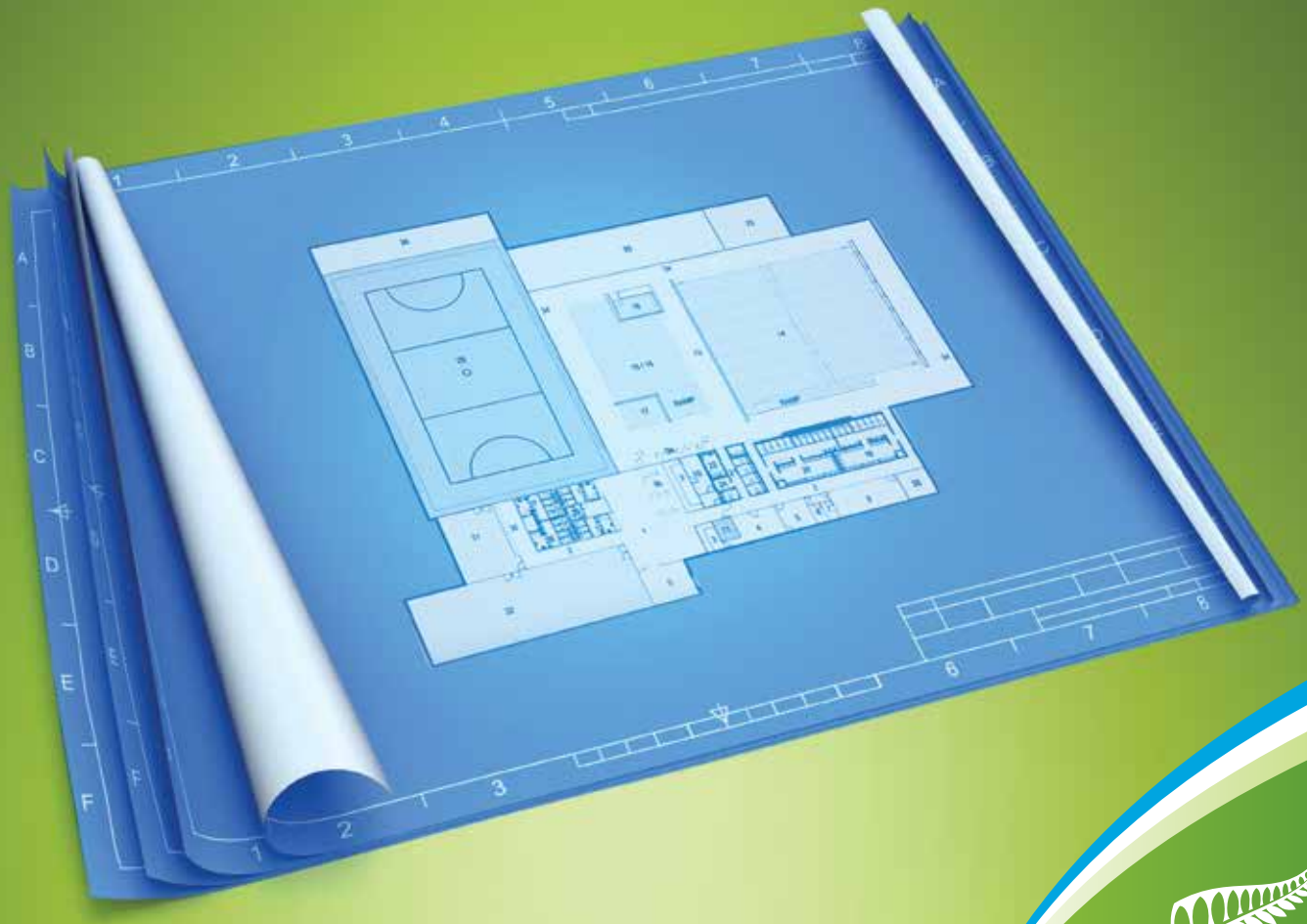
Community Sport & Recreation Facility Development Guide



Sportnz.org.nz/facilityguide

SPORT NEW ZEALAND

Community sport

INTRODUCTION

Background

Sport New Zealand's Strategic Plan 2015-20 has a vision for New Zealand to be the world's most successful sporting nation as measured by more kids in sport and active recreation, more New Zealanders involved in sport and active recreation, and more New Zealand winners on the world stage. To achieve this vision, Sport NZ is working with partners and providers to build a world leading sports system.

