



FREQUENTLY ASKED QUESTIONS

STATE EQUESTRIAN CENTRE & EQUESTRIAN WA

MARCH 2021



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INTRODUCTION

The history of the State Equestrian Centre (SEC) and its relationship to Equestrian Western Australia (EWA) and the wider equestrian community on the state is a complicated one. This document outlines a number of frequently asked questions and concerns in regards to the management, financials and future of the SEC.

(Please note, this document is current as 9th March 2021, and details may change in the near future. For context, this document was initially prepared during the COVID period, just after a full shutdown of our sport and shutdown of the SEC venue itself.)



The image shows the exterior of the State Equestrian Centre building. The facade is white with large black text that reads "State Equestrian Centre" and "The Bond Connell Pavilion" below it. To the left of the text is a small logo featuring a stylized horse head and the word "EQUESTRIAN". The building has a modern design with large windows and a dark roofline. The background shows some greenery and a clear sky.

State Equestrian Centre The Bond Connell Pavilion

WHAT IS THE HISTORY OF THE STATE EQUESTRIAN CENTRE?

Equestrian Western Australia (EWA) has managed the State Equestrian Centre (SEC) since it was opened in 1985. In 2017 the Home of Equestrian Sport in WA hosted 346 events with 11,500 competitors, 20,000 spectators and 14,000 horses visiting the SEC. While EWA manages the SEC, primarily to provide a State facility for EWA Olympic Equestrian Sports, many non EWA equestrian clubs use the facility together with non-equestrian activities.

The SEC was built with funding provided by Federal Government 50%, State Government 25% and private (EWA Members) 25% funds for the then Equestrian Federation of Western Australia (now EWA). Once completed the SEC ownership was vested with the City of Swan (COS). EWA has a 20 year lease of the SEC with the COS that expires in December 2020. Negotiations to renew the Lease are scheduled to commence in 2020.

A 2016 insurance valuation of the SEC estimated the replacement cost of the entire facility at \$43,532,000.

The SEC is currently managed by EWA. It is important that all EWA members and SEC users understand that these are essentially two separate entities, each can exist without the other. EWA services the sport and manages EA competition in the state, while the SEC management is purely focused on the maintenance of the property, venue hire, working with current tenants (such as Horsepower and Pony Club WA) and negotiating the future of the facility.

WHO ACTUALLY OWNS THE SEC- THE BUILDINGS AND THE LAND?

The SEC grounds and buildings are all property of the City of Swan, leased to the current management, EWA. The car park field opposite the Indoor is owned by EWA and is a tangible asset of EWA.

WHAT EXACTLY IS THE SEC? WHAT DOES IT COMPRISE OF?

The State Equestrian Centre comprises of:

- The Bond Connell Pavilion (the Indoor arena) and outdoor Warm Up, including a café space, office space, toilets, showers and storage, and indoor seating for 1,400
 - The International Arena and judges boxes
 - The C-Quest Arena and Warm Up
 - The President's Lawn and Classrooms
 - 147 Stables
 - Wash bays and Medication control box
 - 300 Polocrosse yards
 - The grassed general purpose field
 - The Cross Country area
 - The Pony Club buildings and storage
 - 5 Polocrosse Fields and buildings
 - The HorsePower Brigadoon grounds and arena (formally RDA Brigadoon)
 - The caretaker's house
 - Car and float parking
 - Various machinery, such as tractor, grader etc
 - 2 x audio caravans
 - 2 x class rooms
-

WHO USES THE STATE EQUESTRIAN CENTRE?

Currently 57% of bookings are Equestrian WA members or affiliated clubs, with 33% other non EWA members and a small non-equestrian use. The 33% includes pony club, breed shows, and general equestrian enthusiasts who may utilise the park and ride or hire the facilities privately.

WHO PAYS FOR THE ONGOING MAINTENANCE AND UPGRADES TO THE SEC? WHAT DOES THE CITY OF SWAN CONTRIBUTE TO THE COSTS?

The Department of Local Government, Sport and Cultural Industries funds some maintenance costs currently identified in the SEC asset management plan and assists in urgent repairs at times, and while greatly appreciated this falls well short of what is required and certainly does not cover improvements. The EWA team, led by Dwight Pedlow CEO are constantly seeking and applying for grants for additional works, such as improvements to the indoor surface. EWA has a very close working relationship with the Department's office and they are supportive of the current management of the SEC and the redevelopment plan.

Currently the City of Swan does not contribute to the running costs of the facility. In fact, EWA pays for the entirety of the insurance on the CoS property each year, as well as paying council rates. Insurance costs alone are \$130,000 plus per year.

WHY DOESN'T THE STATE EQUESTRIAN CENTRE MAKE A PROFIT?

