



Funding Strategy

KUNUNURRA AQUATIC & LEISURE CENTRE REDEVELOPMENT PROJECT

Prepared for
Shire of Wyndham East Kimberley
By NAJA Business Consulting Services



Business Consulting Services

ABN 42 759 221 541

M +61 419 930 467
E info@naja.com.au
W naja.com.au



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This funding strategy has been developed on behalf of the Shire of Wyndham East Kimberley by NAJA Business Consulting Services. Recommendations provided in this report are based on the financial and operational information provided by the Shire of Wyndham East Kimberley, along with research into information regarding funding opportunities which may be appropriate for this project. The Shire of Wyndham East Kimberley should seek formal advice from a finance professional before making any financial commitments.



1. Background

The Shire of Wyndham East Kimberley have developed a comprehensive business case outlining their intention for the redevelopment of the Kununurra Aquatic and Leisure Centre on the current site. The project will encompass an infrastructure program that delivers in four stages an aquatic facilities upgrade, zero depth water splash pad, sports leisure centre facilities upgrade and various other additional facilities. The current project cost estimates to undertake all four stages is in the vicinity of 22,326,541 exclusive of GST.

This funding strategy has been prepared to assist the Shire of Wyndham East Kimberley to make an informed decision as to the funding model to adopt in financing this project and should be read in conjunction with the business case and cost benefit analysis report.

This strategy outlines the funding options available to the Shire of Wyndham East Kimberley, along with an exploration of issues and opportunities it should also consider.

A risk profile is provided to assist the Shire of Wyndham East Kimberley to manage the risks associated with the undertaking. Finally, a potential approach to funding is outlined for the Shire of Wyndham East Kimberley's consideration.

This document has been prepared based on information from the Shire of Wyndham East Kimberley regarding their current financial position, along with their intentions related to governance and the operations of the proposed project. It is not formal financial advice and the Shire of Wyndham East Kimberley should ensure they consult with a finance professional before making any commitments with financial implications.

2. Project Funding Options

There is a range of options that the Shire of Wyndham East Kimberley can consider when looking for funding to support the redevelopment of the Kununurra Aquatic and Leisure Centre. Based on the magnitude of funds required, it is suggested that a combination of funding streams may be necessary.

To assist the Shire of Wyndham East Kimberley in making an informed decision regarding their funding mix, an overview of funding options and implications are discussed, looking specifically at grant funding, commercial loans, local government loans, crowdfunding, sponsorship and fundraising.

2.1. Grant Funding Opportunities

Grants are generally made by governments or organisations (such as corporations or foundations), with the intention of supporting activities that have a wider benefit to the community, or a group within the community. Grants will often have a particular theme or focus aligned to the priorities of the funding body.



Grants are generally provided for projects that would be difficult to run on a commercial basis but have an important community benefit – this benefit means that the funding body sees the value in investing in the project.

Grants are payments made for a specific purpose and do not have to be repaid. They do, however, require the recipient to follow through on delivering the project that has been funded in the way they proposed to the funder (with authorisation sought for any variations). At the completion of the project, an acquittal is generally required – this means that the recipient needs to account for how the funds were spent. Most acquittals also require an explanation of the outcomes of the project. Many funding bodies require acknowledgement of their contribution in ways such as the use of their brand in promotional material or at launches and in publicity.

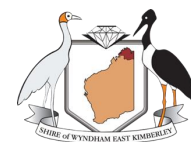
There is a vast array of grants available, however, they are generally quite specific. They also have different opportunities in terms of applying – some grants are ‘always open’ and applicants can submit a request for funding at any time, other grants are offered in ‘rounds’ – meaning there are short windows during which applicants can make a funding request.

Grants offer a useful way for organisations to access funds for projects, rather than using their own funds – allowing them to deliver a better project than they could individually, to deliver a project they couldn’t afford to without funds, or to use grant funds to deliver the project and use their own funds to undertake another project. It should be noted that many grants require a co-contribution from the organisation – this can be in a variety of forms, with each grant having individualised conditions. Examples of co-contributions include sourcing other grant funds, funds from the organisation or in-kind contribution (cash equivalent provision of goods and services) from the organisation and/or partners.

It is important to note that application for funds from a funding body is not a guarantee of success. It is possible that even a highly suitable project with an excellent application may miss out on funding. Grant funds are often oversubscribed and highly competitive.

An excellent application may miss out on funding because there are other equally compelling, well-prepared applications, potentially which may align more tightly with the funding bodies priority. In preparing any grant application, it is essential that the organisation engage with the funding body from the outset to discuss the project and ensure that the proposal is shaped to maximise the likelihood of success.

A synopsis of potential funding options is listed on the following pages. This information is current at the time of preparation of this Funding Strategy; however, the majority of these funds are provided by Federal or State government and conditions are liable to change, with grant conditions potentially changing and/or grants being withdrawn. There is also the possibility of new grant funds being created.



Funding Option	Overview	Available Funds	Other details
FEDERAL GOVERNMENT GRANTS			
Department Infrastructure, Regional Development & Cities – Building Better Regions Fund (BBRF) Infrastructure Projects Stream	The BBRF supports the Government's commitment to create jobs, drive economic growth and build stronger regional communities into the future. The Infrastructure Projects Stream will support projects which involve the construction of new infrastructure, or the upgrade or extension of existing infrastructure that provide economic and social benefits to regional and remote areas	\$200 million in the 2018–19 Budget. The minimum grant amount is \$20,000. The maximum grant amount is \$10 million.	Grant funding will be up to 50 percent or 75 percent of eligible project costs. Depending on location.
Department Infrastructure, Regional Development & Cities – Building Better Regions Fund (BBRF) Community Investment Stream	Community Investment Stream will fund new or expanded local events, strategic regional plans, or leadership and capability strengthening activities that provide economic and social benefits to regional and remote areas	Minimum grant amount is \$5,000. Maximum grant amount is \$10million.	Grant amount will usually be 50 percent of eligible project costs but may be up to 100% for small projects under \$20,000.
Sports Australia - Community Sport Infrastructure (CSI)	Supporting small to medium scale projects to improve local community sport infrastructure which will support greater community participation in sport and physical activity and/or offer safer and more inclusive community sporting hubs.	Three grant streams are available: Stream 1 up to \$50,000 Stream 2 \$50,001 to \$200,000 Stream 3 \$200,001 to \$500,000	
STATE GOVERNMENT GRANTS			
Department of Local Government, Sport and Cultural Industries – Community Sporting and Recreation Facilities Fund	The purpose of the fund is to provide Western Australian Government financial assistance to community groups and local government authorities to develop basic infrastructure for sport and recreation.	\$12 million available for 2019/20 round. \$166,667–\$2,000,000 will be allocated to large-scale projects over \$500,000. Implementation period 1-3 years.	One round per year. Applications open in June and successful applicants being notified in February of the next year. Priority will be given to projects that lead to facility sharing and rationalisation.
Regional Development Commissions – Regional Economic Development Grants (RED Grants)	A State Government initiative that invests in community-driven projects to stimulate economic growth and development in regional Western Australia. The grants will support individual projects that promote sustainable jobs, partnerships, productivity, skills and capability, as well as stimulate new investment and industry diversification.	20198/20 State Budget. Eligible applicants can apply for RED Grant funding of up to \$250,000 for individual projects.	One Round per year. Need to contact relevant Regional Development Commission for details.
Lotterywest – Furniture and Equipment Grant	The grant supports the purchase of furniture and equipment such as office items, telephone and filing systems, resource materials, whitegoods, toys, musical instruments and workshop tools.	Accepts applications from \$1,000. There are no set limits on how often you can apply.	Organisations can apply at any time and applications will generally take 4 months to progress to the Lottery Board for consideration.



