QEC INDOOR COURT FACILITY

DETAILED BUSINESS CASE

October 2026

QUEENSTOWN LAKES DISTRICT COUNCIL

Template Version v.1.1

Business Case Framework

The QLDC Business Case Framework aligns to the Better Business Cases (BBC) methodology for developing its business cases, as recommended by the Treasury and New Zealand Government.

The BBC methodology follows the Five Case Model (5CM) framework. In 2018 the G20 adopted the 5CM as an international standard for infrastructure projects.

Five Case Model:	1. Strategic Case	2. Economic Case	3. Commercial Case	4. Financial Case	5. Management Case

The BBC methodology develops different business cases depending on the stage of the investment lifecycle – these are defined as the Multi-Stage Business Case (MSBC) process.

The QLDC Business Case Framework follows the MSBC and utilises the following business cases, depending on the needs of the investment proposal:

- Strategic Assessment

Confirm where the investment proposal sits within in the investment lifecycle to understand the business case needs prior to commencing any business case development.

Investment Lifecycle

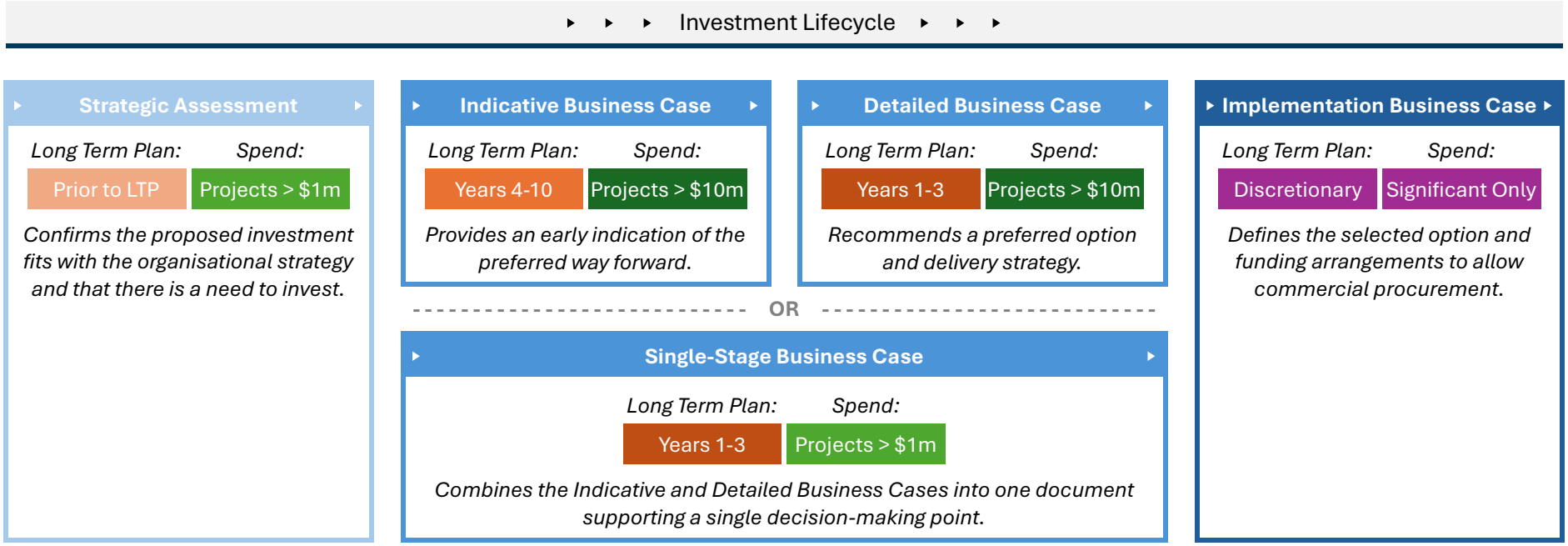
The MSBC process develops these different business cases depending on the stage of the investment lifecycle.

1. This process should start with a high-level Strategic Assessment to confirm a need to invest.

2A. This is followed by an Indicative Business Case (IBC) to outline the preferred way forward, which is progressed into a Detailed Business Case (DBC) as the preferred option is identified.

2B. Alternatively, for low-risk and low-value projects, a Single-Stage Business Case (SSBC) can be developed which combines both the Indicative and Detailed Business Cases.

3. Lastly, either of these can optionally be developed into an Implementation Business Case (ImBC) to support procurement of the selected option. The Business Case Framework only requires an ImBC by exception, to be determined by the Project Sponsor.



Executive Summary

Background

The Queenstown Events Centre (QEC) is the Whakatipu Basin's main indoor sport, recreation and events venue, and demand has outgrown its two indoor courts. Sports user groups using the indoor facility grew from 74 to 294 between 2014 and 2024,[1] and indoor court participation rose from around 50,000 to 115,000 between 2015 and 2025.[2]

The need for more indoor court space has been consistently identified since 2018. The 2019 Indicative Business Case (Jacobs) found a separate four-court facility gave the most value but recommended a two-court facility because funding was limited to $8 million. Reviews in 2022 and 2024 confirmed four courts were required based on growth. Council approved the four-court facility in the Long Term Plan (LTP) 2024–2034 on 19 September 2024 with a $46 million allocation, approved the concept design gateway on 17 April 2025, and supported development of the Concept design for the greenfield Field 4 site at its 5 May 2026 workshop. The Jasmax-led design team completed Concept Design in August 2026.

This Detailed Business Case reconfirms the case for change against the completed Concept Design, confirms the preferred option, scope baseline and delivery strategy, and seeks Council endorsement to proceed to a Concept Design Plus phase and single-stage Design and Build procurement.

Strategic Case

Case for change. Demand for indoor sport, recreation and events in the Whakatipu has outgrown the Queenstown Events Centre's two indoor courts. As a result, community sport is capped and displaced, events and sport compete for the same space, and QLDC cannot meet the level of service its growing community needs.

- **Problem 1 – Insufficient capacity:** population and participation growth has outstripped the capacity of the Whakatipu indoor-court network. Courts are fully booked at peak times, club team numbers are capped, and community groups are turned away or displaced by events. Sport NZ's national planning benchmark of one indoor court per 7,800 residents indicates a shortfall of around four courts, which is consistent with this local peak-time pressure experienced.
- **Problem 2 – Shared sport and event space:** a single combined sports and events hall means events cannot be set up, run or packed down without displacing community bookings, limiting both participation and QEC's ability to host events and regional tournaments.

[1] QLDC, Council Report – Queenstown Events Centre Indoor Courts Development, Full Council, 17 April 2025, para 2.
[2] QLDC Council Workshop, QEC Indoor Courts Facility, 5 May 2026, slide 7.

Strategic alignment. The investment contributes to the Vision Beyond 2050 outcomes of Thriving people and Pride in sharing our places, the Wellbeing Outcomes of healthy and fulfilled people, connected communities, belonging and equity, and the LTP investment priorities to provide for growth and maintain levels of service. It gives effect to the Queenstown Lakes – Central Otago Sub-Regional Sport & Recreation Facility Strategy and delivers the first stage of the QEC Masterplan. Four investment objectives are sought: increase court capacity, enable new clubs and leagues, allow sport and events to run at the same time, and improve commercial return.

Scope. A single-storey facility of approximately 6,085m^2 gross floor area on the Field 4 site, with four regionally compliant courts (3,554m^2), health and wellness facilities (726m^2), multifunction space, change and support facilities, and approximately 160 new car parks. Furniture, fittings and equipment and show court seating are excluded from the $46 million baseline and are to be funded from other budgets.

Benefits and risks. Benefits were revalidated with the QLDC Operations team in September 2026, with targets 12 months after opening including a 30% increase in indoor sport participants, 60% court usage, a 25% increase in gym memberships and a 50% reduction in booking conflicts. The key risks are capital cost against the fixed budget, the airport height limit on construction, and consenting of the Designation 29 alteration.

Economic Case

The 2019 Indicative Business Case assessed ten long-list options and short-listed four. Two final recommendation was a new two-court facility based on financial constraints but identified a four-court facility as the preferred solution if funding were made available. This Business Case assesses Do Nothing (status quo), Do Minimum (a separate two-court facility) and the Preferred option (a separate four-court facility, refined through Concept Design).

The cost-benefit analysis of the four-court facility against the status quo, over 32 years (including a two-year construction phase), gives a present value of costs of $90 million, a present value of benefits of $153 million, a net present value of $62 million and a benefit-cost ratio of about 1.7. Most of the benefit is the wellbeing value of increased participation, so the result is dependent on achieving the forecast uplift in use. The benefit follows a simple chain: additional peak-time court capacity enables more bookings and visits, which bring additional participants, whose increased physical activity is valued as a wellbeing benefit. The participation uplift is based on QLDC estimates of unmet demand and aligned to projected district growth forecasts.

Commercial Case

The facility will be procured through a single-stage Design and Build (D&B) contract, tendered at the end of a Concept Design Plus phase. Concept Design Plus turns the completed concept into a robust Principal's Requirements and reference design, resolves the remaining scope decisions, completes site investigations and progresses the Designation 29 alteration, so the market prices a well-defined scope.

An open Registration of Interest on GETS will shortlist capable contractors for a competitive Request for Tender, evaluated on price and quality under the QLDC Procurement Policy and Procurement Guide, with an independent probity advisor. Beca's Procurement Strategy Report recommends Design and Build and confirms it can be delivered through a single-stage process, which secures price certainty within the fixed budget and competitive tension at award. A detailed Procurement Plan setting out this approach will be presented to Council in December 2026 for endorsement. Indicatively, contract award is targeted for July 2027 and practical completion for the second half of 2029.

Financial Case

The $46 million capital cost is funded from the LTP 2024–2034 allocation through debt, serviced by rates and facility revenue. The independent Concept Design Estimate dated 17 September 2026 is $46.0 million excluding GST for the baseline scope. The estimate includes construction cost of $35.57 million: professional fees of 11% of construction, consents and insurances of 2.5% and escalation of 2.5% on the running subtotal, and a design and construction contingency of $4.55 million (11% of the subtotal).

Management Case

Delivery follows the QLDC OPMO project management framework and gateway process as a Tier 1 project, governed through the Community Services Programme Control Group, the Project Steering Group and the Design Challenge Group, under the current governance structure. The structure and roles will be reviewed when Council endorses the Procurement Plan in December 2026, to align them with Design and Build delivery. Benefits are owned by the QLDC Venues Manager, QEC Operations Manager and Recreation Programme Coordinator, with a benefits realisation review 12 months after opening. Practical completion is targeted for the second half of 2029.

Assurance & Approval

Business Case Preparation

This business case was prepared by the following persons and/or organisations:

Preparation Role	Name & Role
Strategic Case	Amelia Watton / Andrew Timms Project Manager - RCP
Economic Case	Michael Bealing Principal Economist – NZIER Amelia Watton / Andrew Timms Project Manager - RCP
Commercial Case	Amelia Watton / Andrew Timms Project Manager - RCP
Financial Case	Michael Bealing Principal Economist - NZIER
Management Case	Kristina Placko / Andrew Timms Project Manager - RCP

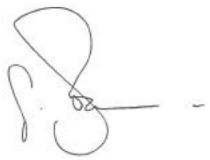
Assurance & Approval Sign Off

As the persons providing assurance and approval for this business case, we confirm that:

- We have been appropriately involved in the development of this business case;
- The investment objectives and business needs are clear and justified;
- The preferred option offers value for money;
- There is capability and capacity to ensure successful delivery of the investment proposal and accompanying confidence in the external market;
- The financial costs can be funded and are affordable within the proposed budget;
- Suitable contingency arrangements are in place for any affordability pressures; and
- There are appropriate governance arrangements and delivery processes to achieve successful delivery of the investment proposal.

Revalidation of our approval must be sought if the key assumptions underpinning this business case change, or the agreed project tolerances are exceeded.

Assurance Role	Name & Role	Signature	Date

Project Sponsor	Kenneth Bailey		27/10/2026
Programme Director	Greg Rozen		27/10/26
Senior User	Simon Battrick -Strategic Projects Manager – Community Services		27/10/26

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Background

The Queenstown Lakes District has experienced and forecast a significant increase in both resident and visitor population over the next 30 years. These changes to visitor and resident population means current infrastructure is under growing pressure. This includes event and sports facilities in the region, which are expected to face increased demand due to growth, as well as respond to changing community recreation and event needs.[3]

Queenstown Events Centre (QEC) is one of Queenstown Lakes District Council's (QLDC) premier event and sports facilities. It attracts high usage all year round, and it is used for several different sporting pursuits for individuals and local organisations.

QLDC sought to increase the functionality of the events centre and extend the sports offerings to meet the demands of the growing and developing region. For example, the facility customer base quadrupled from 74 user groups using the indoor facility to over 294 user groups between 2014 and 2024.[4]

Over a similar period, indoor court participation increased from approximately 50,000 to 115,000 (2015–2025), health and wellness participation from approximately 220,000 to 300,000, and total QEC participation reached 800,801 in 2024/25.[5]

Since 2018 there has been several strategies, business cases and updates on the project, all identifying the need for increased provision of indoor court space in the Queenstown Lakes District to service the growing population, as shown in Figure 1. The history is set out by phase below and summarised in the key steps table at the end of this section.

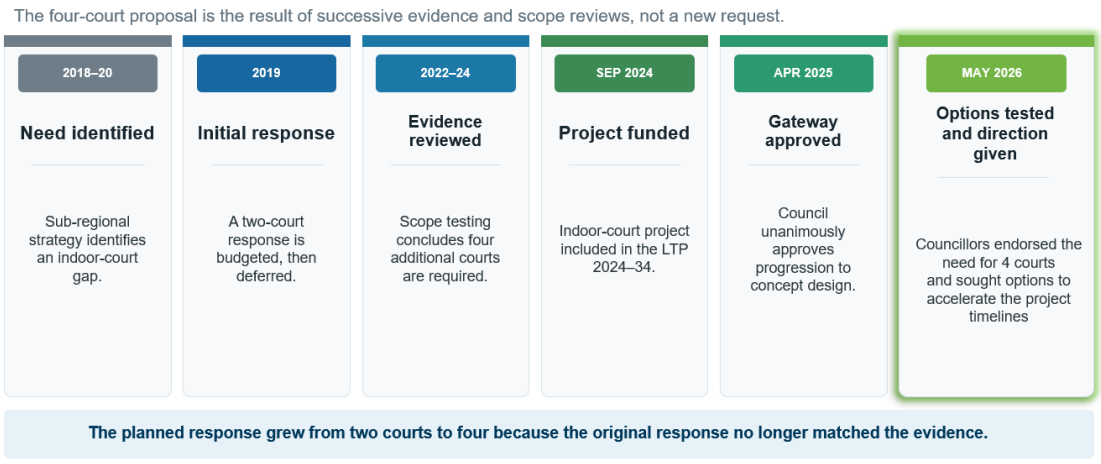


Figure 1: Project pathway and approvals, 2018–2026

[3] Statistics New Zealand population estimates; Infometrics (refer Strategic Case, Figure 3); QLDC Council Report, 17 April 2025, para 1.
[4] QLDC, Council Report – Queenstown Events Centre Indoor Courts Development, Full Council, 17 April 2025, para 2.
[5] LTP 2024 – 2034, p. 34

2019 Indicative Business Case

In March 2019 QLDC engaged Jacobs New Zealand Limited to prepare an Indicative Business Case (IBC) for more indoor courts at the Queenstown Events Centre. At the time, rising sport and event demand was putting heavy pressure on the existing two-court facility, and two extra courts had been budgeted in the QLDC Ten Year Plan 2018–2028. The IBC used the Better Business Cases method to establish the strategic case for investment, develop and assess a long list of options, and recommend a preferred way forward.

The strategic assessment drew on booking data, stakeholder consultation and population forecasts. It confirmed the case for change: indoor court demand was outstripping supply, and the combined sports and events hall was stopping sport and events from running at the same time. Ten long list options were assessed against five Critical Success Factors, then compared on capital cost, extra community sport hours and commercial return. Four options were short-listed. Option 7, a separate four-court facility with event facilities, was found to give the most value, with 6,874 extra community sport hours a year, but at $25.81 million (2019 estimate) it was not affordable within the $8 million then available. The IBC therefore recommended Option 3 as the preferred way forward: a separate two-court facility with purpose-built event facilities, estimated at $14.15 million and designed so it could later expand to four courts. That facility was included in the LTP 2018–2028 at $14 million and later deferred. The IBC noted Option 7 should be reconsidered if funding improved, and that is the basis of the four-court facility now proposed.[6]

2022–2024 Business Case Reviews and LTP Approval

In October 2022 an updated Indoor Courts Facility Brief was produced by the QLDC Sport and Recreation team. It restated the case for change: sports groups using the indoor facility had grown from 74 to 134 between 2014 and 2020, and the Whakatipu population and visitor numbers were forecast to keep growing strongly. The brief set out the scope for a four-court facility and its supporting spaces.[7]

The QLDC Sport and Recreation LTP Steering Group briefing prepared for the 2024 LTP confirmed the need for two more courts on top of the two recommended in 2019.[8] The briefing found that Whakatipu, with around 36,000 residents, was two courts short of the Sport NZ benchmark then in use (one court per 9,000 residents), and that a two-court facility would not meet demand as the population grew. This is consistent with the 2019 IBC's finding that a separate four-court facility (Option 7) would be preferred if funding allowed. The Community Services Programme

[6] Jacobs New Zealand Limited, Indoor Court Indicative Business Case, prepared for Queenstown Lakes District Council, 1 October 2019, pp. 5–6, 42–56.
[7] QLDC Sport & Recreation, Queenstown Events Centre Indoor Courts Facility Brief, October 2022, p. 4.
[8] LTP Steering Group Briefing – QEC Indoor Courts November 2023

Control Group reviewed the project, and Council approved it in the LTP 2024–2034 on 19 September 2024 with a $46 million allocation phased from 2024/25 to 2028/29.

The desired outcomes sought from the increased functionality of the facility are:[9]

- increased indoor recreation and sporting facilities for the community,
- provides an ability for sporting organisations to grow their membership with new facilities available,
- an opportunity to meet the current population demand and future proof for anticipated growth and demand,
- potential for increased sporting competitions in a common facility, and
- increased space for sport, community and commercial events.

2024–2025 Masterplan, Design Brief and Concept Design Gateway

The scope was then developed through the updated QEC Masterplan (October 2024), a Council workshop on 29 October 2024 and a revised Design and Operational Brief (May 2025). On 17 April 2025 Council approved the concept design gateway.[10]

This approval to proceed with Concept design was based on the following core scope summary:[11]

- Four full sized wooden-floor indoor basketball courts
- A new 800m^2 fitness centre
- change rooms,
- meeting rooms,
- kitchen,
- infrastructure services, and
- carparking and outdoor landscaping

The 2025 Design and Operational brief was developed and produced to outline the operational requirements, design, and components of the new facility which provides a detailed breakdown for the above scope. This document included specific design requirements and identified indicative square metre areas to inform the concept design.[12]

2025–2026 Concept Design

After Council approved the concept design gateway on 17 April 2025, QLDC procured a design team through an open, single-stage Request for Proposals on GETS. It sought a lead designer and full multidisciplinary team to deliver concept and preliminary design, and to set out the

[9] QLDC, Council Report, 17 April 2025, para 7; QLDC Long Term Plan 2024–2034.
[10] QLDC, Council Report, 17 April 2025, para 7; QLDC Long Term Plan 2024–2034.
[11] QLDC, Council Report, 17 April 2025, para 9
[12] QLDC QEC Indoor Courts Design and Operational Brief 20 May 2025

Principal's Requirements for a later Design and Build tender. The contract was awarded in August 2025 to a Jasmax-led consortium.

The team started by reviewing the existing information, including the May 2025 Design and Operational Brief, the 2024 QEC Masterplan and Development Plan, and the Core Works estimate that informed the $46 million budget. It was identified that the Operational Brief required much more area than the original estimate allowed. This scope gap meant the brief, as written, could not be delivered within the budget.

Following engagement in September 2025, QLDC, QEC Operations and the Jasmax design team ran scenario testing and a series of prioritisation workshops in late 2025 and early 2026. These set a prioritised scope that kept four courts as the core outcome and identified the necessary scope to deliver this, whilst identifying and separating non-core elements. The workshops also compared two locations. Scenario 1 was the masterplan location on the existing carpark. Scenario 2 was the greenfield Field 4 site, which kept the existing carpark and reduced site works cost, consenting risk and disruption to QEC operations.

The outcome was presented to Council at a workshop on 5 May 2026. The workshop covered the evidence for four courts, the options tested and the two site scenarios. Scenario 2 was endorsed as the preferred approach to further develop a Concept Design for.

Through June and July 2026, the design was developed as a single-storey building. It was refined through operational workshops, Safety in Design workshops, traffic and parking assessment, and ongoing cost review.

The Concept Design Report (Rev A) was issued on 14 August 2026. It set out a single-storey facility of about 6,100m^2 gross floor area, with four regionally compliant courts, health and wellness facilities, multifunction spaces and associated site works.

Six-Court Option

At the 5 May 2026 workshop, Councillors endorsed the need for four courts and asked staff to investigate whether a six-court option was viable, alongside options to accelerate delivery and a third-party funding framework.[13]

The design team ran a six-court feasibility study in parallel with the four-court Concept Design so it would not hold up the base project. The Concept Design workshop on 29 May 2026 tested ten six-court configurations. The workshop found that six courts could physically fit on the site, but that court orientation, building form, parking, access and future disruption would all change. Parking and access were the main constraint: four courts can be supported with around 160 additional car parks, while six courts would push the site beyond its practical parking and access capacity.[14]

[13] QLDC, Council Briefing / Workshop – QEC Indoor Courts Facility, 29 September 2026, slides 3–4.
[14] Jasmax, Queenstown Events Centre Concept Design Workshop Summary, 29 May 2026.

The outcome was presented to Council at a workshop on 29 September 2026 as a choice between four new courts (six in total at QEC) and six new courts (eight in total). The four-court option provides the additional peak-period capacity and operational flexibility identified in the local needs assessment and is consistent with Sport NZ's national benchmark when considered alongside local FTE supply, accessibility, utilisation and forecast participation, and sits within the approved LTP budget. The six-court option would address demand beyond the next decade, but only high-level feasibility has been completed, and it would require:

- around $19 million of additional capital funding outside the LTP allocation,
- further land, access, consenting and services work, including agreements with Queenstown Airport Corporation and NZTA,
- a reset of the concept design, which would push completion beyond 2030, and
- potential public consultation and further stakeholder engagement.

The six-court option is therefore not preferred for the current investment period; future network capacity should be re-tested as population, participation and facility supply evolve. At the 29 September 2026 workshop, Council's steer was to proceed with the four-court base project, with future expansion protected. The four-court facility is retained as the preferred option. Any future need for additional courts will be tested through the wider sub-regional facility network, for example courts at another Whakatipu location, with the four-court design at QEC protecting the ability to expand.[15]

Key Steps to Date

The key steps in the project's development are summarised below.

Date	Milestone
2018 – 2020	QLDC–CODC Sub-Regional Sport and Recreation Facilities Strategy identifies a shortfall of indoor court space in the Queenstown Lakes District
October 2019	Indicative Business Case completed; a $14 million two-court facility is budgeted in the LTP 2018–2028 and later deferred
2022 and 2024	Business case review and update confirm four courts are needed to meet demand for the next 10–20 years
19 September 2024	Four-court facility approved as a project in the LTP 2024–2034 with a $46 million allocation
October 2024 – May 2025	QEC Masterplan update and Development Plan define the first stage of works
17 April 2025	Council approves the concept design gateway and procurement of the design team for a four-court option
August 2025	Jasmax consortium appointed for concept and prelim design
5 May 2026	Council workshop on the four-court proposal and the Scenario 2 (Field 4 greenfield) site

[15] QLDC, Council Briefing / Workshop – QEC Indoor Courts Facility, 29 September 2026, slides 5, 7 and 19.