Sport NZ's Community Sport Strategy 2015-20 sits alongside the Strategic Plan. Aligned with the Strategic Plan's focus on developing a world leading sports system, the Strategy prioritises the development of five parts of the sports system: Insights, People, Partners & Providers, Pathways, and Spaces and Places.

Spaces and places – supporting informed decision-making

As we've gone about our work, we have become extremely aware of the importance of having the right sporting facilities in the right places to help increase participation.

If you look around the country you will see a vast range of indoor aquatic and indoor court facility designs and standards. Many were designed to meet community needs at the time with little account of what future demands may be. Others were designed to meet the requirements of the highest levels of competition and training, and are underutilised because they are specialised and not suited to multi-use. Most operate at a net cost to the community, requiring ongoing subsidies. To minimise this it is imperative that, before any facility is built, a thorough and considered planning process is undertaken to establish needs rather than wants and how best to maximise participation and minimise costs.

Sport NZ has developed a *Community Sport and Recreation Facility Development Guide* to help anyone looking to provide community aquatic and/or indoor sports facilities.

The guide builds on *The New Zealand Sporting Facilities Framework* (www.sportnz.org.nz/facilitiesframework), to further support informed decision-making.

The guide has a particular focus on the 'affordability' and 'whole-of-life' financial sustainability of multi-sports centres that can meet a range of community needs while complying with best practice and the required standards.

It provides a step-by-step process and supporting information for planning, designing, procuring, building, operating and evaluating community sport and recreation facilities.

