural sector is thriving. Attendance at performing arts events is increasing and there is significant evidence that Perth's people not only have a growing appetite for arts and culture but that there remains untapped potential for audience growth.

This trend towards increased demand for arts and cultural events, as well as projected rapid population and economic growth could direct Perth towards attendance growth up to or even in excess of 34% by 2021, meaning that Perth's existing cultural infrastructure, some of which is already struggling to meet demand, will come under enormous pressure over the next decade.

In just 40 to 50 years Perth will need adequate performing arts infrastructure to meet the demand of an estimated population of four million people, meaning that Perth will need infrastructure that is of comparable size and quality to that in metropolitan Melbourne today. This means that the number of performing arts venues in Perth will need to approximately double.

Tourism Western Australia also has a target of doubling the value of tourism in Western Australia by 2020. To achieve this, Tourism Western Australia has identified seven strategic goals, including positioning WA as a recognised events destination for locals and visitors and providing every visitor the opportunity to have an Indigenous cultural experience – both goals that are likely to increase demand for cultural facilities.

It is evident that our existing performing arts infrastructure is not adequate to meet this growth in demand.

While Perth generally compares favourably with other cities in regards to the number of venues and seating per capita basis, the region also has some very clear infrastructure gaps.

In particular Perth has an undersupply of lyric theatres and concert halls, and the region's supply of contemporary music venues is slightly lower than the average across the comparison cities.

In addition, while Perth appears to be adequately supplied with dance and drama theatres, stakeholder feedback indicates that theatre venues are hard to find, and there is a need for more (affordable) theatres with between 800 to 1,000 seat capacities. This suggests that there is either a disconnect between perception as opposed to actual supply, or between the number of venues and the quality of venues (i.e. the number of venues that are attractive to local performers). This issue may require further investigation.

Stakeholder feedback also suggests that Perth is lacking rehearsal spaces that are affordable and of an appropriate size; that there is a need for permanent administration and rehearsal spaces for some companies; and that the cost of venue maintenance is an ongoing issue for the sector.

There is an opportunity to develop an Indigenous cultural centre which includes performing arts space in Perth.

International research suggests that when developing new cultural infrastructure, a critical mass of venues within one precinct both assists in increasing the success of the venue itself and can also provide a vibrancy which is more than the sum of its parts. Once these precincts are established (or revived), they tend to become significant tourist attractions and are promoted as a key feature of the character of a city.

Finally, this audit indicates that investment in some types of performing arts infrastructure is needed to meet current demand in Perth and to enable performing arts attendance rates to continue to grow.

It is also evident that very substantial medium and long term investment in performing arts infrastructure will be required to meet the demand generated by population growth – investment that should aim to position Perth as a global leader in the arts.

6.2 Recommendations for State Government

On the basis of these findings, it is recommended that:

1. The State Government prepares a long term Plan for Arts and Cultural Infrastructure that positions Perth as a global leader in arts and culture.
2. The Infrastructure Plan should be completed within 12 months and funding decisions flowing from the Plan commence in the 2014-15 Budget
3. Priority infrastructure requirements to be addressed in the Plan include:
   - the development of an Indigenous cultural centre in Perth that includes performing arts space in order to meet the demand for Indigenous cultural events both within the Indigenous communities and the tourism sector.
   - the development of a new major lyric theatre in Perth that is suitable for large scale opera, ballet and musical theatre.
   - whether there is a need for an additional concert hall or recital hall.
4. The plan should develop locational criteria for major infrastructure to ensure that it makes a positive contribution to the urban landscape and capitalises on the potential for city activation and economic benefits.

6.3 Considerations for the arts and cultural sector

The scope of works of this report has been to analyse the commercial performing arts infrastructure that is presently in use in the Perth and Peel region with an audience capacity of over 200, offering ticketed events and available for public hire.

This report has been fully funded by the Committee for Perth through the membership contributions of Perth's business, civic and local government communities. It is a non-sectoral, quantitative audit of the infrastructure and, as such, the report does not offer either commentary or analysis on how the venues are used; how often they are used and how often they are available; hire costs and restrictions; programs or budgeting for maintenance or upgrade; or the current condition and quality.

For example, despite the report findings positioning Perth's current infrastructure offerings in a positive light, an audit alone does not take into account the needs of specific performing arts companies, including the need for one of Perth's major arts bodies the WASO, to have a suitable permanent administration and rehearsal spaces.

Following a review of the draft report by the Committee for Perth's Revitalising working group and representatives of the Chamber of Arts and Culture, it is felt that the report gives rise to other considerations that require further examination. These include:

- Should additional work be undertaken to examine in detail the demand for dance and drama theatres in Perth to identify whether there remains a shortage of supply; whether there is a shortage of high quality theatres; and whether there is a need for additional rehearsal space in the region?
- Should additional work be undertaken to examine cultural infrastructure funding in Perth in comparison to other cities and identify potential funding opportunities to ensure that existing, new and renewed cultural infrastructure remains financially viable through its projected life cycle?
- Is the current situation in regards to suitability, availability and affordability of performance and rehearsal venues acceptable?
- Are adequate considerations for costs of and funding for the ongoing maintenance and improvement of existing venues in place?
- Would a further study into global audience and live performance trends and demographics provide useful information as to the nature of the performing arts venues that are likely to be in demand in the future?
- Should consideration be given to the development of a proposal to incentivise developers to provide a lyric theatre / rehearsal space and arts administration facility as part of a precinct / arts hub in the Elizabeth Quay waterfront project area?

Appendices

Appendix A: Full List of References

Australian Bureau of Statistics (2012) *Attendance at Selected Cultural Venues and Events 2009-10, Catalogue Number: 4114.0*, Commonwealth of Australia, Canberra

Australian Bureau of Statistics (2012) *2011 Census of Population and Housing*, Commonwealth of Australia, Canberra

Australian Bureau of Statistics (2011) *Regional Population Growth Catalogue Number: 3218.0*, Commonwealth of Australia, Canberra

Australian Bureau of Statistics (2009) *2008 National Aboriginal and Torres Strait Islander Social Survey (NATSISS)*, Commonwealth of Australia, Canberra

Australian Bureau of Statistics (2007) *Attendance at Selected Cultural Venues and Events 2005-06, Catalogue Number: 4114.0*, Commonwealth of Australia, Canberra

Australian Government (2012) *Creative Australia – The National Cultural Policy*, Commonwealth of Australia, Canberra http://creativeaustralia.arts.gov.au/full-policy/

Black Swan Theatre Company (2012) *Annual Report 2011*, Black Swan Theatre Company, Perth

BOP Consulting (2012) *World Cities Culture Report*, Mayor of London, London

BOP Consulting (2012) *Impact Assessment of the Fringe World Festival*, Artrage, Perth

Department of Culture and the Arts (2012) *Culture Report 2012 Western Australia*, Government of Western Australia, Perth

Economist Intelligence Unit (2011) *Global liveability report*, EIU, London

Eltham B (2012) *Performing Arts Audiences Stagnating, Crikey Analysis*, Crikey 06 September 2012, www.crickey.com.au

Eltham B, (2013) *And the centre of arts innovation is … Perth*, Crikey 15 February 2013, www.crickey.com.au

Ernst & Young (2009) *Ticket Attendance and Revenue Survey*, Live Performance Australia, Melbourne

Ernst & Young (2011) *Ticket Attendance and Revenue Survey*, Live Performance Australia, Melbourne

McCarthy, Brooks A, Lowell J, Zakaras L (2001) *The Performing Arts in the New Era*, RAND Corporation, Santa Monica

Mercer Consulting (2012) *Quality of Living Survey 2012*, Mercer LLC, New York

Sweet Reason Pty Ltd (2011) *Planning Sydney's Cultural Facilities*, Arts NSW, Sydney

www.artsnsw.com.au

Telsis Consulting et al (2007) *Perth's Creative Industries – An Analysis, Department of Culture and the Arts*, Government of Western Australia, Perth

Tourism Western Australia (2012) *Annual Report 2011-12*, Government of Western Australia, Perth

Western Australian Ballet Company (2012) *Annual Report 2011*, Western Australian Ballet Company, Perth

Western Australian Symphony Orchestra (2012) *WASO Annual Report 2011*, Western Australian Symphony Orchestra, Perth

Wetzstein S (2010) *Perceptions of Urban Elites on Four Australian Cities: How does Perth compare?*, Committee for Perth, Perth www.committeeforperth.com.au

Appendix B:
Venue Summaries, Performing Arts Perth

Bassendean Steel Blue Oval

Typical seating and stage layout floorplan

Source: www.waflgoldenera.blogspot.com

Bassendean Steel Blue Oval

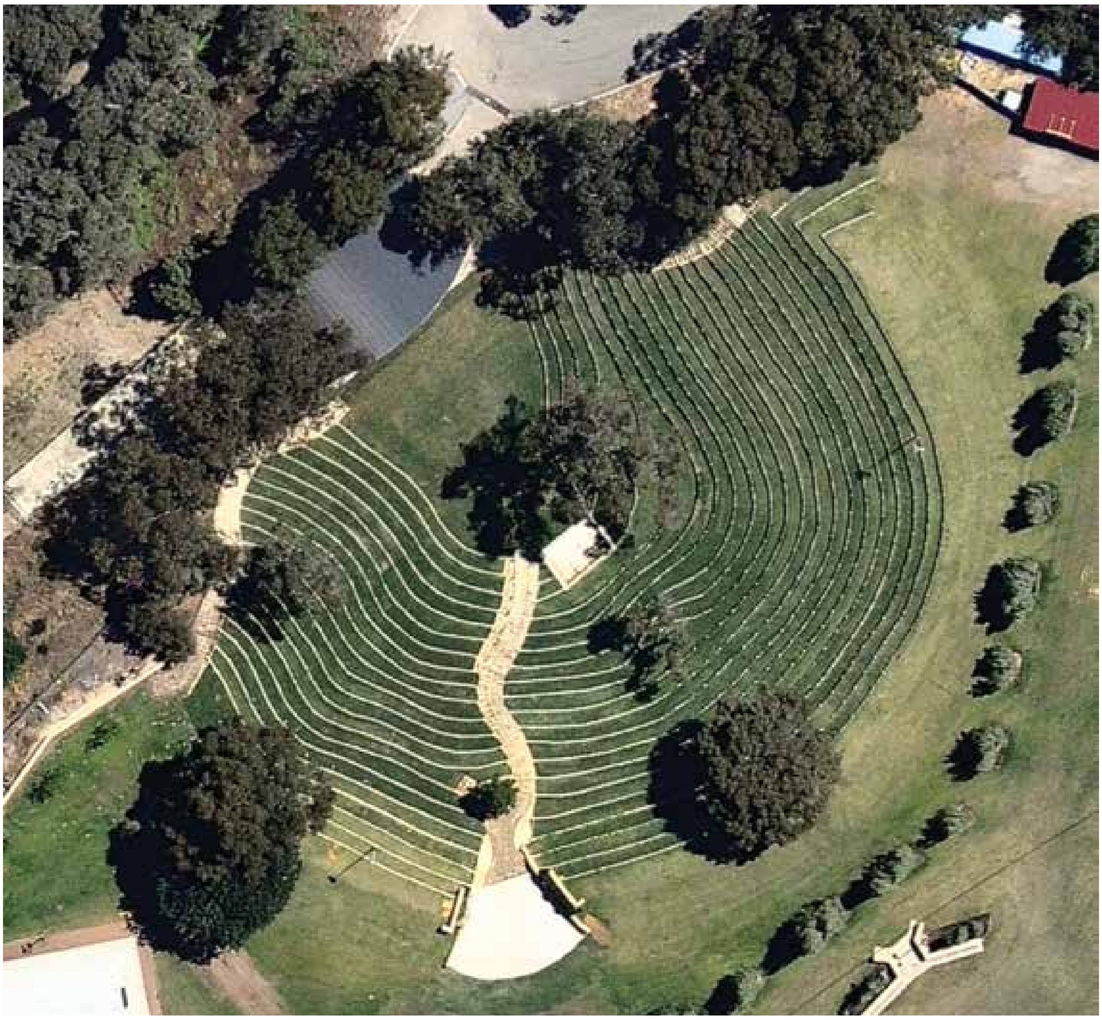
Street Address	Cnr of Guildford Road and West Road, Bassendean
Suburb	Bassendean
Best contact person for venue audit	Tim Clark – tclark@bassendean.wa.gov.au Ross Rayson – rrayson@bassendean.wa.gov.au
Map Ref	1
Directions 2031 Region	Central
Local Government Authority	Town of Bassendean
Phone number	(08) 9377 8000
Email	mail@bassendean.wa.gov.au
Venue website	http://www.bassendean.wa.gov.au
Operator and management arrangements	Hiring of venue through the Town of Bassendean
Funding sources	
Primary purpose	Sport: WAFL
Secondary purpose	Hiring venue for concerts, sporting and other purposes
Stage configuration options	Feasible for variety of uses
Seating capacity (including seating capacity in all configurations)	40,000 patrons standing for concert 1,500 seats on stands.
Facilities included	• Stands, pavilions, large grass bank, and lounges for members • Broadcast facilities • Changerooms
Year constructed	
Significant renovations - year of works and details	
Additional amenities in the facility e.g. Bars, dining venues, exhibition space, meeting rooms	• Corporate lounges • Train Station close by (within walking distance)

Source: www.newsite.eventpersonnelaustralia.com.au

www.inmycommunity.com.au

Belvoir Amphitheatre, Upper Swan

Typical seating and stage layout floorplan



Source: www.nearmap.com

Belvoir Amphitheatre, Upper Swan

Street Address	1177 Great Northern Hwy
Suburb	Upper Swan
Best contact person for venue audit	Tanya - Events Co-ordinator
Map Ref	2
Directions 2031 Region	North-East
Local Government Authority	City of Swan
Phone number	9296 3033
Email	admin@Belvoir.net.au
Venue website	http://www.belvoir.net.au/
Operator and management arrangements	Ticketing through Ticketmaster
Funding sources	
Primary purpose	Hiring venue for concerts
Secondary purpose	
Stage configuration options	
Seating capacity (including seating capacity in all configurations)	Amphitheatre seats maximum 4,500 patrons
Facilities included	
Year constructed	
Significant renovations - year of works and details	
Additional amenities in the facility e.g. Bars, dining venues, exhibition space, meeting rooms	

Source: www.my247.mobi/perth

Challenge Stadium, Mount Claremont

Typical seating and stage layout floorplan

Source: www.ticketmaster.com.au

Google Maps images

Challenge Stadium, Mount Claremont

Street Address	Stephenson Avenue,
Suburb	Mount Claremont
Best contact person for venue audit	Hellen Hill, Venues West
Map Ref	3
Directions 2031 Region	Central
Local Government Authority	Town of Cambridge
Phone number	(08) 9441 8222
Email	contactus.challenge@venueswest.wa.gov.au
Venue website	http://www.venueswest.wa.gov.au/
Operator and management arrangements	Venues West
Ticketing through Ticketmaster	
Funding sources	State government and self funding
Primary purpose	Multi purpose sport and aquatic centre
Secondary purpose	Recreation, entertainment, functions and banquest, music and concerts
Stage configuration options	Feasible for variety of uses: Sport and Stage with floor standing
Seating capacity (including seating capacity in all configurations)	Full Concert: 5031(Standing room on the floor)
Reserved Seated: 4259 (Seated Floor)	
Basketball total Capacity 4,424	
Facilities included	Gym, Swimming pool
Year constructed	1986
Significant renovations - year of works and details	2013/14 – additional of new WAIS facility to SE corner of Challenge Stadium building
Additional amenities in the facility e.g. Bars, dining venues, exhibition space, meeting rooms	Shop, cafe and creche facilities

Source: www.gtaust.com

www.roxettecafe.com

Claremont Showgrounds, Claremont

Typical seating and stage layout floorplan

Source: Supplied by Claremont Showgrounds and permission to use images from www.claremontshowground.com.au

Source: www.soundwave.com

Claremont Showgrounds, Claremont

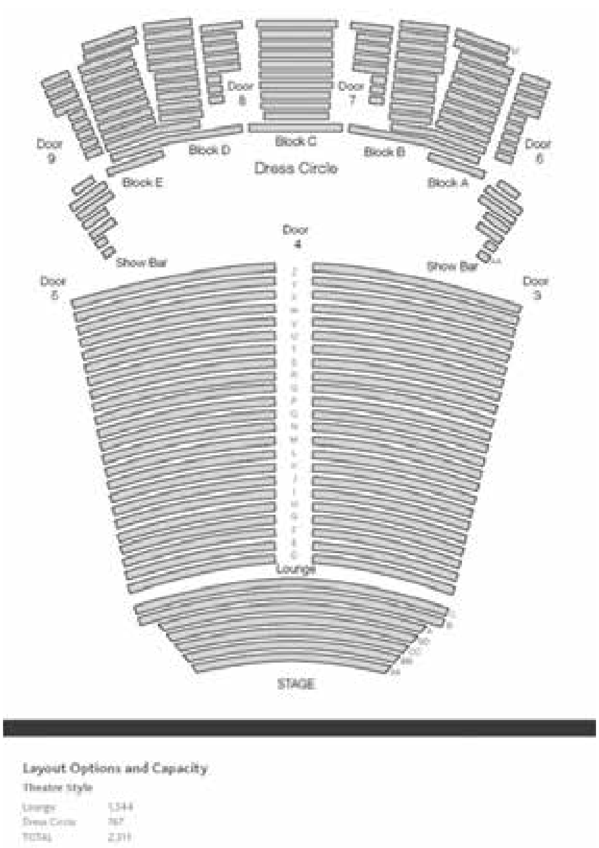
Street Address	Gate 1 Graylands Road, Claremont
Suburb	Claremont
Best contact person for venue audit	Peter Cooper, Chief Operating officer
Map Ref	4
Directions 2031 Region	Central
Local Government Authority	Town of Claremont
Phone number	(08) 6263 3100
Email	venuesales@raswa.org.au
Venue website	http://www.claremontshowground.com.au/venues/outdoor-areas
Operator and management arrangements	Booking through Claremont Showgrounds and Ticketmaster
Funding sources	Self Funded
Primary purpose	Perth Royal Show , performances, fairs, marquee dinner functions, social club fairs, concerts, markets, filming, outdoor events, vehicle shows and shines
Secondary purpose	
Stage configuration options	Feasible for variety of uses
Seating capacity (including seating capacity in all configurations)	45,000 - 55,000 patrons
Facilities included	Exhibition space, Ovals that can be adjusted to be event specific.
Year constructed	1902
Significant renovations - year of works and details	1999 - Tranformation of Speedway into multipurpose arena
Additional amenities in the facility e.g. Bars, dining venues, exhibition space, meeting rooms	• Catering • Train station • Exhibition space • Meeting rooms • Bars

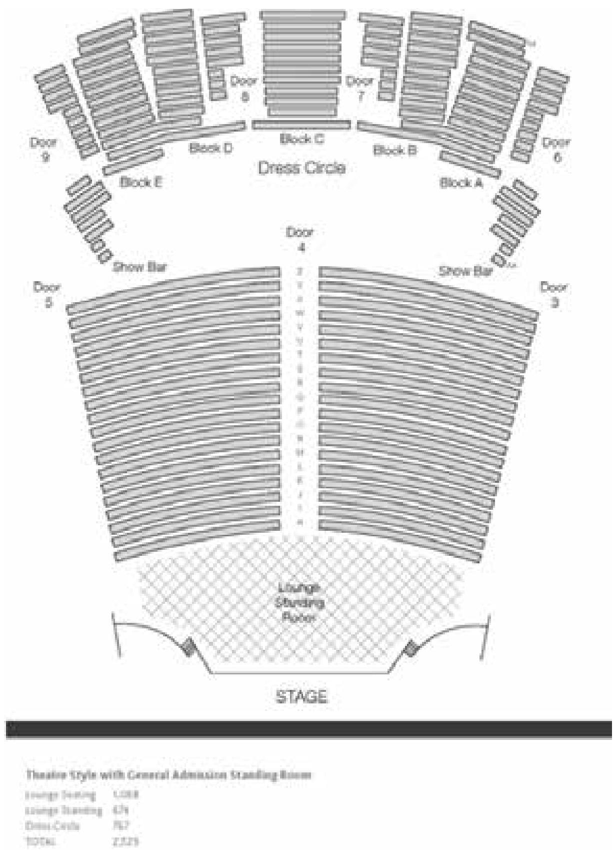
Source: www.novation.com.au

www.ticketsinvetory.com

Crown Theatre Perth, Burswood

Typical seating and stage layout floorplan





Source: Leander Harder, Entertainment Co-ordinator – Theatre, Crown Perth

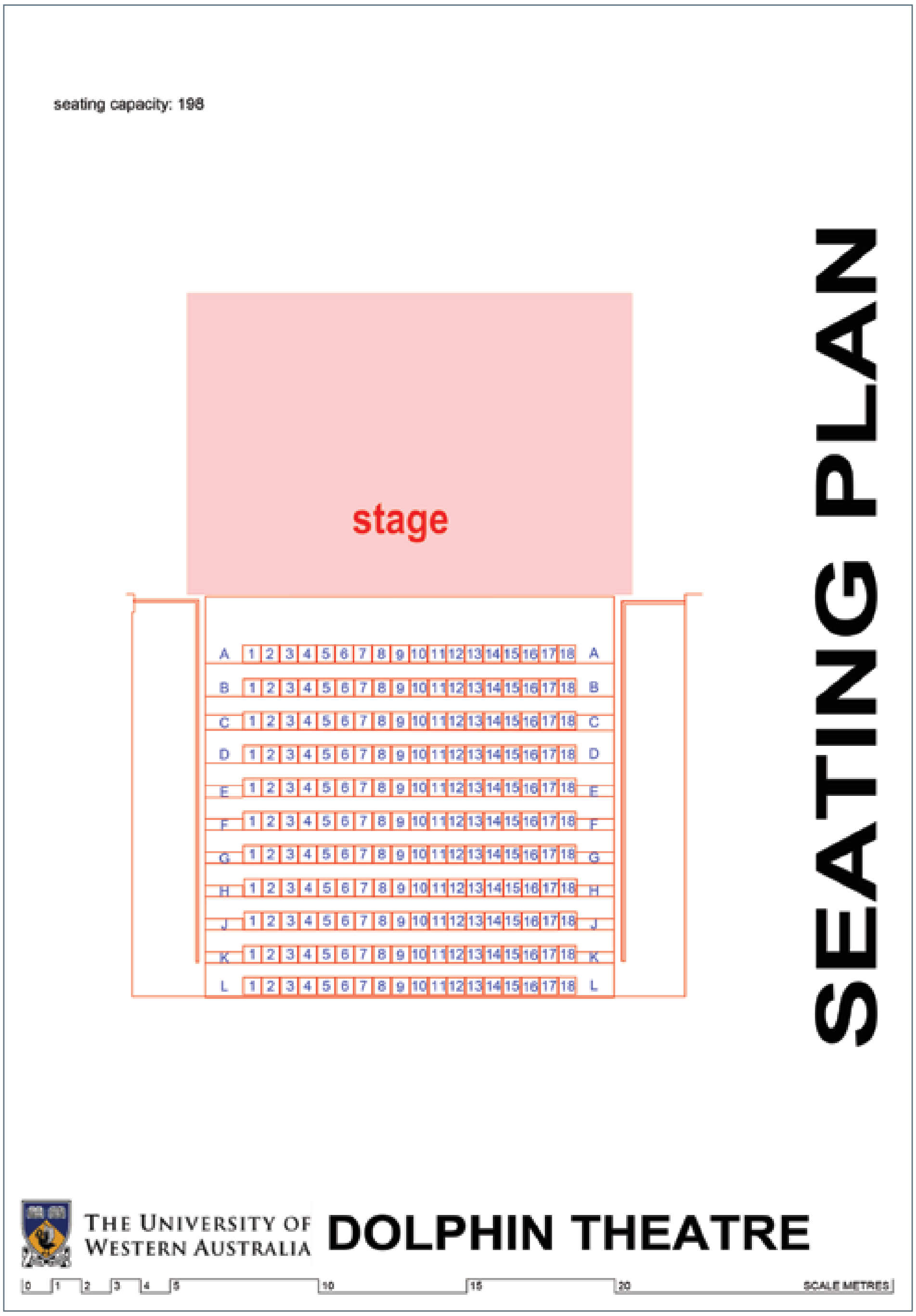
Crown Theatre Perth, Burswood

Street Address	Great Eastern Hwy
Suburb	Burswood
Best contact person for venue audit	Leanda Harder - Entertainment coordinator for Crown Theatre
Map Ref	5
Directions 2031 Region	Central
Local Government Authority	Town of Victoria Park
Phone number	9362 7685
Email	Leanda.harder@crownperth.com.au
Venue website	http://www.crownperth.com.au/entertainment/crown-theatre-perth
Operator and management arrangements	Privately owned. Venue managed in-house. Management hires out the facility. Ticketek are the contracted ticketing provider
Funding sources	Exclusively funded by Crown/James Packer.
Primary purpose	Mix of long running musicals, concerts, theatrical performances, dance performances, children's events, school events
Secondary purpose	Conference plenary sessions, product launches
Stage configuration options	Nil – the stage is fixed
Seating capacity (including seating capacity in all configurations)	2,311 patrons
Facilities included	The proscenium opening is 18m x 8.5m. The stage is 14.5m deep from the front lip to the cyc. Dressing rooms; foyers; Green Rooms; laundry; wardrobes; Male and Female Chorus rooms
Year constructed	1985
Significant renovations - year of works and details	In 2000 the theatre had a major rebuild – changed dress circle, new fly lines for stage
Additional amenities in the facility e.g. Bars, dining venues, exhibition space, meeting rooms	3 bars in the foyers; meeting rooms; exhibition space



Dolphin Theatre, UWA, Crawley

Typical seating and stage layout floorplan



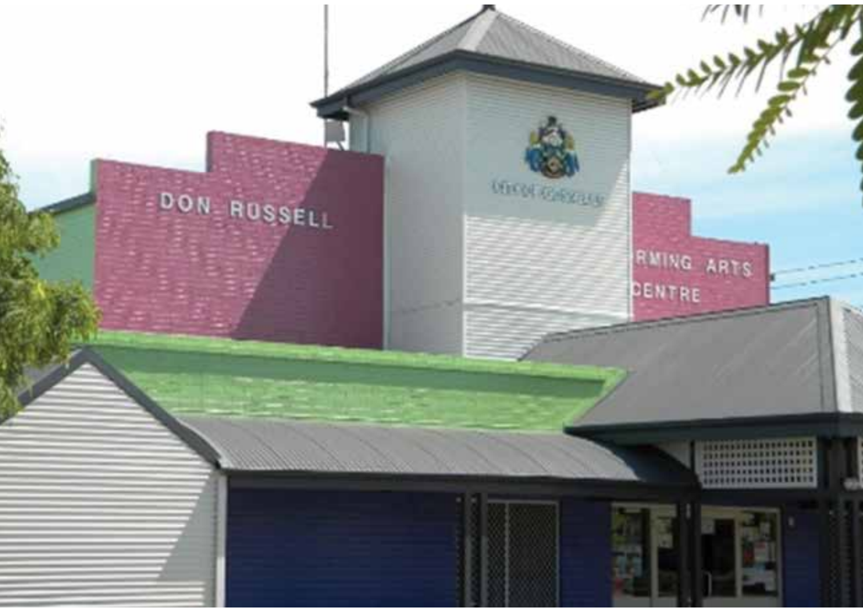
Source: University Theatres

459

Source: University Theatres

Dolphin Theatre, UWA, Crawley

Street Address	The University of Western Australia, 35 Stirling Highway
Suburb	Crawley
Best contact person for venue audit	Bookings Coordinator
Map Ref	17a
Directions 2031 Region	Central
Local Government Authority	City of Subiaco
Phone number	(08) 6488 7407
Email	bookings-theatres@uwa.edu.au
Venue website	http://www.theatres.uwa.edu.au/venues/dolphin
Operator and management arrangements	Run by University Theatres
Funding sources	None
Primary purpose	Performing Arts
Secondary purpose	Education
Stage configuration options	Standard
Seating capacity (including seating capacity in all configurations)	198
Facilities included	Full performance facilities with fly tower (manual hemp)
Year constructed	1976
Significant renovations - year of works and details	Refurbished in 1994
Additional amenities in the facility e.g. Bars, dining venues, exhibition space, meeting rooms	Bar and workshop

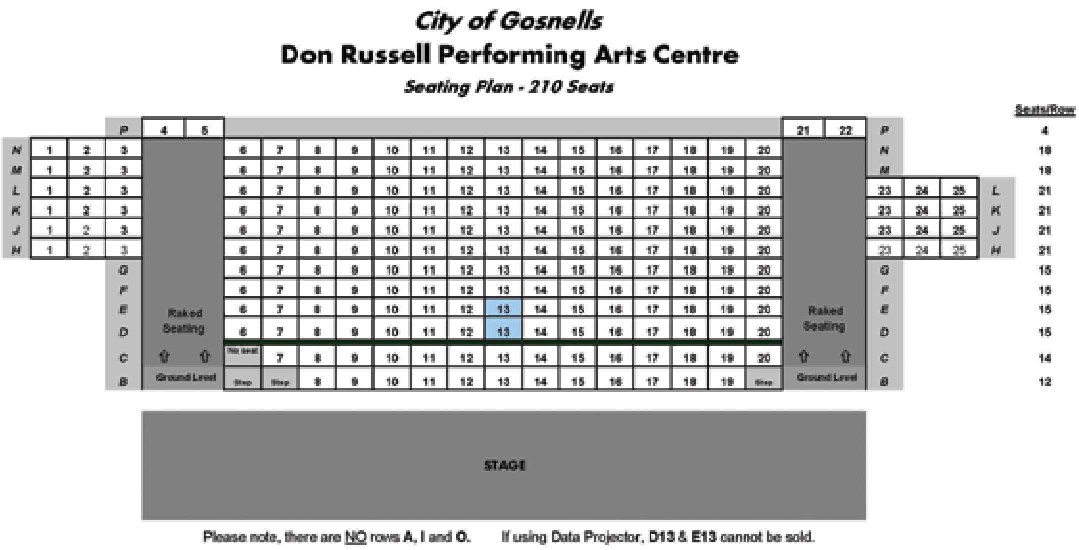


Source: Image supplied by Robert Housley - Manager

Source: www.gosnells.wa.gov.au

Don Russell Performing Arts Centre, Gosnells

Typical seating and stage layout floorplan



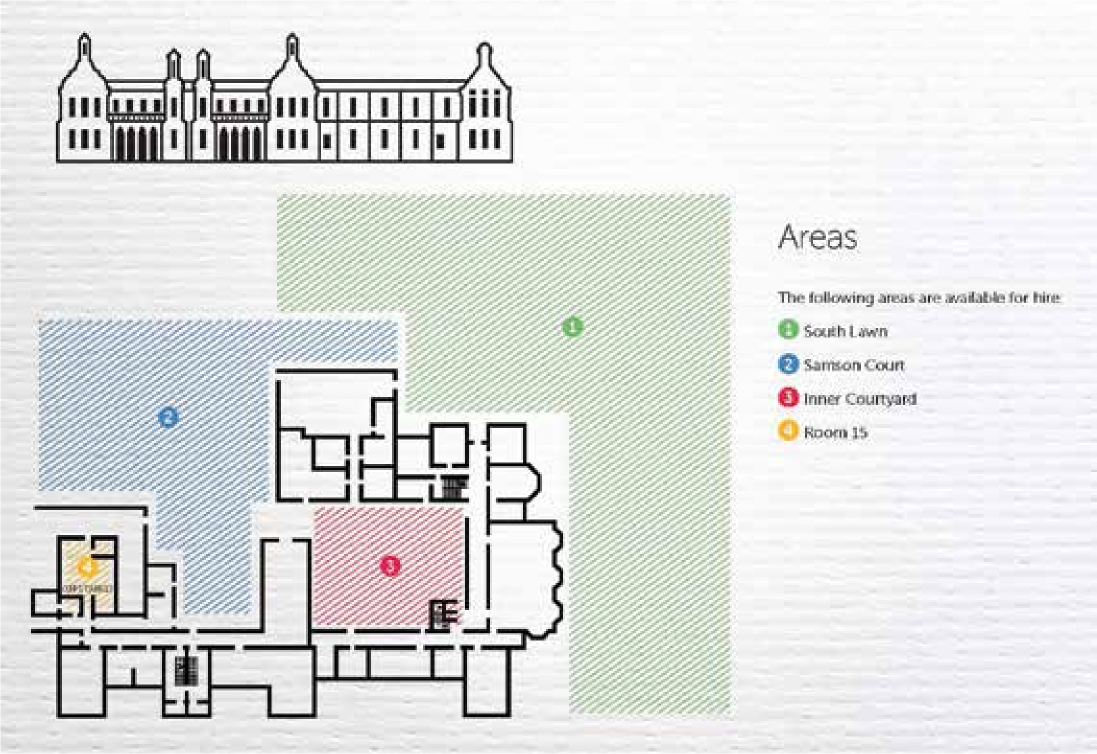
Don Russell Performing Arts Centre, Gosnells

Street Address	Murdoch Rd
Suburb	Thornlie (next to the Forest Lakes Shopping Centre)
Best contact person for venue audit	Robert Housley – Manager
Map Ref	6
Directions 2031 Region	South-East
Local Government Authority	City of Gosnells
Phone number	9493 4577
Email	drpac@gosnells.wa.gov.au
Venue website	http://www.gosnells.wa.gov.au
Operator and management arrangements	Owned and managed by the City of Gosnells, this is a purpose-built performing arts facility
Funding sources	City of Gosnells
Primary purpose	Theatre productions for local performing arts groups, community cultural groups and professional performing arts companies
Secondary purpose	Fully equipped dance studio is hired out to private dance teachers
Stage configuration options	It is a proscenium arch style theatre and stage extensions can be added to make it deeper, giving up to 1/3 more stage floor space
Seating capacity (including seating capacity in all configurations)	Capacity for 210 patrons
Facilities included	Usual sound and lighting technology of a modern theatre but also has an audio loop under the chairs. Has showers and toilets and a combined dressing room
Year constructed	1994
Significant renovations - year of works and details	Using Federal funding, the internal configuration was improved 3 years ago. Minor internal upgrade planned in 2013. Ideally looking at doubling size of foyer to cope with capacity crowds; increase depth of the stage; provide room for cross-over at back of stage; build second facility behind the venue to cater for the dance component
Additional amenities in the facility e.g. Bars, dining venues, exhibition space, meeting rooms	Kitchen is available for hire

Source: Fremantle Arts Centre

Fremantle Arts Centre

Typical seating and stage layout floorplan



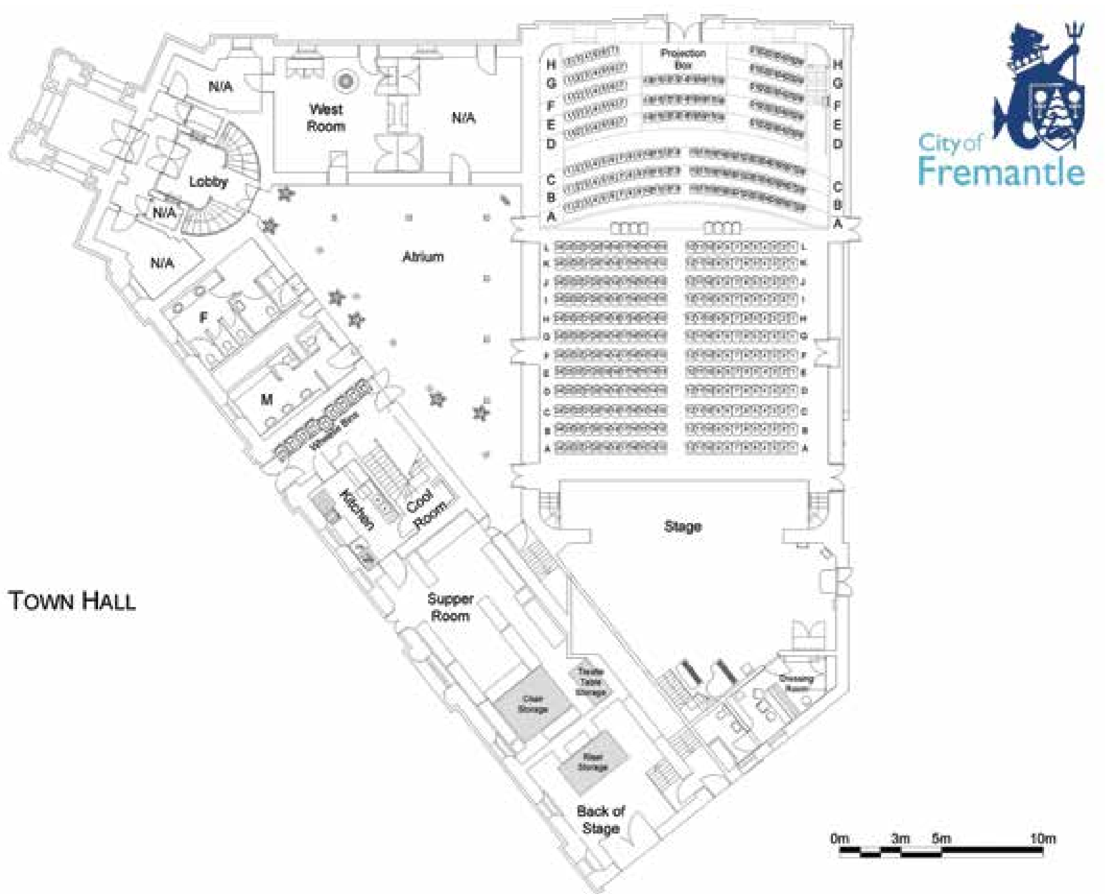
Fremantle Arts Centre

Street Address	1 Finnerty Street
Suburb	Fremantle
Best contact person for venue audit	Pete Stone – General Manager
Map Ref	7
Directions 2031 Region	Central
Local Government Authority	City of Fremantle
Phone number	61 8 9432 9568
Email	petes@fremantle.wa.gov.au
Venue website	www.fac.org.au
Operator and management arrangements	Business Unit of City of Fremantle
Funding sources	City of Fremantle, State Government – multi-year contract, Govt Grants, philanthropic foundations, sponsors, earned income
Primary purpose	Multi-arts organisation
Secondary purpose	
Stage configuration options	See attached document
Seating capacity (including seating capacity in all configurations)	See attached document
Facilities included	
Year constructed	Outdoor heritage venue
Significant renovations - year of works and details	NA
Additional amenities in the facility e.g. Bars, dining venues, exhibition space, meeting rooms	Multi-art venue with galleries, course program/teaching studios, artist studios, shop, café, gardens

