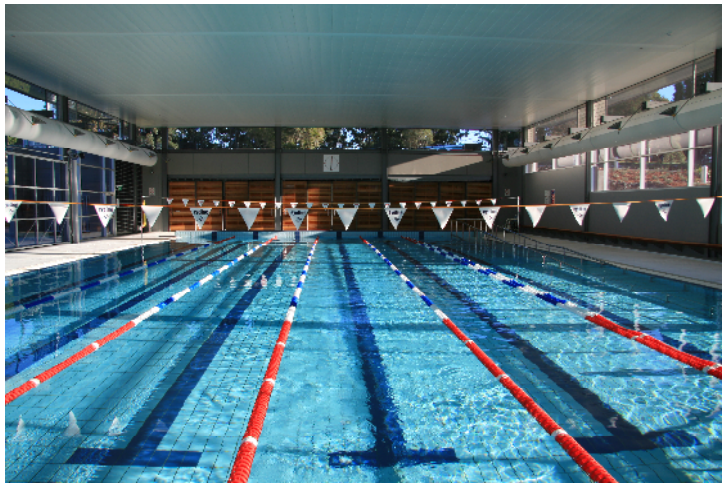
Phillip Island Aquatic Centre
Feasibility Study



PHILLIP ISLAND
AQUATIC CENTRE COMMITTEE
NOVEMBER 2010

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1.1 Background

The Phillip Island Aquatic Centre Fund Committee (PIAFC) has been working for the local community for more than 10 years in an effort to establish an aquatic centre on Phillip Island. Despite the significant efforts of committee members and high levels of community interest the project has not yet been delivered.

In an effort to determine whether they should continue to pursue the development of a centre on Phillip Island the PIACFC engaged Sport and Leisure Solutions Pty Ltd to undertake a feasibility study to develop a clear understanding of the level of community demand for an aquatic centre on Phillip Island. The results of the study will not only identify the level of demand for a centre on the Island but also to assist the PIACFC determine if they should continue to pursue the project.

1.2 Project objectives

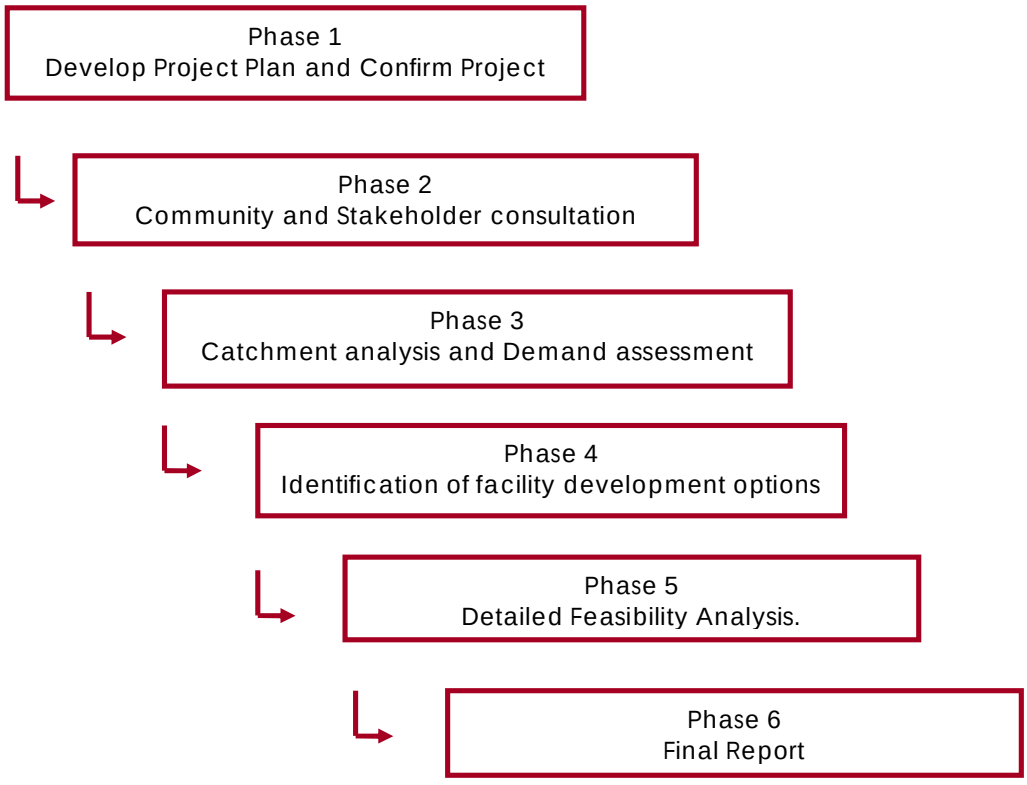
The clear objectives of the study include:

- To establish the level of demand and need for an aquatic centre on Phillip Island.
- To understand the provision of aquatic facilities in similar regional locations, their impact on community benefit and their financial performance.
- To explore and recommend the facility elements and overall facility development that will best respond to community needs and demands.
- To provide a clear understanding of the financial implications for the ongoing operation of the centre including the start up phase.
- To provide clarity on the impact of site location on potential usage of facilities and programs.
- To provide an upper level view of the potential capital costs for the development of the centre.

2 PROJECT OVERVIEW

Overview of our proposed project methodology

The proposed Feasibility Analysis was delivered through the implementation of the following methodology.



3 CONSULTATION AND DEMAND ASSESSMENT

The consultation process and associated demand assessment was a key component of the study in identifying to the PIACFC the actual level of community interest, community demand and community need for the development of an aquatic centre on Phillip Island. As a result significant effort was undertaken to illicit responses from the local community.

The consultation encompassed a broad ranging community survey that could be completed on-line or in hard copy, an independent random telephone survey, meetings with health service providers and local schools and discussions with other stakeholders.

3.1 COMMUNITY SURVEY

3.1.1 Introduction and purpose

A key component of the overall consultation process was undertaking the community survey. The community survey results were seen as critical by the PIACFC in determining community attitudes, needs and appetite in relation to the construction of an aquatic centre on Phillip Island.

Further, it was considered that it would provide critical information in identifying the preferred facility location and key facility elements that could be included in the centre. Finally the results would also provide guidance for establishing likely future usage at the proposed centre and assist with the development of financial models.

3.1.2 Methodology

Over 700 people participated in the community survey which was conducted on-line and by completing hard copy surveys. This represents nearly 8% of the population of the Phillip Island and San Remo catchment. This catchment was chosen as it is expected that people in these areas will be the predominant users of the proposed facility.

Surveys were promoted in the Phillip Island Advertiser, via word of mouth and through specific survey points for hard copy surveys. All hard copy survey results were entered into the online survey by the independent consulting team.

To ensure that data obtained through the broad community survey was representative of community views Australian Fieldwork Solutions Pty Ltd were engaged by the PIACFC to conduct random telephone surveys of the community within the targeted catchment. The random telephone surveys were implemented to assist with validating (or otherwise) the results of the online survey.

The PIACFC considered the telephone survey process was necessary to remove potential claims that the on-line survey may not be representative of community views.

In reporting on the findings of the community survey, a comparison has been made between the online survey and the random survey results and a commentary made in relation to the extent that the results support or conflict with the online survey.

It is worth noting that the community consultation process was extended due to slower than anticipated response to the on-line surveys. The initial low uptake was

investigated by the PIACFC and anecdotal evidence suggested that the low response was a result of people's apathy regarding the project and disappointment in the lack of government commitment to developing an aquatic centre on Phillip Island. As a result significant effort was directed into promoting the survey and its importance and this resulted in very high participation.

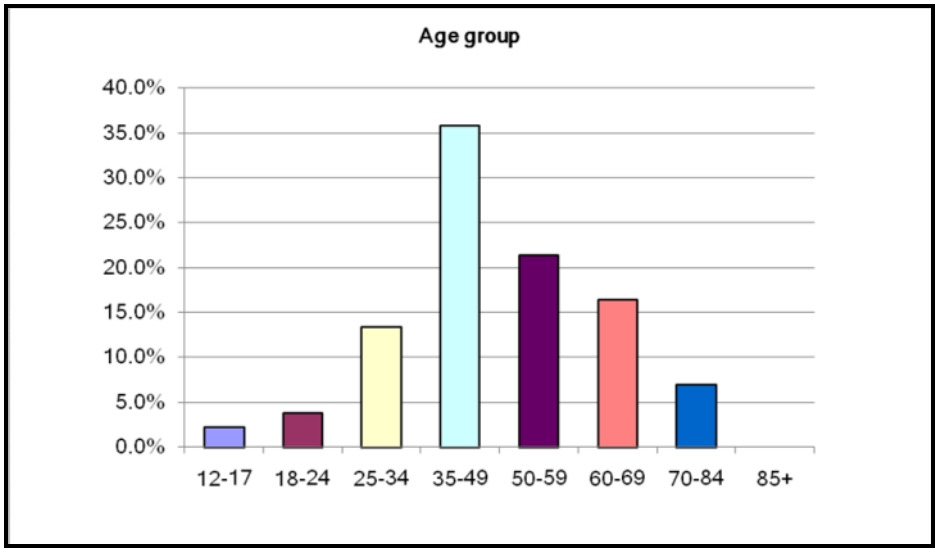
As previously noted nearly 8% of the Phillip Island and San Remo catchment population completed the survey. In comparison, a similar survey conducted regarding an aquatic centre within Surf Coast Shire generated a survey response of less than 3%. Similarly, an online survey for the development of an aquatic centre within the Mt Alexander Shire generated a catchment response of 1.3%.

The high level of responses indicated to the PIACFC and the consulting team that there remains a high level of interest in issues relating to the development of an aquatic centre on Phillip Island.

3.1.3 Key Findings and Implications

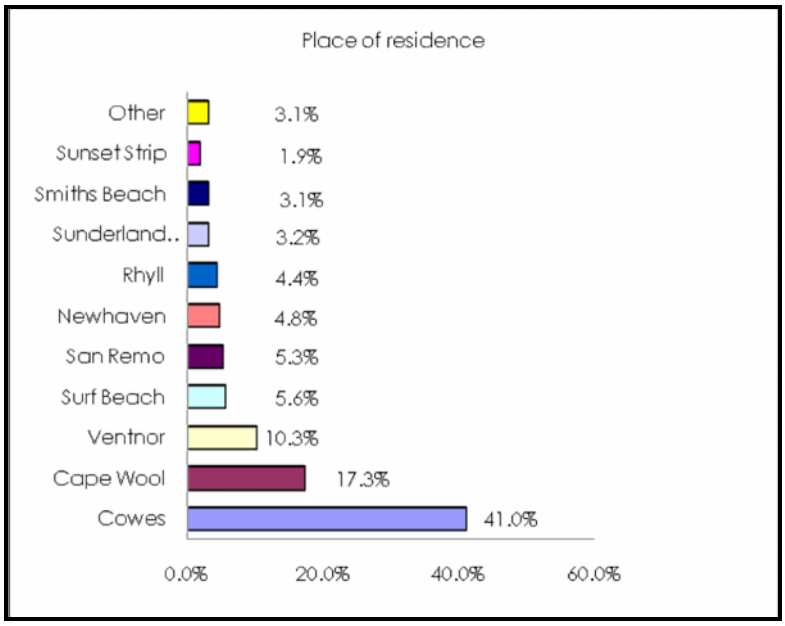
Survey respondent information

- The majority of respondents (35.8%) were in the 35 – 49 year age group.
- Those between 50 and 59 year represented 21% of respondents and those over 60 were 23% of respondents.
- The 25 – 34 year age group represented only 3.8% whilst the 18 – 24 age group (5.9%) and 12 – 17 were also represented by relatively low response levels.
- The majority of respondents (67%) were female.



Place of residence

The majority of respondents were from Cowes (41%) with the next largest number of responses coming from the Cape Woolamai area.



Satisfaction with current level of facility provision within Bass Coast.

Survey respondents were asked to rate their overall satisfaction with the current aquatic facilities within the Bass Coast Shire.

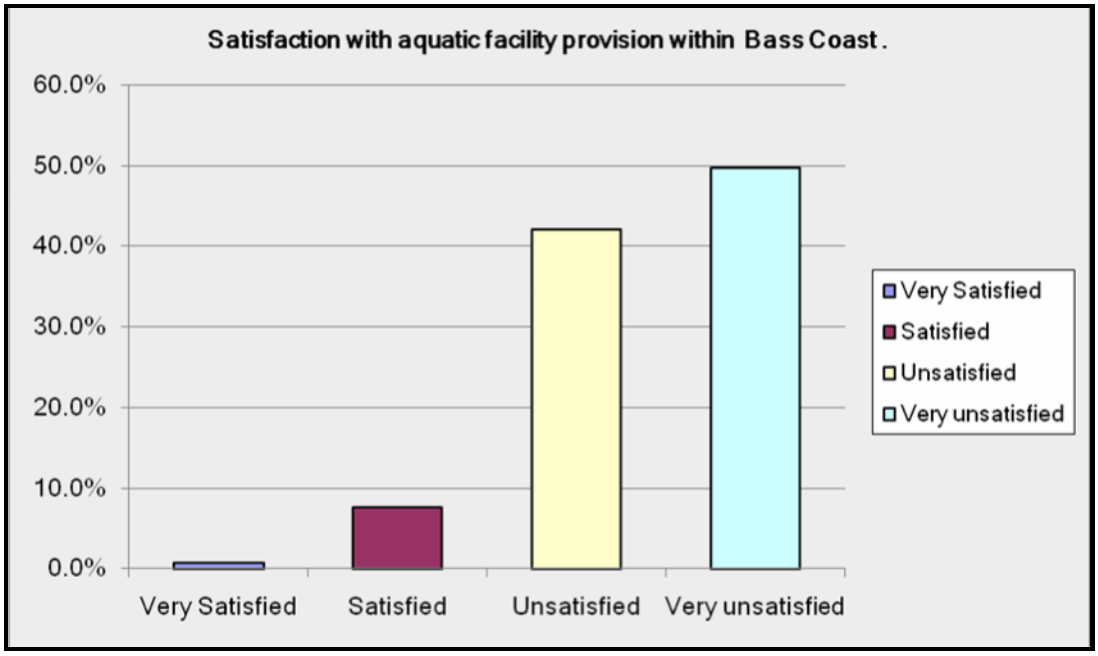
- 91.7% of respondents were either d (42.1%) or very unsatisfied (49.6%) with aquatic facilities within Bass Coast.
- 7.6% of respondents were satisfied and
- 0.7% of respondents were very satisfied.

