

10.5 HYDROTHERAPY/WARM WATER POOL FEASIBILITY STUDY

Environment, Recreation & Infrastructure - Open Space, Recreation & Wellbeing
File No: PSF/20/18 – Doc No: DOC/20/159532

Executive summary

Purpose and background

The purpose of this report is to inform Councillors of the outcomes of a Hydrotherapy/Warm Water Pool Feasibility Study (the Study) and site analysis of a hydrotherapy/warm water pool in Bayside.

Community members have petitioned Council to introduce a hydrotherapy/warm water pool accessible for all residents for a wide range of health conditions – encompassing pain management, chronic conditions and rehabilitation following injury and surgery. Further community consultation with a specific cohort of older people, health service providers and the like has shown a perceived need for hydrotherapy facilities in Bayside.

The benefits of regular warm water exercise for older persons and people with disabilities to aid re-ablement, active participation and quality of life are increasingly recognised. Changes to government social policy, such as MyAgeCare and NDIS, actively focus on providing incentives for participants to participate in community based health, wellness and re-ablement activities. These changes will drive the demand for and improve the cost effectiveness of warm water facilities in coming years, particularly in active older communities such as Bayside.

A report detailing preliminary investigations into the need, possible scale and costs of a new hydrotherapy pool in Bayside was presented to the 18 December 2018 Ordinary Meeting of Council.

At this meeting it was resolved that Council:

1. *Undertakes further work to complete a business feasibility study and detailed site analysis for future hydrotherapy and/or warm water facilities in Bayside and considers funding this work when preparing of the 2019/20 Council Budget;*
2. *Engages with relevant not-for-profit organisations to identify opportunities to work cooperatively on the delivery of hydrotherapy and/or warm water program facilities in Bayside;*
3. *Explores opportunities for commercial organisations to work cooperatively on the delivery of hydrotherapy and/or warm water program facilities in Bayside; and*
4. *Investigates the demand for and subsequent implications of other transport options for current and potential users of hydrotherapy and/or warm water facilities at GESAC and the soon to be completed hydrotherapy and/or warm water facilities at Moorabbin Oval.*

Key issues

Warm Water versus Hydrotherapy

Studies indicate the health sector hydrotherapy model as a restrictive facility model and that a community accessed warm water program pool would attract higher usage and be more operationally viable. Warm water program pools are built to different standards to that of a health sector hydrotherapy facility and allow greater flexibility to provide other

intergenerational programs that support a greater range of services to the community than pure hydrotherapy activities.

The lead petitioner confirmed that their requirements can be met through access to a warm water pool (WWP) and consequently a WWP is the preferred model for Bayside.

Identified Need

The Study (as set out in Attachment 1) confirms that the demographic characteristics of Bayside suggest that a WWP in most locations will receive high usage. The number of older residents, the high participation in sport and need for rehabilitation after injury, the increasing number of people with a disability and those who are obese or with health conditions, as well as the current demand for younger children's swimming lessons, supports this likely usage.

It is expected that changes to the Age Care and Disability system in the foreseeable future will result in additional funding and promotion of programs and initiatives that focus on re-ablement, early intervention and utilisation of infrastructure that supports prolonged inclusive and active lifestyles.

The Study determines that access to, or provision of, a WWP within Bayside is required within the medium term.

Preferred Sites

Ten sites were considered as options to develop a WWP within Bayside including sites with an existing target market. These included public and private hospitals and retirement villages or assisted living facilities. Land ownership and available space precluded these sites from further exploration. Middle Brighton Baths was excluded with foreshore protection and development concerns.

It was determined that two sites warranted further investigation:

- Sandringham Family Leisure Centre (SFLC), 188 Tulip Street, Cheltenham; and
- Brighton Golf Course (BGC), 210 Dendy Street, Brighton East.

The Study identified that while incorporating a WWP within a larger facility would provide substantial economy of scale savings in construction and operational costs, a major weakness in delivering a pool at SFLC is the ability to commence building in the short term. A feasibility study of SFLC is currently underway with a report detailing recommendations for the site to be presented to Council in September 2020.

It is not feasible to extend the existing centre with the broader buildings end of life expectancy approaching in the medium term (7 – 10 years), lack of accessibility across the facility, existing parking conditions under stress and building codes that would require upgrades to meet current standards. All of these will have considerable cost implications and would provide limited benefit with renewal required in the medium term.

Similarly BGC lacks access to the required level of car spaces to service a new facility and the existing services on site. Extension of car parking will require removal of a significant number of trees or encroachment of land currently leased to the operator of BGC.

Of greater significance is the current lease agreement of the subject land to Leisure Management Services including the option to extend two x five years until March 2028. Any proposed use of this site would include negotiation with LMS to:

- Form a commercial partnership with the provider to deliver a WWP at the site; or
- Negotiate to excise the subject land from their existing agreement.

Not for Profit Organisations (NFP)

The Study identifies that NFP organisations are strong supporters for the provision of a WWP within Bayside to support community access to suitable facilities; however, the appetite to manage a facility of this type was not supported. The option to engage a commercial management company or enter into a commercial partnership to develop a WWP within the municipality was deemed the preferred option.

The Study recommends that Council informs NFP organisations of ongoing developments in the planning of a WWP to ensure that the needs of the community they service are being addressed.

Community Transport Option

Supporting older people and those with a disability to remain connected to the community is important to optimise their health and wellbeing. Suitable transport options to community activities and venues can be a barrier to achieving this outcome. This is particularly relevant to community members who are unable to access mainstream transport services.

