

## Equestrian Centre Not Feasible

South Gippsland Shire Council will not pursue an equestrian and exhibition centre in the municipality following its meeting today.

The decision came after a feasibility study determined such a facility would unlikely be able to cover its own annual operation costs. To make the facility sustainable Council would have to provide ongoing financial support for operations, maintenance and renewal. In addition to the cost, the feasibility study did not indicate a strong demand for the facility and development would be required on land that is not owned or managed by Council.

The equestrian centre has been discussed and evaluated in many forms for many years. In 2011 Council spent approximately \$30,000 for concept plans and cost estimates. In 2015 it spent another \$30,000 for investigation of economic impact, management models and business plan. In 2018/19 a further \$27,000 was put towards site investigations and business case. Despite all this there hasn't been a case put that strategically justifies the investment.

Construction cost estimates for development of the facility at Stony Creek were between \$3-4 million. In a rate capped environment this would only occur at the expense of other existing Council infrastructure and services. Due to the outcome of the feasibility study funding from the State and Federal Governments would be highly unlikely.

South Gippsland Shire Council's Acting Chair of the Panel of Administrators Christian Zahra AM wanted to recognise those who had advanced the project to this stage.

"I applaud the community interest of the people who have advanced this project. However the fact remains that this project would need significant Council support to be financially sustainable.

"An ongoing public subsidy from Council of up to \$100,000 per year would be required. When we look at these numbers it is difficult to justify such an amount of public money going to a project of this nature," Mr Zahra AM.

**PR2455 25/9/19**