



### **Bega War Memorial Pool**

Seasonal outdoor pool, located in Bega.



### **Bemboka Pool**

Seasonal outdoor pool, located in Bemboka.



### **Candelo Pool**

Seasonal outdoor pool, located in Candelo.



### **Cobargo Pool**

Seasonal outdoor pool, located in Cobargo.



### **Eden Memorial Pool**

Seasonal outdoor pool, located in Eden.



### **Sapphire Aquatic Centre**

Indoor heated pool, located in Pambula Beach.

# **BVSC Swimming Pools Strategy**

December 2019



## Document Control

Rev No	Date	Revision Details	Author	Reviewer	Approver
1	26/03/2019	Draft for Cr Workshop – Cost model description, attendances information and assumptions included	N Hoynes	J Grady	A McMahon
2	12/04/2019	Final Draft - Council Report for public exhibition	N Hoynes	J Grady	A McMahon
3	26/06/2019	Updated Cost model, figures and assumptions as per Council resolution	N Hoynes		
4	26/06/2019	Include Bega Pool Concept Design as modern facility example	N Hoynes		
5	03/09/2019	Updated format and layout for Public Exhibition (Swimming Pool Strategy Discussion Paper)	N Hoynes	J Grady	A McMahon
6	6/12/2019	Post public exhibition review and evolution from Discussion Paper into draft Swimming Pool Strategy for public exhibition	N Hoynes	J Grady	A McMahon

This is a DRAFT document which has been prepared for public discussion purposes and does not necessarily indicate the position of Council. Council will adopt this plan after consideration of all public submissions received and amendments have been made to address concerns where appropriate.

PO Box 492, Bega NSW 2550  
 P. (02) 6499 2222  
 F. (02) 6499 2200  
 E. [council@begavalley.nsw.gov.au](mailto:council@begavalley.nsw.gov.au)  
 W. [begavalley.nsw.gov.au](http://begavalley.nsw.gov.au)

ABN. 26 987 935 332  
 DX. 4904 Bega

# Contents

<b>Executive Summary</b> .....	<b>4</b>
<b>BVSC Swimming Pools Strategy</b> .....	<b>5</b>
What is it? .....	5
Why is a strategy needed? .....	5
What will a strategy achieve? .....	5
<b>Background</b> .....	<b>6</b>
<b>Current Situation</b> .....	<b>7</b>
Existing BVSC Plans .....	7
Community Strategic Plan.....	7
Asset Management Plans.....	7
Asset Renewals, Life Cycles and Facility Renewals .....	9
Swimming Pool Use.....	9
<b>Modern Swimming Pool Facilities</b> .....	<b>11</b>
Modern Swimming Pool Facility Examples .....	11
Bega War Memorial Swimming Pool Draft Concept Design .....	12
<b>Operating Models</b> .....	<b>13</b>
Contractor Management Model.....	13
Council Management Model.....	13
<b>Costing Estimates and Assumptions</b> .....	<b>13</b>
BVSC Swimming Pool Facilities- Future Cost Estimate Model .....	14
Compliance and Modern Standards at Renewal .....	14
<b>Financial Modelling</b> .....	<b>15</b>
Operational Costs.....	15
Minor Asset Renewals Costs .....	16
Costs to Simply Retain Current Facilities (Capital Costs) .....	16
Costs of Facility Renewal and Upgrade (Capital Costs).....	16
<b>Funding Options</b> .....	<b>17</b>
Funding the Six Swimming Pools Strategy .....	17
Funding Options Considered.....	17
Special Rate Variation (SRV) .....	17
State and Commonwealth Grants.....	17
User Pays.....	17
<b>What we have heard</b> .....	<b>19</b>
<b>Strategic Direction</b> .....	<b>20</b>
Goal .....	20
Objectives.....	20
<b>References</b> .....	<b>24</b>



## Executive Summary

Public swimming pools are highly valued by the community; however they are also high cost assets to operate, maintain and build. The Bega Valley Shire Council (BVSC) has six public swimming pools built over the last 60 years. With two facilities due for renewal in the next ten years, as well as managing smaller cost asset renewals across the remaining four sites, Council has significant financial decisions to make.

At the Council meeting on 22 November 2017, Council adopted the following goal:

***‘To have a fit for purpose six pool aquatic strategy that maximises opportunities for the community and visitors to participate and enjoy facilities that meet legislative and compliance requirements and have pools that are operating at modern standards.’***

The three elements to this goal are:

- Having six swimming pools into the future
- Having pools that are compliant with regulatory requirements; and
- Meeting modern facility standards

Currently, the facilities do not meet this goal in terms of compliance, and modern standards.

A lot has changed in the past 60 years since the first local pool was built in Bega. Modern swimming pool facilities come in a variety of shapes, sizes, designs and features. A swimming pools strategy aims to take into account changing needs, standards and facility trends, whilst also predicting what will be important in the future.

To achieve the adopted goal, three challenges need to be met. They relate to works needed to meet compliance requirements, facility improvements to suit users and meet expectations, and funding the required operational and capital costs over the long-term lifecycle

Using the feedback developed as part of our Swimming Pool Strategy Discussion Paper we have developed our Swimming Pool Strategy. This document will provide direction for the provision, planning, operation and funding of swimming pool facilities now and into the future.