Date	Milestone
14 August 2026	Concept Design Report (Rev A) issued by Jasmax
1 September 2026	Programme Control Group endorses the concept to Council
29 September 2026	Council workshop on the four-court base project and the six-court option, delivery pathway and funding; Council steer to proceed with four courts
12 November 2026	Council meeting for endorsement of the Concept Design and Detailed Business Case (planned)

Purpose of this Detailed Business Case

This Detailed Business Case (DBC) builds on the 2019 Indicative Business Case and tests the four-court facility as it has been refined through Concept Design. Its purpose is to give Council the evidence it needs to confirm the investment, endorse the preferred option and approve the next phase of delivery.

The DBC:

- reconfirms the case for change and the investment objectives using current population, participation and utilisation evidence,
- revalidates the short list and confirms four courts as the preferred option, with the two-court (Do Minimum) and six-court options discounted,
- sets the scope baseline, cost estimate, benefits and risks for the four-court facility,
- confirms the procurement strategy: a Concept Design Plus phase followed by a single-stage Design and Build contract,
- confirms the capital cost is within the $46 million LTP allocation and sets out the funding approach, and
- sets out the governance, programme and management arrangements for delivery.
- provide a baseline for operational impacts and opportunities to inform a future Operational Implementation Business Case.[16]

[16] A detailed Operational Implementation Business Case is to be drafted independent of this document which will outline operational performance planning, capacity and growth projections for services and revenue, along with operational costing projections for first year of operations.

Strategic Case

Is there a need for investment?

Revisiting Case For Change

The Indicative Business Case demonstrated the Strategic Alignment of this proposed investment, identified the Investment Objectives, and identified the corresponding Business Needs and Potential Scope. These have all been revalidated as part of the Revisiting the Case for Change process.

This proposed investment is needed because the demand for indoor court time at the Queenstown Events Centre has outgrown the supply of courts. Two causes drive it. The first is growth: resident population and visitor numbers have risen far faster than court provision. The second is configuration: a single combined sports and events hall mean community sport and events all compete for the same space, and an event cannot be set up or packed down without displacing community bookings.

At peak times the courts are fully booked and groups miss out. The Indicative Business Case recorded around 15 community groups and up to five large events turned away each year, with club team numbers capped and players turned away.[17] Participation has further grown in accordance with the growing resident and visitor numbers as shown in Figure 2 so these issues have only increased since the Indicative Business Case.

Sport NZ's National Indoor Active Recreation and Sport Facilities Strategy (2023) uses a national planning benchmark of one full-time-equivalent indoor court space per 7,800 residents. Sport NZ treats the benchmark as a starting point, to be tested against local supply, accessibility, utilisation, participation and expressed need. On the benchmark alone, the Whakatipu, with approximately 36,000 residents, would currently require around five courts. QEC provides two, a shortfall of three.[18] By comparison, Wānaka, with approximately 23,000 residents, is served by four courts and meets the benchmark. A four-court facility brings the Whakatipu up to the benchmark and provides capacity for some future growth. Sport NZ's regional figures for Otago can suggest surplus provision, but they aggregate the whole region and do not reflect supply and access within the Whakatipu catchment, so this Business Case relies on catchment-level evidence of peak-time demand, set out below and in the Economic Case.[19]

[17] Jacobs New Zealand Limited, Indoor Court Indicative Business Case, prepared for Queenstown Lakes District Council, 1 October 2019, Case for Change, p. 38
[18] Sport New Zealand Ihi Aotearoa, National Indoor Active Recreation and Sport Facilities Strategy, 2023, pp. 6 and 26.
[19] Sport New Zealand Ihi Aotearoa, National Indoor Active Recreation and Sport Facilities Strategy, 2023, p. 30.

Demand is evident across the facility. Total QEC participation rose from 587,527 in 2015/16 to 800,801 in 2024/25 (36%), and gym and group fitness participation grew 23% in two years, from 243,384 in 2022/23 to 300,567 in 2024/25.[20] Monthly indoor court utilisation exceeds 70% in some winter months,[21] leaving little capacity at the times the community wants to play (refer Economic Case).

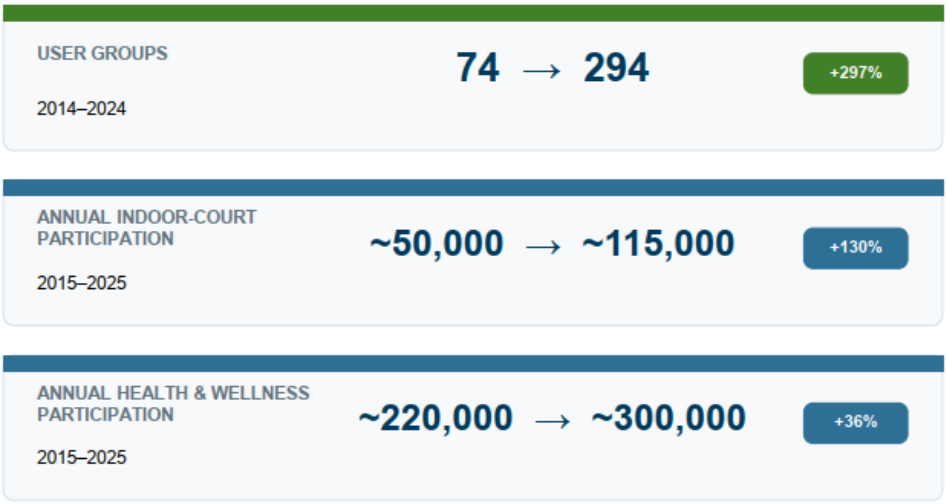


Figure 2: QEC user group and participation growth

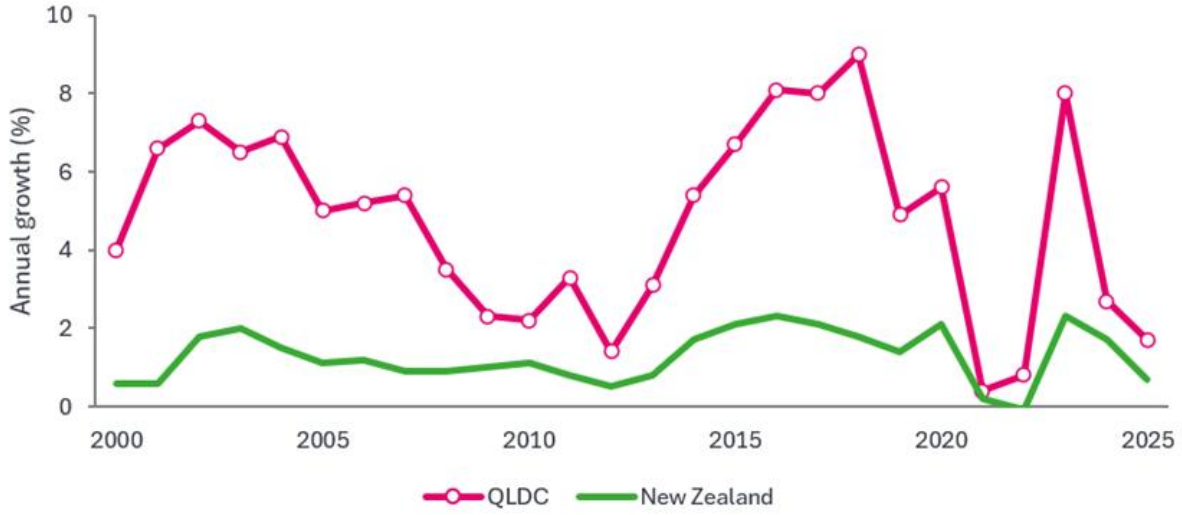
The compounded annual growth rate for the indoor court participation averages 8.7% p/a, the compounded annual growth rate for Health and Wellness participation averages 3.2%. These annual growth rates inform the need for future investment and have informed the growth projections utilised in the Economic Case.

Queenstown-Lakes has one of New Zealand's fastest-growing populations (see Figure 3). The district experienced an annual average population growth rate of 4.5 percent from 2010 to 2025. During this period, several years saw exceptional population growth. 2018 experienced 9 percent annual population growth, which is a very strong year on the back of several years when growth was well above the national average. [22]

The region's attractiveness has increased demand for public infrastructure and the need to explore options to expand the supply of public sports facilities to keep pace with growth and support the future growth of the Queenstown Lakes District.

Figure 3: Population growth comparison

[20] QLDC, Participation graphs and stats 2015–2025 (QEC participation; gym including group fitness).
[21] NZIER analysis of QLDC indoor court booking data (refer Strategic Case, Figure 4).
[22] Infometrics, Queenstown-Lakes District regional economic profile (population); NZIER analysis.



Source: Infometrics

The rapid population growth has led to high utilisation at the existing Queenstown Events Centre, with monthly indoor court utilisation exceeding 70 per cent in some winter months (see Figure 4). High utilisation demonstrates demand for the existing facilities, but leaves limited capacity for increased demand in a rapidly growing district. Evidence suggests unmet demand for the facilities, consistent with competition for booking times. Full utilisation is unrealistic. Demand for indoor court facilities will be constrained by changeovers, maintenance and operational requirements. As utilisation has increased, it will become progressively hard to accommodate additional bookings at times the community wants.

Figure 4: Current two-court utilisation



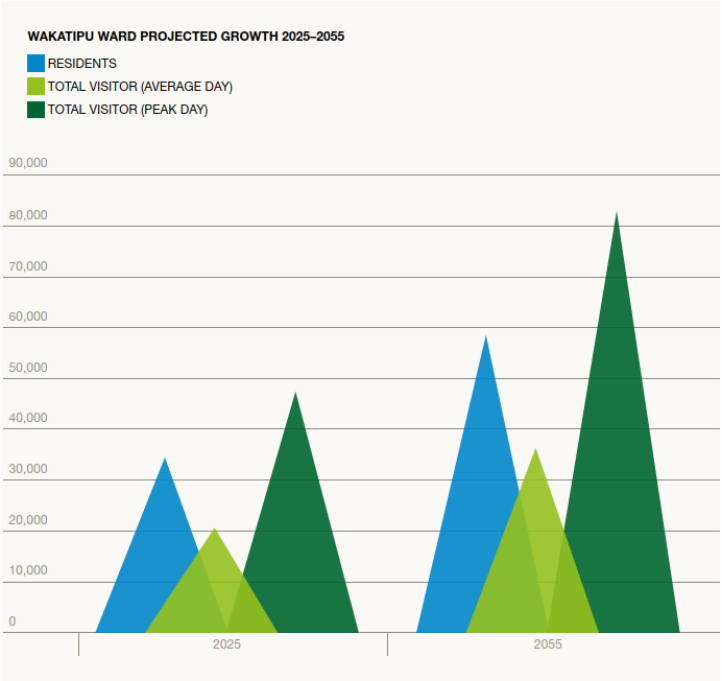


Figure 5: Whakatipu Ward projected resident and visitor population (LTP 2024–2034)

The LTP 2024-2034 recognises that currently 'investment in community facilities does not keep pace with the growth in population'[23] (Figure 5) but is committed to 'providing outstanding facilities that promotes involvement in sport, recreation and events. This in turn improves quality of life, helps build strong and resilient communities and promotes personal health and wellbeing.'[24]

This business case utilises QLDC projected growth rates which has an average annual growth rate of 2.40% over the next 30 years in the district. This differs to the Statistics New Zealand projections for the region which averages 1.70%.

Case for Change Statement

The case for change can be summarised as:

Demand for indoor sport, recreation and events in the Whakatipu has outgrown the Queenstown Events Centre's two indoor courts. As a result, community sport is capped and displaced, events and sport compete for the same space, and QLDC cannot meet the level of service its growing community needs.

Problem 1 – Insufficient capacity: Population and participation growth has outstripped the capacity of the Whakatipu indoor-court network. Courts are fully booked at peak times, club team numbers are capped, and community groups are turned away or displaced by events. Sport NZ's national planning benchmark indicates a shortfall of around four courts, which is consistent with this local peak-time pressure.

[23] LTP 2024 – 2034, p. 34
[24] LTP 2024 – 2034, p. 30

Problem 2 – Shared sport and event space: A single combined sports and events hall means events cannot be set up, run or packed down without displacing community bookings. This limits both participation and QEC's ability to host events and regional tournaments.

The proposed investment responds to both problems by adding four dedicated indoor courts, separate from the existing hall, so community sport and events can run at the same time now and as the district grows.

Strategic Alignment

This proposed investment has been assessed against the priorities and outcomes detailed under the QLDC Strategic Framework.



[25]

Figure 6: QLDC Strategic Framework

The associated outcomes and priorities the project aligns to have been highlighted below, with supporting comment on alignment. [26]

[25] QLDC Vision Beyond 2050
[26] QLDC Strategic Framework (qldc.govt.nz/your-council/our-strategic-framework); QLDC Long Term Plan 2024–2034.

Community Outcomes

QLDC Vision Beyond 2050 identifies the following Community Outcomes, these outcomes reflect the community's aspirations for itself and the values that collectively define what is unique about our district:

Thriving people *Whakapuāwai Hapori*	**Living Te Ao Māori** *Whakatinana i te ao Māori*
Opportunities for all *He ōhaka taurikura*	**Breathtaking creativity** *Whakaohooho Auahataka*
Deafening dawn chorus *Waraki*	**Zero carbon communities** *Parakore hapori*
Disaster-defying resilience *He Hapori Aumangea*	**Pride in sharing our places** *Kia noho tahi tātou katoa*

The table below summarises how the project aligns to each identified Community Outcome.

Outcome / priority	Alignment	How the project aligns
Thriving people – Whakapuāwai Hapori	Strong	Directly increases access to indoor sport, recreation, health and wellness for people of all ages and abilities, closing the four-court shortfall against the Sport NZ benchmark and removing caps on club team numbers.
Pride in sharing our places – Kia noho tahi tātou katoa	Strong	Responds to growth through planned, well-managed servicing. delivers the first stage of the QEC Masterplan, sized to Sport NZ benchmarks, on a site that retains the existing carpark and protects outdoor sport levels of service.
Living Te Ao Māori – Whakatinana i te ao Māori	Moderate	Supports equity of access to community facilities, and the project has committed to a Te Tiriti o Waitangi informed design approach with ongoing mana whenua engagement and co-design opportunities agreed through the Project Brief.
Zero carbon communities – Parakore hapori	Partial	Energy-efficient design within the baseline: air source heat pumps, heat recovery ventilation, LED lighting with automated controls and a warm roof and thermal envelope. Consolidating indoor sport at one hub reduces travel between venues.
Opportunities for all – He ōhaka taurikura	Limited	Support for social enterprise through club growth, and sports/fitness programmes.

Wellbeing Outcomes

QLDC Wellbeing Outcomes Framework, based on the Wellbeing Framework for Otago developed by Otago Regional Council, guides how the Council contributes to the wellbeing of

our people and environment. The following identifies the alignment of the project with these outcomes.

People	*Place*	*Community*	*Cross-Cutting*
Healthy and fulfilled people	A healthy natural environment	Connected Communities	Equity
A good standard of living	An enabling built environment	Belonging & Identity	Mātauraka Kāi Tahu
		Participation & Governance	Resilience
			Sustainability

The table below summarises how the project aligns to the identified Wellbeing Outcomes.

Outcome / priority	Alignment	How the project aligns
Healthy and fulfilled people	Strong	Four additional courts and expanded health and wellness facilities increase participation in sport and physical activity. The benefits case targets a 30% increase in indoor sport participants and a 30% increase in gym, group fitness and leisure visits.
An enabling built environment	Strong	Delivers a fit-for-purpose, multi-use facility connected to the existing QEC precinct, with improved parking and access.
Connected communities	Strong	Provides shared space for clubs, schools, community groups and events, and allows sport and events to run at the same time so community bookings are not displaced.
A good standard of living	Partial	Supports local employment during construction and operation, sport pathways and the economic benefit of regional and national tournaments. The primary benefit is wellbeing rather than income.
Sustainability	Partial	Balances current demand against future needs by sizing to the benchmark and projected growth, with energy-efficient design and whole-of-life cost considered in procurement.
Belonging & Identity	Strong	Sport clubs and community groups are central to local identity. Removing caps on team numbers lets clubs grow and new clubs and leagues form.
Equity	Strong	Step-free, universally accessible design for all ages and abilities, family and accessible change facilities, and access through the QLDC Indoor Courts Allocation Policy and charitable hire rates.

Strategic Investment Priorities

QLDC Strategic Framework identifies the following Strategic Investment Priorities:

Get the basics right first	*Directly invest in infrastructure and services*	*Invest through partnership with others*
Protecting human and environmental health	Creating well-designed communities	Improve housing affordability
Maintaining levels of service	Provide for growth	Build a sustainable tourism system
Undertaking essential renewals	Build resilience and ability to adapt for the future	Diversify the Economy
Ensuring we're ready for the future	Enhance the performance of the transport network	
	Create thriving town centres	
	Reduce carbon emissions	

The table below summarises how the project aligns to each Strategic Investment Priority identified.

Outcome / priority	Alignment	How the project aligns
Provide for growth	Strong	Adds four courts to meet demand from one of New Zealand's fastest-growing districts, with capacity for about the next ten years of growth.
Maintaining levels of service	Strong	Restores indoor court provision to the Sport NZ benchmark of one court per 7,800 residents, from a current shortfall of courts in the Whakatipu.
Creating well-designed communities	Strong	Delivers the first stage of the QEC Masterplan as an integrated sport and community hub, with a direct connection to the existing facility and a legible, accessible arrival.
Ensuring we're ready for the future	Strong	Plans ahead of demand rather than reacting to it, with flexible multi-sport courts and a site that allows future expansion under the masterplan.
Build resilience and ability to adapt for the future	Partial	Flexible, multi-use courts and spaces can adapt to changing sport and recreation trends, as pickleball growth has shown.
Reduce carbon emissions	Partial	Heat pumps, heat recovery and LED controls reduce operational emissions, coordinated with the QLDC Energy Project on the QEC site. Consolidated services at one site to reduce vehicle usage.

Other Strategic Alignments

The investment also gives effect to the Queenstown Lakes – Central Otago Sub-Regional Sport & Recreation Facility Strategy (2018, revised 2020), which identified a winter peak shortfall of indoor court space in Queenstown, QEC's two-court capacity as a significant barrier to participation, and stakeholder demand for a four-court indoor venue.[27] It is consistent with Sport NZ's National Indoor Active Recreation and Sport Facilities Strategy (2023), which recommends local analysis where regional totals mask local shortfalls.[28] It also delivers the first stage of works in the QEC Masterplan (2024).[29]

[27] Queenstown Lakes – Central Otago Sub-Regional Sport & Recreation Facility Strategy, 2018 (revised July 2020), pp. 6, 19–20, 31.
[28] Sport New Zealand Ihi Aotearoa, National Indoor Active Recreation and Sport Facilities Strategy, 2023, pp. 26, 30.
[29] Boffa Miskell, QEC Masterplan, 14 October 2024; Boffa Miskell.

Investment Objectives, Existing Arrangements, and Business Needs

The following represents the case for change for this investment proposal, demonstrating what will be achieved (Investment Objectives), what the current state is (Existing Arrangements), as well as the future state that should be addressed (Business Needs).

#	Investment Objectives *What is the proposed investment seeking to achieve?*	Existing Arrangements *What is the current state of arrangements and known issues?*	Business Needs *What needs to be addressed and the benefits of responding?*	Key Performance Indicators *How will success of meeting the needs be measured?*
1	Increase court and health and wellness capacity to enable the community to have better access to a more available activity space	Current demand for court and activity space outstrips availability	Fulfil demand through increasing the number of courts available	• Increased participation in indoor sport and recreation • Enhanced community health and wellbeing • Reduction in court booking conflicts and booking requests being declined.
2	Increase ability to establish new sports clubs and leagues	Existing and future demand for indoor court space by community and school groups not addressed due to limited capacity	Increase the ability to establish new sport clubs and leagues through the provision of additional number of courts	• Increased participation in indoor sport and recreation • Enhanced community health and wellbeing

#	Investment Objectives *What is the proposed investment seeking to achieve?*	Existing Arrangements *What is the current state of arrangements and known issues?*	Business Needs *What needs to be addressed and the benefits of responding?*	Key Performance Indicators *How will success of meeting the needs be measured?*
3	Increase event/court space to enable participation and event activities to be undertaken concurrently	Single sports/events hall reduces the opportunity for sports and events to run concurrently, including during the set up and take down of events	Enable sports participation and event activities to be undertaken concurrently by providing an additional separate court space that can be utilised when events occur	• Increased participation in indoor sport and recreation • Enhanced community health and wellbeing • Economic growth through increased use of QEC Indoor Court facilities • Operational efficiency and reduced sports/events set up conflicts
4	Improving commercial return	Current community sport users of the courts are unable to grow (team numbers are capped, players being turned away) and events are unable to use the facility efficiently which constrains potential commercial return for QEC and the wider business community.	Increase the ability for community sports to grow by providing additional courts. Enable sports and events to run concurrently to reduce downtime and enable efficient returns. Increase the volume of area available to be utilised for events and community sports.	• Increased participation in indoor sport and recreation • Enhanced community health and wellbeing • Economic growth through increased use of QEC Indoor Court facilities • Operational efficiency and reduced sports/events set up conflicts

Scope

The concept design phase has further defined and developed the project scope based on the information provided at the April 2025 Council approval and summarised in the Design and Operational brief.[30]

The following Scope has been confirmed through the concept design as the change required to deliver this investment proposal successfully.

The project scope is to deliver a single-storey facility on the greenfield Field 4 site comprising approximately 6,100m^2 Gross Floor Area (GFA) and incorporating[31]:

- Four regional-compliant indoor courts with multi court overlay
- Health and wellness facilities, including fitness and cycling studios
- Flexible multifunction rooms
- Entry foyer, reception and event support facilities
- Change rooms, toilets and family facilities
- Tournament and operational support spaces
- Storage, including space for future retractable seating (the seating units are excluded from the current scope)
- Back-of-house and plant areas
- Associated site works, landscaping and car parking
- Approximately 160 new car parks
- Wastewater connection by storage tank, pump station and rising main, and on-site stormwater management

The facility has been designed to support both day-to-day community use and periodic larger-scale sporting activities.[32]

Furniture, fittings and equipment and show court seating and associated upgrades are excluded from the $46.0 million baseline scope. These items are accounted for within other LTP budgets, so their exclusion does not affect delivery of the project's benefits and outcomes.

Scope schedule

The table below is the defined scope baseline for the project. It sets out each scope item, what it includes, its forecast area from the Concept Design and whether it formed part of the scope in the 2019 Indicative Business Case (Option 7, four-court separate structure), and the Design and Operational brief which informed the April 2025 Council report.

[30] QLDC QEC Indoor Courts Design and Operational Brief 20 May 2025
[31] Jasmax, Queenstown Events Centre Concept Design Report, Rev A, 14 August 2026.

