

**WORKSHOP**  
**OF THE**  
**Clutha District Council**

**Thursday 5 December 2024**

**Commencing at 08:45 am**

**At the Council Chambers**

**1 Rosebank Terrace**

**BALCLUTHA**



# Workshop Agenda

Thursday 5 December 2024  
08.45am to 12:45pm  
Council Chambers  
1 Rosebank Terrace  
Balclutha

**WORKSHOP TITLE:** Annual Plan 2025/26 Workshop 1

**WORKSHOP  
PRE-READING  
(ATTACHED)**

Annual Plan 2025/26 - Preliminary Financial Update (Session 1)  
Community Housing Replacement of Cabin Build Project (Session 3)  
Community Halls (Session 4)  
District and Community Pool Review (Session 5)

## Workshop Programme

Time (Indicative)	Session No	Topic	Outline	Page No
08:45am		<b>Introductory Matters</b>	Whakatauki, apologies	
08:50am	1	<b>Annual Plan 2025/26 - Preliminary Financial Update</b>	Consider and discuss the starting position for the Annual Plan 2025/26 financials, the principles and direction.	3
10:15am		<b>BREAK</b>		
10:30am	2	<b>Long Term Plan 2024/34 Reviews</b>	PowerPoint facilitated report back and confirm forward directions	6
11:00am	3	<b>Community Housing Replacement of Cabin Build Project</b>	Consider, discuss and provide direction to staff on Council future involvement with cabin building together with future partnerships with Department Corrections.	9
11:30am	4	<b>Community Halls</b>	Consider, discuss and provide direction to staff on community halls funding system and current halls policy and divestment strategy.	19
12.00pm	5	<b>District and Community Pool Review</b>	PowerPoint facilitated report back and determine forward directions	31
12:45pm		<b>CLOSE</b>		

*Council workshops are intended to provide a forum for Councillors to be briefed, explore issues and to guide Council staff on further consideration of issues or the development of options, or ask staff to bring forward issues for formal consideration at a Council meeting. Workshops cannot make decisions that bind Council or its staff.*

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# Annual Plan Workshop

<b>Report</b>	Annual Plan 2025/26 - Preliminary Financial Update
<b>Meeting Date</b>	5 December 2024
<b>Item Number</b>	1
<b>Prepared By</b>	Sharon Jenkinson - Chief Financial Officer
<b>File Reference</b>	923817

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## OUTCOME SOUGHT

Consider and discuss the starting position for the Annual Plan 2025/26 financials, the principles and direction.

## DIRECTIONS

### Direction is sought from Council on the following

- **The LTP remains the basis for the Annual Plan 2025/26 budget process.** The LTP process attracted the most submissions we ever received. There were days of hearings and Council reviewed budgets and projects line by line. Council also reviewed staff numbers. Decisions were taken and the LTP approved. Whilst we should take the opportunity to identify savings where new information has come to light, it is not intended that the LTP be otherwise reviewed.
- **No changes unless significant.** This follows from the direction above and we will introduce any of these at the workshop for Council review.
- **There will still be a Three Waters budget realignment required.** This should be the final realignment as it covers 18 months of experience, and it is expected to be a much smaller realignment.
- **Investment income interest rate is currently included at 5.25%** - however we have requested updated projections from our advisors
- **The borrowing interest rate is currently included at 5.25%** - however we have requested updated projections from our advisors
- **NZTA assistance rate is included in base budgets at 67%**
- **Inflation remains the same as per LTP.** Inflation has dropped however we are still waiting on these figures to be released by BERL. Any changes to inflation would not generally change these budgets because they are compared to the LTP forecasts.
- **Our Rates Cap was set at 20% for the 2025/26 year.**

- **Debt for Operations is provided for in 2025/26.** The baseline for 2025/26 includes operational borrowing of \$4.13M to offset rates and keep our increase under 20%.

## REPORT

### 1 Background

The Annual Plan process provides an opportunity to review intended work programmes and associated budgets, taking into consideration any new information and/or changing circumstances.

This report provides an update on key issues for the 2023/24 financial year that will impact on the 2025/26 Annual Plan.

The Annual Plan 2025/26 will provide an update to the second year of the Long Term Plan 2024/34.

This has a budgeted rates increase of 19.64%

We have asked staff to review their budgets and indicate any changes required and the reason, however only if they are significant and necessary. There have been no changes to date.

The overall rates and rating examples from the Long Term plan showing this starting point.

### 2 Our Approach

The starting point for the Annual Plan 2025/26 budgets is Year 2 of the Long-Term Plan 2024/34. This has a budgeted rates increase of 19.64%

The overall rates and rating examples from the Long-Term plan showing this starting point are at Attachments A and B.

### 3 Debt

The borrowing used to mitigate rates impacts over the ten years of the Long-Term Plan as well as the repayment of this debt is as below.

	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32
Borrowing	7,430,000	4,500,000						
Repayments				1,500,000	4,130,000	1,500,000	3,800,000	1,000,000

Projected net debt over the ten years of the plan and available headroom:

Debt levels per the long term plan	25/26	26/27	27/28	28/29	29/30	30/31	31/32	32/33	33/34
What we intend to borrow (net debt)	162,645,859	184,080,349	203,083,187	207,408,962	210,993,166	216,130,446	257,264,859	262,405,167	254,673,926
How much we have available to borrow	33,308,572	40,733,706	27,992,046	37,264,981	36,081,816	46,025,738	6,614,393	5,347,107	17,133,270
Our debt cap/limit	198,441,186	219,521,081	234,538,045	248,380,229	256,509,284	274,839,135	279,003,115	287,383,856	293,691,420

### 4 Consultation

In 2014 amendments to the Local Government Act aimed to reduce annual plan costs by removing unnecessary duplication in consultation processes and in the preparation of information. The changes to the Act did this by:

- Removing the requirement to prepare information that duplicates LTP content, if that content is unchanged from the LTP (i.e., an annual plan is now an exceptions document – it contains differences from the LTP regardless of how big or small)
- Removing the requirement to consult on an annual plan – unless the differences from the LTP are significant or material, or if your local authority chooses to.

Consultation is not required if the plan does not include significant or material differences from the content of the long-term plan for the financial year to which the proposed annual plan relates.

There is a two-stage test. Firstly, is there a difference, and secondly is it significant or material. While the Act doesn't define what is material, the standard dictionary definition is "*being different or unlike*". Sector guidance on 'materiality' indicates that this can relate to variations or departures from the financial statement and funding impact statement; new spending; and/or delays to or abandonment of projects.

The Milton Swimming Pool and Community Library whether it proceeds or it doesn't is not considered new spending or as an abandonment of a project because it was contemplated as such in the LTP and specifically included that there would be a Special Consultation process.

There were several reviews being undertaken for this Annual Plan process. This will be discussed separately and the consequence if we do not consult on the Annual Plan is that any reviews that would have a budgetary implication would be deferred to the next Plan.

We are currently proposing to not have any significant changes to the Long-Term Plan 2024/34 and as such not consult on the Annual Plan 2025/26. That is a proposal that would need confirmation from Council as a Direction. The reasons for this are:

- Council has consulted on Taylor Park cabins, the LTP, the swimming pool and library, and the representation review. We will have to consult on the Water Services Delivery Plan. The Community could feel "over consulted".
- It is election year.
- Staff have been overwhelmed with consultation administration, extended LTP preparation times because of the new Government's change in direction over three waters, extended Annual Report preparation times for the same reasons and a late start to this Annual Plan.

It is still expected that Council will provide an opportunity for the District to provide feedback it will just not be formal consultation and is likely not to include provision for hearings.

