

**DESD 9 MOUNT ALEXANDER SHIRE AQUATIC FACILITIES REVIEW (25/210/016)**

**1. Objective**

For Council to receive the Mount Alexander Shire Aquatic Facilities Review (the 'Review') and to resolve to place the Review on display for community consideration for a period of 21 days.

**2. Policy Implications**

*Including consideration of Economic, Social and Environmental impacts.*

The provision and development of aquatic facilities by Council is consistent with a number of objectives outlined within the 'Built Environment' and 'Community' sections of the Mount Alexander Shire Council Plan 2006-2010. These objectives include:

- 1.1 To improve the sense of safety and wellbeing within the community.
- 1.2 To plan for and coordinate a range of high quality services which respond to the needs of the community.
- 1.3 To provide an attractive and stimulating place with a high level of cultural vibrancy in which to live, work, visit and invest.
- 2.1 Provide and maintain infrastructure assets including quality landscapes and public spaces which meet community needs and expectations with a long term focus.

**3. Statutory Implications**

There are no specific statutory implications arising from this report. There are funding agreements in place with the State Government for funding that has been secured under the 'Better Pools' Grants Program for improvements to the Campbells Greek and the Castlemaine Swimming Pools. The Department for Victorian Communities (DVC) has provided Council with the opportunity to defer expenditure on these two facilities whilst a Council decision is made on the future of these two swimming pools. DVC requires a final decision from Council in this regard by 30 September 2007.

**4. Background**

Council has reviewed aspects of the provision of aquatic facilities within the Shire in a number of ways in past years. The major concerns of Council relate to the number of swimming pools in the Shire and the cost of maintaining and operating them now and into the future.

As mentioned in item 3 Council was successful in obtaining funding via the State Government's 'Better Pools' Grants Program for improvements to the Campbells Creek and Castlemaine Swimming Pools in 2003/2004 and 2004/2005 respectively. Tenders received for the proposed works were significantly higher than the available budget, prompting Council to examine the feasibility of the ongoing operation of 6 cold-water, outdoor swimming pools across the Shire.

On 23 August 2005 Council resolved to establish an Aquatic Facilities Task Group, a community based group to assist in a review of Council's aquatic facility provisioning. The Task Group's membership and Terms of Reference were then adopted at the Council meeting of 27 September 2005. The purpose of the Task Group was to provide considered advice to Council in relation to the future provisioning of aquatic facilities within the Shire.

Following extensive research and auditing of existing facilities, the Task Group presented their recommendations to Councillors in October 2006. In February 2007 Council resolved to note the Aquatic Facilities Task Group Report and requested more information in relation to the economic, social and environmental impacts of the Task Group's recommendations.

## 5. Issues

Sport and Leisure Solutions were engaged as consultants to assist in the further assessment of the Task Group's recommendations and provide additional information about industry trends, recent facility developments and some more robust financial analysis. This Review was not intended to be a detailed analysis of community needs, nor a feasibility study for the development of a new indoor aquatic facility.

The Review provides a broader community context that suggests that there are increasing expectations that indoor aquatic facilities should be a part of the mix of rural recreation infrastructure. There are now many examples of smaller rural communities already providing these types of facilities. It is also the case that indoor aquatic facilities attract a broader range of users than seasonal swimming pools and that people utilise indoor aquatic facilities for a range of health, social and recreational purposes.

Broadly, the Review undertaken by Sport and Leisure Solutions supports the recommendations of the Task Group. It recommends that a feasibility study be undertaken into the development of an indoor aquatic facility. The feasibility study would quantify demand for an indoor aquatic facility, determine componentry of the facility, identify key stakeholders and partners, develop a detailed project budget, ascertain an optimal time frame for development and develop a preliminary business plan. The feasibility study would also include a site analysis for the development of a new indoor aquatic facility.

Sport and Leisure Solutions' Review also supports the Task Group recommendations to decommission Campbells Creek, Chewton and Castlemaine Swimming Pools on a permanent basis, however the timing suggested in the Review differs from the Task Group's Report.

## 6. Financial and Resource Implications

The Review does have financial implications for Council. Whatever path Council chooses to take, funds will be required for the ongoing operation, maintenance and renewal of swimming pools into the future. In the Review a number of scenarios for service provision were examined and some preliminary costings over a 10 year period were estimated. More detailed information regarding the likely future costs to maintain and operate the Shire's existing swimming pools and an indoor aquatic facility (based on industry benchmarks) are outlined in the complete Review document (as tabled).

The following three scenarios outline likely service provision and costing scenarios depending upon how aquatic facilities are offered in the future. The operating costs that have been factored into each scenario are based on current Council expenditure on the operation of Council's 5 operational swimming pools. The scenarios also provide an indication of the number attendances at the facilities over a period of time. In Scenarios 2 and 3 there is an allowance for grant income to offset capital costs. In the Review it is suggested that unless significant funds from external sources are obtained, Council does not have the capacity to construct an indoor aquatic facility.