Scope item	Description and inclusions	Concept Design area (m^2)	2019 IBC (Option 7)	April 2025 Council report
Building – baseline scope				
Indoor courts	Four regionally compliant courts with multi-court overlay (netball, basketball, volleyball, badminton, pickleball, futsal, table tennis, indoor cricket); 9m clear height; sprung timber floor; divider curtains; roof-mounted retractable basketball systems	3,554	Yes – four courts, separate structure	Yes – four full-sized wooden-floor courts
Health and wellness	High-intensity studio ($227m^2$), low-intensity studio ($179m^2$), cycle studio ($89m^2$), two physio / consult rooms ($24m^2$), change rooms and lockers ($70m^2$), storage and circulation; controlled membership entry	726	No	Yes – $800m^2$ fitness centre
Multifunction space	One large room ($137m^2$) divisible by an operable wall into two rooms ($67m^2$ and $70m^2$), kitchenette and storage	152	No	Yes – meeting rooms and kitchen
Entry, wind lobby and café kiosk	Main entry, foyer and wind lobby sized for event arrivals; small leased café kiosk	323	Not itemised	Not itemised
Reception, offices and staff	Reception and control point, office, staff room, meeting room and first aid	106	Not itemised	Not itemised
Change rooms and toilets	Four team change rooms ($50m^2$ each), umpire rooms, public toilets, accessible and family facilities	322	Not itemised	Yes – change rooms
Storage	Sport and community equipment storage, event storage and retractable seating storage zones (seating units are excluded from the current scope; storage is provided for them)	293	Not itemised	Not itemised
Plant	Ground-floor mechanical, hydraulic, electrical and communications plant, excludes roof plant deck and upper-level plant spaces.	129	Not itemised	Yes – infrastructure services
Circulation	Public and back-of-house circulation	245	Not itemised	Not itemised
Net floor area		**5,849**		
Gross floor area	Single-storey building on the Field 4 greenfield site	**6,085 (approx. 6,100)**	4,870	Not stated
External works – baseline scope				
New carparking	Approximately 160 new spaces in the north carpark and cricket nets extension	6,506	Yes – additional parking	Yes – carparking
Roads and service access	Internal roads, service and maintenance lane, back-of-house yard	1,333	Not itemised	Not itemised

Scope item	Description and inclusions	Concept Design area (m^2)	2019 IBC (Option 7)	April 2025 Council report
Entry plaza and landscaping	Pedestrian plaza linking the existing and new entries, soft landscaping and wayfinding	420 (plaza)	No	Yes – outdoor landscaping
Site services	43,000 litre wastewater storage tank, pump station and rising main; stormwater soakage; power, water and communications connections; coordination of the Aurora HV cable	n/a	Not itemised	Yes – infrastructure services
Furniture, fittings and equipment	Furniture, sports equipment and base fit-out equipment only.	n/a	Not itemised	Not itemised
Excluded and to be separately funded				
Additional FF&E scope	Fixed and retractable seating, Gym Equipment, Sports Hall FFE, Café and Function Space FFE	Within GFA	Yes – event-specific equipment[i33]	No
Mechanical Services Uplift	Identified mechanical system uplift option including HVAC uplift to manage condensation risk; additional smoke extract to the sports hall.	n/a	No	No
Sustainability initiatives	Solar, battery storage, centralised energy, on-site water retention and a formal Green Star rating. Building is enabled for solar and battery.	n/a	No	No
Existing gym refurbishment	Refurbishment of the existing health, fitness and wellness area	n/a	No	No

[33] Noted as might include: cable traps, catwalks, easy pull black drapes, lighting, high ceilings and large loading dock.

Benefits

The following Benefits have been identified as having the highest level of consequences to QLDC and ratepayers. These have been assigned as monetary or non-monetary depending on whether they are quantitative or qualitative respectively.

#	Benefits or Disbenefits	Monetary or non-monetary	Details
1	Increased participation in indoor sport and recreation	Non-Monetary	Additional dedicated indoor court spaces provide room to expand existing sporting activities as well as support new community sport to take place, futureproofing the survival of community-based sports.
2	Enhanced community health and wellbeing	Non-Monetary	The increased and new sporting opportunities enable the community to participate in regular exercise and sporting events which will improve health and wellbeing.
3	Economic growth through increased use of QEC Indoor Courts facilities	Monetary	Larger, separate facilities enable a higher number of paying residents and visitors to utilise the Queenstown Event Centre for indoor sports, gym programmes, sport events and commercial events.
4	Operational efficiency and reduced event set up conflicts	Non-Monetary	A new separate indoor court facility allows sports and events to be held concurrently without conflict.

The benefits were revalidated with QLDC Operations at a workshop on 15 September 2026.[34] Measurable outcomes and targets were agreed and responsible owners allocated which has informed the following benefits realisation table. These will be further developed and evolved in the Operational Implementation Business Case.

[34] QEC Indoor Courts Benefits Realisation Table (Appendix A), revalidated at the QLDC Operations workshop on 15 September 2026.

Benefits Realisation Table

#	Benefit area	Measurable outcome	Indicator	Baseline	Target – Year 1	Target – Year 3	Target Year - 10	Responsible party	Investment objective
1	Increased participation in indoor sport and recreation	Number of participants in indoor sports	Participant numbers	2025/26 participation levels	30% increase	10% increase	45% increase	Management – QLDC Venues Manager; Reporting – Sports Booking Coordinator	IO1 – Increase court and health and wellness capacity
2	Increased participation in indoor sport and recreation	Number of bookings for the new indoor courts	Court booking records	2025/26 court bookings	60% court usage rate	20% court usage rate	50% court usage rate	Management – QLDC Venues Manager; Reporting – Sports Booking Coordinator	IO1 – Increase court and health and wellness capacity
3	Increased participation in indoor sport and recreation	Number of participants in regional / national tournaments	Participation numbers	2025/26 participation levels	15% increase for regional / national sports	10% increase for regional / national sports	45% increase for regional / national sports	Management – QLDC Venues Manager; Reporting – Sports Booking Coordinator	IO2 – Establish new clubs and leagues
4	Enhanced community health and wellbeing	Number of new memberships	Increase in new gym memberships	2025/26 membership numbers	25% increase	20% increase	55% increase	Management – QEC Operations Manager; Reporting – QLDC Gym Supervisor	IO4 – Improve commercial return; IO1 – Increase court and health and wellness capacity
5	Enhanced community health and wellbeing	Number of visits	Gym, group fitness and leisure gate statistics	2025/26 gate statistics	30% increase	20% increase	55% increase	Management – QEC Operations Manager; Reporting – QLDC Gym Supervisor	IO1 – Increase court and health and wellness capacity
6	Enhanced community health and wellbeing	Number of participants in gym programmes	Participant numbers	2025/26 participation levels	15% increase	10% increase	45% increase	Management – QEC Operations Manager; Reporting – QLDC Gym Supervisor	IO1 – Increase court and health and wellness capacity

#	Benefit area	Measurable outcome	Indicator	Baseline	Target – Year 1	Target – Year 3	Target Year - 10	Responsible party	Investment objective
7	Enhanced community health and wellbeing	Number of participants in QLDC sports programmes	Participant numbers	2025/26 participation levels	15% increase	10% increase	45% increase	Management – QLDC Recreation Programme Coordinator	IO2 – Establish new clubs and leagues
8	Economic growth through increased use of QEC Indoor Courts facilities	Revenue	Increase in revenue	2025/26 revenue	$1,000,000 increase	10% increase	25% increase	Management – QLDC Venues Manager	IO4 – Improving Commercial Return

Source: QEC Indoor Courts Benefits Realisation Table, revalidated with QLDC QEC Operations on 15 September 2026, updated by QEC Operations 12 October 2026.

The year 1 position is based on a comparator to the baseline position. Year 3 and year 10 targets are based on a comparator to the end of Year 1 position.

Risks

The following Risks have been identified as the most significant uncertainties with the potential to affect the Investment Objectives, the Benefits, the affordability of the investment or its delivery. Each risk is rated on consequence and likelihood before mitigation (inherent rating) and again after the mitigations are applied (residual rating). The project risk register in Sentient holds the full set of risks, owners and actions (Appendix C), and delivery risk management is described in the Management Case.

#	Risk	Inherent rating	Mitigations	Residual rating	Owner
1	**QLDC does not provide suitable facilities for the community** Provision fails to keep pace with growth, or the facility delivered does not meet the range of community, sport and event needs. Demand continues to go unmet and QLDC does not deliver on its LTP commitments.	C: High L: Medium **High**	• Case for change and scope confirmed through this Business Case and user group engagement • Four courts selected because smaller options do not close the gap • Community-critical elements protected in the scope schedule if cost pressure requires reduction • Benefits reviewed 12 months after opening	C: Medium L: Low **Low**	Project Sponsor
2	**Capital cost exceeds the approved budget** The project has a fixed $46m budget and Concept Design Estimate is within the budget. Gross floor area is fixed by regional court compliance and the scoped brief. Further escalation or scope growth would put pressure on the capital programme, debt and rates.	C: High L: High **High**	• Independent QS peer review and reconciliation of the estimate • Undertake a risk-based (best, likely, worst case) estimate before tender • Suitable contingency and escalation allowances to be held and to be controlled through governance • Single-stage D&B procurement approach through fixed price tenders. This provides cost certainty to QLDC early in the commitment process and validity to the estimates. Reduces the risk of scope and associated cost creep in design.	C: High L: Low **Medium**	Project Sponsor

#	Risk	Inherent rating	Mitigations	Residual rating	Owner
3	**Operating cost is higher than anticipated** Staffing, energy, maintenance and renewal costs exceed forecast. As revenue covers only part of operating cost, any increase adds to the rates-funded shortfall every year.	C: Medium L: Medium **Medium**	• Operating model and whole-of-life cost plan developed with the asset owner • Staffing and renewal profiles tested against realistic assumptions • Whole-of-life cost used as a tender evaluation criterion • Energy-efficient design (heat pumps, heat recovery, LED controls) • Fees and charges policy set to recover an agreed share of cost to be further developed in the Operational Implementation Business Case.	C: Medium L: Low **Low**	Sport and Recreation Manager
4	**The asset is not fully utilised by the community** Use falls short of forecast, so participation, wellbeing and revenue benefits are not realised. Demand estimates are based on current constrained use, and utilisation is also affected by pricing, allocation, programming, access and parking.	C: Medium L: Low **Low**	• Demand to be further validated with user groups and participation data in the Operational Implementation Business Case • Operating, programming and pricing model to be established before opening, including anchor users and committed bookings • Flexible spaces to serve a wider range of uses • Utilisation tracked against the benefits targets with corrective action by the benefit owner	C: Medium L: Low **Low**	Sport and Recreation Manager
5	**Consenting and designation delay** The Designation 29 alteration may be notified, with NZTA and Queenstown Airport Corporation as affected parties, and recreation reserve status to be confirmed. Delay would push back contract award and construction.	C: High L: Medium **High**	• Scenario 2 site avoids a road stopping on Joe O'Connell Drive • Designation alteration to be lodged early in Concept Design Plus • Early affected-party engagement with NZTA and QAC has commenced • Programme allows for notification • Likely conditions built into the Principal's Requirements	C: Medium L: Medium **Medium**	Project Manager

#	Risk	Inherent rating	Mitigations	Residual rating	Owner
6	**Scope pressure from competing stakeholder expectations** Advocacy for additional uses (six courts, indoor cricket, squash, padel) and public commentary on alternative concepts create pressure to expand scope beyond the budget, and confusion or reduced confidence in the project.	C: Medium L: High **High**	• Scope schedule in this Business Case adopted as the baseline • Council-led communications with a consistent narrative and centralised register • D&B delivery model improves controls for scope adjustments once committed • Additional items to be considered only with confirmed external funding • Change control to be managed through the Project Governance Structure	C: Medium L: Low **Low**	Project Sponsor / QLDC Communications
7	**Airport obstacle limitation surface constrains construction** The site sits beneath the Queenstown Airport flight fan with an approximately 15m height limit. Crane penetration of the surface is decided by the Civil Aviation Authority (CAA) and may not be supported near the airfield. Restricted lifting hours, a longer build or relocation of the building could follow.	C: High L: High **High**	• Accurate three-dimensional surface data obtained from the airport company and modelled • Building location tested for tolerance before it is fixed • Crane and lifting methodology tested with contractor input • Early engagement with CAA to seek approval • Requirements written into the D&B tender so methodology is priced, not discovered	C: High L: Low **Medium**	Project Sponsor
8	**Governance and decision delays** Council cycles, delegation limits and leadership changes slow decisions. The programme will be heavily impacted by delays to November 2026 Council meeting, and procurement plan approvals.	C: Medium L: High **High**	• Decisions mapped against the Council calendar • Delegation and approval route for the procurement plan confirmed ahead of the November report • Clear governance and decision making structure to be endorsed as part of the business case. • D&B delivery approach reduces the required approval and decision points post award of the tender.	C: Medium L: Low **Low**	Project Sponsor

#	Risk	Inherent rating	Mitigations	Residual rating	Owner
9	**Limited market competition and capacity** Only three Tier 1 contractors are active at this scale in the region, and steel, cladding and mechanical plant have long lead times. Fewer tenders mean higher prices or a later start.	C: High L: Medium **High**	• Industry briefing and open ROI giving the market early notice • Capable National Tier 1 contractors tested at ROI • Long-lead item strategy to be requested as part of tender • Single-stage tender keeps price tension to award	C: Medium L: Medium **Medium**	Project Manager
10	**Contractor design does not meet requirements** Under D&B the contractor controls design decisions after award and may optimise for time or price at the expense of the functional brief.	C: Medium L: High **High**	• Robust Principal's Requirements and reference design from Concept Design Plus • Must-have outcomes defined and measurable • Design review hold points with QLDC acceptance • Design Challenge Group review and a retained QLDC design advisor	C: Medium L: Low **Low**	Project Manager / Design Challenge Group
11	**Parking and traffic demand is not met** Peak parking demand already exceeds supply, and NZTA modelling may not fully reflect the facility's demand. Shortfalls would affect user experience, utilisation and consenting.	C: Medium L: Medium **Medium**	• Approximately 160 additional spaces included in scope • Final carpark layout confirmed in Concept Design Plus • Traffic modelling validated with NZTA before concept close-out • Event traffic and parking management plans	C: Low L: Medium **Low**	Project Manager
12	**Ground conditions and site servicing** The site is Soil Class D with 300–400mm of topsoil and fill over alluvial silts, soakage is highly variable, the wastewater main is too shallow for gravity discharge, and an Aurora HV cable crosses the site.	C: Medium L: Medium **Medium**	• Detailed geotechnical and soakage investigations to be undertaken before tender • Geotechnical baseline report included in the tender documents • Pumped wastewater solution carried in the estimate • Early engagement with Aurora on the HV cable and transformer location	C: Medium L: Low **Low**	Project Manager

#	Risk	Inherent rating	Mitigations	Residual rating	Owner
13	**Disruption to QEC operations during construction** The aquatic centre, gym and courts must stay open next to an active construction site, with public safety and access to be maintained.	C: Medium L: Medium **Medium**	• Greenfield site selected to reduce disruption • Site separation, construction management and traffic management plans required under the contract • Contractor methodology evaluated at tender • Regular communication with users and hirers	C: Low L: Low **Low**	Project Manager

C = consequence, L = likelihood. Source: QEC Indoor Courts project risk register (Sentient), summarised in Appendix C.

Constraints, Dependencies, and Assumptions

The following notable Constraints, Dependencies, and Assumptions have been identified.

Constraints

#	Constraints	Details	Mitigation / management approach
1	Capital funding envelope	The $46m LTP allocation is the project budget cap. The project is expected to be fully funded by QLDC, so any cost in excess to budget affects the wider capital programme.	Design to a cost plan; value management in Concept Design Plus with gross floor area as the main lever if required; independent QS review and a QRA based estimate; outside core scope items to be funded from separate budget; budget-affecting change escalated through governance; lump sum price fixed at D&B award.
2	QLDC ability to deliver	QLDC must have the capacity and resources to manage and deliver the project. This is a significant project that will place a high level of demand on QLDC staff.	External project management and specialist advisors engaged; roles and decision rights set out in the Project Structure; OPMO framework and Sentient controls applied; resourcing reviewed at each gateway.
3	Delivery timeline	The project must be delivered by FY2029/30. The concept design phase has exceeded the original programme, and the LTP phases most construction spend in 2027/28 and 2028/29. Delays would affect stakeholders and likely increase cost.	Programme aligned to the Council calendar; ROI run alongside Concept Design Plus; early works and a long-lead pre-purchase option; LTP phasing reviewed through the Annual Plan to reflect the single-stage programme.
4	Scope	The scope must balance community needs, operational requirements and budget. Regional court compliance fixes the required court area, limiting design refinement.	Scope schedule in this Business Case adopted as the baseline; must-haves set in the Principal's Requirements; changes approved through change control; additional items only with separate funding.
5	Delivery methodology	The single-stage D&B delivery model restricts QLDC's ability to adjust scope or approach once procured. The required outcomes must be clearly defined and accepted.	Concept Design Plus to define the requirement; performance-based Principal's Requirements; design review hold points; NZS 3916 lump sum contract; price-quality tender evaluation.
6	Site and continuity of operations	Development is on the QEC site and the aquatic centre, gym and courts must remain operational throughout construction.	Greenfield Field 4 site reduces disruption; site separation, construction management and traffic management plans required under the contract; contractor methodology evaluated at tender; regular communication with users.
7	Site and servicing constraints	The development requires an alteration to Designation 29, a pumped wastewater solution and stormwater design for highly variable soakage and Class D soils.	Designation alteration lodged early; geotechnical and soakage investigations completed before tender; servicing solutions carried in the estimate.
8	Airport OLS	The airport flight fan limits building and crane height to approximately 15m across parts of the site.	Three-dimensional OLS data modelled and crane methodology tested with contractor input

Dependencies

#	Dependencies	Details	Mitigation / management approach
1	Market ability to deliver	The project depends on the availability of contractors, subcontractors, materials and expertise. Three Tier 1 contractors are active at this scale in the region, and steel and mechanical plant have lead times of up to 20 weeks.	Early industry briefing and open ROI; capable National Tier 1 contractors tested; long-lead item strategy; tender timing communicated early.
2	Continued funding approval from QLDC	Ongoing financial support from QLDC is required throughout the project. If support stopped, the result could be an incomplete asset.	Council endorsement of this Business Case in November 2026; funding confirmed through the LTP and Annual Plan; gateway approvals before each commitment; lump sum fixed at D&B contract award.
3	Strong local community support	The project must keep strong community support by meeting community needs. Dissatisfaction could lead to under-use and lower revenue.	Stakeholder Engagement Plan and Council-led communications; user group engagement at key stages; transparent messaging on scope and budget.
4	Continued political support	Political and community support must continue through the delivery period, including the 2028 local government elections during construction.	Regular Council briefings and reporting; contract award in 2027 commits the project before the election cycle; benefits case kept current.
5	Designation 29 alteration	Building consent and construction depend on the alteration to Designation 29 being confirmed, including any notification process.	Lodge early in Concept Design Plus; early engagement with affected parties; programme allows for notification; conditions built into the tender.
6	Information from third parties	Accurate airport surface data, NZTA traffic modelling and Aurora network information are needed to fix the building location, carpark layout and servicing.	Requests issued and tracked in the DIRT register; outstanding items escalated through the Project Steering Group before concept close-out.

Assumptions

#	Assumptions	Details	Mitigation / management approach
1	The asset meets community expectations	The facility will align with what the community wants and needs and deliver the expected benefits.	Operational brief validated with QEC Operations, Sport NZ review and benchmarking; user engagement at key design stages; benefits review 12 months after opening.
2	The site is suitable for the asset	Field 4 is viable for construction and long-term use. Shallow foundations are assumed feasible on Soil Class D ground.	Detailed geotechnical investigation before tender; geotechnical baseline in the D&B contract; ground improvement and piling risk allocated clearly.
3	Community need is as high as identified	Demand identified through participation data (2015–2025) and the Sport NZ benchmark remains accurate.	2025/26 baselines set for all benefits; participation data reviewed annually; utilisation tracked through benefits realisation.

#	Assumptions	Details	Mitigation / management approach
4	The operating model is sustainable	The facility can be operated and maintained within budget.	Operating model and requirements to be developed and further tested in the Operational Implementation Business Case.
5	Facility revenue will increase	A separate facility allows more sport and events with less conflict, increasing revenue. Court prices rise with CPI; gym pricing is changing.	Operating model and requirements to be developed and further tested in the Operational Implementation Business Case. Benefits and revenue to be monitored and tracked and pricing reviewed annually.
6	The cost estimate basis holds	The Concept Design Estimate includes 11% contingency and 2.5% escalation.	Risk-based estimate in Concept Design Plus; contingency drawdown controlled through governance; exclusions tested through site investigations.
7	Participation uplift	Participation has been assumed to increase by 30% in the first year of operation, then aligned with forecast growth model.	Assumed values to be validated through internal stakeholders and industry advice. Operating model and requirements to be developed and further tested in the Operational Implementation Business Case. Actual uplifts to be monitored and tracked as part of benefits realisation.

Interfaces

#	Interface	Details	Mitigation / management approach
1	Queenstown Airport Corporation	The flight fan and Aerodrome designation / CAA regulations limit the location, height and acoustic design of the building and construction craneage.	Coordination to be undertaken with QAC and CAA; accurate surface data and modelling; methodology and requirements written into the D&B contract.
2	Frankton Golf Centre development	Development next to the proposed courts may affect access and the ability to deliver.	Project interdependency register; coordinated planning and regular interface meetings.
3	New Council office building location and carparking	Work is underway to decide the location of combined Council offices, with Frankton Village a potential precinct.	Monitored through the interdependency register; masterplan alignment maintained.
4	Frankton Library lease	The Frankton Library lease ends in December 2026. The preferred site for a new library is at QEC / Frankton Golf Course, possibly with a new Council building.	Monitored through the interdependency register; carpark and site planning kept compatible with the masterplan.
5	NZTA	Ongoing SH6 works and upgrade of the QEC entrance to a signalised intersection; NZTA is an affected party for the designation alteration.	Traffic modelling aligned with NZTA; early affected-party engagement; construction traffic management coordinated with NZTA works.
6	QLDC Energy Project	An energy project on the QEC site is closely tied to the facility's energy calculations and plant.	Plant and energy design coordinated with the Energy Project; interfaces tracked in the interdependency register.

#	Interface	Details	Mitigation / management approach
7	Aurora Energy	A high-voltage cable crosses the site and may constrain construction and the transformer location.	Cable location identified and included in design; early engagement with Aurora; requirements included in the tender for any relocation works.

Economic Case

Does the investment offer value for money?

Revisiting The Short List Options from the IBC

Long list development

The 2019 Indicative Business Case (IBC) developed and assessed a long list of options using the Better Business Cases method.[35]

The following Critical Success Factors (CSFs) were identified as part of the Indicative Business Case as the essential attributes to successful delivery of this proposed investment. They have been revalidated and maintained as relevant for this project in the Detailed Business Case.

Critical Success Factors	Details
Strategic Fit and Business Needs	How well the option is a strategic fit with the Long-Term Plan, other strategies, and other investments, and meets the identified Business Needs.
Value for Money	How well the option optimises value for money, i.e. is it the right solution, at the right time, and at the right price.
Potential Achievability	How well the option matches QLDC's internal abilities and skills required to achieve successful delivery.
Supplier Capacity and Capability	How well the option matches the ability of external suppliers to deliver the required services in a sustainable arrangement.
Potential Affordability	How well the option can be delivered from likely available funding and respects other funding constraints.

The long list of options were built across five dimensions of choice:

- **Service scope:** keep the existing two courts, or add two, four or six courts
- **Service solution:** upgrade the existing courts, extend the existing building, or build a separate structure
- **Service delivery:** delivered by Council, split with the private sector, or fully outsourced
- **Implementation:** completion dates between 2020 and 2023

[35] Jacobs New Zealand Limited, Indoor Court Indicative Business Case, prepared for Queenstown Lakes District Council, 1 October 2019, pp. 42–56.