The full guide can be found on our website:
www.sportnz.org.nz/facilityguide

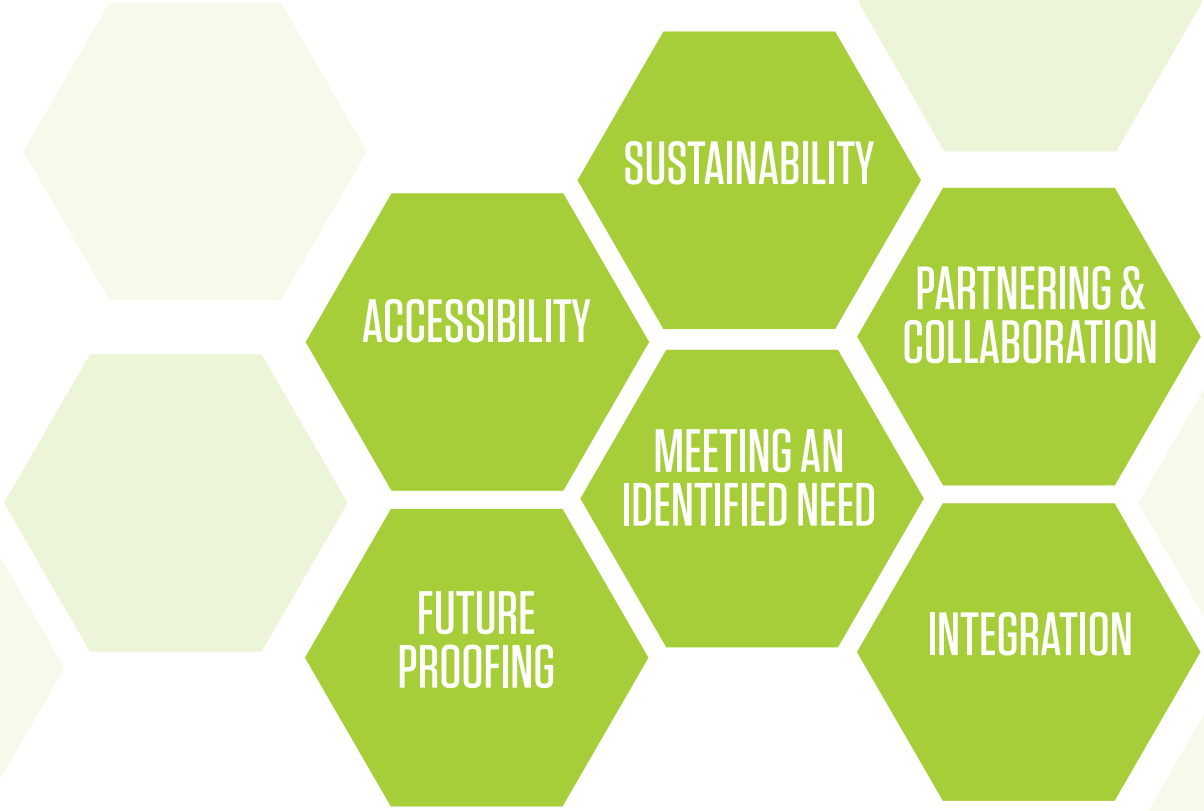
Uses for the guide

- Testing ideas, identifying needs and developing concepts.
- Undertaking feasibility studies, a business case and options.
- Establishing a project brief.
- Developing the business plan and capital and operational budgets.
- Selecting a procurement route and project programme.
- Validating key project design requirements and details.
- Forming a process and template for future projects.

Approach

The guide includes 'reference facility' designs to illustrate the different activity spaces and amenities that might be appropriate for new community sport and recreation facilities and that are based on the principles of *The New Zealand Sporting Facilities Framework*.

THE SPORTING FACILITIES FRAMEWORK



Reference facility

In the guide the approach to the reference facility and selection of materials are designed to be both economical and in the context of achieving a sustainable outcome over a life of 50 years. The guide also refers to alternative strategies for clients where shorter lifespans for facility projects may be considered acceptable.
The facility designs, cost plans, specifications and other technical details show how these impact on the total cost of a project. The guide may appear to focus more on aquatic facilities than indoor court, fitness and other components. The reason for this is that aquatic facilities are the most costly to build, operate and maintain, and the least flexible to change or convert to other uses if the needs of the community change.

The designs for the facility models - small, medium and large indoor multi-sport community facilities - aim to be:

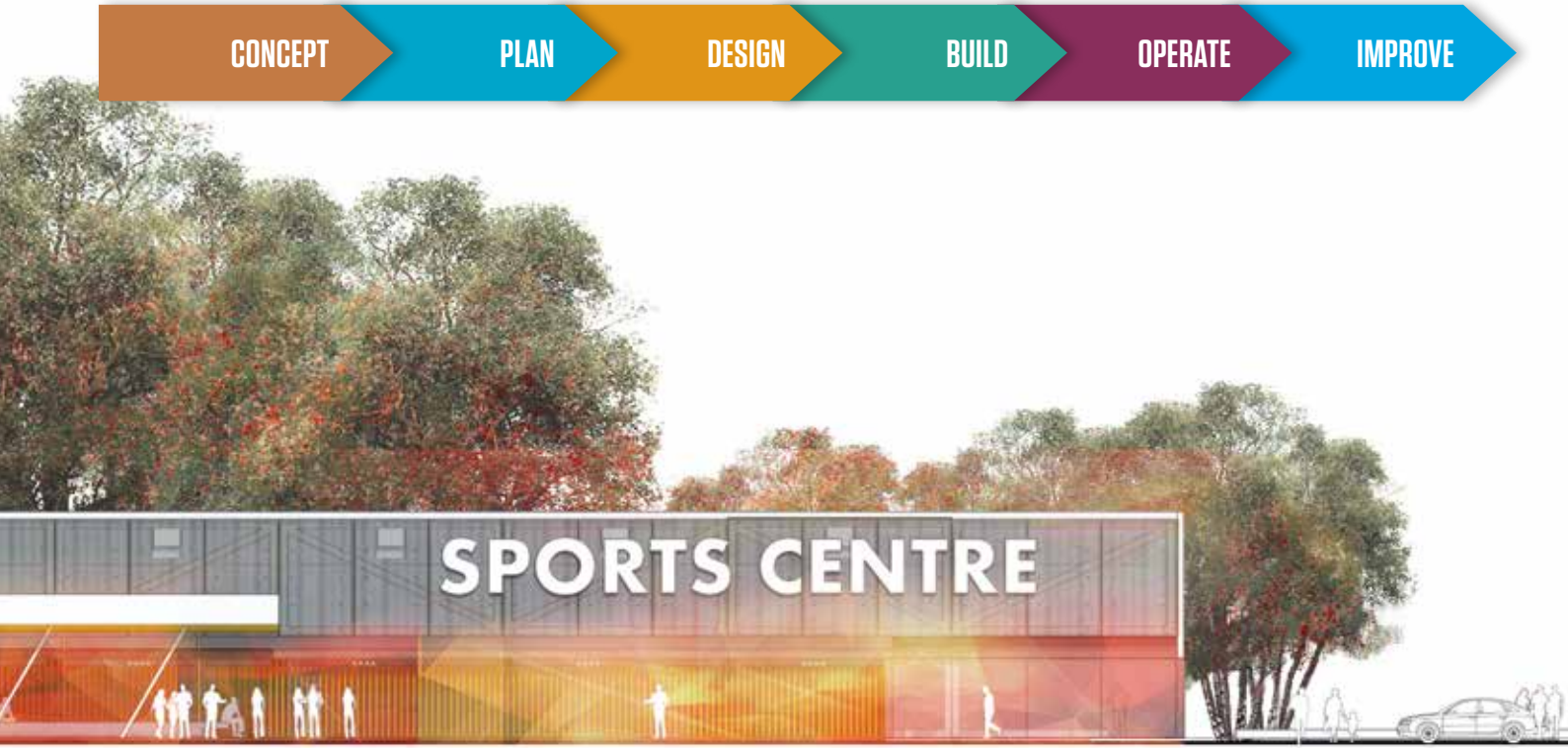
- Efficiently planned
- Functionally and operationally efficient
- Meeting most possible community sport and active recreation requirements
- Contained within an appropriate building structure
- Provided with efficient and cost-effective internal environmental and sustainable systems
- Capable of being expanded or reconfigured.

