

Wānaka Community Board
31 March 2022

Report for Agenda Item | Rīpoata moto e Rāraki take : 1

Department: Community Services

Title | Taitara Wanaka Community Hub Trust Funding Conversion

PURPOSE OF THE REPORT | TE TAKE MŌ TE PŪRONGO

The purpose of this report is to seek approval to convert the advanced loan to the Wānaka Community House Charitable Trust Inc. to a capital grant as per the conditions agreed at the 23 July 2020 full Council meeting.

RECOMMENDATION | NGĀ TŪTOHUNGA

That the Wānaka Community Board:

1. **Note** the contents of this report;
2. **Agree** to implement Option 1, namely:
 - a. That Wanaka Community Board endorse the mediated outcomes agreed in the Record of Settlement and approve the conversion of the \$500,000 loan to the Wānaka Community House Charitable Trust Inc. ['WCHT'] as a grant effective immediately;
 - b. That the Wānaka Reserves Asset Fund is used to fund the \$500,000 capital grant to the WCHT.

Prepared by:



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Sport & Recreation Manager

9/03/2022

Reviewed and Authorised by:



Thunes Cloete
GM Community Services

9/03/2022

CONTEXT | HOROPAKI

1. At the Council meeting held on 29 July 2021, Council resolved to:

Wānaka Community House Charitable Trust

- 1 *Agree to extend the interest free loan of \$500,000 to the Wānaka Community House Charitable Trust ('WCHCT') for a further 6 months subject to further mediated dialogue to be undertaken between representatives of the Wānaka Community Board, WCHCT trustees and key tenants of the WCHCT with the purpose of ensuring improved relationships between all parties; and*
- 2 *Agree that a final report, subject to the mediated outcome, will be presented to Council in December 2021.*

ANALYSIS AND ADVICE | TATĀRITANGA ME NGĀ TOHUTOHU

- 2 Following the Council meeting in July 2021, Council officers contacted the Chairperson of the WCHT to discuss the outcome of the Council meeting. In this discussion the WCHT Chair indicated that they would enter into mediation only if a written document outlining the issues was prepared in advance and they would then consider the mediation.
- 3 Council officers then attempted to engage a mediation service with limited responses received. In August, Aspiring Law was engaged to provide mediation services on behalf of QLDC. Council officers then asked the Alpine Community Development Trust (ACDT) to provide written confirmation of any issues it had with the WCHT.
- 4 On 21 September QLDC officers received a document outlining a range of issues the Alpine Community Development Trust and other tenants had/were experiencing in their relationship with the WCHT.
- 5 Mediation was agreed to by the parties prior to Christmas 2021 but due to timing constraints commenced on 15 February 2022 at the Lake Wānaka Centre.
- 6 The outcome of the mediation is confidential to the parties concerned and has only been circulated to Wanaka Community Board members and Councillors as required to ensure that they are satisfied that key outcomes were achieved. A signed Record of Settlement (Attachment A) was approved by both parties on 15 February 2022 and QLDC officers are satisfied that the content reflects the key outcome of an improved relationship between all parties.

Option 1:

- 7 That Wanaka Community Board endorse the mediated outcomes agreed in the Record of Settlement and approve the conversion of the \$500,000 loan to the Wānaka Community House Charitable Trust Inc. from the Wanaka Reserve Assets Fund.

Advantages:

- No impact on public rates
- No impact on Council affordability for the Ten Year Plan
- Positive publicity regarding Council support for the community and more community impact achieved
- In line with approach taken for Arrowtown Community Centre (Council share funded from Arrowtown endowment land sales)
- Consistent with parameters for use of fund

Disadvantages:

- Reduced funding available for other potential legacy projects
- Public perception of funding prioritisation

Option 2:

- 8 That Wanaka Community Board endorse the mediated outcomes agreed in the Record of Settlement and the conversion of the \$500,000 loan to the Wānaka Community House Charitable Trust Inc. from a General rate across the District.

