



# Revitalise and Reimagine the Town Pool

A strategic approach to leveraging council  
assets for maximum community benefit

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## Introduction

### Swimming in The Australian Psyche

In 1954 the Menzies Government introduced a two-tier broadcasting system which paved the way for TV in Australia. 18 days before the opening night of the Melbourne Olympic Games, HSV-7 went live in Sydney and Melbourne. The evolution of TV brought swimming legends such as Dawn Fraser and Murray Rose into the family home. The presence of Olympic swimming in mass media coincided with the construction of community swimming pools in the 50s and 60s and swimming in man-made watering holes burgeoned all over the country.

The town pool, particularly in regional centres, was free from competition. By the late 70s and 80s however, the backyard pool became affordable and today, 13% of all Australians live in a house with a swimming pool.<sup>1</sup> The rapid growth of backyard pools throughout the 80s eroded the monopolistic competitive advantage of the town pool. Councils were faced with ongoing maintenance and funding costs against declining participation rates and in turn, revenue.

In many cases, management of the pool proved difficult for councils and outsourcing to external providers, such as the YMCA, became a preferred pathway. There have been mixed results around the success of outsourcing models, which are often driven by the capacity of the third party and high costing structures in a market where low entry price is expected.

To this day, in most parts of regional Australia, the town pool is the only facility to provide opportunity to engage in structured aquatic activities and Learn to Swim (LTS) Programs. More than ever, communities are committed to teaching children how to swim, which is vital as it is a life-long skill that prevents drownings and promotes healthy, active living.

### Growing up in Loxton, Riverland South Australia

Growing up in the hot South Australian Riverland meant swimming was non-negotiable. It's safe to say most Australians, seaside or bushie, have a close connection to water. For me, it was learning to sail on Lake Bonney, swimming at the beach when we came to the city or accompanying friends down at the riverbank – always being reminded by Mum to 'swim upstream first'. It was however, the Loxton Town Pool that became my regular haunt.

In those days of course, the town pool was a stomping ground for all the local kids. There were no fancy waterslides. Just plain swimming (and seeing who could swim the greatest distance underwater). An after-school visit always included something sugary from the kiosk, be it a 5-cent mixed lolly bag or the famous tetrahedron Sunny Boy.

Many of my fond childhood memories centre around that same pool; school swimming lessons, all of the swimming carnivals and cooling off during heatwaves that seemed to last for weeks. On some days, I'm certain the whole of Loxton was there. The pool was a symbol of community. It was affordable for all and did not discriminate.

For Australians, swimming is a life skill. Today, holidays with my children always involve swimming, just as they did when I was young. My family and I are constantly in and around water; hotel pools, friend's houses, watering holes, boogie boarding, sailing, snorkelling the great barrier reef, swimming with the Tuna at Port Lincoln, the list is endless. With each swimming occasion, I'm reminded of where it all began.

Like most kids from the bush, I learnt to swim at the town pool. Little did I know then that fun activity was teaching me a skill I would carry for life. To be Australian is to swim. It's in our psyche. And we must continue to pass this tradition onto to all Australians.

-Martin Pike, KSM Advisory



My dad in the late 70's- Principal of Loxton High School at the swimming carnival. The socks, hat and sideburns say it all!

<sup>1</sup> Roy Morgan. Swimming Pool Ownership increases in Australia, November 2018.

## Why is it important?

Each year, the cost of physical inactivity to the Australian Health System is billions of dollars. Physical inactivity is a major risk factor for ill health in Australia, with over half (56%) of adults not meeting current Australian physical activity guidelines. Physical activity is also an important factor in preventing or reducing obesity, a leading contributor to disease in Australia. Health conditions associated with physical inactivity—such as cancer, cardiovascular disease, dementia and diabetes—are among the leading causes of morbidity and mortality in Australia.

Research by the Australian Institute of Health and Welfare has demonstrated that regular exercise can have the power to improve overall quality of life.<sup>2</sup> In particular, swimming has been shown to improve mental health and wellbeing, by reducing stress, anxiety and depressive symptoms.

