



FRIENDS OF LORNE INC
A0023195T

LORNE SEA BATHS AND PRECINCT. RE-LEASE APPLICATION.

Submission from Friends of Lorne
16 June 2023

Friends of Lorne is a planning and environment conservation organisation. It was founded in 1966. We are dedicated to conserving the natural fauna and flora of Lorne whilst ensuring that there are services and activities suited to the needs of permanent residents, holidaying residents, campers and tourists.

Thank you for the opportunity to comment on the new vision of the lessee of the Lorne pool precinct, and the associated application of the lessee for a 21-year extension of the current lease. We found the webinar, the community meeting, and the FAQs helpful in formulating our understanding what is being proposed.

For a relatively modest outlay (and a government grant) the lessee, Landcorp Foreshore Precinct Ltd proposes to retain the hospitality outlets but switch focus to make a “unique hero attraction as the most upmarket and modern take on saltwater bathing tourism in Australia.”

We advise that **now is not the time to lock GORCAPA into a new 21-year lease**. There is too much uncertainty and evidence that a wider and different set of decisions about this infrastructure is needed, beyond the minor modification the lessee currently seeks. Now is the time for a re-think not a re-lease.

1. The lessee faces obstacles, with an old and ageing pool and a business model that does not allow sufficient funds for its renovation or for heating to 25 degrees (as once expected). The lessee explained that, in contrast to his own situation, pools run by local government receive annual subsidies to remain open and accessible to the local community i.e., to ensure low entry prices and accessible hours of opening.
2. It also has not been possible to secure insurance to keep the trampolines open. While continuing options are being sought, it is pertinent to ask, what impact would the permanent closure of the trampolines have on the financial viability of the pool precinct? We note that in the past the trampolines have offset the losses in other parts of the precinct.
3. The cost benefit analysis¹ developed by Decisive Consulting Ltd compares the proposed new activities, to the alternative of doing nothing and leaving as is. This is a narrow case and framed from the perspective of the current lease holder. By contrast, from GORCAPA's perspective, the economic modelling should be comparing three options, doing nothing, the wellness spa proposal, and developing the pool precinct to a facility for all year-round use of all facilities (i.e., including the existing pool). The economic modelling should consider the **wider costs** involved such as water use and environmental impact, given Lorne's reliance on a single water source and GORCAPA's commitment to meet emission reductions targets.

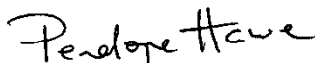
¹ The application comprises a business case from Damian Gorman and cost benefits analysis from Decisive Consulting. They overlap in content, with the cost benefit providing more detail.

4. From the community perspective, more appropriate economic modelling would also allow GORCAPA to fully appreciate the **wider benefits**. In particular, it should investigate how the various groups already named in the business case would benefit respectively under the three different scenarios ie., permanent residents of Lorne, part time residents, nearby rural residents, the Lorne P1-12 college, Deans Marsh Primary School, Birregurra Primary School, the Lorne Surf Lifesaving club, Vic Swim participants, tourists, and the Lorne business community. In other words, the economic cost-benefit case should be more comprehensive, essentially asking, what is the (full) cost and what is the possible value to the community and visitor of a wider range of options.
5. The business case requires more interrogation. The lessee has possibly not been well served by the consultant's research. For example, the number of jobs to be created (68) is identical to [the business case for the Cape Woolamai Lodge and Hot Springs²](#) on Phillip Island. Seven hot pools are to be installed at Phillip Island (eight in Lorne). But the Phillip Island pools are larger than the ones proposed in Lorne and Phillip Island is a larger and more diverse economy than Lorne (Lorne population is 1,327, Phillip Island 13,799). It seems unlikely that the exact same number of jobs would be generated in the two different scenarios.
6. As well as more precise tourism forecasting, time should be taken to forecast possible local use of the facilities based on data held at the Lorne school and at Great Ocean Road Health, which opened gym facilities for chronic disease management in 2021. Our point is that the case made is currently based on generalised data extrapolations, when additional context-relevant data sets are available. Local data could support an argument for a different type of "wellness" target. See attached letter from GOR Health.
7. The business case may have miscalculated the location for this target market. Rest and relaxation tourism may be growing in Victoria, but the Lorne foreshore is not a serenity destination, compared say, to hot springs at Daylesford or Mornington (on which projections about use have been based). Parking is at a premium on the Lorne foreshore. There are competing events and activities (which vie for parking space). In summer, spa pool patrons will have to bathe in facilities adjacent to a 33-metre swimming pool with children playing on the aqua roller and bumper boats.

This is a big moment. This is an opportunity for *environmental and community stewardship*. This is an opportunity to consider how any new proposal fits with GORCAPA's concept of 'sustainable/eco/regenerative' tourism. GORCAPA should consider long term population trends and needs and the implications of the Marine and Coastal Policy (2020). Whether or not any particular mixed-use private business can be viable on the site is simply too low a threshold for decision-making about a prized asset on a prominent piece of public land.

Thank you again for heeding community concern and encouraging input.

Yours sincerely,


Penny Hawe, President

² Campbell E. Phillip Island is getting a new hot springs development, brewery and distillery. *Time Out*. 21 June 2022