In comparison, respondents to the independent random phone survey recorded the following results:-

- 82% were either unsatisfied (58%) or very unsatisfied (24%).
- 18% of respondents were satisfied.
- No respondents stated that they were very satisfied with the level of aquatic facility provision with the Bass Coast Shire.

Whilst there is some variance between the online survey and the random telephone survey results, we are confident that the general view of the community has been captured.

The responses to both survey methodologies indicate that community satisfaction in relation to the provision of aquatic facilities is very low. The PIACFC and the consultant team concluded that these results represent a gap between the community's expectations and the level of facilities currently being provided within Bass Coast.



Importance of an Aquatic Facility to be constructed on Phillip Island

Survey respondents were asked to rate the importance of constructing an aquatic facility on Phillip Island.

- 82.7% of respondents stated that it is extremely important for an aquatic facility to be built on Phillip Island.
- 14.9% stated that it was very important.

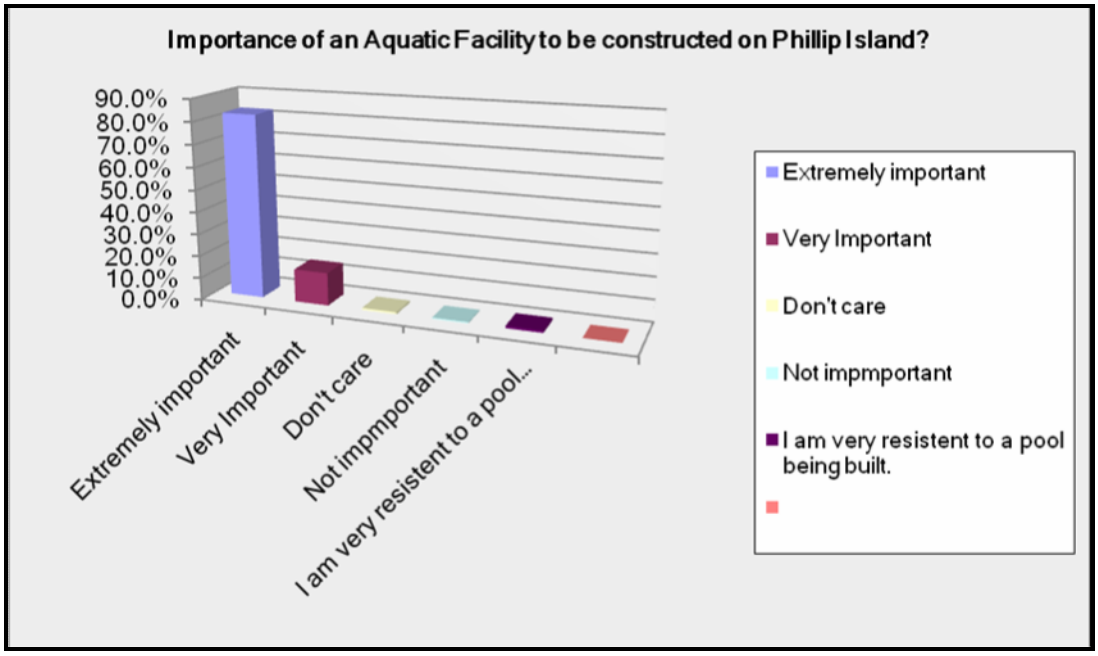
  In contrast only:

- 1% of respondents were very resistant to construction of an aquatic centre,
- 0.5% stated that it was not important and 0.9% stated they didn't care.

Respondents to the random telephone survey recorded the following results

- 94.1% of respondents stated it was either extremely important (51%) or very important (43%) for an aquatic centre to be constructed on Phillip Island.
- There were no respondents that were very resistant to a centre being constructed.
- 2% stated they didn't care and 3.9% stated that it was not important for a centre to be constructed on Phillip Island.

The comparison between the survey methodologies suggest that the prevailing community view is that the provision of an indoor aquatic facility on Phillip Island is either very important or extremely important.



Increased rates to pay for an aquatic facility on Phillip Island.

Survey respondents were asked if they would be prepared for council rates to increase up to 7% each year to help fund the provision of a new aquatic facility on Phillip Island.

On-line survey respondent results.

- 41.9% stated that they would be happy to pay additional rates.
- 58.1% stated that they wouldn't.

Random phone survey results.

- 56.9% stating that they would be prepared to pay an additional 7% per annum and
- 43.1% stating they would not.

The PIACFC and the consulting team concluded that there is reasonably high support for an aquatic centre to be funded through additional rate charges. The PAIC however does not suggest results indicate that a 7% increase should be implemented. However it does indicate to the PIACFC and the consulting team that an Aquatic Centre Rate Charge at a lower level could be considered and further investigated as an option for funding aquatic facilities within Bass Coast.

Funding options

Survey respondents were asked to consider a number of funding options for the development of a new aquatic centre.

- The majority of respondents (80.9%) to the on-line survey believe that funding should be a mix of local, state and federal funding.
- 5.3% believe it should be fully funded by Bass Coast Shire.
- Other responses were private developer 2.6%, community partnerships 0.7% and community fundraising 2.9%, 8.4% did not know which was the most appropriate funding model.

The random telephone survey produced similar results with 89.6% stating that a mix of government funding was the best model and only 10.4% believing that the Bass Coast Shire should fully fund construction of a new aquatic centre.

Barriers to use of current aquatic facilities within Bass Coast Shire

Survey respondents were asked whether there were any reasons they do not use the current aquatic facilities within the shire. Respondents were able to nominate multiple options. The results were as follows

- 68% of respondents stated that it takes too long to get there (Wonthaggi Aquatic Centre).
- 48% stated that the cost of travel is a reason that limits use of current aquatic centres.
- 21% stated facility overcrowding (at Wonthaggi)
- 21% said an inability to access private facilities on Phillip Island.
- Other barriers to use included facility components that don't meet user needs (18.9%), programs range (10%) and program overcrowding (8%).
- Interestingly only 5% of respondents rated cost of entry as a barrier to increased usage and 2% stated that they were not interested in using a swimming pool.

It is interesting to note that respondents to the telephone survey also stated that travel time was a reason why they do not use the shire's aquatic centre more often (68%).

Other key issues were:-

- Facility components that don't meet user needs (32%),
- Inability to access private facilities (21%),
- Cost of fuel (17%) and facility overcrowding (8%).
- 6% of respondents stated that cost of entry was an issue for them
- Whilst 8% were not interested in using a facility.

The results of the on-line survey and the random survey suggest that the most significant issue that prevents respondents from utilising Council's Aquatic facilities is the distance to the Centre.

Overcrowding, the limited program range and a lack facility components to meet user needs are also significant in terms of barriers to increased usage.

Aquatic Centre usage patterns

Survey respondents were asked to record their current usage of the Wonthaggi Aquatic and Leisure Centre and also to identify their likely usage of an aquatic centre on Phillip Island. The table represents the data obtained through the on-line survey.

Online survey results

Aquatic Centre Usage	Current Wonthaggi Aquatic Centre usage	Future Phillip Island Aquatic Centre usage
More than 2 times per week	21.6%	77.7%
1 per week	17.9%	13.6%
Less than 1 time per week	9.1%	4.6%
Rarely	28.5%	1.0%
Never or not sure	22.9%	3.2%

Participants in the random telephone survey were also asked the same questions. The table below represents the data obtained through the random telephone survey.

Random telephone survey results

Aquatic Centre Usage	Current Wonthaggi Aquatic Centre usage	Future Phillip Island Aquatic Centre usage
More than 2 times per week	12.3%	58.3%
1 per week	5.3%	33.3%
Less than 1 time per week	12.3%	6.3%
Rarely	19.3%	2.1%
Never or not sure	50.9%	0.0%

The consultation identified that those who participated in the online survey are higher users of the Wonthaggi Aquatic Centre than those who participated in the random telephone survey. This is not unusual as those using the Wonthaggi Aquatic Centre would be more likely to participate in a survey regarding the development of an aquatic centre on Phillip Island.

However, what is of interest is that the respondents who participated in the random phone survey stated that their usage would increase significantly following the construction of an aquatic centre on Phillip Island. At present 15.6 % of

respondents who participated in the random phone survey stated that they currently use the Wonthaggi Aquatic Centre at least once per week. However when asked about their likely usage at an aquatic centre on Phillip Island 91.6% stated they would use the centre at least once per week.

The conclusion that can be drawn from responses to each survey methodology is that the construction of an aquatic facility on Phillip Island would significantly increase the level of usage within the community compared with the current usage of the Wonthaggi Aquatic Centre.

Factors that would increase usage of aquatic facilities

Having identified the barriers to increased usage of aquatic facilities respondents were asked to rank in terms of importance issues that would encourage increased use of an aquatic facility.

- 72% of respondents stated the most important issue to increase usage was travel time of less than 15 minutes.
- Activities for kids and families were also rated extremely high
- A high quality facility, lap lane availability and programs such as hydrotherapy were rated as important.
- A quality gymnasium was considered to be desirable but not important in terms of increasing usage of aquatic facilities.

Respondents to the random phone survey

- 64.7% rated travel time less than 15 minutes as the most important issue to increase usage of aquatic facilities.
- Activities for kids and families were rated as extremely important,
- Lap lane availability, programs such as hydrotherapy and a high quality facility were rated as important.
- A quality gymnasium was rated as desirable but not essential.

The response to both survey methods clearly reflects that increased usage of aquatic facilities would occur if travel time to a centre was under 15 minutes. This supports development of an aquatic centre on Phillip Island.

Desired components of an Aquatic Facility to be developed in Phillip Island.

On-line survey participants were asked to rate, in terms of importance, potential facility components that could be included in a new multipurpose aquatic centre on Phillip Island.

On-line survey respondents rated the following elements as extremely important (see table below)

- a lap swimming pool
- hydrotherapy pool

- kids play pool
- a learn to swim pool
- group Fitness program room and a gymnasium
- Conversely, the spa, sauna and cafe were rated as desirable but not essential.

The random phone survey provided similar results with a lap swimming pool, hydrotherapy pool, a learn to swim pool being rated by the majority of respondents as extremely important components for an aquatic centre on Phillip Island. The kids play pool was rated as important as was the gymnasium and group fitness facilities. Whilst the spa, sauna and cafe were mostly rated as desirable but not essential.

Facility components required in the Phillip Island Aquatic Centre.

If a new multi-purpose indoor aquatic and leisure facility was developed, please rank what facility would you like to see included?	Extremely important - essential	Very important	Important	Desirable but not essential	Not important to me.
Lap swimming pool	69.4%	15.4%	10.5%	2.9%	2.2%
Hydrotherapy pool	39.0%	25.9%	18.2%	12.7%	4.4%
Kids play pool and activities	44.1%	25.9%	18.8%	5.3%	6.7%
Learn to swim pool	51.1%	23.9%	12.3%	6.2%	7.2%
Spa and Sauna	24.5%	16.5%	20.1%	25.9%	13.4%
Cafe	18.6%	18.0%	21.5%	31.7%	11.2%
Gymnasium and Group Fitness facilities	31.6%	18.1%	22.3%	19.3%	8.9%

The results of both survey methodologies provide a useful framework for considering the design options for a multipurpose aquatic facility. The community consultation indicates that the essential elements to be included in a new facility are a lap swimming pool, hydrotherapy pool, children's play pool and learn to swim pool with consideration given to the provision of a gymnasium and group fitness area.

These results will be considered along with other issues in determining the recommended design options.

Location of an aquatic facility on Phillip Island

Survey respondents were asked where a new multipurpose aquatic centre should be located on Phillip Island.

- 68.1% of respondents stated that the centre should be located midway between Cowes and San Remo.

- Cowes was the next most popular location (22.1%) followed by Newhaven (6%) and San Remo (3.7%).

These figures were generally supported by the results of the random telephone survey and clearly suggest that the preferred location for an aquatic centre would be midway between San Remo and Cowes.

Travel time to a new Aquatic facility.

Survey respondents were asked to nominate how far they would like to travel to access a new aquatic facility on Phillip Island.

- 62.4% of respondents stated that they would be prepared to travel 10 – 20 minutes.
- 31.2% were seeking a travel time less than 10 minutes.
- In contrast only 6.4% would travel 20minutes or more.

This information was generally supported by the random telephone survey.

Comments by survey respondents

Each survey participant was able to provide additional comments regarding the provision of an aquatic centre on Phillip Island. In excess of 500 respondents provided additional comments. The tables below represent a sample of the comments.

