

Launceston Ratepayers' Association Inc.

**P.O. Box 2039,
NEWNHAM TAS 7248
03 6326 3607 AH**

**info@launcestonratepayers.intas.net.au
www.launcestonratepayers.intas.net.au**

28 May 2008

The Mayor & Aldermen,

Launceston City Council,
Town Hall
St John Street
LAUNCESTON 7250

Dear Aldermen,

Re : Launceston Regional Aquatic Centre, the budget and rate burden.

We live in interesting but seductive times. We are bombarded with images of the good life usually involving sunshine and water. We are persuaded by the media and by financiers to believe that we can have everything we want, on credit, whether we can truly afford it or not. This applies to communities as well as individuals.

Our Association continues to receive comments and opinions from ratepayers and residents of the City, which are critical of how they are witnessing the unfolding development of the Regional Aquatic Centre at Windmill Hill, and the direct impact it is now admitted to be having on intended rate increases over the next 10 years.

A member of our Association has forwarded us a press article from an Adelaide newspaper that highlights difficulties that the Adelaide City Council is experiencing with its aquatic centre, which by their deduction is not providing appropriate benefits to ratepayers. We acknowledge that the aquatic facility in North Adelaide is an old facility that is in need of an upgrade, and that the principal difficulties being experienced there seem to be directly related to the provision of training facilities for the upcoming Olympic competition. However, the correlation that the complaint is quite similar to that which we predict will occur in Launceston, in that the Launceston RAC facility will not be primarily catering for the lesser number of Launceston ratepayers, but it is these ratepayers who will bear the capital and operational funding burden unfunded by those who will benefit and use the facility.

Last year, Launceston's Mayor pronounced that he was close to gaining a financial contribution from at least one of the other municipalities in the Region, and also the General Manager advised us that he was confident he was close to sealing a deal for sponsorship that would principally defray operational costs, but nothing has yet eventuated.

We attach the South Australian article here, for your information.

One of the purposes of this letter is to again remind you that the really important decisions you have to make, **as a Planning Authority**, are not so much only a technical appraisal of development applications, but an economic decision about the priorities for this City. In this submission we refer to the Planning Authority and the

Council as separate entities, because they are. They have different underpinning legislation and perform different roles. Just because they have a membership composed of the same individuals does not mean that the Council and the Planning Authority have to hold the same view about any development issue. In the case of the Regional Aquatic Centre, the Council is the proponent of a project to spend over 26 million dollars of ratepayers and taxpayers money. The Planning Authority must assess, in an objective and non-political way, whether the spending of that money satisfies the objectives of Land Use Planning and Approvals Act and promotes sustainable development and use.

When this project was first advertised as a development application, representors refuted your planner's assertion on pages 31 & 32 of the (was it a he or a she?) report in regard to Demand and Operational Concerns and Associated Costs, that (quote) "These matters are largely outside the scope for consideration by the Planning Authority." And thereby presumes that they do not have to be analyzed or considered, by anyone, but that presumption is wrong.

Let's go back to first principles. The Land Use Planning and Approvals Act requires Planning Authorities to promote sustainable development. The planning scheme must further the objectives of Schedule 1 of the Act. That schedule says that sustainable development means **managing the use, development** and protection of natural and **physical resources** in a way or at a rate which enables people and communities to provide for their social, **economic** and cultural **well-being** and for their health and safety, while

- (a) Sustaining the potential of natural and physical resources to meet the **reasonably foreseeable needs** of future generations; and
- (b) Safeguarding the life supporting capacity of air water soil and ecosystems; and
- (c) **Avoiding, remedying or mitigating** any **adverse effects** of activities on the environment.

The important take from that all-embracing statement is that sustainable development **does** include managing development in a way that provides for the **economic well-being** of communities while avoiding or mitigating the adverse effects of activities.

Therefore if, as a Planning Authority you fail to adequately analyze or consider the economic ramifications of your decisions, you are not promoting sustainable development. You are not providing for the economic well-being of your community. We are yet to see evidence that the necessary economic analyses have been carried out. Where are Council's market surveys, pool usage projections, cost/benefit analyses? Why is Council yet to complete a satisfactory Business Plan, but none-the-less has already proceeded to construct the business facility?

In other words, where is the justification for spending this amount of public money, irrespective of its source? Would a State or Federal agency embark on a \$26+ million project without a fairly rigorous cost benefit analysis? As a Planning Authority you should have asked for and obtained nothing less from the proponent. And it should be a public document so that its assumptions and conclusions can be tested.