It is actually very rare for any state or local government run sporting grounds to make a profit, or even break even. The provision of public services, such as sporting grounds, is to provide something of value to the community, and encourage participation and inclusion and the benefits to a community that comes from that.

Even large stadiums, such as the newly built Optus Stadium, which runs sell out events in very popular sports such as AFL and Cricket, as well as music concerts, ran at a \$14 million loss in [2018/2019](#).

Your local swimming pool will be heavily subsidised by local government and state government grants, and not rely entirely on entry fees to cover it's costs, and will still run at a loss.

Your local tennis or bowls club will be the same.

It is incredibly difficult to balance the needs of meeting affordability of the clubs and committees, as well as individual coaches and clinicians, and setting hire costs that meet the costs of maintenance and staffing requirements.

Most clubs and committees agree that the current hire costs are already at the maximum they can afford. The only option then is to hire more often, but the venue is already booked 48 weekends of the year with many multiple events on these weekends, and often midweek as well. Reducing running costs in order to improve profit margin is another option, but with an aging facility with increasing maintenance costs this simply isn't an option.

The SEC and EWA management do constantly seek sponsorship, and apply for various grants as they become available. Dept of Sport and Rec have been very complimentary and positive about the management of the SEC currently.

WHO OWNS AND MANAGES THE XC COURSE, FENCES AND WHAT DOES IT COST?

The XC fences are variously owned and maintained by different groups -- EWA, West Australian Young Event Riders Inc. (WAYER) and Eventing Promotions WA this includes mix of fixed and portable jumps. The maintenance to the ground itself is paid by the SEC, while the maintenance of individual jumps is the responsibility of EWA, WAYER and Eventing Promotions WA.

This can lead to some confusion when hiring the XC course, as the fences that are owned privately are not always available as part of the course hire. The SEC pays for all the general maintenance and service costs associated with the XC area.

		2019	2018
INCOME	Event hire	\$5,431.00	\$5,340.00
	Casual hire/clinics	\$27,136.00	\$20,418.00
	Facility Levy (50%)	\$4,245.00	\$4,172.00
		\$36,812.00	\$29,930.00
EXPENSE	Mowing contractor	\$9,898.00	\$10,956.00
	Electricity/Water and costs associated for water for the water jump	\$3,062.00	\$4,102.00
	Electricity general	\$1,226.00	\$2,177.00
	Maintenance/repairs	\$1,353.00	\$15,941.00
	Weed spraying	\$1,500.00	\$2,680.00
	Eco water/biomax	\$1,529.00	\$1,529.00
	Fire breaks	\$500.00	\$800.00
	Insurance	\$13,600.00	\$13,143.00
	Controlled burn	-	\$1,800.00
	SEC labour approx	\$5,600.00	\$5,600.00
	Proportion of rates	\$4,200.00	\$4,200.00
		\$42,468.00	\$62,928.00

HOW MANY STAFF ARE EMPLOYED AT THE SEC, AND WHAT ARE THEIR ROLES?

Organisations and venues such as the SEC need staff for them to be able to run. The direct SEC staff members include a Facilities Manager who organises bookings and events, 2 grounds staff, caretaker 6 hours per week, and casual staff as required. The roles of the CEO, Communications, Finance and reception are split 50% to the SEC.

There have been references to the number of staff and committees members across the sport, some incorrectly stated the EWA Board is paid. This is incorrect. All Board and committee positions at EWA are voluntary.

EWA has 3.4 Full time equivalent (FTE) staff and the SEC 4.6 FTE with staffing **reduced** by 1.8 FTE over 4 years while **gross income has increased** from \$1.8m to \$2.3m during the same period.

AS AN EWA MEMBER, ISN'T PART OF MY FEES A "MEMBERSHIP" TO THE SEC? WHY IS THERE NOW A \$7.50 FEE FOR PARK AND RIDE?

There is no "SEC membership" fee. While EWA member's funds subsidises the SEC operating expenses, the individual SEC users still need to pay for any use.

All organising committees and clubs who hold events at the SEC are charged a \$7.50 per horse facilities levy to go towards the maintenance of the facility.

There costs associated with any one that drives onto the SEC grounds, insurance, road repairs, manure removal, water use (toilets/wash bays), rubbish removal etc. These real costs need to be met by all that use the facility.

The SEC is NOT public open space, and EWA as managers of the property are responsible for the safety and wellbeing of anyone using the property.

AS AN EWA MEMBER, WHAT DISCOUNTS ON HIRING SEC VENUES/ STABLES/ GROUNDS DO I RECEIVE?

When competing at the SEC or using the grounds for a clinic, there is a Ground Service Fee that is normally applied of \$20. As an EWA member, this fee is waived.

Stable hire fees are also discounted, from \$40 to \$25 per stable.

There are also arena hire discounts of on average \$10 per horse per hire.