Council works on behalf of the community to provide and manage assets that are well used and provide value to the community. It is understood that in doing this there may be differing views and perspectives on Council priorities, which can create difficulty in achieving a consensus or common outcome.

The use of ‘we’ throughout this document refers to Council working with the community together in the effective planning and provision of facilities for the whole community.

Decisions will need to be made and it is acknowledged that not everyone will be happy with all outcomes. Similarly, some concessions need to be made to deliver balanced outcomes for the community.



# BVSC Swimming Pools Strategy

## What is it?

A Swimming Pools Strategy is a planning document adopted to provide direction for the future provision, operation, management and decision making in regard to swimming pool facilities and how they meet the expectations of the community.

## Why is a strategy needed?

Public swimming pools provide a variety of health and lifestyle benefits for the community.<sup>i</sup> However, there are significant costs involved in the construction, operation, staffing, maintenance and renewal of these assets and facilities.

Developing a strategy to manage the six pools collectively is an important item in the six-pool goal adopted by Council. This acknowledges changes since the current pools were each built as individual projects and also that there are relationships between the facilities. It will take into consideration what is known about our facilities, establishes what we'd like to provide and options on how we will provide this. Due to age, some pools do not meet current standards, regulations and expectations. The age of some facilities is also beginning to make operations more difficult and costly and this will begin to affect use.

The key challenge is sourcing funding to renew (and upgrade where needed) facilities and assets to enable the BVSC six-pool goal to be met as well as continuing to fund operational and maintenance costs in the long term.

## What will a strategy achieve?

A Swimming Pools Strategy will give direction on the best options to meet the challenges in providing public pools relating to compliance, meeting expectations, needs and funding. It is also known that having adopted plans and strategies helps greatly in supporting future funding and grant applications.



## Background

Over the past 60 years the six pools in the shire have been progressively built. Each of the pools were built as individual projects to service the needs of the towns and communities where they were built at the time. Since the pools were built, community expectations, legislation, standards, training and qualifications, employment conditions, risk management and industry best practice have evolved significantly.

These are all changes that need to be considered in the context of the current and future management, operation, maintenance, renewal and upgrade of the six swimming pools.

***At some point, the current swimming pools will reach the end of their useful life and we need to plan what to do as that point approaches.***

Over the past few years Council has been gathering information on the use and associated operating costs of our swimming pools. We now know more about our facilities than ever before.

***Based on our current operating levels, the cost to operate swimming pools is double the cost to build over the facility life.***

We are also in a better position to align our facilities and services with current and future needs, expectations and industry trends to encourage more people of all ages to use the pools in a variety of ways. Further information is available in more detail in the report considered by Council on 22 November 2017.

***Meeting the six modern pool goal will have an effect on the overall cost of the pools to the community.***

While each of the six pools were built individually Council has now adopted a goal to develop a six-pool strategy. The future provision of public swimming pools will come with challenges relating to compliance; meeting expectations and needs and funding.

***Meeting the goal will require a planned and balanced approach to provision to see all pools well-used and providing good value to the community.***

Our community consultation program was developed from the Council resolution to encourage community input relating to our current situation and future direction of our pools in the shire. The consultation program included exhibition of the Swimming Pool Strategy Discussion Paper and proposed funding model; a Special Rate Variation, media and stakeholder briefings, a series of community meetings, information on Council's website and as well as 'Have Your Say' for the community to provide input, and social media notifications.



# Current Situation

It is known that public swimming pools are a valued community asset. This is reflected through both the community's involvement in the development of our pools, and the goals and activities in Council's Community Strategic Plan 2040 and Operational Plans.

## Existing BVSC Plans

### Community Strategic Plan

***Developing a BVSC Swimming Pools Strategy directly relates to the following goals from the Community Strategic Plan 2040:<sup>ii</sup>***

- Active and Healthy Communities- Goal 2: We are an active, healthy community with access to good quality recreation and sporting facilities, and medical health care.
- Strong, Consultative Leadership- Goal 12: Our Council is financially sustainable, and services and facilities meet community need.

***What we plan to do: Delivery Program 2017 – 2021 Actions<sup>iii</sup>***

- Develop Facility Management Plans for Council's pools
- Undertake priority actions identified in the Bega Valley Shire Swimming Pool Facilities Review<sup>iv</sup>
- Develop a Swimming Pool Facilities Strategy in partnership with the community
- Review the Leisure and Recreation Asset Management Plan for Swimming Pool facilities
- Deliver capital works programs for Swimming Pool facilities
- Undertake business, feasibility and funding assessments prior to beginning detailed planning for major upgrade projects

### Asset Management Plans<sup>v</sup>

'Asset management' describes the combination of management, financial, economic, engineering and other practices applied to physical assets with the objective of providing the required level of service in the most cost-effective manner. Currently a number of swimming pool assets and facilities are beyond their best and are due for renewal.

