

OPEN BRIEFING: ASSET REVIEW

WEDNESDAY, 12 APRIL 2023 4:00 PM



ATTENDEES

Elected Members: Mayor Barry, Cr Barratt, Cr Briggs, Cr Brown (via zoom), Cr Dyer, Deputy Mayor Lewis, Cr Mitchell, Cr Morgan, Cr Parkin, Cr Shaw, Cr Stallinger (zoom), Cr Tupou, Mike Fisher, Chair Petone Community Board and Frank Vickers (via zoom) Eastbourne Community Board member.

Staff: A Blackshaw, Acting Chief Executive, J Livschitz, Group Chief Financial Officer; K Crandle, Head of Parks and Reserves, A Laban, Head of Assets and Kathryn Stannard Head of Democratic Services.

APOLOGIES: JO MILLER

PRESENTERS

A Blackshaw, Acting Chief Executive; Alannah Laban, Head of Assets; Kelly Crandle, Head of Parks and Reserves

Key objectives of the briefing

The purpose of the briefing is to:

- identify core assets to lock budgets into Long Term Plan (LTP)
- develop principles for an approach to budgeting for other assets

Objectives of the review

Ensuring the cost of assets is affordable while meeting the core needs of existing and future users and retaining (or increasing) wellbeing outcomes

Agenda

- Timeline/purpose
- Categories of assets
- Why we invest in assets
- What does equity look like in this context?
- Case studies

- Activity 1 – Lock in ‘core facilities’
- Activity 2 – Determine principles for other asset categories
- Next step

FEEDBACK ON DRAFT COMMUNITY ASSET PRINCIPLES (changes in yellow)

General

1. Investment in, and management of, community assets will be aligned with Council’s overall strategic direction, and guided by our Te Tiriti o Waitangi obligations, and relevant national and regional approaches;
2. Where possible community assets should be optimised with flexible spaces, and many uses and users; ‘hubbing’ of activities and shared spaces will be the preference;
3. The unique nature and different needs of each neighbourhood should be considered in the provision of community assets;
4. Community assets should be easy to access, book and activate and should support local identity and a sense of belonging;
5. We will aim to provide consistent access across the city to a core set of community assets (TBD, but for example: a playground and green recreation space within a 15- minute walk for most people; a bookable community space and access to toilets in each town/neighbourhood centre).

Equity and cost

6. Equity should be reflected in the provision of community assets, as well as fees and charges, and services provided through assets;
7. In general, cost recovery across community assets will continue to be set low (Revenue and Finance Policy) and where possible will be consistent across similar assets. Greater levels of cost recovery will be considered from assets where there is deemed to be a greater level of benefit to individuals or a particular group.

Future approach

8. To meet future demand for community space and services the preference will be optimisation of existing assets and partnerships with other asset owners;
9. In line with the Assets Management Policy, divestment of assets will be considered where they have reached the end of their asset life or require significant investment and alternative access to comparable facilities has been established for the existing users;

10. When divesting assets, all options will be considered to determine the best community outcome. These include selling or gifting these to appropriate partners or community groups (where they have established, they can take over all associated costs) or demolition (so that investment can be re-cycled) and/or retention of land for community use;
11. Additional assets will only be taken on by Council in exceptional circumstances, and with a strong business case including evidence of community need, affordability over the life of the asset and the absence of better value alternatives.

Discussion notes

- recognition that some uses of assets are difficult to share space so this may not be practical;
- where we currently have anchor tenants who manage bookings (and these are low) preference would be for Council to take this function back/provide a shared booking system to ensure space is optimised;
- would be good to have a booking system that goes across other people's assets as well so the community can see everything available (note, our current Customer Service Excellence project needs to focus on consistency across Council facilities first but be future-proofed to be able to extend in future);
- can we see if there are any significant leases due to expire that we should move earlier on, rather than waiting for the LTP;
- keen to ask questions re-identified heritage buildings and whether there are more appropriate owners – as part of this need to understand our obligations and the need for consultation;
- support for the use of Community Services Card as a mechanism for equity
- there was a desire for more data in the future to understand the value that assets provide to the community including – social return on investment; counters on tracks; more consistent measures across assets so they are comparable. Also, for an outcomes framework in the future that includes values/ Te ao Maori perspective and can support decision-making;
- support for ensuring each community has particular amenities or spaces that create a point of pride and interaction. This might include playgrounds, access to public toilets and spaces to gather;
- where assets are identified for divestment, consideration should also be given to the retention of the land as public space;
- how does demolition 'recycle' investment? While buildings are standing, they have fixed costs around them including insurance and maintenance for safety. If they are demolished that investment can be spent elsewhere;
- concern that if we implement a more consistent way of recovering costs some activities may become unaffordable and some may receive subsidies they don't need;

- general response on the approach to briefing was that it worked well as a way of having the discussion.

Next steps

In August 2023, Councillors will receive at the Long Term Plan/Annual Plan

Subcommittee:

- Asset Management Plans and budget options
- finalised principles for adoption
- any other early decisions for the Long Term Plan in alignment with the review principle

BRIEFING MATERIALS

Attachment 1 – Presentation:

The briefing closed at 5.28pm