Funding Option	Overview	Available Funds	Other details
STATE GOVERNMENT GRANTS continued			
Lotterywest – Information Technology and Web Grant	Information technology and web grants can help organisations innovate, build their capacity and add value to their business. Examples include funding to develop websites, purchase computers, software and establish ICT systems.	Accepts applications from \$1,000. There are no set limits on how often you can apply.	Organisations can apply at any time and applications will generally take 4 months to progress to the Lottery Board for consideration.
Lotterywest – Community and Workplace Buildings Grant	Community and workplace building grants can help develop spaces where people can come together to share interests, seek support, or carry out work for community organisations.	Accepts applications from \$1,000.	As above
Lotterywest – Community Spaces Outdoor Grant	Outdoor community spaces grant help create spaces for people to come together and take part in activities that benefit their well-being. Examples include the funding of playgrounds, skateparks, earthworks and shade facilities.	Accepts applications from \$1,000.	As above
LOCAL GOVERNMENT GRANTS			
Local Community Sponsorship Program	Provides funds to assist community-based organisations within local towns for the development of social, cultural, economic, recreational, environmental and reconciliation projects and initiatives that benefit the local community	Area specific	
Local Economic, events and Tourism Development Funding Stream	Provides funds to assist organisations local towns to develop economic, events and tourism projects and initiatives that benefit the local community.	Area specific	
Local Ad Hoc Community Sponsorships	Provides funds quickly to support smaller projects and initiatives. Locally based and to be used for development of social, cultural, economic, recreational, environmental and reconciliation projects and initiatives that benefit the local community	Area specific	Submit application at least 4 weeks prior to event or commencement of project
CORPORATE GRANTS			
Commonwealth Bank - Staff Community Fund's Community Grants Program	Supports initiatives that improve the health and wellbeing of Australian children, awarding community groups grants to fund programs that will directly benefit local communities.	Up to \$10,000	To be eligible, organisations need to: <ul style="list-style-type: none"> • Support the health and wellbeing of Australian children • Identify realistic, measurable and achievable project goals and outcomes • Be endorsed by ATO with DGR status
ANZ - Foundation for Rural and Regional Renewal – Seeds of Renewal Grant	The ANZ Seeds of Renewal program focuses specifically on supporting education and employment initiatives that support local economies in rural, regional and remote areas, with consideration given to projects that benefit communities with a population of fewer than 15,000 people.	ANZ commits at least \$250,000 which is distributed through grants of up to \$15,000 to community organisations for	One round per year. Applications from sporting organisations need to clearly demonstrate a benefit to the wider community and state which other local organisations are involved.



Funding Option	Overview	Available Funds	Other details
		projects focused on these areas.	
CORPORATE GRANTS continued			
Bank West - Easy Grants	Community based grants. Have to be a Bank West customer.	\$200 or \$1000	Ongoing- monthly. first 40 applications are put to public vote. 6x \$1000 go to the projects with the most votes, the rest get \$200.
MacDonald's - Community Grants	Grants are available for programmes with measurable social outcomes, especially relating to the health and wellbeing of children	No set amounts	Ongoing
IMB Community Foundation	The Foundation supports projects that reflect its objectives, which include enhancing the economic self-sufficiency of communities, as well as generating economic, social, cultural, environmental, tourism and educational benefits for those communities.	Most applications range between \$1,000 - \$30,000 but there is no maximum or minimum amount of funding	
FRRR - Small Grants for Rural Communities	Projects funded through this program address the following areas: Building Community Resilience, Developing Organisational Resilience and Capacity, Enhancing Environmental Sustainability, Fostering Cultural Vibrancy, Lifelong Education & Training, Economic Strength, Improving Community Health & Social Wellbeing	Funding up to \$5,000.	Organisations demonstrating community partnerships and Communities with a population less than 10,000 receive priority.
IGA Community Chest	Local IGAs have access to funding for small community projects at local, regional or state level.	Not specified	Ongoing. Need to approach local IGA with a pitch about the organisation and what is needed.

2.2. Grant Readiness

Documentation often required for grant applications includes a Business Case, Needs Analyses, Life Cycle Cost Report, Feasibility Study, Building Analysis Report, Risk Management Plan, building quotes, other funding commitments and letters of support. Certain grants also stipulate, or favour, projects that promote certain Federal or State initiatives: see examples in sections 2.2.1 to 2.2.4 below for four of the major grant programs.

All of this information has been gathered by NAJA Business Consulting and utilised to prepare a detailed business case and a cost benefit analysis for the project. These documents can now be utilised by the Shire of Wyndham East Kimberley for any future grant applications or financial support requests it is seeking.



2.2.1. Department of Local Government, Sport & Cultural Industries - Community Sport and Recreation Facilities Fund (CSRFF)

The grant offered by The Department of Local Government, Sport and Cultural Industries (DLGSCI) from the Community Sport and Recreation Facilities Fund (CSRFF) favours projects that see multiple organisations utilising single facilities to better consolidate capital infrastructure investment and improve the ability of organisations to meet the ongoing maintenance and renewal costs of facilities. Projects also focussing on increasing the participation of females in sport are also considered highly.

It is also important that projects have clear local government support, ideally with a financial contribution. It is difficult for DLGSCI to approve state funding for projects that do not have a contribution by a local government that indicates it is a local priority.

In terms of the grant application's requirements, requirements (in addition to information about the entity applying for funds) for the 2019/20round were:

- Detailed project description.
- Overview of organisations who will use the facility.
- Project delivery with realistic milestones.
- Either two written quotes for each expenditure item OR in the case of applications from local governments, quantity surveyor costs
- Photographs of existing infrastructure being replaced or upgraded.
- Locality map (A3 format)
- Site map (A3 format)
- Building plans (A3 format)
- Written confirmation of financial commitment from other funding sources or confirmation of when application for other funding will be approved, along with minutes from local government indicating any support for the project
- Financial statements to demonstrate ability for organisation to meet their commitments to the project.

Where funding requested is more than \$500,000, additional documentation is required: Needs analysis, Concept design, Feasibility Study, Management Plan and Life Cycle cost analysis.

2.2.2. Sport Australia – Community Sport Infrastructure

In the 2019 Budget, the Australian Government announced it would invest \$29.7 million in 2019-20 to improve local community sport infrastructure. This investment will support minor capital projects of small to medium scale, through the provision of grants valued up to \$500,000. The grant program commenced in August 2018.

The objective of these grants is to support local communities to participate, recreate, learn and develop together. The grant has two guiding themes: Community Sporting Hubs and Inclusion. Both are focussed on encouraging greater levels of participation in community sport and physical activity.



The theme of Community Sporting Hubs revives the role of community sporting clubs and facilities as central to the functioning of local communities, increasing their relevance to new and existing participants. Community Sporting Hubs will support use of infrastructure by new and diverse community groups, positioning local sporting facilities as relevant, central gathering places; the new ‘town hall’.

Innovative upgrades that bring communities together is the central tenet of Community Sporting Hubs. Initiatives could include:

- a club, in partnership with a community garden group, upgrading kitchen facilities to prepare local/ cultural food and creating new social spaces for participants to connect with each other;
- a partnership between neighbouring clubs to provide shared wellbeing spaces including change room facilities, social spaces and multipurpose physical activity spaces; and/or
- investing in active spectator spaces where community members can gather, socialise and be active when watching sport.

The theme of Inclusion supports the important role that community sport infrastructure plays in offering welcoming, inclusive and accessible participation opportunities for all members of the community. As Australia’s population grows and diversifies, Inclusion projects will ensure community sport infrastructure evolves to meet changing needs of new user groups.

Innovative upgrades that ensure all members of the community can participate in sport and physical activity is the central tenet of Inclusion. Initiatives could include:

- lighting of infrastructure including walking/running tracks, courts and grounds to provide safe and active travel spaces for communities;
- building additional umpire change rooms to provide a safe, private space for female officiators; and
- converting swimming pools into multiple spaces by creating flexible and adjustable partitioned walls to accommodate different activities, cultural sensitivities and/or water play.

Applications can support one or both themes and propose an additional innovation to increase participation.

2.2.3. Department of Infrastructure, Regional Development and Cities – Building Better Regions Fund

The Department of Infrastructure, Regional Development and Cities (DIRDC) manages the federal government’s Building Better Regions Fund (BBRF) with grant rounds generally open once per year towards the end of the year.

The Infrastructure Projects Stream of the BBRF supports projects that involve the construction of new infrastructure, or the upgrade or extension of existing infrastructure that will provide economic and social benefits to regional and remote areas. This fund is highly competitive and a strong application is essential.



BBRF applications are assessed on four merit criteria and successful applications need to score highly against each of the criteria. The criteria and examples of the indicators of demonstration are:

- Economic benefit – projects that encompass increasing economic activity, improvements in productivity, wider access to markets or fairer and more equitable economic outcomes.
- Social benefit – projects that contribute to increasing regional amenity, improving community connections and inclusion and providing opportunities for learning and knowledge creation.
- Project delivery – the capacity, capability and resources of your organisation to successfully carry out the project.
- Impact of grant funding – identifying the total investment the grant will leverage, the extent to which the project leverages additional partnerships and the likelihood the project would proceed without the grant. Also, an explanation of how the grant will impact the project in terms of size, timing and reach

An application for a BBRF grant would require the following items (*indicates items not required if requesting less than \$1m):

- Overview of organisation and information about your financial position
- Evidence of funding from other sources
- Project management plan
- Business case
- Asset maintenance/management plan
- Risk management plan*
- Cost benefit analysis*
- Procurement plan*

2.2.4. Department Primary Industries and Regional Development – Royalties for Regions

Every region in WA now has access to a \$330 million fund over five years to develop major economic, social and community development projects through their Regional Investment Blueprints.

