

Developing Sport and Recreation Facilities - Business planning guidelines

Preparing a business plan is an important step for any organisation that is considering developing a sport and recreation facility. A business plan will help an organisation to better understand the opportunities and challenges involved in a facility development. A business plan is also a good way to communicate an organisation's proposal and can increase its credibility by demonstrating the viability and sustainability of the proposed development.

These guidelines will assist organisations to develop a business plan for sport and recreation facility developments. The level of detail and information required will depend on the nature and scale of the proposed development and not all points will be relevant to all projects.

Proposed Development Outline

- Project title.
- Outline the concept for the proposed development.

- Provide the objectives/outcomes planned from the project (specific and measurable).

Strategic Fit

- Explain how the project fits with the organisation's future plans (for example, the link to the club's strategic plan, if there is one).
- Explain how the project aligns with other relevant strategies and plans (for example, council sport and recreation plan; state or national sport plan).

Market Analysis

- Provide the key user groups and forecast the number of users (explain how this has been calculated and on what basis).
- Provide information on any community consultation undertaken that identifies support, demand, usage and future potential.
- Provide information on links to current and projected trends.
- Provide an assessment of socio-demographic characteristics of the community/catchment.
- Provide information on other (competing/complementary) facilities that exist in the catchment and how this facility complements them.
- Provide an assessment of similar facilities in other comparable communities/locations.

Current as at January 2019



Rationale

- Outline the demonstrated need for the facility (what is the current, and projected, situation that has created a need for the project).
- Provide an assessment of alternative options that have been considered (for example, use and/or modify an existing facility).
- Outline why this location is deemed the most appropriate (what others have been considered).
- Outline the participation opportunities and sport development opportunities that the facility will provide.
- Demonstrate how the facility will increase participation numbers and opportunities.
- Demonstrate how the facility will improve the quality and safety of participation.
- Detail any partnership opportunities that will benefit other groups or the broader community.

Capacity to Fund Development

- Outline the anticipated costs involved in developing the facility and how these were estimated.
- Provide a breakup of the proposed funding sources (noting whether the funds are secured or unsecured).
- If you are unable to secure sufficient funds to develop the facility, detail your alternative options, for example staging the projects components.

Capacity to Operate

- Detail the ongoing operational costs and how the organisation will meet these costs.
- Outline what parties will be involved in the operation and what their roles and responsibilities will be.
- Outline the basis of any fees to be set.
- Outline the financial operating projections over the next five years (projected operating income and expenditure).
- Provide details of an operational plan, if developed, including an indicative usage schedule.

Asset Management and Replacement

- Detail the proposed maintenance schedule over five years – including costs and how these will be met.
- Provide an asset replacement plan – including timing and costs.

Analysis of Key Risks

- Provide a risk assessment of the financial, legal and operational risks associated with the development and operation of the facility and what mitigation measures are proposed.