- **Funding:** Council's $8m baseline, additional Council budget, community funds or private investment

Each dimension was scored against the Critical Success Factors and spending objectives to produce a long list of 10 options.[36] The long list options were further analysed against capital cost, increase in community sport hours, and commercial return as summarised below.

Long list options

#	Long list option	Capital cost (2019, excl. GST)	Additional community sport hours a year	Additional commercial return a year	Outcome
1	Do nothing / minimum – upgrade the existing courts, loading dock and event pack-in / pack-out	Minimal	240	$0	Removed – low benefits
2	PWF A – two-court separate structure, event facilities compromised to fit the $8m baseline	$11.53m	3,437	$112,500	Short-listed
3	PWF B – two-court separate structure with purpose-built event facilities	$14.15m	3,677	$135,000	Short-listed
4	PWF C – as Option 2, with venue management outsourced	$11.53m	As Option 2	As Option 2	Removed – same benefits as Option 2 with higher commercial risk
5	PWF D – as Option 2, delivered later (2023)	$11.53m	As Option 2	Lower	Removed – delay adds no value
6	Alternative A – two-court extension of the existing building	$9.93m	3,197	$5,000	Removed – very low commercial return; does not resolve event conflicts
7	Alternative B – four-court separate structure with event facilities	$25.81m	6,874	$165,000	Short-listed
8	Alternative C – four-court separate structure, event facilities compromised	$20.35m	6,634	$142,000	Removed – lower value for money than other options
9	Alternative D – four-court extension of the existing building (six courts in total) with event facilities	$19.45m	6,634	$159,700	Removed – benefits for cost less desirable than Option 7

[36] *Jacobs New Zealand Limited, Indoor Court Indicative Business Case, prepared for Queenstown Lakes District Council, 1 October 2019, Tables 21 and 22 and pp. 45–53. Costs are 2019 order-of-cost estimates by RLB, excluding GST and escalation, and are not comparable with current estimates.*

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#	Long list option	Capital cost (2019, excl. GST)	Additional community sport hours a year	Additional commercial return a year	Outcome
10	Alternative E – four-court extension of the existing building (six courts in total), no event facilities	$26.47m[37]	6,394	$129,700	Short-listed

IBC Short list

Four options were carried forward to the IBC short list: Options 2, 3, 7 and 10. All four responded, to differing degrees, to the issues identified in the case for change: demand outstripping supply, the combined sports and events hall, prolonged event set-up, the inability to run sport and events at the same time, unmet community and school demand, and winter pressure on indoor space.

The following table outlines the short list options, the decision from the IBC and the approach taken in this DBC for further assessment.

Short list option	IBC finding	Status in this Business Case
Option 2 – two-court separate structure (PWF A)	The original preferred way forward. It provided 240 fewer community sport hours a year than Option 3 (equivalent to about five weeks of netball games), and its event facilities would be compromised to fit the $8m baseline.	**Discounted.** Superseded by Option 3, which delivered more community hours and better event separation for a modest additional cost. As a two-court option it also no longer meets current demand.
Option 3 – two-court separate structure with event facilities (PWF B)	The final preferred way forward in 2019, chosen because funding was limited to the $8m already in the Ten Year Plan. It was to be designed so it could later expand to four courts.	**Carried forward as the Do Minimum.** Budgeted at $14m in the LTP 2018–2028 and later deferred.
Option 7 – four-court separate structure with event facilities (Alternative B)	Provided the most value of all long list options: 6,874 additional community sport hours and the highest commercial return. Was not affordable within the 2019 funding limit.	**Carried forward as the Preferred option.** Adopted in the LTP 2024–2034 and refined through Concept Design.
Option 10 – four-court extension of the existing building (Alternative E)	Provided 480 fewer community sport hours than Option 7 (about ten weeks of netball) and less revenue. With no event-specific facilities it would not resolve event pack-in and pack-out, and sport and events could not run at the same time because a curtain divider does not isolate noise.	**Discounted.** It does not meet the investment objective of running sport and events concurrently, would disrupt the existing courts during construction. Is not achievable due to physical limitations to structurally extend the existing building.

[37] Reproduced as reported in the Indicative Business Case long list (p. 47). The RLB order-of-cost summary (28 August 2019) shows this figure is the total project cost including $7.02m of car parking; the court-only cost for this option was $19.45m.

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In the Indicative Business Case Option 3 was selected as the preferred way forward due to funding at the time being limited to $8 million which was already budgeted in the QLDC Ten Year Plan. Due to financial constraints on the LTP, the project was eventually moved out.

As new funding has been made available and the recognised increased community need due to the time lag in development of the courts, Option 7 has now been carried forward as the preferred option as it can be delivered within the approved LTP budget.

This aligns with the recommendation in the 2019 Indicative Business Case which states: "... [Option 7] provides the most value of all options considered in the Long List... for Option 7 to be considered, funding availability would need to change to positively affect the affordability of the project."[38]

The preferred option of four courts has been refined through Concept Design, including relocation to the Field 4 greenfield site to retain the existing carpark and keep the baseline scope within the funding envelope.

Short List Options - DBC

The following Short List Options proposed in the Indicative Business Case have been revalidated as part of this Economic Case, with the preferred option having been developed and refined through the Concept Design. The three options revalidated as part of this economic case are detailed below and include Options 3 and 7 from the IBC. Options 2 and 10 are not carried forward for the reasons above.

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Short List Option Type	Short List Option
Do Nothing / Status Quo	Retain the existing QEC facility with no additional indoor courts. Known capacity and parking issues persist. Baseline for comparison.
Do Minimum (Option 3)	Provision of a new two court facility, built separately to the current two court facility
Preferred (Option 7)	Provision of a new four court facility, built separately to the current two court facility

Benefits and Risks

The Short List Options have been assigned to the Benefits and Risks identified in the Strategic Case, with the intention of highlighting the relative profiles of each option and allowing for potential differentiation in the selection of the Preferred Option.

[38] Jacobs New Zealand Limited, Indoor Court Indicative Business Case, prepared for Queenstown Lakes District Council, 1 October 2019, p. 55

Benefits

The following is the assessment of Short List Options against the identified Benefits.

#	Benefits		Short List Options		
			Do Nothing / Status Quo	Do Minimum	Preferred
1	Increased participation in indoor sport and recreation	>	Does Not Deliver	Partially Delivers	Fully Delivers
2	Enhanced community health and wellbeing	>	Does Not Deliver	Partially Delivers	Fully Delivers
3	Economic growth through increased use of QEC Indoor Courts facilities	>	Does Not Deliver	Partially Delivers	Fully Delivers
4	Operational efficiency and reduced event set up conflicts	>	Does Not Deliver	Partially Delivers	Fully Delivers

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Risks

The following is the assessment of Short List Options against the identified Risks.

#	Risks		Short List Options		
			Do Nothing / Status Quo	Do Minimum	Preferred
1	QLDC does not provide suitable facilities for the community	>	High	High	Low
2	Capital cost exceeds the approved budget	>	Low	Low	Medium
3	Operating cost is higher than anticipated	>	Low	Low	Medium
4	The asset is not fully utilised by the community	>	Low	Low	Low
5	Consenting and designation delay	>	N/A	Medium	Medium
6	Scope pressure from competing stakeholder expectations	>	Medium	High	Low

7	Airport obstacle limitation surface constrains construction	>	N/A	Medium	Medium
8	Governance and decision delays	>	Low	Low	Low
9	Limited market competition and capacity	>	N/A	Medium	Medium
10	Contractor design does not meet requirements	>	N/A	Low	Low
11	Parking and traffic demand is not met	>	Medium	Medium	Low
12	Ground conditions and site servicing	>	N/A	Low	Low
13	Disruption to QEC operations during construction	>	N/A	Low	Low

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Economic Appraisal

Approach to assessing public value

The Economic Case seeks to identify and assess a wide range of options and determine which option provides the best public value. This generally involves cost-benefit analysis alongside consideration of material impacts that cannot be readily monetised.

Cost-benefit analysis compares the additional benefits and costs of each option against a counterfactual. It provides a structured framework for identifying and assessing changes in economic and social outcomes, helping decision-makers understand whether an investment is expected to generate benefits that justify its costs.

Assessing the Economic Case for investment in additional indoor sports facilities therefore requires defining the problem or opportunity, establishing what is expected to occur without additional investment, and estimating the incremental benefits and costs of the options available to address it. This provides the basis for comparing options and identifying which provides the best public value.

Defining the counterfactual

The counterfactual assumes that no additional indoor sports facilities are developed and the community continues to rely on the existing Queenstown Events Centre facilities. Existing capacity is already constrained and is insufficient to accommodate demand at some times. Under the counterfactual, these capacity constraints are expected to become more pronounced as Queenstown's population grows and demand for indoor sports facilities increases. The counterfactual therefore represents a continuation of existing provision rather than existing outcomes: without additional capacity, increasing demand would result in greater competition for available court time, more unmet demand, and potentially reduced opportunities to participate in indoor sport and recreation.

The counterfactual provides the baseline against which the economic costs and benefits of the investment options are assessed. It is included in the options analysis for transparency but is not treated as an investment option with additional costs or benefits. Its incremental costs and benefits are zero.

This does not imply that the counterfactual has no economic consequences. Without additional investment, existing capacity constraints are expected to become more binding as demand grows, resulting in increasing unmet demand and foregone opportunities for participation. The benefits of the investment options therefore arise from the extent to which they improve outcomes relative to this baseline, for example by enabling additional participation, improving access to suitable court times and accommodating future demand. Similarly, only costs that are additional to those incurred under the counterfactual are included in the economic assessment.

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This approach ensures that the Economic Case measures the incremental public value generated by each option rather than attributing existing costs or benefits to the proposed investment.

Three options were short-listed for consideration in the Economic Case:

- Status quo (counterfactual): No investment in additional indoor court capacity. The existing facility continues to be operated and maintained, with capacity constraints expected to increase as demand grows.
- Two-court facility: Construct and operate a new indoor sports facility providing two additional courts.
- Four-court facility: Construct and operate a new indoor sports facility providing four additional courts.

The status quo provides the counterfactual against which additional investment is assessed. The two-court option was considered but has not been progressed to detailed economic assessment because it has a relatively poor fit with the Strategic Case, providing limited additional capacity relative to current constraints and forecast demand growth. Existing estimates of its costs and benefits are also dated and would require substantive reassessment before they could provide a reliable comparison.

The detailed Economic Case therefore focuses on the four-court facility, with its incremental costs and benefits assessed against the status quo counterfactual.

CBA inputs and assumptions

The cost-benefit analysis estimates the incremental costs and benefits of the four-court facility relative to the status quo counterfactual. Costs and benefits are estimated over the appraisal period and discounted to present values to allow impacts occurring at different points in time to be compared on a consistent basis.

The assessment draws on available project cost estimates, operating assumptions and forecasts of facility use. The costs are the capital cost of constructing the facility and the additional operating and labour costs required to run it. The benefits arise from the additional use enabled by increased court capacity, including increased participation in sport and physical activity and associated wellbeing benefits. The key inputs and assumptions underlying these estimates are set out below.

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Input	Assumption
Construction period	2 years
Participation	First year growth of 30% reflecting unmet demand. From the second year onwards growth rates start at the annual participation growth from 2015-2025, then slowly decrease to the long-term population growth rate
Non-market benefits of annual participation per person	Treasury-recommended wellbeing value for increased physical activity of $1,963 per person per year. It is the recommended annual wellbeing benefit for 150-300 minutes moderate to vigorous physical activity per week.
Additional revenue in the first year of operation	Slightly over $1 million based on QLDC estimates
Revenue growth	Revenue for admission, memberships, concessions, sundry income and retail income is assumed to growth at the rate of wellness participation. The other revenue sources are assumed to grow at the participation rate of indoor courts.
Labour costs	Labour cost increase by 50% every 10 years as demand grows
Fees and charges	No allowance for increases to fees and charges over the operational years

Defining the discount rate

A 4.5 percent real discount rate is applied to future costs and benefits. Discounting converts impacts occurring at different points in time into present values, reflecting the opportunity cost of committing resources now for future benefits.

Costs

The costs of the four-court facility represent the additional resources required to construct, operate and maintain the facility relative to the status quo counterfactual. The assessment includes capital expenditure, labour, maintenance and asset renewal, and other facility operating costs. Capital expenditure occurs during the two-year construction period, while ongoing costs are estimated over the 30-year operating period. The cost estimates exclude GST following Treasury guideline for social cost benefit analysis.

Capital expenditure

The estimated capital cost of the four-court facility is $46 million. This expenditure is spread across the two-year construction period to reflect the expected timing of expenditure rather than treating the full cost as occurring in a single year.

Labour costs

Additional labour costs are estimated at $738,930 in the first year of operation. Labour costs are assumed to increase by 50 percent every 10 years, in a stepwise manner. These reflect that the growth in participation, combined with staffing changes, will be more

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stepwise than participation growth. In practice, staffing requirements are likely to increase in steps as utilisation reaches levels requiring additional staff, rather than increasing each year smoothly.

Facility operating costs

Other facility operating costs are estimated at $1.1 million in the first year of operation. These include utilities, energy, inventory and cleaning required for the day-to-day operation of the facility. Facility operating costs have been developed based on internal OPEX models provided by QLDC and benchmarked against industry standard models for operation and renewal.

Benefits

The benefits of the four-court facility arise from the additional use enabled by increased indoor court capacity relative to the status quo counterfactual. The assessment focuses on two principal benefits: increased participation in sport and physical activity, and increased facility revenue. Increased participation is valued using a non-market estimate of the wellbeing benefits associated with engagement in sport and physical activity.

Increased participation

The additional court capacity and other new facilities are expected to increase participation in indoor sport and physical activity by accommodating demand that cannot be met by the existing facility. Participation is assumed to increase by 30 percent in the first year of operation, based on QLDC estimates of current unmet demand. This initial increase represents the step change in participation enabled by the additional capacity rather than underlying population growth.

From the second year of operation onwards, participation is assumed to increase initial at the participation growth rates for from 2015 to 2025. The compounded annual growth rate for the indoor court participation averages 8.7% p/a, the compounded annual growth rate for Health and Wellness participation averages 3.2%. Overtime the participation growth is expected to fall to the longterm population growth rate of the QLDC area of 2.4% p.a. The participation growth trajectories allow for the long run convergence.[39]

Estimating the benefits of increased participation in physical activity

The benefits of increased participation are monetised using the Treasury-recommended wellbeing value for increased physical activity of $1,963 per person per year. It is the recommended annual wellbeing benefit for 150-300 minutes of moderate to vigorous physical activity per week. This value is applied to the estimated number of additional participants attributable to the four-court facility to estimate the annual wellbeing benefit relative to the counterfactual.[40]

[39] https://www.qldc.govt.nz/community/population-and-demand#projections
[40] The Treasury, CBAx Tool impacts database (wellbeing value for increased physical activity), as applied by NZIER. https://www.treasury.govt.nz/publications/guide/cbax-spreadsheet-model.

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Additional revenue

The four-court facility is expected to generate additional revenue as utilisation increases. In the first year of operation, annual revenue is estimated at approximately $1,028,486.

Table 1: Estimated annual revenue, opening year

Revenue source	Opening year additional revenue
Lease rental income	$18,200
Admission	$26,325
Membership	$357,552
Sports programmes	$29,890
Concession cards	$23,830
Venue hire – charitable	$251,284
Venue hire – standard	$97,749
Venue hire – commercial	$129,000
Sundry income – user charges	$54,655
Retail income	$40,000
Total	**$1,028,486**

Source: QLDC estimates

Revenue for admission, memberships, concessions, sundry income and retail income is assumed to grow at the rate of wellness participation. The other revenue sources are assumed to grow at the participation rate of indoor courts.

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Overall cost-benefit analysis for the preferred option

The cost-benefit analysis indicates that the four-court facility is expected to generate benefits that exceed its economic costs over the 32-year appraisal period (a two-year construction period followed by 30 years of operation). The facility has an estimated undiscounted whole-of-life cost of $142.46 million, comprising $46 million in capital expenditure, $84.53 million in operating costs and $11.93 million in renewal costs. This compares with estimated undiscounted benefits of $332.13 million.

Applying the 4.5 percent real discount rate gives a present value of costs of approximately $90.24 million and a present value of monetised benefits of approximately $152.61 million. The net present value is estimated to be $62.37 million. This indicates that the investment generates positive net economic benefits relative to the status quo counterfactual. The benefit-cost ratio is 1.7, meaning that each dollar of economic cost is associated with around $1.69 of monetised benefits.

The positive NPV indicates that, after discounting future costs and benefits, the four-court facility is expected to generate net economic benefits relative to the status quo. NPV measures the difference between the present value of the facility's benefits and the present value of its costs over the 32-year appraisal period. A positive NPV therefore

indicates that the estimated benefits exceed the opportunity cost of the resources required to construct and operate the facility. The magnitude of the NPV estimates the additional economic value generated by the investment under the central assumptions.

Overall, the central CBA indicates that the four-court facility is expected to generate positive net economic benefits relative to continued reliance on the existing facilities.

Sensitivity and switching values

The result is most sensitive to the participation assumptions, because non-market wellbeing benefits make up most of the monetised benefit ($266 million of $332 million undiscounted). Based on the central present values, the NPV falls to zero if the present value of benefits is around 41% lower than estimated, or if the present value of costs is around 69% higher. The margin is modest. The case holds if the facility achieves most of the forecast uplift in participation, and the benefits realisation targets in Appendix A are the main control on this risk.

Non-monetised benefits and social return

The cost-benefit analysis excludes benefits that cannot be reliably monetised. These include the social return from sport and recreation, the ability to host regional and national tournaments; visitor spending from events; operational efficiency from separating sport and event set-up; and protection of outdoor sport levels of service.

Preferred option

On the evidence of the cost-benefit analysis, the switching values and the non-monetised benefits, the four-court facility is confirmed as the preferred option.

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Cost-Benefit Analysis

The following summarises the Cost-Benefit Analysis.

Cost-Benefit Analysis of Monetary Benefits and Costs		Status Quo (counterfactual)	Preferred
Costs (undiscounted)	Capital Costs	$0	$46.00 M
	Operating Costs	$0	$84.53 M
	Renewal Costs	$0	$11.93 M
	Whole of Life Costs	$0	$142.46 M
Monetised Benefits (undiscounted)	Increased revenue ($)	$0	$66.61 M
	Non-market benefits of increased participation ($)	$0	$265.52 M
	Total Benefits Value ($)	$0	$332.13 M
Cost-Benefit Analysis	Appraisal Period (Years, incl. 2-year construction)	32	32
	Discount Rate (%)	4.5%	4.5%
	Present Value of Costs ($)	$0	$90.24 M
	Present Value of Monetary Benefits ($)	$0	$152.61 M
	Net Present Value ($)	$0	$62.37 M
	Benefit-Cost Ratio		1.69
	Net Present Value Rank	-	1st

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Commercial Case

Is the investment viable?

Procurement Strategy

The Procurement Strategy follows the QLDC Procurement Policy (adopted December 2021, revised June 2022) and the QLDC Procurement Guide, which are aligned to the New Zealand Government Procurement Principles and Rules, together with the QLDC OPMO project management framework and gateway process.

The investment exceeds the $100,000 whole-of-life threshold. A Full Procurement Plan is therefore required, the default approach is an open market process, and approvals sit under the QLDC Delegations Register. Award of the construction contract will be sought from Council or under delegated authority as the Delegations Register requires.[41]

Recommended delivery model

The recommended delivery model is a single-stage Design and Build (D&B) contract, tendered at the end of a Concept Design Plus phase. One contractor will take responsibility for detailed design and construction of the building, external works, carparking and site infrastructure, for a lump sum price fixed at contract award.

Concept Design Plus

Concept Design Plus takes the completed Concept Design to the level of definition the market needs to price a D&B tender with confidence. It is delivered by QLDC's existing design team and advisors, and includes:

- Value management if required to bring the baseline scope within the $46 million budget
- A performance-based Principal's Requirements and reference design, defining the must-have outcomes, Sport NZ and regional court compliance, operational requirements, materials and whole-of-life expectations
- Site investigations, including detailed geotechnical investigation, soakage testing, survey and services location
- Confirmation of airport height limits and crane methodology with Queenstown Airport Corporation and the Civil Aviation Authority
- Progression of the Designation 29 alteration, with engagement of NZTA and Queenstown Airport Corporation as affected parties
- An updated pre-tender estimate and a risk-based (best case, most likely, worst case) cost range

[41] QLDC Procurement Policy, adopted 16 December 2021, Revision 1 approved 2 June 2022 (financial thresholds and approvals).

- A long-lead item strategy for structural steel, sports flooring, cladding and mechanical plant
- The D&B tender documents, special conditions and risk allocation

Why single-stage Design and Build

Beca's Procurement Strategy Report (Rev 1, 9 October 2026) assessed the delivery options against the project objectives, context, constraints and market, and recommends Design and Build as the delivery model best suited to the project, deliverable through a single-stage process. Single-stage D&B, tendered at the end of Concept Design Plus, is recommended for the following reasons:[42]

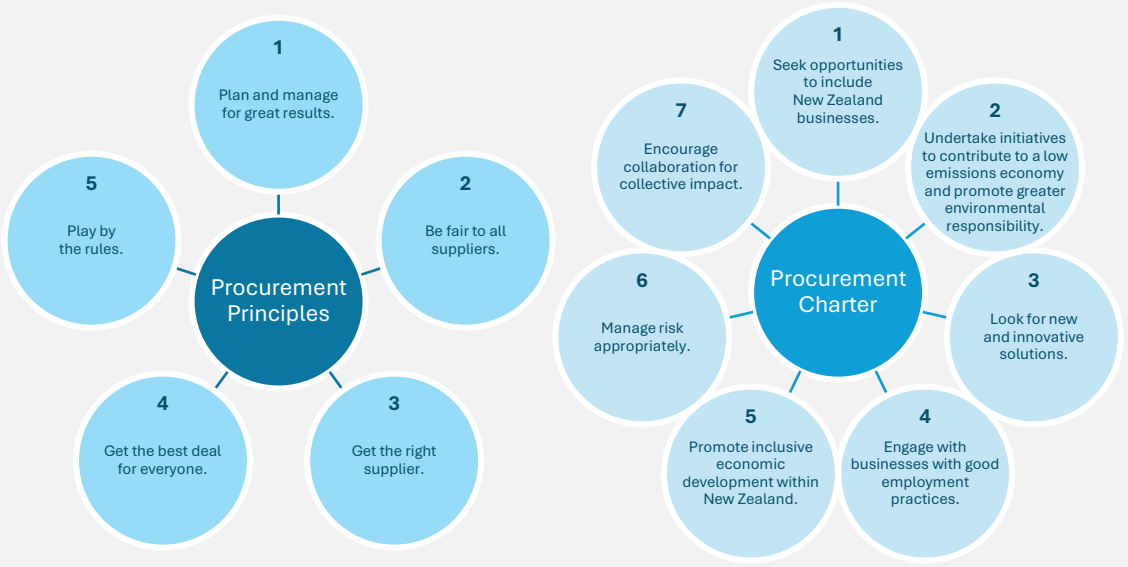
- **Price certainty before commitment.** The $46 million budget is a hard cap. Single-stage D&B fixes a competitively tendered lump sum at award, before QLDC commits to construction.
- **Competitive tension through to award.** Contractors compete on the full lump sum price through to award, consistent with the QLDC procurement principles of creating competition and getting the best public value. A competitive process can be readily established with capable Tier 1 and Tier 2 contractors.
- **A straightforward building.** The project is simple in terms of vertical construction: a single-storey, rectangular building on a largely greenfield site, with building work making up the large majority of the construction value and civils and infrastructure around 12% (Beca Rev 1, Table 1). This suits a well-specified D&B contract.
- **Single point of responsibility.** One contractor is responsible for both design and construction, bringing buildability and innovation into the design and retaining the commercial and construction risk it is best placed to manage.
- **Efficient design and faster delivery.** The Beca report estimates a potential programme saving of two to six months compared with a traditional design-then-build approach. Design is typically more streamlined and efficient, and long-lead items can be secured early where the programme requires.
- **Requirements defined before tender.** A successful D&B outcome depends on robust, measurable performance requirements. Concept Design Plus delivers the Principal's Requirements, reference design and site information before tender, with design review hold points and QLDC acceptance of the contractor's design during delivery. It also tests affordability and scope before the market is approached, when change is cheapest.
- **Consistency with Council direction.** Council's April 2025 report identified D&B for its cost certainty, faster delivery and reduced design risk, and the design team was procured to establish the Principal's Requirements for a D&B tender.
- **Market appetite.** Many community facilities of this nature have been procured across New Zealand through D&B, and the gap between tender price and out-turn cost is

[42] Beca, Procurement Strategy Report Rev 1 – Queenstown Events Centre Courts Expansion Project, 9 October 2026, sections 5.3–5.4 and 9.1.

typically much lower than for traditional delivery because design development and ground risk sit with the contractor.[43]

The Procurement Strategy has been tested against the procurement principles and Procurement Charter in the QLDC Procurement Policy.