Developed by each of the nine Regional Development Commissions, the Blueprints are plans for investment, outlining transformative strategies, priority actions and investment opportunities. They are plans for growth.

Through consideration of local issues and conditions the Regional Investment Blueprints will develop strategies to grow the region's economic base through the development of its competitive advantages, workforce and community. The Blueprints guide the types of investment and inform the strategic allocation of Royalties for Regions funding into infrastructure and services for regional communities.

It is suggested that project proponents engage with their local Regional Development Commission to discuss their project concepts further and to see how they may align with their



Regional Investment Blueprint and what opportunity may be available for them to access this \$330 million fund towards the development of the project concepts.

2.3. Funding Timelines and considerations

One challenge presented by relying on grant funding is the non-concurrent way in which different funding bodies operate their funding process.

If all grant sources are achieved and given that some of them are paid in progress instalments, it will be imperative to have a funding/cost timeline in order to ensure continuity of payments for the project. The Shire of Wyndham East Kimberley should also be aware that in applying for and being awarded a grant, they will be required to keep excellent records of expenditure, along with providing regular progress reports to the funding body and a comprehensive acquittal at the completion of the project. Unspent grant funds from pre-paid sources would also need to be returned to the funding bodies. Allocation of staff time, or outsourcing to a grant fund manager, would be an important budget consideration. These costs generally cannot be covered by the grant itself.

The Shire of Wyndham East Kimberley will also need to develop a contingency plan in the event that some of the proposed grants are not secured – for example, a scaled-back approach to the Kununurra Aquatic and Leisure Centre might be adopted, or a further loan could be taken out. It should be noted that this could then impact on the mix of funding agreed to with other funders (for example, if funding is obtained through the CSRFF from State Government, it will be based on a certain building cost and timeframe, and if this is decreased or changed it may result in the funding body reducing their contribution).

3. Commercial Loan Options

3.1. Local Government Loans

Local governments are able to provide a lending facility to community organisations via a self-supporting loan – these loans generally are provided to activities that will generate sufficient income when completed to service the loan. Self-supporting loans are typically granted to fund activities (usually capital works) that have a perceived benefit to the wider community. The objective of a self-supporting loan is to enable community organisations to raise loan funds at competitive rates, using the local government as the provider. These funds can be sourced via a commercial lender or via the Western Australian Treasury Corporation (watc.wa.gov.au).

Eligibility for a self-supporting loan generally centres on the applicant having ability to repay the loan in full and for repayments to be made on time, as well as the organisation having existed for a set period of time (generally a number of years) with the ability to demonstrate organisational viability for a minimum number of years after the completion of the loan repayments. Often eligibility for funding is tied to the capital works being on land or buildings owned or vested in the local government.

Other conditions can be the establishment of a Reserve or Sinking fund. Typically, all costs for applying for and administering the loan (along with advertising the intent to enter into the loan)



are passed on to the group seeking the funds – the loan is essentially cost neutral for the local government.

3.2. Commercial Loan Options

Project proponents could also consider taking out a commercial loan to contribute to a portion of the funds required to complete developments. This offers the benefit of not being tied financially to the local government (as outlined in 3.1 Local Government Loan Options). Project proponents should explore the loan options available from a variety of lenders if they get to the point of actively pursuing this avenue.

In researching options, NAJA has looked into one option via the Bendigo Bank's Community Sector Banking (CSB) branch. The CSB has an approach which aims to strengthen not-for-profits to be able to deliver social change and community wellbeing – providing tailored and innovative financial solutions for not-for-profit organisations.

CSB is a 50-50 joint venture between Bendigo & Adelaide Bank and Community 21 – a consortium of 38 progressive not-for-profits representing key segments of the sector. In 2016, CSB had 12,000 not-for-profit clients, with \$1.2 billion in funds under management. Sport and recreation organisations were by far their largest client group, making up 32% of their client base (the next largest sector was health, social services and welfare, at 15%).

CSB offers commercial loans to not-for-profits, with a particular focus on innovative lending solutions for projects that have a community benefit. Project proponents would need to establish if the Bendigo Bank would support their proposed project, where they don't have a physical presence in the form of a bank branch.

If so, it may be a good option as, in addition to a commercial loan, CSB also facilitates crowdfunding through their **act**. (letsact.com) platform. This platform allows for the public to donate to projects, with the opportunity to showcase the project and its benefits, along with offering incentives to funding contributors. This option is explored further in Section 4.1.

4. Other Funding Options

4.1. Crowd Funding

Crowdfunding is an increasingly popular option to fund all types of projects and there are a range of services that facilitate it. Crowdfunding is the process of raising funds for a project or venture by raising capital from a large number of people who each contribute a relatively small amount, generally via the internet.

There are a number of platforms available to seek crowdfunding through – more well-known options include Go Fund Me and Kick Starter. As alluded to in Section 3.2, Community Sector Banking offers an Australian based crowdfunding platform called **act**, which allows community organisations to undertake this type of fundraising.



Considerations when choosing a platform include the fees charged, the appropriateness of the platform for the Australian context and the level of sophistication of the marketing approach for the campaigns (for example, the simplicity of social sharing, ability to add video, images and text, visual appeal of funding page and ease of use).

There are currently four main models for crowdfunding:

- Donation-based – contribution is made without receiving anything in return, although the contribution may be acknowledged (for example, via the website where funding was pledged).
- Reward-based – there is an exchange of a reward (goods, services or rights) for the contribution made. This might include different levels of reward based on value payment – it might be goods (promotional merchandise style cap, t-shirt, bag etc.), services (complimentary use of facilities, or training meeting rooms for six months etc.) or rights (dedicated use of a meeting room/office).
- Equity-based – the contribution is made in exchange for a share (or equity interest) in the organisation undertaking the project or venture. The arrangement would provide the contributor with specified rights such as a portion of future profits (dividends), voting rights and rights to return of capital upon winding up.
- Debt-based – the contribution is made as a loan, with the agreement to pay interest, or no interest, and repay principal on the loan.

Tax liability is also an essential consideration. Prior to undertaking any crowdfunding, the Project Proponent should seek professional taxation advice with regards to potential tax implications.

Crowdfunding works best when promoted using a robust marketing strategy, targeting people with an existing affinity with the project or the values underpinning the project. If crowdfunding is to be used to its full potential, time and resources to develop and implement a marketing strategy (with advice from a marketing professional) is strongly recommended to avoid wasted effort.

4.2. Fundraising and Sponsorship

In addition to the other methods listed, Project Proponents could also consider an active fundraising/sponsorship campaign. These funds could supplement the main funding streams for the project or could be used for ancillary expenses not budgeted for in the development (for example equipment and furniture).

In the event that the Project Proponents would like to develop a comprehensive fundraising/sponsorship strategy, the following high-level guide is provided to assist with this (see 4.2.1). Alternatively, smaller 'one-off' activities could be undertaken. This field of work is quite practical and does not necessarily need external assistance.



4.2.1. Fundraising/Sponsorship Strategy Development

Understanding how funding attraction and retention processes works is critical to successfully implementing a sustainable fundraising/sponsorship strategy. Securing one-off and on-going funds requires a series of stages, specifically:

1. Identifying ideal funder profile/s
2. Developing the proposition
3. Finding and refining potential funders/sponsors
4. Preparing and implementing an approach
5. Securing agreement
6. Nurturing relationships

IDENTIFYING IDEAL FUNDER PROFILE/S

An ideal funder profile provides clarity about the type of funding body that most closely aligns with your organisation's purpose and values, along with the types of resources and support that you require.

This fundraising/sponsorship strategy has scoped out a range of Ideal Funder Profiles which have guided the identification of the strongest options for fundraising/sponsorship support.

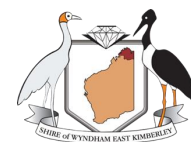
By narrowing the range of funders, you can focus your activities on those matching your ideal funder profile, yielding three core benefits:

1. **Best use of resources** – with clarity about who your best prospects are, you can focus your energy and resources on securing their support, rather than investing in working to secure the support of those who do not represent a good fit.
2. **Aligned attraction** – by clearly communicating what you are focused on and looking for, you will not only allow prospective funders to understand why they are a good fit, you will attract funders who can see the correlation with their purpose and values.
3. **Increased referrals** – by providing clarity about what you are seeking, you will enable supporters to connect you to unknown but ideal funders and opportunities.