In reviewing respondent comments a number of themes emerged regarding the development an aquatic centre on Phillip Island

- To promote and facilitate community health and fitness.
- To meet the needs of the growing population.
- Poor quality of Wonthaggi pool.
- Children's water safety, swimming development and competition.
- To meet the needs of the community.
- It is too far to travel to Wonthaggi pool.
- We don't need a pool on Phillip Island.

Please note the comments of respondents are unedited and may contain errors in grammar and spelling.

TO PROMOTE AND FACILITATE COMMUNITY HEALTH AND FITNESS

Essential for Health & wellbeing of the Community
needs a allyear round facilty for people to use anytime during the year not only during very hot days
Because so many people like myself with arthritis and disabilities cannot afford to go to Wonthaggi every day which is something a lot of us would like to do
It would br really handy foe our retired population to promote healthy living
Community health and fitness,Social,Therapy,Local access would mean more frequent use,Large influx of visitors to island in season.

An Aquatic centre on the Island would benefit the whole Community health and Community health and fitness wise and socially. Unbelievable that it is taking so long to get this facility up and running.
Large retired population needs aquatic facilities for healthy aging and rehab and Community health and fitness
SWIMMING & water exercise are very important forms of exercise , a hydro pool is far more important that a kids play area & will be used alotmore -
I need the hydrotherapy or aquaerobics and am tired of travelling 48Ks to Wonthaggi. We are also member of Phillip Island Swim Club and desperately need a pool for the large number of children involved. many can't train throughout winter because their parents aren't prepared to travel to Wonthaggi.
Swimming is great exercise for older people, with little risk of injury. Also a lot of swimmers live on the Island ie the turtle smugglers
we live on an island surounded by dangerous surf ,every child should have easy affordable axcess to a all year round swim program ,at all levels. all our local schools should have a local pool to use. pool therapy is a vital part of the injured and elderly rehab as a growing aged car community it is vital. all humand should have easy acess to health facilitys ,in the long run it will mean less strain on the goverment health system. i could go on and on.
As a physiotherapist inCowes, many of my patients despetately require local,water based rehabiliation facilities to avoid timely and often painful tarvel times to Wonthaggi. As a clininc we would wish to run hydrotherapy classes there!!!!!
From a personal and rehabilitation view, it is an essential service that should be an option for all residents of Phillip Island, especially for the older generation. 'Live longer & stronger' is the current day motto. A work out in a pool is the best way to keep fit and stay strong. But let's go from the older to the younger. Everyday there's talk of young people running amok. Let's give them another avenue of interest. Keep young people active, interested and worn out - then they haven't got the energy to get into trouble.
Husband 75yrs, I'm 65yrs - I have lymphoedema, + o/weight - water excercise is the only vigorous activity I'm capable of all yr round - my husband's has cancer - swimming is ideal o/all excercise for us both.
Mainly for patients like me who benefit a lot from hydrotherapy and have to travel all the way to wonthaggi for it

TO MEET THE NEEDS OF THE GROWING POPULATION

To ensure swim ability for kids living at the beach. Phillip Island is a growing population that hasnt slowed... infustructure needs to keep up with growing demand... other areas in the shire are well catered for, how long are we expected to just keep travelling to get what we need and deserve also?
Service growing population with a facility which would be used by all ages for a variety of activities.

Swimming is a form of exercise that people of any age can perform. Our ageing population is growing
To meet the demands of a growing population
Growing community. Good for the family tourist when raining. Our community is getting fat and would hel. Large contingency of older folk that require rehab facilities
All weather non impact sport or activity essentilal for older population
To cater for the seniors who need to keep fit and healthy Cater for young families so kids can learn to swim safely.
Growing permanent population seeking a facility such as this. Overcrowding at Wonthaggi.
The Island is growing in population and this type of facility is becoming more and more necessary
There is a growing population of young families that need somwhere to swim at weekends and for the schools like Nehaven College to access. I cannot go swimming before work as I would like as I live in Cowes and Wonthaggi pool is just too far away.
To meet the needs of an increasing population and an alternative swimming facility throughout the year. An aging population would be able to participate in a variety of programs enriching and perhaps extending their lives. Creation of jobs and additional learning facilities. Rehabilitation facilities.
The permanent population is largely active & Community health and fitness minded, and with a love of living near the water it is important that all residents - young & old - have access to lessons, Community health and fitness & year round time in the water.There are also 4 schools in need of pool access that does not require a half day minimum away from class/school. This will promote wellbeing & safety for all.
Growth of the area. Attraction for tourists. As a healthy activity for the local kids to be involved in. We are surrounded by water and need ALL children to swim well.
Recent population increases highlights the need which includes increase in families with children who would use the Aquatic centre.
A growing population, especially during the summer months would mean a place to interact, keep fit, swim lessons etc without having to travel the extra distance to wonthaggi.
With an increasing population and the need for exercise ever important, all community deserves a high quality facility for recreation
population increase, ageing population, need to have basic preventative health facilities and rehabilitative health facilities
age of population, number of residents on Island

POOR QUALITY OF WONTHAGGI POOL.

Wonnni is Crap!
Wonthaggi Pool is over-crowded. Phillip Island has sufficient population - both fixed and floating - to easily support an Aquatic Centre.

Wonthaggi 25m Pool is old. Schools all travel off the Island for swimming. We need a 50m pool.
So we can have access to decent facialities without travelling up to 40 mins each way and then get there and still be overcrowded.
The wonthaggi pool is a disgrace and dangerous. An aquatic centre on Phillip Island is essential to accommodate the huge growth in population. It is a key element that is missing from the area. I prefer to drive to Leongatha or Narre Warren then use the Wonthaggi pool.
Wonthaggia pool is an overcrowded, delapidated and distant facility. The local community on Phillip Island has grown significantly and we have limited access to swimming facilities where learn to swim, swim training and lap swimming can be undertaken. Cowes primary pool was partly funded with cimmunity money beut reasonable access has been denied the larger community. It is wrong that a costal town where surfing is the primary sport of so many children that there is no facility for learning the basic life skill of swimming.
For a start - the amount of community effort, donations etc cleary show how much we want something on the Island. There is no safe swimming/learning for older kids, Wonthaggi Centre is old and dirty and I don't like going there. It would be used so much not only by locals, but by visiting families when the weather doesn't permit for the beach.
Wonthaggi Facilities are inadequate--often over crowded for lap swimmers. Huge To meet community needs here. Would also be another attraction for visitors when weather is bad.
The facilities in both bass and sg shire are appalling no childcare we currently travel to Hastings.
Wonthaggi only has one crowed lane for lap swimming. It is old and dirty.
Because Wonthaggi is Ferral. We would benefit from a pool!
Wonthaggi is crap and too far to go.

KIDS WATER SAFETY, SWIMMING DEVELOPMENT AND COMPETITION.

It is so important to teach swimming to the young and the old need this facility as a necessity.
great need for this place safe for kids
it is extrenely important for all childeren to learn to swim from an early age, Especially living in an island enviroment surrounded by water. An aquatic center is a safe place to swim for kids and a great way for people to stay fit and healthy, Including a Gymnasium and Community health and fitness/personal trainers would be an excellent idea.
As we live on a island we need to encourage all kids to swim.
to develap our kids and the disabled , aged care and so phillip island can produce the next thorpedo
It is good for everybody's health. It is v important on an island to have somewhere where toddlers can be taught to swim. Good wholesome entertainment for young people.

Wonthaggi is very limited for lanes. Our swimming club would have many more members if we had a facility. Access to the school pool is non existant outside of the season. Swimming lessons in wonthaggi are full of island kids.
kids learn to swim before entering ocean. too far to wanthaggi to swim regularly for Community health and fitness and relaxation.
Because it is very important to be swim fit when you live on an island
Lack of access to swimming classes for children of working parents. Lack of access to aquatic facilities for leisure activities. An aquatic centre would be valuable to alot of existing organisations and sporting groups, eg lifesaving clubs, football and soccor clubs as well as swimming clubs. As more people are making a sea change to the island the importance of a community facility is growing. Access for all, and swimming lessons for children are so important when surrounded by water.
give people, especially kids a place they can learn to swim and keep fit
To provide swim lesson for kids and adults at they lerisure time and not have to travel all the way to wonthaggi for a swims.
It's an Island and our children need to learn how to be strong swimmers---for this they need year long access to a good indoor 25-50mt pool, Plus we are major tourist resort without a pool!!
Because we are surrounded by water and the children frequent the beach and swimming is essential tool for life, and would also be a great option to keep fit during the winter
Being an 'island' with a forever growing population, good schools, lots of children I think It's vitally important that children can learn to swim, perhaps give the schools the opportunity for the students to compete & exercise. But also for the older population to be able to exercise. Swimming is such a great activity for all ages!
We have so many young families who all need to learn how to swim. It is imperative for all as we are surrounded by water.

TO MEET THE NEEDS OF THE COMMUNITY.

There is not one suitable Aquatic Centre anywhere nearby especially for use during winter months when the sea is no longer suitable.
Have lived here for 20 years my children missed out on having access to pool activities how about it for the next generation
An Aquatic Centre provides the ability for all ages and stages to improve and maintain their Community health and fitness, have fun, compete in competition swimming or learn to swim! Phillip Island requires an accessable Aquatic Centre to provide these facilities.
The island simply needs a communal pool
Because it is extremely important to have a local facility where people can swim for personal Community health and fitness and that teenagers can have an outlet for energy.
There is a broad range of aquatic needs on the island ranging from the very young to the elderly. Aside from those sports requiring peak Community health and fitness ie, football, tennis, cricket etc there is little else of quality covering the needs of individuals outside of these areas.
To meet the desperate need for a public full size swimming pool and the associated

activities
The cold climate requires an indoor pool facility and I can not belive that even with the size of the permanent population and tourist population - WE STILL DON'T HAVE A POOL!!!
I Believe the community of phillip island deserves an aquatic center, for the children, adults and elderdly. Having a aquatic center promotes health and well being for the comminuty, i have recently moved from a rural town similar to the population of the island. It was a positive step for the town, people had the confident to use the gym, with state of the art equipment and well trained staff. It will also give employment for people. I beleive it is important for the children to have access to a pool, there is no 50 m pool in the area.
there is not one in the area
An aquatic centre is absolutely essential and is just a necessary as a football oval, tennis courts, basketball courts and a golf course. To be able to provide the community with a facilitiy that caters to all age groups and abilities is absolutly essential for the size of this community. Even more so than facilities, such as the football oval etc that are available now. It is a gap that hinders all the community enjoying on all levels participation in a healthly recreation and also helps those who need a swimming pool for theraputic and healing reasons.
I have been coming to Phillip Island since I was 12 years old and nothing much has changed in this time .We need the goverment to support our community in their endeavours to create a multi purpose facility which will help the young and old to become more substanial (maybe the wriong word) ie. future sports icons, longer life span ,enjoyment ,early learning for new babies,family enjoyment the To meet community needss this facility
We currently have no central aquatic facility for our local schools, so for swim lessons, school lessons, swim sport carnivals. It is also a very social sport and would be wonderful for the young to swim but also for the elderly on the island as well, it is a wonderful exercise. Phillip Island is just that - an island, swimming is extremely important and we need a facility to promote this.
There isn't a decent 50m lap pool anywhere close to Phillip Island, and open water swimming is not an option for everyone.
The population requires an indoor all year round facility that caters to all age groups - BUT it needs to be on the Island so that time is not wasted travelling great distances (also getting in the car with kids that are wet and cold - is more desirable to be within a short travelling distance)

IT IS TOO FAR TO TRAVEL TO WONTHAGGI POOL.

There is no where to lap swim. We have to drive to Wonthaggi.
we need to have one as it is too far to travel to Wonthaggi to go for a swim.
There are many children having to travel away from Phillip Island,San Remo area to do lessons. Also the elderly would find it most benificial if one was near.
A year round, heated public facility is needed within reasonable travelling time. The older population needs this facility to be heated to a slightly warmer degree at certain times for exercise purposes. All these reasons were given years ago. Why are we wasting money re-inventing the wheel?

We have a great swimming club with dedicated parents who make the trip to Wongthaggi regularly - imagine how great the club would be if we had a facility locally. For those more than one child, it is much easier to attend swimming lessons at a pool where the child is able to stand up and therefore participate in the lesson without a parent, thereby freeing up the parent to look after other children. To my understanding, this is only possible at Wonthaggi YMCA. Also, for families, swimming is a great outing and form of exercise, which would be much more accessible if on the island.
I travel to Wonthaggi pool and I think it is too far to drive and costs a lot for petrol.Some of my friends can't go as their parents won't take them that far.
Because it is just too far to Wonthaggi
Wonthaggi is a fair distance, I would go more often if there was a pool closer ie on Phillip Island. I'm sure there is quite a need for swimming lessons especially for the schools.
1,Travel time to wonthaggi limits participation in Aquatic activities . 2.with a population rangeing from 8 to 80thousand and a major tourist destination it is unbeleivable there isn't a pool on the Island
long drive to wonthaggi ,little to do in winter
It's too far to travel to Wonthaggi after work, and coming home when you're wet puts me off using it. I have a condition that would benefit from a hydrotherapy pool - but travel is contraindicated for me - therefore, a pool on the Island would be beneficial.
most of the population of phillip island are older and do not have alot of money to spend on travel to wonthaggi to use there pool and many need it for medical reasons that is why we need it here
I think there would be a large demand for it and even though i have not lived here for long it seems that parents that have to keep running kids to Wonthaggi for swim activities are not happy doing it, the only do it because their are no other choices during the winter period. Some parents are there 2,3 times a week which is a lot of traveling time when this could be avoided if a swimming pool was available here in Cowes.
Phillip needs an aquatic centre on the Island due to transportation difficulties, high numbers of aged who would benefit greatly and also rehab clients who find travelling in cars difficult
Swimming is a great activity for Community health and fitness and rehabilitation. Wongthaggi is too far to travel for such a facility
the nearest pool is in wonthaggi which is 30 min drive and about $ 15 a trip in petrol, the local beach is not an alternative for swimming activities (safty and possible times of use restricted by wheather)
we do have to go to wonthaggi to often. rising fuel cost will prevent a lot of people using the entre in wonthaggi.