The adopted [BVSC Leisure & Recreation Asset Management Plan 2017-2021](#) reflects these issues and gives direction to best manage current assets with resources available and to develop a Swimming Pools Strategy to guide future provision, levels of service and forecast renewals of high capital cost assets within the Swimming Pool Facilities asset category. As a consequence of this strategy, a draft Asset Management Plan for Swimming Pools has been developed by extracting relevant information from the overarching Leisure and Recreation Asset Management Plan 2017-2021. It is important to note that financial and budgetary information in this Swimming Pool Strategy is more current than the information in the draft

Asset Management Plan for swimming pools based on 2017 data. During the 2020/21 financial year a comprehensive review and update of all BVSC Asset Management Plans will be undertaken in line with Integrated Planning and Reporting requirements following a Council election.

DRAFT



## Asset Renewals, Life Cycles and Facility Renewals <sup>vi</sup>

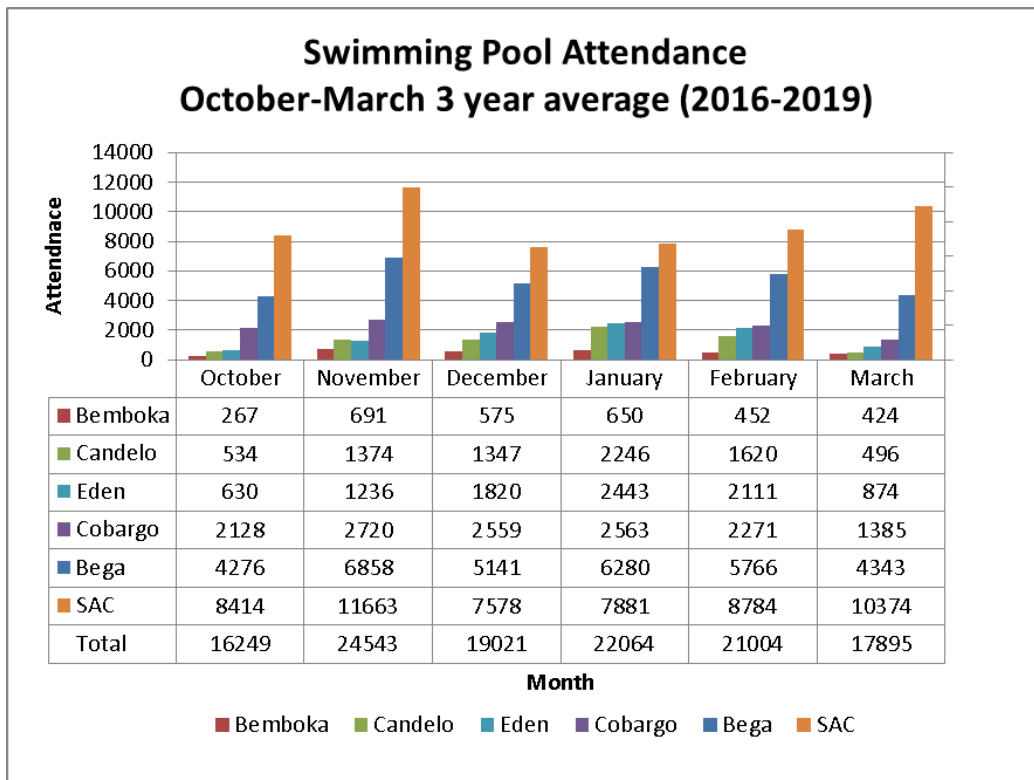
'Renewal' is a key term in asset management and is regularly used in this document. Renewal of an asset means taking action to restart the useful life of an asset when it reaches the end of its useful life or fails. Renewal typically involves reconstructing the asset or on some occasions partially reusing part of the existing infrastructure and rehabilitating them where possible. Maintenance of assets between renewals is critical to ensure that the asset lasts as long as it was originally anticipated to. The 'Facility' renewal date is based on the expected life cycle of the most significant 'asset' at a facility being the pool shell. (The estimated pool shell lifecycle is 60 years; which also relates to a 60-year lifecycle also applied to buildings). The renewal of the pool shell asset will impact most other assets in the 'facility' and trigger renewals of other assets at the same time such as toilet and change facilities. There are also 'multi-generational' minor assets within facilities (e.g. pumps, equipment, shade structures, building fit-outs etc.) that should be renewed multiple times within the facility life cycle to meet requirements, compliance and expectations. These minor assets may have typical useful lives of between 5-20 years.

The current forecast 'Facility' renewal years are Bega- 2023, Cobargo- 2029, Eden- 2040, Bemboka- 2041, Candelo- 2057, Sapphire Aquatic Centre- 2070

## Swimming Pool Use

Understanding the frequency and type of use at each pool is an important factor in planning for future pool provision. A number of factors affect how a facility is used. These include facility type, condition, features and services offered, population, demographics, weather, water temperature, location, distance to other pools and accessibility.

We now have much better information about the numbers of pool users, what people use pools for, and times when people like to visit our pools including popular times and periods of lower use. Resources allocated to each facility should take into account usage information, the factors above and be related to the nature of the facility, the area it services and how it is managed.