DEVELOPING A PROPOSITION

It is suggested that a tailored proposition for each targeted prospect is developed. The key elements of a proposition are:

- **Personalised introduction** – identifying who the person making the approach is and your organisation, along with the organisation's purpose
- **Your clients** - provides a profile of who you work with
- **Core issue/s** – explains the critical issues that you address for your service users
- **Outcomes** – outlines what you do to address the issues
- **Social proof** – shares an example of your impact
- **Your value to the funder** – explains why you offer a great opportunity to the funder



In addition to having tailored propositions for each funding/sponsorship target, having a generic proposition for use online and in person is important. Any online presence should immediately communicate to potential supporters what your organisation’s value proposition is.

Those involved with your organisation need to have an ‘elevator pitch’ which they can use when asked about what they do. It needs to be succinct and specific and explain how an organisation or individual could provide their support.

FINDING & REFINING PROSPECTS

A fundraising/sponsorship strategy should identify prospective funders and go through a process to refine this to a list of those with real potential as funders. Continual revision and development of this strategy is essential to allow for a sustainable funding stream to develop.

It is important to understand that identifying an organisation as a prospect does not mean they will be converted to a funder. In fact, to establish one funding relationship, many prospects will have to be explored.

This funnel explains the concept, essentially you might begin with a list of 100 potential funders, a scoping of their purpose and values compared with the organisation might narrow this to 50 qualified prospects. These 50 qualified prospects would be approached (i.e. email, letter, phone call, Twitter) and from them, 20 might indicate a willingness to meet. From the meetings, you might then successfully convert 4 into funders.

With any lead development, it is normal not to convert all (or, in fact, many) of your prospects. Having a strong proposition and communicating with high effect will improve the likelihood of converting potential funders into a commitment.

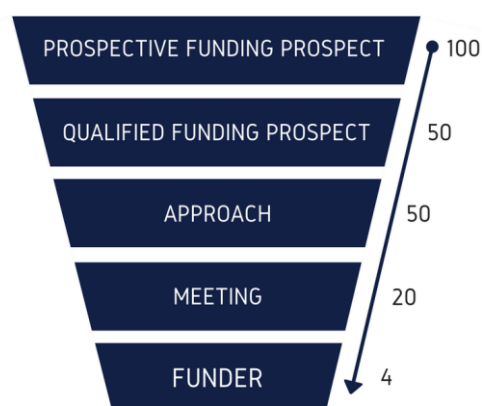
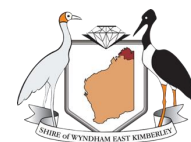


Figure 1: Model of potential funder identification funnel

Monitoring of conversion from potential to actual funder is important. While it is expected that not all prospective funders will commit to a funding/sponsorship agreement, there should be conversions. If an approach has been used with several organisations fitting the ‘ideal’ profile and no traction is gained, the approach should be reassessed – both in terms of process and execution.

PREPARING AND IMPLEMENTING YOUR APPROACH

Research, prior to initial contact, is essential. The policy positions and strategic planning documents of government entities are easily accessible and should be carefully examined to identify synergies with the program’s objectives. Similarly, the values and priorities of political figures and commercial entities can also be found in online formats.



Once the alignment between the organisation and the targeted funder is identified, articulate what is ideally sought from them. Be very specific and develop a justification for this based on the values and priorities of the funder.

When approaching the targeted funder, leverage the relationships of the group. Use a relationship map to identify pathways to connect with decision makers.

The meeting should be well planned with material about the program prepared and potentially specifically tailored to the funder's individual focus – remembering to discuss the impact and benefits, not just the activities of the program.

Offering to make a presentation can place you in control to direct the conversation and ensure that you are able to fully explain the organisation's value and present your proposal for support.

SECURING AGREEMENT

Having a comprehensive presentation will go a long way to sharing your value but having a mechanism for securing their agreement to begin a funding/sponsorship relationship is critical.

You cannot assume that the presentation of information will motivate them to offer to enter a funding/sponsorship arrangement, and this would be on terms defined by them, rather than your organisation.

Once you have shared your story and the impact of the organisation, the next stage you can ask them if they would like to find out how they can support you. In the event they decline, this is an opportunity to ask them to share what the barriers are. It might be that you can address them and move forward, or it can provide useful feedback to better shape your presentation to other potential funders.

Present the funder with your proposal for funding/sponsorship and discuss what actions they would need to move forward. Be aware that depending on the organisation, there will be a range of processes to go through.

Get clear on what the steps are and the timelines for each party. If you are offering a sponsorship opportunity, be sure to have the documentation available in hard copy with you to present. Secure agreement as to what will occur next.

You might like to provide them with an opportunity to be further involved – you could invite them to attend an upcoming event, service delivery function or a board meeting. This provides an opportunity to further deepen your relationship.

If faced with objections to going ahead with the proposed relationship, be confident in exploring this. A common objection is a lack of available budget. Acknowledge this challenge and ask whether, if a budget were available, would they offer their support. If they would, you can then change tack and explore what they could do in terms of their available budget. If they are not inclined to make this commitment, it is an indication the proposal is the issue. Exploring with them what would improve the appeal of the project is now your opportunity.



The other common objection is that the return is not justified by the investment. It might be in terms of social return (in this scenario it may be worth revisiting your data with them and if that does not elicit support, then your case may not be sufficiently robust to convince others) or in terms of benefit to them (in this instance, you could explore what would be of sufficient value to them).

Follow-up is essential. Sending a follow-up letter or email immediately following the meeting with appreciation for the opportunity to meet, along with an outline of agreed actions and timeframes is essential, as is following up on these within the agreed time.

NURTURING RELATIONSHIPS

Securing an agreement to support a project is critical, but ongoing relationship management is essential to maximise the likelihood of the relationship continuing and strengthening. A suggested approach is provided as part of this Funding/Sponsorship Strategy. The basic principles are:

- share how you are delivering the funded service with appropriate regularity;
- highlight how their involvement in your service is adding value to their organisation;
- have a plan for their experience with your organisation – proactively managing how you connect and providing them with a clear system for interaction; and
- provide insights, where appropriate, from your expertise that will add value to their organisation.

In addition to communicating with funders, a parallel process is sharing with supporters who may not provide monetary or in-kind support but provide a critical function as champions and serve to connect and promote the service.

An ongoing nurturing approach to stakeholder relationship should maximise percentage of partners continuing funding relationships and provide the opportunity to identify optimal year-on-year increases.

Attention should be given to scheduling regular opportunities to meet directly with funders and share the value of their investment in your organisation.

5. Centre Income

In addition to seeking contributions from funding bodies and securing a loan if required, the Shire is encouraged to consider how they can leverage greater income from their operations. It is understood that most of them already run lean operations in terms of outgoings and income raised and may not be able to identify significant cost savings, so an examination of revenue generating opportunities is worth considering.

If adopting this approach, the Shire of Wyndham East Kimberley should seek formal advice from a business development expert, however, some simple observations around opportunities are made here to illustrate the potential benefit to the new facilities. With increased profitability,



the Shire of Wyndham East Kimberley would have a greater capacity to invest in the development and rely less on grants and loans.

- Adopt a more commercial approach to promoting the facilities, especially its ability to use the buildings to incorporate a commercial kitchen to cater for major functions, meetings, and potentially as a fully operational café for the town.
- Review of current sponsorship packages and opportunities for expansion and/or new packages.

6. Stakeholder Engagement

Critical to the success of the project is the effective management of relationships with stakeholders. Without the support of key stakeholders and the community more broadly, the project is likely to have significant challenges. It is strongly recommended that the Shire of Wyndham East Kimberley adopt a proactive, positive approach to maintaining relationships with stakeholders and look for opportunities to deepen the connections.

Adopting a more comprehensive communication plan may also be useful – sharing the impact the Shire of Wyndham East Kimberley are having directly with stakeholders via updates as well as providing regular press releases to media outlets in improving public awareness of the contribution of the Kununurra Aquatic and Leisure Centre to the local community.

It is also important to be politically savvy and understand the political nuances of current environment. For a project of this magnitude, it would be very beneficial to continue to brief relevant political influencers and decision makers with a view to continuing their support for the project. In a time of significant competition for grant funds, this level of political engagement and interest can be very helpful.

7. Risk Profile

This risk profile specifically considers the Shire of Wyndham East Kimberley's position in relation to the financing of the project to redevelop the Kununurra Aquatic and Leisure Centre. The purpose of the risk profile is to define the risks posed to the organisation and explore their potential impact, making recommendations to mitigate and manage risk. The profile is also a useful tool to alert the Shire of Wyndham East Kimberley to any emerging or worsening risk exposures to allow for a proactive response.

