Why is Council running focused discussions?
To inform the development of the new *Aquatic and Leisure Strategy* (the Strategy), Moreland City Council (Council) wants to hear community members’ insights on what is important to them at their local facilities and how Council can meet the community’s needs in the future using the resources it has available.

This document provides background information on the aquatic and leisure facilities and services provided in Moreland.

Why are we developing an Aquatic and Leisure Strategy?
Council knows that there are changes in the aquatic and leisure environment, including population growth, changing user expectations, more competition and new trends in leisure. We recognise:

1. That our facilities are ageing, have increasing costs to maintain and operate and may no longer be configured to match community needs or service expectations.

2. We need to ensure that we have evidence based decision making that is supported by the community so we can strategically invest in the maintenance, renewal and capital requirements of our facilities.

3. We need to continue to balance community health, wellness and accessibility needs with cost efficiency.

These factors have an impact on the service we offer, and the Strategy will help to link them together and make sure we have the right approach for decision making over the next 10 years.
What we need to consider when developing the Strategy

Ageing facilities and limited resources

Council’s aquatic and leisure facilities are ageing, with many reaching the end of their serviceable lifespan. The materials used to construct the pools are getting old and are more likely to fail. Facilities generally only last about 50 years before they need a major renovation. Major renovations are costly, and full redevelopments are even more expensive. The Oak Park redevelopment is costing $27.3m, which is the same as Council usually spends each year on capital works across the municipality ($27m in 2016/2017). There are limited resources, coming from your rates, to fix all the facilities, as well as provide over 100 other Council services.

A rate-capped environment

In January 2015, the Minister for Local Government announced that a rate capping policy will be implemented from July 2016. This means the Essential Services Commission (ESC) sets the percentage rate increase for all Victorian Councils, rather than Councils setting their own percentage.

Figure 2
Forecast age structure in the City of Moreland

Councils are only able to charge above the government set percentage through applying, and getting approval from the ESC for a variation. The rate cap for the 2016/17 financial year was 2.5 per cent, and the rate cap for the 2017/18 financial year will be 2 per cent. Prior to the rate cap, Council had budgeted for a 5 per annum rate increase until 2019/20. Now, there will be $27 million less income from 2016/17 to 2019/20 than previously projected. We have been working over the last two years to address this and understand the impact this has on our asset renewal and maintenance program. Council have committed to operating within the rate cap and will not seeking an exemption.

### Changing and growing population

Moreland is experiencing a period of significant growth that will continue for the next 20 years. In the future:

- Moreland is predicted to increase in population by 48 per cent by the year 2036.
- Brunswick East has the largest projected proportional growth at 125.3 per cent between 2011 and 2036 (an additional 12,809 residents).
- Brunswick has projected growth of 61.1 per cent by 2036, and the highest numerical growth of all suburbs with a projected additional 14,115 residents.
- Gowanbrae remains the only suburb predicted to decrease in population during this period.
- The structure of Moreland’s community is also changing – particularly in its age profile and cultural composition (see Figure 2).

### User expectations

User expectations for aquatic and leisure services are changing, driven by changing work patterns, increased sedentary lifestyles, the demand for services to be available when needed and an increasing desire for entertainment in leisure pursuits. People mostly attend pools because they are close to home (often less than 3km away), though they tend to travel by car.

Many public aquatic facilities were developed at the end of the Second World War and around the 1956 Olympics. Changing trends means that a ‘1956 style’ aquatic facility no longer meets expectations. Given a choice, many patrons will choose destination facilities (such as Watermarc in Greensborough or Melbourne Sports and Aquatic Centre at Albert Park) for leisure purposes, but will make local choices for gym, learn to swim, or impromptu leisure and exercise activities.

### Costs of aquatic and leisure facilities

The annual operating cost of running each of Council’s aquatic and leisure facilities is shown below. These costs are exclusive of any capital maintenance investment.

### Figure 3 Cost of running facilities

<table>
<thead>
<tr>
<th>Facility</th>
<th>Annual attendances</th>
<th>Operational costs</th>
<th>Cost to Council per user visit</th>
</tr>
</thead>
<tbody>
<tr>
<td>Brunswick Baths</td>
<td>460,094</td>
<td>$855,774 profit</td>
<td>+$1.86 (profit)</td>
</tr>
<tr>
<td>Coburg Leisure Centre</td>
<td>254,914</td>
<td>$147,621 loss</td>
<td>-$0.58 (loss)</td>
</tr>
<tr>
<td>Coburg Olympic Swimming Pool</td>
<td>22,178</td>
<td>$203,150 loss</td>
<td>-$9.16 (loss)</td>
</tr>
<tr>
<td>Fawkner Leisure Centre</td>
<td>134,689</td>
<td>$963,026 loss</td>
<td>-$7.15 (loss)</td>
</tr>
<tr>
<td>Oak Park Aquatic Centre</td>
<td>39,569</td>
<td>$314,177 loss</td>
<td>-$7.94 (loss)</td>
</tr>
<tr>
<td>Pascoe Vale Outdoor Pool</td>
<td>8,204</td>
<td>$177,534 loss</td>
<td>-$21.64 (loss)</td>
</tr>
<tr>
<td>AVERAGE</td>
<td>919,682 total</td>
<td>$949,764 loss</td>
<td>-$7.43 (loss)</td>
</tr>
</tbody>
</table>