WE DON'T NEED A POOL ON PHILLIP ISLAND

I dont believe that it does. Wonthaggi is only a 30 minute drive and Phillip Island needs more important things than another white elephant centre that will only lose money like every other local aquatic centre does (Wonthaggi, Leongatha)
With the beach and school facilities on hand, an excellent facility in Wonthaggi, improved public transport now in place, I don't think there is a need.
It doesn't, we're surrounded by water, has anyone considered the maintenance costs ongoing? Building it is one thing, keeping it wonderful will be beyond the budget of community resources

3.1.4 Summary of community consultation

Community dissatisfaction with current Aquatic Provision

- There is a high level of dissatisfaction within the Phillip Island and San Remo Community with regard to the provision of Aquatic facilities within the Bass Coast Shire with 91% of respondents either dissatisfied or very dissatisfied.

Community demand for an aquatic centre on Phillip Island

- There is a high level of demand for an aquatic centre on Phillip Island with 82% of respondents stating it is extremely important.

Current Travel time impact on usage

- The greatest barrier to use of aquatic facilities is the travel time to the Wonthaggi Aquatic Centre.

Increased usage

- The construction of an aquatic centre on Phillip Island would see a significant increase in use of Aquatic Centre activities within the Shire.

Council rate increase

- Nearly 50% of respondents would be willing to pay additional council rates of up to 7% per annum to fund an aquatic centre on Phillip Island.

Funding mix

- The funding should be through a mix of local, state and federal sources.

Facility location

- A new facility should be located midway between Cowes and San Remo.

Facility components

- The types of components that should be included in a new facility development are a lap swimming pool, hydrotherapy pool, kid's play pool and learn to swim pool.

Summary

It is reasonable to conclude that the current provision of aquatic facilities within the Bass Coast Shire prevents some members of the community from participating in aquatic activity and also that there is a high level of dissatisfaction with the current

aquatic centre provision. Conversely, the community consultation process has clearly identified that there is significant community support for the development of an aquatic centre on Phillip Island and that its provision will result in increased aquatic activity levels in all sectors of the community.

3.2 SCHOOLS CONSULTATION

Discussions were held with 4 schools in the immediate catchment area – San Remo Primary School, Newhaven Primary School, Newhaven College and Cowes Primary School. The findings of the consultation are represented by the feedback below.

With the exception of Cowes Primary School, which has its own pool, each school expressed that the level of activity in aquatic education activities is lower than is desirable.

Newhaven Primary School stopped running an aquatic education program for students following the closure of the Silver Water Resort pool to non guests. Lessons had previously been conducted at Wonthaggi Aquatic Centre but the travel time and the lack of appropriate lane availability resulted in lessons being ceased at that venue. The teachers now believe that almost 50% of the children at the school cannot swim to a level that reflects the aquatic risks of a seaside area. They have tried to access Cowes Primary School but there is limited lane availability. They believe that the construction of an aquatic centre on Phillip Island is a necessity if children are to learn basic aquatic safety skills.

San Remo students participate in aquatic education activities at the Wonthaggi Aquatic Centre 4 times per year. In many cases these lessons are the only time children undertake aquatic education activities. It is estimated that at least 10% of students have no water familiarisation experience by the time they attend school. They would like to offer more opportunities for students but the 3 hours round trip impacts on other programs. It was felt that the construction of an aquatic centre on Phillip Island would result in a significant increase in aquatic education opportunities for San Remo students.

Newhaven College utilise the Wonthaggi Aquatic Centre for swim lessons. 175 students participate in 8 lessons each year. However, the 3 hour round trip is extremely disruptive to other programs. The program for senior school students is limited due to accessibility and travel time issues. The school feels that the construction of an aquatic centre on Phillip Island would result in a significant increase in aquatic activities and programs conducted at the school. This would involve conducting swim squads, expanded aquatic education program and expansion of courses offered in the senior school.

Students at Cowes Primary School have high levels of access to the pool located on the site. Programs are run in both terms 1 and term 4 and students experience nearly 20 hours per annum of aquatic education programs. Cowes Primary School is satisfied that the students at the school receive adequate aquatic education instruction and are well prepared to safely swim in the bay and patrolled open beaches.

Summary

There was genuine concern that the low level of aquatic education programming at Newhaven Primary and San Remo Primary fails to provide children with the necessary skills to minimise the risk of drowning associated with living in an area surrounded by sea. It appears there should be opportunities for all schools in the area to further utilise the Cowes Primary School and this should be explored further in the short term. However, until a year round indoor facility is created the travel time to Wonthaggi Aquatic Centre will continue to limit aquatic education opportunities for children who attend school in the Phillip Island and San Remo district.

3.4 PHILLIP ISLAND SWIM CLUB

The Phillip Island Swim Club (PISC) currently conducts programs at the Wonthaggi Aquatic Centre from the start of term 2 to mid November. The program then relocates to Cowes Primary School for the summer season.

Lane availability at Wonthaggi is limited due to competing demands of other clubs and programs including the Wonthaggi Swim Club, Phillip Island Swim Club and the YMCA Aquatic Education program. The lack of lane availability limits growth of the club and also impacts on the number of sessions in which swimmers can participate. There is a waiting list for children to join squads but no additional lane availability.

The PISC identified the following impacts as a result of the current provision of aquatic facilities within the shire:-

- Some children miss out on the opportunity to participate in swim squads particularly at the pre squad level. Issues of obesity in the community are significant and the club believes it is extremely disappointing that children who want to exercise are restricted from doing so because of inadequate facility infrastructure.
- The lack of training times limits capacity of children to reach their potential. Those that want to take their swimming to a higher level have to travel to Narre Warren or Cranbourne each day. This can result in them having to leave the local community.
- The travel time becomes a real challenge for parents and children over the years and leads to an earlier "drop out" than would normally be expected.
- When the program is located at the Cowes pool the number of squad opportunities increases as does overall participation.
- An all year round indoor pool on Phillip Island would dramatically increase the opportunities available to kids, increase the profile of the club in the community and result in increased participation

3.5 HEALTH SERVICE PROVIDERS

The team held discussions with a number of health service providers in the catchment. The findings of this consultation is summarised below:

- Specialist hydrotherapy facilities would be essential in any new facility. Medical practitioners such as doctors, physiotherapist, chiropractors, osteopaths and remedial masseuses have patients who require hydrotherapy pool access. They believe this would result in significant use of any hydrotherapy facilities.
- They support the development of a new aquatic centre in order to support physical activity participation and help fight obesity and other health issues associated with inactivity.
- It is more cost effective (for the community and government) to invest in facilities and infrastructure that support physical activity participation than the health costs involved in treating disease and conditions associated with prolonged inactivity.
- They are concerned about the current lack of appropriate local indoor aquatic and leisure facilities and the impact this has on local health issues and rehabilitation opportunities.
- There may be demand for allied health consulting suites as part of any new facility. However this needs to be tested with the private sector.
- The distance to the Wonthaggi Aquatic and Leisure Centre is a barrier to increased usage and disadvantages many older adults, people undergoing rehabilitation and those with chronic diseases such as diabetes.
- Warm water hydrotherapy activities can only be accessed once per week at WAC on a Wednesday. This is inadequate and causes too much disruption to other users.
- There is limited public transport to the Wonthaggi Aquatic Centre. This has an impact on overall accessibility to aquatic programs.
- Concession pricing programs need to reflect the capacity of people with limited income to afford to access facilities. Current concession pricing is a little high.

3.6 PHILLIP ISLAND AQUATIC CENTRE FUND COMMITTEE (PIACFC)

An equally important part of the consultation process was to provide a voice to the PAIC regarding their identified reasons for the development of an aquatic centre on Phillip Island.

The position of the PIACFC can be summarised by the following points:-

- The continued growth of the local population.
- The aging population and the need for passive, low impact exercise opportunities such as hydrotherapy.
- The growing incidence of obesity and diabetes in the community and the opportunity aquatic activities provide in terms of non weight bearing activity.
- Necessity for children to learn to swim, particularly living on an Island
- Current inadequacies of Wonthaggi Aquatic and Leisure Centre in terms of lane availability and program range.

- The requirement to travel to Wonthaggi is a significant barrier in terms of travel time and fuel cost.
- Future increases in fuel costs will further limit accessibility.
- Precedents from other LGA's for providing similar facilities for similar towns/regions.
- The contribution the facility will make to the sense of community and the capacity to develop a community hub for the Island.
- Likely positive impact on tourism.
- To support youth development.
- Address aquatic educational needs.
- Support local employment.

3.7 PHILLIP ISLAND ADVENTURE RESORT

The Phillip Island Adventure resort is a key stakeholder in the potential development of an aquatic centre on Phillip Island. They represent an opportunity to deliver a significant market to the facility and they have also provided land for a potential development of the aquatic centre.

Approximately 23,000 children use the resort each year. The majority stay for 2 nights and 3 days. It is anticipated that each child will use the centre once per visit to the resort and be charged $4.00 per visit. This will generate $92,000 per annum net revenue. This revenue is additional to revenue that is traditionally generated in an aquatic centre and will significantly enhance the net performance of the centre.

There are also 20,000 visits by adults for conferences and holidays. It is anticipated that a minimum of 2,000 of these will access the centre providing an additional $10,000 income.

The anticipated usage by Adventure Resort users is relatively conservative but has been done following consultation with resort management who have a good understanding of their customer base.

In total it is likely that the Adventure Resort will deliver net revenue to the aquatic centre in excess of $102,000. This is a significant revenue benefit and will offset some of the potential losses incurred through operation of the centre.

4 COMMUNITY PROFILE AND CATCHMENT ANALYSIS

For the purposes of the study the analysis of catchment for the facility focused on the Phillip Island and San Remo area. This catchment represents the areas where key users will live and is the most densely populated in close proximity to the proposed facility. The Wonthaggi area was not considered as part of the study due to travel distance and times and the fact that Wonthaggi is currently serviced by the Wonthaggi Aquatic Centre.

In the 2006 census the population estimate for Phillip Island and San Remo area was 8476. Current ABS data suggest that the population in 2009 was 9452. The growth in population is 982, which is an increase of in excess of 10% with annual growth of approximately 3%. Continued growth at approximately this level will result in population of approximately 11,200 by 2015 and 13,000 by 2020.

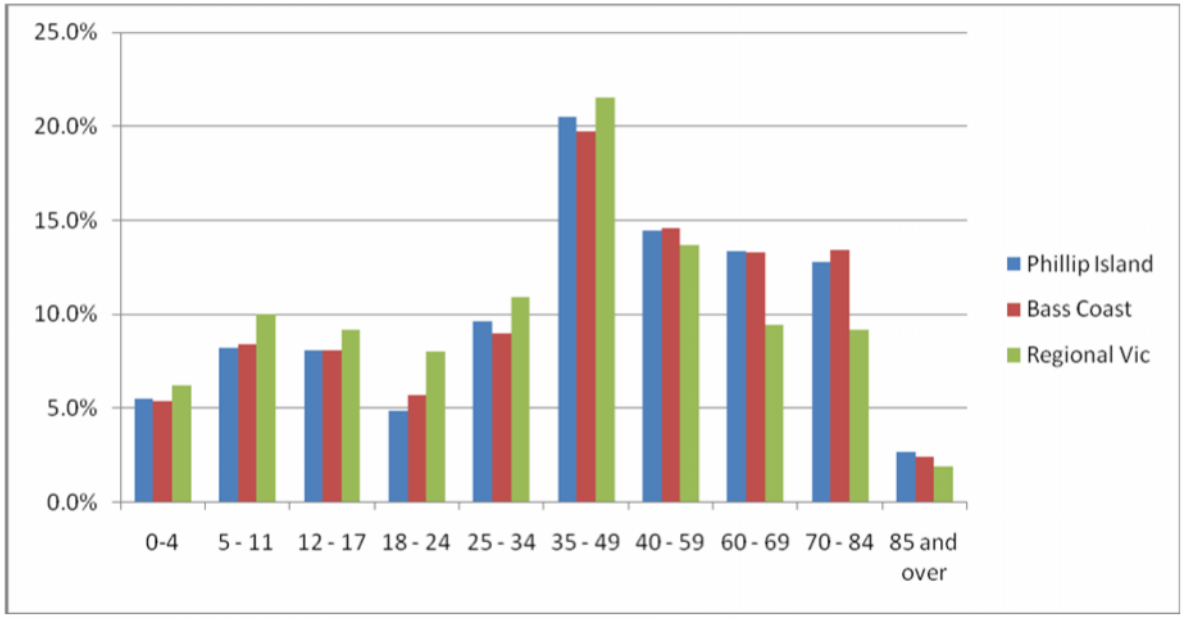
4.1 AGE PROFILE

Phillip Island, Bass Coast and Regional Victoria comparison.