Advantages

- The increase in rates is minimal for Wānaka/Upper Clutha residents
- The Wānaka Asset Reserve Fund is available for other projects
- Positive publicity regarding Council support for the community and more community impact achieved

Disadvantages

- Not equitable - Wakatipu residents would have an increase in rates
- Wakatipu residents may publicly oppose paying for a community facility in Wānaka/Upper Clutha
- Inconsistent with approach taken for Arrowtown Community Centre (Council share funded from Arrowtown endowment land sales)
- Inconsistent with approach taken for upgrade to Memorial Centre (Council share funded from community fund raising)

Option 3:

- 9 That Wanaka Community Board does not endorse the mediated outcomes agreed in the Record of Settlement and does not approve the conversion of the loan to a grant

Advantages:

- Council receives payment back on its loan

Disadvantages:

- Possible negative publicity in that Council is seen to not support the community
- Missed opportunity to achieve good outcomes through the mediation process

This report recommends **Option 1** for addressing the matter because Council only has the authority to set a general or targeted rate and may not where a local funding source is available.

CONSULTATION PROCESS | HĀTEPE MATAPAKI:

> SIGNIFICANCE AND ENGAGEMENT | TE WHAKAMAHI I KĀ WHAKAARO HIRAKA

- 10 This matter is of low significance, as determined by reference to the Council's Significance and Engagement Policy because Council has already decided to fund the WCHT and this matter is the conclusion of this commitment.
- 11 The persons who are affected by or interested in this matter the Wānaka Community Charitable House Trust Inc., the ACDT and the residents of Wānaka/Upper Clutha

> MĀORI CONSULTATION | IWI RŪNANGA

- 12 The Council has not consulted with Iwi on this matter.

RISK AND MITIGATIONS | NGĀ RARU TŪPONO ME NGĀ WHAKAMAURUTANGA

- 13 This matter relates to the financial risk category. It is associated with RISK0020 – unexpected change in costs within the QLDC Risk Register. This risk has been assessed as having a moderate inherent risk rating.
- 14 The approval of the recommended option will support the Council by allowing additional controls for this risk to be implemented. This shall be achieved by ensuring that Council does not need to increase rates further for District residents.

FINANCIAL IMPLICATIONS | NGĀ RITENGA Ā-PŪTEA

- 15 Option 3 does have a financial rating impact for Year 1 of the Ten-Year Plan

COUNCIL EFFECTS AND VIEWS | NGĀ WHAKAAWEAWE ME NGĀ TIROHANGA A TE KAUNIHERA

- 16 The following Council policies, strategies and bylaws were considered: Community Facility Strategy 2020, Our Places Report 2018
- 17 The recommended option is consistent with the principles set out in the Vision 2050. The principle of Thriving People encapsulates the need for a Community Hub in the Wānaka/Upper Clutha area.
- 18 This matter is not included in the Ten-Year Plan/Annual Plan

LEGAL CONSIDERATIONS AND STATUTORY RESPONSIBILITIES | KA TURE WHAIWHAKAARO, ME KĀ TAKOHAKA WAETURE

19 The Record of Settlement (Attachment A) is a legal confidential document to the parties concerned and is therefore publicly excluded from this report.

LOCAL GOVERNMENT ACT 2002 PURPOSE PROVISIONS | TE WHAKATURETURE 2002 O TE KĀWANATAKA Ā-KĀIKA

20 Section 10 of the Local Government Act 2002 states the purpose of local government is (a) to enable democratic local decision-making and action by, and on behalf of, communities; and (b) to promote the social, economic, environmental, and cultural well-being of communities in the present and for the future. The recommended course of action in this sport is consistent with this objects because it presents a funding scenario that will not financial impact on the residents of the District.

21 The recommended option:

- Can be implemented through a local funding source;
- Is consistent with the Council's plans and policies; and
- Would not alter significantly the intended level of service provision for any significant activity undertaken by or on behalf of the Council, or transfer the ownership or control of a strategic asset to or from the Council.

ATTACHMENTS | NGĀ TĀPIRIHANGA

A	Public Excluded - RECORD OF SETTLEMENT
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