**Key Points**

- Operational costs are fairly consistent whether there is high use or low use
- The 'Bell' curve in monthly use demonstrates most popular periods through the middle of the season (this demonstrates the best cost benefit)
- Lower use at the ends of the summer season, reflects cooler weather (and hence reduced cost benefit)

# Modern Swimming Pool Facilities

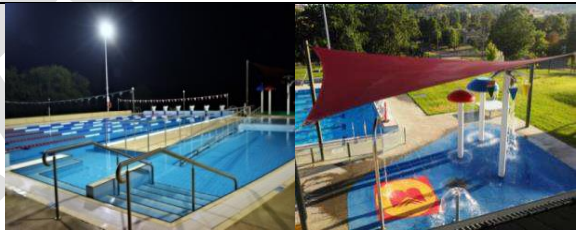


Modern swimming pool facilities come in a variety of shapes, sizes, designs and features. Over the last 60 years, changing legislation, facility requirements and community expectations have influenced the design of facilities which as a consequence has created a need for enhanced funding levels to upgrade facilities when they reach the end of their useful life. When looking forward we need to consider what facilities are needed now and acknowledge that public pools are long life assets. What is built now is projected to last 60 years, so it is important to keep in mind how uses, needs and expectations will change over that time.

Modern facilities need to be:

- **Compliant** - Facilities need to meet legislation, industry guidelines and best practices.
- **Accessible** - to all, including children, older adults and people with injuries or disabilities. Similarly, price can have an impact on accessibility.
- **Sustainable** - Implementing environmentally sustainable technology and design to reduce environmental impact and operating costs.
- **Meet expectations** - The facility should be able to engage a range of ages, interests and apply the best use of space and resources to meet users current and future needs.

## Modern Swimming Pool Facility Examples

Modern swimming pool facility design looks to account for changes in standards and regulations, as well as better meeting the needs and expectations of the whole community. Below are examples of contemporary public pools and their key elements.

<p><b>Seasonal 25m Pool</b> (Typically servicing a local catchment- Shorter season)</p> <ul style="list-style-type: none"> <li>• 25 metre x 6 Lane Pool/ and programs area with accessible ramp</li> <li>• Kiosk/ Accessible Change Rooms</li> <li>• Solar Heating</li> <li>• Estimated Cost- \$2.8 Million</li> </ul>	 <p>Source- Snowy Valleys Council: <a href="http://www.snowyvalleys.nsw.gov.au">www.snowyvalleys.nsw.gov.au</a></p>
<p><b>Seasonal 25m Pool</b> (Typically servicing a district catchment)</p> <ul style="list-style-type: none"> <li>• 25 metre x 8 Lane Lap Pool with ramp</li> <li>• Program &amp; Leisure Pool with ramp</li> <li>• Café/ Kiosk Facilities</li> <li>• Accessible/Parent Change Room</li> <li>• Electric Heating</li> <li>• Estimated Cost- \$5 Million</li> </ul>	 <p>Source- Shire of Bridgetown-Greenbushes: <a href="https://www.bridgetown.wa.gov.au/community/bridgetown-leisure-centre.aspx">https://www.bridgetown.wa.gov.au/community/bridgetown-leisure-centre.aspx</a></p>
<p><b>Seasonal 50m Pool</b> (Typically servicing a large district catchment)</p> <ul style="list-style-type: none"> <li>• 50m x 6 Lane Lap Pool with ramp</li> <li>• Program &amp; Leisure Pool with ramp</li> <li>• Café/ Kiosk Facilities</li> <li>• Accessible/Parent Change Rooms</li> <li>• Estimated Cost \$6.5 Million</li> </ul>	 <p>Visit NSW: <a href="https://www.visitnsw.com/destinations/country-nsw/cowra-area/grenfell/attractions/grenfell-aquatic-centre">https://www.visitnsw.com/destinations/country-nsw/cowra-area/grenfell/attractions/grenfell-aquatic-centre</a></p>

## Bega War Memorial Swimming Pool Draft Concept Design

Bega War Memorial Swimming Pool is the first of our six pools due for renewal. As Bega is in the centre area of the Shire and has high levels of use it is proposed to be upgraded to a district 'extended seasonal' (September to April) facility when due for renewal in 2023. This will present an example of a modern facility design considering current and future needs and uses of that site, with consideration of the other facilities in the Shire. Delivery will be dependent on funding availability.

The below concept is an upgraded equivalent of the Seasonal 25m Pool example above as applied to the Bega site:

**25m Pool- Extended Season** (Typically servicing a district catchment)

- 25 metre x 10 Lane Lap Pool with ramp
- Program/Leisure Pool with ramp
- Children's Splash Pool with features
- Electric Pool Heating
- Water Slide
- Accessible/Parent Change Rooms
- Cafe/Kiosk Facilities
- Club/Multi-function room
- Estimated Cost- \$9.5 Million



Source: Facility Design Group, 2019.

# Operating Models

At present there are two operating models for public pools within the Bega Valley. The Bega and Cobargo Swimming Pools are operated by contractors, while the Bemboka, Candelo, Eden Swimming Pools and Sapphire Aquatic Centre are directly managed by Council.