The table below compare the age profile of the Phillip Island catchment with Bass Coast and regional victoria.

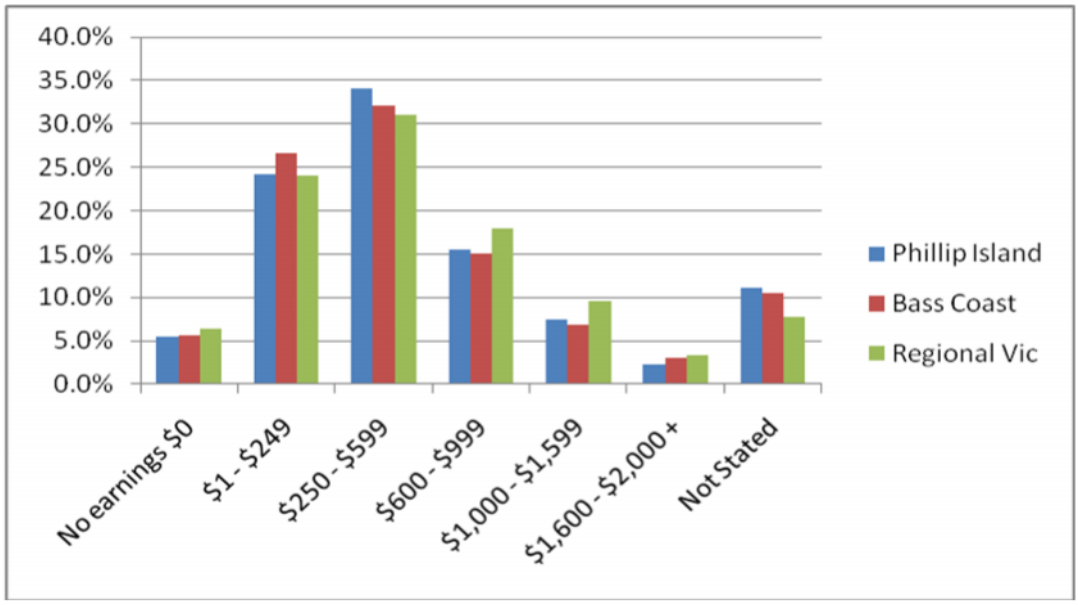
The profile of the Phillip Island and Bass Coast are relatively consistent. There is a significantly higher proportion of adults over 60 with both Bass Coast and Phillip Island in comparison with regional Victoria. This suggests that there is and will be an ongoing requirement to provide hydrotherapy and low impact exercise opportunities to meet over 60 cohort.

It is important to note that whilst population projections were not available, each of the schools involved in the consultation expect enrolments to increase over the next 10 years. Newhaven College expects enrolments to increase by approximately 250 (38%) over the next decade.



4.2 INCOME LEVELS

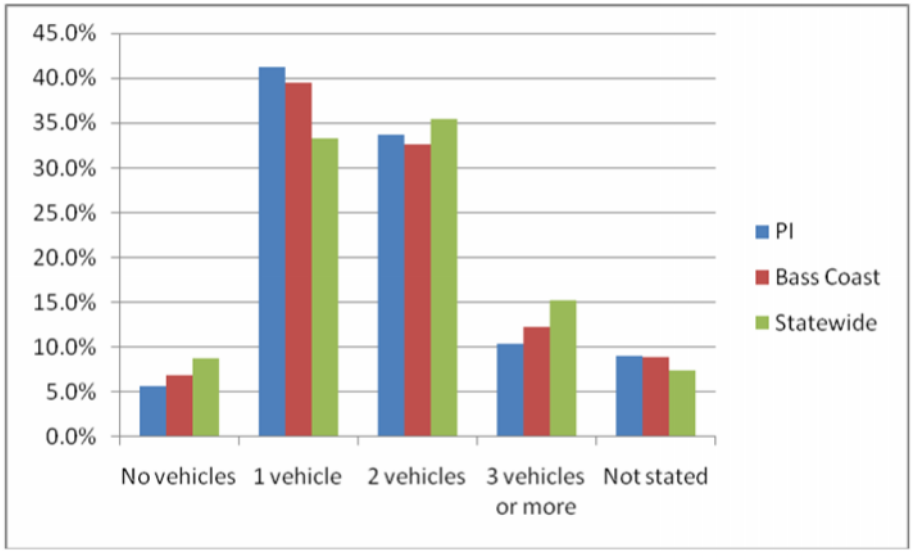
Income levels in the Phillip Island catchment are slightly higher than Bass Coast but generally lower than regional Victoria. There is a high number of people on low to medium incomes suggesting concession pricing strategies will be important to ensure accessibility.



4.3 MOTOR VEHICLE OWNERSHIP

The table below compares the car ownership within the Phillip Island catchment with Bass Coast Shire and entire state of Victoria.

The data indicates that there are a higher proportion of households on Phillip Island with at least 1 motor vehicle compared with the rest of Victoria. This statistic reflects the need for vehicles as a mode of transportation and reflects the relatively small number of public transport opportunities that exist within the shire. This suggests that access to the site will be mainly by car. Therefore traffic management and parking requirements will need to be carefully considered during design development. However, it is important from an accessibility perspective that public transport services link the proposed centre with key communities. It should be noted that the proposed location on the main road between San Remo and Cowes should ensure existing transport services could be adapted to provide access to the centre.



4.4 STRENGTHS AND WEAKNESS OF THE CATCHMENT

Strengths

- The high level of older adults who have a need for hydrotherapy and passive, low impact exercise facilities. They have the time to participate in these activities and there has been significant growth in exercise activity within this cohort over the last 5 years.
- The continued growth of school age population and the opportunity this presents for learn to swim classes and associated revenue.
- Continued growth of the catchment.

Weakness

- A small catchment that will require a substantial annual operating subsidy.

5 MARKET ANALYSIS

5.1 LEARN TO SWIM PROGRAM PROVISION

In recent years Phillip Island and San Remo residents have accessed learn to swim programs at private backyard pools, Silverwater Resort and Wonthaggi Aquatic Centre (WAC). Lessons are no longer available at the Silverwater resort and there is a significant waiting list for lessons with private operators. It also appears the program is at capacity in the peak evening and weekend times and there is a waiting list for children to be enrolled.

In summer an intensive program (VICSWIM Summer Kidz) has been conducted by Vicswim at the Cowes Primary School. Vicswim no longer runs these programs due to a loss of government funding. The YMCA will conduct a summer program this year. However there is no guarantee that it will be run in the future. The program caters for a relatively small number of children and is conducted when many local residents are on holidays or involved in other activities.

It is unlikely that current private pool operators will be able to meet the growing demand for aquatic education on Phillip Island. Further there is limited capacity for growth at the WAC without further negative impact on swim clubs and lap swimmers.

Reliance on private operators to meet the aquatic education and aquatic safety needs of the community is somewhat risky. There have been periods in the past where providers have exited the market and left no aquatic provision in the catchment. If this were to occur in the future many more children would miss out on lessons and further pressure will be placed on the already overcrowded Wonthaggi Aquatic Centre.

5.2 WONTHAGGI AQUATIC CENTRE

Whilst it is not the purpose of this report to analyse performance of the Wonthaggi Aquatic Centre, it is important to highlight a number of challenges the centre has in meeting the needs of users.

There is limited lane availability during the evening peak period. This has an impact on accessibility, participation numbers and revenue generation. Specifically, the limited lane space has a negative impact on

- Children unable to access aquatic education programs and limited flexibility within the program to meet the needs of families with multiple children on the same night.
- Local swim clubs unable to access lane space when they need to. As a result children do not meet their potential and some have to go on waiting lists to join squads.
- Overcrowded lap lanes leading to customer frustration and dissatisfaction. This eventually results in swimmers ceasing swimming in winter and swimming in the open water in summer. This result in revenue loss to the centre when compared to all year use that would occur if swimmers needs could be consistently met.

The multi-purpose nature of the pool results in it trying to meet the needs of diverse customer groups. For instance increasing the temperature of the pool for hydrotherapy exercise classes each Wednesday has a negative impact on swim squads and lap swimmers. The hydrotherapy temperature can be too warm for high intensity activity and further impacts on satisfaction levels of these user groups. Further, whilst the shallow end depth is suitable for the learn to swim program it is too shallow for lap swimmers who frequently hit the bottom of the pool with their stroke.

Narrow lap lanes contribute to a sense of overcrowding as there is no opportunity to pass slower swimmers. Any more than 3 swimmers per lane is uncomfortable and further impacts on satisfaction levels and overall facility usage of lap swimmers.

To meet the needs of the Bass Coast community the Wonthaggi Aquatic Centre requires a major facility upgrade. However, whilst a facility upgrade will meet the needs of part of the community, other sections of the Bass Coast community will continue to be excluded from use due to issues associated with travel time, distance and facility overcrowding.

5.3 COWES PRIMARY SCHOOL SWIMMING POOL

The Cowes Primary School pool is an ageing facility that has a number of issues that prevents high levels of community use.

The temperature of the pool is relatively low except during the height of the summer. The cold temperature is not suitable for aquatic education classes. The colder pool temperature also prevents introduction of low impact exercise classes for older adults.

The change rooms are poor quality and do not meet disability access requirements and the pool plant would require upgrade if participation increased significantly. Furthermore, swimmers frequently touch the bottom of the pool at the shallow end.

Inconsistent opening hours negatively impact on participation. Lap swimmers in particular and aquatic facility users in general, like to plan their exercise activity in advance and develop weekly routines. As the pool only opens when the air temperature is forecast to be above 24 degrees Celsius, it becomes too difficult for people to develop a routine and many simply do not use the pool as a consequence. Facilities that have consistent opening hours attract higher usage than those that are temperature dependant.

In the short term participation at the pool could be increased by introducing consistent opening hours and improving community awareness. Minimum opening hours could be 6am – 9am and 4pm to 8pm and from 8am to 12 noon on weekends. Opening hours could be extended on hot days if needed. In the long term the Cowes pool would need a complete refurbishment to meet the needs of the local community.

5.4 MARKET SUMMARY

Disregarding previous issues noted around travel to Wonthaggi Aquatic Centre current aquatic facility provision within the shire is unable to satisfactorily meet the needs of the community.

There is unmet demand for aquatic education programs, lap swimming is inadequately catered for due to overcrowded and unsuitable pool depth and lane width. Swim squad demand is unmet and there is minimal provision of warm water exercise opportunities for older adults and patients requiring water based rehabilitation. Furthermore, there is an unhealthy reliance on small backyard operators to meet the aquatic education needs of the Phillip Island and San Remo community.

6 FACILITY ELEMENTS

6.1 TRENDS IN AQUATIC FACILITY DEVELOPMENT

Based on the experience of the consultant team several "general" trends were considered relevant in considering the recommended facility development options.

6.1.1 Warm Water Exercise

Physiotherapists, General Practitioners, personal trainers and other healthcare professionals are increasingly prescribing aquatic exercise programs for their patients. Studies have demonstrated the benefits of aquatic exercise for rehabilitation, injury prevention, and pain management. Arthritis patients have an increased range of motion and more flexibility in water, allowing them to improve their physical condition. Water based exercise is also easier on the joints of the increasing number of community members suffering from obesity.

As the population ages, it is expected that the demand for aquatic therapies will continue to grow significantly in the future. In response to the increased need for hydrotherapy opportunities, recently developed community facilities have included warm water and areas designed to support hydro programs.

The current interest in health and well-being is attracting greater numbers of people to the water. Aquatic exercise is reported to have a higher percentage of growth in participation than all other forms of aquatic activity.

6.1.2 Reduction of Outdoor Aquatic Facilities

Local Government Areas (LGA's) across Australia face increased costs for services and increased service requirements but stagnant revenue. This has forced sport and recreation departments to make changes in the delivery of leisure and recreation services. This is especially true for outdoor aquatic facilities, which have historically required substantial operating subsidies. To lower operating costs, Rural LGA's are consolidating resources into larger all-inclusive aquatic facilities.

Regional Aquatic Centres can provide greater services for less operating cost per user. The centralisation of facilities is seen not only with new facilities that are being developed nationally, but also with the number of redevelopments that remove the traditional 50m pool and replace it with a two or three pool complex.

6.1.3 Water Play Areas

The latest trend in providing aquatic recreation is the water play areas. These water playgrounds incorporate various types of water elements including sprays, fountains, interactive play area and major attractions such as water slides and wave pools.

These activities have seen a significant increase in usage of aquatic facilities by families with young children. Anecdotal evidence also suggests that water play facilities are complementary to aquatic education programs and lead to increase enrolments in swim lessons.

6.1.4 Health Clubs (Gyms), Spa, Sauna & Café Amenities

Another trend in the design of aquatic facilities is the addition of site amenities that transform a swimming pool into a recreation destination. Pool operators report that customer satisfaction, length of stay, and attendance are greater with increased space and complementary amenities.

6.1.5 Universal Access

Changes in Government legislation in regard to disability access now require modern facilities to have ramp access into pools, hoists and accessible toilets and change facilities. Indoor heated pools are widely used by disability groups and individuals. Modern facilities are now more accommodating of families in the design of change rooms that specifically cater for their needs.

6.1.6 Allied Health

There is a trend towards the provision of health and therapeutic services within new aquatic facilities. These services include: Health consultancies, weight loss and therapeutic services linking in worker and accident rehabilitation patients to use the range of facilities with centre memberships paid by relevant authorities. On site Sports Medicine Clinics including the development of consulting rooms, with patient access to health and fitness pools, has also emerged in the past decade.