Source: Fremantle Arts Centre

Fremantle Town Hall, Fremantle

Typical seating and stage layout floorplan



Source: Supplied by Charlotte Cooper-Dickson

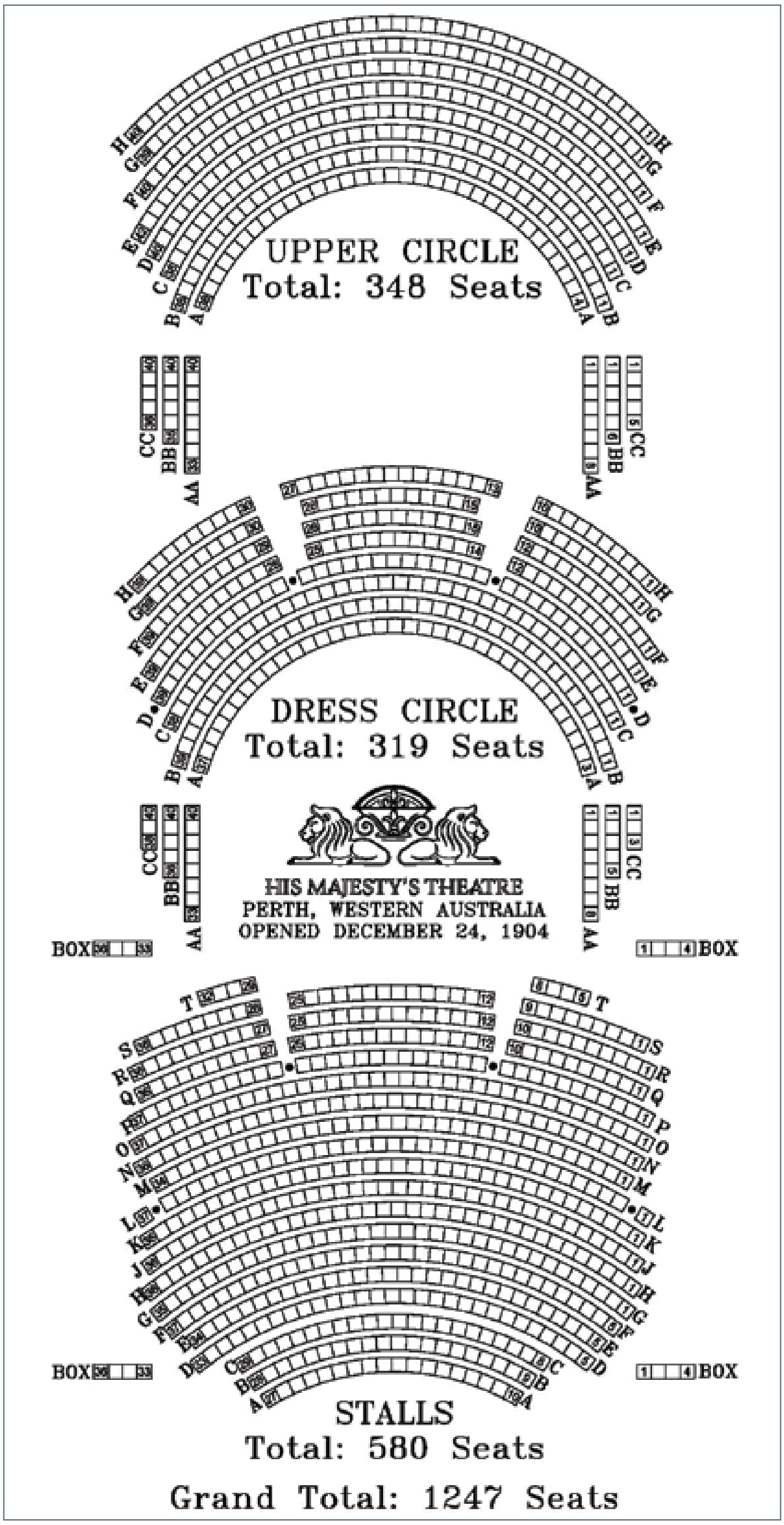
Fremantle Town Hall, Fremantle

Street Address	8 William Street
Suburb	Fremantle
Best contact person for venue audit	Charlotte Cooper-Dickson - Bookings Officer
Map Ref	8
Directions 2031 Region	Central
Local Government Authority	City of Fremantle
Phone number	9432 9702
Email	bookings@fremantle.wa.gov.au
Venue website	Does not have own website
Operator and management arrangements	City of Fremantle owned. Hires the hall to clients
Funding sources	City of Fremantle
Primary purpose	Hiring of facility to external clients for functions
Secondary purpose	Concerts
Stage configuration options	Stage can be made shallower by drawing across a heavy curtain
Seating capacity (including seating capacity in all configurations)	Main Hall seats 294 patrons; the Balcony seats 169 patrons and the East Room seats 30. Total seating capacity for venue is 493
Facilities included	Kitchen for heating food only. Piano; tables & chairs; very small Green Room
Year constructed	1887
Significant renovations - year of works and details	Refurbishment competed in 1986/7 for the America's Cup. Specific work not identified Ideally would like a commercial kitchen; 2 new green rooms; permanent stage lighting; house sound system; overhaul of stage layout and fixtures and a repaint
Additional amenities in the facility e.g. Bars, dining venues, exhibition space, meeting rooms	Atrium and the West Room

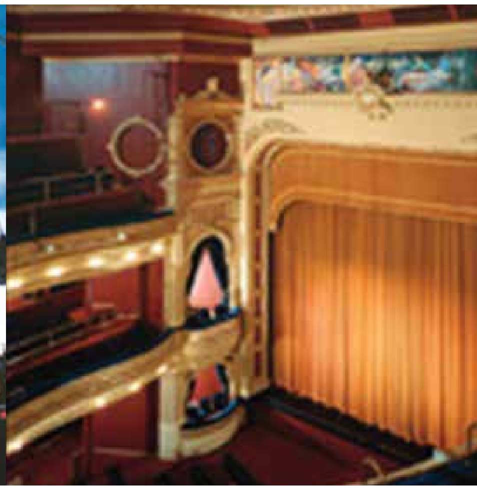
Source: Website and supplied by Charlotte Cooper-Dickson

His Majesty's Theatre, Perth

Typical seating and stage layout floorplan



467



Source: Image supplied by Perth Theatre Trust

His Majesty's Theatre, Perth

Street Address	825 Hay St
Suburb	Perth
Best contact person for venue audit	Alan Ferris - General Manager - Perth Theatre Trust Properties
Map Ref	9
Directions 2031 Region	Central
Local Government Authority	City of Perth
Phone number	(08) 9265 0900
Email	
Venue website	http://www.hismajestystheatre.com.au/ or http://www.perththeatretrust.com.au
Operator and management arrangements	His Majesty's Theatre is managed by the external service provider, AEG Ogden (Perth). Ticketing is through Ticketek
Funding sources	State Government appropriation
Primary purpose	Providing accommodation for resident company, the West Australian Opera and houses The Museum of Performing Arts. Provides a wide range of performing arts events by local, national and international companies and is a major venue for the annual Perth International Arts Festival
Secondary purpose	Hiring out space to companies, also offering on-site catering. A Ticketek outlet is located on the ground floor
Stage configuration options	Stage can be extended by using the orchestra pit
Seating capacity (including seating capacity in all configurations)	1,240 patrons
Facilities included	11 Dressing Rooms; Green Room; Sound Proof Conductor's Room; Tune-up and Rehearsal Rooms; Wardrobe - full facilities; Visiting Management Offices with phone and fax lines
Year constructed	1902 - 1904
Significant renovations - year of works and details	1977-80 – amalgamation of Theatre & hotel to form accommodation for resident companies, WA Ballet & WA Opera
Additional amenities in the facility e.g. Bars, dining venues, exhibition space, meeting rooms	Restaurant, cafe and bar

Joondalup Arena

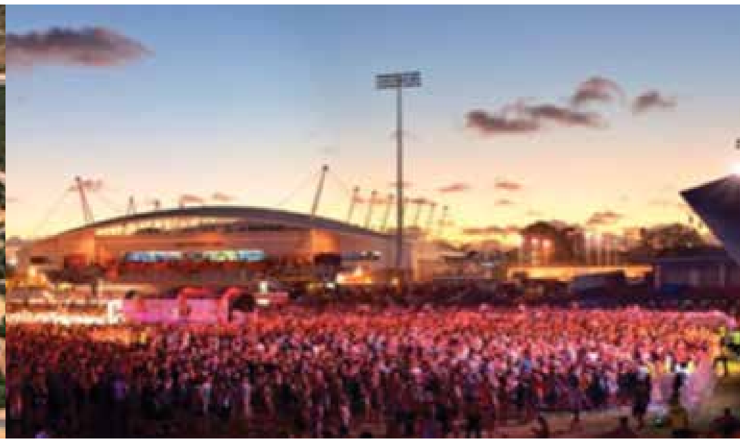
Typical seating and stage layout floorplan

Source: Image extract from Venues West Promoters Guide

Joondalup Arena

Street Address	Kennedya Drive
Suburb	Joondalup
Best contact person for venue audit	Viki Shelver
Map Ref	10
Directions 2031 Region	North West
Local Government Authority	City of Joondalup
Phone number	(08) 93007143
Email	contactus.arena@venueswest.wa.gov.au/ events@venueswest.wa.gov.au
Venue website	http://www.venueswest.wa.gov.au/
Operator and management arrangements	Venues West Ticketing through Ticketmaster
Funding sources	State government and self funding
Primary purpose	Multi purpose sport, recreation and aquatic centre
Secondary purpose	
Stage configuration options	Feasible for variety of uses: Sport and Stage with floor standing
Seating capacity (including seating capacity in all configurations)	25,000 patrons
Facilities included	Gym, Swimming pool, indoor courts, function rooms, outdoor netball courts, AstroTurf hockey field, football oval, rugby oval, tennis courts
Year constructed	1986
Significant renovations - year of works and details	1999/2000 addition of Aquatic Centre (8x50m competition pool and 3x25m plus leisure pool)
Additional amenities in the facility e.g. Bars, dining venues, exhibition space, meeting rooms	Sportsbar, cafe and childcare Function rooms

Source: Images supplied by Venues West

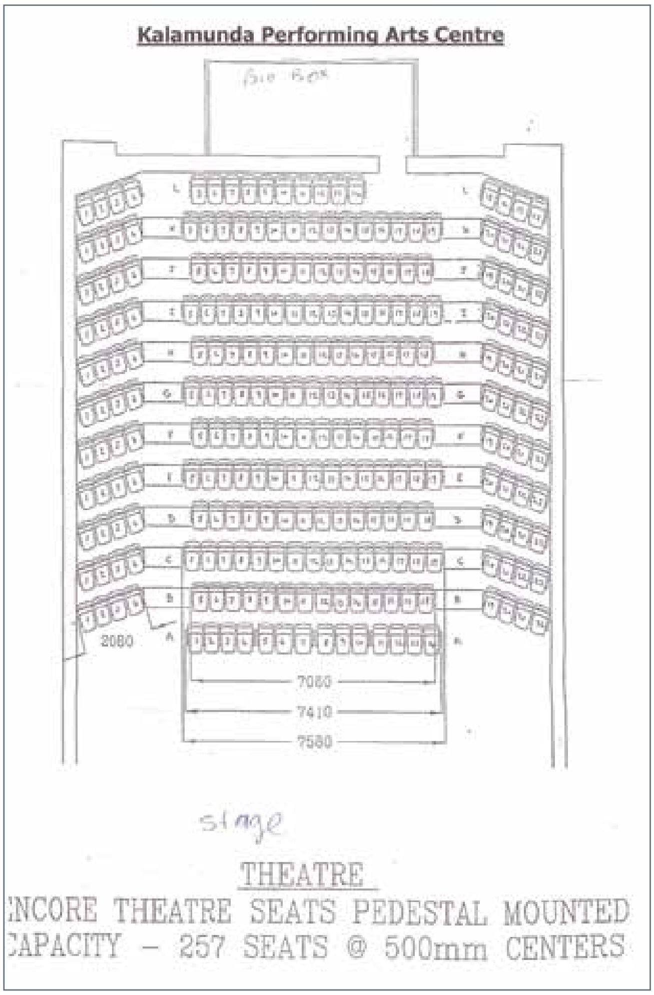


Source: www.mingor.net (copyright © of the webmaster)

Source: www.aboutsounds.com.au

Kalamunda Performing Arts Centre, Kalamunda

Typical seating and stage layout floorplan



Source: Hames Sharley

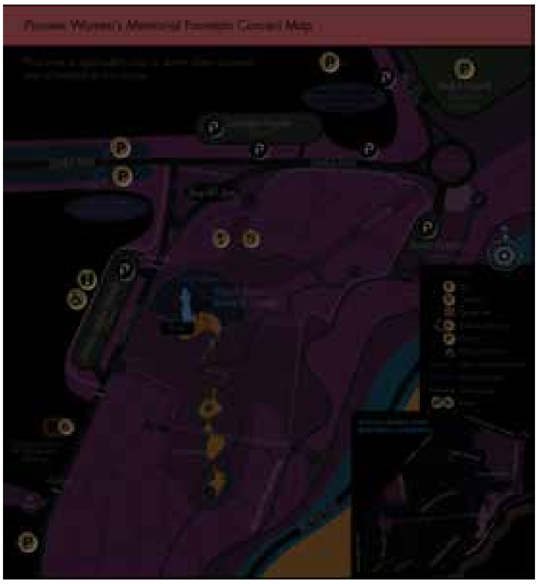
Kalamunda Performing Arts Centre, Kalamunda

Street Address	48 Canning Rd
Suburb	Kalamunda
Best contact person for venue audit	Catherine Daniels - Administrator
Map Ref	11
Directions 2031 Region	North-East
Local Government Authority	Shire of Kalamunda
Phone number	9257 2558 (Tue-Thu: 0900 – 1500 hrs; Fri: 0900 – 1700)
Email	performingarts@kalamunda.wa.gov.au
Venue website	http://www.kalamunda.wa.gov.au/
Operator and management arrangements	Owner/operated is Shire of Kalamunda. Ticketing through Performing Arts Centre or Zig-Zag Cultural Centre
Funding sources	Shire of Kalamunda. Proposal on table to source additional sponsorship
Primary purpose	Primarily hired out to community groups, schools and dance teachers
Secondary purpose	Hoping to arrange events such as concerts in future.
Stage configuration options	Sprung stage can be reconfigured into a catwalk or made smaller by removing the front block
Seating capacity (including seating capacity in all configurations)	Auditorium seats for 257 patrons Agricultural Hall seats 230 Teaching area seats 60 patrons Total capacity is 547
Facilities included	The large foyer has a ticket box, bar area and comfortable seating. A hangtrac system enables this area to also be used for small exhibitions. A smaller teaching area can be used as a Black Box theatre. Kitchen in the Agricultural Hall
Year constructed	1996 – Department of Education helped finance the building so it has shared use – up to 150 free hours. Agricultural Hall is more than 100 years old and is Heritage Listed
Significant renovations - year of works and details	None
Additional amenities in the facility e.g. Bars, dining venues, exhibition space, meeting rooms	None

Kings Park and Botanic Garden

Typical seating and stage layout floorplan

Source: www.bpga.wa.gov.au



Source: www.bpga.wa.gov.au

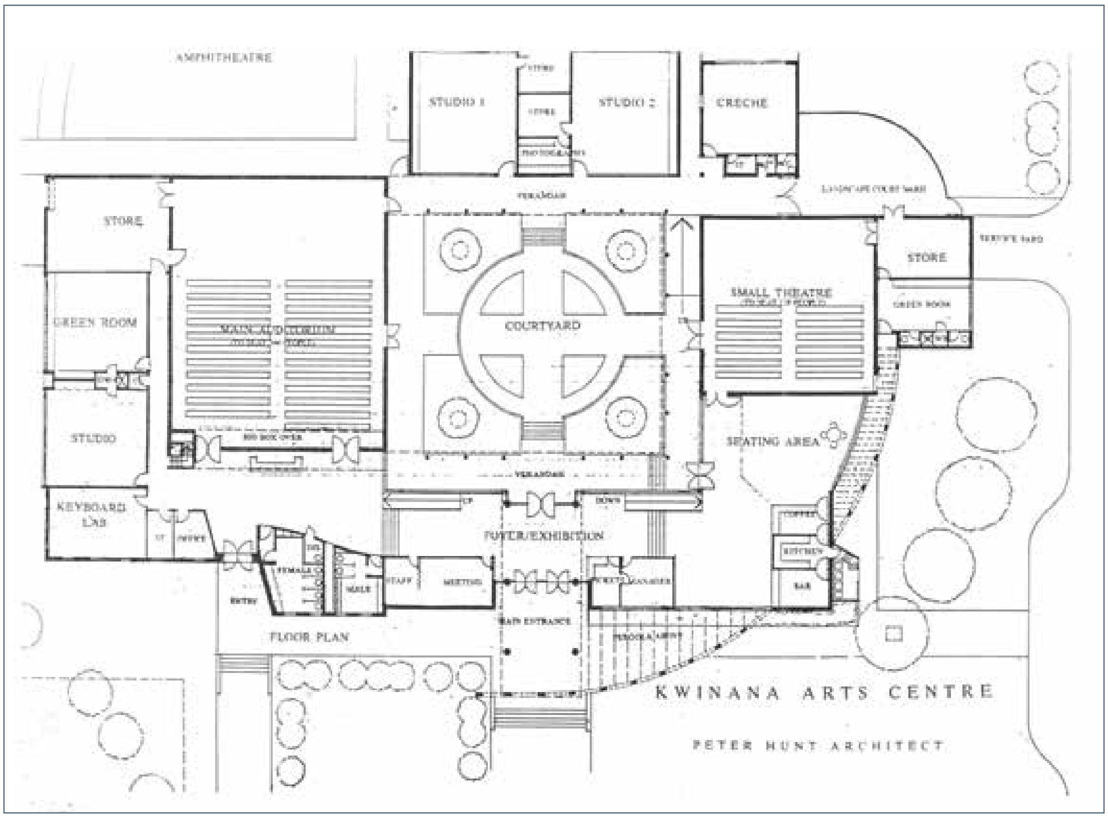
Botanic Garden & Parks Authority

Kings Park and Botanic Garden

Street Address	Fraser Avenue
Suburb	Kings Park, West Perth
Best contact person for venue audit	Events Co-ordinator Zoe Fulwood or Park Management Officer
Map Ref	12
Directions 2031 Region	Central
Local Government Authority	Not applicable (State Government A class reserve land not officially within local council area)
Phone number	(8) 9480 3624/ (8) 9480 3600
Email	enquiries@bgpa.wa.gov.au
Venue website	http://www.bgpa.wa.gov.au/kings-park
Operator and management arrangements	Botanic Gardens and Parks Authority
Funding sources	Approximately two thirds State Government funding for operational costs, and one third of annual budget generated from own source revenue including leases, licences, sales, consultancies, sponsorships and similar.
Primary purpose	Significant conservation, recreational, historical / cultural and tourism purposes as the premier public Park, including the State War Memorial and State Botanic Garden.
Secondary purpose	Family and Community gatherings and celebrations, Services (e.g. ANZAC day and many memorial services), School Programs, Tours and Walks, Outdoor Concerts, Theatre and Cinema.
Stage configuration options	Feasible for variety of uses, no fixed seating
Seating capacity (including seating capacity in all configurations)	6,000 capacity in Botanic Garden precinct for a concert event 2,000 capacity in Synergy Parkland for Outdoor Cinema 800 capacity for Shakespeare in the Park venue 500 capacity for Children's Theatre at Saw Avenue Amphitheatre Floor plans are not available as these are temporary venues for fixed periods each summer only. Seating is Festival style (on grass).
Venues for hire for family social gatherings and special occasions.	Sportsbar, cafe and childcare Function rooms
Facilities included	Education programs, Events, Public Toilets, Pathways, Playgrounds, Parklands, Shelters, Bushlands, Memorials, Cafes / Restaurants, general visitor amenities
Year constructed	The whole of Kings Park was set aside as a park for public purposes in 1831 and gazetted and protected as a park in 1872. The 17 hectare Botanic Garden was established 1965.
Significant renovations - year of works and details	Ongoing renovations throughout the history of the Park, with most recent 20 years being a period of rapid refurbishment and development of amenities to support growing visitation and reputation of the Park.
Additional amenities in the facility e.g. Bars, dining venues, exhibition space, meeting rooms	Limited seminar facilities in some buildings Dining facilities in 3 cafes, a kiosk and a restaurant. High end gallery and gift shop in Aspects of Kings Park with WA and Australian designed products.

Koorliny Theatre, Kwinana

Typical seating and stage layout floorplan



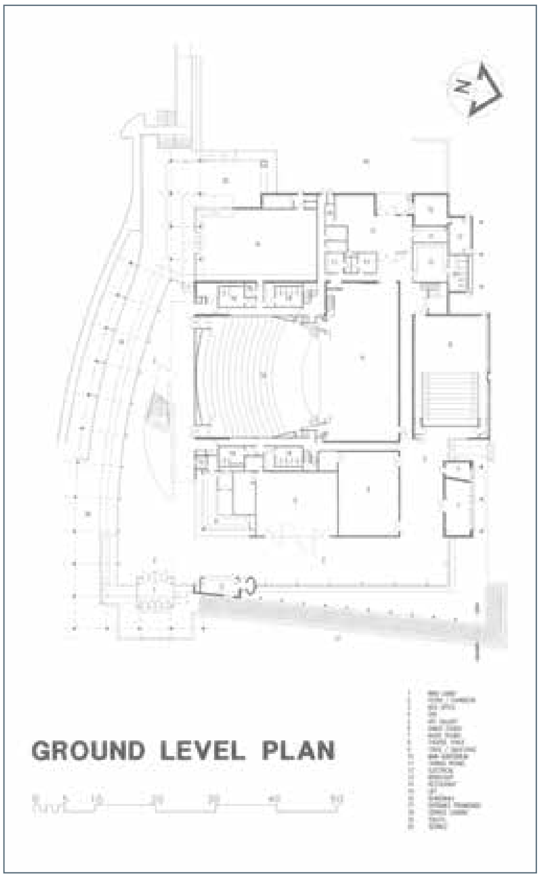
Koorliny Theatre, Kwinana

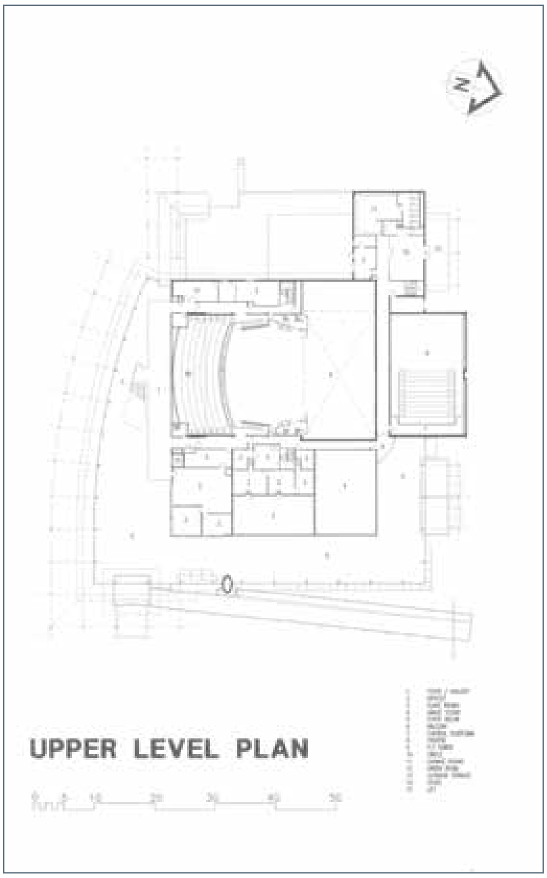
Street Address	20 Sulphur Road
Suburb	Kwinana
Best contact person for venue audit	Ryan Taaffe – General Manager
Map Ref	13
Directions 2031 Region	South-West
Local Government Authority	Town of Kwinana
Phone number	9467 7118
Email	ryan@koorliny.com.au
Venue website	www.koorliny.com.au
Operator and management arrangements	Leased from the Town of Kwinana and managed by a not-for-profit Board. Manage their own ticketing
Funding sources	Town of Kwinana; AMEX Corporation P/L; Kwinana Courier; Kwinana Industries Council; CSBP
Primary purpose	Hiring out the venue
Secondary purpose	Some theatrical productions
Stage configuration options	Stages can be decreased or increased in the 2 theatres
Seating capacity (including seating capacity in all configurations)	1,000 Amphitheatre; 244 proscenium arch theatre; 100 black box theatre. Total capacity is 1,364
Facilities included	Sound and lighting rigs; technician; dressing room. Also has a dance studio, multi-purpose studios and a courtyard, all of which can be used for business functions, product releases, conferences and training programs
Year constructed	1991
Significant renovations - year of works and details	2001 – Amphitheatre added (Bicentennial funding). Looking at potentially increasing stage size and seating capacity
Additional amenities in the facility e.g. Bars, dining venues, exhibition space, meeting rooms	Theatre bar

Source: Supplied by Ryan Taafe, General Manager Koorliny Theatre.

Mandurah Performing Arts Centre, Mandurah

Typical seating and stage layout floorplan





Source: Hames Sharley

Source: Hames Sharley

Source: MPAC supplied image of the Auditorium

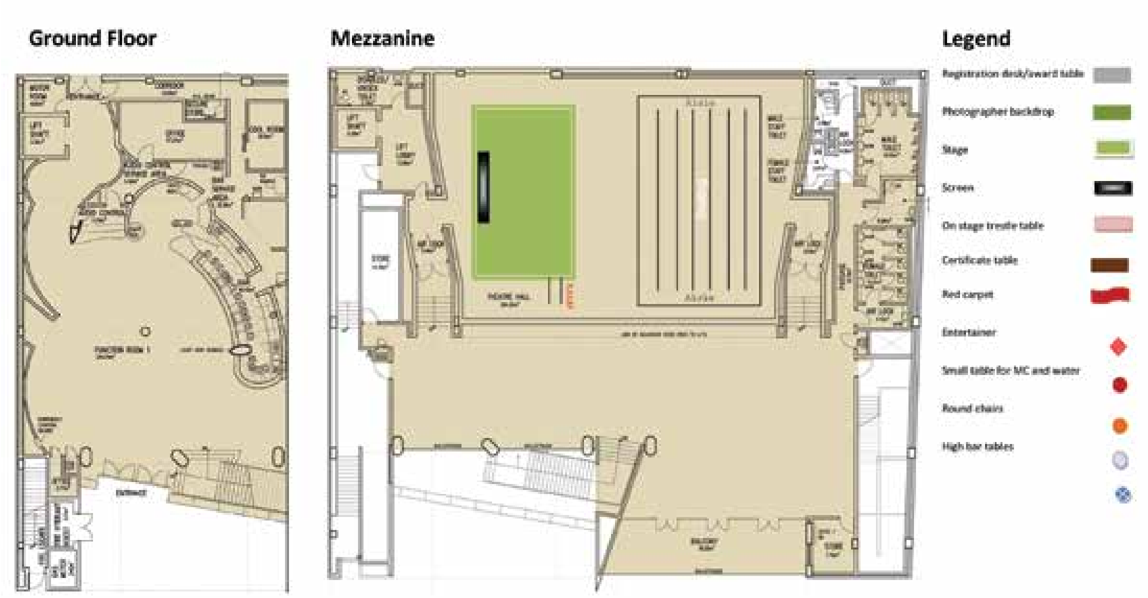
Mandurah Performing Arts Centre, Mandurah

Street Address	Ormsby Terrace
Suburb	Mandurah
Best contact person for venue audit	Christine Steer – Operations Manager
Map Ref	14
Directions 2031 Region	Peel
Local Government Authority	City of Mandurah
Phone number	9550 3930
Email	operations@manpac.com.au
Venue website	http://www.manpac.com.au/
Operator and management arrangements	Owned by City of Mandurah. Managed by not-for-profit Board. Do own ticketing except for on-line tickets which are available through Tickets.com
Funding sources	City of Mandurah; Lotterywest; Bendigo Bank
Primary purpose	Provide arts and culture to Peel community
Secondary purpose	Add to cultural opportunities through workshops, education & recreational programs in visual and performing arts
Stage configuration options	Stages can be enlarged by using the orchestra pit in the Boardwalk Theatre and by retracting seating in the Fishtrap Theatre, in which the stage is part of the floor
Seating capacity (including seating capacity in all configurations)	Seating for a total of 944 patrons: Boardwalk Theatre accommodates 800 and Fishtrap Theatre 144
Facilities included	4 change rooms with showers & toilets; Green Room
Year constructed	1997
Significant renovations - year of works and details	None so far but ideally looking to increase size of the stage and increase seating capacity to the Fishtrap Theatre
Additional amenities in the facility e.g. Bars, dining venues, exhibition space, meeting rooms	Bar

Source: www.media140.com & www.showmeeprth.com.au

Metcalfe Theatre at the Empyrean, Northbridge

Typical seating and stage layout floorplan

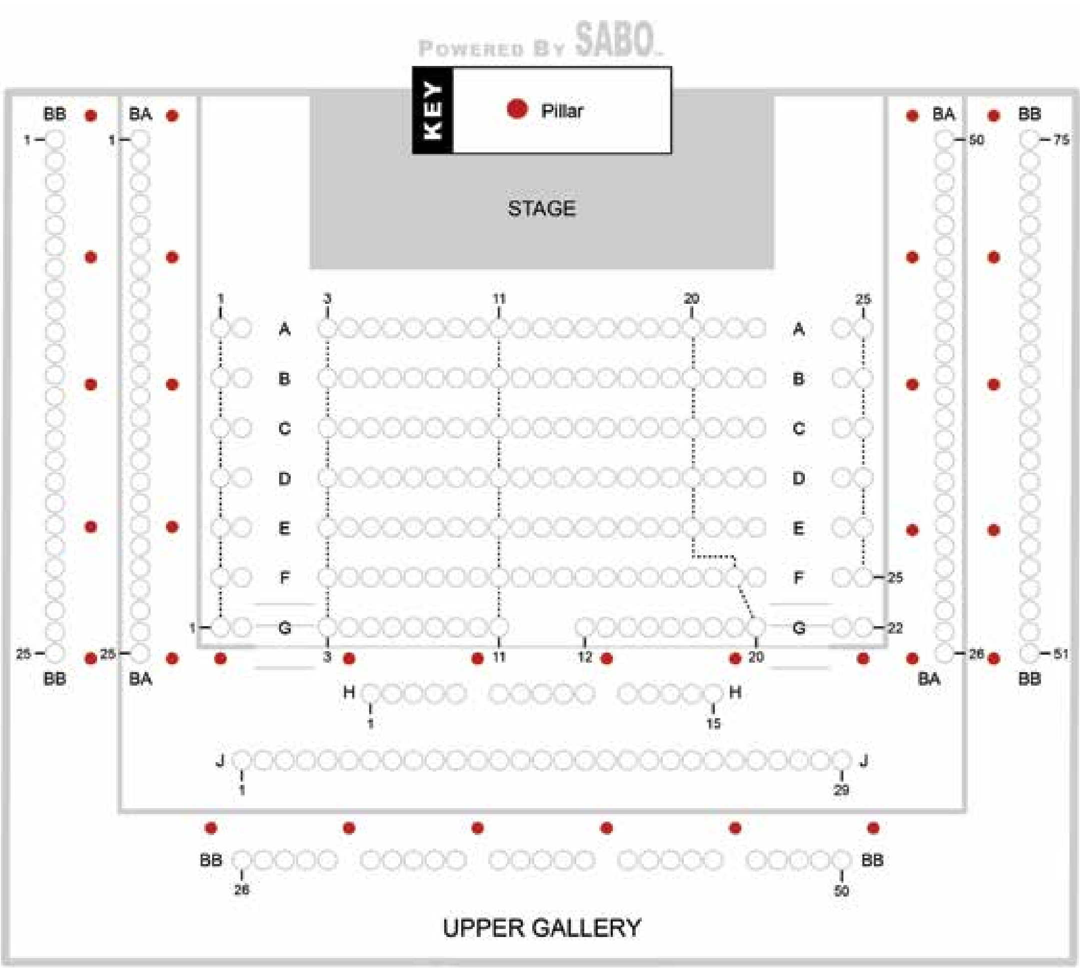


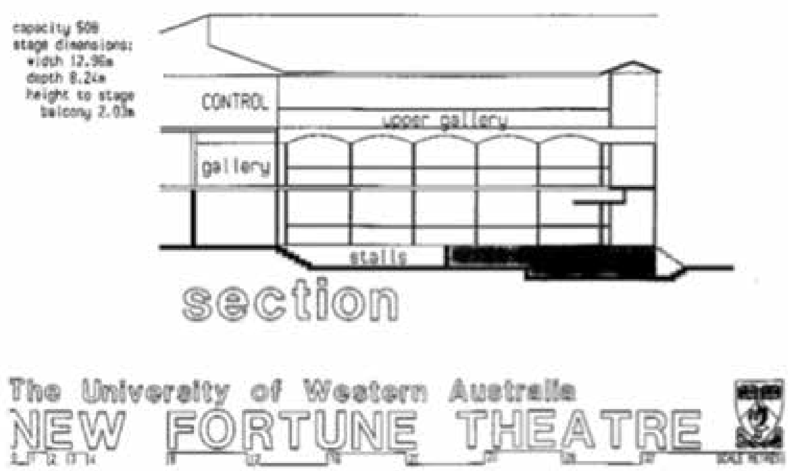
Metcalfe Theatre at the Empyrean, Northbridge

Street Address	12 Lake St
Suburb	Northbridge
Best contact person for venue audit	Sam Outhred – Functions Manager
Map Ref	15
Directions 2031 Region	Central
Local Government Authority	City of Perth
Phone number	9228 1600
Email	sam@empyrean.net.au
Venue website	http://www.empyrean.net.au/
Operator and management arrangements	Venue is owner operated – managed by 2 directors and functions manager. Ticketing through Moshtix
Funding sources	The owners and fees from their hospitality training academy, Empyrean Educational Institute
Primary purpose	Mainly corporate functions. Boasts some of the best acoustics in theatre design. The Metcalfe Theatre offers the best setting for stage productions, visiting entertainers or important corporate seminars
Secondary purpose	Live theatre and awards nights
Stage configuration options	Large stage (17m x 8m) can be reduced by curtains
Seating capacity (including seating capacity in all configurations)	Theatre: 300 but most often capped at 280. Total capacity of theatre, lobby and mezzanine is 550
Facilities included	2 change rooms, Green Room
Year constructed	1997
Significant renovations - year of works and details	2008 – completely re-designed. Looking to potentially build toilets on the ground floor (E Lobby area) so functions can be held in both areas simultaneously
Additional amenities in the facility e.g. Bars, dining venues, exhibition space, meeting rooms	E Lobby has fully licensed bar; 14 TVs; Wi-Fi; DJ equipment; additional audio and visual capabilities Mezzanine has a balcony

New Fortune Theatre, UWA, Crawley

Typical seating and stage layout floorplan





Source: University Theatres

Source: University Theatres

New Fortune Theatre, UWA, Crawley

Street Address	The University of Western Australia, 35 Stirling Highway
Suburb	Crawley
Best contact person for venue audit	Bookings Coordinator
Map Ref	17b
Directions 2031 Region	Central
Local Government Authority	City of Subiaco
Phone number	(08) 6488 7407
Email	bookings-theatres@uwa.edu.au
Venue website	http://www.theatres.uwa.edu.au/venues/fortune
Operator and management arrangements	Run by University Theatres
Funding sources	None
Primary purpose	Performing Arts
Secondary purpose	Education
Stage configuration options	None
Seating capacity (including seating capacity in all configurations)	350
Facilities included	Open air theatre. The only Elizabethan style theatre in the southern hemisphere
Year constructed	1964
Significant renovations - year of works and details	None
Additional amenities in the facility e.g. Bars, dining venues, exhibition space, meeting rooms	None

NIB Stadium

Typical seating and stage layout floorplan

Source: Supplied by NIB Stadium - ww.nibstadium.com.au

NIB Stadium

Street Address	310 Pier Street
Suburb	Perth
Best contact person for venue audit	Sam Burling (Brand Manager)
Map Ref	16
Directions 2031 Region	Central
Local Government Authority	City of Vincent
Phone number	(08) 9422 1500
Email	info@nibstadium.com.au
Venue website	http://www.nibstadium.com.au/
Operator and management arrangements	Allia Venue Management Ticketing through Ticketmaster (currently) Catering through Mustard Catering