**Attachments (UNDER SEPARATE COVER)**

Attachment A – Overall Rates for Year 2 (2025/26) of the Long-Term Plan 2024/34

Attachment B – Rates examples for Year 2 (2025/26) of the Long-Term Plan 2024/34

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# Annual Plan Workshop

<b>Report</b>	Long Term Plan 2024/34 Reviews
<b>Meeting Date</b>	5 December 2024
<b>Item Number</b>	2
<b>Prepared By</b>	Steve Hill, Chief Executive Peter Stafford, Strategy Planning Manager
<b>File Reference</b>	923944

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## **OUTCOME SOUGHT**

Consider, discuss and provide direction on Long Term Plan 2024/34 Reviews.

## **DIRECTIONS**

**Direction is sought from Council on future development of Long-Term Plan 2024/34 Reviews.**

## **REPORT**

### **1 Background**

The Long-Term Plans 2024/34 identified a number of reviews which are summarised at Attachment A.

### **2 Approach**

This session will be facilitated by a PowerPoint presentation.

## **ATTACHMENTS**

Attachment A – Summary of Long-Term Plan 2024/34 Reviews.

## Long Term Plan 2024-34 Summary of Reviews

Subject	Topic	Summary	Source
3 Waters	3 Waters Project Estimates	Review and updating of project estimate over next 12 to 24 months.	LTP p46
3 Waters	Waste Water Services Extensions	There are no plans to extend wastewater services into other areas at this stage as there has been no demonstrated need, e.g. Taieri Mouth, Papatowai. Increasing numbers of permanent residents in these areas mean that sanitary services assessments for these areas and any other smaller communities will be reviewed.	LTP p147
Community	Community Grants funding	Grants and community-contract services funding will be reviewed on a triennial basis as part of the development of the Long Term Plan. Continuation of funding will be considered on a case-by-case basis.	LTP p114
Community	Youth Services funding	Review if external funding changes	LTP p114
District Plan	District Plan Review	District Plan Review	LTP p192
Financial	Financial Contributions Policy	Financial contributions policy shall be reviewed by December 2026.	LTP p253
Financial	Rates	Rates review	LTP p68
Financial	Review of Remissions	All remissions granted will be reviewed every three years, or if new information is provided, whichever is earlier. This is to ensure that the circumstances under which the remissions were granted continue to exist.	LTP p248
Financial	Volunatry Targeted Rate	Legal Review (Noting use of voluntary targeted rate is currently suspended pending legal review.)	LTP p206
Housing	Community Housing	Community Housing Review	LTP p51
Regulation	Alcohol Licencing	Review Council's liquor ban bylaw to allow appropriate enforcement	LTP
Services	I-site Funding	Council of isite funding as part of the next review of the Revenue and Financing Policy.	LTP p 23
Services	Swimming Pools	Review of operating grants and models for Community Swimming Pools to ensure Council support of these pools is fair and equitable.	LTP p176
Services	Visitor & Information Centres	Review of funding for Visitor and Information Centre services in Year 1 because of inconsistencies of grants from Council.	LTP p176

Solid Waste	Solid Waste Management	Review of renewal of operational model & contracts in first 3 years of this LTP.	LTP p166
Solid Waste	Transfer Stations	Review new waste services	LTP p 19
Solid Waste	Waste Management	Council contracts out maintenance and operation of the kerbside collection, Mt Cooee Landfill and transferstations. Solid waste management, waste minimisation, Enviroschools and Zero Waste education is resourced inhouse. These methods of delivery will be reviewed during the term of this plan as part of a comprehensive analysis of all waste services.	LTP p166 & 20240612 Council Meeting Minutes, Item 31
Solid Waste	Waste Management - Mt Cooee New Cell	The decision to construct a new cell at Mt Cooee will be reviewed from a financial and risk perspective before a final decision is made over the future of Mt Cooee.	LTP p166
Solid Waste	Waste Management and Minisation	Comprehensive cost/ benefit analysis of all waste services together with community consultation. This analysis will encompass the extension of kerbside collection services, the operation of Mt Cooee Landfill, Council's Transfer Stations, as well as other resource recovery and education initiatives.	LTP p53
Transport	NZ Transport Agency Co-Funding	Work programmes, levels of service and rates for roading will be continually reviewed through annual plan and long term plan updates.	LTP p126



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# Long Term Plan Workshop

<b>Report</b>	Community Housing Replacement of Cabin Build Project
<b>Meeting Date</b>	5 December 2024
<b>Item Number</b>	3
<b>Prepared By</b>	Kelly Gay, Head of Community and Infrastructure Operations
<b>File Reference</b>	923841

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## OUTCOME SOUGHT

Consider, discuss and provide direction to staff on Council future involvement with cabin building together with future partnerships with Department Corrections

## PROPOSED DIRECTIONS

- 1 That Council directs Council staff to develop a full costs proposal for Community Housing Unit (CHU) development.**

## REPORT SUMMARY

Earlier this year the Council took the decision to remove cabins from Taylor Park. This raised several complex and interdependent issues for Councilors. Council asked a range of questions:

- What happens with the relationship with Corrections and the positive intentions of that relationship.
- The Council noted a known housing shortage in the district and wondered if cabin building could be used to address that shortage.
- Some Councilors were concerned that Milton would miss out on opportunities.

This report considered those three issues and proposed a way forward. The outcome could be a costed proposal for a future Council decision.

## REPORT

### 2 Strategic Goals and Outcomes

This report aligns with Council policy, goals and outcomes:

#### 2.1 Community Outcomes

- Vibrant Rural Towns and Communities

- Healthy Sustainable Environment

## **2.2 Key Priority Areas**

- Healthy Safe Communities
- Invest in Infrastructure
- Enough Quality Housing

## **3 Situation and background**

CDC has a positive working relationship with Ara Poutama/Department of Corrections (Corrections) facility based in Milton.

As part of the inmate's rehabilitation and reintegration into the community, inmates can participate in industry-based training programmes. The outcomes of these programs are skills, education, and qualifications, as well as improved future employment opportunities.

These programs are highly valued by Corrections with the objective of reducing reoffending and supporting successful reintegration. There can be no doubt about the significant positive impact these programmes have on the lives of inmates and their family and Whanau.

One of the local programmes is construction-based trades. The byproduct of this program is the building of small consentable building structures which support carpentry training. Most recently, these units have been used as cabins for Taylor Park.

Currently CDC pays for the materials. Corrections supervises the building as part of the education programmes. As such, units have no labour costs making the units very attractive for CDC development.

CDC has taken care not to exploit this situation, Corrections, or the inmates' taonga (the gift of their labour). It is acknowledged that all parties benefit from this arrangement.

10 cabin units were originally ordered from Corrections.

Council has since taken a decision to not use these cabins at Taylor Park. Subsequently, 4 cabins have now been sold. Cabins 5 through 8 are approaching competition and will also be sold. Cabins 9 and 10 have been cancelled.

Corrections have indicated a strong wiliness and desire to continue with this arrangement into the future. They are also open to new ideas to continue this collaboration (correspondence dated 23/09/2024). This was recently confirmed by Corrections at a site meeting 18<sup>th</sup> November where they stated a preference for building projects where educational outcomes are aligned to training programs (read apprenticeship level).

#### 4 How do we support the Department of Corrections?

The current arrangement had worked well for all parties. Corrections had projects for inmates, while CDC supported its community and added cabin infrastructure to the Taylor Parking camping ground.

The small and repeatable nature of the cabins makes them idea projects for Corrections, and worked well for CDC’s camping ground ambitions producing relatively cheap and high quality units. Overall, this had the potential for a significant positive community impact for the district. Critically, there was a strong alignment between the Correction’s need(s) and CDC’s need(s).