Approximately \$80 of your EWA membership helps support the State Equestrian Centre. As a case in point, if you have competed and stabled a horse at the SEC over two days of the year, you have received a discount on your SEC use that equals about \$80.

AS AN EWA MEMBER, SHOULDN'T I BE ENTITLED TO USE THE GROUNDS WHENEVER I LIKE?

The SEC is a privately leased property and grounds, just as a golf course, or bowls club would be. It is not, as commonly thought, public open space, such as your local park.

For safety and security of all users, it is a requirement that you register when using the grounds, either as competitor or attending a clinic, training on the ground or using the Park and Ride. Your membership fees do not give you unrestricted access to the grounds as you wish for many reasons. The obvious one is for safety- it would be irresponsible for EWA (the lease holders) to allow riders to use the facility without supervision on site, should an incident or accident occur. Another reason may be that the venue has been hired privately by another party, and the areas you wish to use now has restricted access.

As much as it may aggrieve some members, the SEC is not owned by the members. It is a privilege that EWA runs a prominent venue and that members can use a facility of its type here in WA. It is the envy of many other state Branches of EA, none of whom have control over a similar venue.

WHY ARE THE FACILITIES LOOKING SO TIRED?

The venue is now 33 years old, and many of the features have been there since the initial development. Some work that has been needed, is simply not able to be carried out due to cost. For example, the lighting towers need upgrading, and more lighting is required to be installed. But in order to do that, the currently circuit board, which is no longer to code, requires complete replacement at a cost of around \$250,000.

The SEC management team and grounds staff are well aware of the substandard facilities, such as the toilets and showers, and lack of powered camping for people traveling from regional areas, the increasingly poor surfaces, and areas no longer fit for certain uses, such as the indoor arena not suitable for higher level jumping.

In many cases, the work required for a single project- such as the indoor- far outweighs our annual budget for maintenance, so it simply cannot be done without seeking separate funding or grants. This is the reason driving the redevelopment proposal, to bring the entire grounds up to expectations of our users and EWA members, and open the area to more sporting opportunities and increased use.

WHY WASN'T MORE MAINTENANCE AND IMPROVEMENTS OF THE GROUNDS UNDERTAKEN DURING THE COVID LOCKDOWN?

This was discussed, but due to the complete lack of venue hire revenue there simply was not the cash available to pay for the work such as top dressing, painting or non-urgent repairs. SEC grounds staff were able to be placed on JobKeeper and worked the minimum hours required, so no further costs were incurred to EWA. In fact, the entire EWA and SEC office were put onto Job Keeper, and the Board decided in March as the COVID shutdown came into effect to put a freeze on using member's funds in any way on the SEC.

Yes, it would have been ideal to use the shut down as the perfect opportunity to undertake significant works on the property as it was not being used. It would, however, have been financially irresponsible and could have potentially put both EWA and the SEC at severe financial risk if the shut down continued on for longer than a few months.

During the COVID closure the SEC general mowing, cleaning small maintenance continued and was carried out by the SEC caretakers that remained working throughout.

EWA has recently applied for funding from LotteryWest Resilience COVID funding to support EWA/SEC during COVID, and it has also secured an additional amount of grant funding from the Dept Sport of \$370,000 for the period 2020/2023, which will be used towards funding the SEC asset management plan.

WHAT DOES EWA PROPOSE IN TERMS OF A FUTURE DEVELOPMENT AND ONGOING MAINTENANCE AND MANAGEMENT PLAN?

The full redevelopment plan, including a complete breakdown the proposed works and costs can be found in the [Appendix](#) section.

WHAT IS EWA DOING CURRENTLY TO ENSURE THE SEC IS BEING EFFICIENTLY AND CORRECTLY MANAGED?

Click here to view RSM Australia's financial capacity review conducted for the Department of Local Government, Sport and Cultural Industries ("the Department") in relation to the Equestrian Western Australia's management of the State Equestrian Centre.

\$15 MILLION SOUNDS LIKE A LOT OF MONEY. WHAT WILL THAT LOOK LIKE?

The SEC is now 33 years old, and many structures and facilities are reaching the end of their life. The \$15 will see the venue into the 20 years with up to date and fit for purpose grounds, arenas and facilities. See the full plan in the [LINK](#). The grounds are currently valued and insured for \$43 million.

HAVE THE EWA MEMBERS AND WIDER EQUESTRIAN COMMUNITY BEEN SURVEYED IF THEY WISH TO SAVE THE SEC?

Yes. Surveys were sent to EWA members and SEC patrons to complete and most recently a survey was compiled by the independent consultants, RSM. The responses were in the majority in support of the proposal.

WHAT WOULD THE SPORT LOOK LIKE WITHOUT THE SEC?