## Contractor Management Model

Under the current contractor model the Contractor is responsible for day to day management of the site, staffing (operational, supervision and programs) and retains all income for the site; with Council responsible for the operational, maintenance and asset renewal costs. This is the reason the table in this document shows no income to Council for the Bega and Cobargo pools.

## Council Management Model

Under the Council model, Council is responsible for the day to day management, staffing, operational, maintenance and asset renewal costs, and Council also retains all income generated from the site.

***'Operating models will continue to be reviewed and assessed as required to deliver best use of the sites and value for the available resources, as required under contract and operating agreements.'***

# Costing Estimates and Assumptions

There are a number of elements and variables at play when looking at the cost of providing public swimming pools. Often, they are related and a change in one area can have flow on effects in another.

The model and cost estimates on the following page have been put together for assessment, consideration and comparison between key cost areas and each site. To do the comparison, it is important to have baseline or comparable figures, and for that to happen some assumptions need to be made and applied across the sites.

### **Assumptions**

- Costs are completed in 2019 Dollars
- All costs include 10% contingency on operations, income, minor asset renewals and facility upgrades
- Modern facility upgrade costs include 10% contingency for preliminary and professional services (i.e. design)
- Operating Costs: exclude future wage increases or changes to existing facility operating model (Contractor/Council)
- Capital Costs: Modern Facilities – Local seasonal \$2.8m; District seasonal \$5m;
- Capital Costs are based on recent examples of similar projects
- Minor Asset Renewal Costs are for remaining facility life (until forecast renewal year)
- Modern facilities have a 60-year useful life
- Operational Cost/Income based on 3-year average of Bega Valley Shire Swimming Pools (2016/2017/2018 financial years)
- Known current figures have been applied and reused in the model where appropriate.

## BVSC Swimming Pool Facilities- Future Cost Estimate Model

### Compliance and Modern Standards at Renewal

This model is renewal of current facilities to compliance and modern standards. As Bega War Memorial Pool is in the middle of the Shire and has high levels of use the model includes costings for it to be upgraded to a district 'extended seasonal' (September to April) facility when due for renewal in 2023. Other facilities will be renewed to compliant modern standard when due for renewal.

**BVSC Pools Future Cost Estimates - Model 1A Current Facilities Upgraded at Renewal plus Increase Facilities at Bega**

Site	Operations PA			Forecast Asset Renewals (Replacement)				Estimated Facility Upgrade Modern (New)			Total
	BVSC Operating Cost PA	BVSC Operating Income PA	Current Net Operating Cost PA	Existing Facility Renewal (Asset Inventory)	Minor Asset Renewal to Year	Current Asset Backlog	Minor Asset Renewal to Year PA	Forecast Upgrade Year (60 year life)	Modern' Facility Upgrade Cost	Modern' Facility Upgrade Cost (PA 60yr)	BVSC Total Cost 'Modern' Facility PA
Bega**	\$178k	\$0k	\$178k	\$2.734M	\$73k	\$372k	\$18k	2023	\$9,800,000	\$163k	\$360k
Cobargo	\$104k	\$0k	\$104k	\$1.714M	\$109k	\$75k	\$11k	2029	\$3,219,425	\$54k	\$169k
Eden	\$177k	-\$28k	\$149k	\$3.630M	\$581k	\$81k	\$27k	2040	\$5,794,965	\$97k	\$273k
Bemboka	\$75k	-\$9k	\$66k	\$1.378M	\$502k	\$26k	\$22k	2041	\$3,219,425	\$54k	\$142k
Candelo	\$127k	-\$28k	\$99k	\$4.253M	\$1.594M	\$128k	\$42k	2056	\$5,794,965	\$97k	\$238k
SAC	\$1.369M	-\$802k	\$567k	\$8.441M	\$5.071M	\$40k	\$98k	2070	\$10,946,045	\$182k	\$847k
<b>Total Costs</b>	<b>\$2.031M</b>	<b>-\$867k</b>	<b>\$1.164M</b>	<b>\$22.151M</b>	<b>\$7.930M</b>	<b>\$721k</b>	<b>\$218k</b>		<b>\$38.775M</b>	<b>\$646k</b>	<b>\$2.028M</b>

- **Pros** – All pools to achieve compliance and modern standards at renewal. Bega Pool upgrades reflecting high use of the site and expected future demand. Increased season length at Bega servicing northern part of the Shire. Two 50m pools in the shire are retained at Eden and Candelo.
- **Cons** - Retains high operations, maintenance and capital costs for the life of the facilities. Little consideration of best operational value in facilities provision.

# Financial Modelling

There will be significant costs involved in renewing six public swimming pools to modern standards and keeping them operating. While this will happen progressively as facilities become due for renewal, the current levels of funding will not be able to meet those costs now or into the future. A summary of current key cost areas is shown below.