We are the first to admit that you cannot put a meaningful dollar amount against every cost and benefit. Nevertheless, the pertinent question in this case is, 'How do the marginal benefits (in terms of the value of increased patronage multiplied by proposed entry fees) compare with the marginal costs (such as repayment of capital, interest charges and additional operating costs)?' If the answer is negative and the former operation of the Windmill Hill Swimming Centre was already in a financial hole, isn't it time to stop digging?

The economic consequences of spending tens of millions of dollars on a new swimming pool complex are of two kinds. Firstly, the direct economic burden on the 28,000+ ratepayers who are now being called upon to repay the debt, plus interest. Secondly, the less obvious losses flowing from failure to invest an equivalent sum in more economically productive projects. That loss could be in the form of interest earnings foregone, or insufficient investment in facilities or services with a better rate of return, or from risky deferral of other cost-effective works such as flood protection and road works.

In looking at what the planning scheme says, we paraphrase the relevant sections of Goal 6 of the scheme:-

(quote) " To manage the use and development of land within the municipal district ... so that the community's on-going needs for essential lifestyle services and facilities...[including] recreational services and facilities are adequately met and the highest sustainable quality of life and environment is achieved.

The important words there are 'essential', 'adequate' and 'sustainable'

In this, and previous submissions, including those put by other like-minded parties, the Regional Aquatic Centre sited at Windmill Hill is (a) not essential, (b) more than adequate, even extravagantly so, but (c) not sustainable in the broadest terms as required by LUPAA.

In turning to the Recreation Objective (p11) of the planning scheme we find principles that include 'encouraging **diversity** in the provision of recreational activities available', and 'providing for a **hierarchy** of recreational facilities **in forms and locations which meet the needs of the population.**'

Having closed the Mowbray pool, the Council put all its eggs in one gold-plated basket - mis-labelled as a 'regional facility' (but not financially supported by the whole region).

Did you, as the Planning Authority, seriously try to verify what the needs and wishes of the rate paying population were, (other than the self-interested members of the subsidized competitive swimming clubs), and how much support this proposal has (and at what cost) or alternatively how the existing system of pools in the region could have been managed to provide complementary facilities for the different types of pool users?

In short this aquatic centre proposal is, in our opinion, and as broadly predicted, rapidly proving to be a luxury we cannot afford.

We continue to express our concerns about the parking issue which in spite of the development approval conditions issued, have still not been further progressed or resolved.

Apart from the fact that no private developer would propose such an obviously loss-making facility, would the Planning Authority be as lenient with a private applicant as to accept such deficient parking arrangements? How can patronage ever be encouraged to grow much beyond the levels of the former Windmill Hill Swimming Centre facility and address the hope of improving the financial position of the new RAC facility? Is it wise to start so far 'behind the 8-ball' when establishing what is hoped to become a major regional facility?

If however the Planning Authority is unable to separate its proper role from that of the Council as the proponent, we are again left to lament the conclusion that the ratepayers of Launceston will be condemned to support this financial folly for many years to come.

We implore Council to re-consider its commitment to the Regional Aquatic Centre, and to engage with other Municipalities in the Region and the State Government, with a view to obtaining financial support for the hapless ratepayers of Launceston, as a matter of urgency.

Yours faithfully,

Kelvin Jowett

Vice President
For and on behalf of the Launceston Ratepayers' Association Inc.

Enc.

Sport

City council push to offload Adelaide Aquatic Centre

Posted Tue May 13, 2008 7:25am AEST

Updated Tue May 13, 2008 8:11am AEST

Adelaide City Council is keen for the South Australian Government to take over ownership and management of the Adelaide Aquatic Centre until a new state swimming centre is built at Marion. • *Map: North Adelaide 5006*

The council wants the Government to take control while swimmers are training for the Beijing Olympics so that their program is not compromised by a funding dispute.

An elite sports funding agreement for the centre had been due to expire in June but has been extended until September amid the funding differences between the council and the SA Government.

The council threatened to pull its funding and send the bill to Swimming SA if the Government did not put in more than \$200,000 a year.

It argued that only 5 per cent of ratepayers used the facility in the North Adelaide parklands.

The council thinks the Aquatic Centre could be returned to its control once elite swimmers can train at the Marion facility.

Councillor Anne Moran says the Aquatic Centre is costly.

"We've been left holding the baby for a long time now and worked quite golden-heartedly but we just cannot afford it," she said.

"It's an old facility, it needs upgrades, it needs work on it, council can't afford it.

"It's not fair on the young swimmers - the state must take it over."

Tags: local-government, states-and-territories, swimming, adelaide-5000, marion-5043, north-adelaide-5006