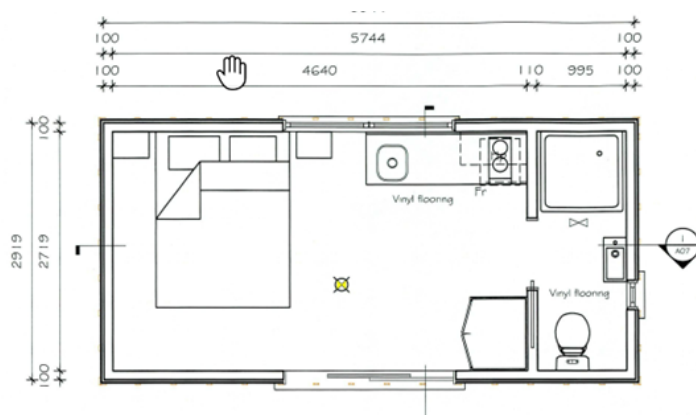
The best way to support Corrections is to continue with some form of the current arrangement. At the time of writing this advice, that remains Corrections desired outcome. To make this work, we need to identify a project that aligns with the needs of CDC and Corrections through a mutually beneficial building project.

This paper explores possible uses of cabins, and what other options are available to re-establish that alignment between the parties if cabins are not suitable for CDC’s purposes.

#### 5 Possible use of cabins

The small size, compact footprint and single living arrangement were compared to the various housing needs. The (Fig 1) Cabin design is below for reference. Small units such as these are ideal for campgrounds, temporary living situations or worker accommodation where the focus is a place to sleep, not a place to live.

Fig 1. Cabin design



The cabins have been built to a reasonably high specification, with features including:

- Double-glazed windows & sliding door
- Well insulated – ceiling, walls, and floor

- Good quality facilities and appliances including kitchen, shower, toilet, cooktop, rangehood and microwave
- Higher quality interior lining and board & batten cladding
- Built-in bed and storage.

The most obvious use of such a cabin would be for worker accommodation, which has been an issue for the district historically. The only change required would be the inclusion of a stove for compliance and livability reasons. However, Clutha Development’s investigations into worker accommodations suggests that there is no present appetite from industry for worker accommodations (refer Clutha Development report – pending). This option is therefore excluded.

While not ideal, it would be possible to use these cabins as emergency accommodation. However, this is well outside of CDC’s current policy and expertise. Moreover, emergency housing would use the same resources as community housing, i.e. buildings and land. The single person nature of the cabins would only be useful in some emergency housing situational (i.e. not families or couples). If that need was critical, empty community housing units would meet the same purpose. Building small cabin/units would only have limited emergency applications. These cabins are not suitable for longer-term habitation. This option is therefore excluded.

Alternatively, campground cabins remain an option. Council’s current positions is to not have cabins at Taylor Park and CDC has no other directly managed camping grounds. This option is therefore excluded. Note however, this does not preclude a reuse of this design for cabins in future.

In summary, the current compact cabin design has extremely limited uses. The lack of living space severely limits the suitability of these units as ‘housing’.

No immediate use can be found for the current cabin layout. This design should be shelved in preference to other options below.

## **6 Finding a new alignment**

Housing remains a priority area under the Living and Working in Clutha Strategic Plan, and the Strategic Direction for Housing in the Clutha District strategy adopted by Council in 2020. This report now responds to those Council expectations.

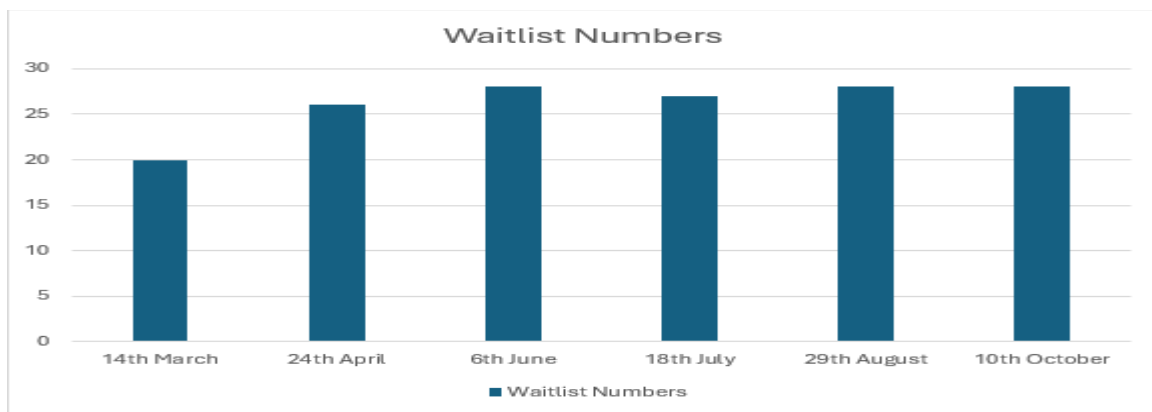
The following proposal suggests that the design be repurpose into larger community housing units and added to the Community Housing Units (CHUs) portfolio.

This would meet an immediate need and keep the relationship with Corrections operating allowing other options in future as well. This would be the mutually beneficial project that both sides benefit from.

## 7 Where is the Clutha District need for community housing?

There is demand for more community housing in the Clutha District. The current waitlist data (table 3 CHU demand – waitlist numbers) has been collected since March '24, and shows a steady demand of 26-27 applications since April.

Table 3 CHU demand over time – waitlist numbers



### 8.1 Type of demand

The Clutha District has very little alternate supply of community or social housing. There are some specialist short-term providers such as Women’s Refuge, or Ceder Tree Lodge, however, CDC is a major supplier of community housing to the district.

The table (1) below, breaks down the Clutha district’s demand picture by location in the August '24 period. It is important to note that waitlist numbers appear inflated as many people make multiple application for multiple locations, (2.2 on average). This is however useful in creating a heat<sup>1</sup> map of demand.

Table 1, CHU waitlist

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<sup>1</sup> HEAT maps use data to visual magnitude

Area	Waitlist Numbers	Heat Map - Sum by Area
Toshvale (Balclutha)	13	17
Naish Court (Balclutha)	8	
Argyle (Balclutha)	5	
Clinton	2	2
Kaitangata	4	4
Lawrence	1	1
Spenser St (Milton)	12	25
Elderlee St (Milton)	13	
Owaka	1	1
Tapanui	1	1
Waihola	1	1
<b>Total application by site (some people apply for multiple location)</b>	61	
<b>Total (actual people)</b>	28	

Community housing is clearly in demand in Balclutha (17) and Milton (25). This strongly suggests that any community housing response should focus on one, or both, of these two locations.

## 7.2 Demand type

Appendix 1 provides definitions of community housing. But for our purposes, community housing demand can be divided into pensioner flats and social housing. Analysis of current waitlist tenants indicates the following demand (Table 2) divided into those two types.

	Current tenants	Waitlist	Demand expressed as people/housing units
Pensioner	77%	50%	93
Social	23%	50%	48
Total	100%	100%	141

In total then, demand for pensioner and social housing for the Clutha District is 141 units compared to the current 98 CDC community housing units across the district.

This analysis suggests that demand has been sustained for a long period of time. The analysis supports a limited increase in the total community housing portfolio in either Balclutha or Milton, and that any such increase would be meeting demand and need for community housing. This articulates CDC’s rationale for participating in a build relationship with Corrections, and responses to the Living and Working strategy.

## 8. What to build

Community housing is housing for the medium to long-term living. A larger single person dwelling of 40-50m<sup>2</sup> would be consistent with current community housing and more likely to meet the livability needs of the community.

Based on the analysis above, we know that CDC community housing is under demand for two key areas, social housing and pensioner flats. However, the single person dwelling proposed could be applicable to either of those groups, or indeed emergency housing if required.

40-50m2 dwellings offer CDC the greatest utility for the future to meet CDC’s current and future needs.

Corrections have indicated they are interested in exploring 40-50m2 build as a replacement to the current cabins. Larger scale builds align to their training needs. Fig 2 below shows what an (aspirational) 40-50m2 single person dwelling could look like.