6.1.7 Environmentally Sustainable Design

In recent years there has been a clear indication that the broader community now places importance on minimising the impact on the environment. Aquatic facility developments are now expected to include a range of sustainable design initiatives.

Sustainable design features that are being included in contemporarily designed aquatic centre include:

- Water and power efficient appliances and fixtures and fittings;
- Harvesting of rainwater; and
- Reuse of pool filtration backwash water using reverse osmosis that saves 90% of backwash water and returns 75% of the total backwash volume to the pool.

6.2 AQUATIC COMPONENT ISSUES

Aquatic spaces by nature are relatively inflexible due to depth and temperature requirements of users and user groups. Ideally each facility developed will have specific spaces for each of the key aquatic uses whether it is lap swimming, learn to swim, hydrotherapy or leisure. However, capital budget and site constraints generally conspire to require facility developments to implement some form of compromise when it comes to aquatic provision.

In determining the appropriate mix and configuration of aquatic spaces it is first essential to identify the key purpose and objectives of the centre and the targeted users of the centre in the future. Clarification of these issues will enable facility planners to identify key priorities for aquatic spaces and combine these with

demand data to determine the overall aquatic mix within the available capital budget.

The table below has been developed to highlight some of the issues relating to customer requirements for aquatic spaces and can be used as the basis for understanding the impact of aquatic design options on customer experience. It should be noted that the table only provides upper level, generic information and that all factors relating to the project would need to be considered and understood prior to recommending and developing the most appropriate design outcome. The information in the tables below has been simplified for the purpose of discussion and does not detail all impacts and issues relating to customer behaviour and requirements.

Lap Swimming Pools (25 metre and 50 metre)	
Target market • Lap swimmers for fitness • Masters swimmers • Triathletes • Swim Club • Junior squads • Learn to swim classes • Recreation users • Competitions Financial consideration • Generally low net revenue generation capacity. Other issues • 1.2m is ideal minimum depth for tumble turns however many centres have minimum depth of 1m. • Generally require a 1.5m minimum depth for diving under supervision. • Swim clubs and competitive swimmers may like temperature to be slightly lower at approximately 25 degrees. • 50 metre pool is more appropriate for lap swimming but many swimmers will be satisfied with 25m pool if temperature, lane availability and lane width are appropriate.	Positive impact on customer experience • Water temperature 25 - 27 degrees • Pool depth - Minimum 1.2m • Lane width 2.5m Negative impacts on customer experience • Pool temperature is too warm – lap swimming and squad training are high intensity activities and water temperature has a major impact on bather comfort. • Lanes too narrow. • Limited lane availability.

What length of pool? 25 metre or 50 metre?

The question of 25 metre versus 50 metre pool is one that is frequently raised in planning for facility development. The answer not only relates to the size of the catchment and whether it can provide demand for a 50 metre pool but also to the

capacity of the facility development budget to meet the needs of all aquatic users.

We understand that there is some desire for a 50 metre pool to be constructed at the site. However, there are a number of reasons why this has not been recommended.

- A population catchment of 60,000 people is generally required to create demand for major aquatic and leisure facilities which include 50 metre indoor pools.
- The 9,000 – 10,000 population of the catchment is unlikely to sustain the extra operational cost associated with a 50 metre pool.
- A 50 m pool will introduce additional capital costs in the vicinity of 80% or $8 million.
- Whilst there is some demand for carnivals and competitions in a 50 m pool they will not generate significant revenue streams and do not justify the extra capital and operating costs.
- Local school carnivals and even district carnivals could be held at the proposed centre in a 25 metre pool.
- The facility should be designed to meet the broad needs of the local community - the 50m pool meets the requirements of a very small part of the community at significant cost.
- It appears unlikely that the funding will be received for a 50m indoor pool.
- The proposed 8 lane, 25 metre pool combined with other water spaces will meet the needs of users.

Learn To Swim - Program Pool	
Target market • 0 – 10 years Note the ages for predicted use are nominal and dependant on ability, confidence and size of the child. Financial Consideration The learn to swim program has a high capacity to generate high net revenue returns to operators. It is the only part of the aquatic mix that is developed commercially by private operators. Other issues Parent/child lessons (0 to 4 years) are generally held in depth over 1.0m. These would normally be undertaken in lap swimming pool. However if this temperature is too cold parents will not participate in these lessons. The minimum temperature requirement is 31 degrees but this would be a significant compromise for lap swimmers.	Positive impact on customer experience • Water temperature minimum 32 degrees. • Pool depth min 750mm maximum depth 900mm • Lane width 1.5m • Pool size – dependant on likely demand for lessons however in most instances 100m2 will facilitate program size of 2000 kids. • It is important that there is opportunity for progression from the LTS program pool to the 25m/50m pool to facilitate continued development of aquatic skills. This will require minimum pool depth of 1.0m – 1.2m in lap swimming pool and an ideal temperature of a minimum of 29 – 31 degrees. Negative impacts on customer experience • Pool temperature too cold. Parents will remove children from programs if children are constantly cold after lessons. • Water too deep – deep water can make children with low confidence

	feel unsafe and they will be reluctant to participate in lessons.

Hydrotherapy Pools	
Target market • Older adults • People with disabilities • People in physical rehabilitation Financial Consideration There is no detailed industry information available to establish specific financial performance of hydrotherapy pools. However our feeling is that they can operate close to breakeven from an operation perspective not taking into account capital investment. Other issues Hydrotherapy pools are generally for low intensity exercise. Older adults who wish to participate in higher intensity activities can do so in the 25/50 lap pool.	Positive impact on customer experience • Water temperature 34 to 36 (Australian Physiotherapy Association recommended temperature) • Pool depth min 1.0 m maximum depth 1.5m • Pool size – Dependant on likely demand. • Ramp and hoist. Negative impacts on customer experience • Inappropriate water temperature – too cold. • Insufficient space to meet demand. • Poor access for people with disabilities of low mobility. • Proximity to children activities.

A recent trend in aquatic and leisure facility development has been the inclusion of Leisure Water". These areas include a range of equipment and activities that provide variety for users compared with traditional aquatic spaces. Equipment can range from simple bubblers to giant water slides.

Leisure Water	
Target market • Dependant on equipment purchased but generally from 0 –15. Financial Consideration There is limited detailed information regarding the impact on net performance. However in instances where Leisure Water has been included it appears there is a very positive flow on effect for the learn to swim program participation and revenue. Other issues Financial performance and equipment selection will impact on by the selected target market and the demographic within that market.	Positive impact on customer experience • Variety of equipment to meet the stated target market. Negative impacts on customer experience • Lack of variety in equipment. • Incorrect location of age group users. For example equipment for older kids adjacent to equipment for young children can negatively impact on the sense of safety of younger children.

6.3 RECOMMENDED AQUATIC FACILITY COMPONENTS

In order to arrive at a list of components that should form the basis of an Indoor Aquatic and Leisure facility on Phillip Island the consulting team have taken into account the needs and wants of the community, our knowledge of trends within the community leisure sector and identified features which are critical to enhancing viability and sustainability. These components have formed the basis of our concept design, estimated capital cost and financial operational model.

- Indoor 25 metre Pool with 8 lanes of 2.5 metre wide.
- Multipurpose pool incorporating leisure water, learn to swim pool and hydrotherapy pool
- Reception Café / Kiosk
- Change rooms
- Office/ Administration area

The proposed facility will cater predominantly for community health , recreation and fitness purposes and is not proposed to function as a competition or event facility. The size and scope of the components outlined will meet the local needs of the community that were expressed throughout the consultation process.

Due to small catchment size and the need to keep capital and operating costs to a minimum, a multipurpose pool and a main lap pool have been recommended. The 25 metre pool will cater predominantly for lap swimming, higher level swim lessons, aqua play and larger aqua aerobics classes. The multipurpose pool will cater for kid's activities, aquatic education and hydrotherapy activities.

The 25 metre pool will be 8 lanes wide. However, will have flexibility to be divided in 10 smaller lanes. It will be heated to 27 - 29 degrees and will suit high intensity activity and will also suit aquatic recreation activities. Whilst not its core purpose, the 25 metre pool could also cater for school carnivals and interclub swim meets.

The pool will have a minimum depth of 1.00m and a maximum depth of 1.5m. The pool depth profile will provide a safe progression from the multipurpose pool and allow supervised diving at the deep end.

The multipurpose pool will be heated to 32 – 34 degrees with capacity for increased heating as required. It will have a beach entry which will also serve as a ramp for those using the deep water area. The depth in the warm water exercise area will be between 1 m and 1.4m. There will be some challenges associated with shared use of this space particularly between warm water programs and the aquatic education program. However, this can be overcome by efficient programming of these core activities.

The proposed facility elements would enable the community to participate in a broad range of programs, currently not available within the local area including:

- Hydrotherapy,
- Lap swimming
- Learn to swim progression from babies to pre squad program
- Swim squad programs

- Aqua aerobics
- Aquatic play for young children
- Swim carnivals.

6.4 HEALTH AND FITNESS ELEMENTS

Industry trends indicate that users of aquatic facilities are also significant users of dry-side health and fitness facilities which include gymnasiums and group exercise areas. When combined with aquatic facilities the provision of these elements significantly improve financial viability.

Whilst health and fitness facility elements including gymnasium and group fitness spaces are not currently proposed at the Phillip Island Aquatic Centre and not included in design options, consideration could be given to relocating those services from the Phillip Island Leisure Centre in the long term. This would free land at the current site to be used for the growing sport and recreation needs of the tenant clubs and users. The proposed design has been developed to enable this to occur relatively simply in the future.

7 FACILITY DESIGN

The PIACFC engaged Mantric Architecture to work with Sport and Leisure Solutions to develop preliminary designs and associated upper level cost plans for the proposed aquatic centre. The attached floor plan and elevation represent Mantric's response to the facility requirements.

The key elements of the design include:

- 25 metre lap pool
- 450 m2 multipurpose pool incorporating warm water pool, leisure pool and learn to swim pool.
- Office and administration area.
- Entry foyer, reception and kiosk/cafe.
- Male and female change rooms.
- Accessible change rooms.

7.1 DESIGN RATIONALE

The design reflects the need to ensure that the centre can be constructed and operated in the most economic manner. This has required a number of key design initiatives to be implemented. These include:

- The implementation of a multipurpose water program pool for hydrotherapy, learn to swim and kids leisure activities. Spaces for these uses could be developed as separate water spaces. However the proposed design solution will reduce the overall pool hall size and associated construction cost. The smaller pool hall will also reduce ongoing operating costs in relation to utilities and will ensure efficient pool supervision is possible.

- A beach entry to the warm water exercise pool that also acts as a ramp for older adults and people with disabilities to safely enter the warm water exercise area. (A hoist will also be provided).

- The capacity to divide areas of the multipurpose program pool so that a number of users and user groups can use the pool at the same time.

- The incorporation of precast panels to minimize construction costs.

- Ceilings heights have been kept relatively low to reduce both construction and operating costs.

- The design introduces good solar opportunities for heating and power.

- Glazing has been kept a minimum to reduce mechanical cost, plant cost and operation.

- The 8 lane 25 metre pool will have provision for 10 lanes, to meet periods of high demand and will deliver high levels of usable aquatic space.

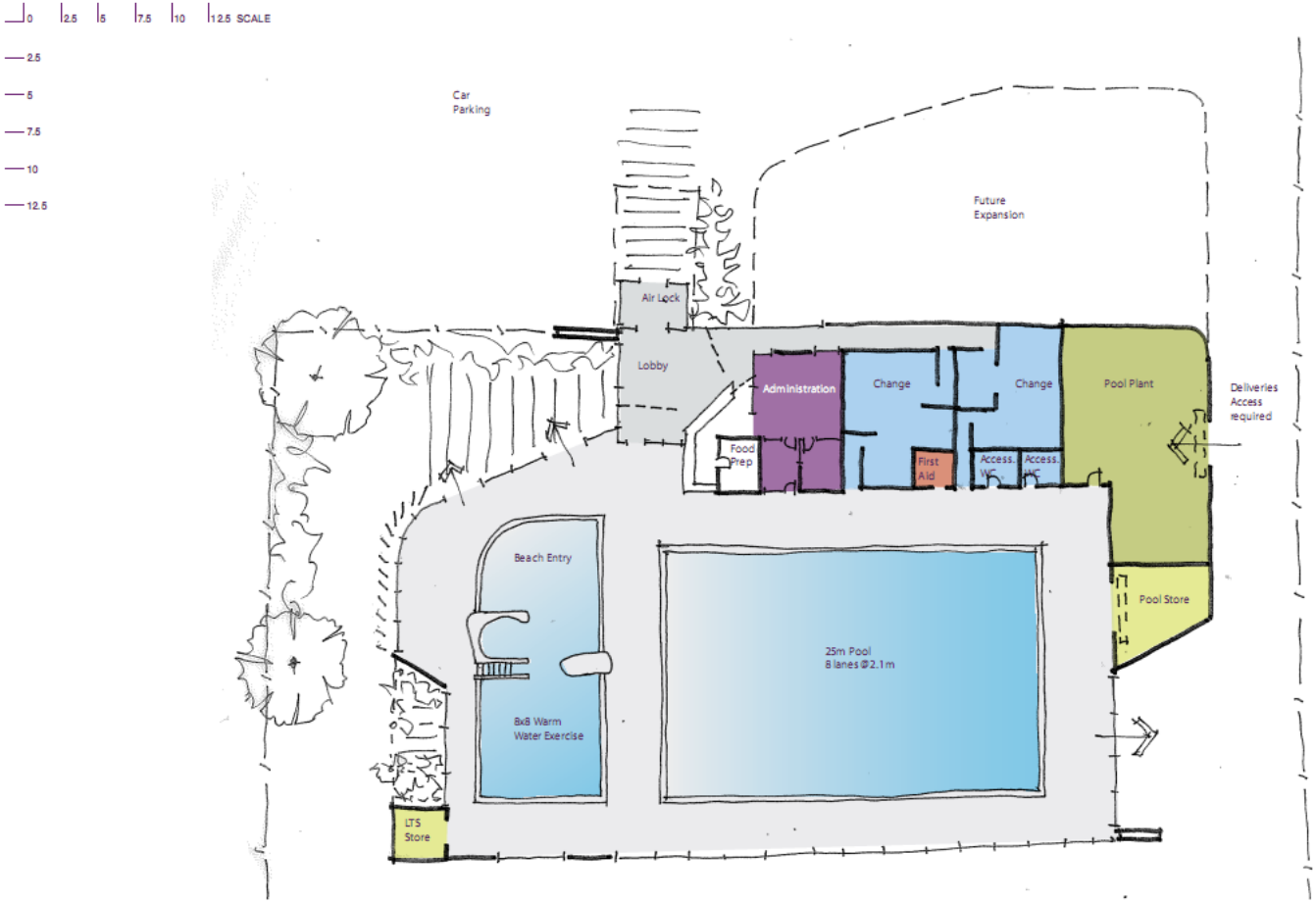
- The Facility can be operated on a 2 lifeguard system and will be supervised by 2 staff members during off peak times.