NAJA Business Consulting Services is aware that the Shire of Wyndham East Kimberley has also completed a risk profile as part of the business case development and they wish to combine all aspects of both these, plus their operations and governance to be assured of a robust approach to risk management.

It should be noted that this is not financial advice and formal advice from a financial professional should be sought when making financial commitments. This is intended as general guidance and the Shire of Wyndham East Kimberley should complete appropriate due diligence when making any financial and/or operational decisions as the Council is ultimately responsible for choices made by the organisation.



It is recommended that the risk profile is periodically reviewed. To avoid becoming focused on simply refining existing risks, it is good practice to start a new risk profile and then reconciling it with the existing profile.

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Two elements make up this risk profile – a risk registration with mitigation recommendations (outlining key risks, their perceived risk rating and recommended strategies to mitigate and manage risk), and a risk severity map which provides a visual representation of the anticipated level of risk for the project.

7.1. Risk Register

Risk category	Risk Code	Risk Description	Likelihood	Consequence	Risk Rating	Mitigation Recommendations
Finance	F1	One or more grant funding applications are unsuccessful	3	4	H	Ensure proposal matches intent of proposed fund. Prepare a comprehensive application, seeking professional assistance as appropriate Engage with funding body to ensure project application meets specifications Seek feedback on unsuccessful applications and, if appropriate, reapply with a proposal that reflects feedback Scale back project to fit with available budget Place project on hold until funding can be secured
	F2	Loan funds cannot be secured	3	4	H	Engage early with potential finance providers to understand their requirements Ensure applications for funds are detailed and address any concerns of finance providers Seek feedback on unsuccessful applications and, if appropriate, reapply with a proposal that reflects feedback Seek funds from alternate lenders Scale back project to fit with available budget Place project on hold until funding can be secured
	F3	Project exceeds budget when implemented	2	4	M	Use experienced Quantity Surveyor to develop project budget Implement strong budget control measures and closely monitor expenditure Scale back project as required to minimise cost overruns
	F4	Financial environment changes and loan repayments increase significantly	3	4	H	Negotiate for best possible lending conditions from outset Closely monitor banking sector movements and identify areas of business where cost savings could be made, or income generated to address any shortfall
	F5	Unable to secure users for buildings	3	3	M	Develop building to an appropriate standard to be attractive to ideal user profile Offer incentives to potential users if required



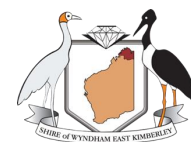
Risk category	Risk Code	Risk Description	Likelihood	Consequence	Risk Rating	Mitigation Recommendations
Governance	G1	Management committee lacks the capacity to oversee the project	3	4	H	<p>Develop succession plan for management committee to maximise likelihood of continuity of capability of members over the project duration and for long-term operation of the Kununurra Aquatic and Leisure Centre</p> <p>Provide new committee members with induction and, when required, governance training</p> <p>Review and enhance governance policies and procedures regularly</p>
	G2	Grant fund expenditure cannot properly be accounted for	2	4	H	<p>Require project manager to provide regular updates to management committee as to financial expenditure against grant conditions</p> <p>Management committee to carefully review interim reports to funding bodies and final acquittals to ensure accurate representation of expenditure and work completed</p>
	G3	Shire of Wyndham East Kimberley priorities change and there is a lack of support for the project (either during construction or operational phase)	2	3	M	<p>Undertake robust strategic and business planning processes to align Shire of Wyndham East Kimberley priorities with projects and ensure good fit</p> <p>Communicate about the benefits of the approach to Club members</p> <p>Highlight financial implications for Shire of Wyndham East Kimberley if approach is abandoned</p>
	G4	Decision by management committee negatively impacts on Shire of Wyndham East Kimberley's ability to service loan repayments and a default occurs	2	5	E	<p>Undertake due diligence and seek qualified financial advice before making decisions with financial implications</p> <p>Consider Directors and Officers Liability Insurance (note, does not cover negligence)</p>
	G5	Fraudulent activity occurs by Shire of Wyndham East Kimberley member or staff member	1	4	M	<p>Implement strong financial controls, with advice from financial professional on options</p> <p>Consider Fidelity Insurance</p>



Risk category	Risk Code	Risk Description	Likelihood	Consequence	Risk Rating	Mitigation Recommendations
Stakeholder Management	S1	Relationship breaks down with a key partner	2	4	M	Establish and implement stakeholder engagement plan Monitor for and address issues early, looking for a win-win outcome

7.2. Risk Severity Map

LIKELIHOOD/ CONSEQUENCE	Insignificant (1)	Minor (2)	Moderate (3)	Major (4)	Severe (5)
Almost Certain (5)	Medium	Medium	High	High	Extreme
Likely (4)	Medium	Medium	Medium	High	Extreme
Possible (3)	Low	Medium	F5 Medium	G1 F2 F1 High F4	High
Unlikely (2)	Low	Low	G3 Medium	F3 G2 S1 Medium	G4 High
Rare (1)	Low	Low	Low	G5 Medium	Medium



8. Funding Approach

The Shire of Wyndham East Kimberley has obtained a quantity surveyor (QS) cost indication from Neil Butler Quantity Surveying Services on the concept design by Donovan Payne Architects to deliver the preferred option for the redevelopment of the Kununurra Aquatic and Leisure Centre. The QS cost estimate for this option is \$22,326,541 exclusive of GST to complete Stages 1-4 of the construction.

Based on this QS estimate, the Shire of Wyndham East Kimberley have considered all known risks in undertaking this project and has adopted strategies to mitigate their effects where necessary. Due diligence will be undertaken in relation to the costings for the construction of the facility, with a tender panel review by the Shire of Wyndham East Kimberley.

8.1. Total Budget

The table below outlines the best estimate of the potential total budget to deliver the redeveloped Kununurra Aquatic and Leisure Centre as per the preferred option based on the QS cost estimate (see Attachment 1 for a copy of all detailed QS assessments).

Summary Concept QS Cost Estimate Plan - Kununurra Aquatic and Leisure Centre Redevelopment				
Item	Description	Cost with 60% Loading Exc GST	Cost with 30% Loading Exc GST	Cost with no Loading Exc GST
Stage 1 - Aquatic Facilities				
1	Building Works and pools excluding 50m x 8 lane pool	1,565,625	1,565,625	1,565,625
3	50m x 8 lane pool	3,240,000	3,240,000	3,240,000
	Leisure Pool, Program Pool, Tots Pool	2,078,000	2,078,000	2,078,000
4	External Works	502,500	502,500	502,500
5	External Services	210,000	210,000	210,000
6	Builder's Preliminaries	911,535	911,535	911,535
7	Contingencies	1,531,379	1,531,379	1,531,379
8	Furniture and Fittings			
9	Professional Fees	1,204,685	1,204,685	1,204,685
10	Escalation			
11	District Loading on Construction Costs	6,023,423	3,011,711	0
	Total for Stage 1 - Aquatic Facilities (Kununurra)	17,267,147	14,255,436	11,243,724



Item	Description	Cost with 60% Loading Exc GST	Cost with 30% Loading Exc GST	Base Cost with no Loading Exc GST
	Stage 2 - Zero Depth Water Splash Pad			
1	Building Works	279,018	279,018	279,018
2	External Works			
3	External Services			
4	Builder's Preliminaries			
5	Contingencies			
6	Furniture and Fittings			
7	Professional Fees	33,482	33,482	33,482
8	Escalation			
9	District Loading on Construction Costs	187,500	93,750	
	Total for Stage 2 - Zero Depth Water Splash Pad	500,000	406,250	312,500
	Stage 3 - Sports Centre Facilities			
1	Building Works	785,620	785,620	785,620
2	External Works			
3	External Services	15,000	15,000	15,000
4	Builder's Preliminaries	96,074	96,074	96,074
5	Contingencies	161,405	161,405	161,405
6	Furniture and Fittings	100,000	100,000	100,000
7	Professional Fees	138,972	138,972	138,972
8	Escalation			
9	District Loading on Construction Costs	634,860	317,430	
	Total for Stage 3 - Sports Centre Facilities	1,931,931	1,614,501	1,297,071
	Stage 4 - Additional Facilities			
1	Building Works	990,075	990,075	990,075
2	External Works	115,650	115,650	115,650
3	External Services	20,000	20,000	20,000
4	Builder's Preliminaries	118,809	118,809	118,809
5	Contingencies	224,016	224,016	224,016
6	Furniture and Fittings	50,000	50,000	50,000
7	Professional Fees	227,783	227,783	227,783
8	Escalation			
9	District Loading on Construction Costs	881,130	440,565	
	Total for Stage 4 - Additional Facilities	2,627,463	2,186,898	1,746,333
	Total Estimated Commitment for all Stages exc GST	22,326,541	18,463,085	14,599,628



Notes to QS Cost Estimate:

This Concept Cost Indication has been based on Donovan Payne Architects Drawings SK01(1:1000), SK02(1:500) and SK03(1:200) - dated 23/10/2018.