The guide is also intended as a companion document to other relevant resources including the *Facility Management Manual* and *Aquatic Facility Guidelines*:

www.sportnz.org.nz/facilitymanagementmanual

www.sportnz.org.nz/aquaticfacilityguidelines

The facility development life-cycle



Better facility decision-making and the greatest impact on project outcomes happen when the six stages of the facility life-cycle are all considered and undertaken:

CONCEPT – identifying the need for a facility and developing the strategic case for doing so, including assessing the specific need and demand in the wider context of the desired facility network.

PLAN – ensuring the facility will be fit for purpose, sustainable and future-proof while also determining its financial feasibility based on an appropriate facility mix.

DESIGN – developing the detailed functional and spatial requirements of the facility based on the agreed facility mix. Designs are confirmed and estimates finalised.

BUILD – constructing the facility.

OPERATE – managing and maintaining the facility. Ensuring it delivers a quality experience and has an effective and efficient operating model and programme of activity that meets community needs.

IMPROVE – evaluating the success of the facility, how it has delivered on the identified outcomes and objectives, what improvements can be made and whether there is any experience or learnings that can be shared.

STAGE 1

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STAGE 1: CONCEPT

A well designed sport and recreation facility will be a significant capital investment and a long-term commitment to operating a valuable community asset. It is important to get the right professional advice and make clear, well informed decisions. Make sure you answer these questions:

- What are the key reasons for developing the facility?
- Who is the facility being built for?
- Does the proposed facility support national, regional and/or local plans?
- How do we know it is going to be used by those groups and individuals who want it?
- Are there potential collaborators and partners?
- Is there potential for co-location or integration with other community facilities?
- Where is the best location?
- How is it going to be managed?
- How will the design/construction costs be met?
- How will the ongoing operational and development costs be met?
- How will the facility remain fit for purpose for the life of the asset?
- Will the facility be able to be expanded or changed to meet future demand?

Community stakeholders affected by the project need to be identified as early as possible, and consulted so that their needs and concerns can be properly understood and addressed.

Three steps in the concept stage are critical as they provide the ability to review and make key decisions before proceeding to the next stage:

1. **Project scoping** - to provide the information needed to prepare a project brief.
2. **Needs assessment** - to identify any lack or over-supply of existing facilities (the demand) and to justify needs not wants.
3. **Feasibility** - to assess the social, economic and environmental viability of the proposal. Part of the feasibility work is to prepare a business case.

The Government's Treasury guidance on developing better business cases can be helpful: www.treasury.govt.nz/statesector/investmentmanagement/plan/bbc

Project scoping, needs assessment, feasibility and business case are your best insurance against a poor investment.