- Future dry space development has been considered as part of the design and has been highlighted on the concept floor plan.

- Pool depths at shallow end will allow tumble turns whilst the deep end will be no more than 1.5m. This will reduce construction and operating costs without impacting on safety or aquatic learning opportunities.

7.2 CONCEPT PLANS

See attached plan and elevation.



Feasibility Philip Island Aquatic Centre

Sport & Leisure Solutions · Mud Map Option 1

NORTH

FB-01
Size:A3
5 Nov, 2010
202
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MANTRIC ARCHITECTURE

0 2.5 5 7.5 10 12.5 SCALE

2.5

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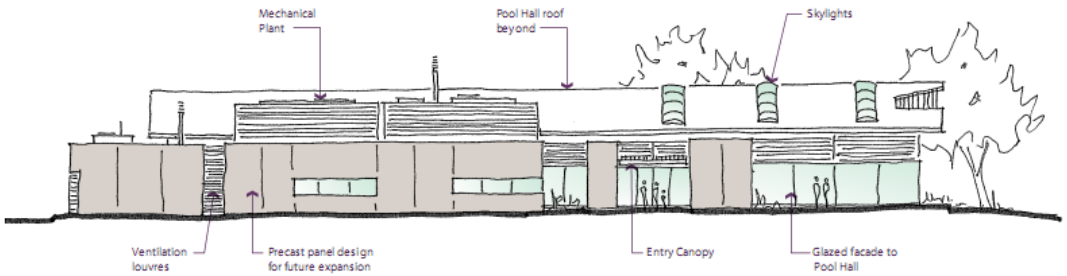
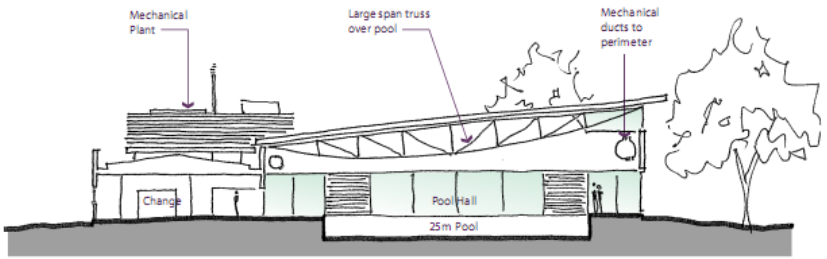


North Elevation



Section

Feasibility

Philip Island Aquatic Centre

Sport & Leisure Solutions- Elevations Opt. 1

NORTH

FS-02
1:250 @ A3
22 Nov, 2010
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MANTRIC ARCHITECTURE

7.3 PROBABLE COST

- An upper level construction cost analysis indicates that the probable cost will be approximately $8.5 million. The indicative cost plan is attached.

MANTRIC ARCHITECTURE

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Sport & Leisure Solutions
Philip Island Aquatic Centre

Option 1 - Mud Map, Opinion of Probable Cost
05-Nov-10

Preliminary Areas Analysis

	AREA	RATE	ALLOWANCE		
ZONE 1	153.00	$2,800.00	$428,400.00		
ZONE 2	1,368.00	$2,400.00	$3,283,200.00		
ZONE 3	0.00	$0.00	$0.00		
ZONE 4	187.00	$2,100.00	$392,700.00		
ZONE 4 (Plant Platforms)	0.00	allow	$75,000.00		
ZONE 6	0.00	$0.00	$0.00		
Wall Grossing	90.00	$900.00	$81,000.00		
Circulation	0.00	included	$0.00		
Sub-Total	**1,798.00**		**$4,260,300.00**	Rate :	$2,369.47
Pools					
25m Pool Lap Pool	420.00	3,000.00	$1,260,000.00		
Warm Water pool	150.00	4,000.00	$600,000.00		
Water Features		Allow	80,000.00		
Sub-Total	**570.00**		**$1,940,000.00**	Rate :	$3,403.51
Site Services			$120,000.00		
Car Park Expansion (Say 40 spaces)			$140,000.00		
Furniture & Equip			$100,000.00		
Professional Fees (10%)			$677,031.50		
Authority			$40,000.00		
Design Contingency			$310,015.00		
Construction Contingency			$310,015.00		
Escalation (12 month only 3%)			$235,720.85		
ESD Allowance (6%)			$255,618.00		
Sub-Total			**$2,168,400.35**		
Construction Total			**$8,368,700.35**	Rate :	$4,665.57

Exclusions:

GST	Demolition
Landscaping	Hazardous Material Removal
Hard Paving & retaining wall	Contaminated Soil
Up-grade to site service	Land Costs
External Works	

Exclusions:
The above opinion of probalbe cost has been preparad for initial discussion and budgetting only. Further invest gation and design analysis is required to verify this opinion. Verfication should be undertaken by a suitably qualfied Quantity Surveyor.

8. FINANCIAL ISSUES

8.1 10 YEAR FINANCIAL FORECAST

The financial model indicates the following business performance for the centre over its first 10 years of operation:

	Year 1	Year 2	Year 3	Year 4	Year 5
Income	$ 647,627	$ 742,517	$ 800,843	$ 852,832	$ 906,580
Expenditure	$ 948,500	$ 991,869	$1,035,254	$1,079,739	$1,125,363
Net results	-$ 300,873	-$ 249,352	-$ 234,411	-$ 226,908	-$ 218,783
	Year 6	Year 7	Year 8	Year 9	Year 10
Income	$ 924,711	$ 943,937	$ 965,780	$ 988,207	$ 1,011,239
Expenditure	$1,153,340	$1,182,150	$1,211,823	$1,242,392	$ 1,273,888
Net results	-$ 228,628	-$ 238,213	-$ 246,044	-$ 254,184	-$ 262,649

8.2 FINANCIAL BENCHMARKING

In undertaking an assessment of the potential financial performance of the PIACFC the financial performance of a number of centres in regional Victoria were investigated. The table below highlights that each centre incurs a significant loss before depreciation is included. The best performing centre losses are in the vicinity of $170,000 whilst the worst losses are up to $330,000.

Facility	Income	Expenditure	Net result	Approx Primary Catchment	Comments
Leongatha	$650,000	$980,000	($330,000)	10,000	Includes 2 sports courts
Lakes Aquadome	$700,000	$1,000,000	($300,000)	8,000	Includes Health Club
Bairnsdale Aquatic Centre	$1,000,000	$1,300,000	($300,000)	15,000	Includes Health Club
Bellarine Aquatic Centre	$1,760,000	$1,930,000	($170,000)	14,000	Includes 2 sports courts,
Phillip Island Aquatic Centre Yr 5	$907,000	$1,125,000	($218,000)	10,000	$100,000 from Adventure resort

Based on the comparative figures from similar facilities the forecast net loss of $218,000 for the PIACFC is relatively ambitious. The forecast is based on the high

level of demand within the catchment and guaranteed $100,000 income that will flow from the Phillip Island Adventure Resort.

An additional factor that has been considered in the forecast is the participation that will result from visitors to the area. Whilst the consulting team do not anticipate that there will be significant revenue streams from visitors, we estimate that they will deliver on average 75 – 100 extra visits per week. Obviously this will be higher in peak times and lower in winter. Industry sources at Bellarine Aquatic Centre, Ocean Grove, advised that the impact of tourist trade is mainly evident in the summer and Easter holiday period when the weather is wet and parents need to find alternate activities for their children.

It should be noted that the expenditure figures do not include depreciation, capital cost repayment, land tax and Council rates. In addition to the operating subsidy of $214,000 there will be a need to allow for approximately $400,000 per annum for future maintenance works and facility renewal. This equates to 4% of the total asset value, which is an industry guide for a facility of this type. This annual provision may not be spent within the first ten years but will need to be spent over the life cycle of the facility.

8.3 BUDGET ASSUMPTIONS

The operating budget has been built with the following general assumptions:

Income

- Maximum learn to swim enrolment of 450. Learn to Swim participation has been benchmarked with similar catchments and based on catchment population estimates.
- Lap swimming participation is based on similar catchments.
- Swim carnivals bookings have been based on similar facilities taking into account the number of schools in the catchment and likely club activities.
- Aqua aerobics participation has been based on feedback from health service providers, the high number of older adults in the local community and the high level of community demand for these services
- CPI @ 2%.
- Proposed fees and charges structure

Casual Aquatic Entry		
	Adult	$5.50
	Child	$4.50
	Concession	$4.50
Aquatic membership		$50/month
Learn to swim classes		$14 per class
Casual Aqua Aerobics		$11 per casual visit

Expenditure assumptions

- Utility costs have been based on benchmark costs for similar facilities. However some savings have been recognised in the budget figures as a result of previous work undertaken by the PIACFC which will result in significant energy consumption reductions.

- Wage rates are comparable with industry standards and based on 2010 rates and increased at CPI rate.
- Two lifeguards on duty at all times.
- During periods of low patronage the centre can be operated by two staff as is currently the case at Wonthaggi Aquatic Centre and similar regional facilities.
- The reception and Café co-located
    - Café cost of sales @ 65%
    - Merchandise cost of sales @ 70%
- Hours of Operation Mon – Fri (6am – 8pm) Sat & Sun (9am – 6pm)

8.4 DETAILE BUDGET

A 10 year detailed financial budget is attached.

10 YEAR DETAILED FINANCIAL FORECAST

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Estimated Operating Income										
Casual Swim Entrances										
Adults	$ 72,540	$ 77,618	$ 81,499	$ 83,129	$ 84,791	$ 86,487	$ 88,217	$ 89,981	$ 91,781	$ 93,616
Children	$ 59,351	$ 63,505	$ 66,681	$ 68,014	$ 69,376	$ 70,762	$ 72,177	$ 73,621	$ 75,093	$ 76,595
Concession	$ 35,171	$ 37,633	$ 39,515	$ 40,305	$ 41,111	$ 41,933	$ 42,772	$ 43,627	$ 44,500	$ 45,390
Family	$ 39,547	$ 42,317	$ 44,434	$ 45,323	$ 46,230	$ 47,155	$ 48,118	$ 49,081	$ 50,062	$ 51,063
Adventure resort	$ 102,000	$ 104,040	$ 106,121	$ 108,243	$ 110,408	$ 112,616	$ 114,869	$ 117,166	$ 119,509	$ 121,899
Pool Hire										
Hydrotherapy Pool	$ 21,840	$ 23,369	$ 24,537	$ 25,028	$ 25,529	$ 26,039	$ 26,560	$ 27,091	$ 27,633	$ 28,186
Lane hire	$ 15,320	$ 16,646	$ 16,979	$ 17,319	$ 17,665	$ 18,019	$ 18,379	$ 18,747	$ 19,121	$ 19,504
Carnivals	$ 8,000	$ 8,160	$ 8,323	$ 8,490	$ 8,659	$ 8,833	$ 9,009	$ 9,189	$ 9,373	$ 9,561
Centre Memberships										
Aquatic Membership	$ 27,273	$ 29,182	$ 30,641	$ 31,254	$ 31,879	$ 32,516	$ 33,167	$ 33,830	$ 34,507	$ 35,197
Casual Fitness										
Aqua Aerobics	$ 46,080	$ 47,002	$ 47,942	$ 48,900	$ 49,878	$ 50,876	$ 51,894	$ 52,931	$ 53,990	$ 55,070
Aquatic Programs										
Learn To Swim	$ 114,545	$ 163,571	$ 190,677	$ 218,802	$ 247,975	$ 252,935	$ 257,994	$ 263,153	$ 268,417	$ 273,785
School LTS	$ 32,500	$ 46,410	$ 54,101	$ 62,081	$ 70,358	$ 71,765	$ 73,201	$ 74,665	$ 76,158	$ 77,681
Squads	$ 11,400	$ 16,279	$ 18,977	$ 21,776	$ 24,679	$ 25,173	$ 25,677	$ 26,190	$ 26,714	$ 27,248
Birthday Parties	$ 11,040	$ 15,765	$ 18,378	$ 21,088	$ 23,900	$ 24,378	$ 25,597	$ 26,077	$ 28,221	$ 29,632
Retail Shop Income	$ 32,000	$ 32,640	$ 33,293	$ 33,959	$ 34,638	$ 35,331	$ 36,037	$ 36,758	$ 37,493	$ 38,243
Sundry Income	$ 18,000	$ 18,360	$ 18,727	$ 19,102	$ 19,484	$ 19,873	$ 20,271	$ 20,676	$ 21,090	$ 21,512
Total Income Forecast	**$ 647,627**	**$ 742,517**	**$ 800,843**	**$ 852,832**	**$ 906,580**	**$ 924,711**	**$ 943,937**	**$ 965,780**	**$ 988,207**	**$ 1,011,239**