Exclusions:

- Upgrade of incoming services if insufficient to meet new demands
- Excavation in rock
- Removal of contaminated soil
- Works to Existing Facilities Items 24.0, 24.1, 25.0, 26.0, 27.0 and 28.0
- Upgrade of existing carpark
- Moveable boom to 50m pool
- Costs of re-using existing equipment
- Holding and Finance charges
- Fire tanks and pumps
- Legal costs
- Public Art

The QS cost estimate provided by Neil Butler Quantity Surveying Services on the concept design by Donovan Payne Architects to deliver the preferred Option 3 included a 60% district loading, based on the location of the construction being in a regional locality, is \$22,326,541. However, given recent construction projects and the downturn in the economy, it is thought that there is a possibility that this district loading figure is quite high and could be significantly reduced. As a result, the budget table also includes a reduced district loading figure of 30% and a base cost with no district loading for comparison purposes. The base cost for delivery of all stages comes down to \$14,599,628 and with only a 30% district loading instead of 60% it would be \$18,463,085.

Based on these comparisons of the QS cost estimate, the Shire of Wyndham East Kimberley will need to consider all known risks in undertaking this project and adopt strategies to mitigate their effects where necessary. To assist in this manner, due diligence will be undertaken in relation to the costings for the construction of the facility, with a tender panel review by the Shire of Wyndham East Kimberley.

The Shire of Wyndham East Kimberley will also monitor and control cost throughout the tender process and the life of the project, looking for opportunities to minimise the project costs in consultation with the Project Steering Committee, but not to the detriment of the project outcomes and deliverables.

8.2. Funding Strategy

The following outlines the high-level funding strategy for this project. The current strategy for the project is to be funded through a combination of Shire of Wyndham East Kimberley contributions along with a combination of grant funds and if necessary self-supporting loans.



The table below shows the level of funding that is currently in the process of either being raised or already secured and how this relates to the QS estimate received based on a 30% or 60% District Loading scenario.

Source of Funds exc GST	QS including 30% District Loading \$	QS including 60% District Loading \$	Funding confirmed	Funding Details
State Government	\$590,000	\$590,000	Yes	CSRFF funding towards the splash pad
Federal Government	\$17,873,085	\$21,736,541	No	Potential BBRF Grant and Sport Australia – Community Sport Infrastructure Grant
State Government			No	Potential Royalties for Regions, Lotterywest or further CSRFF
SWEK			No	Shire Contribution or Self-Supporting Loan
Total Funds Available if completely secured				
Total Quoted Cost to build	\$18,463,085	\$22,326,541		
Surplus/(Shortfall)	-	-		

It is recommended that the Shire of Wyndham East Kimberley target the next funding rounds for each of the main funding programs that have been highlighted in section 2.2 of this strategy.

Alternatively and as mentioned in the funding sources and assumptions related to Table 2 and in Section 2.3, the Shire of Wyndham East Kimberley may also need to consider a contingency plan in the event that some of the proposed grants are not secured – for example, a scaled-back or staged approach to the Kununurra Aquatic and Leisure Centre might be adopted, or a further loan could be taken out.

It is recommended that all other funding options that have been highlighted through this strategy should be further investigated to see if the Shire of Wyndham East Kimberley can attract further funds to the project through those avenues in the first instance if this occurs.



Attachment 1 – QS Estimate

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NBQSS

Kununurra Leisure Centre Concept Design

at

**Coolibah Place
Kununurra**

For

Shire of Wyndham- East Kimberley

Concept Cost Indication

**50m Pool
(Revision 1)**

24th October 2018

Architects: Donovan Payne

Neil Butler Quantity Surveying Services

**T: 08 9349 7853
M: 0457 977 407
ABN: 730 320 19210**

Project : 17.10



Kununurra Leisure Centre

Concept Cost Indication
24th October 2018
(Revision 1)

Summary

Concept Cost Plan

Item	Description	Delete 25m Pool and replace with 50m x 8 lane pool
Stage 1 - Aquatic Facilities		
1.0	Building Works and pools excluding 50m x 8 lane pool	\$ 1,565,625
3.0	50m x 8 lane pool	\$ 3,240,000
	Leisure Pool, Program Pool, Tots Pool	\$ 2,078,000
4.0	External Works	\$ 502,500
5.0	External Services	\$ 210,000
6.0	Builder's Preliminaries	\$ 911,535
7.0	Contingencies	\$ 1,531,379
8.0	Furniture and Fittings	\$ -
9.0	Professional Fees	\$ 1,204,685
10.0	Escalation	\$ -
11.0	District Loading on Construction Costs	\$ 6,023,423
Total For Stage 1 - Aquatic Facilities (Kununurra)		\$ 17,267,147
Stage 2 - Zero Depth Water Splash Pad		
1.0	Building Works	\$ 279,018
2.0	External Works	\$ -
3.0	External Services	\$ -
4.0	Builder's Preliminaries	\$ -
5.0	Contingencies	\$ -
6.0	Furniture and Fittings	\$ -
7.0	Professional Fees	\$ 33,482
8.0	Escalation	\$ -
9.0	District Loading on Construction Costs	\$ 187,500
Total For Stage 2 - Zero Depth Water Splash Pad (Kununurra)		\$ 500,000

DRAWINGS:
This Concept Cost Indication has been based on DPA Drawings SK01(1:1000), SK02(1:500) and SK03(1:200) - dated 23/10/2018

EXCLUSIONS:
Upgrade of incoming services if insufficient to meet new demands
Excavation in rock
Removal of contaminated soil
Works to Existing Facilities Items 24.0, 24.1, 25.0, 26.0, 27.0 and 28.0
Upgrade of existing carpark
Moveable boom to 50m pool
Costs of re-using existing equipment
Holding and Finance charges
Fire tanks and pumps
Legal costs
Escalation beyond October 2018 (Construction dates unknown)(Current escalation allowance 4% per annum)
Public Art

NOTES:
Please note that this information is for indicative budgeting purposes only and should not be used as the basis for making a financial commitment

Prior to making a financial commitment a detailed budget should be prepared based on input from the architect and the relevant consultants



Kununurra Leisure Centre

Concept Cost Indication
24th October 2018
(Revision 1)

Summary		
Concept Cost Plan		
Item	Description	Delete 25m Pool and replace with 50m x 8 lane pool
Stage 3 - Sports Centre Facilities		
1.0	Building Works	\$ 785,620
2.0	External Works	\$ -
3.0	External Services	\$ 15,000
4.0	Builder's Preliminaries	\$ 96,074
5.0	Contingencies	\$ 161,405
6.0	Furniture and Fittings	\$ 100,000
7.0	Professional Fees	\$ 138,972
8.0	Escalation	\$ -
9.0	District Loading on Construction Costs	\$ 634,860
Total For Stage 3 - Sports Centre Facilities (Kununurra)		\$ 1,931,931
Stage 4 - Additional Facilities		
1.0	Building Works	\$ 990,075
2.0	External Works	\$ 115,650
3.0	External Services	\$ 20,000
4.0	Builder's Preliminaries	\$ 118,809
5.0	Contingencies	\$ 224,016
6.0	Furniture and Fittings	\$ 50,000
7.0	Professional Fees	\$ 227,783
8.0	Escalation	\$ -
9.0	District Loading on Construction Costs	\$ 881,130
Total For Stage 4 - Additional Facilities (Kununurra)		\$ 2,627,463
TOTAL ESTIMATED COMMITMENT (KUNUNURRA)		\$ 22,326,541

Costs EXCLUDE GST



Kununurra Leisure Centre

Concept Cost Indication
24th October 2018
(Revision 1)