STAGE 2

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STAGE 2: PLAN

When the need for a sports facility and its components has been agreed, the business case developed and a suitable location selected, the next steps focus on more detailed planning for the project. At this stage, questions that need to be answered include:

- What are we trying to achieve?
- Are there any planning restrictions for the proposed site?
- When will we hope to start?
- What do we need to put in place?
- Can we do it alone, or do we need help?
- How long will it take?
- How much will it cost?

Key roles

Choosing the in-house project team is a critical task, and developing a positive project working platform and collaborative spirit will help ensure that the project aims are realised.

The project sponsor, responsible for the project delivery, represents the client and should have time to devote to the project and access to relevant services and resources needed.

The project manager will be responsible for doing the organising and controlling, and can be either an internal or external resource. They will be responsible for selecting people to do the work on the project and ensuring the work is done properly, on time and to a budget.

Getting advice

Sport NZ, Regional Sports Trusts and the New Zealand Recreation Association can offer help and advice when a project is being considered. For a large and complicated project, a specialist sport and recreation facility adviser will be helpful. This role may be filled by a sport and recreation planner, architect, quantity surveyor, project manager, engineer or other professional, but your ability as the client to critique and have input to the project plan, design and operating model is important.

Developing the project brief

It is important to refine and capture the information and decisions that have been made during the initial **CONCEPT** and **PLAN** stages of the project. The project brief is developed from the investment objectives, needs analysis, feasibility and business case so that it can be communicated effectively and concisely to the project team, designers and developers.

This process takes time and should not be rushed. Time spent in the early stages will ensure that the correct and complete information is in place prior to expensive design work being undertaken, and will save money and wasted effort.

Procurement

A suitable way to determine who best to implement the project is to follow a procurement route, which may include:

Alliance - typically used for larger projects, this route is unlikely to be used for the development of a community sport and recreation facility.

Design and build - suitable where parties are seeking innovation in the build and do not require significant control over the final design.

Design, build, operate and maintain - suitable where parties are seeking innovation in the build and do not require significant control over the final design. Requires clear performance requirements to work well, especially for an aquatic facility, and may provide greater price certainty.

Design and build with management contract - single entity delivery of the design, build and operations.

Traditional - suitable where parties are seeking control over the final design. Requires the additional procurement of an operator, service providers and maintenance if not undertaken in-house by a local council.

Traditional with operate and maintain - suitable where parties are seeking control over the final design. Requires the additional procurement of service providers and performance requirements to link a contract to the asset owners and service providers' needs.

Traditional with management contract - suitable where parties are seeking control over the final design. Assumes a contracting party will take up the management contract.