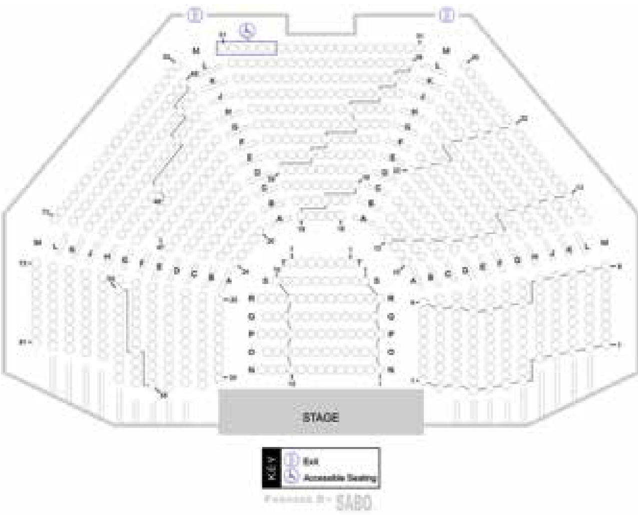
Funding sources	Confidential, however nib Health Cover is the 'stadium' naming rights sponsor and Bankwest is the 'shed' naming rights sponsor.
Primary purpose	Multi-purpose rectangular facility primarily for hosting sporting events, though also for concerts and functions in spaces throughout the stadium.
Secondary purpose	Concerts
Stage configuration options	Feasible for variety of uses: Sport and Stage with floor standing or seating, function spaces with various layout options.
Seating capacity (including seating capacity in all configurations)	The stadium encompasses an area of approximately 4.4 hectares with a playing surface of 132 metres by 88 metres. NIB Stadium maximum spectator capacity for sporting events will be 20,565 once the State Government redevelopment is completed. The facility can cater for up to 35,000 spectators for concerts including standing on the pitch.
Facilities included	• Playing area with lights • Team change rooms • Referee rooms • Physiotherapy rooms • Function rooms • Corporate suites
Year constructed	The land on which the stadium was built was made a public reserve in 1904 where rugby was played. Perth Oval Main ground was developed in 1910.
Significant renovations - year of works and details	2003 - $11.4 million redevelopment to transform it into a rectangular pitch (funded by State & Local governments) 2009/2010 - installation of temporary seating and corporate facilities 2012/2013 - $95.14 million redevelopment including: • replacing temporary seating in the east with a permanent undercover stand containing a range of corporate, retail, toilet, merchandise and storage facilities; • replacing temporary seating the south with a permanent uncovered stand; • a new Gate 4 incorporating additional entry points and box offices; • a new marquee will be installed in the south; • new pitch flood lighting towers and a new control room will be installed in the SE corner of the ground; • new corporate facilities will be installed in the NE corner of the ground; • 2 large, permanent screens will be installed onto the NW and SE corners of the venue; • LED signage will be installed along the eastern pitch perimeter; • a range of works will be under taken at Gate 1 to address cosmetic and risk items; and • the pitch will be reconstructed and seating installed into the northern bowl from July to October 2013.
Additional amenities in the facility e.g. Bars, dining venues, exhibition space, meeting rooms	• VIP Event Facilities • Function rooms • Media Facilities • Lounge

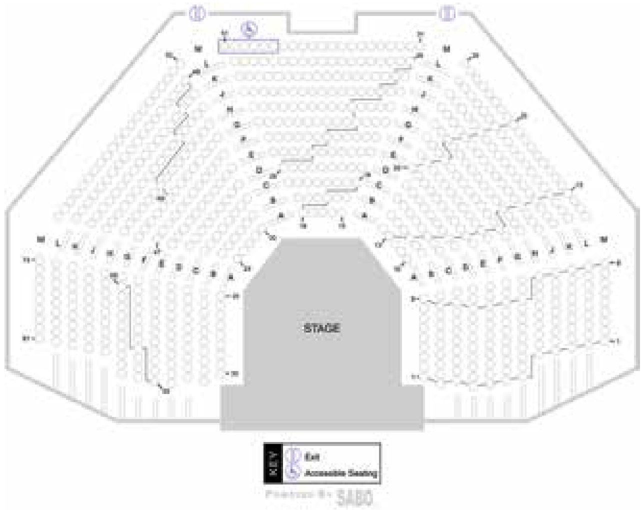
Source: www.lostoncampus.com.au

Source: www.nearmap.com

Octagon Theatre, UWA, Crawley

Typical seating and stage layout floorplan





Source: University Theatres

Octagon Theatre, UWA, Crawley

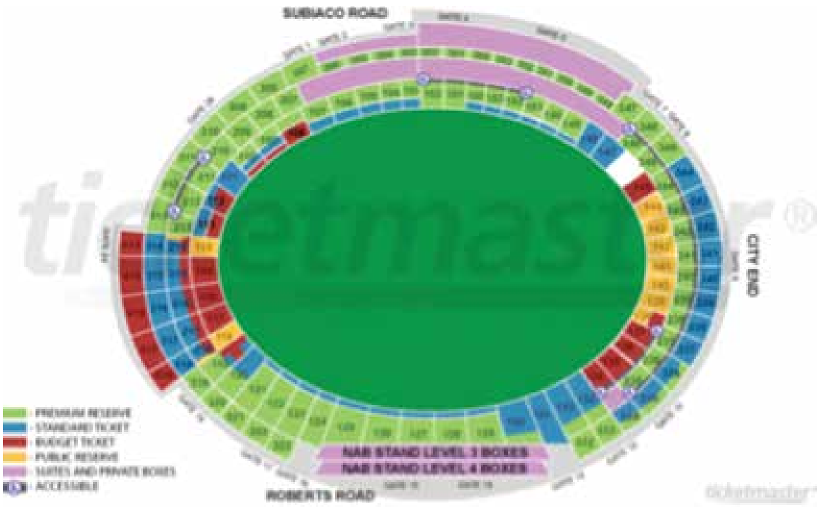
Street Address	The University of Western Australia, 35 Stirling Highway
Suburb	Crawley
Best contact person for venue audit	Bookings Coordinator
Map Ref	17c
Directions 2031 Region	Central
Local Government Authority	City of Subiaco
Phone number	6488 7407
Email	Bookings-theatres@uwa.edu.au
Venue website	http://www.theatres.uwa.edu.au/venues/octagon
Operator and management arrangements	Run by University Theatres
Funding sources	None
Primary purpose	Performing Arts
Secondary purpose	Education
Stage configuration options	Standard, Orchestra, Double Stage Extension, Platform
Seating capacity (including seating capacity in all configurations)	Standard 701, Orchestra Pit 701, Stage Extension 663, Forestage Seating 758
Facilities included	Full performance facilities
Year constructed	1969
Significant renovations - year of works and details	None
Additional amenities in the facility e.g. Bars, dining venues, exhibition space, meeting rooms	Bar, rehearsal studio and workshop

Source: University Theatres & UWA Website




Paterson's Stadium

Typical seating and stage layout floorplan



Source: www.ticketmaster.com.au

Paterson's Stadium

Street Address	Subiaco Road
Suburb	Subiaco
Best contact person for venue audit	Shane Harris
Map Ref	18
Directions 2031 Region	Central
Local Government Authority	City of Subiaco
Phone number	(08) 9381 2187
Email	sharris@wafc.com.au
Venue website	http://www.patersonsstadium.com.au/
Operator and management arrangements	Venue managed by WAFC
Ticketing through Ticketmaster	
Funding sources	Internal
Primary purpose	AFL and other major sporting events
Secondary purpose	Concerts and functions
Stage configuration options	Feasible for variety of uses: Sport and Stage with field standing
Seating capacity (including seating capacity in all configurations)	43,405 AFL games Up to 60,000 in concert mode with full venue and oval use
Facilities included	TAB, Wheelchair bays, Cash facilities, Oval with night lighting, Scoreboards and Video Screens.
Year constructed	1908
Significant renovations - year of works and details	3 Tier Stand - Opened 31 August 1969 2 Tier Stand - Opened 27 April 1981 NAB Stand - Opened 14 May 1995 Eastern Stand - Opened 11 March 2000
Additional amenities in the facility e.g. Bars, dining venues, exhibition space, meeting rooms	7 Function rooms

Source: www.perthnow.com.au

www.thedailytelegraph.com.au

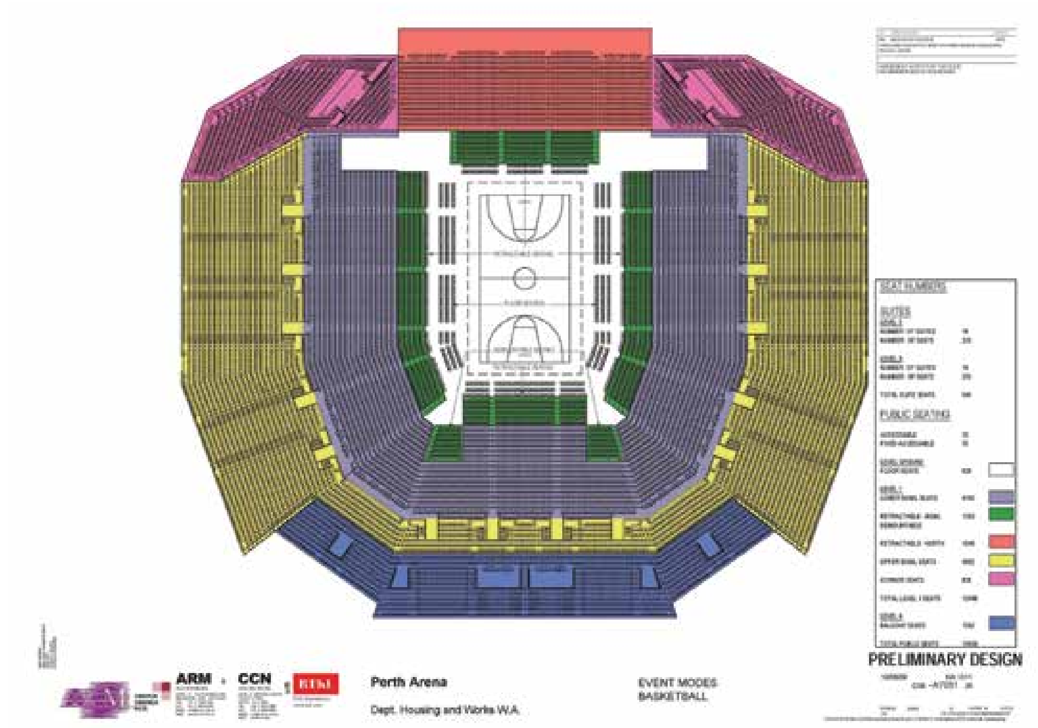
www.yoursubi.com.au

Perth Arena, Perth

Typical seating and stage layout floorplan

Basketball layout

Note: As seating can change for different events and performances, the seating map below should be used as a guide only.



Source: Perth Arena website

489

Perth Arena, Perth

Street Address	700 Wellington Street
Suburb	Perth
Best contact person for venue audit	John Lynch
Map Ref	19
Directions 2031 Region	Central
Local Government Authority	City of Perth
Phone number	9441 8222
Email	info@pertharena.com.au
Venue website	http://www.pertharena.com.au
Operator and management arrangements	Owned by VenuesWest on behalf of the State Government. Managed by Ogden IFC. Ticketing through Ticketmaster
Funding sources	Government of Western Australia
Primary purpose	Providing a world class venue for entertainment productions and international performers
Secondary purpose	Venue for sporting and corporate events. Home of the Perth Wildcats and the Hopman Cup
Stage configuration options	Feasible for a variety of uses
Seating capacity (including seating capacity in all configurations)	The Perth Arena can seat 15,500 patrons. A flexible curtaining system makes many sizes and configurations, down to 3,500. The Granite Room can seat up to 510 in theatre style
Facilities included	Retractable roof; tennis court; LED super screen in main bowl (13.6 x 8m); 5 function rooms; 36 hospitality suites for VIP patrons; catering, merchandise & beverage outlets; underground parking
Year constructed	2007 - 2012 (opened 10 November 2012)
Significant renovations - year of works and details	None
Additional amenities in the facility e.g. Bars, dining venues, exhibition space, meeting rooms	Bars, food outlets, function rooms

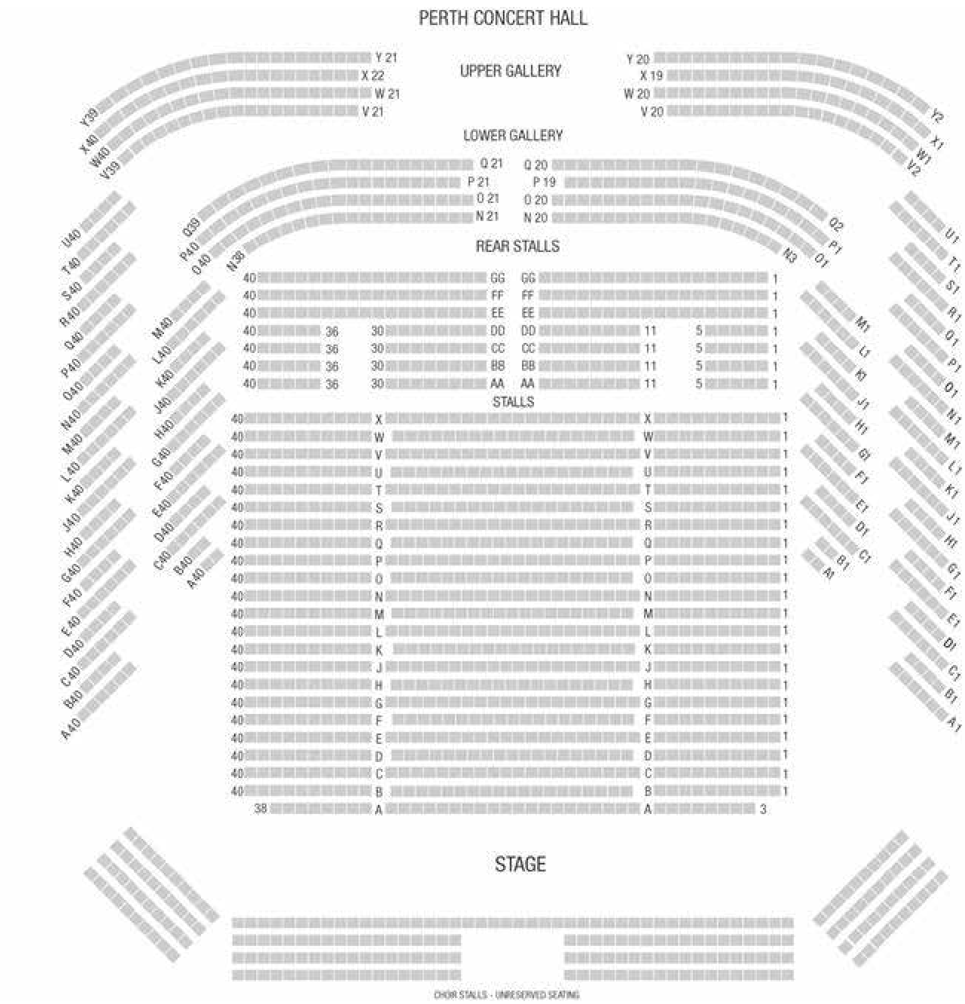
Source: Photo supplied by VenuesWest

Source: Image supplied by Perth Theatre Trust

Source: PCH website

Perth Concert Hall, Perth

Typical seating and stage layout floorplan

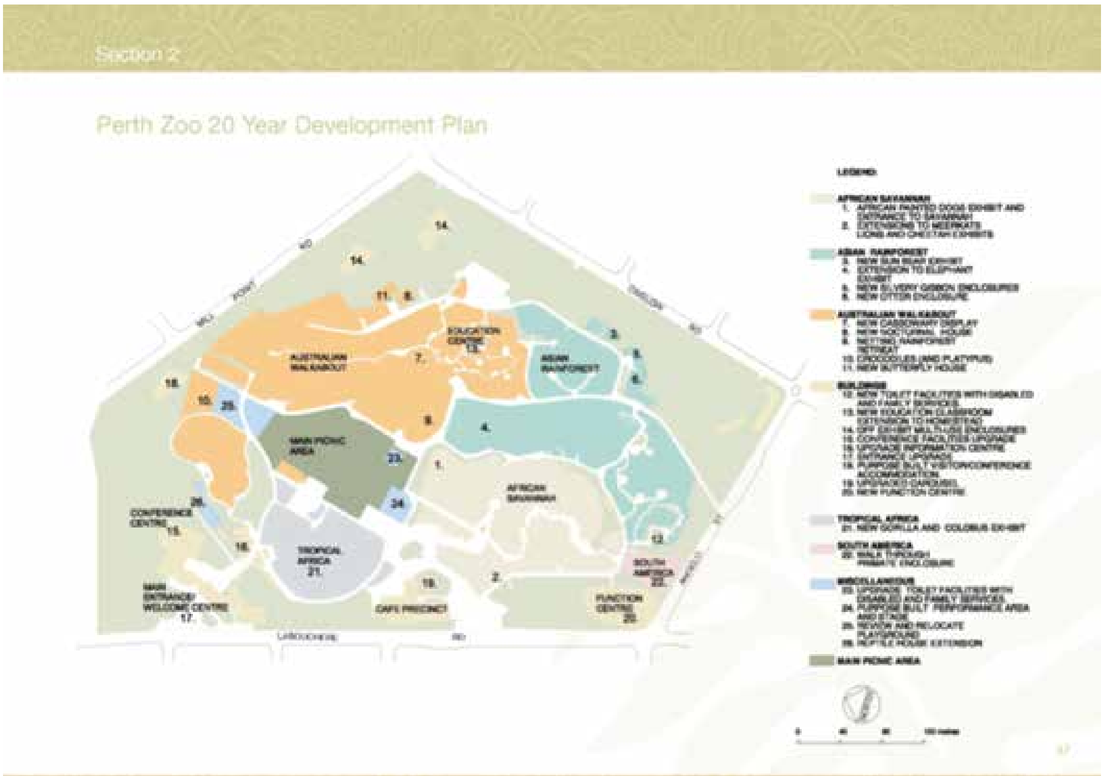


Perth Concert Hall, Perth

Street Address	5 St Georges Tce
Suburb	Perth
Best contact person for venue audit	Alan Ferris – General Manager Perth Theatre Trust Ph: 6552 7552
Map Ref	20
Directions 2031 Region	Central
Local Government Authority	City of Perth
Phone number	9231 9900
Email	Alan.ferris@ptt.wa.gov.au
Venue website	www.perthconcerthall.com.au or http://www.perththeatretrust.com.au/
Operator and management arrangements	The Perth Concert Hall, is owned by the City of Perth and has been leased to the Perth Theatre Trust since 1980. The day to day operations of the Perth Concert Hall are managed by the external service provider, AEG Ogden (Perth). Ticketing is through Ticketek
Funding sources	City of Perth
Primary purpose	The facility is the principal performing and rehearsal venue of the West Australian Symphony Orchestra. In addition to regular seasons by the Orchestra, other fine arts companies use the venue
Secondary purpose	The Perth Concert Hall is also hired by many organisations that present leading international contemporary artists. Also plays a civic role in hosting university and school graduations, business conventions and civic functions
Stage configuration options	20m wide at front, tapering to 14m at rear. Extensions available
Seating capacity (including seating capacity in all configurations)	1,731 divided into 3 main levels
Facilities included	The main foyer level accommodates offices, a ticketing outlet, a café and the Wardle Room which is available for hire for functions
Year constructed	1971-73
Significant renovations - year of works and details	1982 extend into VIP car park area to provide additional office accommodation; 1984 Forecourt landscaped; 1985 Cooling towers in air conditioning replaced; c.1988 Concert Hall re-roofed; c.1992 Restaurant refurbished; asbestos removed; 1994 New artists' facility completed; 1998 Replacement of air conditioning; 1999 Pedestrian link between Commonwealth Family Law Courts and Concert Hall; 2008 Major upgrades to the concrete exterior of the concert hall; 2011 replaced escalators between main entrance and underground car park
Additional amenities e.g. Bars, dining venues, exhibition space, meeting rooms	Restaurant

Perth Zoo

Typical seating and stage layout floorplan



Source: www.perthzoo.wa.gov.au - extract from Perth Zoo Masterplan

Perth Zoo

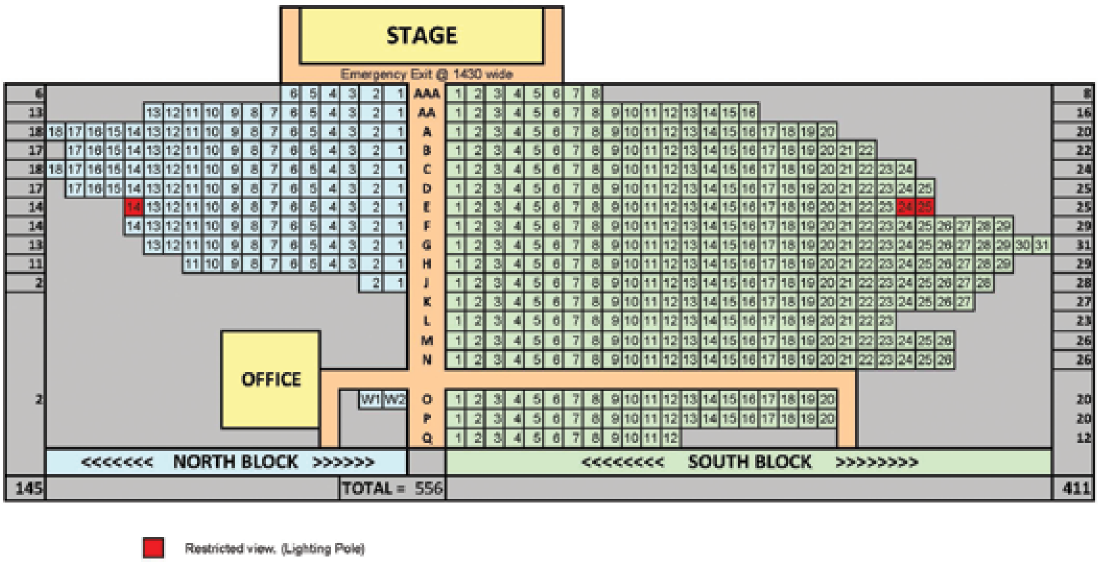
Street Address	20 Labouchere Road
Suburb	South Perth
Best contact person for venue audit	Ceri Price, Commercial Operations Manager
Map Ref	21
Directions 2031 Region	Central
Local Government Authority	City of South Perth
Phone number	(8) 9474 0444
Email	email@perthzoo.wa.gov.au
Venue website	http://www.perthzoo.wa.gov.au/
Operator and management arrangements	Perth Zoo Most concerts outsourced to external promoters Ticketing available through Ticketmaster Catering through Mustard Catering (Spotless)
Funding sources	Self funded revenue, Government funding (Government Agency)
Primary purpose	Recreation, wildlife conservation research, animal breeding and conservation education
Secondary purpose	Functions and events
Stage configuration options	Temporary major concert stage
Seating capacity (including seating capacity in all configurations)	Max capacity 4,500 with other options from 30+ pax
Facilities included	Concert area with lawn dance area, function centre, conference centre, small lawns, marquee, cafes, outdoor theatre. Full catering options through Mustard Catering
Year constructed	1898
Significant renovations - year of works and details	Too many to mention
Additional amenities in the facility e.g. Bars, dining venues, exhibition space, meeting rooms	Wedding, meeting and conference functions Group Picnic facilities, Children Birthday facilities, Catering, 2x cafes and function room, Exhibit spaces for functions, Carousel, Giraffe feeding tower, Japanese Gardens with outdoor amphitheatre

Source: Supplied by Perth Zoo and www.perthzoo.wa.gov.au

Source: Jon Davison/eyeinthesky.com.au

Quarry Amphitheatre, City Beach

Typical seating and stage layout floorplan



Source: Justin Friend, Quarry Amphitheatre

Quarry Amphitheatre, City Beach

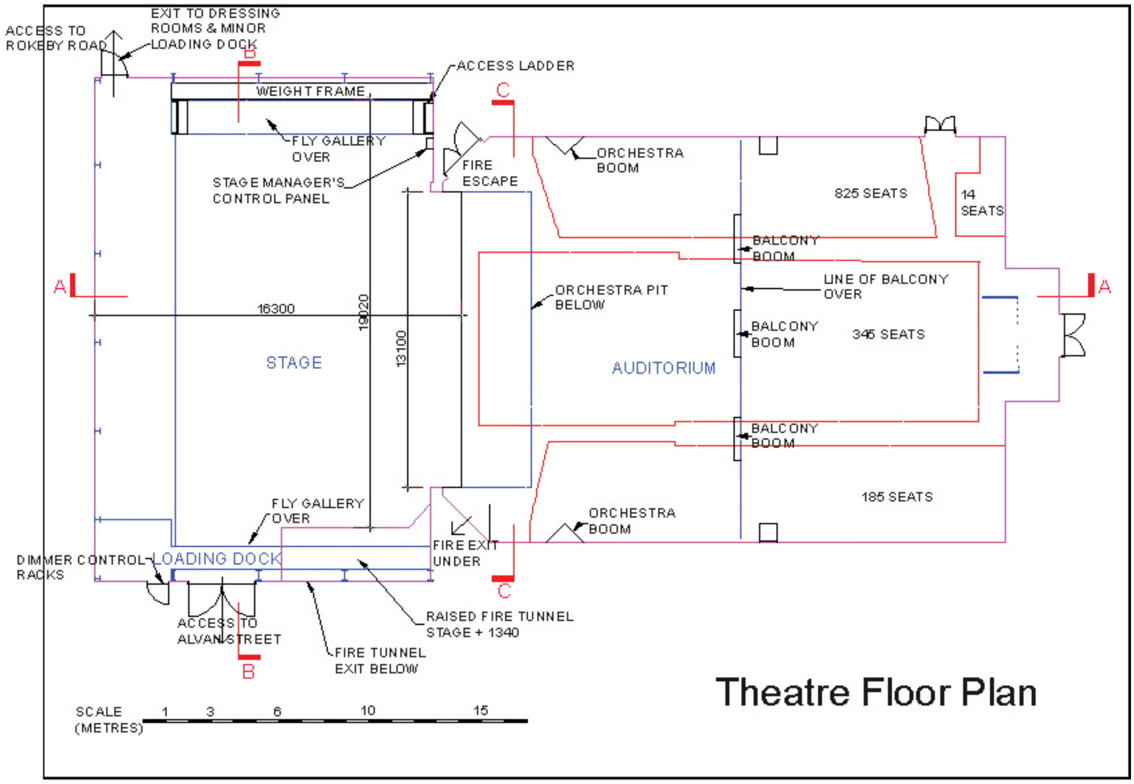
Street Address	Reabold Hill, Oceanic Dve
Suburb	City Beach
Best contact person for venue audit	Justin Friend – Events coordinator
Map Ref	22
Directions 2031 Region	Central
Local Government Authority	Town of Cambridge
Phone number	9385 7144
Email	
Venue website	www.quarryamphitheatre.com.au
Operator and management arrangements	Owned and operated by Town of Cambridge Ticketing through Ticketmaster
Funding sources	Town of Cambridge
Primary purpose	Hire of venue for performances
Secondary purpose	Hire of venue for corporate and private events
Stage configuration options	23m x 19m open air fixed stage
Seating capacity (including seating capacity in all configurations)	556
Facilities included	2 dressing rooms underneath the stage (cavern area) with showers/toilets; rehearsal floor
Year constructed	1986
Significant renovations - year of works and details	None to date, but plans in pipeline for major redevelopment which is definitely needed
Additional amenities in the facility e.g. Bars, dining venues, exhibition space, meeting rooms	Cafe

Source: Supplied by Quarry Amphitheatre

Source: Permission (Stan Bird) to use from website (www.regaltheatre.com.au)

Regal Theatre, Subiaco

Typical seating and stage layout floorplan



Source: www.regaltheatre.com.au

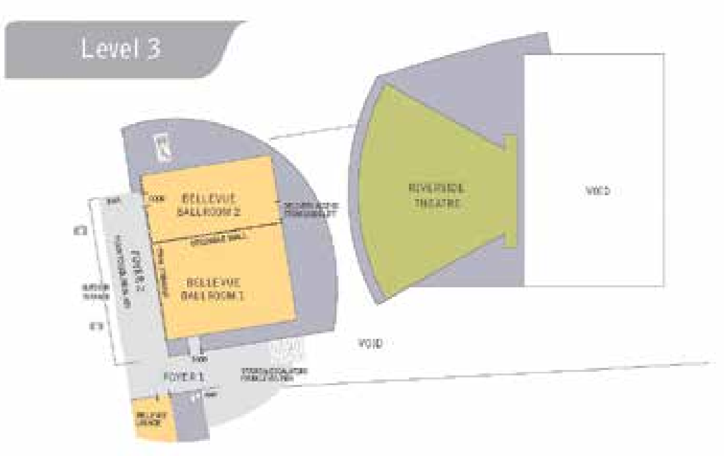
Regal Theatre, Subiaco

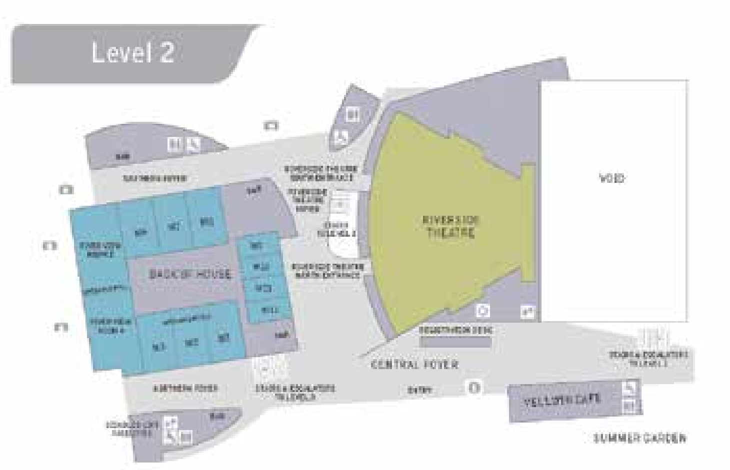
Street Address	474 Hay St
Suburb	Subiaco
Best contact person for venue audit	Kim Knight – Manager
Map Ref	23
Directions 2031 Region	Central
Local Government Authority	City of Subiaco
Phone number	1300 795 012 0448 111 308 (Kim)
Email	kim@regaltheatre.com.au
Venue website	www.regaltheatre.com.au
Operator and management arrangements	Interstar leases theatre from Baker Theatre Trust. Tickets through Ticketek
Funding sources	No external funding source
Primary purpose	Live performances – concerts and theatre
Secondary purpose	Nil
Stage configuration options	Large stage can be made smaller by using curtains
Seating capacity (including seating capacity in all configurations)	1,086
Facilities included	7 dressing rooms; Green room with kitchen & lounge facilities, bathrooms & showers
Year constructed	1937-38
Significant renovations - year of works and details	Future renovations required – subject to finance
Additional amenities in the facility e.g. Bars, dining venues, exhibition space, meeting rooms	Bar & lounge upstairs, ticketing office downstairs

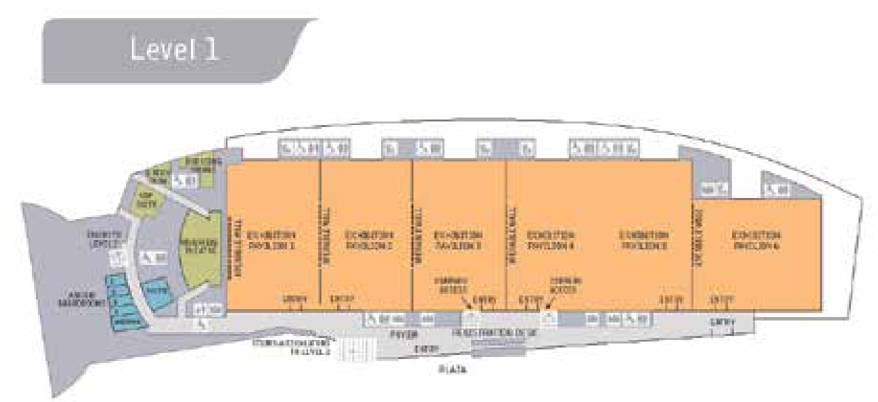
Source: Permission (Stan Bird) to use from website (www.regaltheatre.com.au)

Riverside Theatre, PCEC, Perth

Typical seating and stage layout floorplan







Source: PCEC website

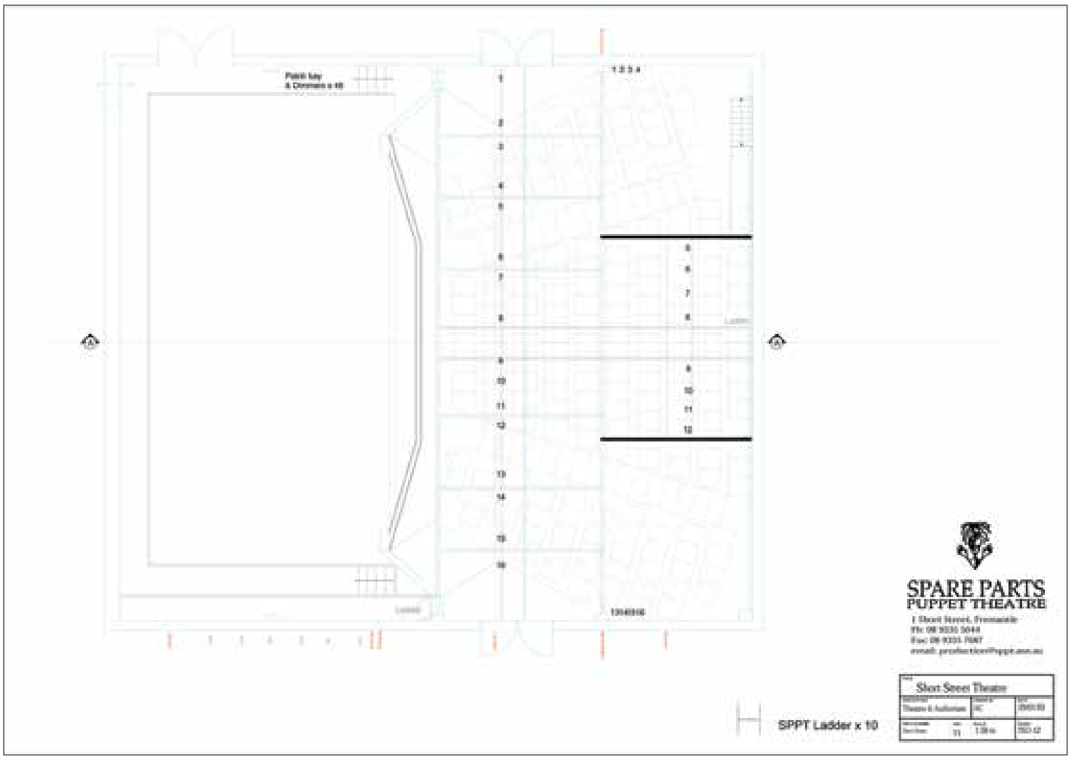
Riverside Theatre, PCEC, Perth

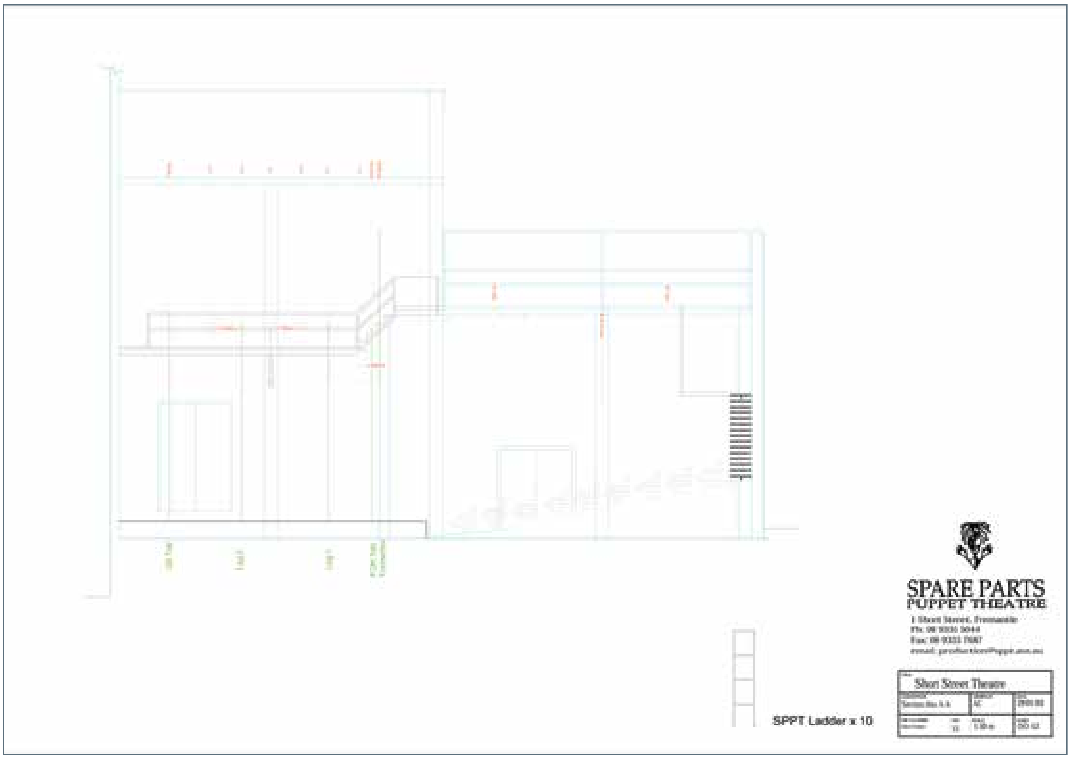
Street Address	21 Mounts Bay Rd
Suburb	Perth
Best contact person for venue audit	Jay Pustkuchen, Head of Operations
Map Ref	24
Directions 2031 Region	Central
Local Government Authority	City of Perth
Phone number	9338 0300
Email	info@pcec.com.au
Venue website	http://www.pcec.com.au/home.aspx
Operator and management arrangements	Privately owned and is operated exclusively by Spotless Facility Services Pty Ltd. Tickets sold through Ticketek
Funding sources	Privately funded
Primary purpose	Catering for large exhibitions, conferences and events
Secondary purpose	None
Stage configuration options	Can be half or full sized; uses 2m and 4m extensions
Seating capacity (including seating capacity in all configurations)	The Riverside Theatre can seat 2,500 patrons
Facilities included	State of the Art lighting & sound; 3 projectors; Green Room; VIP room; 4 dressing rooms; hearing augmentation throughout; 2 interpreter booths
Year constructed	2004
Significant renovations - year of works and details	None
Additional amenities in the facility e.g. Bars, dining venues, exhibition space, meeting rooms	Expresso bar in foyer, other bar in foyer