Fig 3 modern 1-bedroom aspirational unit design



Source: <https://www.pinterest.co.uk/rgb0482/50m2-apartment/>

## 9. Location

The Clutha District Community Housing Review (2020) identified 3 possible existing sites for the expansion of community housing; Nash Court (Balclutha), Spenser St (Milton) and Nore St (Waihola). This is summarized in table 6 below.

	Balclutha	Milton	Waihola
Community housing demand	Yes	Yes	No
Land available	Yes, but uses current reserve land	Yes	Yes
Sites available	4+	4-6	6

Of these options, Waihola should be discounted due to a lack of demand.

Spenser St in Milton has a number of advantages over Balclutha. Milton has the highest demand for community housing in the district. There are close road-side services making this the cheapest option to connect to three waters. Most importantly, Spenser St has land which is available immediately, is attached to existing community housing units and this land was intended for community housing.

However, Council could direct a search wider than these three immediate options.

Fig 3. Conceptual design of Milton Community housing development

The conceptual plan below shows what a small CHU development at Spenser St could look like.



## 10. Capital works

For information, table 3 below provides an outline of planned LTP activity, capital investment in CHU's planned 2025-2028. At this stage, the future work is planned entirely for maintenance.

Table 3. LTP approved capital works for CHUs

Ref	Group activity	Activity	2025	2026	2027	2028
640042	Community Services CHU's District	Housing unit maintenance and Component Program	400000	408000	416800	425,000
640039	Community Services CHU's District	Condition assessment	25000			26,600

## 11. Steps from here

- An arrangement with Corrections for a 40-50m2 design must be confirmed
- CDC should produce a full costed proposal.
- This should cumulate into a full decision paper for a Council decision in the Annual Plan 2025 process.



- We would need to be mindful of the Annual Plan direction if we were not intending to consult. Any costed proposal would need to consider significance and materiality relative to the LTP budgets.

**Appendix 1 What is community housing?**

It is useful to redefine community housing as it relates to the CHU portfolio.

Community housing is defined as a form of affordable housing working alongside private housing in the open market<sup>2</sup>.

I found the model (Fig. 2 community housing continuum) below helpful in understanding the nuance between types of community housing and how they relate to each other and the private market be that rentals or owned homes. This may also be useful to the Council in setting expectation for its current or future housing portfolio operations.

Fig 2. Community Housing Continuum



Source: Manawatu Housing Trust '24

<sup>2</sup> Community Housing Aotearoa

## Definitions of types of Community Housing.

<b>Community house by Type and example</b>		
<b>Emergency Housing</b>	Those who need immediate housing solutions. Such people are technically defined as homeless by MSD.	N/a
<b>Social housing</b>	Sometimes also referred to as transitional housing, is most often shorter-term accommodation or temporary housing. This can be for those whose rental has been sold, those disenfranchised by society, through to re-integration services such as drug and alcohol or ex-prisoners. It is not intended to be a long-term solution, but clearly becomes so, especially where housing options are limited.	CDC FLATS
<b>Assisted rental</b>	Long-term and rental sensitive/below market rate accommodation. The most obvious example are Council pensioner flats.	
<b>Assisted ownership</b>	This is housing made available through mixed ownership or risk reduce ownership options.	Kaitangata House and land package
<b>Private rental</b>	'Normal' Market	
<b>Private ownership</b>	'Normal Market'	

“Community housing” is therefore used as shorthand for 4 main categories: Emergency, Social, Assisted Rental and Assisted Ownership. While definitionally different, operationally these terms are seen as synonymous or interchangeable especially by social services. As such, caution is needed when dealing with social agencies when they are placing people.

Current CDC Community housing policy locates our housing portfolio in the ‘assisted rental’ category.

The sub-market rents for Clutha CDC housing units, and permissive entry criteria have also made the housing units attractive as social housing options (especially to social service providers who do not differentiate between categories of community housing). When you also allow for the longer life expectancy of this younger demographic, we should expect this ‘drift’ to social housing to continue. CDC’s current policy allows a broad interpretation of entry criteria and is now under review.

The Council may take a view that it wants to be clearer in the purpose and entry criteria for the benefit of the district. Until this is clarified, we will continue to use the term “community housing” to refer to the whole of the current mixed portfolio.

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# Long Term Plan Workshop

<b>Report</b>	Review of Community Halls
<b>Meeting Date</b>	5 December 2024
<b>Item Number</b>	4
<b>Prepared By</b>	Cosmus Makuvise - Senior Asset Manager, Facilities and Waste Justin Crow - Asset Data Analyst, Facilities and Waste Kelly Gay - Head of Community and Infrastructure Operations
<b>File Reference</b>	921259

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## OUTCOME SOUGHT

Consider, discuss and provide direction to staff on community halls funding system and current halls policy and divestment strategy.

## PROPOSED DIRECTIONS

- 1 That the Council gives direction on the current halls funding system and if it is satisfied with the current operational grant funding arrangement requiring no change, or, requiring new work.**
- 2 That the Council gives direction to continue with the current policy and divestment strategy (Status Quo),or, directs an acceleration and end date for this work, or, new work.**

## REPORT SUMMARY

During the LTP process, the Council expressed concern about the fairness of operational grant funding as they related to Community Pools, Community Halls and Museum. This report focuses on Community Halls.

The scope of this review includes:

- Community owner halls with specific grant arrangements, or community halls which access pool funding.
- CDC owned community halls. Note, a full assessment of the funding, conditions and utility of these halls is included in Appendix A for information.
- This report acknowledges the current Council policy towards divesting Community Halls.

The purpose of the workshop is to inform the Council how the community halls operational funding is shared between the various communities of interest. And to consider if the current

divestment strategy is still the preferred approach for the district's remaining community halls still in CDC's direct control.

Council may choose to alter this arrangement and request new work be carried out with regards community halls funding. This may/may not, include the request for a new standard or fairer operational grant model.

Council may wish to continue to support the current policy and divestment strategy for community halls. This may/may not include direction to set a time frame and sell off remaining halls if no community group is willing to take responsibility for those remaining halls currently directly managed by CDC.

## **REPORT**

### **1 Background**

CDC's current policy has been to divest itself of community halls to the control of local community groups.

Philosophically, it is believed that local communities will manage and care for these halls better. This separation from Council allows community groups to apply for third party funding which would otherwise be excluded by Council participation. This arrangement also allows those community groups to apply for additional funding through the Annual Plan and Long Term Plan process.

There are a number of very positive examples of community halls including Clinton and West Otago halls. A well documented example is Kaitangata's Community Hall. <https://www.oct.org.nz/news/kaitangata-s-community-hall-now-complete>

This report acknowledges this divestment strategy. Given the long-term objective is to have all halls owned by the community, no attempt is made to categorise various halls by ownership. Rather all halls are condensed into one data set to support a fair analysis and comparison.

### **Financial analysis**

Council had expressed concerns about the fairness of its community halls funding model. The assumption here is that the fairness at question is funding between communities of interest. The following table(s) breaks costs down across the wards to allow Councillors to consider if this allocation is fair between wards.

The total budget for Community Halls in 2024 was \$361,137. Table 1 below breaks those costs down by community of interest.