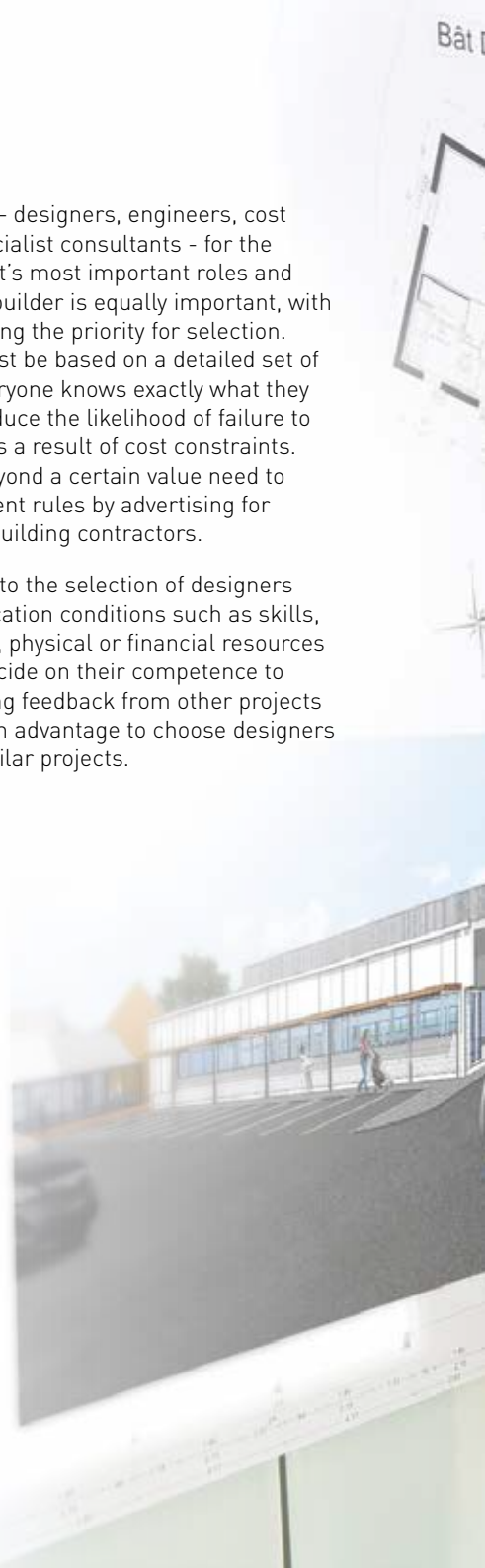
Contracts

The relationships between the client and external project team members need to be defined in legally binding, simple, clear and unambiguous contracts.

Selection processes

Choosing the right team – designers, engineers, cost managers and other specialist consultants - for the project is one of the client's most important roles and decisions. Choosing the builder is equally important, with value, not cheapness, being the priority for selection. Construction tenders must be based on a detailed set of requirements so that everyone knows exactly what they must deliver. This will reduce the likelihood of failure to meet the project needs as a result of cost constraints. Public sector projects beyond a certain value need to follow specific procurement rules by advertising for project consultants and building contractors.

There are several stages to the selection of designers and builders. Pre-qualification conditions such as skills, experience and technical, physical or financial resources should be set down to decide on their competence to carry out the work. Getting feedback from other projects is important – it can be an advantage to choose designers who have carried out similar projects.



STAGE 3

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STAGE 3: DESIGN

At this point most of the project effort shifts to the design team. The extent of the builder's involvement at this stage varies according to the procurement method. The success of the project still depends on continued client involvement, especially in keeping the focus on design quality and providing the right information when it is needed. As the design team develops its ideas, the client must check that they continue to match the brief and the strategic aims of the project.

Developing the design brief

The design brief communicates client and community needs and expectations, and the client must be involved in its preparation. It is an extension of the outline brief into a document that will be translated spatially and technically by the design team. It should provide a clear framework to allow the design team to create a solution.

Design phases/stages

All building projects go through a similar design process irrespective of the building type, procurement methodology or programme. The key design phases of a building-type project include:

- Concept design
- Preliminary design
- Developed design
- Detailed design
- Construction design.

Throughout these phases, review the design work regularly and check plans, dimensions and technical requirements to ensure they are aligned with expectations.

Cost, risk and value management

Ensure you receive regular updates and information about cost, project risks and any value management proposed as they change with the progress of the project.

If the design is not going the way you want or the designer is proving hard to work with, starting again may provide better value than getting the wrong result.

Through the design stage remember the aim is to provide a functional facility with spaces that meet the needs of the community, enable cost-efficient management, are energy efficient and sustainable, and integrate well with the surrounding environment.

The single most important tool for achieving these objectives is a comprehensive project design brief and design process. This will ensure that the outcomes of the project match your expectations; that the standards of quality and finishes you require are achieved; and that you retain control of the design developed and ensure a value-for-money result.

The aim of a project design process is to convert your expectations into reality.

STAGE 4

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STAGE 4: BUILD

The build (construction) stage of a project begins when activity starts on site.

Building the reference facility

The Community Sport and Recreation Facility Development Guide illustrates possible development options for small, medium and large community multi-sport facilities, and specifically has an example of a reference facility that is medium scale for a community with a primary catchment of 50,000 population. This example is part of a longer-term master plan vision that includes possible expansion to respond to other community sport and recreation opportunities.

No late changes

Avoid introducing new ideas and demands for the building unless absolutely necessary. The project briefing and design process, if robust, should have provided the information needed to avoid late changes. Even small changes at this stage can cause increases in costs and/or lengthen the programme. Any agreements for changes need to be signed off by you as the client. Record these changes as they may affect compliance with the terms and conditions of the parties to the contract.

Contractor procurement process

The procurement of the building company can be undertaken via a two-step process (pre-qualification via expressions of interest or pre-approved selected companies and a request for proposals) or a single step (request for proposals). The important factor to consider is that the respondents to the request for proposals have the ability and capacity to undertake the work, and have specific sport and recreation facility experience.