A well-managed and promoted town pool can address the high deficiency in physical activity of Australians, particularly in regional areas where access to fitness facilities is limited. Economic Benefit Studies of Australian Public Aquatic Facilities by Royal Life Saving Society (RLSS), 2017<sup>3</sup> provide overwhelming evidence on the contribution town pools can make to healthy vibrant communities. Key findings from the RLSS report are:

- The average aquatic facility creates \$2.72 million a year in value to the community
- A weekly visit to a pool is the categorised difference between being ‘physically inactive’ and ‘not active’.
- As a result of these health benefits, every aquatic facility visit creates economic benefits worth an average of \$26.39 in addition to the leisure value gained by users.

### 1950s

Rapid construction of public swimming pools in towns and cities

### 1960s

Low number of private, backyard swimming pools

### 1970s

Significant growth in private pool construction

### 1980s

Number of recreational activities and sporting choices rapidly increased

### 1990s

Growth in multi-purpose sport, activity and recreation hubs

### 2000s

High demand in *Learn To Swim* Programs in public and private sectors

### Today

Councils faced with high ongoing maintenance and operation costs. Many pools require additional operation as they are often running below breakeven point.

<sup>2</sup> Australian Institute of Health and Welfare 2017, Impact of physical inactivity as a risk factor for chronic conditions, Australian Burden of Disease Study

<sup>3</sup> Royal Life Saving Society, 2017: Economic Benefits of Australian Public Aquatic Facilities, Industry Report.

Our work with regional aquatic facilities identified a number of additional individual and community benefits:

- Teaching swimming creates a life long pathway and tendency towards active involvement in sport, recreation, leisure and employment, therefore contributing to a healthier community
- Town pools are an essential resource for swimming clubs, masters sports, water polo and canoe polo clubs and swimming carnival events
- The facilities provide employment opportunities for local residents
- Professional well managed LTS programs are in high demand by regional schools
- Provision of holiday programs support working parents in areas where such services can be difficult to access
- These facilities provide a unique opportunity to develop products and services that can support youth diversion programs, family functions and children's parties
- Vibrant aquatic facilities, as the epicentre of many regional communities, support regional population attraction and retention strategies
- Provide town residents with the opportunity to participate in community and improve their physical and mental health.

## The Challenge For Regional Councils

Aquatic centres naturally incur high running costs, ongoing demands on CAPEX and equipment upgrades. They are also dependent on accessing skilled labour in centre management, life guarding and LTS programs. Central to the management challenge is providing a facility that is safe in and out of the water.

In a regional context, the town pool is like the public transport system; people utilise the service but only if the price is substantially lower than the breakeven price. The jeopardy being that not only do town pools need to charge low admission to attract swimmers, low margins make it extremely difficult to attract private investors. Hence, the financial and social responsibility for a local pool falls back on council. With low financial returns and in many cases participation by a relatively low percentage of population, councils are faced with an ongoing dilemma in balancing investment in the town pools to provide a service to customers with expectations, but also making that investment economically feasible.





# Reimagining The Town Pool

Start with the end game in mind! The challenge for elected members, council executives and managers is prioritising an always-growing list of good ideas and 'fixes'. This process immediately drives up pressure on resources and budgeting. In the first instance, good ideas can be refreshing, however, in the absence of a disciplined plan, approaching an idea can be distracting, costly and based on personal opinion that may not be in the council's best interests.

**To achieve best use of community assets, we present 4 key principles that can help councils navigate both the community needs and financial demands of running an aquatic centre.**



## 1. Prioritise

There is simply not enough time, money, resources and access to the right people to do everything. The key to success is focus. Work out which areas of the facility need to be improved and commit the relevant resources. There is no one solution for a swimming pool. Resources need to focus on areas that are most important. We have found there is strong alignment between opportunities for improvement and the weaknesses of the centre. Improvement priorities, in the first instance, need to address people management and culture of the facility.