Council is now in receipt of State and Federal funding to support eligible residents to maintain their connection to community activities. While the connection to the community activities is the primary source of the funding, door-to-door transport is supported to achieve this aim. To be eligible for this program, residents must be registered through My Aged Care, be aged 65 years plus, living at home (not residential care), not in receipt of other Commonwealth funded programs and unable to independently get to the activity.

For residents outside of this criteria, Council offers a transport option from three designated pick up points. The launch promoting the State and Federal funding was deferred as Council enacted its pandemic response to COVID-19. It remains uncertain how many residents will require support outside of this funding criteria and perceived high need age groups and work to determine actual need is required.

The Study recommends that Council considers supporting residents ineligible for State and Federal funding through an expansion of the transport services to warm water pool facilities outside the municipality. Council will need to consider more detailed information concerning the financial implications of providing such support.

Management Model

Financial modelling determines that a WWP is likely to operate at a deficit, regardless of the model implemented. The extent of this deficit is subject to the environment in which the facility operates.

Sandringham Family Leisure Centre provides the most conducive environment to operate a facility of this type, with existing allied health services located on site, an existing successful commercial operator managing the aquatic facilities, proximity to potential clientele through existing complimentary services of basketball, gymnasium, child care, physiotherapy and weight management services. Locating the WWP in a facility of this type provides an environment favourable to generating maximum revenue while offsetting costs associated with operating a WWP.

Modelling demonstrates that a standalone facility will result in a loss each financial year with commercial providers unlikely attracted to a model of this type without Council subsidising the deficit each year. The Study determines that the construction of a second pool at BGC to facilitate swim lessons, enabling programs to operate concurrently with WWP opportunities and the inclusion of allied health services suites would be required to improve the net financial performance.

Commercial Partnerships

Four opportunities to partner with commercial/not for profit operators to deliver a WWP have been identified. These include:

- Subject to the findings of SFLC feasibility study, explore the opportunity of a partnership with SwimRight to invest in the provision of a WWP in return for an long term lease agreement
- Partner with Fairway to expand their existing services to include provision of a publically accessible hydrotherapy pool
- Partner with LMS to develop the BGC site to mutually benefit the operator's business model and Council's needs to deliver a WWP
- Explore opportunities to partner with Brighton Swim School to deliver a WWP within the municipality.

The Study identifies that at this time Council lacks the evidence required to make an informed decision to recommend either the preferred site/s or management model for the delivery of a WWP in Bayside. Council has not yet explored the potential prospect of any other third parties that may have the land and capacity to invest in a joint venture with Council for a WWP.

Further specialist investigation is required to fully assess the commercial opportunities associated with a public/private partnership to deliver a WWP in Bayside.

Recommendation

That Council:

1. Notes the Warm Water/Hydrotherapy Pool Feasibility Study as set out in Attachment 1 to the report.
2. Commences detailed investigation into possible commercial partnerships to develop a warm water pool at the preferred locations.
3. Receives a future report detailing the outcomes of investigations into possible commercial partnerships to develop a warm water pool facility in Bayside.
4. Considers the outcomes of the Sandringham Family Leisure Centre Feasibility Study at the September 2020 Council Meeting.
5. Notifies the lead petitioner for a hydrotherapy/warm water pool in Bayside of the outcomes of this report.

Support Attachments

1. Attachment 1 - WWP Final Report

Considerations and implications of recommendation

Social

There are significant social and physical health benefits associated with the use of hydrotherapy facilities and warm water pools including quicker recovery from illness, injury and surgery.

Natural Environment

There are no natural environment implications associated with the proposition included in this report.

Built Environment

A warm water program pool facility including concourses, amenities and plant room would be approximately 1,200 square metres in size. The size of a dedicated hydrotherapy facility would be slightly smaller than a warm water pool; however, would depend on the range of accompanying services such as physiotherapy and other medical support services.

Customer Service and Community Engagement

Council engaged a consultant to undertake research regarding the need for a publicly accessible hydrotherapy/warm water facility in the City of Bayside.

In line with Council's Community Engagement Framework, the consultant will expand on the consultation previously undertaken with Connect Health, residents aged 60 and over, and health professionals in the area and hydrotherapy operators in the broader region.

Human Rights

The implications of this report have been assessed and are not considered likely to breach or infringe upon the human rights contained in the *Victorian Charter of Human Rights and Responsibilities Act 2006*.

Legal

Brighton Golf Course is currently leased until 30 June 2028. Access to the Brighton Golf Course site prior to this date may require negotiation with the existing lessee to facilitate a mutually agreeable development at the site.

Finance

A warm water program pool facility could cost in the order of \$10 million to construct while the cost to construct a dedicated hydrotherapy pool could be approximately \$7 - \$8 million, not including spaces for accompanying medical support services.

Modelling has identified that a stand-alone warm water pool will operate at a deficit of \$336,362, with costs unable to be offset by fees and charges for other intergenerational activities such as learn to swim. Ongoing maintenance and future renewal costs will not be recovered.

In a larger aquatic centre the projected loss of \$2,968 can be offset by increased referrals from other areas of the facility and allied services.

A provision of \$10 million for the construction of a hydrotherapy or warm water pool facility has been tentatively allocated in the long term financial plan, subject to Council's annual budget process.

Council will be required to negotiate with the current leaseholder of the Brighton Golf Course for access to the required space. There is currently no consideration to any financial implications of such negotiations in Council's Long Term Financial Plan.

Links to Council policy and strategy

The provision of publically accessible hydrotherapy or warm water facilities is supported by a number of key strategy and policy documents including the Council Plan 2017-2021, Bayside 2020 Community Plan and Wellbeing for All Ages and Abilities Strategy 2017-2021.