QLDC Procurement Principles and Procurement Charter



The strategy responds to the principles and Charter as follows:

- **Plan and manage for great results:** Concept Design Plus defines the requirement, broader outcomes and risk before going to market.
- **Be fair to all suppliers:** an open Registration of Interest on GETS, with all tenderers receiving the same concept, site and ECI information.
- **Get the right supplier:** shortlisting on capability, D&B design management experience and relevant sports facility experience.
- **Get the best deal for everyone:** price-quality evaluation with whole-of-life cost considered.
- **Play by the rules:** a probity plan and independent probity advisor, conflict of interest declarations and delegated approvals.
- **Procurement Charter:** broader outcomes weighted in evaluation, including local subcontracting and employment, low emissions and waste reduction, innovation, good employment practice and health and safety.

[43] Beca, Procurement Strategy Report, Rev 1, 9 October 2026, sections 5.3.3 and 5.3.6 (Table 6).

Required Goods / Services

The following have been identified as the Required Goods / Services to be procured by this proposed investment. These have been separated into potential procurement opportunities and the scope considered against the market and potential suppliers.

Indicative key performance measures have also been identified against which the delivery of the Required Goods / Services will be assessed.

#	Required Goods / Services	Details	Potential Procurement	Indicative Timeline	Indicative Key Performance Measures
1	Concept Design (complete)	Jasmax-led design team completed the Concept Design in August 2026, with Early Contractor Involvement (ECI) input from a Tier 1 contractor.	Open RFP on GETS (C-25-125), CCCS contract	FY2025/26 – FY2026/27	On time and on budget
2	Concept Design Plus	Principal's Requirements, reference design, site investigations, designation alteration and tender documents.	Extension of the existing design engagement at the design gateway, as provided for in the C-25-125 Procurement Plan	FY2026/27	Tender documents issued on programme; pre-tender estimate within budget
3	Principal's design advisory	Review of the contractor's design during D&B.	Extension of the existing design engagement or an open RFP on GETS	FY2026/27 – FY2029/30	Design review and recommendation reports; design development aligned to Principal Requirements
4	Principal's advisors	Project management, cost management, Engineer to Contract, planning and probity advice.	Existing engagements, existing panel, in line with the QLDC Procurement Policy	FY2026/27 – FY2029/30	On time and on budget; probity sign-off

#	Required Goods / Services	Details	Potential Procurement	Indicative Timeline	Indicative Key Performance Measures
5	Indoor Court Facility – design and construction	Contractor to complete detailed design, consents, construction and commissioning of the building, external works, carparking and site infrastructure.	Single-stage D&B. Open ROI then RFT to a shortlist. NZS 3916 lump sum contract.	FY2027/28 – FY2029/30	Completion on time and within the lump sum Compliance with the Principal's Requirements Zero lost time injuries Zero unplanned disruption to QEC operations
6	Long-lead materials (optional)	Pre-purchase of structural steel or other long-lead items if the programme requires.	Early materials agreement with the preferred D&B contractor (preferred), or direct QLDC procurement novated into the D&B contract (fallback)	FY2027/28	Supply to programme

Procurement Plan

On 17 April 2025 Council approved the concept design gateway and noted that D&B offers clear benefits such as cost certainty, faster delivery and reduced design risk, with staff to recommend the construction procurement approach at the end of the concept design phase. This Business Case makes that recommendation: single-stage D&B, tendered at the end of Concept Design Plus. A detailed Procurement Plan setting out the single-stage D&B approach, market approach, evaluation methodology, probity arrangements and contract form will be presented to Council in December 2026 for endorsement, before the market is approached.

Market approach

The approach to market is a two-step open process, consistent with the QLDC Procurement Guide for high-value, high-risk works:[44]

- An industry briefing and open Registration of Interest (ROI) on GETS, giving the market early notice and testing capacity across Tier 1 contractors and capable Tier 2 contractors. Beca has identified six potentially capable contractors (Apollo Projects, Besix Watpac, Cook Brothers, Downer/Hawkins, Naylor Love and Southbase Construction), whose capability and proposed teams will be tested at ROI
- Shortlisting of three to four respondents on capability and capacity, D&B design management, relevant sports and community facility experience, experience working on live sites and next to airport operations, and key personnel
- A Request for Tender (RFT) to the shortlist, with a tender period of six to eight weeks, followed by interviews and evaluation

Evaluation will use the QLDC price-quality method. Non-price attributes will cover relevant experience, key personnel, methodology (including crane and lifting methodology under the airport flight fan and keeping QEC operating), response to the Principal's Requirements, programme, health and safety and broader outcomes. Weightings will be confirmed in the Procurement Plan.

Probity

The contractor that provided ECI during Concept Design is a likely respondent. To keep the process fair, all ECI outputs will be disclosed to every tenderer, an independent probity advisor will be appointed, and all evaluation panel members will sign conflict of interest and confidentiality declarations, as the QLDC Procurement Guide recommends where a supplier has been involved in earlier stages.[45]

[44] QLDC Procurement Guide 1.0, June 2022 (approach to market – multi-stage processes).
[45] QLDC Procurement Guide 1.0, June 2022 (probity).

Design and Build Procurement Timeline

The following is the indicative timeline for the single-stage D&B procurement.

Proposed Key Procurement Milestones	Estimated Timing
Council endorsement of the Concept Design and Detailed Business Case	November 2026
Concept Design Plus commences	November 2026
Industry briefing and Notice of Interest (GETS)	December 2026
Designation 29 alteration lodged	March 2027
Concept Design Plus complete; Request for Tender issued	February 2027
Tenders close	May 2027
Tender evaluation and interviews	May – June 2027
Contract negotiation and award approval	June 2027
Contract award	June 2027
Contractor design, building consent and early works	July 2027 – March 2028
Construction (20 to 24 months)	Mid 2028 – Second Half 2029
Practical completion	Second half of 2029

Contractual Arrangements

The following Contractual Arrangements have been identified.

Contract Provisions

The type of contract for the Preliminary and Concept design engagements is the QLDC Conditions of Contract for Consultancy Services (CCCS) template.

The D&B contract is proposed to be NZS 3916 Conditions of Contract for Building and Civil Engineering – Design and Construct, consistent with the QLDC Procurement Guide for design and construct works, with special conditions reviewed by QLDC Legal. NEC4 and other contract forms may be considered in the detailed Procurement Plan and assessed, noting NEC4 is less familiar to the New Zealand market. Key provisions will include:[46]

- A lump sum price, with a schedule of prices and rates for valuing variations
- Clear risk allocation, with design, coordination and construction risk held by the contractor and defined risks held by QLDC (for example ground conditions outside the geotechnical baseline and third-party approvals), to be confirmed through Beca's risk allocation advice
- Design review hold points at preliminary, developed and detailed design, with QLDC acceptance against the Principal's Requirements

[46] QLDC Procurement Guide 1.0, June 2022 (construction contract forms).

- Airport height, crane and Civil Aviation Authority requirements written into the contract
- Requirements for safe public access and continued operation of QEC throughout construction
- Retentions in line with QLDC's standard approach, a defects liability period, and QLDC ownership of design intellectual property

Contractual Issues

There are no known contractual issues. The matters to resolve during Concept Design Plus are the probity management of prior ECI involvement and the risk allocation for site conditions and airport constraints.

Potential Payment Mechanisms

The D&B contract will be paid monthly in arrears against progress claims, assessed by the Engineer to Contract with QLDC's external project manager and quantity surveyor. The lump sum will be broken into a payment schedule covering design milestones, preliminary and general costs (fixed and time-related), margin and trade elements, consistent with the pricing schedules recommended by Beca for single-stage D&B (Procurement Strategy Report Rev 1, section 8.2). Design payments will be tied to accepted design deliverables.

Contractor performance will be measured against key performance indicators covering programme milestones, quality and defects, health and safety, disruption to QEC operations, environmental incidents and broader outcomes commitments. Progress, programme, cost, risk and KPI reporting will be provided monthly to the Project Steering Group and Programme Control Group.

Financial Case

Is the investment affordable?

Capital & Operational Expenditure

The Capital and Operational Expenditure for the Preferred Option has been determined as follows.

The 30-year asset lifespan mirrors the 30-year operating period in the Economic Case. It excludes the two-year construction period, which is included in the Economic Case's 32-year appraisal period.

Table 2: Capital and operational expenditure summary

Asset Lifespan	Capital Cost	Operational Cost	Total Cost
30 years	$46 million	$96.46 million	$142.46 million

Funding Model

This proposed investment aligns with the QLDC Revenue and Financing Policy and the accompanying principles for funding Capital and Operating Expenditure.[47]

The working assumptions include the following considerations:

- Funding for the capital expenditure will be facilitated through the Long Term Plan 2024-2034 budget allocation.
- Similarly, the operational expenditure will also be funded from revenue from the new facility and operational cost allocation within Long Term Plan 2024-2034 budget allocation.
- As established in the Economic Case, revenue from the new facility will only cover part of the operational costs.

The following summarises the Long Term Plan approved funding position and where the expenditure is anticipated to be funded from.

#	Funding Model
1	The Long Term Plan 2024–2034 allocated $46 million to the investment proposal.
2	$ 23.0M of Capital Expenditure related to Growth will be funded from Development Contributions.

[47] QLDC Revenue and Financing Policy, LTP 2024–2034.

#	Funding Model
3	$ 23.0M of Capital Expenditure related to Level of Service Shift and Renewal will be funded from Debt over a term of 25 years. Repayments will be funded from Community Rates.
4	Estimated $39.0M of Net Operating Expenditure (Revenue less Expense) over the lifespan of the asset of 30 years will be funded from Rates from the Queenstown lakes community area.

Financial Appraisal

The following summarises the Financial Appraisal. The total expenditure excludes GST on revenue collected and the financial costs of interest on debt financing. Further information on debt financing is needed to assess the interest costs. Interest costs and depreciation are always excluded from the cost-benefit analysis in the economic case.

Funding Area	Funding Details	All Financial Years Total
Expenditure	Capital Expenditure ($m)	$46.00
	Operational Expenditure ($m)	$84.53
	Renewal Expenditure ($m)	$11.93
	Total Expenditure ($m)	$142.46
Funding	Existing Budgeted Capital Expenditure ($m)	$46
	Existing Budgeted Operating Expenditure ($m)	$0
	Existing Budgeted Renewal Expenditure ($m)	$0
	Projected Revenue ($m)	$66.61
	Total Funding ($m)	$112.61
Additional Funding Requirements	Additional requirements ($m)	$29.85
	Total Additional Funding Requirements ($m)	$29.85

The capital expenditure for construction can be funded through the existing Long Term Plan budget. [48]

While the new facility is projected to generate revenue from fees, membership, and charges, the revenue is not enough to cover the estimated cost of operating the facility.

[48] QLDC Long Term Plan 2024–2034, capital programme.

QLDC will request additional capital funding as part of the LTP to cover capital renewal costs in line with operational and replacement requirements. This is consistent with current practice.

Affordability Assessment

Funding Sources

The following are the proposed Funding Sources and constraints that may impact these arrangements.

Funding Source	Constraints
Rates - Rates will need to subsidise the operation and debt servicing for the construction for the facility	The rate impacts needs further assessment.
Development Contributions - No contributions were included in this assessment however development contributions of 50% has been advised by finance	
Debt - The capital expenditure planned in the LTP will come from increased debt funding serviced through rates and facility revenue	The debt servicing costs require further investigation.
Other Funding Sources - Third Party Grants. The 24-34 LTP had assumed grants of 5%. This has been reduced to 2% in the 27-37 draft LTP	

Debt Position

Further information is required to complete the analysis of the debt position.

This analysis should be led by internal experts.

Sensitivity Analysis

Developing the economic and financial cases required assumptions about the scale of the unmet demand and the utilisation growth over time. The principal assumption is that utilisation will increase in accordance with long-run population growth rates published by Statistics NZ for the Queenstown Lakes District.

Affordability Summary

The Economic Case shows that the benefits of the new facility exceed the cost of construction and operation when the monetised non-market benefits of improved wellbeing from participation in sports and leisure through utilisation of the new indoor sports facility are considered.

Assumptions

The following assumptions have been made as part of the Financial Case.

#	Assumptions	Details
1	Fees and charges	No change over time
2	Increased use due to unmet demand	Demand in the first year will increase by 30%
3	Growth in utilisation	Indoor courts and wellness participation will initially grow at rates experienced between 2015 and 2025. After the first year growth rates will slowly decrease to an annual average of 2.4% p.a., based on QLDC demand projections

Management Case

Is the investment achievable?

This Management Case sets out how the investment will be delivered: the framework and controls that govern it, who is accountable for what and with what decision rights, the plan and its key milestones, how benefits will be tracked and corrected if they fall short, and how risk, change, engagement and quality are managed. It draws on the project's Project Execution Plan, which holds the underlying detail, and is written so that a decision maker can judge whether QLDC has the arrangements in place to deliver the facility within the approved budget and timeframe.

Project Management Strategy

Project delivery follows the QLDC OPMO project management framework, which provides a consistent approach to delivery, assurance, change, risk, quality and benefits management across QLDC projects. By agreement for this business case the framework is referenced rather than reproduced, and only the project-specific arrangements are set out here.

The QLDC's Project Management Framework Gateway Process which defines the project into stages. Figure 7 below shows the gateway requirements, based on the design process and single-stage Design and Build procurement strategy set out in the Commercial Case.

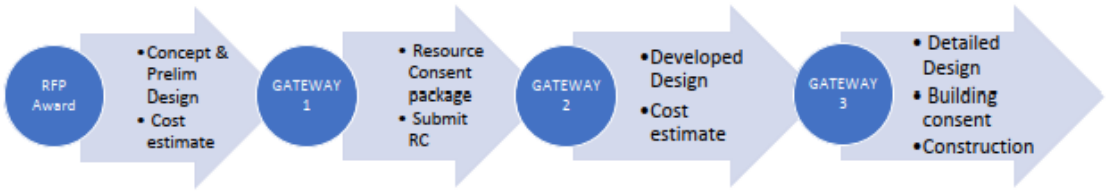


Figure 7: Project stages and gateway requirements

The following process shows the current OPMO delivery framework structure and approval gateways. This process does not align with the D&B delivery approach being adopted for the project. It is proposed an adjusted process is adopted as shown in Figure 9 below.

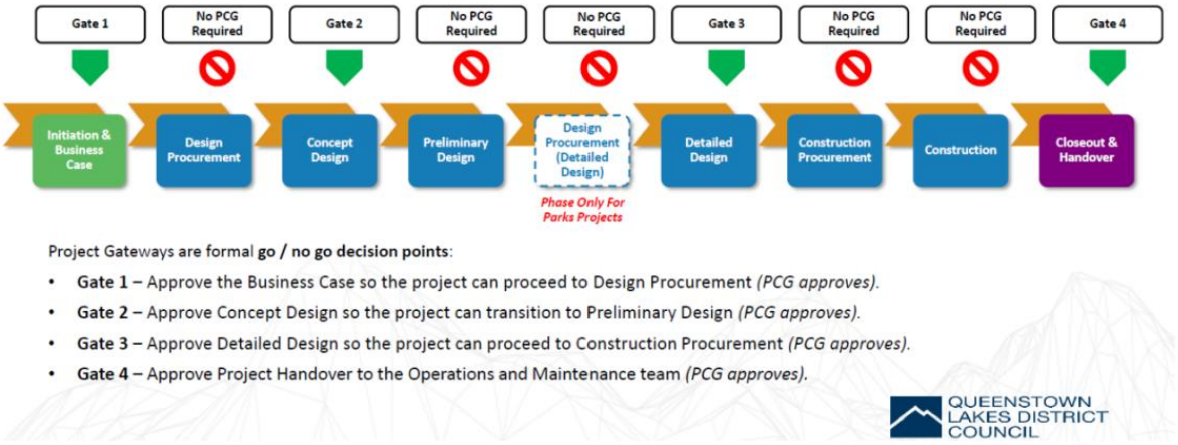


Figure 8: Current OPMO delivery framework and approval gateways

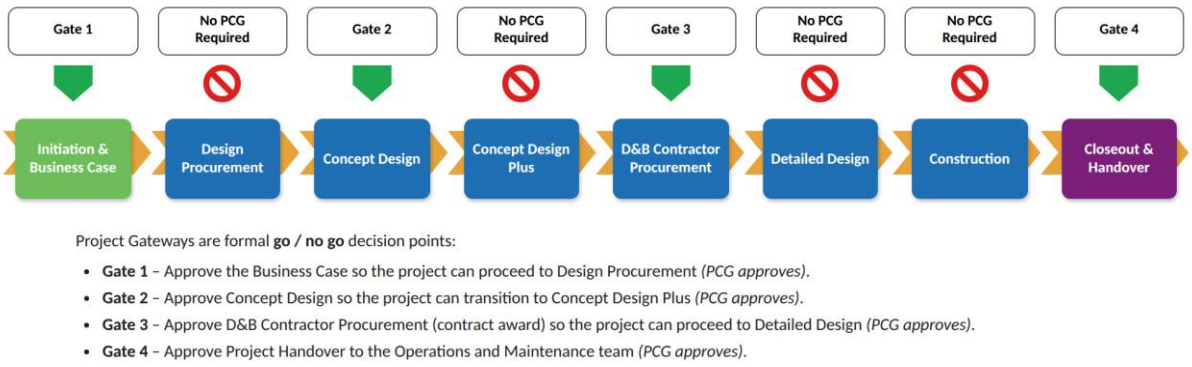


Figure 9: Proposed gateway process adjusted for Design and Build delivery

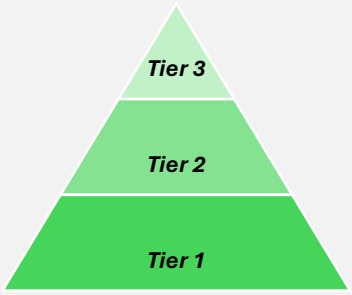
The Project Management Strategy that will be followed during project delivery will align to the QLDC Project Management Method.

The Project Management Method provides a structured approach to project delivery and ensures a common and consistent approach across every key project phase.

In addition, the Sentient PPM (Portfolio Programme Management) system will be utilised during project delivery for reporting and controls functions.

QLDC Tier Model Assessment

The QLDC Tier Model Assessment will be followed to determine the appropriate level of project management and governance to apply to project delivery.



Tier 3 Projects are lower risk and impact and require a reduced level of project management and governance.

Tier 2 Project are moderately significant and require robust project management and governance.

Tier 1 Projects are the highest risk and impact and require the most significant level of project management and governance.

The project is a Tier 1 Project based on the QLDC Tier Model Assessment. The tier sets the level of project management and governance applied to delivery.

Project Structure

The following is an outline of the current Project Structure and the high-level project reporting arrangements, including descriptions of the responsibilities for each of the key proposed roles.

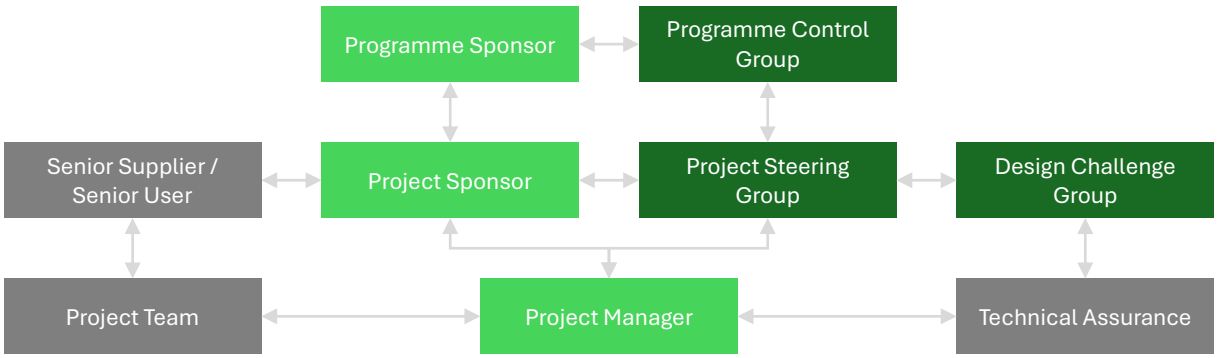


Figure 10: Project structure

Roles	Responsibilities
Programme Sponsor	Accountable for funding and ensuring strategic alignment with the organisation.

Roles	Responsibilities
Programme Director	Leads the Community Services Strategic Projects Programme; oversees project delivery, reporting and escalation to the Programme Sponsor and Programme Control Group.
Programme Control Group	Monitors performance and provides high-level decision-making.
Project Sponsor	Accountable for successful delivery of the project in line with the Investment Objectives.
Project Steering Group	Provides overall direction to the project and approves key decisions.
Project Manager	Responsible for successful delivery of the project within the agreed constraints.
Design Challenge Group	Provides technical assurance and approves key design decisions.

Governance Arrangements

The project is governed under QLDC Community Services (CS) Strategic Projects Programme.

Through Concept Design Plus, the project will continue to be governed under the current OPMO structure. When Council endorses the Procurement Plan in December 2026, the governance structure, roles and decision rights will be reviewed and varied as required to align with the Design and Build delivery method, including the Principal's design review and acceptance roles, contract administration under the Engineer to Contract, and approvals for contract award and variations.

The Governance Arrangements that will be followed during project delivery have been identified in the Project Structure as provided by the following groups:

1. Design Challenge Group (DCG) – Design review control
2. Project Steering Group (PSG) – Day-to-day project direction and within tolerance/delegation decision making
3. Programme Control Group (PCG) – Escalation point and direction for out of tolerance/delegation decisions

The interfaces between these groups and the project will establish clear roles and responsibilities, ensure effective decision-making and risk management, ensure accountability and transparency, and monitor and evaluate project delivery.

The Project Sponsor is accountable for successful delivery of the project and as such will be the final decision-maker (within approved delegations).

A gated approach to key project phases will also be employed to ensure gateway reviews act as control points before the project is approved to progress.

Decision Rights

The table below sets out the decision rights of each governance group through delivery. R = responsible, A = accountable or approves, C = consulted, I = informed.