Source: PCEC website

Short Street Theatre, Fremantle

Typical seating and stage layout floorplan





501

Short Street Theatre, Fremantle

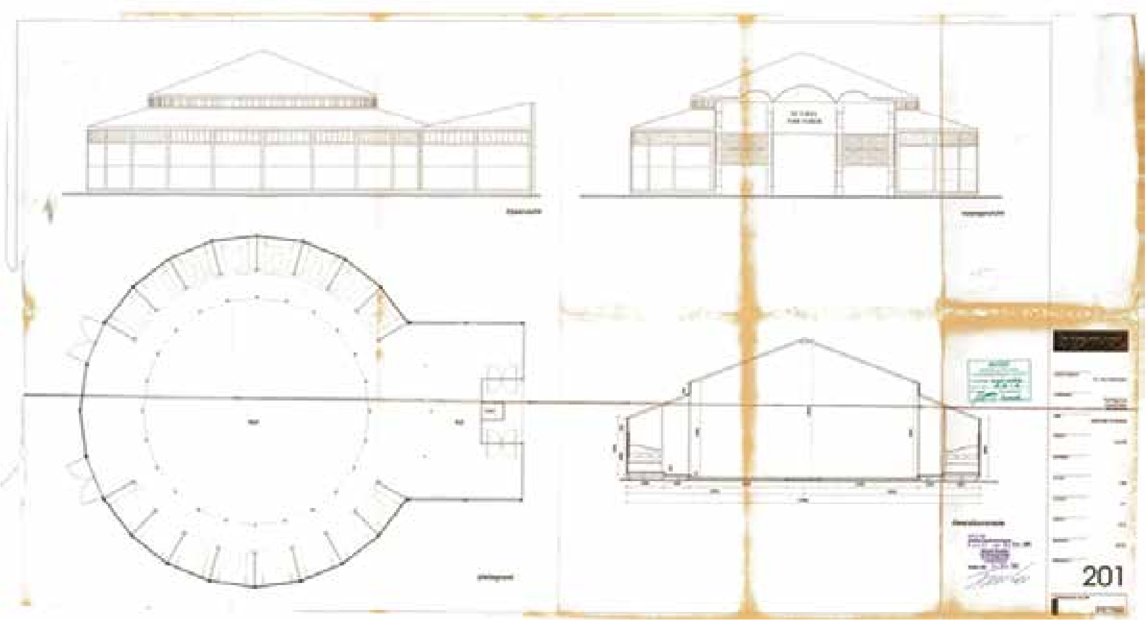
Street Address	1 Short St
Suburb	Fremantle
Best contact person for venue audit	Megan Roberts – Business Manager
Map Ref	25
Directions 2031 Region	Central
Local Government Authority	City of Fremantle
Phone number	9335 5044
Email	admin@sppt.asn.au
Venue website	http://www.sppt.asn.au/
Operator and management arrangements	Owned by State Government – Spare Parts Puppet Theatre lease and arrange all activities and bookings
Funding sources	State Government Department of Culture and the Arts
Primary purpose	Spare Parts Puppet Theatre
Secondary purpose	Hire out occasionally, mainly for the Fremantle Festival
Stage configuration options	Static stage (no options to extend) but can be made smaller by curtaining
Seating capacity (including seating capacity in all configurations)	Licensed for 215 but usually cap seating at 190
Facilities included	Rehearsal space; foyer which houses the Puppet Museum
Year constructed	Facade is heritage listed
Significant renovations - year of works and details	Extensions were made but not sure of the year. Ideally looking for a major renovation to increase capacity
Additional amenities in the facility e.g. Bars, dining venues, exhibition space, meeting rooms	None

Source: www.sppt.com.au; www.panaramio.com: Diana house (sauvaehouse113)

Source: www.goodperthhunting.wordpress.com

Spiegeltent

Typical seating and stage layout floorplan



Spiegeltent

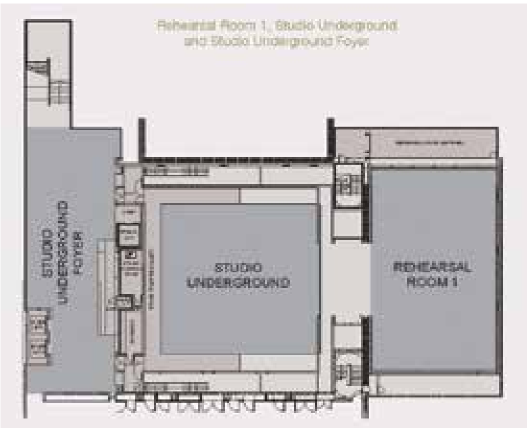
Street Address	Mobile venue
Suburb	Mobile venue
Best contact person for venue audit	Amber Hasler
Map Ref	26
Directions 2031 Region	Central
Local Government Authority	Mobile venue
Phone number	92276288
Email	amber@artrage.com.au
Venue website	artrage.com.au / fringeworld.com.au / fringeontheroad.com.au
Operator and management arrangements	ARTRAGE
Funding sources	Various
Primary purpose	Cabaret & Theatre
Secondary purpose	Music & Comedy
Stage configuration options	Variable
Seating capacity (including seating capacity in all configurations)	260 - 320
Facilities included	All
Year constructed	Acquired by Artrage 2010 from Klessen Family of Llommer. Some components over 100 years old
Significant renovations - year of works and details	None
Additional amenities in the facility e.g. Bars, dining venues, exhibition space, meeting rooms	None

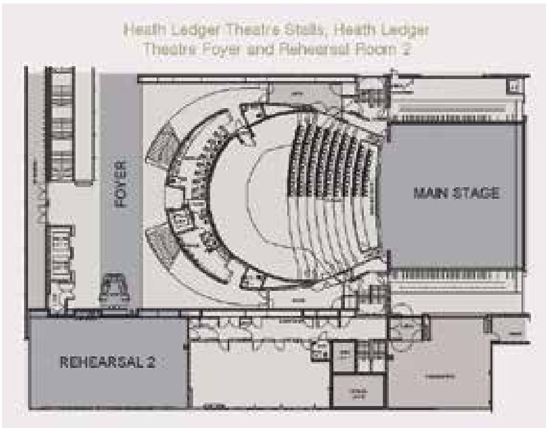
Source: www.goodperthhunting.wordpress.com

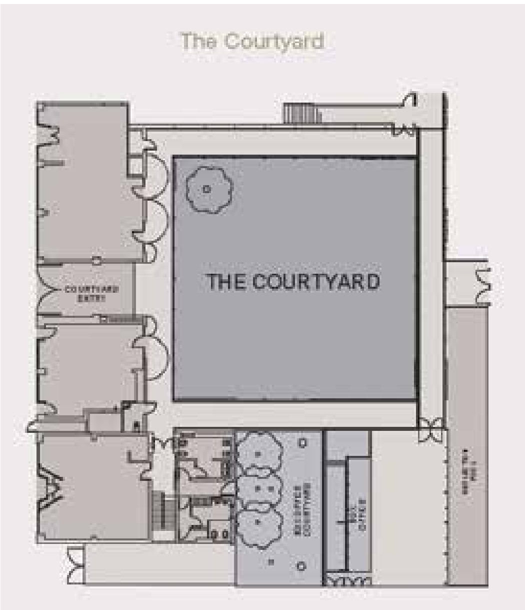
Source: Kerry Hill Architects CentreStage winning design for the State Theatre Centre of WA

State Theatre Centre, Northbridge

Typical seating and stage layout floorplan







Source: The State Theatre Centre

State Theatre Centre, Northbridge

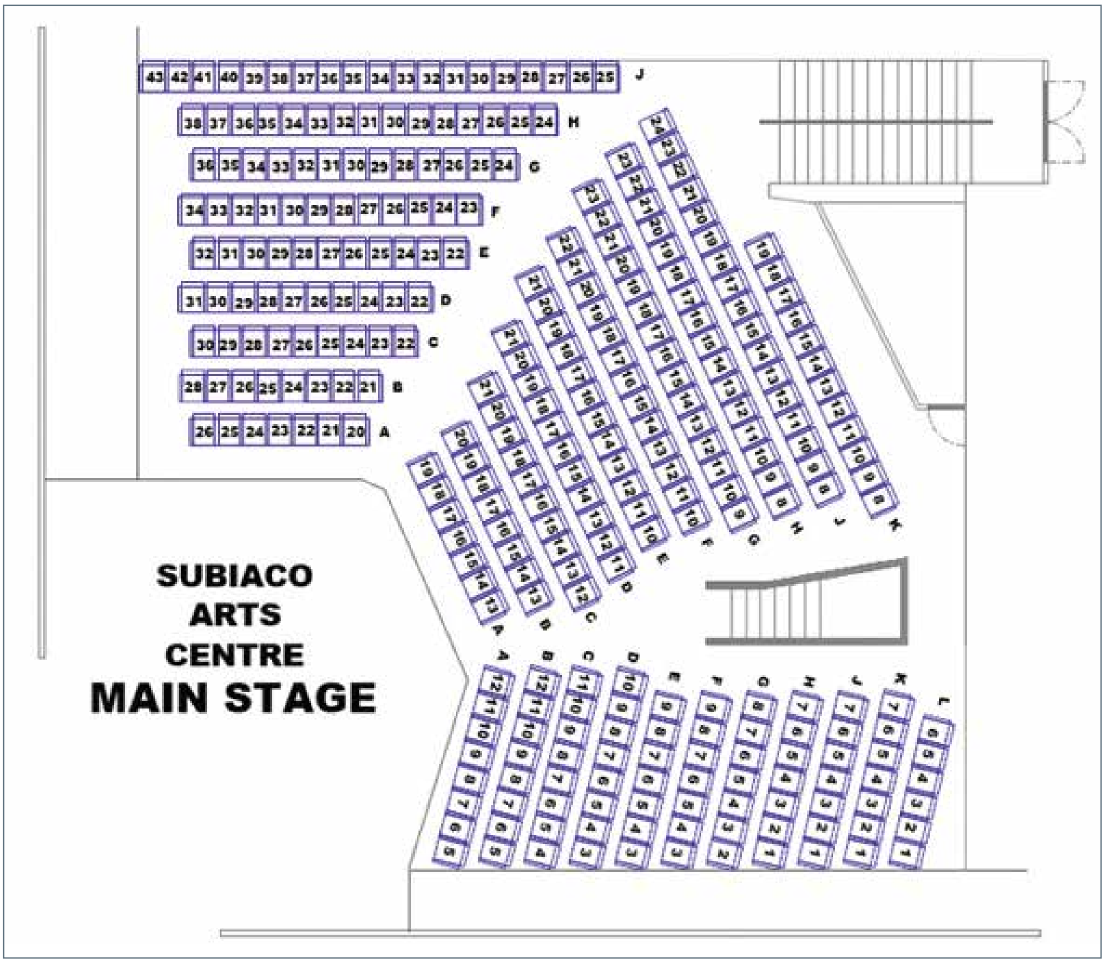
Street Address	174-176 William Street, cnr Roe St
Suburb	Northbridge
Best contact person for venue audit	Alan Ferris, General Manager, Perth Theatre Trust Ph: 6552 7552
Map Ref	27
Directions 2031 Region	Central
Local Government Authority	City of Perth
Phone number	9212 9300
Email	Alan.ferris@ptt.wa.gov.au
Venue website	www.bsstc.com.au http://www.perththeatretrust.com.au/
Operator and management arrangements	The day to day operations of The Centre are managed on behalf of the Perth Theatre Trust by the external service provider, AEG Ogden (Perth). Ticketing through Ticketek
Funding sources	State Government (Dept of Culture and the Arts)
Primary purpose	The State Theatre Centre presents 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
Secondary purpose	The State Theatre Company and The Black Swan Theatre are located at the venue
Stage configuration options	Variable
Seating capacity (including seating capacity in all configurations)	575 seats Heath Ledger Theatre, 234 seats Studio Underground
Facilities included	The Courtyard, a multi-purpose outdoor events space; two rehearsal rooms; two flexible use private suites; a running wardrobe and workshop
Year constructed	2007-2010
Significant renovations - year of works and details	None
Additional amenities in the facility e.g. Bars, dining venues, exhibition space, meeting rooms	Breakout room, Bar, Restaurant

Source: The State Theatre Centre ; www.2011.Perthfesitval.com.au ; www.heraldsun.com.au

Source: Image supplied by Perth Theatre Trust

Subiaco Arts Centre, Subiaco

Typical seating and stage layout floorplan



Source: www.subiacoartscentre.com.au

Subiaco Arts Centre, Subiaco

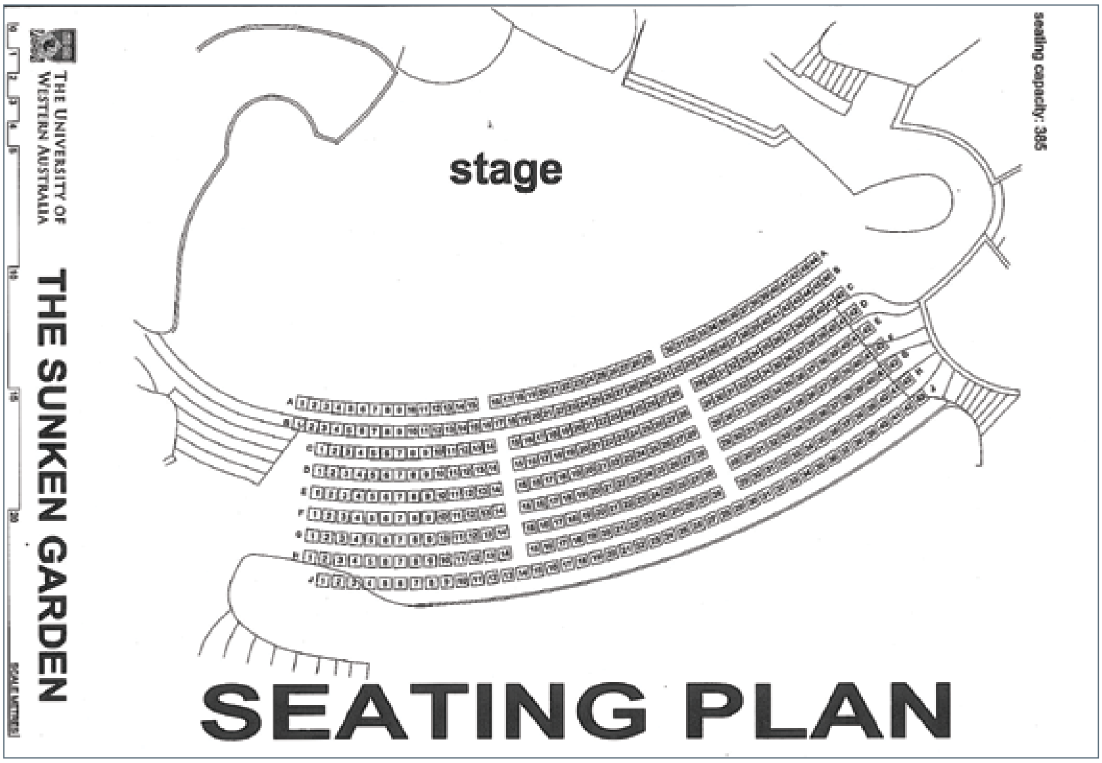
Street Address	180 Hamersley Rd
Suburb	Subiaco
Best contact person for venue audit	Alan Ferris, General Manager, Perth Theatre Trust Phone: 6552 7552
Map Ref	28
Directions 2031 Region	Central
Local Government Authority	City of Subiaco
Phone number	(08) 9323 3400
Email	
Venue website	www.perththeatretrust.com.au
Operator and management arrangements	The Subiaco Arts Centre is owned by the City of Subiaco. The Perth Theatre Trust has leased the Centre since 1984 when the building, originally built as the Subiaco City Hall, was converted to a performing arts centre The day to day operations are managed by the external service provider, AEG Ogden. Ticketing through Ticketek
Funding sources	City of Subiaco
Primary purpose	Theatre
Secondary purpose	Barking Gecko Theatre Company is based here
Stage configuration options	Fixed stage
Seating capacity (including seating capacity in all configurations)	Main auditorium seats 305, Studio seats 115 and amphitheatre seats 500. Total capacity of 920
Facilities included	Ticketing Outlet on the ground floor of the Centre
Year constructed	1956 as the Subiaco Town Hall
Significant renovations - year of works and details	In 2006 a $4.7 million refurbishment was carried out by the State Government and the City of Subiaco. Renovations included upgraded rehearsal, studio and theatre spaces, improved patron amenities and disability access
Additional amenities in the facility e.g. Bars, dining venues, exhibition space, meeting rooms	Bar Foyer, Bar Foyer Alcove, Rehearsal room, Gallery, multi-purpose room, The Undercroft and a meeting room

Source: www.psstuctures.com.au

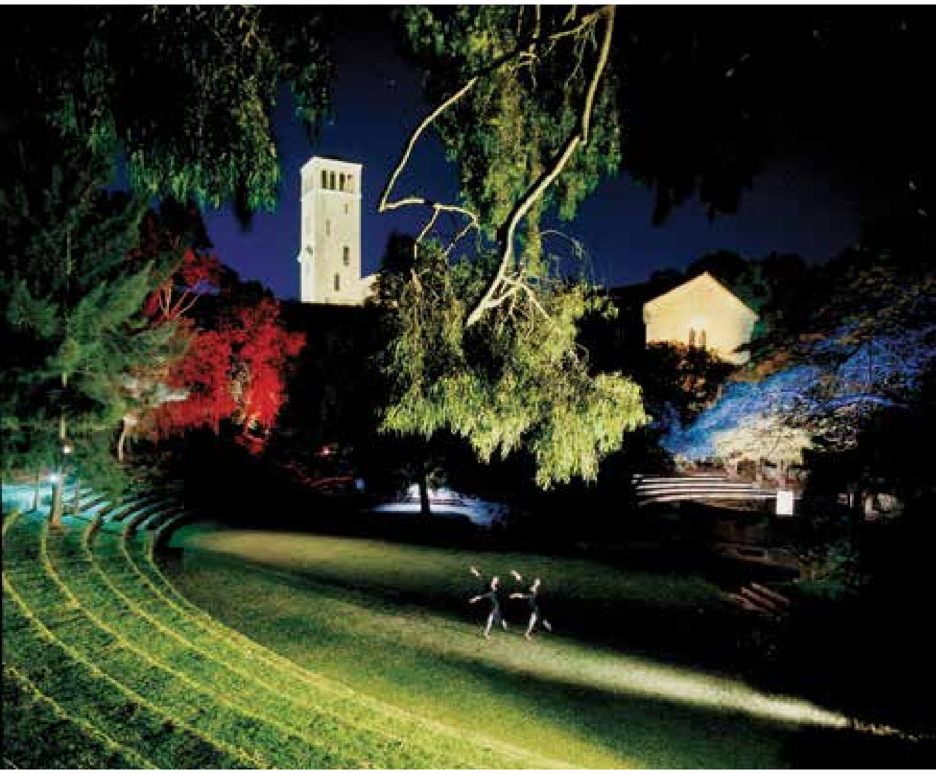
Source: Image by OlyaB : www.justberry.com.au

Sunken Gardens, UWA, Crawley

Typical seating and stage layout floorplan



Source: University Theatres



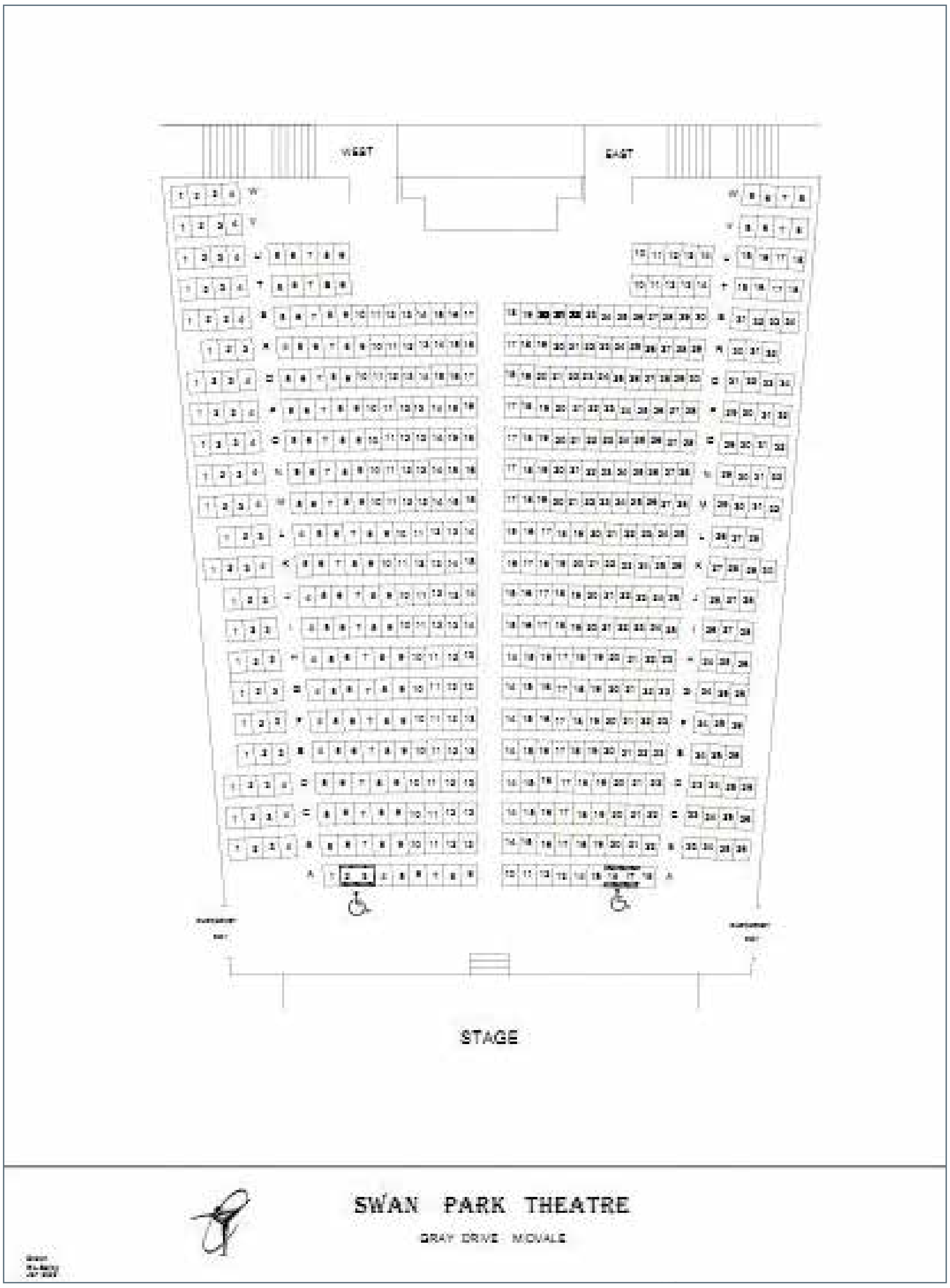

Source: www.treasures.uwa.edu.au

Sunken Gardens, UWA, Crawley

Street Address	The University of Western Australia, 35 Stirling Highway
Suburb	Crawley
Best contact person for venue audit	Bookings Coordinator
Map Ref	17d
Directions 2031 Region	Central
Local Government Authority	City of Subiaco
Phone number	6488 7407
Email	bookings-theatres@uwa.edu.au
Venue website	http://www.theatres.uwa.edu.au/venues/sunken-garden
Operator and management arrangements	Run by University Theatres
Funding sources	None
Primary purpose	Performing Arts
Secondary purpose	Education
Stage configuration options	Fixed Stage
Seating capacity (including seating capacity in all configurations)	300 (on grass), 385 (on seats)
Facilities included	Open air auditorium
Year constructed	1929
Significant renovations - year of works and details	None
Additional amenities in the facility e.g. Bars, dining venues, exhibition space, meeting rooms	None

Swan Park Theatre, Midvale

Typical seating and stage layout floorplan



Source: Image by OlyaB : www.justberry.com.au

Swan Park Theatre, Midvale

Street Address	Gray Drive
Suburb	Midvale
Best contact person for venue audit	Carolyn Selby – Manager
Map Ref	29
Directions 2031 Region	North-East
Local Government Authority	City of Swan
Phone number	9274 3958
Email	info@swanparktheatre.com.au
Venue website	www.swanparktheatre.com.au
Operator and management arrangements	Run by Calisthenics WA
Funding sources	State Government Department of Sport & Recreation
Primary purpose	Purpose built Calisthenics Theatre – the home of Calisthenics WA
Secondary purpose	Hired out to external agencies – schools, colleges, community groups, international touring groups
Stage configuration options	Fixed Stage
Seating capacity (including seating capacity in all configurations)	594
Facilities included	$10m^2$ stage, 17 dressing rooms and rehearsal room
Year constructed	1990
Significant renovations - year of works and details	Unsure of date - Additional dressing rooms
Additional amenities in the facility e.g. Bars, dining venues, exhibition space, meeting rooms	Foyer, kiosk, meeting room

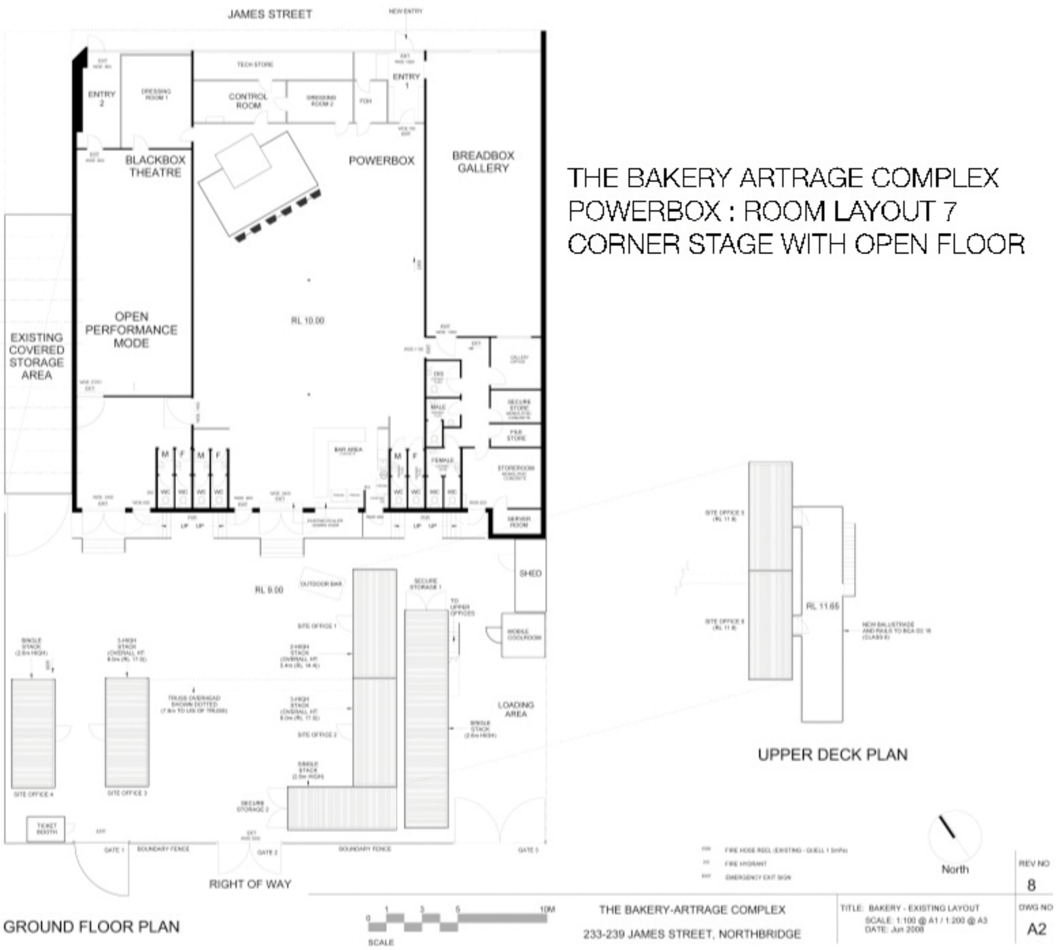
Source: Image by OlyaB : www.justberry.com.au

Source: www.swan.wa.gov.au

Source: www.somewhereelse.com.au

The Bakery

Typical seating and stage layout floorplan



513

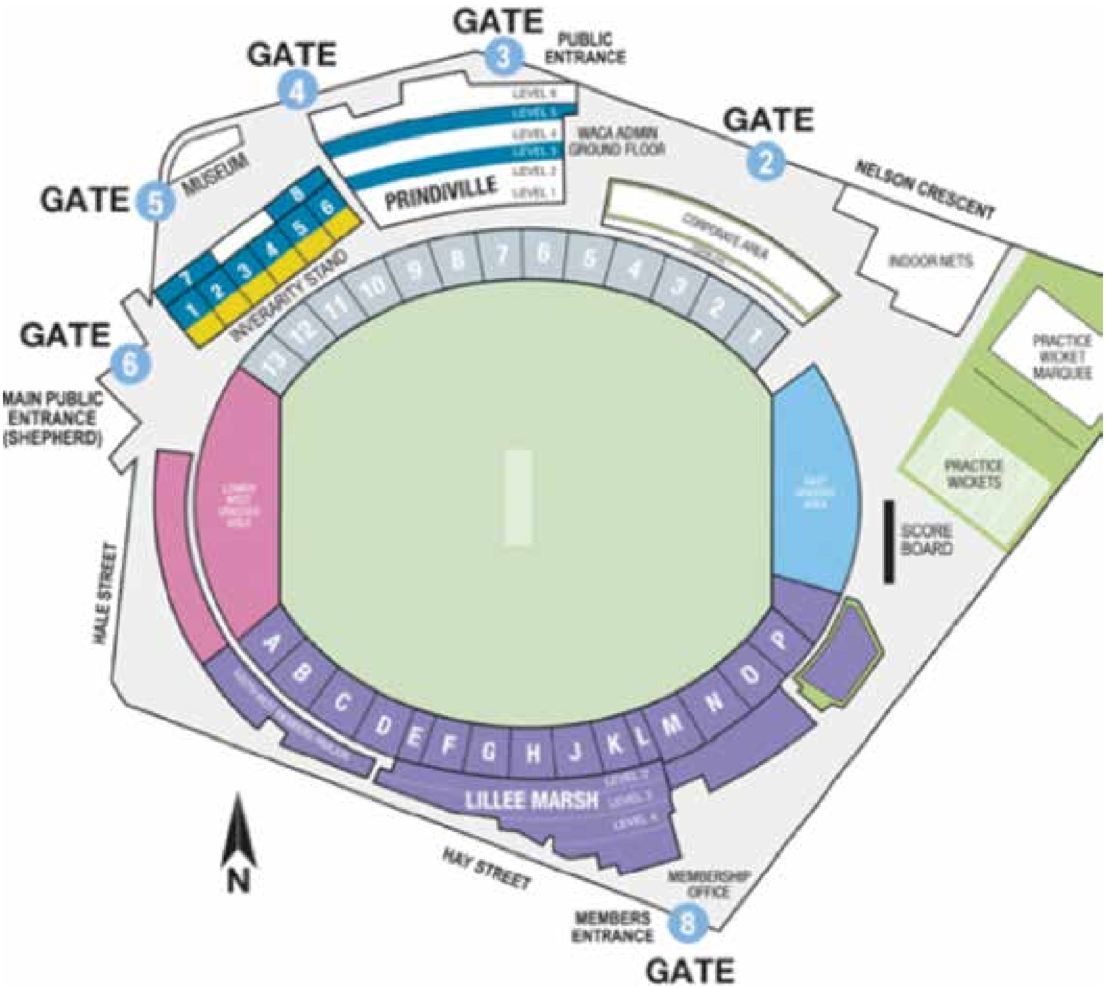
The Bakery

Street Address	233 James St
Suburb	Northbridge
Best contact person for venue audit	Amber Hasler
Map Ref	30
Directions 2031 Region	Central
Local Government Authority	City of Perth
Phone number	9227 6288
Email	amber@artrage.com.au
Venue website	www.artrage.com.au / www.nowbaking.com.au
Operator and management arrangements	ARTRAGE
Funding sources	Box office, bar, venue hire
Primary purpose	Music Venue / Multi-arts
Secondary purpose	Exhibition / Performance
Stage configuration options	Adaptable
Seating capacity (including seating capacity in all configurations)	650 flatfloor
Facilities included	All
Year constructed	2002
Significant renovations - year of works and details	2010
Additional amenities in the facility e.g. Bars, dining venues, exhibition space, meeting rooms	Bars, Exhibition spaces, Rehearsal rooms

Source: www.nowbaking.com.au

WACA Stadium

Typical seating and stage layout floorplan



Source: www.austadiums.com.au

WACA Stadium

Street Address	WACA grounds, Nelson Crescent
Suburb	East Perth
Best contact person for venue audit	John Soutar, Business Manager
Map Ref	31
Directions 2031 Region	Central
Local Government Authority	City of Perth
Phone number	(8) 9265 7222
Email	functions@waca.com.au
Venue website	http://www.waca.com.au/
Operator and management arrangements	Tickets through Ticketmaster
Funding sources	
Primary purpose	Cricket
Secondary purpose	Events, Concerts
Stage configuration options	Feasible for variety of uses: Sport and Stage with field standing
Seating capacity (including seating capacity in all configurations)	24,500 patrons
Facilities included	Scoreboard and Media Night lighting and indoor Centre Changerooms
Year constructed	1880
Significant renovations - year of works and details	1895 First Grandstand 1931 Farley Stand Demolished 1954 Replacement of scoreboard 1960 Players Pavilion with WACA administration 1970 Additional seating 1984 - 1988 Realignment and resurfacing of ground, construction of new terracing and outer seating. 1986 Six large light towers installed. 2002 Redevelopment - ground capacity reduced and playing arena decreased by 31m and eastern and western boundaries.
Additional amenities in the facility e.g. Bars, dining venues, exhibition space, meeting rooms	Function Facilities, Catering, ATM

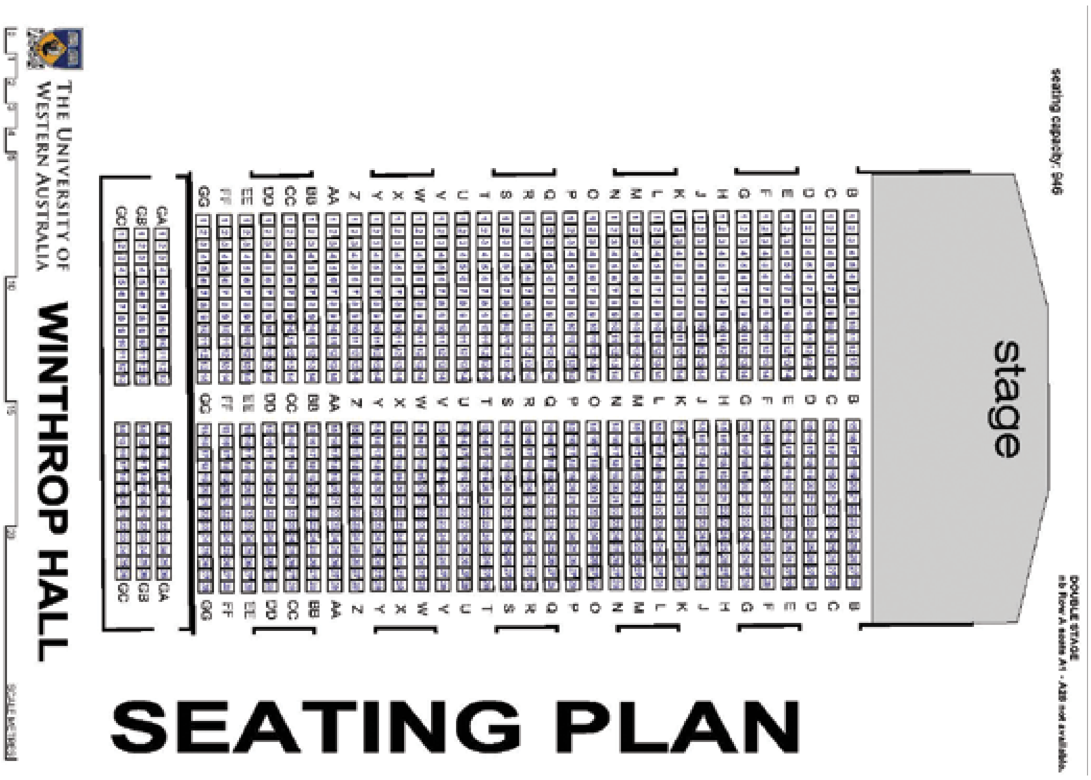
Source: www.gaurdian.co.uk

www.sportskeeda.com

Source: University Theatres

Winthrop Hall, UWA, Crawley

Typical seating and stage layout floorplan



Source: www.theatres.uwa.edu.au

Winthrop Hall, UWA, Crawley

Street Address	The University of Western Australia, 35 Stirling Highway
Suburb	Crawley
Best contact person for venue audit	Bookings Coordinator
Map Ref	17e
Directions 2031 Region	Central
Local Government Authority	City of Subiaco
Phone number	6488 7407
Email	bookings-theatres@uwa.edu.au
Venue website	http://www.theatres.uwa.edu.au/venues/winthrop
Operator and management arrangements	Run by University Theatres
Funding sources	None
Primary purpose	Performing Arts
Secondary purpose	Education
Stage configuration options	Standard, Recital, Double Stage Extension
Seating capacity (including seating capacity in all configurations)	Standard 974 seats, Recital 675 seats, Double Stage Extension 946 seats
Facilities included	Full performance facilities, organ
Year constructed	1932
Significant renovations - year of works and details	None
Additional amenities in the facility e.g. Bars, dining venues, exhibition space, meeting rooms	Undercroft exhibition space and dressing room

Source: University Theatres

Appendix C
Acknowledgements: Project team

Marion Fulker, CEO and Project Manager

Marion Fulker is the inaugural Chief Executive Officer of the Committee for Perth, joining the organisation in January 2007.