Table 1 Total budget for Community Halls by community of interest (2023-2024)

Community of Interest	Location	Total	UAGC	Bruce	Catlins	Clinton	Lawrence/Tuapeka	Lower Clutha	West Otago
Clinton	Clinton	27,822	13,911			13,911			
Bruce	Milton Town Hall	19,324	9,662	9,662					
West Otago	West Otago	23,385	11,693						11,693
Lower Clutha	Clutha Valley	19,942	9,971					9,971	
Lower Clutha	Hillend	7,893	3,947					3,947	
Lower Clutha	Kaka Point	16,328	8,164					8,164	
Lower Clutha	Lovells Flat	7,175	3,588					3,588	
Bruce	Money more	8,237	4,119	4,119					
Catlins	Owaka	33,660	16,830		16,830				
Lower Clutha	Paretai	7,844	3,922					3,922	
Bruce	Waihola	10,359	5,180	5,180					
West Otago	Waipahi	6,814	3,407						3,407
Law/Tua	Waitahuna WM	24,980	12,490				12,490		
Clinton	Waiwera	4,694	2,347			2,347			
Lower Clutha	Te Pou	80,000	40,000					40,000	
Lower Clutha	Kaitangata Hall	15,000	7,500					7,500	
Various	Various Halls	47,680	23,840	10,102	3,522	2,250	3,430		4,536
<b>Total</b>		<b>361,137</b>	<b>180,569</b>	<b>29,062</b>	<b>20,352</b>	<b>18,508</b>	<b>15,920</b>	<b>77,091</b>	<b>19,636</b>

The 'various' budget from table 1 above is a budget to deal with small sundry items such as minor repairs, building WOFs, overheads etc. Table 2 below is the YTD actuals spent on these sundry items by community of interest. Please note that the actuals are currently underbudget so there is a variance between actual (table 2) and budget (table 1).

Table 2 'Various' Budgets

	Various	UAGC	Bruce	Catlins	Clinton	Lawrence/Tuapeka	Lower Clutha	West Otago
Actual Payments under	Various							
Beaumont Hall Grant	1,139	569	241	84	54	82		108
Crookston Hall Grant	534	267	113	39	25	38		51
Heriot Community Cent	8,853	4,426	1,876	654	418	637		842
Leitch Memorial Hall bu	148	74	31	11	7	11		14
Romahapa Hall Grant	1,900	950	403	140	90	137		181
Romahapa Hall Grant	1,900	950	403	140	90	137		181
Simpson Park Grant	6,832	3,416	1,447	505	322	491		650
Stirling Athenaeum Rat	1,200	600	254	89	57	86		114
Tahakopa Hall Grant	2,277	1,139	482	168	107	164		217
Taieri Mouth Amenities	1,139	569	241	84	54	82		108
Toko Mouth Hall Insura	1,116	558	236	82	53	80		106
Toko Mouth Hall Repair	320	160	68	24	15	23		30
Tuapeka Mouth Corona	145	73	31	11	7	10		14
Tuapeka Mouth Corona	2,849	1,424	604	210	134	205		271
Tuapeka West Commur	1,139	569	241	84	54	82		108
Waikoikoi Hall Grant	945	473	200	70	45	68		90
Waitepeka/Puera Hall C	1,139	569	241	84	54	82		108

Overall, this table shows that sundry costs are spread over all the communities of interest and that these costs are built into the total budgets for community halls. This table is included due to its relatively large scale which was likely to be questioned.

The data above is summarised into table 3 below. This table expressed as \$rate per ratepayer by community of interest. This may help to provide Councillors with some sense of comparison between community of interest in funding local community halls.

Table 3 Community halls cost per ratepayer/by community of interest

	UAGC	Bruce	Catlins	Clinton	Lawrence/Tuapeka	Lower Clutha	West Otago
Total Rates for Halls	180,569	29,062	20,352	18,508	15,920	77,091	19,636
Number of UAGC's/Community Facilities	11,068	2,748	958	612	933	4,583	1,234
Rate per Ratepayer	16.31	10.58	21.24	30.24	17.06	16.82	15.91
Total UAGC, plus community of interest	n/a	26.89	37.56	46.56	33.38	33.14	32.23

### Summary of analysis:

- Based on the above information, ratepayers pay between \$26,89 (Bruce community of interest) through to \$46,56 in Clinton for community halls.
  - *Question - Is this fair?*
- There is no current formular for operational funding of community halls.
  - *Question – should there be a standard formular for funding halls?*
- There is no systematic assessment of grant requests or consideration of fairness in applications
  - *Question – should there be a standard formular for funding halls?*
- The ‘various’ budget is based upon requests. It is not systematically distributed of funding.
  - *Question – should this be included in a standard formula?*
- Halls can, and do, make funding applications to LTP and AP processes. There is no mechanism for advice to be given to Councillors to compare grant funding, consider fairness or to ensure fair distribution of funds. Decisions rest upon case-by-case and discretionary decisions by Council without advice about fairness of funding distribution.
  - *Question – would a standard formular resolve this problem, or should all halls’ applications be considered within a single funding report to better support Council decision making?*
- Overtime the operational grants have evolved independently resulting in a mixed and potentially unfair funding arrangement driven by the level of motivation of communities of interest.

## Appendix A: Condition of CDC owner halls

### Detail and assessment

Clutha District Council owns 11 community halls across the district. These halls were established as key hubs for community engagement. Council provides funding for operational and renewal costs. The halls are run by local committees. Over the years changes in demographics, mobility and social preferences have seen the usage for the halls change. The location of council owned halls is shown in figure 1 below. To provide more context, a map of community owned halls is also shown in figure 2. The maps are based on the new ward boundaries.