The summary costings for the 3 scenarios referred to above are as follows:

	<b>Scenario 1</b>	<b>Scenario 2</b>	<b>Scenario 3</b>
<b>Operating (\$)</b>	2.69m	2.69m	4.058
<b>Capital (\$)</b> <i>(grant income)</i>	1.25m	2.86m – 3.36m <i>(.5m)</i>	10.62m <i>(5m)</i>
<b>Total 10 yrs</b>	3.94m	5.55m – 6.05m	14.678m
<b>Total net cost to Council 10 yrs</b>	<b>3.94m</b>	<b>5.05m – 5.55m</b>	<b>9.678m</b>
<b>Attendance</b>	300,000	300,000	1,395,034

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### **Scenario 1 - Status Quo**

The first scenario is basically to maintain the status quo. There are 6 swimming pools (5 of which are currently operational) and they cater for approximately 30,000 visits per year. Council's 10 year capital budget has made an allowance for \$160,000 for the first 2 years and then \$100,000 per year (plus CPI) to be spent for the next 8 years for capital improvements. The current capital budget estimates have not been informed by an Asset Management Plan or the Technical Audit Report that was undertaken in 2006. Lack of resolution on the number of swimming pools Council wishes to retain and the service levels required have delayed the development of Asset Management Plans.

### **Scenario 2 – Capital Improvements as per the Technical Audit Report**

The second scenario would look at the implementation of the recommendations of the Technical Audit of Swimming Pools prepared by RJ Ball, Civil Engineer for Council in 2006. The Audit Report recommendations are summarised in the Review and identify work that needs to be done at each pool over the next 5-10 years. The work will cost between \$2,860,000 and \$3,360,000 in today's dollars. This will achieve a number of improvements to the pool shells, plant and equipment but no significant improvements to change toilet or kiosk facilities. Nor does it include any new equipment at any of the facilities.

### **Scenario 3 – Recommendations of the Mount Alexander Shire Aquatic Facilities Review**

The third scenario is the implementation of the recommendations contained within this Review. It assumes the closure of the Campbells Creek Swimming Pool now and the Chewton Swimming Pool by the end of the 2008 season. It also includes the construction of a \$10m indoor aquatic facility in the first 5 years at a maximum cost to Council of \$5m. This development would involve the closure of the Castlemaine Swimming Pool by the end of the 2010 season. It would have a small impact on the coordination costs of all of the facilities as they are reduced from an overall total of 6 to 4. An amount of \$325,000 per year for 6 years has been included to cover the operating costs of the new facility.

The costs as outlined do not include the cost of the repayment of any loans that Council may need to take out to construct a new indoor aquatic facility.

Council currently has access to \$92,103.00 for the Campbell's Creek Swimming Pool Refurbishment project and \$239,493.00 for the Castlemaine Swimming Pool Refurbishment project. The Department for Victorian Communities requires that this funding be expended, or that Council submit a change of scope or timing variation by 30 September 2007.

Should Council resolve to undertake a feasibility study in relation to the development of an indoor aquatic facility, Council has the capacity to contribute an amount towards the development of the feasibility study from its draft 07/08 Budget. Such a study is likely to cost in the order of \$30,000 to \$50,000. Matching funding from the State Government may also be available to assist with this study.

## **7. Consultation**

This report has been compiled based on the Aquatic Facilities Task Group Report, Aquatic Facilities Review and Mount Alexander Shire Swimming Pools Technical Audit Report. The Aquatic Facilities Task Group undertook some consultation with key stakeholders in the development of their report. It is proposed that prior to Council resolving on the recommendations contained within the Aquatic Facilities Review that the community be more fully consulted. It is proposed that a Public Forum be held and the Council receive feedback via submission over a period of 21 days.

## **8. Conclusion**

The Draft Mount Alexander Shire Aquatic Facilities Review broadly supports the recommendations of the Aquatic Facilities Task Group. The Review recommends undertaking a feasibility study for the development of an indoor aquatic facility and closure of Campbells Creek, Chewton and Castlemaine Pools.

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Prior to adopting a position in relation to the recommendations of the Task Group Report and the Review, Council has an opportunity to receive feedback from the community. Following receipt of this feedback Council will be better placed to decide on the future provision of aquatic facilities in the Shire.

**RECOMMENDATION**

**That Council:**

- 1. Support in-principle the recommendations of the Mount Alexander Shire Aquatic Facilities Review.**
- 2. Place the Mount Alexander Shire Aquatic Facilities Review (as tabled) out to public comment for a period of 21 days;**
- 3. Host a public forum and receive submissions so that members of the community can respond to the recommendations of the Mount Alexander Shire Aquatic Facilities Review.**
- 4. Receive another report following the public comment period.**