Holding a Masters in Business Administration from Curtin University, Marion has been a Councillor with the Heritage Council of Western Australia (HCWA) since 2005 and was appointed Chair in 2009 for a period of 4 years. She is also on the Board of the Australian Urban Design Research Centre.

In the past decade Marion has travelled extensively throughout the US, UK and Australia to examine how cities work. Her focus has been on inner city vibrancy, public transport and infrastructure, local government reform, waterfronts and cultural events and institutions. Marion is passionate about Perth and ensuring its future liveability, vibrancy, cultural diversity and economic prosperity.

Gemma Davies, Researcher and Report Author Benchmarking and Trends analysis

Gemma Davis is a contract research consultant to the Committee for Perth. She holds an Honours degree in Urban and Regional Planning. She has over 11 years experience in research, strategic planning, policy development and urban planning in Australia, Ireland and New Zealand in private and public roles.

Richard Kingsbury, Insight Communication & Design

Richard Kingsbury is an Executive Director of Insight, an organisation that specialises in designing effective communication.

Insight has extensive international experience and has worked with more than 250 clients throughout the world in marketing and communication planning, brand identity and image development, advertising, product packaging, websites and multimedia presentations, interpretive exhibitions and displays, signage and corporate reports.

519

Jacqueline Larsen, Consultant
Editor

Jacqueline has a Masters Degree in English Literature and has over 10 years experience in business writing, editing and graphic design along with an awarded career in event design and production.

Jacqueline is a published author and experienced presenter in creative thinking and musical workshops, and works with the Committee as a writer and designer.

She designs and produces corporate documentation, proofreads and edits research and submissions and writes and designs the monthly e-newsletter.

Geoff Parnell, Hames Sharley

Geoff Parnell is the Director, Strategic Services with Hames Sharley and has over thirty eight years of extensive and varied business experience across a wide range of organisations and industry sectors in executive line management roles and as a consultant. Geoff's experience has enabled him to successfully identify and scope organisations' required facility needs and deliver strategic asset and facility business plans and effective facility solutions for a wide range of organisations in the private, not for profit and state and local government sectors. Geoff has presented papers on strategic planning, asset and facilities planning and service delivery strategies to national and international conferences and seminars. He is also the Chairman of Mosaic Community Care, a NFP organisation in the disability sector.

Rebecca Spencer, Hames Sharley

Rebecca Spencer is the Senior Research Planner with Hames Sharley and has a range of strategic planning and applied social and economic research experience gained from 10 years consulting in Australia. In addition, she spent three years in Hong Kong with an international property consulting company. Since returning to Perth Rebecca has worked on projects that involve consumer behavior dynamics, market feasibility, distribution network planning, community participation planning strategies and policy, plus site and centre analysis.

Liesel Perks, Landscape Architect

Liesel has worked in design in South Africa and Western Australia. Her experience includes research and design in urban planning and retail and commercial development projects. Liesel brings to all her projects her ability to adapt concepts and designs to the relevant environment responding to cultural sensitivities. She is highly skilled with presentation graphics including 3D modelling and rendering presentation drawings, AutoCAD, REVIT drafting, contract documentation and presentation of GIS data.

Appendix D: Committee for Perth Membership

Foundation Members

ALCOA

ANZ

bankwest

bhpbilliton resourcing the future

Chevron

ERNST & YOUNG Quality In Everything We Do

HERBERT SMITH FREEHILLS

RioTinto

The West Australian

Wesfarmers

woodside

Corporate Members

AECOM

Ajilon

ATCO AUSTRALIA

ATLAS

BARRINGTON CONSULTING GROUP The Strategic Perspective

CITIC PACIFIC MINING

Curtin University

FMG Fortescue The New Force in Iron Ore

GERARD DANIELS

i|nsight

KPMG cutting through complexity

LAMONT'S

RAC W.A. RAC members are happier

The University of Western Australia Achieve International Excellence

Executive Members

Aurizon
Corrs Chambers Westgarth
Crown Perth
Hawaiian
Hyatt Regency Perth
Ipsos Australia
Leighton Properties Pty Ltd
Mirvac
Monadelphous Group
Norman Disney & Young
Perth Convention and Exhibition Centre
PricewaterhouseCoopers
Property Development Management
RPS
Santos
St Ives Group Pty Ltd
Wilson Group Limited
WorleyParsons

Business Members

ABN Group
APP Corporation
Argonaut Limited
ARUP Pty Ltd
Ashurst
Australand Holdings Ltd
Bristow Helicopters Australia
Cedar Woods Properties Limited
CJD Equipment Pty Ltd
Clarity Communications
Clifford Chance
Colliers International
Cox Howlett & Bailey Woodland
DBP
Downer Australia
FJM Property
Gold Corporation
Hames Sharley
HASSELL
Hess Exploration Australia Pty Ltd
Holman Fenwick Willan
Jackson McDonald
Johnstaff (WA) Pty Ltd
Lester Group
Marketforce
Mermaid Marine
Navitas Ltd
North West Shelf Venture
Oakajee Port and Rail
Peet Limited
Perron Group
Perth Energy Pty Ltd
Programmed Group
RSM Bird Cameron
Sinclair Knight Merz
Southern Cross Austereo
St John of God Healthcare
Stockland
The Brand Agency
Thinc Projects
TPG - Town Planning Urban Design & Heritage
TRG Properties Pty Ltd
Urbis Pty Ltd
West Coast Eagles Football Club

Local Government Members

City of Fremantle
City of Gosnells
City of Melville
City of Perth
City of South Perth
City of Subiaco
Shire of Kalamunda

Appendix E: Information Gathering Issues

Some venues we identified as being within the project scope were reluctant to provide information, however most have. The Astor Theatre asked not to be included in the project.

In some instances, obtaining photos or floor plans of venues was not possible without approvals that would take longer than the project period to obtain. Where this has occurred gaps will be noticeable. Also some images were only available via web sites and therefore quality is not as high as would normally be desired.

Photography used throughout this report have been reproduced with the kind permission of:

The Black Swan Theatre Company

Play
Who's afraid of Virginia Wolf
Image by Gary Marsh

Play
Female of the Species
Image by Gary Marsh

Play
Life x 3
by Yasmina Reza

Play
Jandamarra
Image by Gary Marsh

Central TAFE

The City of Fremantle

Crowd shots March 06 021 (2)
Fremantle Arts Centre

Fashion Talks with Ericaamerica
Photography: Ivan Shaw

Bon Scott Project Opening
Night 8

Bon Scott Project Opening
Night 21

The West Australian Music Industry Association Inc.

Little Birdy
Live at The WAMi Festival
Photography: Michael Wylie

The Department of Culture and the Arts

The Kids

Art in Bloom
Kangaroos
St George's Tce
Sculpture artists:
Joan Walsh-Smith & Charles Smith
Installation artist: Rose Skinner

Art in Bloom
Percy Buttons
Hay Street Mall
Sculpture artists:
Charles Smith & Joan Walsh-Smith
Installation artist: Minaxi May

Art in Bloom
Meteorite_(Fire_Water_Earth)
Forrest Place
Sponsored by Forrest Chase
Sculpture artist: Malcolm McGregor
Installation artist: Natalie Williamson

Art in Bloom
Der Rufer (The Caller)
Perth Cultural Centre
Sculpture artist: Gerhard Marcks
Installation artist: Central TAFE WA Art Students

Awesome Festival

Felicity Groom and the Black Black Smoke

Improvilicious audience
at the 10th ArtsEdge conference

Josh Fontaine

Million Puppet Project
Perth Concert Hall

Schvendes

Sculpture by the Sea
Bound
Artist: Bess Williams

Sculpture by the Sea
Through the Looking Glass
Artist: Kirsten Hay

Sculpture by the Sea
Remnants (monument series)
Artist: Jennifer Cochrane

www.committeeforperth.com.au

Committee for Perth Limited
Ground Floor, 996 Hay Street, Perth WA 6000
t: (08) 9481 5699 f: (08) 9481 7738

Committee for Perth

Actively improving the liveability of Perth

Insight Communication & Design

Appendix 8 - Joondalup Performing Art Centre Facility Social Return On Investment - Technical Appendices: Pracsys (September, 2016)

City of Joondalup

JPACF Analysis – Economic and Social Impacts

Briefing Note

September 2016

Document Control				
Document Version	**Description**	**Prepared By**	**Approved By**	**Date Approved**
v 1.0	JPACF Analysis – Economic and Social Impacts	Francesca Catalano, Sam Mazzer, Robert Kyne	Michael Chappell	29 July 2016
v 2.0	JPACF Analysis – Economic and Social Impacts	Francesca Catalano, Dawson Demassiet-Huning	Michael Chappell	19 September 2016
v 2.1	JPACF Analysis – Economic and Social Impacts	Francesca Catalano, Dawson Demassiet-Huning	Michael Chappell	30 September 2016

CONTENTS

1 Background

The justification for a project such as the Joondalup Performing Art Centre Facility (JPACF) relies on a holistic view of the benefits beyond tickets and local spend to the real, tangible benefits of positive social outcomes derived from cultural attendance and production and the real economic returns to increasing the pool of creative individuals and outputs.

Pracsys was engaged to examine the potential economic and social impacts of the proposed JPACF on the relevant catchment of the facility. Pracsys was engaged initially in March 2016 to support the City in a funding application under the National Stronger Regions Fund (NSRF), during which the work to examine the potential for the project to address social disadvantage and support the growth of creative industries was completed. Further work was more recently completed by Pracsys that seeks to quantify the potential social benefits of JPACF in the form of Social Return on Investment analysis. Key findings of this work are summarised below, with outcomes of the study to be incorporated in an updated Business Case for the project.

1.1 Key Findings

An estimated 609 jobs will be supported (directly and indirectly) due to the construction of JPACF. The operation of JPACF is expected to create 47 jobs (directly and indirectly) through the operations of the facility and supplies purchased. In addition, 91 jobs are expected to be created across the retail, food and beverage and tourism industries as a result of increased visitation and tourism in the region.

The analysis calculates a Present Value for the project benefits of $328.5 million, a Net Present Value of $182.4 million and BCR of 2.34. This indicates that the project delivers significant social and economic return on investment.

The arts foster a culture of inclusion and civic participation, facilitate the development of cognitive skills and self-confidence and support mental and physical health and wellbeing – all of which have direct and indirect impacts on disadvantage. Increased access to art and cultural experiences and provision of enabling infrastructure to support art and cultural production is therefore likely to provide improvements in relative disadvantage.

JPACF will catalyse creative industry growth in the North-West sub region which will increase economic diversity and support the knowledge-driven, strategic employment crucial to driving economic resilience.

JPACF will provide a facility to connect audiences and artists so as to increase creative output in the region and the pool of creative individuals. This translates into growth of related creative industries such as advertising, software programming, publishing and architecture. It will in doing this, expand the pool of ideas and creativity accelerating the overall rate of innovation and economic success in the North-West.

2 Economic Impacts

There are local and regional economic benefits associated with the development of a facility such as the JPACF. Not only will the construction and operation of the JPACF generate direct and indirect employment opportunities but the cultural activities/events will attract consumers from throughout the catchment who spend money on a ticket, eating out, parking, accommodation and other activities. This supports local businesses and provides jobs in retail and consumer service businesses.

2.1 One-off Investment

The project is estimated to cost \$99.73 million (as at 2016). Considerable construction employment will be generated during the two-year construction period. Initial estimates of employment have been prepared using a regionalised input-output table.

The modelling was undertaken by by Pracsys using the latest cost figures. This has estimated that:

- Direct - Construction employment associated with the \$99.73 million development is estimated at 117 jobs over the lifetime of the project. As the project is spread mostly over two years, this can be equated to 59 full time employees (FTE) per year.
- Indirect - An estimated 492 jobs would be further supported indirectly in the wider economy through the multiplier effect.

In total an estimated 609 jobs will be supported through the direct and indirect construction activities over the lifetime of the project, which equates to an average of 305 FTE per annum over the two-year construction phase.

The total economic benefit of the one-off investment is \$274 million. A detailed review of the economic benefits of the one-off investment is provided in Table 1.

Table 1: Joondalup Performing Arts and Cultural Facility construction economic impacts

Modelling the effect of adding \$99.73m in Construction (\$ 2016)				
Summary	Output (\$m)	Value-added (\$m)	Wages and salaries (\$m)	Local jobs
Direct Impact	99.73	28.26	13.57	117
Total Input Effects	110.06	44.31	24.47	349
Consumption Effects	63.84	36.78	14.92	260
Total Impact on Australian economy	**273.63**	**109.36**	**52.96**	**609**

Source: Pracsys 2016, ABS National Accounts 2012/2013 (Catalogue 5206)

2.2 Direct and Indirect effect of Operating Expenses[1]

The economic impact of the annual operations has been assessed by the City using the National Institute of Economic and Industry Research (NIEIR) © 2015 Model. This estimates that a total of 37 FTE jobs are created on a permanent ongoing basis including 20 direct FTE jobs and 17 indirect FTE jobs.

In addition, 10 jobs are created in relation to the operation, maintenance and servicing of the facility's bar/restaurant, art gallery and other additional functions of the facility. This includes six FTE jobs generated directly and four FTE jobs generated indirectly.

2.3 Potential Expenditure on Arts and Culture in the Catchment

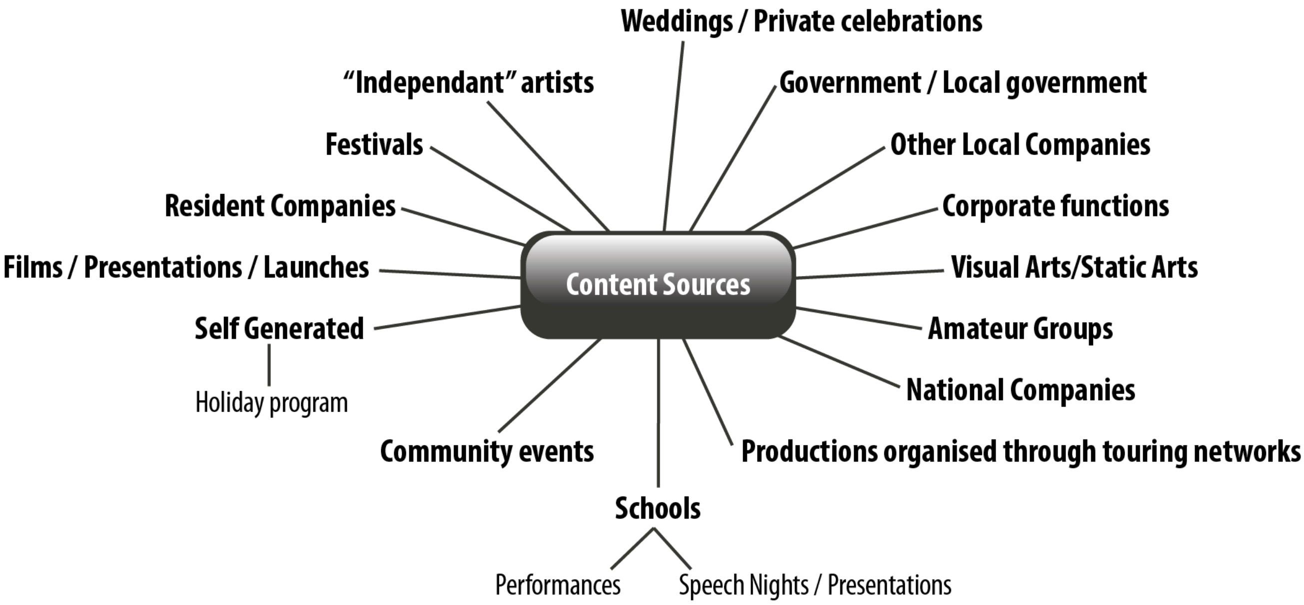
Preference modelling conducted in production of the MAFS identified total potential demand for attendances within the catchment of approximately 810,000[2] attendances. Based on an average expenditure of $40 per visit, this represents potential total expenditure in the order of $32.4 million.

Stakeholder consultation indicated that approximately 124,000 attendances (15%) currently occur in Joondalup and a further 66,500 (8%) occur outside of Joondalup, representing a capture of approximately $5.0 million and leakage of approximately $2.6 million[3].

An estimated 620,000 (76%) potential attendances do not occur at all and the value of this attendance could be in the order of $24.8 million. The ability to capture a portion of this expenditure is likely to be an attractive driver of investment in the JPACF. This expenditure pool will drive growth within industries related to a variety of different content sources. An example of these content sources are shown in Figure 1.

[1] This work was completed by City of Joondalup in the Business Case as at August 2016 and has been included here for completeness.
[2] This excludes film, which it is understood is predominantly being met through existing commercial facilities.
[3] Assuming expenditure of $40 per visit.

Figure 1: Arts Content Sources



Source: Pracsys (2016)

Growth expenditure will also open up opportunities for other neighbouring institutions and companies. These partnerships could include:

- Intrastate programs
- Interstate programs
- Fringe World
- Perth International Art Festival (PIAF
- Commercial presenters
- Fledgling industry

Linking with these institutions is likely to capture more expenditure through diversification of activity with the potential to attract a larger number of users into the future.

2.4 Secondary Visitation and Tourism Expenditure

Much like a major retailer such as Myer or David Jones acts as an anchor tenant for a shopping centre, the JPACF can act as a major destination for the Joondalup activity centre. In this way it supports the growth of the Joondalup Strategic Metropolitan Centre into a more liveable, attractive, vibrant, multi-purpose centre. = It is anticipated that the JPACF will attract over 100,000 attendances per year, by visitors from both within and outside of Joondalup, with significant flow on benefits for the local economy.

If these visitors were to spend anywhere between $20 and $80 on retail, food or beverages in the surrounding activity centre per visit, this could result in increased expenditure of between $2 and $11 million per annum directly supporting jobs in these industries (see Table 2 and Table 3).

If the anticipated 100,000 attendances for JPACF supported a spend of $40 per visit, this could represent the creation of 37 direct FTE jobs a further 49 indirect FTE jobs (Table 3).

Applying a conservative assumption, were 1% of visitors to stay overnight as part of their trip (1,000 per annum) and spend on average a further $300 on tourism activities, this could results in an injection into the tourism industry of $300,000 per annum. Based on National Accounts and Input-Output data this could directly support 2 FTE jobs in tourism and a further 3 indirect FTE jobs.

Table 2: Potential Secondary Expenditure – Retail, Food and Beverage

	Potential Spend			
Visitors	**$20**	**$40**	**$60**	**$80**
100,000	2,000,000	4,000,000	6,000,000	8,000,000
120,000	2,400,000	4,800,000	7,200,000	9,600,000
140,000	2,800,000	5,600,000	8,400,000	11,200,000

Source: Pracsys (2016).

Table 3: Potential Jobs Created

	Potential Spend			
Visitors	**$20**	**$40**	**$60**	**$80**
100,000	18	37	55	74
120,000	22	44	66	89
140,000	26	52	78	103

Source: Pracsys (2016) calculated using *ABS (2014). 5204.0 - Australian System of National Accounts, 2013-14*

2.5 Total Employment Generated by JPACF

It is a priority for the region to create more local jobs given the current unsustainable level of out commuting for employment. Employment opportunities generated by the construction and operation of the JPACF are will support the creation of self-contained and vibrant communities with diverse employment and lifestyle choices.

Total ongoing employment generated by JPACF is estimated in the order of 138 FTE jobs based on those jobs directly supported by the facility and those supported by secondary expenditure associated with increased visitation and tourism (see Table 4).

Table 4: Total ongoing employment generated by the JPACF

	Direct Jobs	Indirect Jobs	Total Jobs
Directly supported by Facility[A]			
JPACF	20	17	37
Suppliers	6	4	10
Secondary Expenditure[B]			
Visitation	37	49	86
Tourism	2	3	5
Total	**65**	**73**	**138**

Sources:

A National Institute of Economic and Industry Research (NIEIR) © 2015. Compiled and presented in economy.id.

B Pracsys (2016) calculated using *ABS (2014). 5204.0 - Australian System of National Accounts, 2013-14*

2.6 Travel Time and Vehicle Operating Cost Savings

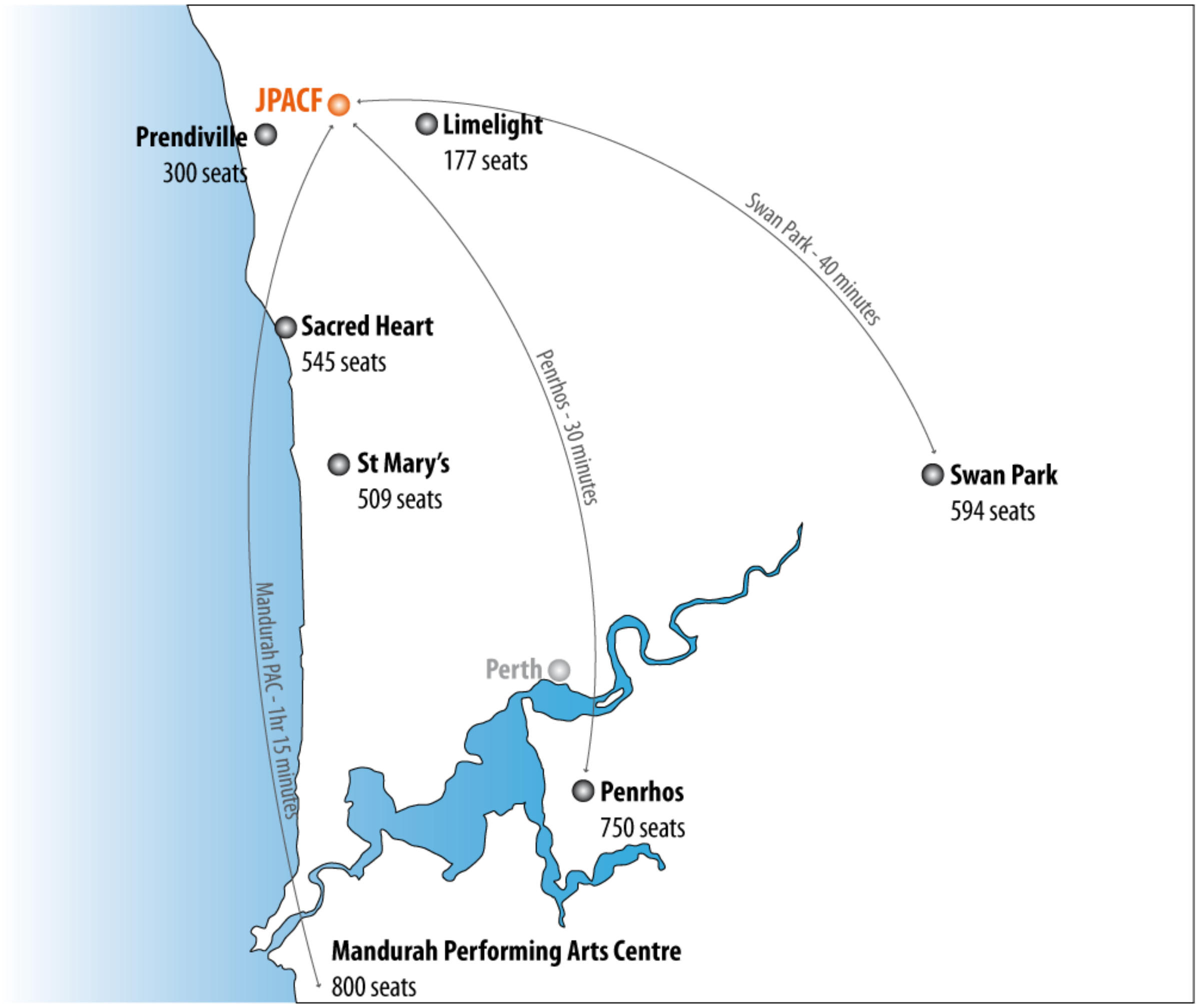
As established in the MAFS, there is a lack of arts and culture infrastructure in North West sub-region. This creates a situation in which constituents must drive further to access arts and cultural infrastructure.

The distance required to travel to a facility represents a premium over and above other costs involved in attending and participating in arts and culture. For members of the community already disadvantaged by lower incomes this represents a cost barrier to participation and attendance.

If JPACF were to be built it would provide significant cost savings in terms of reduced travel time and vehicle operating costs for residents, through the provision of a facility in closer proximity. Doing so not only represents savings to residents currently traveling far distances but also encourage increased participation and attendance.

Figure 2 demonstrates the cultural and arts infrastructure currently being used by cultural groups within the JPACF catchment area as identified in through consultation, despite being far away. Table 5 demonstrates the extent of the potential savings in vehicle travel time and operating costs that could be accrued to residents through the development of the JPACF. The figures show that there are potential vehicle operating costs savings of $12 million per annum and a further $4 million per annum savings in vehicle travel time savings.

Figure 2: Performing Arts Facilities Servicing the Primary Catchment



Source: Pracsys (2012). JPACF Market Analysis and Feasibility Study

Table 5: Vehicle Cost Savings

Local Government Area	Capture Rate	Trips	Total Km's Saved	Vehicle Operating Costs Saved (pa)	Vehicle Travel Time Saved (pa)
Joondalup	50%	330,000	29km	$7,410,000	$2,289,000
Wanneroo	40%	263,000	20km	$3,978,000	$1,229,000
Chittering	40%	8,000	29km	$173,000	$53,000
Gingin	40%	8,000	29km	$184,000	$57,000
Total				$11,745,000	$3,627,000

Source: Pracsys (2016) based on vehicle operating costs in RAC (2015), *Vehicle Running Costs Guide* [https://rac.com.au/car-motoring/info/buying-a-car/running-costs]

Notes: Assumes average occupancy of 1.6 persons per car and average speed of 60 km/hr. Vehicle operating costs assumed to be 62c/km based on RAC (2015), *Vehicle Running Costs Guide* [https://rac.com.au/car-motoring/info/buying-a-car/running-costs], vehicle travel time costs assumed to be $11.49/person-hr based on Austroads (2008) *Guide to Project Evaluation Part 4: Project Evaluation Data.*

2.7 Economic Benefit Cost Ratio (BCR)

What is cost-benefit analysis?

The Federal Government's handbook on cost benefit analysis[4] provides the following description of cost-benefit analysis:

> *Cost-benefit analysis is a method for organising information to aid decisions about the allocation of resources. Its power as an analytical tool rests in two main features:*
>
> - *costs and benefits are expressed as far as possible in money terms and hence are directly comparable with one another; and*
> - *costs and benefits are valued in terms of the claims they make on and the gains they provide to the community as a whole, so the perspective is a 'global' one rather than that of any particular individual or interest group*

Cost-benefit analysis should be viewed as closely related to, yet distinct from financial evaluation. Whilst financial evaluation looks at the net benefit to the individual organisation (in this case the City of Joondalup) cost-benefit analysis considers the community as a whole. It provides a more holistic representation of the costs and benefits associated with a project. Whilst financial evaluation takes into account cash flows in and out of the organisation only, cost-benefit analysis considers benefits such as travel time savings and 'externalities' or other unmarketed spillover effects.

[4] Commonwealth of Australia (2006), Handbook of Cost Benefit Analysis, January 2006 <https://www.finance.gov.au/sites/default/files/Handbook_of_CB_analysis.pdf.>

Costs and benefits occurring at different points in time have different values and future costs and benefits are discounted in order to determine their net present value (NPV).

The handbook states that:

> *"Subject to budget and other constraints and equity considerations, a project or policy is acceptable where net social benefit (total benefit less total cost), valued according to the opportunity cost and willingness to pay principles, is positive rather than negative".*

What is a benefit-cost ratio (BCR)?

The BCR is calculated by dividing the present value of all benefits by the present value of all costs.

BCR = PV Benefits / PV Costs

For a project to be viable, the BCR must have a value greater than 1. If the BCR is greater than 1, the NPV is positive and vice versa. BCR's are used when choices have to be made between mutually exclusive viable projects.

The JPACF Benefit-Cost Ratio

Pracsys Economics have calculated a BCR and NPV for the JPACF taking into account vehicle travel time, vehicle operating cost and secondary expenditure within the region generated through visitation and tourism. The results of this analysis are shown in Table 15.

The analysis calculates an economic NPV for the project of $126.9 million and BCR of 1.902. This indicates that taking into account all economic benefits, the project is viable and delivers significant positive value to the community overall, taking into account all costs.

Table 6: Economic NPV and BCR

Category	Annual Income/Expense	$ Total (2016 to 2059)
Income		
Primary Theatre	$1,328,000*	$52,766,739
Secondary Theatre	$230,000*	$9,163,000
Studios, Conferences and Exhibitions	$818,000*	$32,497,672
Ticket Income	$128,000*	$5,248,000
Parking (escalated real/above inf)	$551,542*#	$24,813,248
Food and Beverage	$125,000*	$4,965,812
Leases: Bar/restaurant	$77,000	$3,157,000
Sponsorship	$150,000	$6,150,000
Secondary Expenditure to the Region	$4,000,000	$164,000,000
Tourism Spend	$300,000	$12,300,000
Vehicle Travel Time Savings	$3,627,417	$148,724,089
Vehicle Operating Cost Savings	$11,744,117	$481,508,799
Expenses		

Category	Annual Income/Expense	$ Total (2016 to 2059)
Primary Theatre	$977,000*	$38,820,548
Secondary Theatre	$103,000*	$4,092,206
Studios, Conferences and Exhibitions	$426,000*	$16,926,844
Parking	$137,000	$5,617,000
Food and Beverages	$82,000*	$3,257,636
Staff Costs	$897,000*#	$36,652,932
Marketing	$323,000*	$12,923,589
Admin and General	$119,000*	$4,726,573
Building Maintenance and Repair	$676,000*	$26,278,925
Utilities	$313,000*#	$14,371,806
Asset Renewal	$792,000	$23,760,000
Estimated Capital Cost Cost		$99,700,000
Borrowings		$50,255,000A
Revenue PV		**$267,489,603**
Cost PV		**$140,622,276**
Economic NPV		**$126,867,327**
Economic Benefit Cost Ratio (BCR)		**1.902**

Source: (Pracsys 2016)

***These annual figures represent the steady state, assumed to be achieved in 2023/24. Income and expenses in the first years of operations as per the Financial and Options Evaluation have been used in the NPV analysis.**

 # Includes real cost escalation (over inflation)

A 15-year payback period assumed

B 7% discount rate has been used to calculate the Net Present Value. This is based on Treasury guidelines.

Economic Impact Assessment in Summary

The JPACF will provide major economic benefits for the region.

- One-off Investment creates 117 Direct Jobs and 469 Indirect Jobs
- Operating Activities create 37 FTE per year (20 Direct and 17 Indirect)
- Supplier Employment create 10 FTE (6 Direct FTE and 4 Indirect)
- Visitation and tourism could support the creation of an additional 39 direct jobs and 52 indirect jobs
- An economic benefit cost ratio of 1.902 indicates that taking into account economic benefits to the region the project provides positive value net of all costs.

3 Creative Economy Growth

Supporting artistic and cultural attendance and participation drives economic growth in local and regional economies. Growth is supported through a three-phase system whereby:

1. The meeting of communities of interest and practice is facilitated so as to support the production and dissemination of cultural and artistic products and experiences
2. Creators and consumers of these experiences and products translate individual creativity into social and commercial outcomes through creative industries such as publishing, architecture, advertising and software IT etc.
3. Ideas and creativity are amplified, creative networks are established and a cluster of creative industries emerges. The creative industry cluster connects with the broader economy to accelerate the overall rate of innovation and commercialisation of ideas and creativity, driving economic success

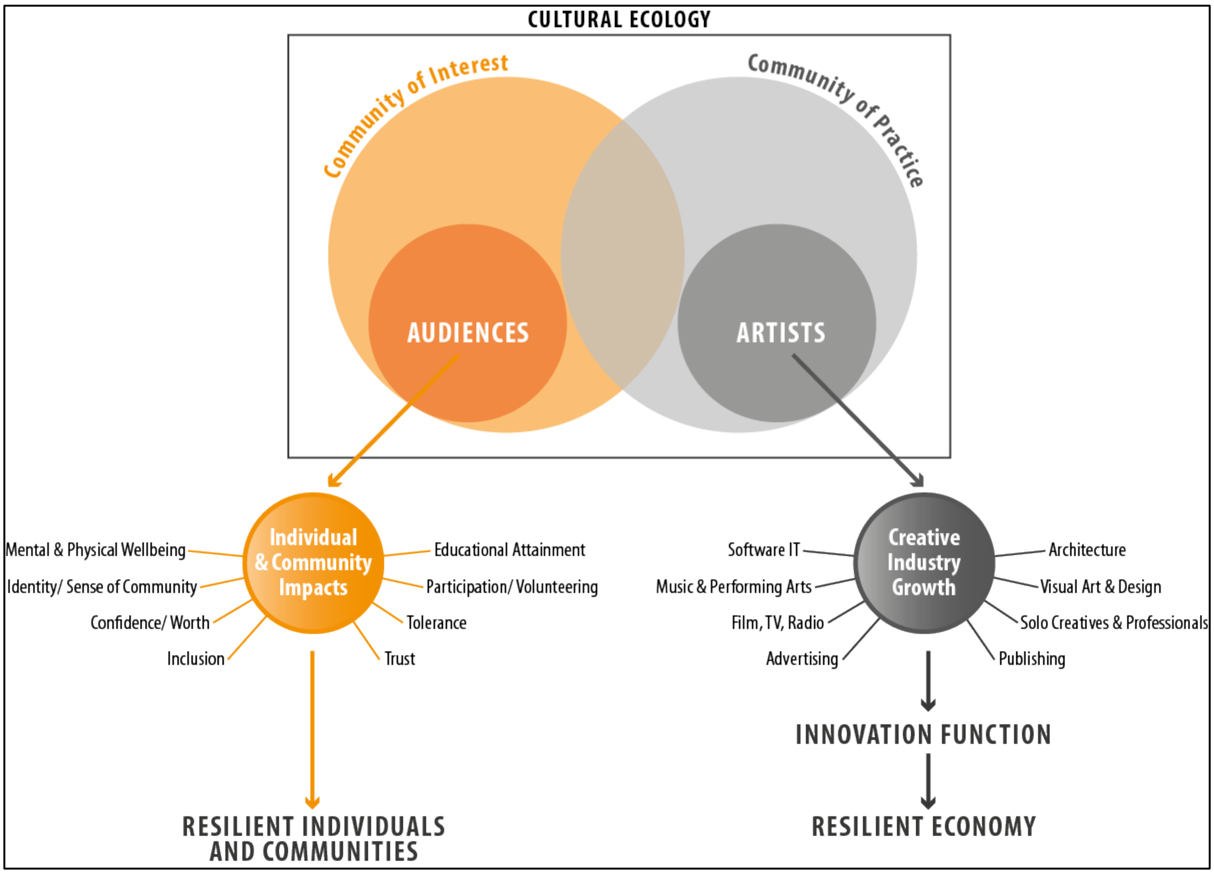
The JPACF will be the catalyst that galvanizes this process for the North-West sub region, facilitating cultural attendance and production, acting as an anchor cultural institution to facilitate the creation of a creative industry network and link with the broader economy (both public and private sector). It will in doing this, expand the pool of ideas and creativity to drive innovation and economic growth.

Exposure to and participation in such activities/events provide significant individual and community level social benefits. Research shows that they support sense of mental and physical wellbeing, which leads to positive personal attributes such as tolerance, trust, participation and even educational attainment.

Collectively these individual well-being characteristics aggregate to community cohesion, identity and pride, which are essential to well-functioning societies.

Figure 3 provides a representation of various the components of the process to realise both economic and social outcomes through arts and culture.

Figure 3: Cultural Ecology Model



Source: Pracsys (2016)

3.1 Uniting Communities of Interest and Practice

The JPACF will provide a facility to connect audiences and artists so as to support the production and dissemination of cultural and artistic products and experiences.

The JPACF will serve to enhance the cultural ecology of the North-West sub-region of Perth (the region) and the wider area of influence. The cultural ecology consists of the community of interest (audience and potential audience) and the community of practice (artists and associated service/equipment providers). The JPACF will be a key location where the communities of interest and practice meet for cultural exchange.