Item	Description	Unit	Quantity	Rate	Amount
4.0	Renovated Change Room and Toilet Area				
4.1	Aquatic Male Change	m2	32	\$ 2,700	\$ 86,400
4.2	Aquatic Female Change	m2	32	\$ 2,700	\$ 86,400
4.3	Aquatic Family/Universal Access Change	m2	10	\$ 3,500	\$ 35,000
4.4	Dry Sports Female Change	m2	19	\$ 2,700	\$ 51,300
4.5	Dry Sports Male Change	m2	19	\$ 2,700	\$ 51,300
4.6	Dry Family/Universal Access Change	m2	12	\$ 3,500	\$ 42,000
5.0	Multi Purpose Room	m2	85	\$ 2,500	\$ 212,500
	Club Room				
	Training Room				
	Function Room				
	Meeting Room				
6.0	Covered Outdoor BBQ Kitchen area				
6.0	Covered Outdoor BBQ Kitchen area	m2	135	\$ 550	\$ 74,250
6.0	BBQ	No	2	\$ 10,000	\$ 20,000
7.0	Pool Store	m2	50	\$ 1,500	\$ 75,000
8.0	Pool Plant				
8.0	Pool Plant Room	m2	200	\$ 2,000	\$ 400,000
8.1	Outdoor Service Courtyard	m2	90	\$ 500	\$ 45,000
8.2	Back of House Service Entry - paving	m2	135	\$ 85	\$ 11,475
9.0	School Entry - Included in paving area	Note			\$ -
10.0	Allowance for PV Cells	Item			\$ 100,000
Sub-total for Items 4.0 to 10.0 inclusive					\$ 1,290,625
11.0	External Works				
8.01	New paving around pools, forecourt and entry	m2	2310	\$ 125	\$ 288,750
8.04	Sunshading to grassed area	Item			\$ 35,000
8.05	Allowance for soft landscaping and reticulation	Item			\$ 100,000
8.07	Fencing and gates	m	225	\$ 350	\$ 78,750
Sub-total for External Works					\$ 502,500
12.0	External Services				
12.01	Allowance for sewer modifications	Item			\$ 25,000
12.02	Allowance for water service modifications	Item			\$ 10,000
12.03	Allowance for electrical services modifications	Item			\$ 25,000
12.04	Allowance for stormwater modifications	Item			\$ 100,000
12.05	Allowance for external fire services modifications	Item			\$ 50,000
Sub-total for External Services					\$ 210,000
13.0	Builder's Preliminaries				
13.01	Builder's Preliminaries	Item		12%	\$ 911,535
Sub-total for Builder's Preliminaries					\$ 911,535
Total Construction Costs					\$ 8,507,660



Kununurra Leisure Centre

Concept Cost Indication
24th October 2018
 (Revision 1)

Item	Description	Unit	Quantity	Rate	Amount
14.0	CONTINGENCIES				
14.01	Allowance for ESD	Item		2.5%	\$ 212,692
14.02	Allowance for design contingencies	Item		10.0%	\$ 850,766
14.03	Allowance for contract contingencies	Item		5.0%	\$ 467,921
Sub-total for Contingencies					\$ 1,531,379
15.0	FURNITURE AND FITTINGS				
15.01	Allowance for loose furniture and fittings - By Shire	Item			\$ -
Sub-total for Furniture and Fittings					\$ -
16.0	PROFESSIONAL FEES				
16.01	Allowance for professional fees and disbursements	Item		12%	\$ 1,204,685
Sub-total for Professional Fees					\$ 1,204,685
17.0	ESCALATION				
17.01	Allowance for escalation in costs has not been included	Item		0%	\$ -
Sub-total for Escalation					\$ -
TOTAL ESTIMATED COMMITMENT (PERTH)					\$ 11,243,723
	<i>Allowance for District Loading on Construction Costs (excludes Professional Fees, Furniture and Fittings) - Kununurra</i>	Item		60%	\$ 6,023,423
TOTAL ESTIMATED COMMITMENT (KUNUNURRA)					\$ 17,267,147
	Goods & Services Tax (10%)				\$ 1,726,715
TOTAL ESTIMATED COMMITMENT (KUNUNURRA) (Including GST)					\$ 18,993,861



Kununurra Leisure Centre

Concept Cost Indication

24th October 2018

(Revision 1)

Item	Description	Unit	Quantity	Rate	Amount
	EXCLUSIONS:				
	Upgrade of incoming services if insufficient to meet new				
	Excavation in rock				
	Removal of contaminated soil				
	Fire tanks and pumps				
	Loose furniture and fittings				
	Works to Existing Facilities Items 24.0, 24.1, 25.0, 26.0, 27.0 and 28.0				
	Moveable boom to 50m pool				
	Costs of re-using existing equipment				
	Holding and Finance charges				
	Legal costs				
	Escalation beyond October 2018 (Construction dates unknown)(Current escalation allowance 4% per annum)				
	Public Art				
	NOTES:				
	Please note that this information is for indicative budgeting purposes only and should not be used as the basis for making a financial commitment				
	Prior to making a financial commitment a detailed budget should be prepared based on input from the architect and the relevant consultants				



Kununurra Leisure Centre

Concept Cost Indication
24th October 2018
 (Revision 1)

Stage 2 - Zero Depth Water Splashpad					
Drawings					
This Concept Cost Indication has been based on DPA Drawings SK01(1:1000), SK02(1:500) and SK03(1:200) - dated 23/10/2018					
Concept Cost Plan					
Item	Description	Unit	Quantity	Rate	Amount
1.0	Zero Depth Water Splashpad				
	References within the headings are to the Legend on SK02 and SK03	Note			
	<i>A Donation of \$500,000 has been received by the Shire for the construction of a zero depth water splashpad.</i>				
	<i>The current location and design is indicative only and the final design is to be accommodated within the donation amount.</i>				
	12.0 Splash Pad and Water Play				Incl
	13.0 BBQ Huts				Incl
Sub-total for Splash Pad and Water Play					\$ -
2.0	External Services				
2.01	Allowance for sewer services	Item			Incl
2.02	Allowance for water services	Item			Incl
2.03	Allowance for electrical services	Item			Incl
2.04	Allowance for stormwater	Item			Incl
Sub-total for External Services					\$ -
3.0	Builder's Preliminaries				
3.01	Builder's Preliminaries	Item		12%	Incl
Sub-total for Builder's Preliminaries					\$ -
Total Construction Costs					\$ 279,018
4.0	CONTINGENCIES				
4.01	Allowance for ESD	Item		0.0%	\$ -
4.02	Allowance for design contingencies	Item		0.0%	\$ -
4.03	Allowance for contract contingencies	Item		0.0%	\$ -
Sub-total for Contingencies					\$ -



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Concept Cost Plan					
Item	Description	Unit	Quantity	Rate	Amount
5.0	FURNITURE AND FITTINGS				
5.01	Allowance for furniture and fittings to outdoor areas - by Shire	Item			\$ -
Sub-total for Furniture and Fittings					\$ -
6.0	PROFESSIONAL FEES				
6.01	Allowance for professional fees and disbursements	Item		12%	\$ 33,482
Sub-total for Professional Fees					\$ 33,482
7.0	ESCALATION				
7.01	Allowance for escalation in costs has not been included	Item		0%	\$ -
Sub-total for Escalation					\$ -
TOTAL ESTIMATED COMMITMENT (PERTH)					\$ 312,500
	<i>Allowance for District Loading on Construction Costs (excludes Professional Fees, Furniture and Fittings) - Kununurra</i>	Item		60%	\$ 187,500
TOTAL ESTIMATED COMMITMENT (KUNUNURRA)					\$ 500,000
	Goods & Services Tax (10%)				\$ 50,000
TOTAL ESTIMATED COMMITMENT (KUNUNURRA) (Including GST)					\$ 550,000



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Concept Cost Plan					
Item	Description	Unit	Quantity	Rate	Amount
	EXCLUSIONS:				
	Upgrade of incoming services if insufficient to meet new demands				
	Excavation in rock				
	Removal of contaminated soil				
	Works to Existing Facilities Items 24.0, 24.1, 25.0, 26.0, 27.0 and 28.0				
	Costs of re-using existing equipment				
	Holding and Finance charges				
	Legal costs				
	Escalation beyond October 2018 (Construction dates unknown)(Current escalation allowance 4% per annum)				
	Public Art				
	NOTES:				
	<p>Please note that this information is for indicative budgeting purposes only and should not be used as the basis for making a financial commitment</p> <p>Prior to making a financial commitment a detailed budget should be prepared based on input from the architect and the relevant consultants</p>				