Decision / activity	Council	PCG	Project Sponsor	PSG	DCG	Project Manager
Endorse the DBC, preferred option and $46m budget	A	C	R	C	I	R
Approve the D&B Procurement Plan	A	C	R	C	I	R
Award the D&B contract	A	C	R	C	I	R
Approve the Principal's Requirements and scope baseline	I	I	A	C	C	R
Accept contractor design at hold points	–	I	C	C	A	R
Scope changes and contingency use within budget and delegation	I	I	A	C	C	R
Changes beyond budget or delegation	A	R	R	C	I	R
Escalation of high risks	I	A	R	C	I	R
Benefits monitoring and reporting	I	I	A	C	–	R

Outline Project Plan

The following Outline Project Plan is the indicative timeline proposed for key project milestones. It is aligned to the Long Term Plan funding profile, which phases the $46.0m allocation across 2024/25 to 2028/29 with the substantial construction spend of $20.2m and $20.6m falling in 2027/28 and 2028/29. Under the single-stage programme below, construction runs from early 2028 to the second half of 2029, so part of this spend will move into 2029/30. The re-phasing will be sought through the Annual Plan and the next LTP. A detailed implementation plan setting out activities, dependencies, gateway decisions, reporting and assurance activities will be developed following endorsement of this Business Case.[49]

Proposed Key Milestones	Estimated Timing
Council workshop – four-court and six-court options	29 September 2026
Council endorsement of the Concept Design and Detailed Business Case	12 November 2026
Concept Design Plus commences	November 2026
D&B Procurement Plan endorsed by Council	December 2026

[49] QLDC Long Term Plan 2024–2034, capital programme (QEC Indoor Courts).

Proposed Key Milestones	Estimated Timing
Designation 29 alteration lodged	February – March 2027
Registration of Interest and shortlist	November 2026 – January 2027
Concept Design Plus complete; Request for Tender issued	February 2027
D&B contract award	June 2027
Contractor design, building consent and early works	July 2027 – October 2027
Construction commencement	Late 2027
Practical completion	Second half of 2029
Operational readiness and facility opening	Following practical completion, second half of 2029
Post-occupancy and benefits realisation review	12 months after opening

The full Project Programme can be found in Appendix B.

Benefits Realisation

The Benefits have been identified and are captured in the Benefits Realisation Table in Appendix A.

Benefits are reported to the Project Steering Group during delivery and to the asset owner after handover, with a benefits realisation review 12 months after opening.

Where a benefit is tracking behind target, the benefit owner reports the variance through the normal reporting cycle and proposes a corrective action for the accountable group to approve.

Where a benefit is reduced or cannot be achieved, the variance is recorded against the benefit, the target is formally reset through the change control process, and the effect on the investment objectives is reported to the Programme Control Group.

The roles for the Benefits Realisation are set out in the table below. These align to the Benefits outlined in the Benefits Realisation Table.

Role	**Responsibility**
QLDC Sport and Recreation Manager	Overall accountability for reviewing the benefits realisation
QLDC Venues Manager	Management of benefits 1, 2, 3, 8 and 10 (participation, court bookings, tournaments, event revenue and booking conflicts)
QEC Operations Manager	Management of benefits 4, 5 and 6 (memberships, gym and leisure visits, gym programmes)
QLDC Operations Manager	Management of benefit 9 (membership revenue)

Role	Responsibility
QLDC Recreation Programme Coordinator	Management of benefit 7 (participation in QLDC sports programmes)
Sports Booking Coordinator	Reporting on benefits 1, 2, 3 and 10
QLDC Gym Supervisor	Reporting on benefits 4, 5 and 6

Change Management

Project delivery will follow the Change Management framework for how to manage anticipated and unexpected change to ensure successful delivery. Significant changes affecting project scope, programme, budget or risk profile will be escalated through the appropriate governance process for endorsement or approval.

The Project Manager is responsible for coordinating change management activities, facilitating decision-making, and recording all change decisions.

Project decisions, issues, assumptions and actions are recorded within the Sentient Decisions, Issues and Resolutions Tracker (DIRT).

Any changes that affect stakeholders, for example QEC users and hirers, sports community organisers, neighbouring landowners or projects will be engaged with as set out in the Stakeholder Engagement section of this Business Case, the Project Execution Plan[50] and in line with the QEC Stakeholder Engagement Matrix [Appendix D].

Strategic Risk Management

This section gives decision makers a consolidated, strategic view of the material risks to delivering the investment within the approved budget, scope and timeframe. It brings together risks identified across this Business Case and the project risk register in Sentient. It summarises where each risk currently sits and how it is being treated, identifies the risks that remain material to the investment decision, and sets out the conditions to be met before procurement and construction commitments are made.

Consistent with Treasury Better Business Cases guidance for Detailed Business Cases, which places delivery risk management in the Management Case and focuses on readiness to proceed, this section does not reproduce the risk register. It should be read with the other sections of this Business Case that address risk, as summarised below.

Section	Role in managing risk
Strategic Case – Risks	The most significant investment-level risks to the investment objectives, benefits and affordability, with inherent and residual ratings.

[50] QEC Indoor Courts, Project Execution Plan, p. xx

Section	Role in managing risk
Strategic Case – Constraints, Dependencies, Assumptions and Interfaces	The fixed limits, external conditions, assumptions and third-party interfaces the project must work within.
Economic Case	Risk assessment of the short-list options and sensitivity of the cost-benefit analysis.
Commercial Case	Procurement strategy, market approach, probity and the allocation of risk between QLDC and the Design and Build contractor.
Financial Case	Capital estimate, contingency, escalation, funding sources and whole-of-life affordability.
Strategic Risk Management (this section)	Consolidated view of material risks and residual position, the conditions to be met before each commitment, and escalation triggers.
Risk Management	The process for identifying, assessing, reporting and escalating risk during delivery.
Risk Register appendix (Sentient)	The full register of project risks, owners, ratings and actions.

Overall risk position

Concept Design is complete, and Concept Design Plus is the main opportunity to reduce risk before QLDC approaches the market. Risk is currently concentrated in four areas:

- cost certainty against the fixed $46 million capital budget,
- the timing and outcome of the Designation 29 alteration and third-party approvals, including airport height constraints on construction,
- procurement, approval and Council decision timeframes, and
- confirmation of site conditions and servicing.

Most of these risks can be reduced materially through Concept Design Plus and the Procurement Plan before any construction commitment is made. The single-stage Design and Build strategy transfers design and construction risk to the contractor for a lump sum fixed at contract award. However, a number of risks remain with QLDC and are identified below.

Strategic risk profile

The table below groups the material risks into six strategic themes. The residual position reflects current and planned controls and draws on the Strategic Case risk ratings and the Sentient register. Related entries are referenced for traceability.

Strategic risk theme and references	Where the risk currently sits	Key controls in place or planned	Residual position
Cost and affordability Refs: Strategic Case risks 2 and 3; Constraint 1; Assumption 6; Financial Case; Sentient 3607, 3161, 3595	The $46 million LTP allocation is a fixed cap. The independent Concept Design Estimate is $46.0 million for the baseline scope, including a $4.55 million design and construction contingency and a 2.5% escalation allowance,	Independent QS peer review; value management in Concept Design Plus; risk-based (best, most likely, worst case) pre-tender estimate; escalation allowance reviewed against the current	Medium–High. Material to the investment decision.

Strategic risk theme and references	Where the risk currently sits	Key controls in place or planned	Residual position
	leaving no headroom above the allocation beyond the contingency held. Gross floor area is fixed by regional court compliance. Below-the-line items are excluded and require separate funding. Revenue covers only part of operating cost, and the funding split, rates impact and debt servicing are still to be confirmed in the Financial Case.	programme; contingency drawdown and budget-affecting change controlled through governance; lump sum fixed at contract award; whole-of-life cost in tender evaluation; operating model developed in the Operational Implementation Business Case.	
Commercial and procurement Refs: Strategic Case risks 9 and 10; Dependency 1; Commercial Case; Sentient 3596	Single-stage Design and Build, tendered at the end of Concept Design Plus, is recommended, with the Procurement Strategy Report to be finalised to confirm this. A full Procurement Plan is being prepared for Council in December 2026, and formal market engagement cannot begin until it is approved. The regional Tier 1 market is limited and long-lead items have lead times of up to 20 weeks. The early contractor involvement contractor is a likely respondent. Under Design and Build, QLDC retains risk for the quality of the Principal's Requirements, ground conditions outside the geotechnical baseline, third-party approvals and timely review at design hold points.	Performance-based Principal's Requirements and reference design from Concept Design Plus; open Registration of Interest and Request for Tender on GETS with price-quality evaluation; long-lead item strategy; probity plan, independent probity advisor and disclosure of all early contractor involvement outputs; NZS 3916 contract with special conditions prepared with QLDC Legal; risk allocation confirmed before tender; design review hold points and post-award approval pathway defined in the contract and programme.	Medium. Material to programme and price certainty.
Planning, consenting and third-party approvals Refs: Strategic Case risk 5; Constraint 7; Dependency 5; Interfaces 2–6; Sentient 3164, 3313	An alteration to Designation 29 is required and is recommended in preference to a resource consent under the underlying zone. Lodgement is planned for February–March 2027. Whether the application is notified is not yet known, with NZTA and Queenstown Airport Corporation as potentially affected parties, and recreation reserve status is to be confirmed. The appointment of the planning consultant is being formalised through QLDC's procurement approval process. On the current draft programme, the designation decision is expected after contract award. Other QEC precinct projects may affect access, parking, servicing and staging.	Early lodgement in Concept Design Plus; pre-application engagement with QLDC planning; early affected-party engagement with NZTA and Queenstown Airport Corporation; likely conditions built into the Principal's Requirements; resource management legal review of the application; contract terms to address any residual designation risk at award; project interdependency register and masterplan alignment.	Medium–High. On the critical path to construction start.
Site and technical	Field 4 is Soil Class D, with topsoil and fill over alluvial silts	Geotechnical, soakage, survey and services	Medium. The airport crane

Strategic risk theme and references	Where the risk currently sits	Key controls in place or planned	Residual position
Refs: Strategic Case risks 7, 11, 12 and 13; Constraints 6–8; Interfaces 1 and 7; Sentient 3644	and highly variable soakage. The wastewater main is too shallow for gravity discharge, so a pumped solution is required, and network capacity is to be confirmed. An Aurora high-voltage cable crosses the site. The airport obstacle limitation surface limits building and crane height to approximately 15 metres over parts of the site, and crane penetration requires Civil Aviation Authority approval, which is not assured. Peak parking demand already exceeds supply, and QEC must remain operational throughout construction.	investigations before tender, with a geotechnical baseline report in the tender documents; pumped wastewater solution carried in the estimate; servicing capacity confirmed with QLDC Property and Infrastructure; early engagement with Aurora; three-dimensional surface data modelled and building location tested; crane and lifting methodology evaluated at tender and written into the contract; approximately 160 additional car parks and traffic modelling validated with NZTA; construction, site separation and traffic management plans required under the contract.	constraint is the highest residual site risk.
Programme, governance and decision-making Refs: Strategic Case risk 8; Constraints 2 and 3; Dependencies 2 and 4; Sentient 3162, 3505	Council decisions on the Business Case (November 2026) and the Procurement Plan (December 2026) are critical-path gates, and a delay to either moves the programme into a later Council cycle. The Procurement Plan will seek delegations for approval of the tender recommendation, contract negotiation and execution, and Plan amendments. Market, approval and legal review periods and the Christmas shutdown are being built into an updated programme. Practical completion is forecast in the second half of 2029, while the LTP phases most construction spend in 2027/28 and 2028/29, so funding re-phasing is required. Governance roles and decision rights are to be reviewed for Design and Build delivery.	Decisions mapped to the Council calendar with report deadlines confirmed; delegations defined, with limits, in the Procurement Plan; master programme realigned to procurement and approval requirements, with construction duration validated; LTP phasing reviewed through the Annual Plan; governance structure and decision rights reviewed at Procurement Plan approval; OPMO gateway process adjusted for Design and Build; external project management and specialist advisors.	Medium–High. Material to programme certainty and funding phasing.
Benefits, operations and stakeholders Refs: Strategic Case risks 1, 3, 4 and 6; Assumptions 1, 3–5 and 7; Economic Case sensitivity; Sentient 3344, 3166	Most of the monetised benefit is the wellbeing value of increased participation, and the net present value falls to zero if benefits are around 41% lower than estimated. Operating revenue covers only part of operating cost. Advocacy for additional uses continues to create scope pressure, although Council's steer on 29 September 2026	Benefits realisation targets and owners agreed with QEC Operations; Operational Implementation Business Case to confirm the operating, programming and pricing model; scope schedule adopted as the baseline, with change control; additional items only with confirmed separate funding; Council-led	Medium. Material to value for money rather than delivery.

Strategic risk theme and references	Where the risk currently sits	Key controls in place or planned	Residual position
	confirmed the four-court base project.	communications and stakeholder engagement, including engagement with mana whenua.	
Designation 29 alteration (planning pathway) Refs: Strategic Case risk 5; Constraint 7; Dependency 5; Sentient 3164	The facility meets the purpose of Designation 29 and its enabled activities, but its location and size do not meet the designation's building control conditions. An alteration under section 181 of the Resource Management Act 1991 is the recommended pathway, ahead of a resource consent under the underlying Community Purposes Zone. Lodgement is planned for February–March 2027. On the current draft programme, the designation decision is expected after contract award.	Planning consultant to lead the planning strategy and coordinate consultant inputs; pre-application meeting with QLDC planning staff; lodgement early in Concept Design Plus; resource management legal review of the application; likely conditions built into the Principal's Requirements; contract terms to address any residual designation risk at award.	Medium–High. On the critical path to construction start.
Notification and affected parties Refs: Strategic Case risk 5; Interfaces 1 and 5; Sentient 3164, 3313	Whether the application will be notified is not yet known. NZTA and Queenstown Airport Corporation are potentially affected parties. A notified process with a contested hearing would extend the timeframe and increase cost.	Early affected-party engagement with NZTA and Queenstown Airport Corporation; affected persons approval packages prepared as part of the application; traffic modelling aligned with NZTA; programme allowance for notification; hearing support identified if required.	Medium–High. Key variable for the timing of consent and construction start.
Airport and Civil Aviation Authority approvals Refs: Strategic Case risk 7; Constraint 8; Interface 1; Sentient 3644	The site sits beneath the airport flight fan, with building and crane height limited to approximately 15 metres over parts of the site. Crane penetration of the obstacle limitation surface requires Civil Aviation Authority approval, which is not assured. The current position is based on preliminary data.	Accurate three-dimensional surface data requested from Queenstown Airport Corporation and modelled; building location tested for tolerance; crane and lifting methodology evaluated at tender and written into the contract; early engagement with the Civil Aviation Authority.	Medium. Highest residual site and approvals risk.
Recreation reserve and land status Refs: Strategic Case risk 5	Recreation reserve status of the site is to be confirmed. The Scenario 2 site avoids a road stopping on Joe O'Connell Drive.	Reserve status confirmed through the planning strategy before lodgement [TBC]; any land requirements reflected in the application and programme.	Medium [TBC]. Low if status is confirmed as compatible.
Building consent Refs: Commercial Case; Dependency 5	Building consent is the D&B contractor's responsibility and depends on the designation alteration being confirmed. The draft programme anticipates staged building consents for substructure and superstructure.	Building consent responsibilities and staging set out in the D&B contract; designation conditions provided to the contractor; programme allowance for consent processing.	Medium. Dependent on designation timing.

Strategic risk theme and references	Where the risk currently sits	Key controls in place or planned	Residual position
Planning consultant appointment Refs: Commercial Case – Required Goods / Services	The direct appointment of the planning consultant is being formalised through QLDC's procurement approval process. A delay would hold up pre-lodgement work.	Procurement plan and direct-appointment justification prepared; approver confirmed under financial delegations; terms of engagement reviewed by QLDC.	Low–Medium. Short-term programme exposure only.
Precinct and third-party interfaces Refs: Interfaces 2–6	Other QEC precinct projects (including the Frankton Golf Centre development, NZTA's SH6 works, the QLDC Energy Project and possible Council office and library locations) may affect access, parking, servicing, staging and the planning application.	Project interdependency register; masterplan alignment; coordination with interfacing projects through regular meetings.	Medium.

Residual position reflects the project team's assessment of current and planned controls. Source: QEC Indoor Courts project risk register (Sentient) and the sections of this Business Case referenced.

Risks that remain material to the investment decision

The following risks cannot be fully resolved before the November 2026 decision and should be taken into account in endorsing the preferred option:

- Cost certainty. The estimate sits at the $46 million cap with limited headroom. Certainty will not be established until the pre-tender estimate and tender prices are known. If the baseline scope cannot be delivered within budget, value management, scope reduction or a further funding decision would be required.
- Affordability. The funding split between development contributions, debt and rates, the rates impact, debt servicing costs and the ongoing operating funding requirement are still to be confirmed by QLDC Finance [TBC].
- Consenting and airport constraints. The outcome and timing of the Designation 29 alteration, and Civil Aviation Authority decisions on crane penetration, are outside QLDC's direct control as client and may affect construction start, methodology and cost.
- Procurement and approvals programme. Procurement Plan approval, delegations, market response periods and Council cycles determine when the contract can be awarded, and therefore the funding phasing and completion date.

Conditions before procurement and construction commitments

The following conditions are proposed as hold points. Each should be confirmed through the governance arrangements in this Management Case before the next commitment is made.

Commitment point	Conditions to be met
Before approaching the market (Registration of Interest)	Council approval of the procurement strategy and Procurement Plan; delegations confirmed; Procurement Strategy Report finalised; probity plan and independent probity advisor in place.

Commitment point	Conditions to be met
Before issuing the Request for Tender	Principal's Requirements and reference design complete and approved; site investigations complete and geotechnical baseline report available; pre-tender estimate and risk-based cost range within budget; contract form, special conditions and risk allocation settled with QLDC Legal; post-award hold points and approval pathway defined; airport surface data and crane requirements confirmed with Queenstown Airport Corporation and the Civil Aviation Authority; designation alteration lodged or lodgement date confirmed.
Before awarding the Design and Build contract	Preferred tender within the approved budget, including contingency; designation status known and any residual risk addressed in the contract; funding phasing confirmed through the Annual Plan or LTP; award approved by Council or under delegated authority.
Before construction starts	Designation alteration confirmed and building consent obtained for the relevant stage; Civil Aviation Authority approvals for craneage in place; construction, site separation and traffic management plans accepted; arrangements for continued QEC operations agreed.

Monitoring, governance and escalation

The Project Sponsor is accountable for the strategic risks in this section. The Project Manager maintains the Sentient risk register, reports risk through the fortnightly reporting cycle and Sentient status reporting, and reviews the strategic risk profile with the Project Steering Group. High risks are escalated to the Programme Control Group in line with the Decision Rights table, and changes beyond budget or delegation are referred to Council.

The strategic risk profile will be reviewed and re-baselined at each gateway, including completion of Concept Design Plus, tender evaluation and contract award, and practical completion.

The following triggers will require escalation to the Programme Control Group and, where they affect budget, scope or delegation, a return to Council:

- the pre-tender estimate, tender price or forecast out-turn cost exceeds the $46 million budget, or contingency drawdown exceeds [TBC]%;
- a material change to the approved scope baseline;
- the designation alteration is notified, or its decision date moves beyond the programme allowance;
- the Civil Aviation Authority does not support crane penetration of the obstacle limitation surface, or imposes conditions that materially affect methodology or programme;
- fewer than [TBC] compliant tenders are received; or
- forecast practical completion moves beyond the approved delivery timeframe [TBC].

Risk tolerances and escalation thresholds will be confirmed against the QLDC Risk Management Policy [TBC].

Risk Management

Project delivery will follow the Risk Management framework in line with the QLDC Risk Management Policy to ensure there will be a structured approach to identifying, assessing, monitoring, and controlling risks that emerge during project delivery.

Risk Management will be used to support better understanding of the risks inherent to the proposed investment and consequently, better decision-making throughout project delivery.

The Project Manager maintains the project risk register in Sentient, assessing each risk for its impact on safety, scope and functionality, cost, programme, stakeholder outcomes, and consenting and approvals. Risks are identified and reviewed through regular project meetings, are reported through the fortnightly reporting cycle, and are reviewed at each governance meeting. A risk is escalated to the Project Sponsor and then to the Programme Control Group where its consequence exceeds the Project Manager's delegation, or where the treatment requires a change to scope, budget or programme.

All project risks are held in the project risk register with an owner, a current and residual rating, and an agreed mitigation. The project risk register is summarised at Appendix C.

Quality Assurance

Quality Assurance is a core framework of the Project Management Method.

QLDC follows the 'three lines of assurance' model: first line – management at the project level; second line – compliance at the programme level; and third line – assurance through internal auditing.

Project delivery will follow the Quality Assurance framework to ensure that it is monitored against agreed scope, time, quality, and costs. This will provide confidence to the decision-makers and improve the prospects of achieving intended outcomes and Benefits.

At the project level Quality Assurance is achieved through structured design reviews, governance oversight and consultant quality management processes.

The project adopts a collaborative review approach involving the project team and specialist consultants to ensure project outcomes remain aligned with the approved brief and investment objectives.

Issues, actions and recommendations arising from reviews are tracked and managed through normal project controls and reporting processes.

Stakeholder Management

Stakeholder engagement will be undertaken throughout the project lifecycle to ensure project decisions are informed by operational requirements, community needs, stakeholder expectations and statutory obligations. Engagement activities will be proportionate to the

project phase and targeted towards stakeholders who are impacted by, influence, or contribute to project outcomes.

QLDC is responsible for coordinating stakeholder engagement activities and maintaining stakeholder records. QLDC will lead engagement with elected members, governance groups and strategic stakeholders where required.

Decisions, issues and open items arising from engagement are recorded in the project Decisions, Issues and Resolutions Tracker (DIRT) in Sentient.

Engagement is targeted to the following stakeholder groups:

Stakeholder Group	Description	Engagement Approach
Project Governance	Community Services Project Control Group (PCG), Project Sponsor and Strategic Projects Programme representatives	Monthly governance reporting, briefing papers, decision memoranda and gateway approvals as required
QLDC Working Group	Representatives from relevant QLDC departments supporting project development and review	Project workshops, design reviews, issue resolution and targeted consultation
QLDC Operations and User Representatives	QEC Operations, Sport and Recreation and end-user representatives	Targeted engagement and consultation for design development and handover
Adjacent Projects and Key Interfaces	NZTA, Queenstown Airport Corporation, Frankton Golf Centre and other interfacing projects	Targeted engagement to coordinate programme, design, access, consenting and interface requirements
Affected Parties and External Stakeholders	Queenstown Airport Corporation, NZTA, neighbouring landowners and regulatory stakeholders	Engagement and information sharing to support planning, designation and consenting requirements
Community and User Groups	Sports organisations, event organisers, community users and future facility stakeholders	Engagement at key project stages to validate operational requirements, test design assumptions and seek user feedback
Mana Whenua	Kāi Tahu representatives and associated rūnaka	Ongoing engagement to inform project outcomes and incorporate cultural values and aspirations

The stakeholder engagement approach is supported by two live project documents: the Stakeholder Matrix [Appendix D], which identifies stakeholder groups, key contacts, level of influence, interests and engagement requirements; and the Stakeholder Engagement Plan,

which defines engagement objectives, key messages, consultation activities and timing across the project lifecycle. Both remain live documents through delivery.

Post Project Reviews

Post Project Reviews are a core framework of the Project Management Method.