Demand modelling conducted in the preparation of the MAFS concluded that the level of formal cultural activity in the primary catchment is significantly less than could be expected of a Western Australian population of the size and demographic profile.

Modelling indicates that local residents are either travelling outside of the primary catchment area for their cultural pursuits (meaning that the cultural life of the City of Joondalup is being subsidised by other councils), or else this activity is not happening at all.

There are many producers of entertainment, culture and arts product who for many reasons, including the lack of suitable facilities, are unable to supply within the primary catchment.

The MAFS also examined barriers to participation in culture and the arts and production of artistic products. The most common barrier to increased participation was a lack of time, followed by expense/cost and lack of opportunities close to home/transport problems.

Developing the JPACF would allow those suppliers currently excluded from the market to enter, and address barriers currently being faced by potential attendees through improved access to opportunities for cultural attendance. The JPACF will therefore unite the existing and potential communities of interest and practice in order to increase the overall cultural attendance and production in the City of Joondalup.

3.2 Supporting Creative Industry Growth

JPACF will catalyse creative industry growth in the region which will increase economic diversity and support the knowledge-driven, strategic employment crucial to driving economic resilience.

Increasing the pool of creative individuals producing art and cultural not only provides outputs for audiences to consume, but also translates into growth of related creative industries. Creative industries in turn support the growth of innovation-rich economies that are capable of adaptation and evolution to high productivity industries.

This is achieved through a process whereby artists, designers and academics translate their individual creativity into social and commercial outcomes. For example, a local artist may also be engaged within a creative institution such as an advertising agency or a publishing company. Increasing the pool of creative individuals can subsequently result in growth of creative industries which provide significant benefits to local and regional economies.

Analysis of existing creative industries within the North-West and the benefits associated with future growth of these industries has been conducted by Pracsys Economics. For the purpose of the analysis creative clusters we identified; these represent groupings of creative industries (at ANZSIC 4 Level) that share similar characteristics.

Based on 2011 ABS Census data5 creative industries are underrepresented in the North-West. It is estimated that 1,235 people are employed in creative industries and this accounts for only 1.75% of total employment (see Table 7).

[5] As at 2016, the most recent data from ABS available is that of 2011. This analysis we be updatable with new statistics once the 2016 Census is released.

Table 7: North-West Creative Clusters

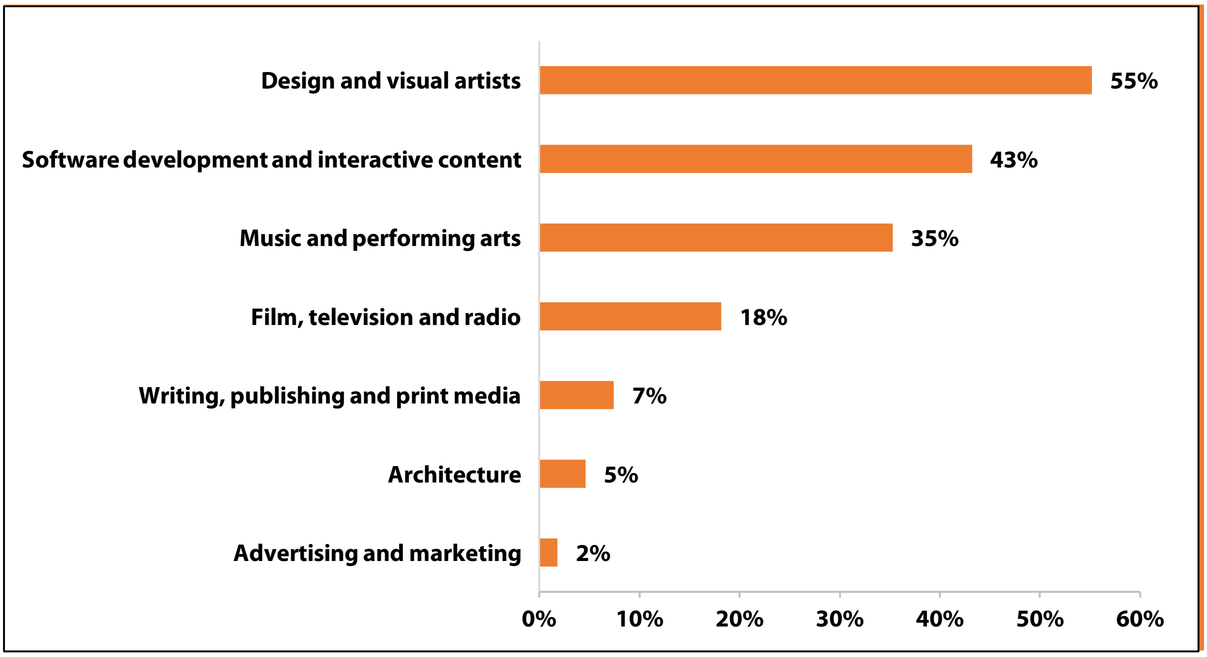
Cluster	No. Employed	Share of Creative Industries	Share of total Employment in the North West
Advertising and marketing	113	9%	0.16%
Music and performing arts	115	9%	0.16%
Design and visual artists	284	23%	0.40%
Film, television and radio	39	3%	0.06%
Writing, publishing and print media	159	13%	0.23%
Architecture	114	9%	0.16%
Software development and interactive content	411	33%	0.58%
Total	1,235	100%	1.75%

Source: Pracsys (2016), ABS Place of Work (2011)

Software development and interactive content and design and visual art are the biggest industries of employment, accounting for 33% and 23% of creative employment respectively. These industries may be associated with the presence of Edith Cowen University (ECU) which caters for a range of creative productions as well as software engineering.

Between the 2006 and 2011 Census, total employment in the North-West grew by 14,099 jobs representing a 25% increase. Creative industries have experienced similar growth in employment (24%) over this period. Design and visual artists and Software development and interactive content represented the creative clusters that experienced the most significant growth whilst Architecture and Advertising and marketing have remained relatively stable (see Figure 4).

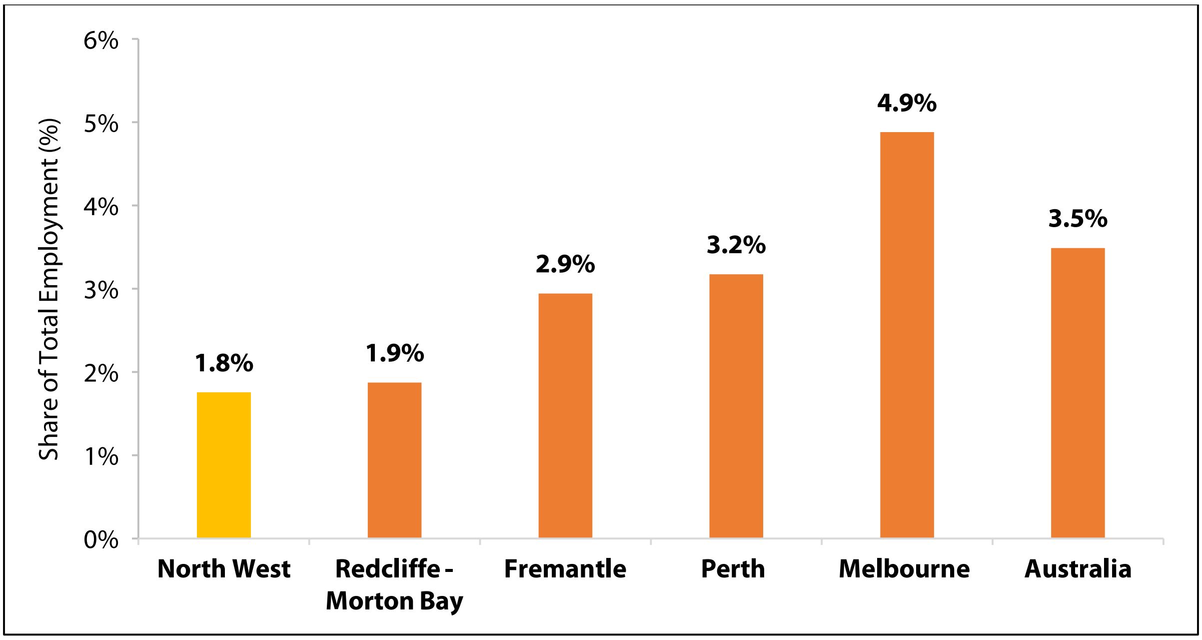
Figure 4. Creative Cluster Employment Growth (North West Sub-Region 2006 to 2011)



Source: Pracsys (2016), ABS Place of Work (2011), ABS Place of Work (2006)

For comparison, analysis of creative industry employment in benchmark locations identified in the MAFS has been conducted. The results highlights that the North-West has a significantly lower share of creative industry employment when compared to Perth, Australia and other creative citicies such as Melbourne, Fremantle and Redcliffe-Morton Bay (see Figure 5).

Figure 5. Creative Industry Employment (% of total employment)



Source: Pracsys (2016), ABS Place of Work (2011)

This is indicative of a gap in the three-phase system. Although there is a pool of existing creative individuals, it is not significant enough to facilitate the growth of creative industries in line with the Nation, Greater Perth and other creative cities. This is due to the fact that many potential producers face barriers to producing creative output largely due to the lack of enabling infrastructure. The JPACF will provide the enabling infrastructure to expand the pool of creative individuals producing creative output which will support the growth of creative industries.

If the development of the JPACF facilitated growth in creative industries in line with benchmark locations, it would represent considerable growth in local jobs and associated reductions in unemployment levels.

Table 17 identifies the job creation resulting from creative industry employment in line with benchmark ratios. Employment Self Containment (ESC) was used to calculate the potential employment creation within Joondalup, accounting for the fact that a portion of newly created jobs will be filled by residents from outside of the region.

Some positions will be filled by currently unemployed persons and some will be filled by individuals that shift from employment in other jobs/industries. It is assumed that unemployed people will be able to take vacant jobs.

Analysis indicates that the growth of creative industries in line with benchmarks could reduce unemployment by 20 to 500 jobs in Joondalup (see

Table **8**).

Table 8: Employment Growth in North-West and Joondalup to Meet Creative Industry Benchmarks

Location	Output of Creative Industries	Additional Jobs Required in the North West to meet Benchmark Ratio	Additional Job creation in Joondalup
Moreton Bay	$404 million	86	22
Fremantle	$668 million	863	222
Perth	$984 million	1,032	265
Australia	$1.6 billion	1,266	325
Melbourne	$2.1 billion	2,312	594

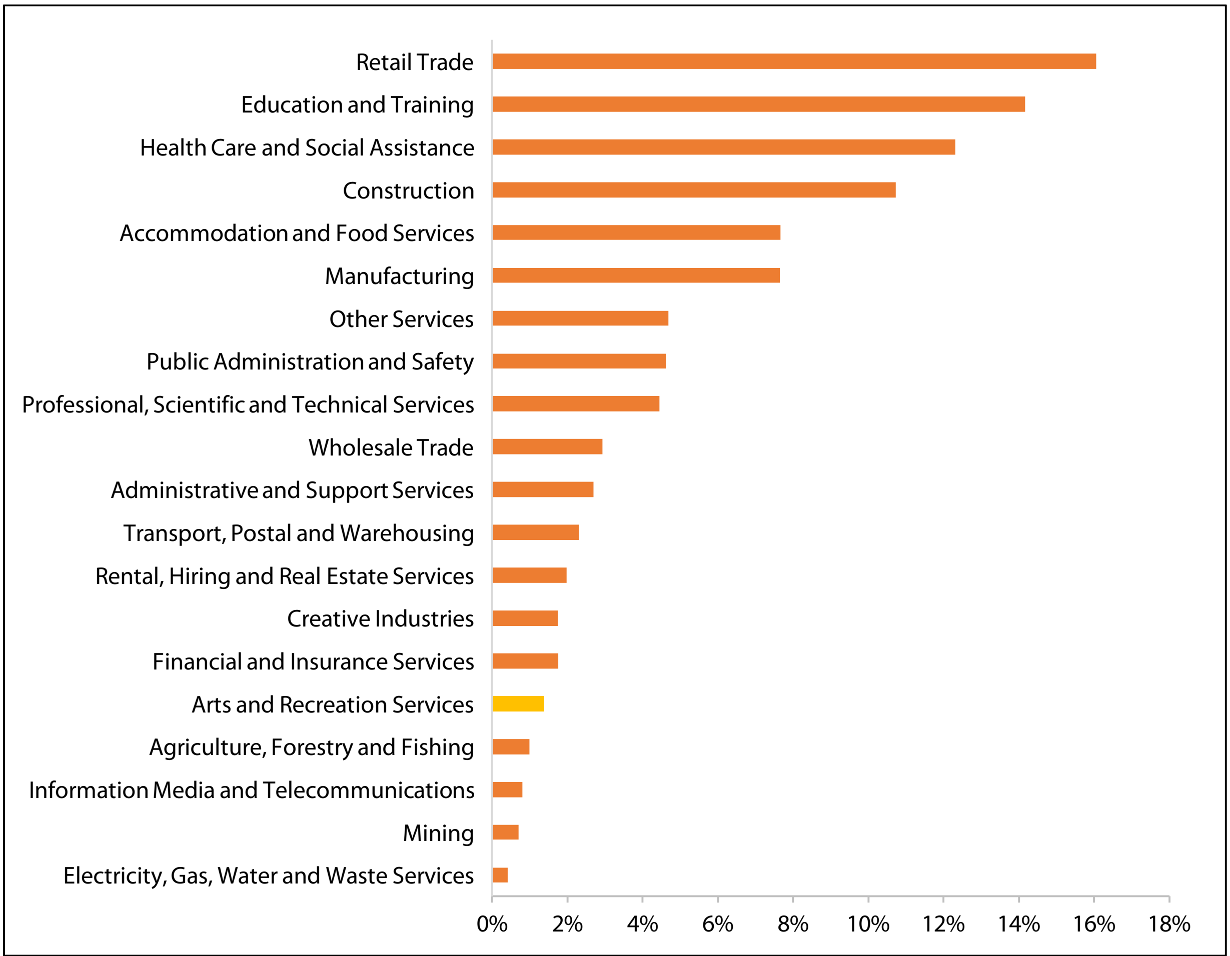
Source: Pracsys (2016) based on ABS National Accounts

Strategic Employment and Employment Self Sufficiency[6]

Jobs can be broadly broken down into strategic and population driven in nature. Population driven jobs are largely consumption based and are built from population growth. Strategic jobs are export and knowledge-based, autonomous of population growth and thus act as natural catalysts for economic activity.

Perth currently sits at approximately 20% strategic employment while the North-West sits at approximately 18%. The low level of strategic employment in the North-West is not particularly surprising considering the major industries of employment are retail trade, education and training and healthcare and social assistance which are largely population driven (see Figure 6).

Figure 6. North West Industries of Employment



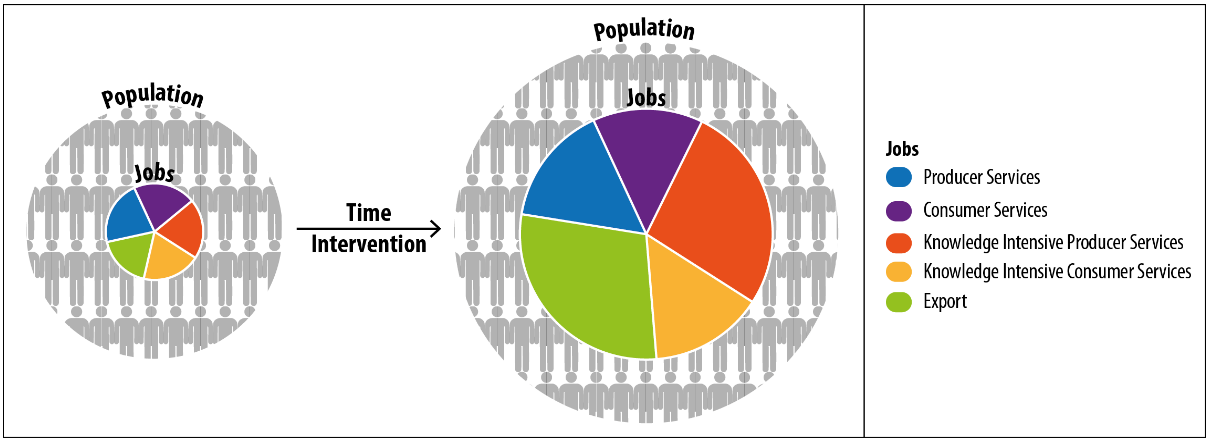
Source: Pracsys (2016)

[6] Employment can be broadly broken down into 5 categories: export oriented, consumer services, producer services, knowledge intensive consumer services (KICS) and knowledge intensive producer services (KIPS). Of these, export oriented and KIPS are classified as strategic employment.

According to data derived from national accounts and input-output data, creative industries are 49% export based. The growth in these creative industries will thus facilitate a transition into a more knowledge-based, strategic economy.

Strategic employment is also needed to maintain a region's Employment Self-Sufficiency (ESS) in line with sustained population growth. Only jobs supported through means outside of local consumption can improve the ratio of jobs to population in order to support a higher ESS (see Figure 7).

Figure 7: Intervention Effects



Source: Pracsys (2016)

Identifying strategic industry, supporting them and building additional human, productive and natural capacity around them to facilitate the development of local supply chains is one way to increase the quantum of jobs offered and increase the share of strategic jobs. The construction of the JPACF fits these criteria by building the human and productive capacity necessary to support this growth.

Table 9 provides the ESS targets established by the Department of Planning in Perth and Peel@3.5million. In order to achieve the increased job to population ratios required to support ESS targets, strategic jobs are required. With growth in population-driven employment only, the job to population ratio will remain constant (25%) into the future and ESS targets will not be met. Specifically, for the 2021 target to be met 18,600 new strategic jobs will need to be created in the North-West.

Table 9: Perth and Peel@3.5million North West Employment Goals

	Current	Targets			Total Change	Total % Change
	2011	2021	2031	2050		
Population	322,486	429,954	546,423	740,319	417,833	129.6%
Labour Force	163,636	211,087	268,331	376,386	212,750	130.0%
Jobs	80,566	126,014	174,201	229,089	148,523	184.3%
Jobs to Population	25%	29%	32%	31%	6%	
Employment Self Sufficiency (ESS)	49.2%	59.7%	64.9%	60.9%	11.6%	

Source: Pracsys (2016), DoP (2015)

Considering that strategic employment accounts for almost half of employment in the creative clusters, if through the influence of JPACF, employment in creative industries increased to the same level as benchmark locations between 11 and 291 strategic jobs could be created in Joondalup alone. This is an important contribution to efforts made by other industry initiatives to boost the representation of strategic employment in the region and meet the established ESS goals.

Higher provision of strategic jobs will have other positive benefits for the economy and wider community. At present a significant proportion of high quality jobs are held in the central sub-region (including most of Perth's cultural infrastructure). Given this, those that wish to have jobs in these industries yet live outside the central region are forced to commute in to satisfy this requirement.

By developing infrastructure that allows these industries to grow there is potential for employment opportunities to be created closer to a person's place of residence. This can have significant flow on effects in reducing the burden on transportation networks (a significant portion of government spending) as well as other far reaching productivity and social benefits through travel time and road traffic accident savings.

3.3 Innovation and Economic Success

JPACF will become a powerful router and amplifier of ideas and creativity, accelerating the overall rate of innovation and economic success in the North-West.

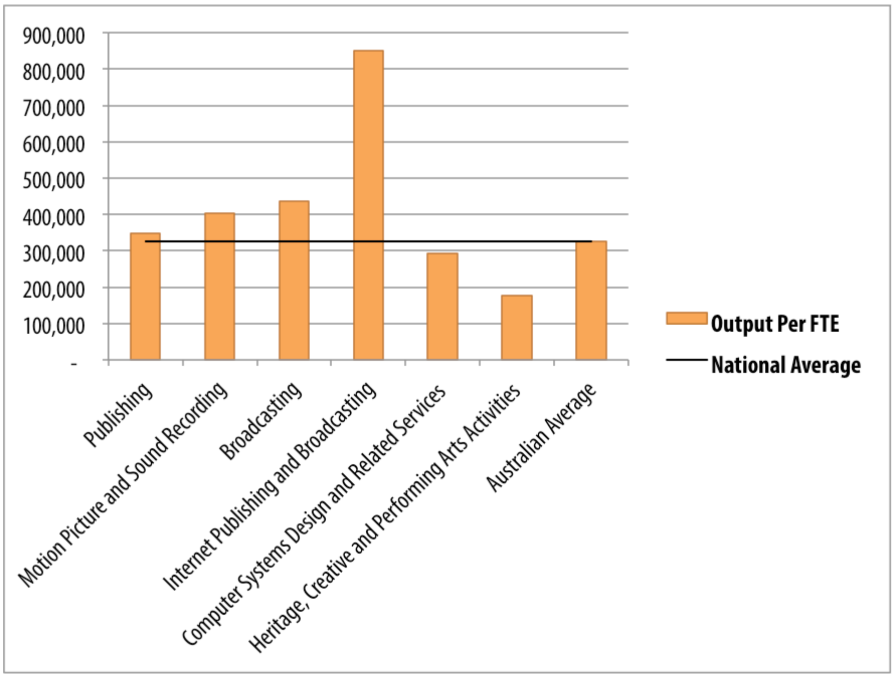
An examination of the relative productivity of creative industries provides an indicator of the potential economic benefit derived from creative industry growth.

The creative industry boasts relatively high productivity levels per FTE in comparison to the rest of the economy. This is particularly apparent in those sectors of the economy that have a more developed and mature industry associated with them, such as:

- Broadcasting
- Publishing
- Motion Picture and Sound Recording
- Internet Publishing and Broadcasting

These industries have output per FTE that is well above the national average. Creative industry output per FTE as derived from national Input Output tables is shown in Figure 16. Growth in these high productivity creative industries will drive higher incomes and higher employment levels beneficial to both national and local economies.

Figure 8: Output per FTE – Creative Industries



Source: Pracsys (2016)

In addition to the direct economic benefit of increased high productivity employment, the creative industries are built on core skills that act as a broad stimulant to innovation, which in turn drives growth, sustainability and prosperity. A defining feature of creative industries is the generation of creative ideas that have the potential to be commercialised and which once commercialised, underpin innovation and have a positive flow on impacts on the national economy.

Knowledge capital and ideas are the only infinitely reproducible economic resource with the potential to support exponential growth of worker productivity. Creative ideas work to facilitate the adoption and adaptation of new technologies – through design and advertising, for example – along with the embedding of new technologies raising the output per worker.

The collaborative partnerships, flexible business models, and digital technologies evident in creative industries feed innovation and offer new opportunities across all sectors leading to the development of new markets and products that create jobs. The arts overall are therefore not only for entertainment but are an essential service in the process of economic growth, development and evolution.

It is in this way that growth of the creative industry can support improved rates of employment self-sufficiency (ESS) in the North-West. The JPACF will be an amplifier of ideas and creativity, supporting the growth of creative talent and creative industries in order to bolster the pipeline of ideas for commercialisation. In addition, the JPACF will be an anchor institution that encourages the partnerships required to facilitate downstream commercialise ideas into private sector growth and public service innovation for the North-West. The JPACF will be a catalyst for the growth of this industry that would otherwise not have a chance to grow.

4 Social Impact Assessment

The economic value of the arts and cultural sector is only one part of its net worth to the community There is now a well-established empirical evidence base supporting the view that the arts can make a vital contribution to our wellbeing. This can occur across a range of dimensions at an individual, community and broader society level.

The justification of public funding lies in the concept of market failure, that is, that the market fails to account for the broader societal benefits of arts and culture - referred to as 'externalities' - thus resulting in underinvestment (from a societal point of view) in the industry. Evidence from national and international sources demonstrates that even a modest investment in the arts at a local level can deliver significant returns on investment when the value of all benefits are taken into account.

Pracsys Economics has identified how JPACF could address disadvantage within communities of interest and in addition, conducted social return on investment (SROI) analysis in order to quantify the value of social benefits that could be realised by JPACF. The following sections of the Business Case provide the results of this analysis and culminate in the calculation of a BCR that in addition to economic variables of time travel savings, vehicle operating cost savings and visitation expenditure takes into account the broader value of social benefits.

4.1 Addressing Disadvantage

The 2015 study Dropping off the Edge[7] explores the geographic distribution of disadvantage across Australian states and territories, communicating the current imperative to address persistent and entrenched locational disadvantage across the country. The study looks at a range of indicators of socio-economic problems that impact on people's life opportunities and which create demand upon societal resources. This study highlights the need to when targeting services to communities, explore particular characteristics and factors that contribute to the type of disadvantage being experienced.

With respect to the JPACF, relative disadvantage has been identified in alignment with the SEIFA Index of Relative Socio-economic Disadvantage (IRSD). The SEIFA IRSD comprises a range of component variables, including:

- Income variables
- Education variables
- Employment variables
- Occupation variables
- Transport variables
- Other indicators of relative advantage or disadvantage

[7] T. Vinson and M. Rawsthorne (2015). *Dropping off the Edge 2015: Persistent communal disadvantage in Australia (pages 100 – 105)*

The SEIFA Index of Disadvantage measures the relative level of socio-economic disadvantage based on a range of Census characteristics. SEIFA provides a general view of the relative level of disadvantage in one area compared to others and is used to advocate for an area based on its level of disadvantage.

The index is derived from attributes that reflect disadvantage such as low income, low educational attainment and high unemployment. The findings of the SEIFA analysis show that the JPACF will directly and indirectly address current and future problems arising in the primary catchment area, that is, the rapidly growing North-West Sub Region.

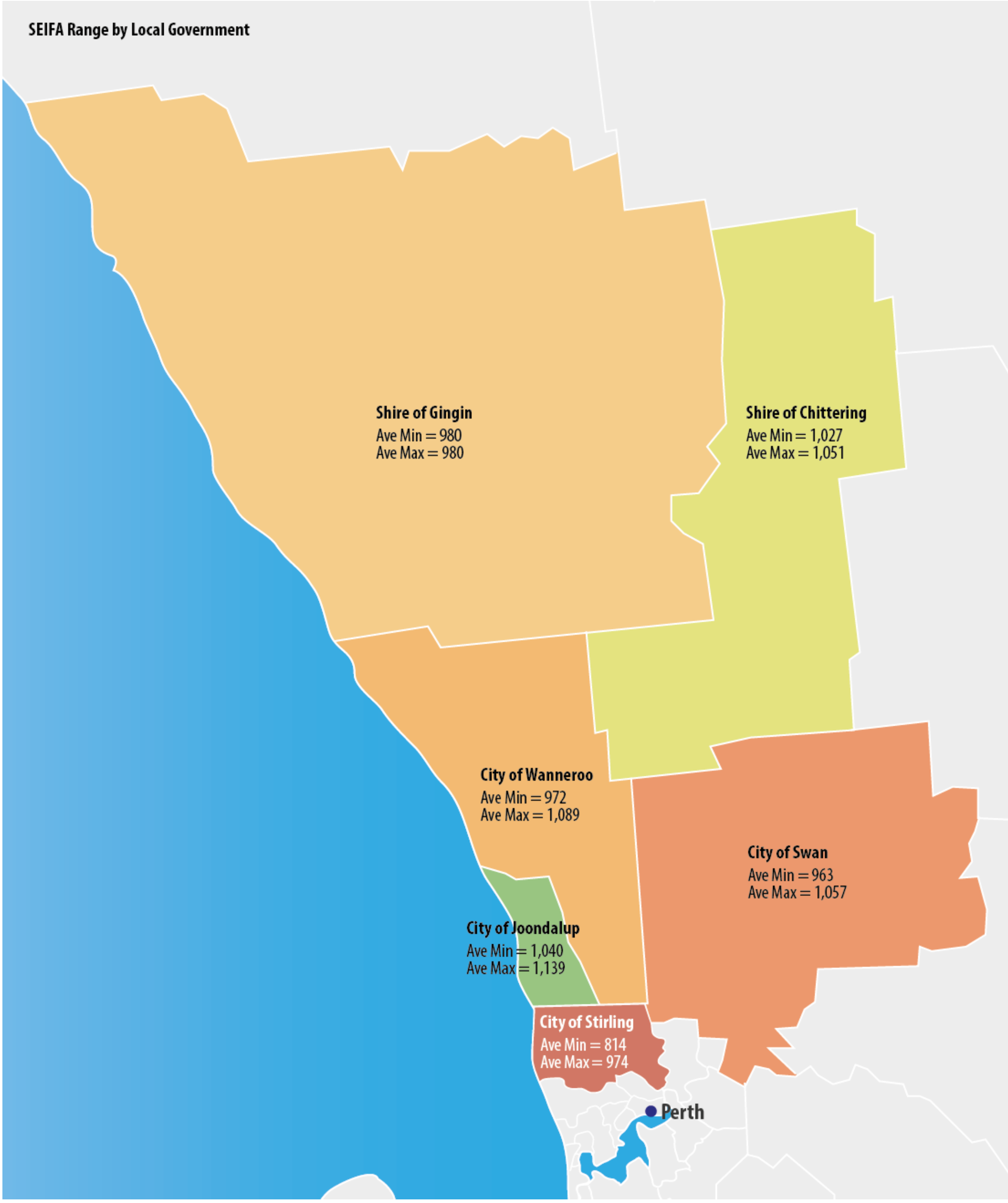
SEIFA Analysis

The analysis was undertaken at Local Government Area level as well as at Statistical Level 1 (SA1), in order to more precisely identify areas with low SEIFA scores within suburbs. Areas which include average minimum scores lower than 1,000 provide evidence of relative disadvantage.

Key Areas of Disadvantage

Whilst the City of Joondalup itself is relatively advantaged the catchment area that applies to the project and the broader area of influence extends to include areas with evidence of disadvantage. The City of Wanneroo (within the Primary Catchment) as well as the Cities of Stirling, Swan, Gingin and Chittering (within the area of influence) all have suburbs with average scores below 1,000 (See Figure 9).

Figure 9: SEIFA Range by Local Government Area



Source: Pracsys (2016) using (ABS, 2011). Socio-Economic Indexes for Areas (SEIFA), Statistical Area Level 1

Table 10 identifies suburbs within the primary catchment and their relative scores. Social indicators have been sourced to explain the type of disadvantage with indicators selected in alignment with those utilised in the 2015 study Dropping off the Edge.

Table 10: Suburbs with Disadvantage

<table>
<tr><th>Suburb</th><th>Average SEIFA Score A</th><th>Type of disadvantage (LGA Level Data)</th></tr>
<tr><td colspan="3">Primary Catchment: Wanneroo (LGA)</td></tr>
<tr><td>Koondoola</td><td>869</td><td rowspan="8">Individual Income
Higher proportion of people earning low income (33.1% compared to 32.5%) and lower proportion of people earning high income (14.2% compared to 17.1%)
Unemployment
Similar proportion in employment, as well as a similar proportion unemployed. Overall, 95.1% of the labour force was employed (63.8% of the population aged 15+), and 4.9% unemployed (3.3% of the population aged 15+), compared with 95.3% and 4.7% respectively for Western Australia.
Volunteering
Lower proportion of population performing voluntary work (11.9% compared with 16.9%)
Occupation
Larger percentage of persons employed as Technicians and Trade Workers (19.9%) or Labourers (10.9%) compared to WA (16.7% and 9.7% respectively)
Post-School Qualifications
Lower proportion of persons with bachelor degree or higher (15.2% compared to 23.4%). Higher percentage of persons with no qualification (46.4% compared to 38.7%).
Self Assessed Health
Higher proportion of the people with fair or poor self-assessed health (14.0% compared to 13.7%).
Rent Assist
Higher percentage of households receiving rent assist (17.2% compared to 13.6%)
Cultural Acceptance
Higher percentage of population who disagree/strongly disagree with acceptance of other cultures (7.6% compared to 6.6%)</td></tr>
<tr><td>Merriwa</td><td>928</td></tr>
<tr><td>Wanneroo</td><td>981</td></tr>
<tr><td>Girrawheen</td><td>897</td></tr>
<tr><td>Ashby</td><td>994</td></tr>
<tr><td>Two Rocks</td><td>973</td></tr>
<tr><td>Clarkson</td><td>995</td></tr>
<tr><td>Woodvale</td><td>994</td></tr>
<tr><td colspan="3">Secondary Catchment: Swan (LGA)</td></tr>
<tr><td>Cullacabardee</td><td>695</td><td rowspan="6">Individual Income
Lower proportion of people earning a high income (13.0% compared to 17.1%)
Volunteering
Lower proportion of people who performed voluntary work (12.9% compared to 16.9%)
Occupation
Larger percentage of persons employed as Machinery Operators And Drivers (9.6%) and Clerical and Administrative Workers (16.3%) compared to WA (7.6% and 14.4% respectively)
Post-School Qualifications</td></tr>
<tr><td>Midvale</td><td>813</td></tr>
<tr><td>Swan View</td><td>942</td></tr>
<tr><td>Midland</td><td>868</td></tr>
<tr><td>Lockridge</td><td>879</td></tr>
<tr><td>Bullsbrook</td><td>983</td></tr>
</table>

Suburb	Average SEIFA Score A	Type of disadvantage (LGA Level Data)
Stratton	927	Lower proportion of persons with bachelor degree or higher (10.8% compared to 17.5%). Higher percentage of persons with no qualification (49.0% compared to 43.%). **Self Assessed Health** Higher proportion of the people with fair or poor self-assessed health (14.9% compared to 13.7%). **Rent Assist** Higher percentage of households receiving rent assist (14.3% compared to 13.6%)
Koongamia	909	
Hazelmere	975	
Middle Swan	980	
Beechboro	995	
Herne Hill	996	
Secondary Catchment: Stirling (LGA)		
Balga	913	**Unemployment** At LGA level there is a lower level of unemployment (4.5% compared to 4.7%) however there is a higher rate of unemployment in certain localities compared to the state Balga (11.0%), Mirrabooka (8.3%), Westminster (13.5%) and Girrawheen (8.2%). **Volunteering** Lower proportion of people who performed voluntary work (15.9% compared to 16.9%) **Occupation** At LGA level there is a higher proportion of Professionals (25.6% compared to 19.9%) however in certain localities there is a significantly higher proportion of labourers Mirrabooka (19.8%), Balga (17.2%), Girrawheen (16.9%) and Westminister (13.5%)compared to 9.7% across the state). **Cultural Acceptance** Higher percentage of population who disagree/strongly disagree with acceptance of other cultures (7.6% compared to 6.6%) **Psychological Distress** Higher percentage of the population with high or very high psychological distress (10.6% compared to 10.5%)
Westminster	901	
Mirrabooka	900	
Glendalough	945	
Balcatta	960	
Nollamara	964	
Osborne Park	994	

Source: Pracsys (2016) utilising:
PHIDU (2015) Social Atlas of Australia –Cultural Acceptance, Psychological Distress, Rent Assist, Self-Assessed Health
Population id (2016). City of Swan, Wanneroo and Joondalup
ABS (2011). Census of Population and Housing
A Average of all SA1 level scores within the SSC

The Link Between the Arts and Disadvantage

There is a body of evidence to support arguments that many of the intangible social impacts of the arts are connected to tangible impacts such as education, employment and income that contribute to disadvantage.

Whilst some of the social or intangible impacts such as mental health and wellbeing are intuitively directly connected to a desirable social outcome there are other connections that rely on achieving an intermediate outcome. For example, people may learn new skills and feel more confident as the result of participating in community arts activity, and this in turn may increase their employability[8].

Increased access to art and cultural experiences and provision of enabling infrastructure to support art and cultural production is therefore likely to provide improvements in relative disadvantage, as measured by the SEIFA Index.

Social Inclusion and Civic Participation

The arts foster a culture of inclusion within communities, which has direct and indirect impacts on disadvantage. Being socially included means that people have the resources, opportunities and capabilities they need to[9]:

- Learn (participate in education and training);
- Work (participate in employment, unpaid or voluntary work including family and carer responsibilities);
- Engage (connect with people, use local services and participate in local, cultural, civic and recreational activities); and
- Have a voice (influence decisions that affect them)

Those that are socially excluded can be prevented from participating in education or training, and gaining access to services and citizenship activities therefore the outcomes of social inclusion include highly tangible indicators such as increased employment rates and improved educational performance[10.]

Whilst the causes of social exclusion are diverse and complex it has been shown that the arts can be a significant part of the solution because they transcend barriers of language, culture, ability, and socio-economic status[11]. Acceptance of cultural diversity is important for building inclusive local communities and various studies point to the impacts of participation in arts and cultural activity including: building cultural bridges, building better understanding of different cultures, fostering tolerance and understanding and directly decreasing social isolation and fostering social inclusion[12].

There is evidence of the significant contribution of nonprofit art and culture organisations as a result of volunteerism with many art businesses operating within a model of social enterprise, providing opportunities for volunteering. An example includes the Wangaratta Performing Art Centre in Victoria, which was construction in 2009 to replace the Wangaratta Memorial Town Hall which had very limited facilities for presenting professional performing arts. An economic impact assessment revealed a significant increase in volunteer levels (in comparison with the old venue) with volunteer hours increasing over tenfold[13].

---

[8] Jermyn, Helen (2001). *Arts and Social Exclusion: a Review Prepared for the Arts Council of England (Page 14)*

[9] Department of Premier and Cabinet, Australian Social Inclusion Board (2010). *Social Inclusion in Australia: How Australia is faring*

[10] Castanet (2003). *The Arts Ripple Effect: Valuing the Arts in Communities* (Page 11)

[11] Ibid.