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Stage 3 - Sports Centre Facilities					
Drawings					
This Concept Cost Indication has been based on DPA Drawings SK01(1:1000), SK02(1:500) and SK03(1:200) - dated 23/10/2018					
Concept Cost Plan					
Item	Description	Unit	Quantity	Rate	Amount
References within the headings are to the Legend on SK02 and SK03		Note			
1.0	Sports Centre Facilities				
14.0	Main entry and lobby	m2	70	\$ 1,320	\$ 92,400
14.1	Reception/Kiosk Servery	m2	26	\$ 3,000	\$ 78,000
14.2	Indoor Lounge - Included in 14.0	m2	0	\$ -	\$ -
14.3	Outdoor Lounge - Paving	m2	200	\$ 125	\$ 25,000
14.3	Outdoor Lounge - Shade sails	Item			\$ 25,000
14.4	Aquatic lounge - Included in Aquatic Facilities Paving area	m2	0	\$ -	\$ -
14.5	Aquatic Servery - Included in 14.1	m2	0	\$ -	\$ -
15.0	Administration	m2	25	\$ 1,440	\$ 36,000
15.1	Managers Office	m2	11	\$ 1,440	\$ 15,840
15.2	Lifeguard Station - Included in 15.0	m2	0	\$ -	\$ -
15.3	First Aid	m2	8	\$ 2,700	\$ 21,600
15.4	Staff Breakout/Meeting Room	m2	11	\$ 1,500	\$ 16,500
16.0	Gymnasium	m2	254	\$ 1,320	\$ 335,280
17.0	Family/Universal Access Change	m2	40	\$ 3,500	\$ 140,000
Sub-total for Sports Centre Facilities					\$ 785,620
2.0	External Services				
2.01	Allowance for modifications to existing sewer	Item			\$ 10,000
2.02	Allowance for existing water services	Item			\$ 5,000
Sub-total for External Services					\$ 15,000
3.0	Builder's Preliminaries				
3.01	Builder's Preliminaries	Item		12%	\$ 96,074
Sub-total for Builder's Preliminaries					\$ 96,074
Total Construction Costs					\$ 896,694
4.0	CONTINGENCIES				
4.01	Allowance for ESD	Item		2.5%	\$ 22,417
4.02	Allowance for design contingencies	Item		10.0%	\$ 89,669
4.03	Allowance for contract contingencies	Item		5.0%	\$ 49,318
Sub-total for Contingencies					\$ 161,405



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Concept Cost Plan					
Item	Description	Unit	Quantity	Rate	Amount
5.0	FURNITURE AND FITTINGS				
5.01	Allowance for furniture and fittings to indoor lounge, administration, staff, kiosk equipment, storeroom	Item			\$ 100,000
Sub-total for Furniture and Fittings					\$ 100,000
6.0	PROFESSIONAL FEES				
6.01	Allowance for professional fees and disbursements	Item		12%	\$ 138,972
Sub-total for Professional Fees					\$ 138,972
7.0	ESCALATION				
7.01	Allowance for escalation in costs has not been included	Item		0%	\$ -
Sub-total for Escalation					\$ -
TOTAL ESTIMATED COMMITMENT (PERTH)					\$ 1,297,071
	<i>Allowance for District Loading on Construction Costs (excludes Professional Fees, Furniture and Fittings) - Kununurra</i>	Item		60%	\$ 634,860
TOTAL ESTIMATED COMMITMENT (KUNUNURRA)					\$ 1,931,931
	Goods & Services Tax (10%)				\$ 193,193
TOTAL ESTIMATED COMMITMENT (KUNUNURRA) (Including GST)					\$ 2,125,124



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Concept Cost Plan					
Item	Description	Unit	Quantity	Rate	Amount
	EXCLUSIONS:				
	Upgrade of incoming services if insufficient to meet new demands				
	Works to Existing Facilities Items 24.0, 24.1, 25.0, 26.0,				
	Upgrading existing carpark				
	Gym equipment				
	Costs of re-using existing equipment				
	Holding and Finance charges				
	Legal costs				
	Escalation beyond October 2018 (Construction dates unknown)(Current escalation allowance 4% per annum)				
	Public Art				
	NOTES:				
	<p>Please note that this information is for indicative budgeting purposes only and should not be used as the basis for making a financial commitment</p> <p>Prior to making a financial commitment a detailed budget should be prepared based on input from the architect and the relevant consultants</p>				



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Stage 4 - Additional Facilities**Drawings**

This Concept Cost Indication has been based on DPA Drawings SK01(1:1000), SK02(1:500) and SK03(1:200) - dated 23/10/2018

Concept Cost Plan

Item	Description	Unit	Quantity	Rate	Amount
	References within the headings are to the Legend on SK02 and SK03	Note			
1.0	Building Works				
18.0	Consolidated User Group Storage	m2	40	\$ 1,500	\$ 60,000
19.0	New Community Hall				
19.0	Community Hall	m2	145	\$ 1,620	\$ 234,900
19.1	Male Toilet	m2	25	\$ 2,100	\$ 52,500
19.2	Store	m2	28	\$ 1,080	\$ 30,240
19.3	Tea Preparation	m2	4	\$ 1,620	\$ 6,480
19.4	Universal Access Toilet	m2	10	\$ 2,100	\$ 21,000
19.5	Female Toilet	m2	25	\$ 2,100	\$ 52,500
19.6	Circulation space	m2	25	\$ 1,200	\$ 30,000
20.0	Emergency Evacuation Centre Kitchen				
20.0	Re-configure one of the underutilized off-stage change facilities into a commercial kitchen facility suitable for an emergency evacuation centre.	m2	36	\$ 4,500	\$ 162,000
20.1	Update and convert the second off-stage change room into a unisex change facility	m2	25	\$ 2,625	\$ 65,625
21.0	Fully Shaded Playground				
21.1	Playground area	m2	70	\$ 44	\$ 3,080
21.2	Sunshading	m2	70	\$ 250	\$ 17,500
21.3	Allowance for soft landscaping and reticulation	Item			\$ 2,500
21.4	Fencing and gates	m	65	\$ 350	\$ 22,750
21.5	Allowance for playground equipment	Item			\$ 75,000
22.0	Gymnasium Extension				
23.0	Additional gymnasium floor space	m2	70	\$ 2,200.00	\$ 154,000
Sub-total for Additional Facilities					\$ 990,075



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Concept Cost Plan					
Item	Description	Unit	Quantity	Rate	Amount
2.0 External Works					
2.01	New paving to external of building - Concrete	m2	1010	\$ 65	\$ 65,650
2.02	Allowance for external signage	Item		\$	50,000
Sub-total for External Works					\$ 115,650
3.0 External Services					
3.01	Allowance for electrical services - lighting to playground	Item		\$	10,000
3.02	Allowance for stormwater modifications	Item		\$	10,000
Sub-total for External Services					\$ 20,000
4.0 Builder's Preliminaries					
4.01	Builder's Preliminaries	Item		12% \$	118,809
Sub-total for Builder's Preliminaries					\$ 118,809
Total Construction Costs					\$ 1,244,534
5.0 CONTINGENCIES					
5.01	Allowance for ESD	Item		2.5% \$	31,113
5.02	Allowance for design contingencies	Item		10.0% \$	124,453
5.03	Allowance for contract contingencies	Item		5.0% \$	68,449
Sub-total for Contingencies					\$ 224,016
6.0 FURNITURE AND FITTINGS					
6.01	Allowance for furniture and fittings to new Community Centre	Item		\$	50,000
Sub-total for Furniture and Fittings					\$ 50,000
7.0 PROFESSIONAL FEES					
7.01	Allowance for professional fees	Item		15% \$	227,783
Sub-total for Professional Fees					\$ 227,783
8.0 ESCALATION					
8.01	Allowance for escalation in costs has not been included	Item		0% \$	-
Sub-total for Escalation					\$ -
TOTAL ESTIMATED COMMITMENT (PERTH)					\$ 1,746,333



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Concept Cost Plan					
Item	Description	Unit	Quantity	Rate	Amount
	<i>Allowance for District Loading on Construction Costs (excludes Professional Fees, Furniture and Fittings) - Kununurra</i>		<i>Item</i>	<i>60%</i>	<i>\$ 881,130</i>
TOTAL ESTIMATED COMMITMENT (KUNUNURRA)					\$ 2,627,463
	Goods & Services Tax (10%)				\$ 262,746
TOTAL ESTIMATED COMMITMENT (KUNUNURRA) (Including GST)					\$ 2,890,209

EXCLUSIONS:

Upgrade of incoming services if insufficient to meet new demands
 Excavation in rock
 Removal of contaminated soil
 Works to Existing Facilities Items 24.0, 24.1, 25.0, 26.0, 27.0 and 28.0
 Upgrading existing carpark
 Gym equipment
 Costs of re-using existing equipment
 Holding and Finance charges
 Legal costs
 Escalation beyond October 2018 (Construction dates unknown)(Current escalation allowance 4% per annum)
 Public Art

NOTES:

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Prior to making a financial commitment a detailed budget should be prepared based on input from the architect and the relevant consultants