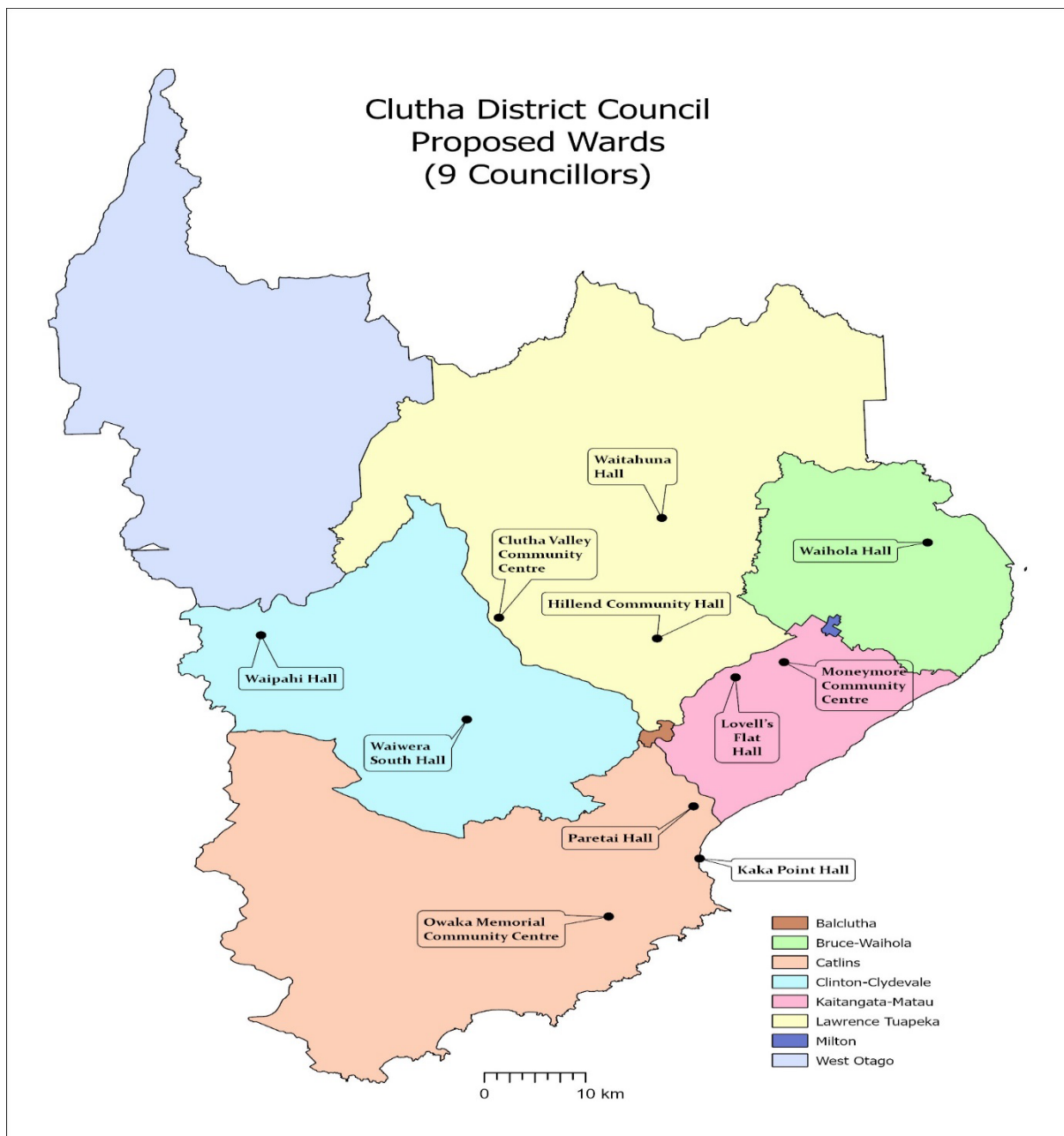


Figure 1. Map of Council Owned Halls

## **1.1 Current Strategy Effectiveness**

The current Council policy is to divest ownership of the halls to the communities. The policy specifies a time frame of 3 years within which the halls should be divested to the communities. The uptake of the halls by the communities has been slow. Out of the 10 committees contacted at the beginning of July 2024, 4 have not responded, 4 responded that they are not interested in owning the halls and 2 responded with a request for more information regarding Council commitment to either upgrade the halls before divestment or provide support to upgrade them after divestment. This report seeks to inform council on the condition of the halls and provide more options for the future of the halls.

## **1.2 Assessment Methodology**

These halls were assessed and categorised based on utility and condition.

### **Utility**

The utility of the hall is the usefulness or relevance of the asset to the needs of the community. Utility was determined through conversations with hall contact persons, analysis of bookings records and review of income and expenditure statements. Conversations with the community representatives tested the level of appetite for the service and the reasons behind it. Further analysis was carried out by analysing income and expenditure statements for the halls. Income and expenditure show the level of activity for each. As an example, some halls have no hire income and only have fixed expenses. This shows that there is very little, if any, activity at the facilities. As communities changed in demographics and social preferences, the relevance of some of the halls became less significant. Further, as people became more mobile, they gained access to modern facilities in bigger centres such as Balclutha. Consideration should be given to the utility of the halls when deciding on the options.

### **Condition**

The condition of the hall is based on professional assessment by WSP (conducted in 2020), maintenance/renewal records and recent visual inspection by staff. The professional assessment rated each hall with a star rating out of 5. It provides an assessment of each element of the building. The maintenance records were used to assess the improvements made since the professional assessment in 2020. Visual inspection was carried out by staff to determine aesthetics, comfort and available services. Further professional assessment will be done depending on the options selected by Council.

### **Risks**

The following risks are to be considered when assessing the options for the halls:

- **Financial**

Currently, the operational costs of the halls are disproportionately funded by rates because the hire income for the halls is only 6.5% of requirements. This poses a risk of the sustainability of operating these halls going forward. This disparity may also be contributing to the hesitation of committees to take over ownership. One way to mitigate this is to offer



a funding model that at least guarantees a fraction of the rates income as a grant once the hall is divested.

Hall	Income Hire	Other Income	Rates Income	Operational Costs	Other Income Source
Lovells Flat	-	13,030	7,175	5,559	Insurance payout
Clutha Valley	1,557	-	19,942	24,324	
Kaka Point	30	2,122	16,328	16,685	
Moneymore	-	-	8,237	4,529	
Waihola	217	-	10,359	8,748	
Paretai	-	-	7,844	5,879	
Owaka	6,321	28,772	33,660	35,646	Grants 28,622
Hillend	-	22,885	7,893	9,424	Once off payment from tennis club
Waipahi	-	-	6,814	6,879	
Waitahuna	1,035	19,775	24,980	16,313	Lease Revenue from donated land
Waiwera	-	52	4,694	6,248	
Total	9,160	86,636	147,926	140,234	

Table 1. Income and Expenditure Summary FY23/24 extracted 14 August 2024

- **Natural Disasters**

Some of the halls are in flood prone or higher earthquake risk areas as shown in the maps below. Seismic risks will need to be considered for Waipahi and Clutha Valley community halls which are in the medium risk earthquake zone. Clutha Valley currently is below 34% NBS standard and therefore is a high risk. It will require further investigation and significant capital to perform seismic strengthening. Waipahi Hall will need a seismic assessment, following which any recommended remedial work will have to be carried out. Three community halls (Waihola, Waitahuna and Paretai) are on flood prone land and further work is required to determine the level of risk and any work required to improve resilience.