## 2. Gather The Facts

In any strategic plan, context is the crucial starting point. Work out what is critical to the success of the pool, and determine how well the facility is performing with each critical success factor. Here are 5 must do's before investing another cent on the town pool:

1. Start surveying each user group (i.e. swim clubs, masters club, triathlon clubs) on what works and what doesn't;
2. Run a diagnostic workshop with the centre manager and senior employees;
3. Consult employees on the performance of the facility across functional areas (i.e. management, marketing, operations, programs, systems and procedures);
4. Consult with each stakeholder group (i.e. school principals, parents of LTS, community leaders) and
5. Conduct a detailed financial analysis and benchmark financial performance against similar facilities.

Findings from the above 5 activities can then be used to craft an Enterprise Improvement Plan. By following this methodology, the council now has clear position to make informed decisions on revitalising the pool.

### 3. Remember Your Objectives

Knowing why your pool exists and having the tools to communicate this can have a profound impact on all stakeholders. Corey Poirier, Forbes Coaches Council, 2017<sup>4</sup> interviewed 4000 of the world's most influential leaders and found that once the 'why?' is understood, work can begin on figuring out the how. The 'why' defines the emotional connection between the pool and the community. Here are some examples: "every child in town now has swimming a life-long skill because we believe swimming is promotes a safe and healthy living" or "we believe multipurpose aquatic and recreation facilities build stronger communities".

### 4. Always Have The End Game In Mind

The end game never happens overnight; have a painted picture of success for the town pool in 5- 10 years from now. A long-term plan gives councillors the justification for allocation of resources to the centre. Often, short-term solutions fall flat on their back: cash hungry swimming pools drain already limited expenditure. Why is the end game so important? It's helps make decisions to win the next game. Too often we see wasted money on "good ideas" lacking strategy. The end game in mind might mean investment in the business model outside the pool: when crafting the end game, consideration shall be given to the value of creating a sporting and leisure hub. The development of an aquatic facility as a hub can contribute to an increase in participation rates for physical activity and drive up overall return on the asset. The benefits of multi-purpose products and services in one location are:

- More opportunity to take part in physical and social activity;
- Self-sustaining through economies of scale;
- Improvement of utilisation of existing council owned and operated assets/infrastructure and
- Improved access of products and services at affordable prices.

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<sup>4</sup> H. Corey Poirer, Forbes Coaches Council, 2017.

## Conclusion

The role of the town pool remains the same; to support learning and participation in swimming. Over the last 20 years, however, the management and financial challenges for councils have changed. It is now time to rethink how to manage these vital council assets. Alternative approaches around multi-use, product and programs and management are needed in order to revitalise these valuable community assets.

## What comes next?

If your council wishes to get in touch to find out more, Martin is eager to hear from you. You can reach him on +61 407 711 660 or via email at [martin@ksmadvisory.com.au](mailto:martin@ksmadvisory.com.au)



### Martin Pike MBA, Director, KSM Advisory

Martin is a driven business development consultant whose passion is finding out the key to what makes businesses and organisations tick. Martin is able to identify and address critical 'weak spots' with owners and managers. His style is relaxed but clear and his insights have helped organisations and businesses to be leaders in their industry. Martin has a passion for the sport and recreation centre. He believes participation in sport and recreation through access to well managed clubs, associations and facilities builds communities.

Social inclusion, providing opportunity to connect with others and an increase in physical activity are the key drivers to ensuring our communities have affordable and equitable access to sport and recreation. Martin has worked extensively across the sport and recreation sector. His recent projects include; a feasibility study and business plan for the establishment of an \$8 million aquatic centre and sporting complex; a strategic review and business plan for a council owned and managed aquatic centre; a strategic review into increasing women's participation in cricket for the South Australia Cricket Association and; consulting assignments for Golf, Sailing, Dirt Kart Racing, Paintball and other sport and recreation activities.