- Net Operating Costs Current: \$1.164M pa
- Minor Asset Renewal Costs: \$218k pa (buildings & pool upgrades excluded)
- Facility Upgrade Costs (Modern Current Standards) \$646k pa
- *(Facility Renewal Costs -Current facilities if compliance is possible \$369k pa)*

Based on the information above the total costs Council needs to fund on an annual basis to meet the six modern pool goal in the longer term is \$2.028M year (in 2019 \$). A breakdown of costs is shown in more detail in the table below.

## Operational Costs

There is no question it costs a lot to build pools. However, it costs a lot more to operate them over their life cycle. While some operational costs are fixed, most operational costs are directly related to how often a pool is opened or used. Major operational costs are staffing (lifeguard supervision and programs), power costs, water costs, chemical costs, pool plant servicing and maintenance.

Currently pools gross operating costs are approximately \$2.031M per year. While fees are charged for admission, programs and memberships, this income accounts for \$867k or about 40% of the operating costs, leaving a net operating deficit of \$1.164M. This translates to a subsidy on top of current user fees of about \$7 per visit to a public swimming pool (on a shire wide basis). This means every user who visits a pool would need to pay an additional \$7 every time they visit whether they have a season pass, are a spectator, are participating in a program or pay casually to cover operational expenses.

It should be noted the financial projections included in this document are reflective of current facilities and service standards. Should the mix of facilities or services change it is likely the operational costs will also change.

**Figure:** Swimming Pool Operational Cost & Use Comparison (3-year average- 2016 to 2019)

Site	BVSC Operating Cost PA	BVSC Operating Income PA	Current Net Operating Cost PA	Attendance
Bega**	\$178k	\$0k	\$178k	32,871
Cobargo	\$104k	\$0k	\$104k	13,626
Eden	\$177k	-\$28k	\$149k	9,115
Bemboka	\$75k	-\$9k	\$66k	3,059
Candelo	\$127k	-\$28k	\$99k	7,617
SAC*	\$1.369M	-\$802k	\$567k	99,331
<b>Total Costs</b>	<b>\$2.031M</b>	<b>-\$867k</b>	<b>\$1.164M</b>	<b>165,503</b>

\*Please Note: SAC operating costs account for the coordination, administrative and operational costs required to manage the 6 swimming pools that are not directly attributed to an individual site.

## Minor Asset Renewals Costs

As well as the identified facility renewal dates based on the major structural elements, there needs to be a series of minor asset renewals required over the life of the facilities to keep the pools operating. Some assets such as pool pumps, chemical dosing systems, pool liners, shade structures, water play items and general fixtures and fittings need to be replaced multiple times over the facility life. Based on Council's adopted Recreation Asset Management Plan and the draft Swimming Pool Facilities AMP, Council has grouped and forecast these 'minor asset' renewals. A breakdown of expected costs to renew the current minor assets is included in the table titled "BVSC Swimming Pool Facilities- Future Cost Estimate Model" earlier in this document. These minor asset renewal costs will generally be required regardless of how often a pool is opened or used. Levels of use may shift the timing of the works slightly but not the reality that the works will be needed.

## Costs to Simply Retain Current Facilities (Capital Costs)

Based on our existing facilities' construction and asset management planning the estimated costs to simply replace current facilities when they are due for renewal is \$369k pa. However, it may not be possible to simply renew the current facilities.

For example, current standards will require more space for accessibility and circulation for facilities and change rooms, and the installation of swimming pool access ramps. There are regulations that need to be met in terms of chemical handling and storage. Site layout is important in terms of managing facility entry and pool supervision. Another example is Bega pool, a 33yrd pool, which does not meet current industry standards or user expectations.

## Costs of Facility Renewal and Upgrade (Capital Costs)

Based on our existing facilities construction, asset management planning and industry comparisons, the estimated capital costs to upgrade current facilities to a modern equivalent at the forecast renewal date is \$38.755 million over 60 years or \$646k per year.





# Funding Options

## Funding the Six Swimming Pools Strategy

There is no question pools are highly valued by the community. However, there is also no question, pools are long life assets and are expensive facilities to build and operate. How to fund these costs needs careful consideration. Choices that are made now will be paid for many years to come. Unless funding is available to Council the six-swimming pool goal will not be met.

Due to age, condition of facilities and forecast asset renewals, Council cannot afford to meet its adopted goal to upgrade six pools to meet modern standards and expectations and continue to operate and maintain them through the general fund and existing pool income.

## Funding Options Considered

### Special Rate Variation (SRV)

A Special Rate Variation (SRV) is an additional rate increase added to the income raised through general rates. Council notified IPART in November 2019 of its intention to apply for a Special Rate Variation. The proposed SRV would be applied specifically for the purpose of funding our swimming pools. SRVs typically raise revenue from all rate payers to deliver facilities or services to meet changing needs, requirements and increasing expectations of the community.

### State and Commonwealth Grants

Grant funding and availability varies and not all applications are successful. A reliance on grants mean projects will only progress on the condition of successful funding applications. If funding is not successful, projects will be deferred or cancelled, and facilities may be closed if there is failure of a major asset i.e. pool shell.

Having an adopted strategy and plans will assist greatly in supporting any grant applications and promoting the value and benefits that projects will deliver to the broader community.