Without the SEC it would be increasingly difficult to hold large scale events in this state. National events such as the Polocrosse Nationals, or the Interschool nationals would not be able to held in WA again. The SEC has the infrastructure- stabling, multiple arenas, etc- to hold these large events, where other private or council grounds do not. State championships and breed shows with large number of entries would also struggle to find suitable locations.

The sport would survive in WA without it, but the EWA board and the majority of the membership feel the sport has a better chance to thrive if the SEC is retained and redeveloped to meet the needs of the sport into the future.

There is no other venue that provides permanent stabling for 147 horses.

WHAT OTHER MANAGEMENT MODELS ARE POSSIBLE, IF EWA WERE NO LONGER MANAGING THE CENTRE, AND WHAT WOULD THAT MEAN FOR MEMBERS?

There are a number of different models being suggested and discussed, each with their pluses and minuses.

EWA surrendering the lease to the City of Swan they may then choose to manage the SEC or lease to another organisation. The property going to independent management in one option. It would see the grounds being hired at commercial rates, and all EWA member discounts would cease. Venue hire bonuses for clubs- such as receiving the C-quest warm up for free when hiring the C-quest, would also cease, as the model states that all commercial hire opportunities would need to be capitalised on.

More than likely, moving to a commercial agreement would see clubs and committees paying a storage fee for equipment stored on site, currently at no charge. Another model is the City of Swan taking over the management of the property. The CoS have to date showed no interest in doing this.

Setting up a new Not for Profit board to manage the SEC separate to EWA is also an option. Should EA move to a centralised model, with EWA no longer in control of its own finances and therefore no longer eligible for any state government funding, may force this model. Having a commercial entity such as Venues West take over the management is an option, but EWA have concerns over this as it would see people in charge with little to no equestrian knowledge or experience, and potentially lead to more dates hired to non equestrian events, and less dates available to equestrian clubs and users.

In a normal (non- COVID) year, the SEC is booked 48 out of 52 weekends of the year, and many midweek bookings as well.

WHY DOESN'T THE SEC HIRE THE VENUE TO MORE NON EQUESTRIAN EVENTS AND ORGANISATIONS, LIKE MUSIC FESTIVALS, TRAVEL EXPOS AND FITNESS EVENTS?

The SEC has been hired to non-equestrian events in the past, such as the MudRush, Foam Fest and Standardbred sales. With the venue currently being fully booked by equestrian pursuits, it can be difficult to find suitable dates for other events to have access.

SEC management does seek out and consider non equestrian event where possible, and where financially profitable but we see the equestrian sport as our main focus.

DOES THE EWA PROFIT OFF THE REVENUE OF THE SEC?

No. In fact, the EWA and its members have historically subsidises the running costs of the SEC by approximately \$80 per member. Since March 2020, during the Covid shutdown, the board approved a motion that meant that member's funds were no longer to be spent to subsidise the SEC without express board approval. EWA separate from the SEC is very healthy financially, and should the EWA no longer manage the SEC, EWA will continue to service the sport as it does currently.

WHAT HAPPENS IF THE REDEVELOPMENT FUNDING PROPOSAL IS NOT SUCCESSFUL?

EWA may be forced to walk away from the venue. We would certainly not be able to sign a long term lease with the City of Swan, and the venue could be mothballed in a few short years as the buildings and surrounds become unfit/ unsafe for use.

IF THE PROPERTY IS OWNED BY THE CITY OF SWAN, WHY DO THEY NOT MANAGE THE CENTRE OR COVER THE COSTS OF RUNNING THE FACILITY?

It is true that the City of Swan have the SEC- including the buildings and the land- on their book as an asset belonging to the council. Historically, they have not given EWA any financial assistance in running the venue or covering expenses. This included the insurance (on both the grounds and buildings) which EWA have historically paid, and amounts to around \$110,000 per year. In Dec 2020, a motion was moved at a City of Swan council meeting to cede the entire property to the state, which would mean that the CoS no longer owned it. This was not moved, and in Jan 2021 an alternative motion was passed that instead saw the CoS formally recognise the importance of the centre to the local area. It also approved the allocation of \$180,000 in operational funds from the CoS to go the SEC. This amount will cover the insurance on the property, the costs of general mowing, and also the music license, which allows event organisers to play music at competitions. These are very common costs for councils to cover each year for any sporting venues on their books, however, we are still very grateful to finally have the support and recognition of the CoS, and for their advocacy for the redevelopment plan moving forward.

Please note: This is a revised version of the FAQ document. Ongoing information is being gathered to answer further questions, and this document will be updated as it becomes available, or as the situation changes with results of funding requests etc.

The EWA Board and the SEC staff thank the members for their contributions to this survey.

We would also like to thank the volunteers who give their time, efforts and expertise to contributing to the maintenance and running of the State Equestrian Centre.

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GOVERNMENT OF
WESTERN AUSTRALIA

Department of
Local Government, Sport
and Cultural Industries