## Facility profiles

### Coburg Leisure Centre
Developed in 1993, the facility is only 23 years old. Patronage is steady and centre is sound in its performance. The site is subject to soil and drainage issues and poor construction, resulting higher than expected issues with the building structure given its age. The pool concourse is showing signs of concrete cancer, reducing the expected lifespan significant. The change rooms, spa and sauna areas require refurbishment. Utilisation has been impacted by 24 hour gyms, but it is in an important central location.

Recent works have been completed to the value of $1.7 million and included: redevelopment of café reception, foyer and entrance, upgrading lighting and heating, ventilation and air-conditioning system, replacement of pool boiler, gym and fitness equipment maintenance to the indoor pool shells, structural building repairs, pool plant filtration system upgrades and maintenance.

$1.3 million is allocated in Council’s 5-year Capital Maintenance to complete works on: the refurbishment of the change rooms, spa and sauna, and building and structural repairs.

### Fawkner Leisure Centre
The outdoor pools were opened in 1964, and the indoor pools and Leisure Centre were added in 1987. There are issues with the spa pool, and leaking within the indoor pool shell pipe work. The outdoor pool shell and plant are also facing structural and integrity issues. It is the only facility in the far north of the municipality, however there is low utilisation of all facility elements.

Recent works have been completed to the value of $1.4 million and included: aquatic pool hall roof replacement and painting, refurbishment of change rooms, upgraded lighting, replacement of outdoor pool boiler, resurfaced aquatic floor area, upgraded heating, ventilation and air-conditioning system, new gym and fitness equipment.

$2.88 million is allocated in Council’s 5-year Capital Maintenance budget to complete works on:
- $120,000 – indoor pool boiler replacement
- $130,000 - repairs and maintenance to outdoor pool shells
- $2.5 million - repair and structural works on plant and shell.

### Coburg Olympic Swimming Pool
It was opened in 1965. Whilst the pool shell is sound, the filtration system and plant is of significant concern and has reached end of functional life span. Patronage has significantly increased (doubled) since it reopened in 2008/09.

Capital works have been scheduled to the value of $1.2 million and include: redevelopment of the café reception, foyer and entrance, pool plant filtration system upgrades and significant maintenance, installation of shade over grandstand seating and re-tiling works.

$50,000 is allocated in Council’s 5-year Capital Maintenance to complete works: $30,000 on lighting upgrades and $20,000 to replace pool plant valves.

### Pascoe Vale Outdoor Pool
Opened in 1953, the facility is 63 years old. It is at the end of its lifespan and the plant currently does not meet requirements of the facility nor the industry standards; there is a high risk of failure. It has ageing infrastructure, with an old water play area and dive pool – it is high cost to operate with limited patronage. It is located 1.5km from Oak Park Sports and Aquatic Precinct.

Recent works have been to the value of $0.22 million and included: repairs to the filtration platform, pool shell maintenance and painting of the main building and change rooms.

$1.89 million is allocated in Council’s 5-year Capital Maintenance to complete works.

### Brunswick Baths
Opened in 1914, therefore it has significant heritage aspects. An $18 million redevelopment was completed in 2013/14.

460,000 attendances per annum is taking a toll on the facility and the new look and feel is beginning to fade – with components such as change rooms and flooring requiring a face lift in the next few years to remain attractive and meet expectations. The site will require capital reinvestment in coming 5 years / 10 years to maintain standards of operations.

Increased density and selling of properties adjacent to the Baths has the potential to put its operations at risk, such as hours of operation and allowing sufficient access for chemical delivery.

$60,000 is allocated in Council’s 5-year Capital Maintenance to complete works: $60,000 for flooring treatment

### Oak Park Aquatic Centre
It was opened in 1966. Council made a commitment to redevelop it – creating new 50-year asset, however will need to ensure adequate funds can be allocated for maintenance over its lifespan. Council has allocated an average of 2 per cent of the initial capital cost of $26.4m each year as capital maintenance, which will be accrued for the first five years. Following the redevelopment, it is estimated that there will be up to 220,000 attendances per year to the new Aquatic and Leisure centre.