Figure 2. CDC Facilities Flood Risk Map

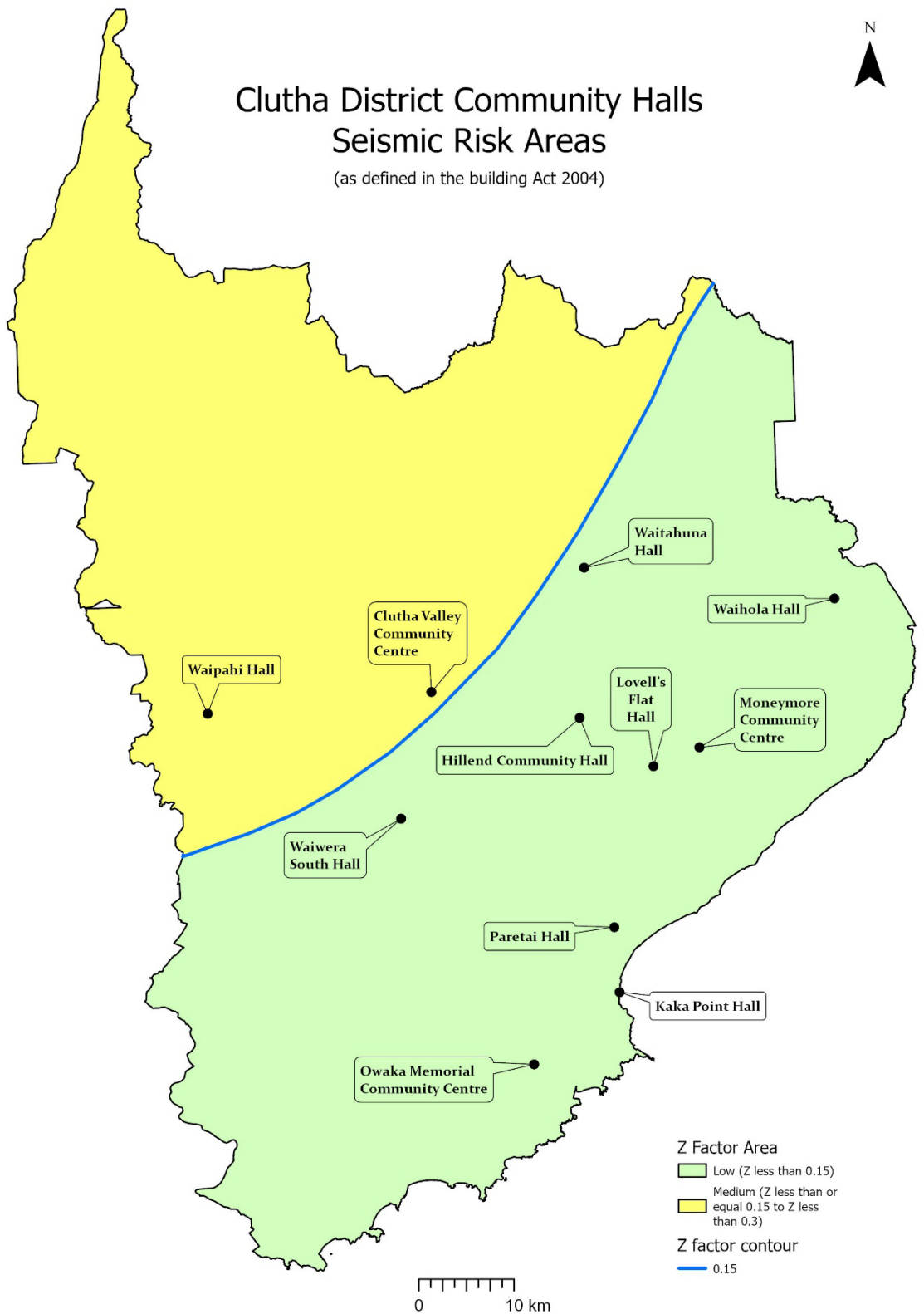


Figure 3. Community Halls Earthquake Risk

- **Health and Safety**

Some of the halls require important health and safety upgrades such as seismic strengthening and weatherproofing. There is a risk that some of the halls will not meet legal health and safety requirements if the required upgrades and maintenance are not done.

- **Reputational**

Some of the halls do not present a good image of the Council as they depict poorly managed assets.

- **Legal**

As the building owner, CDC may be liable for injury or loss due to defects on the property.

### 1.3 Categories

The community halls have been categorised based on utility and condition.

#### Low Profile Community Halls

These halls have low utility and are also in poor condition. A key observation is that halls in this category have very little community participation in the affairs of the facility. This may be due to demographic movements or changes in social preferences.

Community Hall	Utility	Condition
Moneymore Community Centre	Low	Poor
Paretai Hall	Low	Poor
Lovells Flat Hall	Low	Poor

#### Medium Profile Community Halls

These halls have low to medium utility and are in a fair condition. There are some immediate and future capital interventions required to keep the halls in a safe and comfortable state.

Community Hall	Utility	Condition
Clutha Valley Community Centre	Medium	Average
Waiwera South Hall	Medium	Average
Waihola Community Centre	Medium	Average
Waipahi Hall	Medium	Average

## High Profile Community Halls

These halls have medium to high utility and are generally in good condition. It is still important to consider that while the halls are in decent condition now, there is still capital required for renewal to keep the assets safe and comfortable. It is worth noting that these halls have active community involvement.

Community Hall	Utility	Condition
Hillend Hall	Medium	Good
Kaka Point Halll	Medium	Good
Owaka Community Centre	High	Good
Waitahuna Hall	Medium	Good

## 2 Assessment of Options

For each category of community halls, Council may choose from the following options:

### 1. Negotiated Divestment

Council will negotiate with hall committees with the view to provide incentives for divestment. A key success factor for this option is to provide a transparent, equitable and viable funding model for the divested halls. If this option is selected council will have to decide on appropriate funding model before it is implemented. A negotiation period would be set, after which council will have to decide on the future of the hall if no community group steps forward. This option empowers communities with certainty regarding future funding and provides a greater likelihood of the halls being taken up by communities or bring the issue to a close.

### 2. Modernisation

For community halls that meet high utility and condition criteria consideration can be made to modernise the facilities. This option ensures that the facilities maintain a high level of service and remain relevant in the future. However, this will come at considerable capital cost.

### 3. Disposal through selling on the open market

For eligible properties, this means selling the asset on the open market. This option requires a valuation of the property and could involve negotiations to ensure that the new owner assumes all responsibilities for the building's condition and maintenance. Disposal could generate revenue and transfer liability but may also involve legal and administrative processes.

### 4. Closure

This option involves closing the hall to all public access due to its unsafe condition and associated risks. This option would immediately absolve Council of health and safety liability and financial obligations. Council would have to effectively communicate the reason for closure to the local community.

## **5. Do Nothing**

Under this option, no immediate action would be taken regarding the halls but the current policy to divest to communities will still be maintained. The buildings would continue to be maintained as is, with inspections to monitor any changes in its condition or utilization. However, ongoing risks associated with the halls' poor condition and low utilization would persist, potentially leading to higher future costs or liabilities.

## **3 Policy Considerations**

2024/34 LTP, Health and Safety Policy, Reserve Management Plans

## **4 Legal Considerations**

Building Act 2004

## **5 References – Tabled/Agenda Attachments**

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# Long Term Plan Workshop

<b>Report</b>	District and Community Pool Review
<b>Meeting Date</b>	5 December 2024
<b>Item Number</b>	6
<b>Prepared By</b>	Kelly Gay - Head of Community and Infrastructure Operations
<b>File Reference</b>	923988

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## OUTCOME SOUGHT

Consider, discuss and provide direction to staff on the future of the funding systems for the districts public and community pools to ensure fairness.

## PROPOSED DIRECTIONS

- 1 That the Council gives direction on the current pools funding system and if it is satisfied with the current funding arrangement requiring no change, or, requiring new work.**

## REPORT SUMMARY

During the LTP process, the Council expressed concern about the fairness of funding as it relates to Community Pools, Community Halls and Museum. This report focuses on Community Pools.

The scope of this review includes:

- The summary and analysis of grant funding, loans, and operational budgets for community pools and public pools across the Clutha District.
- An analysis of those elements of funding as it relates to the question of ratepayer fairness.
- This report ignores the impact on a pending decision regarding Milton Library and Pool facilities, and focuses on the current Milton pool facilities.

The purpose of the workshop is to inform the Council how the total grants, loans and operational budgets are shared across the district. This is to support a conversation about fairness and access to pools for the benefit of the ratepayers and the broader community.

Further analysis attempt to support this investigation by breaking costs down to a ratepayer level to expose the impact on ratepayers based on their location and community of interest.

Council may wish to continue to support the current funding arrangement or may deem it unfair requiring new work.

The desired outcome is clear direction to CDC staff as to what further work would be needed to satisfy Council that the funding system is appropriate and fair to all ratepayers.

## **REPORT**

### **1 Background**

CDC's current policy has been to provide operational grants to community pools and to run 2 public swimming pools in Balclutha and Milton through operational budgets. Both facilitates potentially also have loans, most often for capital works.

There has been a practice over the last few years to transfer pools from CDC management to local management. The last pool to transfer was Kaitangaiat Pool which went into community management in early 2024.

This approach of transfer high costs CDC staffed pools to lower cost self-manage and locally governed pools has retained pools that may have otherwise be shut down. Volunteers staff and manage the community pools, although some pools have elected to take on their own staffing. The separation from Council also allows community pools to apply for third party funding, while still also having the options to apply for funding through the annual plan or long-term plan process well. Many of these pools are impressive facilities, but grants tend to be small. Access to these pools is often through a key purchased locally.

On the other hand, Balclutha and Milton are full public pools. These are open to the public for an entry fee. There are substantial costs to running these pools.

Apart from these both being pools, it is difficult to draw meaningful comparisons between community pools and public pools as the costs are a magnitude of difference. A significant question for consideration is if the district wants traditional public pools, or if all pools should be run on a community model. It's hoped that this investigation will help move the Council to a position of that question.

### **Financial data**

Council had expressed concerns about the fairness of its community pools resulting from the current funding model.

In particular, they have identified that some community pools users pay for pools multiple times. Through rates, through local key charges and again if they wish to use the public pools. The question is how much do different ratepayers pay compared to others in the district. Are some people significantly disadvantaged through this arrangement. And do ratepayers get a fair and reasonable level of service for what they pay.

Table 1 below provide the total grants, loans and operational budgets across the district. Table 2 provide the total loans breakdown for greater clarity.