Project delivery will follow the Post Project Reviews framework to evaluate:

- The overall success of project delivery
- If the investment is operating as intended and delivering the services proposed in this business case.
- If the investment is delivering the Critical Success Factors outlined in this business case.
- The actual level of Benefits achieved compared with those outlined in this business case.
- Any lessons learned from the management of the project that can be applied to future investments.

The following proposed Post Project Reviews have been identified along with their indicative timing.

Proposed Post Project Reviews	Estimated Timing	Potential Scope
Detailed Design Lessons Learnt	Completion of Detailed Design	Review of the outcomes and outputs of the detailed design phase. Identification on lessons learnt and improvements that can be applied to future projects.
Post Completion Lessons Learnt	Practical Completion	Review of the outcomes and outputs of the construction phase. Identification on lessons learnt and improvements that can be applied to future projects.
Post Implementation Review (delivery)	6 months of opening	Review the delivery of the facility from a construction point of view. This could include how effectively the Principal's requirements were met, how effective the procurement approach was, whether the benefits of the procurement approach were met, and any lessons learned to apply to future projects.
Benefits Realisation Review	12 months of opening	Review the first year's operations of the facility, including whether visitor and event numbers as well as operational costs are in line with planned.

The detailed design and post completion lessons learnt session will be facilitated and run by the OPMO utilising the current QLDC approach and templates. The post-implementation review of delivery is led by QLDC Community Services and reports to the Programme Control Group. The benefits realisation review is led by the benefit owners with QEC Operations and the asset owner, consults user groups and hirers, and reports to the Programme Control Group and the Project Sponsor. Findings from both reviews are recorded through the OPMO framework so that the lessons are available to future Community Services projects.

References

1. Jacobs New Zealand Limited, Indoor Court Indicative Business Case, prepared for Queenstown Lakes District Council, 1 October 2019
2. LTP 2024 – 2034
3. Jasmax, Queenstown Events Centre Concept Design Report, Rev A, 14 August 2026
4. QEC Indoor Courts Project Execution Plan
5. Boffa Miskell, Queenstown Events Centre Masterplan Update, 14 October 2024, and Queenstown Events Centre Development Plan, 20 May 2025
6. Queenstown Events Centre – Courts Expansion Project, Procurement Strategy Report Rev 1, Beca, 9 October 2026
7. QLDC Events Centre – Concept Design Estimate, Rhodes + Associates, 26 August 2026
8. Queenstown Events Centre – Cost Estimate Initial High-Level Review, Beca, 16 July 2026
9. Queenstown Events Centre Parking Assessment Technical Note v2, 17 July 2026
10. QLDC Procurement Policy (Revision 1, June 2022) and QLDC Procurement Guide 1.0
11. Queenstown Events Centre Indoor Courts Development, Council Report, 17 April 2025
12. QEC Indoor Courts Council Workshop, 5 May 2026
13. Queenstown Lakes – Central Otago Sub-Regional Sport & Recreation Facility Strategy, 2018 (revised July 2020)
14. QLDC Sport & Recreation, Queenstown Events Centre Indoor Courts Facility Brief, October 2022
15. QLDC, QEC Indoor Courts Design and Operational Brief, 20 May 2025
16. QLDC, LTP Steering Group Briefing – QEC Indoor Courts [date to be confirmed]
17. Rider Levett Bucknall, Revised Masterplanning Estimate (26 January 2023), Updated Sports Courts Optioneering (9 August 2023) and Core Works Estimate (March 2025)
18. QLDC, Participation graphs and stats 2015–2025
19. QLDC, Consequential Opex – New 4-court facility, 2026
20. NZIER, QEC Indoor Courts cost-benefit analysis, 2026
21. Sport New Zealand Ihi Aotearoa, National Indoor Active Recreation and Sport Facilities Strategy, 2023
22. Sport New Zealand, The Social Return on Investment of Sport and Active Recreation in New Zealand, October 2022
23. The Treasury, CBAx Tool and impacts database
24. Stats NZ, Subnational population projections, Queenstown-Lakes District
25. QLDC Strategic Framework: Vision Beyond 2050, Wellbeing Outcomes Framework and Strategic Investment Priorities
26. QLDC Revenue and Financing Policy (LTP 2024–2034)
27. QLDC Risk Management Policy
28. QLDC Indoor Courts Allocation Policy
29. QLDC, C-25-125 QEC Indoor Courts Procurement Plan, Rev 8, June 2025
30. QEC Concept Design Workshop Summary, 29 May 2026

31. QEC Indoor Courts project risk register (Sentient)

QUEENSTOWN LAKES DISTRICT COUNCIL

Appendix A

Benefits Realisation Table

Appendix A

Benefits Realisation Table

#	Benefit area	Measurable outcome	Indicator	Baseline	Target 12 months	Timescale 3 years	Timescale 10 years	Responsible party	Investment objective
1	Increased participation in indoor sport and recreation	Number of participants in indoor sports	Participant numbers	2025/26 participation levels	30% increase	10% increase	45% increase	Management – QLDC Venues Manager; Reporting – Sports Booking Coordinator	IO1 – Increase court capacity
2	Increased participation in indoor sport and recreation	Number of bookings for the new indoor courts	Court booking records	2025/26 court bookings	60% court usage rate	20% court usage rate	50% court usage rate	Management – QLDC Venues Manager; Reporting – Sports Booking Coordinator	IO1 – Increase court capacity
3	Increased participation in indoor sport and recreation	Number of participants in regional / national tournaments	Participation numbers	2025/26 participation levels	15% increase for regional / national sports	10% increase for regional / national sports	45% increase for regional / national sports	Management – QLDC Venues Manager; Reporting – Sports Booking Coordinator	IO2 – Establish new clubs and leagues
4	Enhanced community health and wellbeing	Number of new memberships	Increase in new gym memberships	2025/26 membership numbers	25% increase	20% increase	55% increase	Management – QEC Operations Manager; Reporting – QLDC Gym Supervisor	IO4 – Improve commercial return; IO1 – Increase court capacity
5	Enhanced community health and wellbeing	Number of visits	Gym, group fitness and Leisurely gate statistics	2025/26 gate statistics	30% increase	20% increase	55% increase	Management – QEC Operations Manager; Reporting – QLDC Gym Supervisor	IO1 – Increase court capacity
6	Enhanced community health and wellbeing	Number of participants in gym programmes	Participant numbers	2025/26 participation levels	15% increase	10% increase	45% increase	Management – QEC Operations Manager; Reporting – QLDC Gym Supervisor	IO1 – Increase court capacity
7	Enhanced community health and wellbeing	Number of participants in QLDC sports programmes	Participant numbers	2025/26 participation levels	15% increase	10% increase	45% increase	Management – QLDC Recreation Programme Coordinator	IO2 – Establish new clubs and leagues

#	Benefit area	Measurable outcome	Indicator	Baseline	Target 12 months	Timescale 3 years	Timescale 10 years	Responsible party	Investment objective
8	Economic growth through increased use of QEC Indoor Courts facilities	Revenue from hosted events	Increase in revenue	2025/26 event revenue	$1,000,000 increase	10% increase	25% increase	Management – QLDC Venues Manager	IO3 – Concurrent sport and events

Source: QEC Indoor Courts Benefits Realisation Table, revalidated with QLDC Operations on 15 September 2026 (Appendix A); QLDC Operations updated 3-year and 10-year timescales on 12 October 2026.

QUEENSTOWN LAKES DISTRICT COUNCIL

Appendix B

Decision, Issues, Resolution Tracker Register

APPENDIX B

Decisions Issues and Resolutions Tracker - QEC Indoor Courts

Version 3

No.	Date Raised	Reference	Comment/Action	Raised By	Response/Action	Response By	Response Date	Resolved Y/N	Close Out Comment/Action	Date Resolved	Variation Y/N	Lesson(s) Learned Y/N	Lesson(s) Learned Detail
Scoping / Business Case / Investment Objectives													
A1			*Insert Investment Objectives from BC & options to achieve objective [please populate from the BC]*										
A2													
A3			*Site visit names, dates, photos/videos/footage file location*										
A4													
A5													
Business Case DCG Gateway Approved			No										
Concept Design													
B1			4x Regional Compliance Indoor Courts Jasmax: Seek GFA effiency by relaxing regional court complaince requirement, aligning courts layout to benchmarks and providing opportunity to save +/-300sqm in GFA Impact: Opportunity to save 300sqm GFA	Jasmax	03/07/26 - SB confirmed to proceed with 4x Regional Compliant Courts	SB	03/07/26	Yes		03/07/26			
B2			Building Occupancy Jasmax: Design Occupancy proposed to meet day-day operation at +/-1,500 people with additional toilets bumped in for 2000px events Impact: Reducing occupancy will reduce GFA by removing additional toilet requirements	Jasmax	03/07/26 - SB confirmed 1,500px day-day design occupancy accepted. Fire Design to meet 2000px within Courts	SB	03/07/26	Yes		03/07/26			
B3			Carparking Provisions Jasmax: Jx understand carparking requirements are to meet planning requirements only, determined through traffic assessment QLDC: Carparking provision does not appear addequate? Explore opportunities to maximise parking capacity of possible? Impact: Carparks beyond planning requirements have not been allowed for in project budget. Additional funding required	Jasmax / QLDC	05/08/26 - Layout developed without reliance on QAC land: approx. 128 spaces (Cricket Nets carpark) and approx. 136 spaces north of the new building. QLDC Property team raised a consolidated carpark alternative and concerns that split carparks generate additional traffic movements. Traffic modelling to confirm preferred arrangement. Refer B17.	Jasmax / QLDC		No					
B4			Café Kiosk QLDC: Café Kiosk could be a good addition Impact: No specific brief provided for Café Kiosk nor allowance in current budget	QLDC				No					
B5			Change Rooms QLDC: Changing Areas don't work - need one large change with ability to separate into two. Need access off courts	QLDC	Jx require further information 05/08/26 - Four change rooms arranged back-to-back, able to be opened into two larger rooms for regional fixtures, with access off the main corridor. Awaiting QLDC confirmation.	Jasmax		No					
B6			Circulation to Courts QLDC: Circulation space toilet/change - swap to court side	QLDC	Jx require further information 05/08/26 - Layout developed with reception	Jasmax		No					
B7			Courts Sizing QLDC: Can you confirm that you've allowed for FIBA approved space around the hoops (when the show court is on Court 2)	QLDC	Drawings provided - awaiting feedback			No					

APPENDIX B

Decisions Issues and Resolutions Tracker - QEC Indoor Courts Version 3

No.	Date Raised	Reference	Comment/Action	Raised By	Response/Action	Response By	Response Date	Resolved Y/N	Close Out Comment/Action	Date Resolved	Variation Y/N	Lesson(s) Learned Y/N	Lesson(s) Learned Detail
B8			NBL Court Requirement QLDC: Can NBL be catered for? Impact: Show Court 2 not usable with NBL hoop requirement Additional storage required for movable hoops Additional lighting required over Court 3 to achieve showcourt lighting in alternate loation VIP requirements to be confirmed Additional requirements beyond courts to be confirmed	QLDC	Jx require further information on minimum requriements to meet NBL requirement 05/08/26 - NBL floor-based hoops to be managed through a gate A / gate B access arrangement, retaining Court 2 as the show court without further spatial uplift. Awaiting QLDC confirmation.	Jasmax		No					
B9	11/08/26		Preliminary Design Instruction RCP: Instruction required from QLDC on issue of Concept Design (14/08/26) as to whether Jasmax proceeds into Preliminary Design. Impact: If instruction is withheld pending the Council workshop (29/09/26) and endorsement (12/11/26), Jasmax face an estimated 6-12 weeks of downtime, with associated risk of notice of delay, remobilisation cost and variation.	RCP				No					
B10	11/08/26		Concept Design Cost and Scope Confirmation RCP: Confirmation required that cost and scope remain within the approved budget on issue of Concept Design. Both checks are a precondition to instructing Preliminary Design. Impact: Concept Design Cost Review scheduled [TBC - 20/08/26]. Without confirmation the Preliminary Design instruction cannot be given.	RCP				No					
B11	11/08/26		Events Overlay Technical Uplift and Funding Jasmax: Baseline Concept Design is a circa 6,000sqm building excluding the technical uplift required for events - mechanical ventilation and tempered air, acoustic and egress performance uplift, and show court capability. The uplift is being designed and priced separately. Impact: Decision required at the end of Concept Design as to whether the uplift is included and additional funding sought. Mechanical ventilation is not practical to retrofit at a later stage.	Jasmax / RCP				No					
B12	11/08/26		Governance and Decision-Making Authority RCP: Confirmation required of the project governance structure, decision rights, financial delegations and expected turnaround times for decisions, including the relationship between the PCG, the PSG and the Project Sponsor. Impact: Decision turnaround is affecting close out of Concept Design items. Being clarified by the Project Director following return from leave.	RCP				No					
B13	11/08/26		Master Programme Approval RCP: Approval sought, formal or informal, of the realigned Master Programme and key dates through to the Council meeting of 12/11/26. Impact: Jasmax require agreed dates to plan resourcing and mobilisation. Without agreed dates the project carries exposure to notices of delay and variation.	RCP				No					
B14	11/08/26		PCG Briefing Paper Route RCP: Direction required on how the PCG briefing paper is progressed, given the PCG meeting of [TBC] was missed. Options are out-of-cycle endorsement by email or memorandum, or deferral to the next scheduled PCG. Impact: Deferral delays endorsement of the Concept Design position and places further pressure on the PCG papers due 27/08/26.	RCP				No					

APPENDIX B

Decisions Issues and Resolutions Tracker - QEC Indoor Courts Version 3

No.	Date Raised	Reference	Comment/Action	Raised By	Response/Action	Response By	Response Date	Resolved Y/N	Close Out Comment/Action	Date Resolved	Variation Y/N	Lesson(s) Learned Y/N	Lesson(s) Learned Detail
B15	11/08/26		Beca Scope of Work - OPEX Costing and Procurement Strategy QLDC: Project Director has confirmed the Beca scope is to include OPEX costing, and that the procurement strategy is to be formalised. Impact: Proposal to be finalised and agreed. The procurement strategy is required to support the Detailed Business Case and the Council report due 15/10/26.	QLDC / RCP				No					
B16	11/08/26		Finished Floor Level and Wastewater Strategy Jasmax: Achieving wastewater falls to the existing main without pumping sets the finished floor level at approximately RL 356.1, some 1.2m above the edge of the carpark. A pump station would allow the level to reduce by approximately 600mm. QLDC: No in-principle aversion to pump stations, but no experience of them at this scale. Holding tank volume is driven by peak event loads rather than day-to-day use. Impact: Finished floor level affects the carpark interface, cross-fall to the service lane boundary, overland flow and accessibility. Required to settle Concept Design.	Jasmax / QLDC				No					
B17	11/08/26		Carpark Layout Confirmation Jasmax: Proposed layout provides approx. 128 spaces at the Cricket Nets carpark and approx. 136 spaces north of the new building, without reliance on QAC land. QAC land preserved as future expansion opportunity. QLDC Property: Consolidated single carpark alternative raised, with the building pushed north towards the hockey turf. Impact: Traffic modelling required before the layout can be confirmed. Refer B3.	Jasmax / QLDC				No					
B18	11/08/26		Green Star Target Rating RCP: The confirmed Green Star target rating requires resolution. Project documentation currently records a minimum of Green Star 4, a stated desire for Green Star 5, and Green Star 5 as a project exclusion. Impact: The inconsistency will be visible in the Concept Report and Council papers. The rating affects design, cost and the certification pathway.	RCP				No					
B19	11/08/26		Six-Court Option Closeout RCP: Confirmation required of the position on the six-court option for presentation to Council. Current direction is four courts, with the six-court investigation closed out on a fail-fast basis. Impact: The option remains live for councillors and is expected to be raised at the Council workshop of 29/09/26. Investigation pack due 28/08/26.	RCP				No					
B20	11/08/26		Battery Storage Provision QLDC: Query raised as to whether provision should be made for battery storage alongside the proposed solar array. Jasmax: No allowance currently made, including spatially. Area and technical requirements to be investigated. Impact: Spatial and cost allowance required if provision is to be made. Solar payback assessed by Stantec at approximately 10 years.	QLDC / Jasmax				No					

APPENDIX B

Decisions Issues and Resolutions Tracker - QEC Indoor Courts Version 3

No.	Date Raised	Reference	Comment/Action	Raised By	Response/Action	Response By	Response Date	Resolved Y/N	Close Out Comment/Action	Date Resolved	Variation Y/N	Lesson(s) Learned Y/N	Lesson(s) Learned Detail
B21	20/08206		Location of building has not been optioneered in as per requested by the Property team. Building should be tested adjacent to the hockey turf and presented as an options. This is a non negotiable option for Council to consider. Please see attached Powerspoint in folder for reference. Future scope on page 54 works with this design. https://qldc.sharepoint.com/:x:/t/Property/IQD6B1hUgfR8QLMIQdfMSAbCAfhKyylMood41KxNKwNrimo?email=kristina.placko%40qldc.govt.nz&e=g1twwl	QLDC Stefan									
B21	20/08/26		Consider Parking LPRs and RTI screen for Parking management, zoning carparks and displaying this in real time for approach.	QLDC Stefan									
B22	20/08/26		Storage and Plant access from outside to consider additional door, to tie in with parking out front and direct access to areas 9/18	QLDC Stefan									
B23	20/08/27		Refraint from Polished concrete floor finish in any area. Look at carpet tile options	QLDC Stefan									
B24	20/08/26		SK0011 - Single egress as indicated, would be insufficent and create traffic congestion	QLDC Stefan									
B25	20/08/26		Final sign-off for WW & SW will need Infrastructure ECG and Council SME approval. Early indications have been made by S&R and Property only	QLDC Stefan									
B27	20/08/26		Roof pitch seems low? Looking for something clsoer to 7 degree with the incorporation of snow bars, fall restraint with wire and cage ladder access for all level change. Looking to lift external plant desk above the roof line and not inbedded. Eeave lenght to be minimum 600mm on first and expect more on second floor for Deflection. Gutter sizing needs to be confrimed as adeaute and servicable.	QLDC Stefan									

APPENDIX B

Decisions Issues and Resolutions Tracker - QEC Indoor Courts Version 3

No.	Date Raised	Reference	Comment/Action	Raised By	Response/Action	Response By	Response Date	Resolved Y/N	Close Out Comment/Action	Date Resolved	Variation Y/N	Lesson(s) Learned Y/N	Lesson(s) Learned Detail
B28	20/08/26		What does Solar ready mean? Seems to indicate structure. Confirming what size is allowed	QLDC Stefan									
B29	20/08/26		Court space heating as indicated as currently exluded in financial graph, how does if at all the inpact the plant room requirement when it's included	QLDC Stefan									
B30	20/08/26		Fusotherm Piping has not been indicated in Concept, but is undesirable as defauly plumbing option for future design	QLDC Stefan									
B31	20/08/26		External Cladding Component indicated Colorsteel on ground level, prone to dents and impact and should probably consider something more impact resistant	QLDC Stefan									
B32	21-08-26		Would like to acknowledge that the gym shower area is fairly limited (6) for the number of participants that may finish the class at the same time. ie. 100 at the same time. We may have to look at staggering classes and opening the stadium change rooms	QLDC Alex	Allow 50% (specifically cycling) high energy classes take showers.								
B33	21-08-26		NZ Basketball - raised that we dont have enough ref/ accessible change room space for drug testing room. This is a requirement from NBL	QLDC - Britt									
B34	21-08-26		Storage - does the door into the storage allow for a vechile or trailer to access into the courts	QLDC - Britt/ Debs									

APPENDIX B

Decisions Issues and Resolutions Tracker - QEC Indoor Courts Version 3

No.	Date Raised	Reference	Comment/Action	Raised By	Response/Action	Response By	Response Date	Resolved Y/N	Close Out Comment/Action	Date Resolved	Variation Y/N	Lesson(s) Learned Y/N	Lesson(s) Learned Detail
B35	21-08-26		Storage - dont think we have enough storage. Additional storage will be required. Acknowledge Matt is undergoing a full review of the current storages of QLDC and clubs	QLDC - Britt/ Debs									
B36	21-08-26		Additional Storage area next to the office on the new day to day plan???	QLDC Britt/ Debs/ Alex									
B37	21-08-26		#4 physio/consult rooms. What is the best use for this space? predicted revenue from physio rooms $21k year. Playtime would struggle to produce this revenue. Or would this space be more financial beneficial as a sauna? e.g. If 235 members paid an extra $4 wk = $49k year revenue. Noting additional fit out requirements would be needed for this, & running costs. Saunas have also been a common member request.	QLDC - Nat									
B38	21-08-26		#6 Low energy group fitness studio currently 179sm would be more beneficial to make this closer to 200sm to fit up to 50 members and delete space from the cycle studio, which only needs to house 26 cycle bikes.	QLDC - Nat & Alex									
B39	21-08-26		Location of cycle studio to low energy space, will dual usage of studios present any noise issues between studios?	QLDC - Nat									
B40	21-08-26		Broadcast requirements for NBL - power, internet, connections, camera boardcast locations	QLDC - Britt									
B41	21-08-26		Storage - Can you breakdown the storage 300m2 across the venue	QLDC Britt/ Debs/ Alex									

APPENDIX B

Decisions Issues and Resolutions Tracker - QEC Indoor Courts Version 3

No.	Date Raised	Reference	Comment/Action	Raised By	Response/Action	Response By	Response Date	Resolved Y/N	Close Out Comment/Action	Date Resolved	Variation Y/N	Lesson(s) Learned Y/N	Lesson(s) Learned Detail
B42	21-08-26		External access to outside from the low intensity sudio?	QLDC Nat &Alex									
B43	21-08-26		Event Capcity - Community will be frustrated that we cant have a bigger capacity than 2000 (our current capacity for QEC). We are doubling the indoor courts but not increasing capacity	QLDC Debs									
B44	21-08-26		Can you clarify the capacity number for the venue. It says fire design for 2000 but capcity is 1500??	QLDC Britt/ Debs/ Alex	Jasmax advised - 1,500pp to comply with toilet/bathroom requirements; fire engineering to 2,000pp & bump-in element.								
B45	21-08-26		Group fitness - member belonging storage - do we have enought space for approx 50 bags?	QLDC Nat									
B46	21-08-26		high energy space - can we have one window for some natural light - west side so not effective by heat	QLDC - NAt									
B47	26-08-26		Group Fitness gate entry - maximum width required for two gates (entry/exit) is 2.3m. Space understood to be 2.4m, which is sufficient width for the hallway. To be confirmed against the design.	QLDC - Nat				No					
B48	26-08-26		Group Fitness showers - proposed number of showers appears adequate for the existing space, particularly as the stadium-side showers can be used during peak times if additional capacity is required.	QLDC - Nat				No					

APPENDIX B

Decisions Issues and Resolutions Tracker - QEC Indoor Courts

Version 3

No.	Date Raised	Reference	Comment/Action	Raised By	Response/Action	Response By	Response Date	Resolved Y/N	Close Out Comment/Action	Date Resolved	Variation Y/N	Lesson(s) Learned Y/N	Lesson(s) Learned Detail
B49	26-08-26		Physio / wellness therapy rooms - recommend retaining the two proposed rooms as currently designed. Benefits are additional revenue-generating opportunities and flexibility to accommodate a range of services (physiotherapy, nutrition, osteopathy, massage therapy and other wellness offerings). Rooms are not located directly beside the gym, but workable solutions exist so this does not create operational issues.	QLDC - Nat				No					
B50	26-08-26		Cycle studio acoustics - confirmation required that noise from the cycle studio will not impact the low-energy studio when both spaces are in use simultaneously.	QLDC - Nat	26/08/26 - Jasmax have noted the noise separation to the low-intensity space with the acoustics engineer.	Jasmax	2026-08-26 0:00:00	No					
B51	26-08-26		Stage requirements - following further review, QEC would like to incorporate a stage into both the low-energy and high-energy studios. Low-intensity studio 3.0m (W) x 0.4m (H) x 1.8m (D); high-intensity studio 4.9m (W) x 0.4m (H) x 2.4m (D).	QLDC - Nat	26/08/26 - Jasmax to pick up in Preliminary Design. Room Data Sheets will be developed for each space, including individual room plans, allowing functionality including stage locations to be explored in greater detail.	Jasmax	2026-08-26 0:00:00	No					
B52	26-08-26		Lockers - recommend relocating the lockers to the opposite wall (as marked up by QEC), which may provide an opportunity to increase the number of lockers available.	QLDC - Nat	26/08/26 - Jasmax to pick up in Preliminary Design through the Room Data Sheet process and workshops with the QEC team to capture specific room requirements.	Jasmax	2026-08-26 0:00:00	No					

Concept Design DCG Gateway	

Preliminary Design													
C1	26-08-26		Locker type and number required for the Health + Wellness space - QEC understanding required so lockers can be modelled in and the space allocation set correctly.	Jasmax - Paul Lelieveld				No					
C2	26-08-26		Turnstile gate manufacturer (once known) - manufacturers can often input into crowd control and management of the entry,	Jasmax - Paul Lelieveld				No					
C3													
C4													
C5													
C6													
C7													
C8													
C9													
C10													

Preliminary Design DCG Gateway	

Detailed Design													
D1													
D2													
D3													

APPENDIX B

Decisions Issues and Resolutions Tracker - QEC Indoor Courts Version 3

No.	Date Raised	Reference	Comment/Action	Raised By	Response/Action	Response By	Response Date	Resolved Y/N	Close Out Comment/Action	Date Resolved	Variation Y/N	Lesson(s) Learned Y/N	Lesson(s) Learned Detail
D4													
D5													
D6													
D7													
D8													
D9													
D10													

Detailed Design DCG Gateway	

Implementation													
E1													
E2													
E3													
E4													
E5													
E6													
E7													
E8													
E9													
E10													

Project Close Out													
F1													
F2													
F3													
F4													
F5													

QUEENSTOWN LAKES DISTRICT COUNCIL

Appendix C

Stakeholder Engagement Matrix

Appendix C

QEC – INDOOR COURTS FACILITY | STAKEHOLDER ENGAGEMENT REGISTER

Live register — add every new contact as they enter the project. Filter or sort by Category or Engagement Level. • Engagement: Inform / Consult / Engage / Partner.