[12] Cultural Ministers Council Statistics Working Group (2004). *Social Impacts of Participation in the Arts and Cultural Activities: Stage Two Report Evidence, Issues and Recommendations (Pages 21 and 25)*

[13] Castanet (2003). *The Arts Ripple Effect: Valuing the Arts in Communities* (Page 14)

The City of Joondalup's Community Development Plan identifies geographical and socio-economic factors as limiting civic and cultural participation. The JPACF will provide access to art and cultural experiences that reflect and celebrate diversity fostering social inclusion.

Cognitive Skills and Self-Confidence

Additional individual impacts of arts participations such as increased self-confidence and the development of creative as well as non-creative skills, such as communication or organisational skills have been shown to present progress towards the harder social inclusion outcomes such as employment or education[14].

Involvement in arts-based activities has been shown to create pathways for personal and social development which increase prospects for employability, particularly for young people and those from culturally diverse or disadvantaged backgrounds.

In addition, there is an understanding that the skills associated with artistic practices– creative thinking, self-discipline, collaboration, risk taking, and innovation – are skills that are in great demand in our contemporary knowledge economy15 and that the skills taught by the arts will contribute to success. Arts education teaches children creativity, special thinking and abstract reasoning, all critical skill sets for tomorrow's software designers, scientists entrepreneurs and engineers[16].

The site for the proposed JPACF is in close proximity to the Joondalup Learning Precinct which comprises of the three co-located education campuses of Edith Cowan University, West Coast Institute of Training and the Western Australia Police Academy. The JPACF would provide opportunities for partnerships with these institutions, with opportunities to implement best-practice art education programs as a means of developing a workforce capable of great success in the knowledge-based economy.

Mental and Physical Health and Wellbeing

There is a growing body of evidence that participation in arts-based activity – such as visual art, music-making or writing – can have a measurable impact on physical health and wellbeing. As a result, the practice of applying arts initiatives to health problems and health promoting settings is becoming increasingly common.

In 2013, the Standing Council on Health and the Meeting of Cultural Ministers endorsed the National Arts and Health Framework[17], which recognises and promotes greater integration of arts and health practice. The framework acknowledges the value and benefits of arts and health practice and outcomes and endorses collaborative relationships between arts and health sectors at all levels of government and with the non-government sector.

In addition to the benefits of active participation, epidemiological research suggests that promoting general cultural attendance – such as attending a cultural institution such as an art centre - also makes a difference to mental and physical wellbeing. This can be through a variety of channels, for example through improvements

[14] Jermyn, Helen (2001). *Arts and Social Exclusion: a Review Prepared for the Arts Council of England (Page 20)*
[15] Castanet (2003). *The Arts Ripple Effect: Valuing the Arts in Communities (Page 14)*
[16] Robert L. Lynch (2006) *Creating a Brighter Workforce with the Arts (Page 1)*
[17] Meeting of Cultural Ministers and the Standing Council on Health (2014). *National Arts and Health Framework*

the social relationships and networks[18] and reductions in stress levels[19] which, in turn, increase the likelihood of good mental and physical health and wellbeing. There is now considerable evidence that the stronger a sense of belonging that people feel, the healthier they are[20].

Mark O'Neill's article in the Journal of Public Mental Health Cultural attendance and public mental health – from research to practice[21] explores the implications of this research. The article argues that if general cultural attendance, as evidence suggests, contributes to healthier lives, the issue of democratic access is critical and that cultural organisations need not only meet the demand of existing audiences but address the inequalities in cultural capital and engage non-users. The article suggests that increasing general, non-intensive attendance at cultural organisations among vulnerable communities may be able to achieve a health impact at a population level.

Currently, people living in Perth's North-West have no easy access to a local performing arts and cultural facility, creating a barrier to general cultural attendance and the benefits to mental health and wellbeing that exposure to the arts provides.

The JPACF will provide an important venue to reach out to audiences and creatives with existing demand for a venue and those non-users that have, without access to a facility, been discouraged from engaging with arts and culture. In addition, the close proximity of the JPACF to the Joondalup Health Campus, the largest healthcare facility in the northern suburbs, offers exciting synergies and opportunities for enhancing the arts and health connection.

4.2 Social Return on Investment (SROI)

A number of tools have been developed in order to articulate and measure the economic impact of arts and cultural institutions. The most commonly used method, economic impact assessment (EIA), examines the monetary flows through the economy and looks at the direct, indirect and induced effects of spending associated with arts and culture. This approach relies on estimates of employment and visitation as well as industrial economic data on the relationships between arts and culture and other sectors of the economy in order to determine flow on impacts.

Whilst this approach communicates the economic impact of an institution to a defined economy, the approach focuses on traditionally 'measureable' economic impacts without considering the value of social or intrinsic benefits. SROI provides an alternative valuation approach for projects. The City of Joondalup commissioned Pracsys Economics to undertake an analysis of the Social Return on Investment (SROI) of the proposed JPACF.

[18] Castanet (2003). *The Arts Ripple Effect: Valuing the Arts in Communities (Page 14)*
[19] Mark O'Niell (2010). *Cultural attendance and public mental health – from research to practice*
[20] Castanet (2003). *The Arts Ripple Effect: Valuing the Arts in Communities (Page 17)*
[21] Mark O'Niell (2010). *Cultural attendance and public mental health – from research to practice*

Over the last decade, SROI has attracted a growing level of interest and support due to an intensified focus on impact and value for money by governments and the not for profit sector. SROI is recognised as an appropriate method to prove value by government and not-for profit organisations such as:

- Australian Government Department of the Prime Minister and Cabinet
- Australian Sports Commission (ASC)
- UK Department for Culture, Media and Arts
- Salamanca Art Centre (Hobart, Tasmania)
- Auckland Museum
- Community Arts Network WA

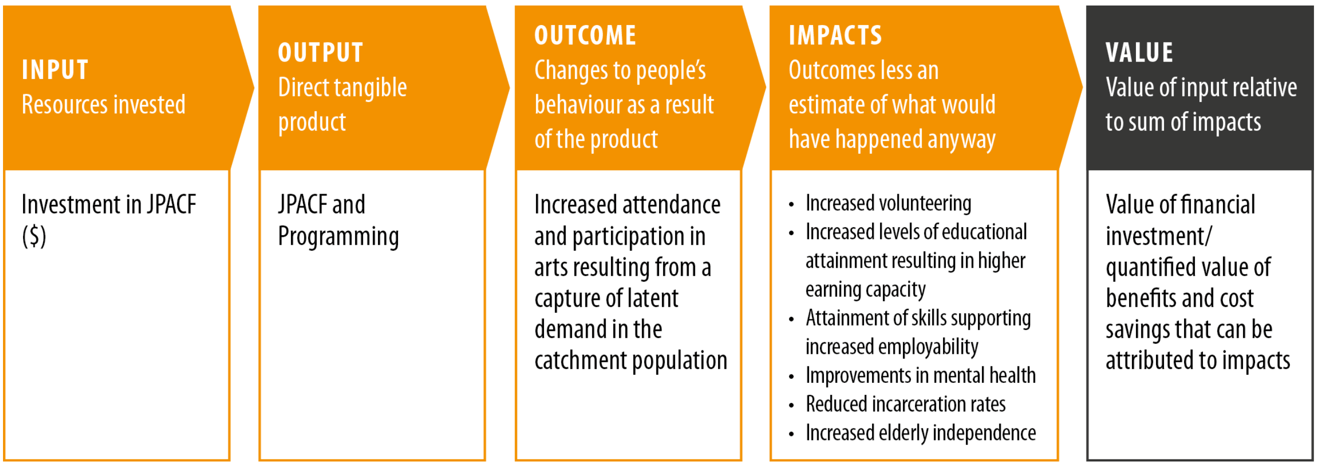
About SROI

SROI can be defined as: “a framework for understanding, measuring and accounting for the social value of projects, programs, organisations, businesses and policies” [22]. SROI analysis places a monetary value on the social impact (the benefit) of an activity and compares this with the cost incurred in creating that benefit. Specifically, SROI:

- Identifies the various cost savings, reductions in spending and related benefits that accrue
- Monetises those cost savings and related benefits through use of financial proxies
- Projects those savings over an investment timeframe and discounts those back in order to determine a net present value in the same way as cost-benefit analysis

SROI is based on ‘theory of change’ which distinguishes between outcomes achieved and impact. Figure 18 provides an overview of the way in which the theory of change model has been applied by Pracsys to the JPACF project.

Figure 10: Theory of Change



Source: Pracsys (2016)

[22] Social Ventures Australia (2012) *Social Return on Investment: Lessons learned in Australia* <http://socialventures.com.au/assets/SROI-Lessons-learned-in-Australia.pdf>

Methodology

Pracsys has applied a commonly used SROI valuation methodology in order to provide a measure of the financial value of social benefits that may be accrued as a result of JPACF.

The methodology involved an extensive literature review to link exposure to, and participation in arts and culture with tangible and intangible social benefits at the individual and community level. Financial proxies have been calculated and applied to the catchment population in order to provide an estimate of the monetary value of social benefits. The proxy attempts to quantify outcomes or consequences that could arise if there is no change in current behavior. The financial proxies have calculated based on desktop research and a comprehensive literature review (See SROI Technical Appendices for more information on the calculation of financial proxies).

The SROI valuation methodology applied by Pracsys included the following stages of work:

- A literature review in order to define links between arts and culture, social impact and the produce theory of change logic model
- Selection of six tangible impacts to form the focus of the SROI analysis
- Identification of appropriate financial proxies for tangible impacts
- Estimation of the scale of impact that JPACF could have on new participants
- Application of financial proxies to affected individuals in order to monetise the value of the social impacts
- Application of an additional attribution to take into account intangible impacts

It is assumed that catchment residents currently engaging in arts and culture within and outside of the catchment already enjoy the benefits of their engagement and financial proxies are therefore only applied to the people that are newly involved in arts and culture as a result of JPACF. These individuals are assumed to be those that represent latent demand, as established in the MAFS.

Revealed preference modelling conducted in production of the MAFS identified total potential demand for attendances within the catchment of approximately 810,000[23]. Stakeholder consultation indicated that approximately 620,000 of these attendances (76%) do not occur at all. Based on an average frequency of attendance of six artistic or cultural events per year[24], total latent demand is estimated in the order of 98,300 persons. The latent demand is not specific to JPACF, rather it is pool of demand for any art or cultural event available in the catchment.

The annual social benefit is then derived from the following formula:

$$\text{Financial Benefit Per Annum (\$)} =$$

$$\text{Affected Population (no.) x Estimated effect of JPACF (\%) x Financial Proxy (\$)}$$

[23] This excludes film, which it is understood is predominantly being met through existing commercial facilities.
[24] Australian Council of the Arts, 2015, Artfacts: Visual Arts

An annual value of potential benefits has been estimated and projected over an investment timeframe (2016 to 2059). This has been discounted back to provide a net present value (NPV).

Limitations

There are limitations to SROI which should be acknowledged and care should be taken in interpreting the findings. Assumptions made about the size of the population exposed to the benefit and the impact JPCAF could have on these individuals' behaviour should be taken into account (see SROI Technical Appendices for more information).

In addition, significant dimensions of a creator or audience's experience are therefore not captured in an SROI valuation and accounting for the pure cultural values of the arts distinct from economic contributions remains critical[25]. For this reason, the analysis conducted by Pracsys has included an additional 10% (of the total SROI value calculated) to capture these benefits.

Social Benefits Considered in the Analysis

Table 11 provides an overview of the measures and impacts considered in the SROI analysis conducted by Pracsys (See Technical Appendices for more information).

Table 11: Social Benefits Considered

Impact and (Measure)	Financial Proxy	Beneficiary	Rate of Incidence (%)	Population Exposed to Benefit	Description
Increased employment (reduced welfare expenditure)	$13,718	Federal Gov.	6.7%	2,310	Unemployed people who engage in arts as an audience member were 12% more likely to look for a job in the last four weeks when compared to unemployed people who had not engaged in the arts[26]. The Federal Government spends at least $13,718 per annum in unemployment benefits for eligible individuals aged 22-60. Based on 2011 ABS Place of Residence, the catchment has an unemployment rate of 4.4%.

[25] Nesta (2010) *Culture of Innovation: An economic analysis of innovation in arts and culture organisations*
[26] UK Department of Culture, Media and Sport (2014) Quantifying the Social Impacts of Culture and Sport https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/304896/Quantifying_the_Social_Impacts_of_Culture_and_Sport.pdf

Impact and (Measure)	Financial Proxy	Beneficiary	Rate of Incidence (%)	Population Exposed to Benefit	Description
Increased educational attainment (greater taxable income)	$3,219	Federal Gov.	67.3%	12,716	Within a sub-sample of 16-18 year olds, participants in the arts were 1% more likely on average to go onto further education in later years27. Based on the Smart Australians – Education and Innovation in Australia report by AMP it is estimated that individuals with Year 12 or equivalent will contribute at least $3,219 per annum in tax than less educated residents. Based on 2011 Census data, 67.3% of catchment residents aged 20-34 have attained a year 12 or equivalent education.
Increased social participation (increased volunteering)	$3,957	Local Gov.	14.3%	10,920	People who engage in arts as an audience member are 6% more likely to have volunteered frequently (once a fortnight or more) [28.] Based on the 2011 ABS data it is estimated that 14.3% of residents within the catchment volunteer. Applying an average hourly wage to the average hours per Australian volunteer it is estimated that each individual contributes $3,957 per annum in output.
Reduced mental health (reduced health expenditure)	$891	State Gov.	13.3%	7,198	Participants in the arts were 1.37% less likely to frequently visit GPs and 0.45% to have used psychotherapy services29 The Public Health Information Development Unit (PHIDU) estimates that 10.0% of the catchment population experience mental health issues. Approximately $891 is spent per affected individual per annum.
Reduced incarceration (reduced incarceration expenditure)	$134,601	State Gov.	0.2%	108	Specific programs have been successful at both diverting and rehabilitating people from criminal conduct30. The ABS estimates that 0.2% of Australian's are incarcerated.

[27] Ibid.
[28] Ibid.
[29] Ibid.
[30] Paul Muller, Neil Cameron, Lauren Jameson, Kristel Robertson, Robert Grafton (2012) The Economic, Social and Cultural Value of the Salamanca Arts Centre 2011-2012 *http://www.parliament.act.gov.au/__data/assets/pdf_file/0018/622701/Exhibit-No.3-Belconnen-Arts-Centre.pdf*

Impact and (Measure)	Financial Proxy	Beneficiary	Rate of Incidence (%)	Population Exposed to Benefit	Description
					On average, the Federal and State Governments spend $134,601 per incarcerated individual per annum.
Increased elderly independence (reduced aged care expenditure)	$43,351	Federal and State Gov.	19.8%	2,011	People aged 65 and older who participated in community- based cultural programs used less medication and visited the doctor less often than those who did not, and that they also had better physical health31. Approximately 19.8% of individuals aged 85+ across the State live in aged care homes. Aged cared subsidisations and other benefits cost the Federal Government $43,351 per person in an aged care home per annum.

Source: Pracsys (2016) utilising various sources. See SROI Technical Appendices for more information.

Calculating SROI

A value was assigned to reflect the scale of impact that JPACF could have on the population exposed to benefit. There are a range of factors that influence social measures considered and for this reason conservative estimates of impact have been attributed ranging from 0.01% to 6%. These have been estimated with reference to literature provided in the above table (See Technical Appendices for more information). Using the estimated effect of JPACF, and financial proxies the financial benefit per annum was calculated.

The analysis estimates that 972 people could experience social benefits as a result of JPACF, and that, with an additional 10% included to account for intrinsic impacts, there is potential for up to $5.2 million worth of social benefits to be accrued per annum.

Table 12: Financial Benefit Per Annum

Measure	Estimated effect of JPACF	Benefiting Individuals	Financial Proxy ($)	Financial Benefit (per annum)
Reduced welfare expenditure	5%	116	$13,718	$1,584,388
Greater taxable income	1%	127	$3,219	$409,375
Increased volunteering	6%	655	$3,957	$2,592,466
Reduced health expenditure	1%	72	$891	$64,129

[31] UK Department of Culture, Media and Sport, (2015) Further analysis to value the health and educational benefits of sport and culture *www.sportsthinktank.com/uploads/dcms-and-case-further-analysis-to-value-the-health-and-educational-benefits-of-sport-and-culture-(march-2015).pdf*

Measure	Estimated effect of JPACF	Benefiting Individuals	Financial Proxy ($)	Financial Benefit (per annum)
Reduced incarceration expenditure	0.01%	0.01	$134,601	$1,453
Reduced aged care expenditure	1%	2	$43,351	$91,646
Additional Intrinsic benefit (10%)				$474,345
Total		**972**		**$5,217,803**

Source: See Technical Appendices for more detail on sources of financial proxies.

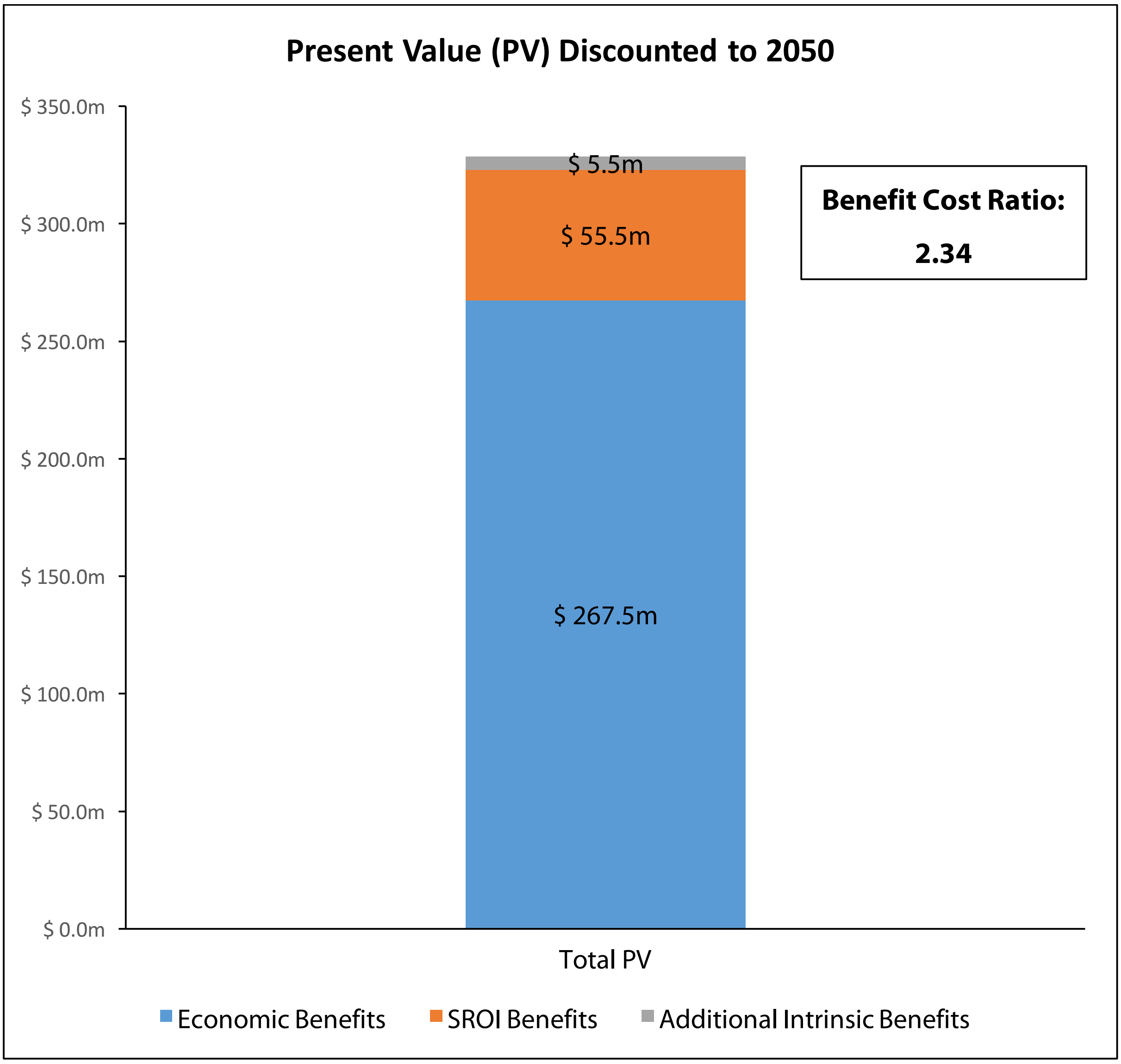
4.3 Social and Economic Benefit Cost Ratio

Based on the SROI analysis a BCR has been calculated to reflect the economic, social and intrinsic value of the JPACF. This BCR builds on that provided in Section 8.8 of the Business Case, that is, it includes all economic benefits as well as social benefits identified through the SROI analysis.

The results of this analysis indicate a BCR of 2.34 (see Figure 11).

A BCR between 2 and 3 positions projects favourably when they compete for funding within a limited pool. Given the JPACF represents a project whereby the vast majority of benefits are social in nature with many potential benefits difficult to quantify, the BCR of 2.34 positions the project well. It demonstrates that the project will deliver significant social and economic return on investment.

Figure 11: JPACF Present Value (Economic, Social and Intrinsic)



Source: Pracsys (2016)

4.4 Social Impacts in Summary

It is estimated the JPACF will have the following social impact:

- strengthen local communities through the provision of accessible and inclusive arts and cultural experiences
- build on the City of Joondalup's strong arts and cultural program to address unmet community needs and demands for arts and cultural experiences
- address regional disadvantage
- provide social benefits to up to 900 people with the value of benefits estimated to be in the order of $5.2 million per annum

5 SROI Technical Appendices

5.1 Calculating Latent Demand

The JPACF Market and Feasibility Study (MAFS) produced by Pracsys in 2012 estimated that, based on secondary data on participation in arts and culture, there is potential for up to 810,000 attendances to arts and cultural events per annum within the catchment (Joondalup and Wanneroo).

Limits to the supply of infrastructure and programming, not all potential attendance demand can be met within the catchment area. Some attendances are achieved outside of the catchment and others do not occur at all. Attendances not completed represent 'latent demand'.

The MAFS estimated that 76% (620,000) of total potential attendances did not occur due to an undersupply of events and infrastructure in the catchment. Assuming that the average person attends six[32] artistic or cultural events per year, it is estimated that 98,300 people within the catchment are currently not attending arts of cultural events but may do so if supply were to increase. This pool of latent demand forms the foundation for the social return on investment calculation.

[32] Australian Council of the Arts, 2015, Artfacts: Visual Arts

5.2 SROI METHODOLGY

SROI Components

The following tables outline stages of the method undertaken to forecast the potential social benefit that accrues as a result of JPACF. The numbers in the left-hand column align with the social measures mentioned in subsequent tables. The calculations and subsequent annual and total benefit over the lifetime of JPACF serve only as a scenario of potential benefit rather than a predicted forecast of impact.

Figure 12. SROI Measures and Evidence Base

Measure		Evidence Base	Source
1	Increased employment (reduced welfare expenditure)	Unemployed people who engage in arts as an audience member were 12% more likely to look for a job in the last four weeks when compared to unemployed people who had not engaged in the arts.	UK Department of Culture, Media and Sport, 2014, *Quantifying the Social Impacts of Culture and Sport*
2	Increased educational attainment (greater taxable income)	Within a sub-sample of 16-18 year olds, participants in the arts were 1% more likely on average to go onto further education in later years.	UK Department of Culture, Media and Sport, 2014, *Quantifying the Social Impacts of Culture and Sport*
3	Increased social participation (increased volunteering)	People who engage in arts as an audience member are 6% more likely to have volunteered frequently (once a fortnight or more).	UK Department of Culture, Media and Sport, 2014, *Quantifying the Social Impacts of Culture and Sport*
4	Reduced mental health (reduced health expenditure)	Participants in the arts were 1.37% less likely to frequently visit GPs and 0.45% to have used psychotherapy services	UK Department of Culture, Media and Sport, 2014, *Quantifying the Social Impacts of Culture and Sport*
5	Reduced incarceration (reduced incarceration expenditure)	Specific programs have been successful at both diverting and rehabilitating people from criminal conduct.	Paul Muller, Neil Cameron, Lauren Jameson, Kristel Robertson, Robert Grafton, 2012, *The Economic, Social and Cultural Value of the Salamanca Arts Centre 2011-2012*
6	Increased elderly independence (reduced aged care expenditure)	People aged 65 and older who participated in community- based cultural programs used less medication and visited the doctor less often than those who did not, they also had better physical health.	UK Department of Culture, Media and Sport, 2015, *Further analysis to value the health and educational benefits of sport and culture*

Source: Pracsys (2016)

Accompanying each social measure is a financial proxy. Financial proxies attempt to value an outcome based on the cost that may be incurred through an alternative interventioned aimed at achieving the same outcome. Values for financial proxies have been sourced from secondary data sources.

Figure 13. Financial Proxies

Measure	Financial Proxy	Source	Beneficiary
1	Eligible individuals (ie. 22 – 60 years old and actively looking for work) can receive $570.60 in unemployment benefits per fortnight. This costs the Federal Government $13,718 per individual per annum. $570.60 x 26 = $13,718	Australia Department of Human Services, 2016, *New Start Allowance*	Federal Government
2	A report by AMP indicates that people who attain a year 12 level of education earn $330,000 more over their working life (35 years) than those who don't. This equates to approximately $9,900 per year difference. The higher educated (and earning) individual will therefore pay $3,219 more in tax than the lower educated individual.	AMP, 2012, *Smart Australians – Education and Innovation in Australia* Australian Taxation Office, 2016, *Individual Income Tax Rates*	Federal Government
3	A 2010 report by Volunteering Australia estimates a volunteer hour to be worth $27.45. Assuming an inflation rate of 2.5% a volunteer hour is worth $31.05 in 2016. A report published by ABS indicates that volunteers contribute an average of 128 hours per year. Average contribution per volunteer: $31.05 x 128 = $3,957	Volunteering Australia, 2010, *Key Facts and Statistics About Volunteering in Australia* ABS, 2015, *Volunteers contribute 743 Million Hours to the Community*	Local Government
4	Based on a 2014 Australian Psychological Society information paper, individuals can receive up to $84.80 in government rebates per 50-minute appointment with a psychologist. Assuming an inflation rate of 2.5% the rebate is worth $89.10 in 2016. It is assumed an individual will need 10 appointments in order to receive lasting benefits. Average cost per affected individual: $89.10 x 10= $891	Australian Psychological Society, 2014, *Table of Medicare Benefits Schedule Fees and Rebates for Psychological Items*	State Government
5	An SBS report based on the Australian Productivity Commission findings suggests that in 2014 it costs the WA government $351 per prisoner per day. Assuming a 2.5% inflation rate this equates to $134,601 per prisoner per year. $368 x 365 = $134,601	SBS Australia, 2015, *How Much Does It Cost to Keep People in Australian Jails?*	State Government
6	Based on a 2015 Australian Productivity Report $921.5m is spent on residential aged care per annum in WA. Assuming an inflation rate of 2.5% this equates to $944.1m in 2016. It is also reported that 21,787 persons are in residential aged care in WA. This equates to $43,351 per person per year. $944,500,000/21,787= $43,351.	Australian Productivity Commission, 2015, *Attachment 13 Aged Care Services – Report on Government Services*	Federal and State Government

Source: Sources as included in table, interpreted by Pracsys (2016)

The rate of incidence is a combination of catchment specific factors (eg. Unemployment) and nation-wide factors such as the rate of incarceration. It is assumed that the nationwide factors have a similar presence in the catchment. All calculations involving the affected population are based on the above mentioned latent demand.

Figure 14. Rate of Incidence and Affected Population

Measure	Rate of Incidence	Source	Affected Population
1	The catchment of Joondalup and Wanneroo have unemployment rates of 3.9% and 4.9% respectively. Overall, the unemployment rate is 4.4%	ABS, 2011, *Place of Residence*	To receive the New Start program individuals must be aged 22 – 60 and be unemployed. Applying the unemployment rate to the identified latent demand suggests that 2,310 individuals are affected within the specified population.
2	67.3% of the catchment have attained a year 12 or equivalent education. The measure was only taken of individuals aged 20-34 to represent the social expectations of finishing school which may not have been present when the older generations were at school.	ABS, 2011, *Census Community Profile*	It is assumed that only individuals aged 5-17 (ie yet to finish year 12) can benefit. Of the latent demand population, 12,716 individuals are within this age group.
3	The catchment of Joondalup and Wanneroo have volunteer rates of 16.7% and 11.9% respectively. Overall, the volunteer rate is 14.3%	ABS, 2011, *Census Community Profile*	Only individuals 15 years and older were included in the ABS volunteering statistics. Applying the rate of incidence to the identified latent demand suggests that 10,920 individuals are volunteers within the specified population.
4	Approximately 9.6% and 10.4% of the Joondalup and Wanneroo population experience mental health problems respectively. Overall, the rate of mental health issues is 10%.	Public Health Information Development Unit (PHIDU), 2015, *Social Health Atlas of Australia: Western Australia*	The report by PHIDU only considers individuals 18 years and older. Applying the rate of incidence to the relevant latent demand population suggests that 7,198 individuals are affected.
5	As at June 2015 the ABS reported that 36,134 individuals were in incarceration across Australia. This represents 0.2% of the population at the time.	ABS, 2015, *Prisoners in Australia*	The report by ABS only considers individuals aged 18 years and older. Applying the rate of incidence to the identified latent demand population suggests that 108 individuals make up the incarcerated population.
6	Based on the Australian Productivity Commission report approximately 19.2% of Australians aged 85+ receive permanent or respite aged care services	Australian Productivity Commission, 2015, *Attachment 13 Aged Care Services – Report on Government Services*	Although the report considers people of all ages, the SROI only includes individuals aged 85+ as they often have a lower level of independence and require care. Applying the rate of incidence to the identified latent demand suggests that 2011 individuals make up the relevant population.

Source: Pracsys (2016)

5.3 SROI Analysis

For the sake of comparison, varying levels of impact have been attributed to each measure.

Figure 15. Impact of JPACF and Financial Benefit

Number	Impact of JPACF	Specific Population	Benefiting Individuals	Financial Benefit (per person per annum)	Financial Benefit (per annum)
1	5.0%	2,310	116	$13,718	$1,584,388
2	1.0%	12,716	127	$3,219	$409,375
3	6.0%	655	655	$3,957	$2,592,466
4	1.0%	72	72	$891	$64,129
5	0.01%	108	1	$134,601	$1,453
6	1.0%	2	2	$43,351	$91,646

Source: Pracsys (2016)

It is estimated that 972 people could be beneficiaries of JPACF, leading to an annual benefit of $4,743,457. In addition to the direct annual benefit, it was assumed there would be an additional 10% of unmeasurable intrinsic factors such as the feeling of inspiration or a sense of purpose. Given the level of current annual benefits, additional intrinsic benefits are estimated at $474,345 per annum. In total, $5,217,803 of benefits accrue per annum.

5.4 Contribution to JPACF Attendance

Demand modelling undertaken by Pracsys in the 2012 Feasibility Study estimates that JPACF could attract up to 111,276 attendances per year. Applying the average rate of attendance[33] per year (six times) suggests that there could be 18,546 individual attendees. It is estimated that 202 individuals, approximately 1% of all attendees, could experience increased educational attainment, better mental health, lower rates of incarceration and increased elderly independence due to visitation alone.

It is estimated that 665 individuals could initiate participation in volunteering of some kind as a result of JPACF. The centre will create exposure to new social networks and connections with organisations which leads to increased rates of volunteering.

Approximately 166 unemployed persons could find employment as a result of JPACF. The decreased unemployment can occur through two channels; visitation to JPACF or the engagement in the creative hub that is likely to arise from the Centre's presence. The literature review confirms that attendance at arts and cultural events provides individuals with the skills required to gain employment and networks and connection to organisations to increase volunteering. Furthermore, it is assumed in the analysis that JPACF will contribute to an increase in the proportion of creative industries within the catchment as it increases the capacity for arts and cultural activities. This in turn will lead to opportunities for engagement and employment in creative and certain non-creative industries. These opportunities would help reduce unemployment as local individuals transitioning from low level jobs into higher creative occupations will create vacancies that are assumed to be filled by another person, with the process repeating until a low skilled unemployed individual has an employment opportunity.

5.5 Calculating the Net Present Value and Benefit Cost Ratio

The Net Present Value (NPV) was calculated for the economic and social benefits to indicate the opportunity costs of investing in JPACF. The analysis assumes a real discount rate of 7% and takes place between 2014 and 2059.

Figure 16. Economic Implications

Category	Total ($ million)
Benefits	
Primary Theatre	52.8m
Secondary Theatre	9.2m
Studios, Conferences and Exhibitions	32.5m
Ticket Income	5.2m
Parking (escalated real/above inf)	24.8m
Food and Beverage	5.0m

[33] Australian Council of the Arts, 2015, Artfacts: Visual Arts

Category	Total ($ million)
Leases: Bar/restaurant	3.2m
Sponsorship	6.2m
Secondary Expenditure to the Region	164.0m
Tourism Spend	12.3m
Vehicle Travel Time Savings	148.7m
Vehicle Operating Cost Savings	481.5m
Costs	
Primary Theatre	38.8m
Secondary Theatre	4.1m
Conferences and Exhibitions	16.9m
Parking	5.6m
Food and Beverages	3.3m
Staff Costs (escalated real/above inf)	36.7m
Marketing	12.9m
Admin and General	4.7m
Building Maintenance and Repair	26.3m
Utilities (escalated real/above inf)	14.4m
Estimated Capital Cost	99.7m
Asset Renewal	23.8m
Borrowings	50.3m
BCR	**1.90**
NPV	**126.9m**

Source: Pracsys (2016)

Based on the economic NPV alone, the construction of JPACF generates a Benefit Cost Ratio (BCR) of 1.90. This is a reasonable economic return on investment for a performing arts centre.

Similarly, to the economic benefits, social benefits from the construction of JPACF have been calculated. Figure 17 includes the economic benefits and costs from Figure 16 and expands upon the social benefits that will arise. The analysis assumes a discount rate of 7% and takes place between 2014 and 2059.

Figure 17. Economic and Social Implications

Category	Total ($ million)
Benefits	
Economic Benefits	1,159.2m
Social Benefits	

Category	Total ($ million)
Increased employment (reduced welfare expenditure)	50.7m
Increased educational attainment (greater taxable income)	13.1m
Increased social participation (increased volunteering)	83.0m
Reduced mental health (reduced health expenditure)	2.1m
Reduced incarceration (reduced incarceration expenditure)	0.047m
Increased elderly independence (reduced aged care expenditure)	2.9m
Additional Intrinsic Benefits	19.4m
Costs	
Economic Costs	285.2m
Economic and Social BCR	**2.34**
Economic and Social NPV	**182.4m**

Source: Pracsys (2016)

It is assumed that the social benefits will only start accruing when JPACF is operational in 2019. Social benefits and their related BCR and NPV should not be considered in isolation as they are negligible compared to the building and operating costs. Rather, they should be combined with the economic benefits that are estimated to accrue upon completion up until 2059. The combination of economic and social benefits generates a BCR of 2.34 and a NPV of $182.4 million.

Appendix 9 - A Review of the Joondalup Performing Arts and Cultural Facility’s Financial and Options Evaluation: Rudi Gracias (September, 2016)

A Review of the Joondalup Performing Arts Centre Facility's Financial and Options Evaluation

EXECUTIVE SUMMARY

The City of Joondalup through its Officers and consultants have undertaken a thorough and comprehensive investigation of the economic and social benefits for proceeding with the Joondalup Performing Arts Centre Facility (JPACF).

It was recognised that while considerable evaluation of the project from concept through to schematic design was undertaken there was a need to review the operating structure (management model) and test the validity of the operating income and expenditure assumptions used in preparation of the JPACF Business Case.

Having read the Business Case and Appendices as presented, I am satisfied that with respect to the basic assumptions used, a conservative approach has been applied, given that if approved, the project will come to fruition in approximately 3 years and that the financial projections have been determined a further 5 years out.

The following issues have been identified and commented on in this report:

- Consideration should be given to reviewing the presentation of income from the theatres.
- Consideration should be given to highlighting the $ value of benefits provided to the community.
- A decision on the Facility Management Model requires to be confirmed if the project proceeds.
- There is potentially a further $250,000 in income which could be generated. If this was realised, then the estimated subsidy could be reduced in the range between $100,000 and $150,000 after allowing for proportionate cost escalations.
- Permanent staff resourcing requires consideration with the engagement of a fulltime Facilities Manager.
- The selection and purchase of technical equipment is critical to the operation of the theatres and attractiveness to potential hirers. A detailed breakdown of the Elemental Costs of Technical equipment is required and assessed with budget estimates.
- An effective communications strategy is required to address negative publicity, and objections from competing business (café's, reception centres, etc.) and to articulate the benefits of the Facility.
- Suggested Management and Governance model for the Joondalup Performing Arts Centre Facility.

The development of JPACF is a bold step which requires a significant capital investment by the City of Joondalup. Given the depth of research, financial analysis and risk assessment by independent consultants, the City's Financial Analyst and City Projects team, I believe that a more thorough assessment could not be undertaken by another State or Municipal Authority as the JPACF team have.

The success or failure of such an undertaking does not solely lie with one person or group, instead it lies with the community as a whole and their ability to recognise the benefits both social and financial, in the long term. The challenge for the City is the ability to effectively communicate the advantages of having a facility such as JPACF in the community.

BACKGROUND

Following a meeting with officers of the City of Joondalup, the author was consulted to review the Business Case and supplementary information provided in support of a proposal to build a multi-purpose Performing Arts Centre consisting of two auditoria, rehearsal rooms, exhibition galleries, conferencing and exhibition spaces, bar and catering facilities, curatorial storage, management offices, multi storey car-park and Chinese Cultural Garden.