Table 1 Total grants, loans and operational budgets by pool

Pool by location	Value	Grant/loan/Budget	Source of funding
Clinton	\$4,137	Operational Grant	100% UAGC
Clutha Valley	\$4,113	Operational Grant	100% UAGC
Heriot	\$2,069	Operational Grant	100% UAGC
Owaka	\$10,200	Operational Grant	100% UAGC
Taieri Beach	\$818	Operational Grant	100% UAGC
Waitahuna	\$818	Operational Grant	100% UAGC
Waiwera South	\$1,347	Operational Grant	100% UAGC
West Otago	\$7,240	Operational Grant	100% UAGC
	\$10,469	Operational Grant	50% UAGC 50% Lawrence
Tuapeka Aquatic Centre	\$16,250	Employee wages grant	100% UAGC
Kaitangata Pool	\$7,000	Operational Grant	100% UAGC
Balclutha (Rates)	\$1,151,538	Ops Budget	50% UAGC 50% Lower Clutha
Milton (Rates)	\$296,092	Ops Budget	50% UAGC 50% Bruce
Tuapeka Aquatic Centre (Rates)	\$29,753	Loan	50% UAGC 50% Lawrence
Kaitangata Pool BU (Rates)	\$5,430	Loan	50% UAGC 50% Lower Clutha
Lawrence Tuapeka CB- Aquatic Centre (Loan)	\$48,383	Loan	100% LICB
Pool Maint 10 year plan (Loan)	\$1,507	Loan	100% UAGC
ED Pool (Loan)	\$815	Loan	100% UAGC
Balclutha Pool Loans	\$242,238	Loan	50% UAGC 50% Lower Clutha
Milton Pool Loans	\$104,643	Loan	50% UAGC 50% Bruce
Lawrence Pool BU Loans	\$21,743	Loan	50% UAGC 50% Lawrence

Note: We will update this table at the Workshop to include grants from the Investment Surplus for any pools.

Table 2. Total Pools loans

Loans	Principal	Interest	Total	Milton and Balclutha total
Lawrence Tuapeka CB- Aquatic Centre	\$21,337	\$27,046	\$48,383	
Pool Maint 10 year plan	\$515	\$993	\$1,507	
ED Pool	\$264	\$550	\$815	
Balclutha Swimming Pool	\$74,890	\$113,225	\$188,115	
Balclutha Pool Capital Costs ex Adjudication	\$18,523	\$28,004	\$46,526	
Balclutha Pool	\$2,225	\$5,372	\$7,596	242237.5198
Lawrence Pool - Aquatic Centre	\$9,589	\$12,154	\$21,743	
Milton Swimming Pool	\$5,091	\$267	\$5,358	
Milton Swimming Pool	\$33,148	\$31,320	\$64,468	
Milton Pool	\$7,479	\$18,059	\$25,539	
Milton Pool	\$2,582	\$6,697	\$9,279	104642.8875
Total			\$419,328	

Table 3 below, breaks down the cost of pools by location. It shows the cost of pools to the community of interest and the number of pools serviced in that community. Costs are then broken down into what people pay for their local pool, compared to what they pay for other district pools. Finally, for comparison, the variance is expressed at a %. This indicates what percentage of rates raised are used locally to provide a sense of comparison. Please note that pools marked \* have loans.

Table 3. Ratepayer contributions by location

Local Community Facilities Rating Area	Rate Payers/UAGC	Pools in area	Payments Made		Total Payment per rate payer/UAGC	Own pool as % of total Pools
			Own Pools	Other Pools		
Lower Clutha	4,587	Balclutha*	170.29	21.2	191.49	89
		Clutha Valley				
		Kaitangata				
Milton Waihola	2,748	Milton*	58.32	60.53	118.85	49
		Taieri Beach				
Lawrence Tuapeka	933	Tuapeka Aquatic Centre*	23.93	68.05	91.99	26
		Waitahuna				
West Otago	1,234	Heriot	1.55	71.46	73.01	2
		West Otago				
Owaka	958	Owaka	1.49	71.52	73.01	2
Clinton	612	Clinton	0.72	72.29	73.01	1
		Waiwera South				
UAGC	11,068					

Some caution should be taken in drawing conclusions from the % contribution to total pools. This should be considered in conjunction with the total scale of the contribution. The table above is in order of highest overall costs (Lower Clutha) to lowest overall cost (Clinton).

**Key points from analysis:**

- The total funding for pools grants is \$64,461
- The total 24 budget for loans principal is \$175,642, and the budgeted interest payments are \$243,686, meaning the total pool loan budget for 2024 is 419,328.
- The operational budget for Milton \$296,092, and Balclutha \$1,151,538 for a total of \$1,447,630.
- Ignoring loans, Community pool grants make up just under 5% of total pool funding.
- Clinton, Owaka and West Otago only pay retain 1-2% of the local rates for pools. The rest of that funding goes to support other pools in the district.
- Ratepayers in lower Clutha pay 2.6 times as much for pools services (before any ticket charges).
- Milton/Waihola and Lawrence Tuapeka make similar contributions to West Otago, Clinton and Owaka.
- Where pools have loans, they also pay the highest rates for pools, refer to Lower Clutha, Milton and Lawrence.
- There does appear to be some weak correlation between level of service and cost by location.

- We can assume that the pool surplus generated from the district is used to fund the district public pools. All areas cross subsidise public pools.
- Historically there was a funding model for pools. Change has occurred over time. Plant (particularly filters and heating), service levels and community need/involvement has shifted. This is not systematically regularly investigated to adjust funding to this change. Longer-term this may impact on community pools risk and their ongoing operations.
- Unlike community halls, the current funding for community pools (at least in terms of ratepayer impact), has reasonable cohesiveness. However, this may deteriorate with further change and increase in the perception of unfairness.

## Analysis Summary

Based on this analysis:

**Possibly Fair.** There has been an attempt to connect the community of interest to loans. Locations with public pools and loans have higher rates contributions. These areas pay a greater share of the total towards all pools. It's also worth noting that the rates paid by the smaller community of interest make roughly the same (\$72/ratepayer) contribution showing a level of fairness despite difference in ratepayer population. This suggests an attempt to balance these costs to those communities.

**Possible Unfair.** A significant proportion of local raised pools funding is not spent locally. The scale of that funding also appears somewhat arbitrary. Cross subsidization allows all the community to achieve better facilities than they could alone, but it is difficult to balance this fairly across a district.

**Neutral.** There is no current model, no regular reporting on pool grants and the needs of pool communities, and pools are permitted to make application for funding through external and internal (AP and LTP) arrangements. As such, this situation may continue to fragment more, and fairness, or unfairness, may get worse.

Question - Is this arrangement fair and acceptable to Council? Or, is new work and/or new reporting required to satisfy the Council that fairness is being achieved?

As a district, do we need public pools. Or, do we move the whole model to community pools. Or does the current hybrid model deliver the best outcome for the district. And if so, what is the right and fair funding model.

Question – Is the hybrid model the right model for the district, or should all pools work on a community pool approach?

Question - is the current funding arrangement acceptable, or do we need a standard funding model for Public and or community pools?

Should operational funds be attached to actual pool costs, or should be use a standard formula so that pools can predict the Council support?

Question – should there be a standard funding formula? Should that be based on actuals, or, would a total annual pool be better, or some form of annual stipend?

Community pools, and public pools through staff submissions can, and do, make funding applications to LTP and AP processes. There is no mechanism for advice to be given to Councillors to compare grant funding, consider fairness or to ensure fair distribution of funds. Decisions rest upon case-by-case and discretionary decisions by Council without advice about fairness of funding distribution.

Question - do we need all pools as a single report as part of AP and LTP processes to allow Council to gather a full picture and support fairer decision making?

**Proviso**

The standard proviso applies relative to variations to the LTP. If Council decides not to consult then there can be no changes of significance or materiality this Annual Plan.