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Estimated Operating Expenditure										
Centre Manager	$ 78,000	$ 79,560	$ 81,151	$ 82,774	$ 84,430	$ 86,118	$ 87,841	$ 89,597	$ 91,389	$ 93,217
Operations Coordinator	$ 54,000	$ 55,080	$ 56,182	$ 57,305	$ 58,451	$ 59,620	$ 60,813	$ 62,029	$ 63,270	$ 64,535
Customer service staff	$ 92,583	$ 94,435	$ 96,323	$ 98,250	$ 100,215	$ 102,219	$ 104,263	$ 106,349	$ 108,476	$ 110,645
Lifeguards	$ 125,112	$ 127,614	$ 130,167	$ 132,770	$ 135,425	$ 138,134	$ 140,896	$ 143,714	$ 146,589	$ 149,520
Aquatic program staff	$ 47,205	$ 67,409	$ 78,579	$ 90,170	$ 102,192	$ 104,236	$ 106,321	$ 108,447	$ 110,616	$ 112,829
Aqua Instructors	$ 19,900	$ 19,584	$ 19,974	$ 20,375	$ 20,783	$ 21,198	$ 21,622	$ 22,055	$ 22,496	$ 22,946
Staff Training & Development	$ 10,000	$ 10,200	$ 10,404	$ 10,612	$ 10,824	$ 11,041	$ 11,262	$ 11,487	$ 11,717	$ 11,951
Uniforms	$ 8,000	$ 5,000	$ 5,100	$ 5,202	$ 5,306	$ 5,412	$ 5,520	$ 5,631	$ 5,743	$ 5,858
First Aid Equipment	$ 10,000	$ 10,200	$ 10,404	$ 10,612	$ 10,824	$ 11,041	$ 11,262	$ 11,487	$ 11,717	$ 11,951
Retail Shop										
Cost of Sales	$ 22,400	$ 22,848	$ 23,305	$ 23,771	$ 24,246	$ 24,731	$ 25,226	$ 25,731	$ 26,245	$ 26,770
Telephone	$ 10,000	$ 10,200	$ 10,404	$ 10,612	$ 10,824	$ 11,041	$ 11,262	$ 11,487	$ 11,717	$ 11,951
Printing & Stationery	$ 12,000	$ 12,240	$ 12,485	$ 12,734	$ 12,989	$ 13,249	$ 13,514	$ 13,784	$ 14,060	$ 14,341
Licences	$ 10,000	$ 10,200	$ 10,404	$ 10,612	$ 10,824	$ 11,041	$ 11,262	$ 11,487	$ 11,717	$ 11,951
Utilities										
Electricity	$ 80,000	$ 84,000	$ 88,200	$ 92,610	$ 97,241	$ 102,103	$ 107,208	$ 112,568	$ 118,196	$ 124,106
Gas	$ 50,000	$ 52,500	$ 55,125	$ 57,881	$ 60,775	$ 63,814	$ 67,005	$ 70,355	$ 73,873	$ 77,566
Water	$ 20,000	$ 21,000	$ 22,050	$ 23,153	$ 24,310	$ 25,526	$ 26,802	$ 28,142	$ 29,549	$ 31,027
Cleaning	$ 15,000	$ 15,300	$ 5,606	$ 15,918	$ 16,236	$ 16,561	$ 15,892	$ 17,230	$ 17,575	$ 17,926
Security	$ 5,000	$ 5,100	$ 5,202	$ 5,306	$ 5,412	$ 5,520	$ 5,631	$ 5,743	$ 5,858	$ 5,975
Insurance	$ 15,000	$ 15,300	$ 15,606	$ 15,918	$ 16,236	$ 16,561	$ 15,892	$ 17,230	$ 17,575	$ 17,926
Maintenance										
Plant - service agreements	$ 50,000	$ 51,000	$ 52,020	$ 53,060	$ 54,122	$ 55,204	$ 56,308	$ 57,434	$ 58,583	$ 59,755
Buildings	$ 40,000	$ 50,000	$ 60,000	$ 70,000	$ 80,000	$ 81,600	$ 83,232	$ 84,897	$ 86,595	$ 88,326
Grounds	$ 10,000	$ 10,200	$ 10,404	$ 10,612	$ 10,824	$ 11,041	$ 11,262	$ 11,487	$ 11,717	$ 11,951
Equipment	$ 10,000	$ 10,200	$ 10,404	$ 10,612	$ 10,824	$ 11,041	$ 11,262	$ 11,487	$ 11,717	$ 11,951
Minor equipment purchases	$ 20,000	$ 15,000	$ 15,300	$ 15,606	$ 15,918	$ 16,236	$ 15,561	$ 16,892	$ 17,230	$ 17,575
Rubbish removal	$ 5,000	$ 5,100	$ 5,202	$ 5,306	$ 5,412	$ 5,520	$ 5,631	$ 5,743	$ 5,858	$ 5,975
Chemicals	$ 30,000	$ 30,600	$ 31,212	$ 31,836	$ 32,473	$ 33,122	$ 33,785	$ 34,461	$ 35,150	$ 35,853
Management Services										
IT Support	$ 20,000	$ 20,400	$ 20,808	$ 21,224	$ 21,649	$ 22,082	$ 22,523	$ 22,974	$ 23,433	$ 23,902
Payroll Admin	$ 20,000	$ 20,400	$ 20,808	$ 21,224	$ 21,649	$ 22,082	$ 22,523	$ 22,974	$ 23,433	$ 23,902
Accounting	$ 20,000	$ 20,400	$ 20,808	$ 21,224	$ 21,649	$ 22,082	$ 22,523	$ 22,974	$ 23,433	$ 23,902
Marketing										
Marketing & Promotion	$ 30,000	$ 30,600	$ 31,212	$ 31,836	$ 32,473	$ 33,122	$ 33,785	$ 34,461	$ 35,150	$ 35,853
Miscellaneous/Contingency	$ 10,000	$ 10,200	$ 10,404	$ 10,612	$ 10,824	$ 11,041	$ 11,262	$ 11,487	$ 11,717	$ 11,951
Total Expenditure Forecast	**$ 948,500**	**$ 991,869**	**$ 1,035,251**	**$ 1,079,739**	**$ 1,125,363**	**$ 1,153,310**	**$ 1,182,150**	**$ 1,211,823**	**$ 1,242,392**	**$ 1,273,888**

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Total Cash Position	*-$300,873*	*-$249,352*	*-$234,411*	*-$226,908*	*-$218,783*	*-$228,628*	*-$238,213*	*-$246,044*	*-$254,184*	*-$262,649*

9. FACILITY FUNDING

The development of aquatic facility infrastructure is generally funded through a combination of five different sources:

- Council Funding
- Other Government Grants
- Public Private Partnerships
- Community Fundraising
- Commercial Investment

The PIACFC currently has a dollar for dollar funding agreement in place with the Victorian State government to a total of $2.5 million. This funding arrangement has no 'sunset clause' and therefore the PIACFC will be able to access these funds when other funding opportunities arise.

As part of the consultation process a meeting was held with Greg Hunt, Federal Member for Flinders. The issue of funding for the project was raised and Mr. Hunt suggested that the following model should be investigated and further discussed with the Bass Coast Shire.

- State government funding of $2.5 million (committed).
- Federal government funding of $5million through the Regional Australia Package – Mr. Hunt has high levels of confidence for a successful bid.
- Bass Coast Council. A contribution of $1.5 million which could be funded through 2% aquatic facilities levy. An aquatic facility levy will generate in approximately $800k per annum and fund the PIACFC, contribute $4.5 million WAC upgrade and ongoing operation of the PIACFC at no additional cost to council.
- Community funding of $1million which could come from in-kind donations as well as cash contributions.

If this model were to be successful total funding for the PIACFC would be $10,000,000. This would be sufficient to complete construction based on the preliminary cost plans.

It is suggested that under this arrangement ownership of the facility would be handed to the Bass Coast Council.

The PIACFC is well aware that it will need assistance from all levels of government to secure the project. In particular, it is keen to continue to work with Bass Coast Council to ensure that the development of an aquatic centre on Phillip Island is part of council's future capital works commitment. Mr Hunt has expressed a desire to assist with this process.

10. FACILITY MANAGEMENT

The future operation of the PIACFC is a critical issue for consideration. Certainly the PIACFC is not in a position to operate the centre due to the requirement of a significant ongoing subsidy. Consequently, the Bass Coast Council will need to fund its ongoing operations.

The PAIC understands that there will be some resistance from the Bass Coast Shire to take on the additional expenditure for the Centre. The PIACFC intends to work through these issues with council and believes that the funding model suggested in the previous section can help minimise council's financial commitment to the centre.

There are two main options available for council in terms of ongoing operating the centre.

Option 1- Council operate the facility in house

Option 2 - Outsource the operations to a contract management company.

Option 1 – In house management model

The "In House" option provides council with greater control over the management of their asset but may come at a greater cost and require Council to increase its resources for HR, Payroll and Finance departments.

The advantages of the model are:

- This option provides council greater control over the management of their asset.
- All revenue goes to council.
- Facility focused branding
- Focus on providing programs which are aligned with Council's vision and objectives rather than a management group which would focus purely on income/profit generating programs.

Disadvantages of this option are:

- Higher wages and overall cost of operation.
- All expenditure paid by council.
- Financial performance not guaranteed.
- Lack of facility management expertise within council
- Will require additional administration (HR, accounting, etc) at the facility or within Council.

Option 2 - Outsourced contract management model

The main advantages of this model are:-

- Financial performance is guaranteed.
- Wage savings
- Support services (marketing, management, etc) specific to the recreation and fitness industry.
- Proven quality management systems.

- Sales and marketing systems
- Ability to provide capital investment in the facility.
- Centralised accounting and payroll functions.

Disadvantages of this option are:

- Lack of recognition of Council ownership.
- Branding of management group rather than facility.
- Values not aligned with Council.
- Profit motives the key objective.
- Reduced level of control of the facility.
- Profits shared with management group.

Many regional councils find the outsourced management model to be the most effective due to the guaranteed subsidy, lower overall cost and the inability to provide management expertise within council's structure. In many instances it simply makes sense to tender these types of facilities to expert operators. Whilst there is some loss of community recognition and 'ownership' when facilities are outsourced the consulting team does not see significant benefit in council operating the facility.

11. KEY FINDINGS

The key findings of the feasibility study are summarised as follows:

Community Demand

- There is a high level of community demand and need for an aquatic facility on Phillip Island.
- There are high levels of dissatisfaction with the current aquatic provision within Bass Coast Shire.
- The development of an aquatic facility on Phillip Island would result in a significant increase in aquatic related health and fitness activities.

Reasons for development

The key reasons for developing an aquatic centre on Phillip Island include:-

- The continued growth of the local population.
- The aging population and the need for passive, low impact exercise opportunities such as hydrotherapy.
- Health related issues and the need for non weight bearing activity options and programs.
- The significant health and fitness benefits that will be derived by the community.
- Current inadequacies of Wonthaggi Aquatic and Leisure Centre in terms of lane availability and program range.
- The requirement to travel to Wonthaggi is a significant barrier in terms of travel time and fuel cost.
- The contribution the facility will make to the sense of community and the capacity to develop a community hub for Phillip Island.
- To promote and facilitate community health and fitness.
- The requirement to have facilities and programs that promote kids water safety, swimming development and competition.

Site location

- The most obvious site is the one that is available at the Phillip Adventure Resort. However, if alternate sites were made available in Cowes the consulting team does not believe that there would a major impact on facility usage.

Facility design

- The facility should incorporate a 25 m lap lane pool and a multipurpose aquatic space for learn to swim, hydrotherapy and leisure play.
- The facility should be designed to incorporate future health and fitness program areas.

Capital Cost

- A construction cost range of between $8 million and $10 million, should be expected.
- Funding for construction of the centre should be a mix of local, state and federal government funding.
- A 2% aquatic facilities levy has been suggested as one option for funding development and operation of the centre.

Operating Cost

- The annual operating cost will be a deficit in the vicinity of $220,000. It is highly unlikely that the facility will be able to operate at a breakeven level in the foreseeable future.
- It is likely that the operating cost will need to underwritten by the Bass Coast Council.

Partnership development

- Development of a new facility that supports local community access can be justified from a social equity, health and community building perspective. However, the issue of financial viability will continue to impact on Bass Coast Council's willingness to develop an aquatic centre on Phillip Island.
- A funding model that minimises the impact on council's current and future service obligation and capital plans is critical to the development of the centre.
- The PIACFC should continue discussions with Bass Coast Council to ensure that the PIAC development is part of council's long term capital development plan.