The procurement strategy will also outline the preferred contracting type, which establishes the framework for the life-cycle delivery of the project (ie, how its management, design and construction will be commissioned). There are several procurement strategies and delivery models outlined in the guide, which represent varying degrees of complexity, risk, innovation, client involvement and programme influence.

Contracts and agreements

Contracts – legal agreements – are a complicated, specialised area, covered in extensive legal and contract literature. The guide does not substitute for specialist professional guidance on contracts.

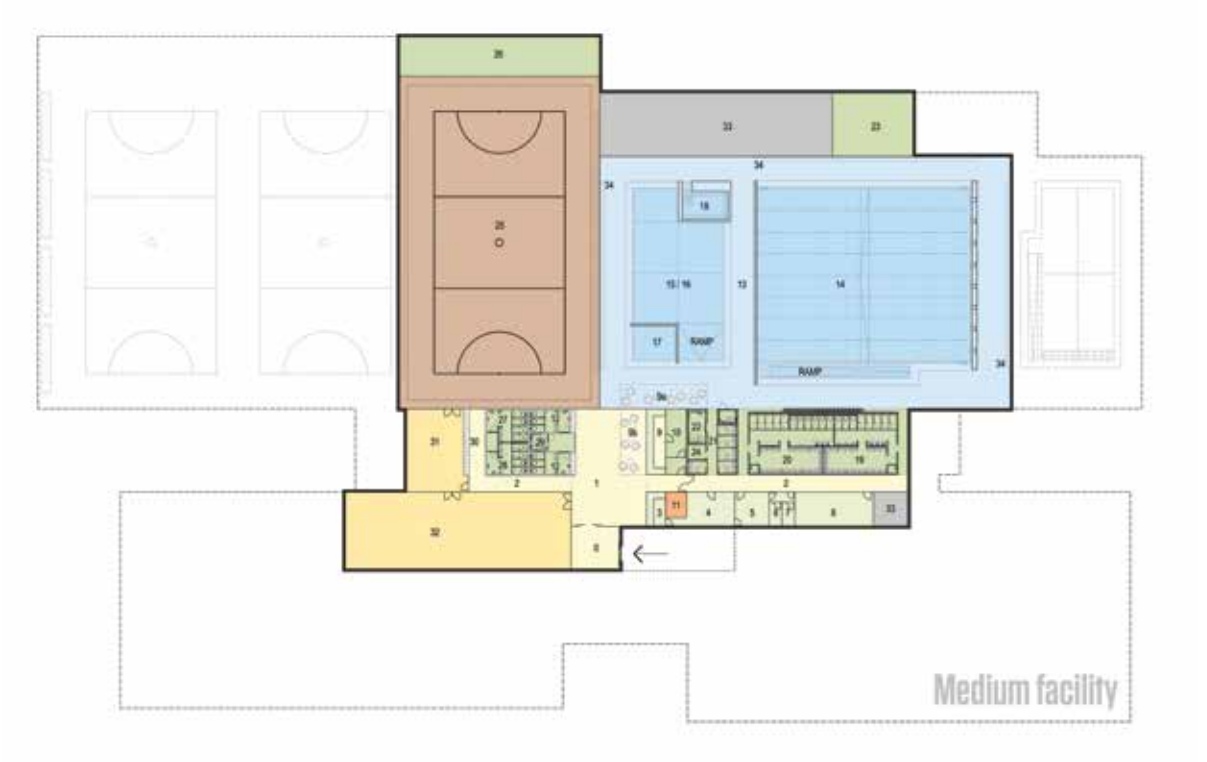
The estimates of costs included in the guide are calculated using costing data derived from current development rates and a number of recently completed projects. Escalation costs have been added to the analysed project costs so the listed rates are current as of the third quarter of 2021, and will continue to be updated.

For the full list of inclusions and exclusions consult the **BUILD** section of the guide.