Category	Organisation	Who / Contact	Role / Interest	Engagement Level	Interest	Influence	Jx Design Lead	QLDC Tech Lead	Last Contacted	Next Action / Notes	Status	Communications Sent / Received
QLDC – Governance & Elected Members	QLDC	Elected Members / Councillors (via Mayor & Councillors)	Elected decision-makers — Council workshop & formal Council decision	Inform	High	High		OPMO / Governance		Pack for the 29 Sep Council workshop in preparation; formal decision at the subsequent Council meeting.	Active	Engagement planned via the 29 Sep Council workshop (pack in preparation); no decisions are made at the workshop — the formal decision follows at the subsequent Council meeting.
QLDC – Project & Operations Team	QLDC	Alex Milligan	Property (Parks) PM – property interface, maintenance, delivery	Engage						Confirm current title	Active	Property (Design) Workshop, 22 Jun 2026.
QLDC – Project & Operations Team	QLDC	Alex Martin	Sales & Services Manager – operational input, frontline customer / user experience	Engage						Confirm current title	Active	3 Jul 2026 project team catch-up; 8 Jul single-storey operations update; comms-consistency lead (Sport & Rec).
QLDC – Project & Operations Team	QLDC	Natalie Jakobs	Health & Fitness Gym Supervisor	Engage							Active	
QLDC – Project & Operations Team	QLDC	Rayna Calder	Venue Support Supervisor	Engage							Active	
QLDC – Project & Operations Team	QLDC	Deborah Husheer	Community Venues Team Leader – venue bookings & management	Engage							Active	3 Jul 2026 project team catch-up; 8 Jul operations update.
QLDC – Project & Operations Team	QLDC	Britt Race	Events Coordinator (Sport)	Engage							Active	Managing the Queenstown Athletic Club enquiry (Jul 2026); comms consistency.
QLDC – Project & Operations Team	QLDC	Dan O'Keeffe	Communications & Marketing Advisor	Engage							Active	30 Jun 2026 communications triage session (with RCP / Jack Bourke).
QLDC – Project & Operations Team	QLDC	Brianna Pringle	Operations / venue support	Engage							Active	
QLDC – Wider Council & Specialist Teams	QLDC	Arne Burgess	Broader outcomes / procurement strategy	Consult							Active	
QLDC – Wider Council & Specialist Teams	QLDC	Peter Harris	Economic development & community services	Consult							Active	
QLDC – Wider Council & Specialist Teams	QLDC	Fiona Blight	QLDC Consenting Team – key consenting authority	Engage							Active	
QLDC – Wider Council & Specialist Teams	QLDC	Jason Thorburn	3 Waters Assets – water / wastewater integration	Consult						Engagement level inferred – confirm	Active	
QLDC – Wider Council & Specialist Teams	QLDC	Monique Barnes	Transport input	Consult						Engagement level inferred – confirm	Active	
QLDC – Wider Council & Specialist Teams	QLDC	Ben Greenwood	Transport input	Consult							Active	
QLDC – Wider Council & Specialist Teams	QLDC	Tim Miller	QLDC IT team – technology / design inputs	Consult							Active	
QLDC – Wider Council & Specialist Teams	QLDC	Marie Day	Community Partnerships – social / community linkages	Consult							Active	Community investment / funding pathway discussions (Jul 2026).
QLDC – Wider Council & Specialist Teams	QLDC	Catriona Lamont	Spatial Plan PM (Strategy & Policy) – QEC masterplan / wastewater interface	Consult						Confirm surname	Active	
QLDC – Wider Council & Specialist Teams	QLDC	Helen [surname TBC]	3 Waters Strategic Manager – Frankton–Shotover wastewater integration	Consult						Confirm surname	Active	
QLDC – Wider Council & Specialist Teams	QLDC	Giulio Chapman-Olla	Wastewater project – pipeline alignments	Inform						Confirm role & engagement level	Active	
QLDC – Wider Council & Specialist Teams	QLDC	Jan Maxwell	[Role TBC]	Consult						Confirm role & engagement level	Active	
QLDC – Wider Council & Specialist Teams	QLDC	Simon Leary	Golf Course – adjoining land interests	Engage						Confirm name	Active	
QLDC – Wider Council & Specialist Teams	QLDC	QLDC Waste Management Team	Waste planning	Consult							Active	
QLDC – Wider Council & Specialist Teams	QLDC	Chief Executive	Accountability, political assurance	Partner							Active	
Sports & Core User Groups	Sports group	Pickleball	Core / secondary user	Engage							Active	
Sports & Core User Groups	Sports group	Volleyball	Core / secondary user	Engage							Active	
Sports & Core User Groups	Sports group	Futsal	Core / secondary user	Engage							Active	
Sports & Core User Groups	Sports group	Climbing Club	Specialist user	Inform							Active	

Appendix C

QEC – INDOOR COURTS FACILITY | STAKEHOLDER ENGAGEMENT REGISTER

Live register — add every new contact as they enter the project. Filter or sort by Category or Engagement Level. • Engagement: Inform / Consult / Engage / Partner.

Category	Organisation	Who / Contact	Role / Interest	Engagement Level	Interest	Influence	Jx Design Lead	QLDC Tech Lead	Last Contacted	Next Action / Notes	Status	Communications Sent / Received
Sports & Core User Groups	Sports group	Queenstown Netball	Core user	Engage							Active	
Sports & Core User Groups	Sports group	Queenstown Basketball	Core user	Engage						Engagement level inferred – confirm	Active	
Sports & Core User Groups	Sports group	Indoor Cricket	Core / secondary user	Engage						Engagement level inferred – confirm	Active	
Sports & Core User Groups	Sports group	Squash	Community user	Inform							Active	
Sports & Core User Groups	National body	Sport NZ	National partner / funding; advisor to PSG	Partner							Active	Court-size peer-review engagement (via Glenn McGovern, Sport NZ).
Sports & Core User Groups	Sports group	Queenstown Athletic Club — Neville Britton (President)	Junior athletics — field space affected by QEC development (displacement)	Consult	High	Low		Britt Race / Alex Martin (Sport & Rec)	Jul 2026	Confirm 2026/27 season unaffected; invite to the October Sports Breakfast; messaging via Jack (RCP).	Active	13 Jul 2026 — enquiry re field space for Junior Athletics 2026/27. QLDC (Britt Race) responding w/c 14 Jul: project in concept design; 2026/27 summer season unaffected; invited
Sports & Core User Groups	Sports group	Queenstown Football Club	field space affected by QEC development (displacement)	Consult	High	Low					Active	
Sports & Core User Groups	Sports group	Wakatipu Rugby Club	field space affected by QEC development (displacement)	Consult	High	Low					Active	
Sports & Core User Groups	Sports group	Central Otago Football League	field space affected by QEC development (displacement)	Consult	Medium	Low					Active	
Sports & Core User Groups	Sports group	Queenstown Cricket Club	field space affected by QEC development (displacement)	Consult	High	Low					Active	
Community & Education User Groups	Community / User group	Whakatipu Toy Library	Community user	Consult							Active	
Community & Education User Groups	Community / User group	QAST (Snowsports Trust)	Youth sport input	Consult							Active	
Community & Education User Groups	Community / User group	Sport Otago	Regional sport advocate	Engage							Active	
Community & Education User Groups	Education	Whakatipu High School	Core school partner	Engage							Active	
Community & Education User Groups	Education	Local Primary Schools	School sport users	Consult							Active	
Community & Education User Groups	Education	Central Otago Primary Schools Association	Collective voice	Consult							Active	
Community & Education User Groups	Sector body	Recreation Aotearoa	Sector advocacy	Consult							Active	
Community & Education User Groups	Community / User group	Whakatipu Senior Citizens	Community space needs	Consult							Active	
Community & Education User Groups	Community / User group	Frankton Community Association	Place-based local voice	Engage							Active	
Community & Education User Groups	Community / User group	Whakatipu Youth Trust	Youth voice	Engage							Active	
Community & Education User Groups	Community / User group	Maintenance Shed Users	Displacement impact	Consult							Active	
Community & Education User Groups	Community / User group	Queenstown Bridge Club — Hamish McDonald (President); Sarah Pearson (Committee); Alastair McIlwrick	Existing QEC venue user (Tue / Fri sessions, ~105 members) – continued access / space	Engage							Active	
Community & Education User Groups	Advisor	Dr Damien Puddle	NZ expert in play	Consult							Active	
Statutory, Regulatory & Infrastructure	Regulatory	NZTA / Waka Kotahi	Transport / roading approvals	Engage							Active	
Statutory, Regulatory & Infrastructure	Regulatory	ORC (Otago Regional Council)	Regional approvals, environmental	Engage							Active	
Statutory, Regulatory & Infrastructure	Adjacent landowner	QAC (Queenstown Airport Corporation)	Adjacency risks / opportunities	Engage							Active	QAC engagement placeholder / agenda in preparation; airport (OLS) height constraints under discussion.
Statutory, Regulatory & Infrastructure	Utility	Aurora	Power	Consult							Active	
Statutory, Regulatory & Infrastructure	Utility	Chorus	Fibre / telecoms	Consult							Active	

Appendix C

QEC – INDOOR COURTS FACILITY | STAKEHOLDER ENGAGEMENT REGISTER

Live register — add every new contact as they enter the project. Filter or sort by Category or Engagement Level. • Engagement: Inform / Consult / Engage / Partner.

Category	Organisation	Who / Contact	Role / Interest	Engagement Level	Interest	Influence	Jx Design Lead	QLDC Tech Lead	Last Contacted	Next Action / Notes	Status	Communications Sent / Received
Statutory, Regulatory & Infrastructure	Transport	Way to Go team	Transport / southern corridor planning	Consult							Active	
Statutory, Regulatory & Infrastructure	Emergency services	NZ Police	Security / events safety	Consult							Active	
Statutory, Regulatory & Infrastructure	Emergency services	FENZ	Fire Emergency NZ – emergency access / safety	Consult							Active	
Statutory, Regulatory & Infrastructure	Emergency services	St Johns	Ambulance / resilience planning	Consult							Active	
Statutory, Regulatory & Infrastructure	Delivery partner	Alliance	Infrastructure contractor / delivery partner	Engage							Active	
Statutory, Regulatory & Infrastructure	Government	National Infrastructure Pipeline	Govt alignment	Inform							Active	
Statutory, Regulatory & Infrastructure	Environmental	Green by Nature	Environmental partner	Consult							Active	
Statutory, Regulatory & Infrastructure	Design input	Southern Lighting Strategy	Lighting design / impact	Consult							Active	
Statutory, Regulatory & Infrastructure	QLDC	QLDC Climate & Biodiversity Action Team — Bill Nicholls	Sustainability / green design	Consult							Active	
Business, Events & Economic	Events	Summit Events — Craig Gallagher	External events overlay / coordination	Engage							Active	
Business, Events & Economic	Business	Frankton Village Business Group	Economic / parking / impact	Consult							Active	
Business, Events & Economic	Business	Queenstown Chamber of Commerce	Business / economic voice	Engage							Active	
Business, Events & Economic	Tourism	Destination Queenstown	Tourism / events positioning	Engage							Active	
Business, Events & Economic	Business	Business South	Business advocacy	Consult							Active	
Business, Events & Economic	Media	Sky / Broadcast Groups	Event overlay / coverage	Inform							Active	
Business, Events & Economic	Logistics	TomTom	Logistics and mapping support	Inform							Active	
Business, Events & Economic	Security	Cougar (Ricky) Security	On-site event security	Consult							Active	
Business, Events & Economic	Security	Alan Wainright	Local safety / security advisor	Consult							Active	
Funding & Philanthropy	Philanthropy	Whakatipu Community Foundation	Local philanthropy	Engage							Active	
Funding & Philanthropy	Funding partner	Central Lakes Trust	Funding partner	Engage							Active	
Funding & Philanthropy	Funding partner	Community Trust South	Funding partner	Engage							Active	
Funding & Philanthropy	Private donor	Sir John Davies	Private donor	Engage							Active	
Funding & Philanthropy	Private donor	Emma Hill	Private donor	Engage							Active	
Funding & Philanthropy	Private donor	Rod Drury	Private donor	Engage							Active	
Funding & Philanthropy	Private donor	Saudi Prince	Private donor	Engage							Active	

QUEENSTOWN LAKES DISTRICT COUNCIL

Appendix D

Economic Appraisal

Economic appraisal

The table below summarises the key economic parameters and assumptions used in the cost–benefit analysis, with values rounded to support clear interpretation. Inputs draw on QLDC population, participation and operating data, the project cost estimate, and other project evidence described in this case. Where applicable, the analysis follows New Zealand Treasury CBAx guidance, including the treatment of discounting and the valuation of wellbeing benefits.

Parameter	Value	Source	Notes
Discount rate	4.5 %	QLDC	Standard QLDC rate
Evaluation period	32 years	Internal decision	Construction: 2yrs Operation: 30yrs
Demand assumptions	+30% compared to existing demand	QLDC	Existing facility does not have capacity for current demand
Unit costs	Energy use is consistent with benchmarks	Beca	
Labour costs	Yr 1 estimates based on internal costing of meeting demand. Future years grow by 50% every 10 years	NZIER	
Volume estimates	Between 2015 and 2025, indoor court participation grew by an average of 8.7% annually, while health and wellness participation grew by 3.2% annually.	QLDC	Internal data
Long term population growth	2.4% per annum	QLDC	
Rationale for the baseline	Existing facility continues to exist	QLDC	
Basis for estimating disbenefits	No disbenefits identified	NZIER	No reduction in the level of service compared to the counterfactual
Non-market benefits of annual participation per person	Treasury-recommended wellbeing value for increased physical activity of $1,963 per	Treasury	CBAx

Parameter	Value	Source	Notes
	person per year. It is the recommended annual wellbeing benefit for 150-300 minutes moderate to vigorous physical activity per week.		
Additional revenue in the first year of operation	Slightly over $1 million based on QLDC estimates	QLDC	
Revenue growth	Revenue for admission, memberships, concessions, sundry income and retail income is assumed to growth at the rate of wellness participation. The other revenue sources are assumed to grow at the participation rate of indoor courts.	NZIER	
Fees and charges	No allowance for increases to fees and charges over the operational years	NZIER	
Basis of Whole of Life cost analysis	The Whole of Life cost analysis produced by Beca is based upon the following information provided by QLDC: 4529 QLDC Events Centre - Concept Design Estimate - 260826 (completed by Rhodes & Associates) 20260814_QEC_Concept Design Report_rA.PDF (completed by JASMAX) Revised Capital values based upon $46M cost - excluding FF&E costs Consequential OPEX_New 4-court facility.xlsx (provided by QLDC) QEC Indoor Courts - Detailed Business Case (DRAFT) 260813 (1).docx (provided by QLDC)	BECA and QLDC source	
Local Authority Rates	Local Authority Rates have been determined using from data provided by QLDC - and cross checked with the QEC expected costs $0.004c/$1 CV		

Parameter	Value	Source	Notes
Building Insurance costs	Determined using data supplied by QLDC - and cross checked based upon $3 / $1000 insured	QLDC	
Whole of life costing	We have based our analysis on the Quantites, Rates, Assumptions & Exclusions on the ""Concept Cost Estimate""	Rhodes & Associates	The WoI analysis is based on a 30 year duration
Electricity and water	Electricity usage allowances have been determined based on similar building data - basic design data has been defined as attached Electricity costs have been based on $0.24/kW Water supply allowances have been determined based on similar building data - no design data available Waste water allowances have been determined based on similar building data - no design data available	QLDC and Beca	
Cleaning allowances	Cleaning allowances have been based on information provided by QLDC - and validated using areas and expected costs	QDLC	

QUEENSTOWN LAKES DISTRICT COUNCIL

Appendix E

Cost-Benefit Analysis

Cost-benefit analysis

The following tables present the estimated costs and benefits of the proposed investment by year over the appraisal period. All values are undiscounted, showing the annual distribution of capital expenditure, operating costs, revenue and wider economic benefits. This provides a transparent view of how costs and benefits are expected to change over time before applying the discount rate to calculate their present values.

Year	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042
Benefits (millions)																
Revenue	0	0	$ 1.03	$ 1.09	$ 1.15	$ 1.22	$ 1.29	$ 1.36	$ 1.44	$ 1.51	$ 1.59	$ 1.68	$ 1.76	$ 1.85	$ 1.94	$ 2.03
Public wellbeing	0	0	$ 4.70	$ 4.92	$ 5.14	$ 5.38	$ 5.62	$ 5.88	$ 6.14	$ 6.41	$ 6.69	$ 6.97	$ 7.27	$ 7.57	$ 7.88	$ 8.19
Total benefits	0	0	$ 5.73	$ 6.01	$ 6.30	$ 6.60	$ 6.91	$ 7.24	$ 7.57	$ 7.92	$ 8.28	$ 8.65	$ 9.03	$ 9.42	$ 9.82	$ 10.23
Costs (millions)																
Capital costs	$ 23.00	$ 23.00														
Operation and maintenance		$ -	$ 1.85	$ 2.14	$ 2.14	$ 2.30	$ 2.30	$ 2.30	$ 2.30	$ 2.30	$ 2.30	$ 2.67	$ 2.89	$ 2.89	$ 2.89	$ 2.89
Renewals		$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 0.16	$ -	$ -	$ -	$ -
Total costs	$ 23.00	$ 23.00	$ 1.85	$ 2.14	$ 2.14	$ 2.30	$ 2.30	$ 2.30	$ 2.30	$ 2.30	$ 2.30	$ 2.83	$ 2.89	$ 2.89	$ 2.89	$ 2.89

Year	2043	2044	2045	2046	2047	2048	2049	2050	2051	2052	2053	2054	2055	2056	2057	2058
Benefits (millions)																
Revenue	$ 2.13	$ 2.22	$ 2.32	$ 2.42	$ 2.52	$ 2.62	$ 2.71	$ 2.81	$ 2.91	$ 3.01	$ 3.10	$ 3.20	$ 3.29	$ 3.38	$ 3.47	$ 3.55
Public wellbeing	$ 8.52	$ 8.84	$ 9.18	$ 9.51	$ 9.85	$ 10.19	$ 10.54	$ 10.88	$ 11.23	$ 11.57	$ 11.91	$ 12.25	$ 12.58	$ 12.91	$ 13.24	$ 13.56
Total benefits	$ 10.64	$ 11.07	$ 11.50	$ 11.93	$ 12.37	$ 12.81	$ 13.25	$ 13.69	$ 14.14	$ 14.58	$ 15.02	$ 15.45	$ 15.88	$ 16.29	$ 16.71	$ 17.11
Costs (millions)																
Capital costs																
Operation and maintenance	$ 2.89	$ 2.89	$ 2.89	$ 2.89	$ 2.89	$ 3.26	$ 3.26	$ 3.27	$ 3.27	$ 3.27	$ 3.27	$ 3.27	$ 3.27	$ 3.27	$ 3.27	$ 3.27
Renewals	$ -	$ -	$ -	$ -	$ -	$ 2.46	$ -	$ -	$ -	$ -	$ 5.51	$ -	$ -	$ -	$ -	$ 3.81
Total costs	$ 2.89	$ 2.89	$ 2.89	$ 2.89	$ 2.89	$ 5.72	$ 3.26	$ 3.27	$ 3.27	$ 3.27	$ 8.78	$ 3.27	$ 3.27	$ 3.27	$ 3.27	$ 7.08

QUEENSTOWN LAKES DISTRICT COUNCIL

Appendix F

Financial Appraisal

Financial assessment

The financial modelling draws on the revenue and cost estimates developed for the cost-benefit analysis (CBA). This provides a consistent basis for assessing the financial implications of the proposed investment, including capital expenditure, operating costs and anticipated revenue over the appraisal period.

The financial projections reflect the expected growth in facility use and associated revenue, alongside changes in operating costs as participation increases. The modelling therefore provides an indication of the facility's ongoing financial performance and funding requirements.

For consistency with the CBA, inflation, pricing adjustments and depreciation have been excluded from the financial modelling. All estimates are expressed in constant prices, allowing changes in costs and revenue to reflect underlying changes in activity rather than price movements.

The financial projections provide a starting point for assessing affordability and financial sustainability. Further work with the QLDC Finance team will be required to incorporate inflation, depreciation, funding arrangements and other financial assumptions necessary for a comprehensive financial appraisal.

Capital renewals expenditure will be subject to future funding requests, consistent with QLDC's current asset management and financial planning practices. This approach recognises that renewals will be required at different points over the facility's operating life and will be considered through future budget and investment decisions. The timing and scale of future renewals expenditure will depend on asset condition, utilisation and maintenance requirements. These costs will need to be incorporated into QLDC's long-term financial planning to ensure the facility remains operational and fit for purpose throughout its expected lifespan.

The impact of the proposed investment on future rates will be assessed as part of the Implementation Business Case. This next stage will also refine the revenue and cost estimates, reducing uncertainty and providing a more robust basis for assessing affordability, funding requirements and the long-term financial implications for QLDC.

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