### User Pays

User fees contribute some income to offset operational costs associated with at the facilities; however, this is not enough to cover the amount required. Pool use across the Shire is currently subsidised by the broader community at an average of approximately \$7 per visit to cover operational costs only. This means every person who visits a pool would need to pay an additional \$7 every time they visit whether they have a season pass, pay for swimming lessons, are spectators or pay casually.

Based on the existing subsidy per visit, facility use, Shire population size and forecast population growth, funding the current operation through a 'user pays system' is not achievable. This would not fund the significant works needed to meet the six modern pool goal now or into the future. Funding the six-pool goal based on a user pays system will see the facilities inaccessible due to the cost of entry fees.

DRAFT



## What we have heard

Based on the community consultation period held between 5<sup>th</sup> September and 20<sup>th</sup> October 2019, information was collected on what the community thought of the Draft Swimming Pools Strategy Discussion Paper, our public swimming pools and the proposed SRV through online and hard copy surveys, community information sessions, independent deliberative survey and community submissions.

We received 658 responses to Council's survey, 14 separate submissions to Council, and 403 responses to the independent deliberative survey conducted.

Of those respondents, 32.92% had not used public pools in the last 12 months

Both surveys had similarities in the feedback we received about the adopted goal:

- 56% of respondents want to keep six pools open versus 27% who do not (17% unsure)
- 54% of respondents said it was extremely or very important to meet modern expectations and standards, while 22% said moderately important versus 24% who said either slightly or not important at all

However, considering the above, we received the following in relation to funding:

- 54% of respondents were extremely or very unwilling to pay more to keep six pools open versus 27% who were willing to pay more (19% unsure)
- 42% were unwilling to reduce opening hours to reduce costs versus 26% who are willing (31% unsure)
- 51% were unwilling to reduce hours to reduce season length to reduce costs versus 25% who are willing (24% unsure)

In summary, the feedback indicates that:

- As a community we want to keep six pools open into the future and believe it is important to upgrade them to meet modern standards and expectations
- As a community we do not want to pay more through rates and we do not want to reduce hours or season lengths to reduce operating costs to fund.

The issues are significant in that:

- Without substantial changes to the operation of our swimming pools, there is no sustainable way to continue to maintain and operate these pools into the future at the current levels, or renew facilities when due or to meet modern standards and expectations.

The key challenge will be that without putting aside additional funds each year to fund capital renewals and building of new facilities at the end of their asset life, asset failure will lead to extended and/or permanent closures of facilities.

# Strategic Direction

## Goal

Council adopted the following goal to direct the future of our swimming pools:

***‘To have a fit for purpose six pool Swimming Pool strategy that maximises opportunities for the community and visitors to participate and enjoy facilities that meet legislative and compliance requirements and have pools that are operating at modern standards.’***

## Objectives

As this strategy is looking at the long-term future of the swimming pools, the following objectives have been developed. The outcome of each of these objectives will have an impact on the future of the swimming pools goal and strategy.

### 1. Strategy Resourcing

A secure funding source is required to meet the operating, maintenance and renewal costs as a result of the goal and the strategy. Without securing funding for the long term, the goal cannot be met, and the strategy will need to be deferred or reviewed.

Action	Target date
1.1 Lodge and secure an SRV for pools	In accordance with IPART guidelines prior to the end of the 19/20 financial year
1.2 Establish a 6 pools reserve to fund asset upgrades and renewals and “ring-fence” SRV income plus interest on the invested income	Prior to end of 19/20 financial year
1.3 Apply the SRV annually to pools operations, maintenance, minor and major renewals and transfer balance to reserve for future year renewals plus interest on the invested income	Prior to 1 July each financial year
1.4 If the SRV is unsuccessful, Council review the strategy and identify alternate action plan	Upon notification of SRV application assessment by IPART

### 2. Compliance and Fit for purpose

Council will continue to meet our legislative and compliance requirements and plan for future renewals. Council will focus on ensuring facilities are fit for purpose into the future to meet expected uses and asset life.

Action	Target Date
2.1. Review and adhere to all current applicable legislation and compliance requirements for public swimming pools	On an annual basis and additionally as legislative requirements change
2.2. Review and update Facility Management Plans for each site	Annually

2.3. Develop and implement a program to meet identified legislative and compliance requirements	By December 2020 and reviewed annually
2.4. Review facility condition reporting and maintenance works program	30 June 2020 and reviewed annually
2.5. Review Swimming Pool Facilities Asset Management Plan and forecast capital works program	By end of December annually
2.6. Plan and fund renewals and works as identified	Annually

### 3. *Maximise Asset Use and Value for Community and Visitors*

Council will look to identify opportunities to work with the community to maximise use of our facilities.