MULTI-PURPOSE FACILITY* – ROUGH ORDER OF COSTS – BETWEEN REGIONS	M²	$/M²	COST	AUCK $	WGTN $	CHCH $	DUN $
Regional indices				1	0.98	1.05	0.96
Small facility	2,670	6,600	17,622,000	17,622,000	17,269,560	17,445,780	17,269,560
Medium facility	3,710	6,900	25,599,000	25,599,000	25,087,020	25,343,010	25,087,020
Large facility	7,065	6,300	44,509,500	44,509,500	43,619,310	44,064,405	43,619,310

*Example reference facility plan

Capital costs



Strategies for more affordable outcomes

When the project budget comes under pressure, there are critical questions that need to be answered:

- Facility size/staging - should the facility be made smaller, or can parts of the development be staged?
- Materiality/level of finish - are there less expensive alternatives to the chosen materials/systems, and can the quality of finish be reduced without sacrificing long-term durability?

Alternative strategies and case studies are in Appendix B of the guide.

Whole-of-life costs

Whole-of-life costs are substantially greater than capital or initial costs – it is estimated that the operational expenditure can be 5-10 times as much as the capital cost.

Whole-of-life costing is typically adopted by those developing sport and recreation facilities that have a long-term interest in the assets concerned. Often they come from the public sector and have a large portfolio of public property – it is a Treasury requirement that all major capital projects be designed and developed taking account of whole-of-life costs.

The construction period is when the building is developed; the end of construction is when the project starts its operational life. The client now has to take over the project and live and work with an asset to be enjoyed by and be of benefit to future generations.

STAGE 5

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STAGE 5: OPERATE

Any community sport and recreation facility is a significant one-off capital and ongoing operational and renewal investment. To ensure the longevity of the asset and value for the investment, good management, maintenance and operational practices are essential.

Planning for the operation of the facility must happen before handover, taking the following into consideration:

- Personnel needed – their induction can be combined with training on the use of the new building
- The way customers are welcomed and how they can be made to feel safe and comfortable in the new building
- Information customers may need about the new facility, its activities, or its new location.

The guide in full outlines aspects of the **OPERATE** stage:

- The opening and launch
- Commissioning and fine-tuning the building's operation
- Ongoing operations and management, including the operator procurement process, types of contract, potential facility management arrangement, and operating budgets for different facility types.

Indicative operational budgets for the reference facility are based on known costs of similar-sized facilities and assumptions based on similar population catchments and demographic community profiles.

The following Sport NZ and New Zealand Recreation Association resources will be useful:

- *Aquatic Facilities Guide.* www.sportnz.org.nz/aquaticfacilityguidelines
- *Recreation Centre Management Manual.* www.sportnz.org.nz/facilitymanagementmanual

REFERENCE FACILITY INDICATIVE OPERATING BUDGETS

INCOME	SMALL FACILITY	MEDIUM (REFERENCE) FACILITY	LARGE FACILITY
	$	$	$
TOTAL INCOME	1,080,000	1,300,000	1,633,000
TOTAL EXPENDITURE	1,465,000	1,711,000	2,195,000
NET COST (subsidy)	-385,000	-411,000	-562,000
RETURN ON COSTS	73%	75%	74%

For a full breakdown of revenue and expense costs refer to Section 5, 'Operate' of the guide

STAGE 6

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STAGE 6: IMPROVE

Once the facility has been operating for a period of time, it is important to measure its performance.

- Is the new facility meeting its projections and strategic aims?
- Are the intended users participating in sufficient numbers?
- Is participation higher than expected, and if so, will the facility need to adapt to meet increasing demand?

User satisfaction, operational efficiency, space efficiency, and assessments of whether the procurement processes were smooth are all measured by different means. A range of feedback mechanisms is therefore useful, including questionnaires, focus groups, monitoring of bookings, and observation of use patterns.

Gathering this feedback allows knowledge from completed projects to benefit the next project of your own organisation or others. After the initial period of operation (between 12 and 24 months) Sport NZ may ask the facility to participate in a post-operational evaluation of how well the facility is working and what learnings can be shared.

With its partner the New Zealand Recreation Association, Sport NZ has developed an online national facilities benchmarking tool to provide sport and recreation facility operators with high-level key performance indicators (KPIs) to help ensure their communities have access to effective and efficiently operated facilities. The tool has indicators and measures that support data collection to improve the capability and performance of facilities. It is free of charge to those who register and input their information.

To register and get more information go to:

www.nzrecreation.org.nz/index.php/facilities-home/facilities-standards


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