The City has undertaken a substantial body of research with consultative work engaging specialist architects and planners, economic and market analysts, performing arts industry bodies and arts practitioners. Additionally, the City has used its own internal resources to prepare its financial modelling on the construction and operating costs of the Joondalup Performing Arts Centre Facility (JPACF).

IN SCOPE

This review covers the Financial and Options Evaluation (Appendix 4) as it applies to the auditoria, rehearsal rooms, management offices including the management, income generators and operating costs (pre-opening and operating) and additional comments as observations, and as they relate to the functioning of the JPACF as a fully integrated destination venue servicing a diverse constituency.

OUT OF SCOPE

The following items were reviewed in the course of this assignment however the author cannot verify the accuracy and the assumptions made by the consultants on whose reports the City has prepared the Business Case:

- Economic and Social Impact Assessments
- Project costs
- Capital Funding
- Parking Income
- Appendices 1-3 and 5-9

PRELIMINARIES

A meeting was held with Mr Blignault Olivier, Manager, City Projects, Mr Scott Collins, Senior Project Officer and Mr Alan Ellingham, Senior Financial Analyst from the City of Joondalup in order to receive an overview of the project via a visual presentation and a document which summarised the project including schematic drawings, economic analysis and costings.

REVIEW:

Assumptions:

- This review is based on the modelling prepared using Option 2 (Revised Costings July 2016) with respect to operating income and expenditure for the period Year 5 (2023-24) in the life-cycle of the JPACF.
- The operating income and expenditure has been based on forecasts as at 2023-24 and should be reviewed in line with market rates and conditions which will exist at the time of proceeding with the project.

Operating Analysis:

An independent evaluation of the assumptions detailed in the JPACF Business Case, was undertaken to assess if:

- the validity of the assumptions relating to the income and expenditure were reasonable.
- adequate provision was made for pre-opening expenditure.
- the program model, including attendances, JPACF presentations, commercial and community hires was achievable.
- there were additional sources of revenue not identified in the Business Case.
- additional expenditure was required to successfully operate the facility.
- the value to the community was quantified in $ terms.
- the estimated subsidy of $871k was achievable, all other assumptions being unchanged.

Pre-opening Expenditure

The majority of pre-opening budget of $672k in 2018-19 represents staff costs, which prima facie appears reasonable, however it appears that the marketing budget of $33k is lower than one would expect for the commissioning of a major facility such as JPACF – unless the marketing resources of the City are being utilised.

Notwithstanding the marketing support from the City, provision has to be made for brand development, web design and implementation marketing collateral, etc. This could conservatively cost up to $150k. It is conceivable that this sum has been budgeted in the project costs. if not, the budgeted sum of $672k requires a review and offset from savings extracted from Staff and Administration costs or the cost of brand development, etc. could amortised across the first five years of the life-cycle of the JPACF.

Program Model

Critical analysis was undertaken to determine if the assumptions for the utilisation of the **Primary Theatre** was reasonable as this venue represents a major source of income. The same principles could be adopted for the Secondary Theatre.

Rationale:

Using data from the State Theatre Centre of WA *(Refer JPACF Comparative Analysis)* events/performances across several entertainment genres currently stands at 260. There is no reason that a similar result cannot be attained at JPACF as there are insufficient venues in Perth to accommodate a commercial producer's requirement. The newly refurbished **Regal Theatre** is currently booked solidly, **His Majesty's Theatre** cannot provide dates for commercial productions because of significant commitments to the WA Opera and Ballet companies, **The Astor Theatre** appeals to a contemporary music audience with some comedy for single events but without much appeal to interstate and international production companies who require 'seasons' consisting of more than one performance.

To assess the 'reasonableness' of the number of events which could be presented at the Primary Theatre, a schedule of potential hirers and entertainment genre was prepared *(Refer JPACF Comparative Analysis)* and compared with the Program Model (ref table page 307 JPACF Business Case) as per comparison below:

Primary Theatre	Presented events	Commercial	Community	TOTAL
JPAC Business Case	43	77	68	188
Reviewed - R Gracias	61	114	68	243

Projected Income – Primary Theatre

Notwithstanding that the review identified 55 potentially additional events, for the purpose of this exercise, the number of events identified in the Business Case has been used, with the following modifications:

- Gross rental income has been separated from wage recoveries to differentiate rental income from 'cost recoveries'.
- A 20% administration overhead recovery has been applied to wage recoveries as this is a 'real cost' which was not taken into account in the Business Model.
- Community and City hiring's have been charged at 'full rates' and discounts shown separately so as to quantify the $ value to these groups.
- Presented Events have a net ticketing price of $45 instead of $40. This is because empirical evidence of current ticketing prices to the type of events presented at similar sized venues attract a net ticket price between $55 and $70. The effect of this revised pricing strategy will result in an additional $91k ($822k minus $731k).
- Commercial Hires have been increased by 3. This will result in gross rental income of $215.5k

As a consequence of the above assumptions, a revised Annual Income projection is summarised below which compares with the table on Page 310 of the Business Case (Item 7.6 Annual Income Projections)

	JPACF TOTAL	REVISED MODELLING				
		Ticket sales	Rental	Recoveries	Discounts	TOTAL
	$'000	$'000	$'000	$'000	$'000	$'000
Presented	731.0	822.4				822.4
Commercial	296.9		215.5	110.7	NA	326.4
Community	190.3		183.6	94.3	(103.4)	174.5
Total	**1,218.2**	**822.4**	**399.1**	**205.0**	**(103.4)**	**1,323.1**

Assessment:

1. The JPACF assumptions are conservative and should not be changed. However, the methodology for expressing the income should be considered because:
    a. The pricing at ''full value' to Community and City enables the **value** to the community to be clearly identified - in the above illustration is **$103.4k**.
    b. The income from base rentals should be identified separately from 'cost recoveries' so as to assess whether or not full cost recoveries are being made from individual events.

2. There remains a potential for increased income through the partial recovery of Administration Overhead which is industry practice.

3. One would need to consider the 'value' of JPACF presentations if, the cost of presenting 43 events and earning $822.4 (or $731k) is going to incur a Cost of Sales of 110% or $82.2 and $73.1k respectively. Venue activation could be one possible justification; however, JPACF Management would need careful consideration of the practicalities and cost/benefit of such an initiative measured against attaining bookings from commercial producers/hirers.

<u>Recommendation</u>

1. Recast the Table as illustrated on Page 310 of the Business Plan to identify the separate components of income.
2. Ensure that the community benefits are quantified in the Business Plan.

Secondary Theatre

The principles used in determining the revised model for calculating income from the Primary Theatre can be used for the Secondary Theatre.

As a comparator model for the Secondary Theatre is the State Theatre Centre's data *(Refer JPACF Comparative Analysis).* The estimates provided in the JPACF Business case are reasonable, however the model should be re-cast in a similar manner as used for the Primary Theatre as this would illustrate the community benefit in $ terms, conservatively estimated to be $125,000 for both theatres.

OTHER INCOME

<u>Ticketing</u>

The facility is expected to generate a considerable number of patrons and much of the visitations will require ticketed events. Ticketing is a major income source of PAC's and this income stream appears to have been omitted from the Business Plan.

Every ticket sold comprises of a base price (which the promoter receives) and a 'inside charge' or ticketing fee retained by the venue solely or shared with a third part ticketing agency. The purchaser purchases a ticket which has a combined cost (base price and ticketing fee). There may be additional charges for delivery, credit card, etc.

Ticketing fees (inside charges vary depending on the negotiation with a presenter, base ticket price etc.) varies between $1.50 and $4.50. Naturally, if the JPACF elect to manage ticketing themselves, there are costs such royalty payments to ticketing software providers, staff, etc. associated with such income, however a net return of $1.00 per ticket can be assumed.

Generally, centre's such as the proposed JPACF either use third party ticketing agencies or operate the ticketing 'in-house', as this represents incremental revenue for the facility.

Using the estimated attendances in the Business Case, it would be fair to assume a potential gross income of $158.2k from Ticketing represented by the following table:

Attendances	Tickets	@each	
Theatres	97,400	$1.25	$121,750
Conferences & Exhibitions	36,480	$1.00	$36,480
		TOTAL	**$158,230**
	Less staff costs		$30,000
		Net Income	**$128,000**

Interest Received

A facility such a JPACF will be generating a significant cash flow through the sale of tickets, deposits for venue hire, and various other income streams. Much of these funds would be retained by the facility until events have been presented providing the facility with a substantial cash flow, much of it held in trust accounts until the time for acquittal occurs.

It was noted that there is no assessment for interest earned by the facility from the funds held in trust.

Empirical evidence, which is dependent on turnover, is that there is a potential of between $15,000 to $25,000 in interest earnings which could be factored in the financial projections.

EXPENDITURE

Staff and maintenance cost represent a significant portion of the operating budget and unless carefully budgeted and monitored these expenditures can distort the budgeted net operating subsidy with disastrous results.

Whether through coincidence or not, the projected net subsidy of $871k is about the same amount as the estimated Staff Costs excluding Cost of Sales (page 321 of the JPACF Business Plan).

While an amount of administration overhead is recoverable from hirers (and this should also apply for all theatre, conference and exhibition bookings) where there is a recharge for labour, there is no allowance for the engagement of a fulltime Facility Manager.

A building the size of JPACF requires a dedicated fulltime professional Facility Manager. This cost has been overlooked and will alter the financial dynamics and expenditure projections. It would be fair to say that this cost could be ameliorated either by increasing the cost recovery of wages or via an increased Administration Overhead percentage.

FACILITY MANAGEMENT

A key element to the successful operation of a facility the size of the JPACF is the selection of a management team to ensure that the owner's objectives and the strategic plans of JPAC are being met.

Reference in the PRACSYS report has suggested four possible management options. In my opinion the least preferred in an outsourced model as the Facility has very little opportunity for generating profits from its operations and little incentive for a commercial venue manager. Similarly operating the JPACF as a division of the City of Joondalup is equally disadvantageous to the City for a number of reasons, aside from 'arm's length' management and decision making. An incorporated body such as used for the Bunbury Regional Entertainment Centre should be considered.

http://www.bunburyentertainment.com/view/brec/org-structure-visible

An Incorporated Body, distinct from the City would enable greater sponsorship opportunities and recourse to external sources for funding from State based organisations such as Lotteries Commission and Healthway for Community Performing Arts Programs.

There are a number of national theatre companies funded by a national body (Australia Council for the Arts http://www.australiacouncil.gov.au/) to tour across Australia. These companies often by-pass Perth because of a lack of venue availability or support.

The recommended composition of the Incorporated Body would be three (3) Councillors, the CEO City of Joondalup, one (1) representative from the combined TAFE, ECU and Police Academy, two (2) Community Group representatives. The Incorporated Body (or Trust) could be chaired by a leading business leader from within the City jurisdiction or eminent person with prior corporate and governance experience.

In concluding this review, I concur with the statement made by Pracsys that, quote *"as demonstrated by experience of benchmark performing arts facilities…… there is a potential risk of over-investing in a single cash flow negative cultural and arts facility, with long term ramifications for the City's future budget"* unquote, however, the City's administrators could never be accused for failing due diligence in embarking on a significant and iconic facility for the local and wider community.

Thank you for giving me the opportunity to comment on the proposed Joondalup Performing Arts Facility.

R J Gracias
Dip Acctg, MBA FIPA, FAIM, MAICD

Appendix 10 - City of Joondalup Performing Arts and Cultural Facility Assumptions Review: Paxon Group (September, 2016)

City of Joondalup

Performing Arts & Cultural Facility Assumptions Review

PAXON GROUP

Corporate Finance
Management Consulting
Project Finance and Infrastructure

Perth • Melbourne • Sydney | September 2016 – Version 1.2

Table of Contents

1 Scope and Approach

1.1 Scope

The City of Joondalup are preparing the Business Case for the proposed Joondalup Performing Arts and Cultural Facility ("JPACF"). This facility will provide Perth's northern population with an 'art box' – a place for the pursuit of performing arts, visual arts and crafts, film and media, writing and cultural events.

This Business Case includes a detailed financial evaluation of the project and a 40-year cash flow assessment. Paxon Group ("Paxon") has been engaged to review specific assumptions utilised in the development of these forecasts.

The specific items that are within the scope of this review include assumptions relating to the following items:

- Art Gallery and exhibition space;
- Conferences, special events, weddings etc.;
- Capital replacement costs;
- Utilities Costs;
- Photovoltaic Cells;
- Repairs and Maintenance;
- Café and Food and Beverage; and
- Opportunities for annual grants and sponsorships.

Specifically, Paxon has been engaged to review and provide sensitivity analysis for the "steady state" assumptions, rather than the ramp up profile for the project.

The existing assumptions and details of their source have been taken from the document "Financial and Options Evaluation" ("FOE").

It is noted that there is no current operating or business plan which sets out the model for operation of the facility. Detail of such a plan may impact on a number of the cost elements set out within the analysis. Consequently, assumptions are made in relation to the proposed operating model based on prior experience of comparable facilities and operations, as detailed within the report.

1.2 Approach

The approach taken for each group of assumptions was as follows:

- Determine from the FOE and the supporting documentation what the current assumptions are and, to the extent possible, what they are based on;
- Make an assessment of the reasonableness of the current assumptions and their logical grounding; and
- Determine a revised set of assumptions, incorporating appropriate risk analysis to provide a low, medium and high estimate.

In order to determine low medium and high estimates, Paxon considered a number of simple and advanced evaluation techniques. For many items, it was determined that an advanced risk analysis technique was capable of application.

Advanced techniques involve estimating the probability of the forecasts occurring by constructing probability distributions and interpreting the resulting outputs. A number of probability distributions could be utilised for modelling uncertainty, including:

- Beta –PERT Distribution;
- Lognormal distribution;
- Exponential distribution;
- Bernoulli distribution;
- Triangular distribution; and
- Normal distribution.

Those distribution that are based on a normal or exponential base require significant historical data to assist in the development of the appropriate parameters, such as a mean and standard deviation. In contrast, the beta-PERT is designed to model scenarios without well-defined parameters or with very few inputs, but with estimates for the minimum, maximum and most likely values.

The PERT distribution emphasizes the 'most likely' value over the minimum and maximum estimates. However, unlike the triangular distribution the PERT distribution constructs a smooth curve that places progressively more emphasis on values around (near) the most likely value, in favour of values around the edges.

Assuming that many real-world phenomena are normally distributed, the appeal of the PERT distribution is that it produces a curve similar to the normal curve in shape, without knowing the precise parameters of the related normal curve.

Using the PERT distribution, Paxon estimated the outcomes for a number of key assumptions using a specific risk-modelling product that has generated the probability distributions and conducted the Monte-Carlo simulation. A set of random numbers was generated for a given sample size to provide a set of expected values for the project. These were then fitted to an assumed probability distribution and can be used to estimate the value of risk for a given confidence interval. The simulation has been based on 5,000 random events to determine the mean of the expected outcomes for each risk, and the risk pools.

The low, medium and high estimates are based on the P25, P50 and P75 values for each risk where Monte Carlo Simulation was deemed to be appropriate. These are exceedance values, and represent the probability of a certain value being exceeded. For example, P50 values have a 50% chance of underestimating the outcome, and an equal chance of overestimating the outcome.

2 Art Gallery and Exhibition Space

The Schematic Design Report for the JPACF, prepared by ARM Architecture, allows for an art gallery and additional exhibition space.

The art gallery is expected to be a 400sqm space, with direct access to the main foyer via a generous corridor including the additional exhibition space. Services to the gallery will enable temperature and lighting control, with the aim of facilitating a wide range of high quality touring exhibitions. However, the schematic design does not include humidity control, which prevents the facility from potentially hosting premium exhibitions. This feature is considered a potential "value add".

2.1 Current Assumptions

The FOE does not include any assumptions relating specifically to the art gallery and exhibition spaces.

This implicitly assumes there are no revenues generated by these areas and no operating cost burden beyond that which the FOE takes into account under the building maintenance and utilities assumptions.

2.2 Evaluation of Current Assumptions

Pracsys, in their feasibility study, based the model program for these spaces on existing programs, market analysis and expert opinion. The program predicts that the key uses will be:

- The Joondalup Community Art Exhibition;
- The Invitation Art Awards; and
- Other popular exhibitions.

The art gallery and exhibition spaces are not expected to generate any revenue.[1] Rather, these spaces are intended to contribute to the cultural significance of the JPACF and enable the facility to attract a higher calibre of performing arts events.

The assumption that there is no revenue directly associated with these spaces is appropriate. Art galleries across the State will only charge admission fees for exclusive and special shows, predominantly from overseas. Without humidity control, the JPACF would not be eligible to host exhibitions of this calibre. If the JPACF exercised the option to include humidity control as a "value add", the ability to attract revenue generating shows would remain inhibited by the dominance locally of the Art Gallery of Western Australia, as well as the prohibitive costs associated with attracting these exhibitions.

The absence of any assumptions relating to the art gallery and exhibition spaces implicitly assumes there are no operating costs associated with these areas. This is not considered reasonable, as these spaces will incur incremental operating costs, as detailed below.

---

[1] Whilst these areas are available for events hire and functions, analysis of the cash flows associated with venue hire is included in section 3.

There is also likely to be an additional staffing cost associated with the gallery, for a security guard, gallery guard or similar overseeing role or roles. The nature of this cost will be dependent upon the proposed operating and exhibition model for the gallery, so is not able to be determined with confidence given currently available information.

2.3 Proposed Assumptions

The City of Joondalup is likely to incur costs directly associated with the operation of the art gallery and exhibition spaces. These costs will relate to the management of the exhibitions and the maintenance of the facilities and the collection.

Within the context of the JPACF, many of these recurrent costs will be most efficiently managed through existing facilities management arrangements, in order to take advantage of economies that will be created through the bundling of responsibilities. The incremental impact of bundling these responsibilities within contracts (or assigned to existing FTEs) is considered to be adequately captured by the utilities and maintenance assumptions, which work on the basis of capital cost and total building area. However, should the humidity control option be included the utilities consumption assumptions will need to be revised accordingly to reflect greater power usage.

Without regular touring exhibitions, there may be additional capital costs associated with the acquisition of a collection worthy of display of significant public interest. This potential cost is difficult to quantify at this stage, and will require a curatorial evaluation of the current collection in terms of quality and composition, before determining the need for additional acquisitions.

3 Venue Hire (Excluding Theatres)

The schematic design incorporates a number of spaces that could potentially generate venue hire revenue. This includes the plaza as well as a mixture of performance and visual arts studios, practice rooms and meetings rooms together with a flexible conference facility.

Table 1 provides and overview of the respective sizes and capacities of these areas.

Table 1: Venue Hire Overview

Description	Area	Max Capacity (Banquet)	Max Capacity (Lecture)
Plaza	2,000	n/a	1,000
Gallery	400	200	336
Exhibition Space	2,000	n/a	1,000
Craft Studio	189	50	63
Drawing and Painting Studios	378	120	183
Conference / Function	567	130	191
Practice Rooms	108	n/a	n/a
Music Studio	90	n/a	n/a
Dance Studio	378	80	n/a
Rehearsal Rooms	756	220	373

3.1 Current Assumptions

The initial assumptions for usage, pricing and costs were based on the Pracsys feasibility study and before coming under review by the City in 2014. The review considered that estimated utilisation was optimistic and revised these assumptions down as a matter of prudence. The following sections provide details of the finalised assumptions within the FOE.

3.1.1 Community Subsidies

The FOE shows that community groups will receive a 30% subsidy on the commercial rate of hire for the areas outlined above. Generally, as a matter of policy, the City of Joondalup subsidises facility hire charges if a local not-for-profit group is able to demonstrate that at least 50% of its active members reside within the City of Joondalup. The Facility Hire Subsidy Policy provides a range of between 50%-100%.

However, this policy does not apply to facilities contained within the City of Joondalup Leisure Centres, and may not apply to the JPACF. As this assumption represents a matter of policy it was not tested further.

However, the availability of larger subsidies at other City-managed facilities may shift community demand away from the JPACF to another of the existing halls, clubrooms or community facilities within the region.

3.1.2 Visual Arts, Craft, Dance and Music Studios

The FOE assumes there will be 1,026 hires per annum, averaging 20 attendees. This assumption implies that these studios will hired out a little under 3 times per day for 365 days of the year.

The FOE does not differentiate between hires for art or rehearsal purposes, and hires for private functions. This may affect projections, as the nature of the hire will have implications for demand, as well as for revenue generating activities (e.g., food and beverage).

Only 2.6% of these hires will be for community use, and the commercial rate is $125.00 for each hire. Finally, the only operating expense incurred in leasing out these studios is the cost of a duty technician for a single hour.

3.1.3 Conference & Function Rooms

The FOE assumes there will be 399 hires per annum, or just over one per day of the year. The average number of attendees is assumed to be 40, and 62% of hires will be community related. The commercial rate for each hire is $600.00 and the only operating expense incurred in leasing out these studios is the cost of a duty technician for four hours.

3.1.4 The Art Gallery & Exhibition Space

The FOE does not include any assumptions relating to forecast utilisation or operating cash flows for the hire of these areas.

3.2 Evaluation of Current Assumptions

3.2.1 Visual Arts, Craft, Dance and Music Studios

The Pracsys feasibility study used a revealed preference model to develop demand projections for JPACF facilities. Table 2 shows the implied annual demand for the studios based on this model.

Table 2: Participation to JPACF Event Conversion

	Formal Participation	JPACF Market Share	JPACF Participants	JPACF Events Participation	JPACF Events
Arts and Crafts	11,280	7.09%	800	14,400	1,440
Music	16,469	8.06%	1,328	23,904	2,390
Dance	13,300	5.41%	720	12,960	1,296
Theatre	4,232	6.99%	296	5,328	533
Total	**45,281**	**6.94%**	**3,144**	**56,592**	**5,659**

As outlined in Figure 33 of the Pracsys report, formal participation rates are used to estimate the number of JPACF events using the following steps:

1. Estimate the JPACF market share;
2. Assume each participant undertakes 18 attendances per year;
3. Assume an average class size of 10.

This methodology results in a much higher studio demand forecast than that utilised by the FOE and was presumably revised downwards as part of the 2014 review.

However, this analysis fails to take into account where these activities are currently taking place, and whether there is scope to convert any forecast participation in these areas into demand for the JPACF studios.

As identified within the Pracsys report, the majority of adult participants in these activities are not engaging in organised activity such as lessons, classes, clubs or interest groups. Whilst participating in these activities, these adults are not likely to contribute towards demand for JPACF studios. Additionally, Pracsys was not able to identify any shortage of suitable venues for engaging in these activities and did not present any evidence for unmet demand beyond ABS surveys of culture and arts participation.

Without sufficient evidence, it is difficult to justify the demand estimate for the JPACF studios.

3.2.2 Other Venue Hire

The Pracsys feasibility study indicates that the case for further conference or function facilities within the Joondalup catchment is marginal at the present time. Additional conference facilities at the JPACF would probably be redundant as existing conference and function venues are currently under-utilised. Whilst there is a case for future growth, this is dependent on the City of Joondalup's maturation as an economic centre and is inherently uncertain.

This analysis of the local market for conference or function facilities is consistent with the views of existing facilities in the catchment area, including the following:

- Joondalup Reception Centre;
- Joondalup Arena; and
- Joondalup Resort.

During consultation, these venues expressed concern with the JPACF's plan to bring forward additional supply.

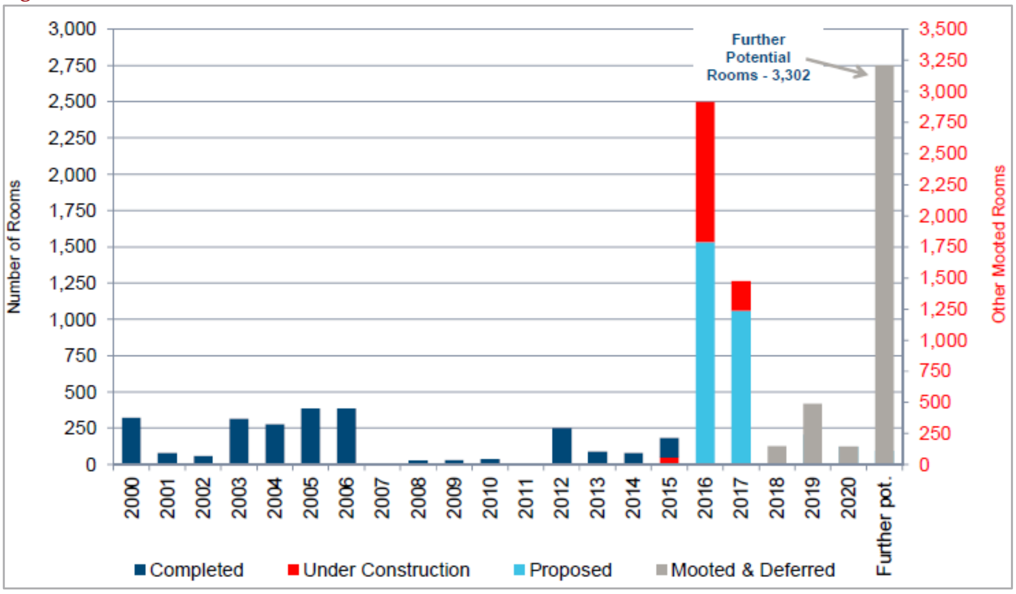
Nationally, the exhibition and conference centre industry is expected to post moderate growth over the next five years. A major determinant of industry demand is business confidence, as future expectations largely determine whether organisations believe events will be successful in terms of future revenue streams. Looking forward, IBISWorld forecast that business confidence will fall and conference industry revenue will grow by a meagre 1.3% during the 2015/16 financial year. Over the medium term, industry revenue is projected to grow by an annualised 2.3% over the five years through 2015-16. The existing excess capacity for conference and function space and the moderate growth outlook suggests the utilisation of the JPACF conference and event space will be poor.

The Pracsys report notes that Perth CBD conference venues are quite full, and suggests therefore that there is potential for increased demand in Joondalup. However, this analysis fails to contemplate any planned additional supply that is set to enter the Perth market over the coming years. Colliers International report that Greater Perth currently has 1,215 hotel rooms under construction, with 3,698 rooms in total mooted for construction to 2020. An additional 3,300 rooms are at various stages of consideration by developers.

A number of these rooms are to be housed within new or refurbished hotels which will offer competing conference facilities. While the exact specifications of these hotels is yet to be determined, an estimate based on current market breakdown is that there will be an additional five hotels offering these services.

The following graph illustrates the number of hotel rooms completed in the past in Perth and potential ones coming on line in the future. This aligns with a related growth in available conference and function facilities.

Figure 1: Perth Hotel Room Construction 2000-2020



Taken together, these factors suggest the City of Joondalup should be very cautious before assuming there will be any market for the conference facilities.

3.2.3 Food and Beverage Offering

The FOE does not contemplate potential revenues from any ancillary services provided to conference and function hires. There may be opportunities to offer catering services and generate additional revenues.

The restaurant operator could potentially provide these services, which is an arrangement that is evident in benchmarking analysis. Alternatively, the JPACF could procure the services of an external caterer, particularly where the scale of an event is beyond the capabilities of the restaurant. However, as the conference and function rooms only include a warming kitchen, an offsite preparation kitchen will be required, limiting the pool of potential outside caterers.

Under either arrangement, the JPACF would earn a commission based revenue stream that was tied to catering revenues. This commission would be between 9.00 and 12.00%, based on similar commercial arrangements.

3.3 Proposed Assumptions

In order to devise revised projections, the number of hires per year were estimated for each of the spaces available for hire within the JPACF (excluding theatres).

The current FOE figures were used to inform the maximum venue hire demand, acknowledging that there is weak evidence to support these figures. These figures were apportioned across the spaces in the amounts implied by the Pracsys report.

The most likely demand was estimated to be 70.00% of the maximum parameter, and the minimum demand by definition is zero. This level was chosen based on the identified low underlying demand for function and conference spaces, availability of alternative venues in the catchment and Perth CBD, and an assessment of activity levels at benchmark facilities.

Table 3 presents the results of this analysis.

Table 3: Venue Hire Demand Estimates

	Low	Medium	High
Plaza	4	5	6
Gallery	5	6	8
Exhibition Space	4	5	6
Craft Studio	93	119	142
Drawing & Painting Studios	40	51	61
Conference / Function	189	242	289
Practice Rooms	81	104	124
Music Studio	138	177	211
Dance Studio	119	153	182
Rehearsal Rooms	49	63	75

In terms of community use, the distribution of possible outcomes will lie between 0-100% with the most likely result depending on the particular area in question. Conference space was determined to be most likely to be used equally by commercial and community groups. Community groups are forecast to account for 30.00% and 10.00% of event and studio space respectively, based on an assessment that hire of studios for classes or similar activities is most likely to be by commercial operators. Table 4 presents the results of this analysis, showing the estimates for the proportion of commercial use.

Table 4: Commercial Use

	Low	Medium	High
Plaza	50.68%	64.89%	77.48%
Gallery	50.68%	64.90%	77.49%
Exhibition Space	50.67%	64.90%	77.48%
Craft Studio	66.90%	79.73%	89.36%
Drawing & Painting Studios	66.89%	79.73%	89.35%
Conference / Function	35.94%	50.00%	64.05%
Practice Rooms	66.89%	79.73%	89.36%

	Low	Medium	High
Music Studio	66.90%	79.73%	89.36%
Dance Studio	66.89%	79.73%	89.36%
Rehearsal Rooms	66.89%	79.73%	89.36%

Proposed Pricing for the respective areas is based on market rates at similar facilities. The pricing for function hire spaces is based on publicly available rates for Venues West function spaces, which is shown in Table 5.

Table 5: Venues West Hire Rates

Description	Max Capacity (Banquet)	Max Capacity (Lecture)	Price
Champions Club	60	100	$473.00 per half day
Executive Suite	20	40	$342.00 per half day
Lecture Theatre	n/a	220	$589.00 per half day
Fred Napier Conference Room	60	90	$473.00 per half day
Ellis Room	200	100	$589.00 per half day

As the proposed conference facilities will accommodate 191 guests lecture style, it was determined that the pricing should be slightly higher than the lecture theatre available within the Mount Claremont sports precinct. This premium reflects the standard of the facility and the greater flexibility inherent within the space, and provides a venue hire cost aligned to similarly sized facilities in the CBD and surrounds.

For the various studio rooms, pricing was informed by rates at Curtin University, which similarly has a wide variety of studio space available for hire. Market evidence was also taken from Ausdance, who manage venue hire for the Kings Street Arts Centre studios located within the Perth CBD.

Table 6: Studio Hire Rates

Description	Max Capacity	Price
410.208 Studio	46	$100.20 per hour
410.314 Studio	44	$100.20 per hour
410.428 Studio	44	$100.20 per hour
Collaborative Teaching Rooms	< 25	$75.20 per hour
Ausdance Hire Rates	40	$65.00 per hour

The Curtin rooms were determined to be the more comparable, and pricing for the JPACF was based on these rates.

No distinction has been drawn between the various studio options, although the hire for practice rooms is lowered based on the low capacity of these rooms and likely use for individual use or tuition. Function space hire rates assume that there are limited add-on options, such as tea and coffee provision, basic catering or welcoming and staff presence as is seen at comparable facilities. There are no costs associated with these functions, so revenue is aligned with a basic service level. Given the identified competition in the market, it may be necessary to investigate such differentiating options to deliver a reasonable volume of functions and events.

Table 7: Venue Hire Fees

Area	Price
Plaza	$1,000 per half day
Gallery	$600 per half day
Exhibition Space	$600 per half day
Craft Studio	$100 per hour
Drawing & Painting Studios	$100 per hour
Conference / Function	$600 per half day
Practice Rooms	$50 per hour
Music Studio	$100 per hour
Dance Studio	$100 per hour
Rehearsal Rooms	$100 per hour

Labour requirements have been estimated based on the size of the space and the nature of its use.

Table 8: Labour Requirement

	Manager	Technician	Usher
Plaza	1	1	2
Gallery	-	1	2
Exhibition Space	1	1	2
Craft Studio	-	-	-
Drawing & Painting Studios	-	-	-
Conference / Function	-	1	1
Practice Rooms	-	-	-
Music Studio	-	-	-
Dance Studio	-	-	-
Rehearsal Rooms	-	-	-

These labour requirements are dependent on the level of service associated with venue and facility hire. The presence of other supervisory or facility management staff will also impact on the requirement of dedicated staff for these areas, however as no analysis of the overall workforce model has been conducted this is not considered above. The proposed staffing provides for dedicated staff to handle visitors for larger conference and function-style events.

4 Capital Replacement Costs

The large capital investment associated with the facility brings with it large capital replacement costs.

The JPACF is comprised of a number of different systems and components, crossing civil, mechanical, and electrical construction disciplines. Each of these components works interdependently with others to allow the facility to function efficiently. These components age and deteriorate at varying rates, and will need to be maintained and replaced at various stages of the building's lifecycle.

The lifespan of each component is difficult to predict, and actual service life depends greatly on local environmental factors, use and abuse, and levels of routine maintenance accomplished. Periodic repair or replacement of the various deteriorated components is needed to restore condition and performance capabilities for the component and the building as a whole.

4.1 Current Assumptions

The FOE breaks down constructions costs into six different components and assigns a maximum life to each of these components. The FOE then selects a condition that each component may reach before the City will need to renew them, and calculates the renewal life (service life) based on this basis.

Only capital expenditures that are within the 40-year evaluation period are included within the FOE. These costs are modelled as they are incurred over the project's 40-year life. The total capital renewals in real terms is $23,765,565 (roughly 24% of the initial capital cost). In nominal terms, this equates to $79,433,130.

4.2 Evaluation of Current Assumptions

Table 9 presents the maximum life and renewal life assumptions detailed in the FOE.

Table 9: Capital Renewal Assumptions

Component	Maximum Life	Renewal Life
Structure	80	80
Roof	80	80
Fixtures & Fittings	40	24
Services(1) – Long Life	40	40
Services(2) – Short Life	20	16
Equipment	20	16

When compared with benchmark capital asset planning practice,[2] these assumptions overestimate the time before which renewal will be required.

[2] Referenced to Recurrent Cost Plan for recent project within Western Australia, comparable in nature and scale to JPACF.

In addition, modelling capital renewals as a lumpy profile of capital replacement costs (with the majority of expenditures incurred beyond the project evaluation period) has the potential to skew perceptions of the apparent financial position of the JPACF.

Industry profit margins are traditionally quite high because of the relatively low revenue generated from individual assets as a proportion of the industry's capital assets. High margins are required to cover investment costs. Whilst not a review of assumptions per se, it is recommended the City of Joondalup consider what size contributions would need to be made to a hypothetical sinking fund to enable the satisfaction of future liabilities as they arise. This would provide a better picture of the JPACF's financial performance.

4.3 Proposed Assumptions

To determine the necessary major repairs and component replacements for the JPACF, and to approximate the timing of that work, a building component model was defined.

Similar to the approach adopted in the FOE, this model creates an inventory of components that comprise the building, and assigns a service life to each, reflecting the average expected time that the component will perform as required in service before it will need replacing. Table 10 shows the inventory of components, and the corresponding service life.

Table 10: Inventory of Building Components

Component	Capital Value	Service Life
Substructure	$3,554,600	50 Yr(s)
Superstructure	$36,761,400	50 Yr(s)
Finishes	$4,858,400	10 Yr(s)
Fitments	$8,564,400	7 Yr(s)
Services	$20,577,000	15 Yr(s)
External Works	$4,677,000	15 Yr(s)
External Services	$1,175,000	15 Yr(s)

The service life assumptions are from cost planner estimates developed for comparable recent projects[3].

The assumed escalation was 4.28% per annum, representing the average annual change in the price index for building construction within Western Australia from September 1998 through to June 2016.

[3] The reference projects used were feasibility studies and cost plans developed between 2014 and 2016 for metropolitan facilities in the cultural and recreation category, within Western Australia. The estimated capital cost of the projects considered ranged between $30m and $70m.

4.3.1 Requirement for Lifecycle Replacement

The costs shown in Table 10 exclude all preliminaries and design costs, so relate only to construction capital amounts. In considering the requirement for lifecycle replacement, there is the potential that not all capital against a category would be required to be replaced at the interval shown. For example, within the services category, while it may be necessary to replace air conditioner chillers and outlets, the piping and connections may not require as frequent capital replacement.

Similarly, a decision may be made to delay lifecycle replacement works on aspects of the facility. For example within the finishes category, wall and floor finishes may be renewed more regularly than roof finishes, while still presenting a facility of contemporary appearance.

As the assumed lifecycle replacement periods are based on cost planner best practice estimates, there may be an opportunity to reduce the frequency of replacement of some elements of the capital cost. As the capital cost element does not provide significant additional detail over the categories presented above, this is not done on a cost item basis, however overall percentage costs for replacement can be assumed.

Table 11 presents the assumed value of each component requiring replacement within the timeframes provided, based on an assumed percentage of 70% of initial capital cost requiring replacement.

Table 11: Assumed Replacement Values

Component	Capital Value	Assumed Value Requiring Replacement
Substructure	$3,554,600	$2,488,220
Superstructure	$36,761,400	$25,732,980
Finishes	$4,858,400	$3,400,880
Fitments	$8,564,400	$5,995,080
Services	$20,577,000	$14,403,900
External Works	$4,677,000	$3,273,900
External Services	$1,175,000	$822,500

4.3.2 Range of Assumptions

Monte Carlo analysis was conducted on both service life and escalation to account for the following risks:

- The time at which capital replacements are required, based on best practice useful life estimates; and
- The price at which the City of Joondalup can carry out capital replacements.

This analysis was carried out using beta-PERT distributions for each risk in the manner described in Section 1.2.