Action	Target Date
3.1. Review opportunities to align opening hours with community needs using attendance data collected, community feedback and consultation	August 2020
3.2. Identify opportunities for community events and work with community to implement	June 2020
3.3. Continue to review and develop in water programs and methods to deliver them.	Ongoing
3.4. Continue to work on improving shire wide access to facilities across the sites (Shire wide passes or memberships), noting this action has potential contractual implications	Review to occur by December 2020 with recommendations
3.5. Work with local stakeholder groups to promote facilities	Ongoing

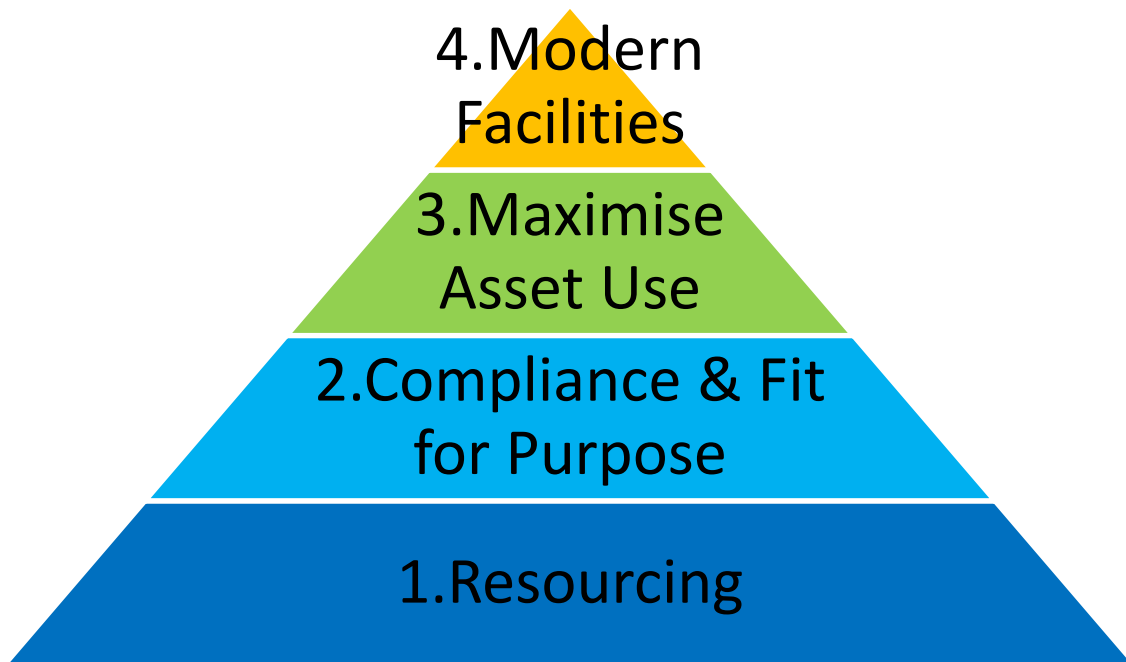
#### 4. Modern Facilities and Standards

Modern standards will be achieved through facility renewals (60-year facility life). Where possible, we will work with community to identify projects that could be implemented and funded in the short term.

Action	Target Date
4.1. Progress concept design for Bega War Memorial Pool	Current and ongoing
4.2. Work with community and stakeholder groups to identify necessary projects to meet modern standards prior to facility renewals	October 2021 (Subject to funding confirmation)
4.3. Cost and secure suitable funding sources for the identified projects (i.e grants, fundraising)	Ongoing
4.4. Progress individual facility concept plans and community engagement as projects develop.	Ongoing as per Swimming pools AMP and available funding.

The pyramid below provides a visual representation of our strategic direction. Each objective is related and decisions we make in regard to one, will have an effect on our other objectives. The fundamental requirements form the base and foundations of the pyramid. These are critical and will have a marked impact on the top tiers.

By building a strong resource base relative to the scope of assets and facilities we will be better able to deliver the adopted six-pool goal for our community into the future.



DRAFT

# References

---

- i Royal Lifesaving Society of Australia, 2017, 'Economic Benefits of Australia's Public Swimming Pool Facilities', Royal Lifesaving Society of Australia, <https://www.royallifesaving.com.au/about/news-and-events/news-items/new-report-shows-health-benefits-of-Swimming-Pool-facilities>
- ii Bega Valley Shire Council, 2017, 'Community Strategic Plan 2017 – 2021', Bega Valley Shire Council, [www.begavalley.nsw.gov.au](http://www.begavalley.nsw.gov.au)
- iii Bega Valley Shire Council, 2017, 'Delivery Program 2017 – 2021 Operational Plan 2017 – 2018', Bega Valley Shire Council, [www.begavalley.nsw.gov.au](http://www.begavalley.nsw.gov.au)
- iv Otium Planning Group Pty Ltd, 2016, 'Bega Valley Shire Council- Aquatic Facilities Review: Final Report', [www.otiumplanning.com.au](http://www.otiumplanning.com.au)
- v Bega Valley Shire Council, 2017, 'Asset Management Plan 2017 – 2021', Bega Valley Shire Council, [www.begavalley.nsw.gov.au](http://www.begavalley.nsw.gov.au)
- vi Bega Valley Shire Council, 2017, 'Long-Term Financial Plan 2017 – 2027', Bega Valley Shire Council, [www.begavalley.nsw.gov.au](http://www.begavalley.nsw.gov.au)