
REPORT 4
(1215/52/IM)

DRAFT EARLY CHILDHOOD EDUCATION POLICY

1. Purpose of Report

To present a draft early childhood education policy for the Committee's consideration and agreement to consult on the policy.

2. Executive Summary

The draft policy for early childhood education (attached as Appendix 1) considers support for early childhood education services and addresses current inequities in rentals. The draft policy acknowledges the lead role of the Ministry of Education in funding, regulating and supporting both the provision of and participation in early childhood services and identifies the Council's role as predominantly one of advocacy or facilitation. The policy includes principles to guide decision making about the establishment of early childhood centres on Council land or in Council buildings. It proposes that

- Council should not actively seek to have early childhood centres established in its buildings but be responsive to proposals on a case by case basis
- leases with early childhood services on Council owned land or in Council owned buildings are reviewed and rentals are re-assessed in line with the Leases Policy for Community and Recreation Groups (the Leases Policy).
- rental subsidies for early childhood centres be at a lower level than for other community and recreation groups (the Leases Policy provides a formula for assessing rents and then provides for an 80% subsidy to be applied – the draft Early Childhood policy proposes a 50% subsidy).

In the main the role of the Council is concerned with maximising opportunities, advocacy and facilitation with a view to ensuring a comprehensive provision of services. However, in some urban areas that are facing significant population growth or where there is limited capacity and low participation in ECE services and access to suitable sites is restricted, the Council may have a role in supporting the establishment of new services.

Currently the Council supports 22 licensed EC providers with leases of land or premises. In addition, eight community centres host space for licensed ECE providers. Two of those community centres do not use Council land or buildings, so there are a total of 6 ECCs with premises within community centre buildings owned by Council. This gives a total of 28 licensed services using Council land and /or buildings equating to 16% of the city's licensed ECEs. These services pay a total of \$8163.55 to the Council in rent. Operational expenditure paid by the Council is estimated to be in excess of \$89,226.

The Policy recommends assessing rents in line with the Leases Policy and offering a lower subsidy on the rent so that Council can recoup its operational expenditure. A transition plan is included in the Policy.

3. Recommendations

It is recommended that the Committee:

1. *Receive the information.*
2. *Note that 22 licensed early childhood services lease Council property directly from the Council and a further eight operate within Community Centres.*
3. *Note that the Leases Policy applies to licensed early childhood services on Council property*
4. *Note the draft Early Childhood Education Policy proposes that leases with early childhood centres be reviewed and rents assessed in line with the Leases Policy.*
5. *Note that the draft Early Childhood Education Policy proposes that the subsidy offered to early childhood services is set at 50% of the assessed rental (instead of 80% offered to other community groups subject to the Leases Policy)*
6. *Agree to the draft Early Childhood Education Policy attached as Appendix 1.*
7. *Agree that officers consult with stakeholders on the draft Early Childhood Education Policy and report back in March 2007.*
8. *Delegate to the Chief Executive and Social Portfolio Leader the authority to amend the draft Early Childhood Education Policy to reflect any amendments made by the Committee*

4. Background

In February 2004, the Community Health and Recreation Committee asked that a childcare policy be developed that included more detailed work on:

- Continued support for early childhood education services but address disparities in rentals.
- Identification of how longer term support for early childhood education and childcare services can be targeted towards need.
- Support for current early childhood education services in the inner city.
- Identify support for childcare as a specific activity in the Long Term Council Community Plan.

The Ministry of Education (the Ministry) regulates and funds ECE services. It also plays a key role in ensuring provision of a network of services. The Ministry aims to increase participation in quality ECE services, ensure the quality of services, manage risks of poor management/administration, and minimise risks to children.

The Wellington City Council has an interest in ensuring that Wellington has sound provision of quality early childhood services because of the contribution such services make to promoting economic and social wellbeing and in turn, the Council's economic and social strategic goals.

The Social and Recreation Strategy says:

The Council does not wish to duplicate the role and activities of either central government or the community, but rather to maximise opportunities and to complement the work of both. As a community leader, the Council is in an ideal position to promote partnerships with both central government and the community.

The role of the Wellington City Council in the social domain is focussed at the community level. This Social and Recreation Strategy is premised on the basis that strong communities are those that have

- *a robust social infrastructure, that is, there is sound provision of amenities, facilities and key social services*
- *are cohesive, that is, there is a high level of community participation, strong networks and empowered community groups.*

Given the role of central government in funding, regulating and supporting both provision and participation in early childhood services the need for direct Council support to address market failure in some areas has diminished. In the main, given the premise of the Social and Recreation Strategy, the role of the Council is concerned with maximising opportunities, advocacy and facilitation with a view to ensuring a comprehensive provision of services. However, in some urban areas that are facing significant population growth or where there is limited capacity and low participation in ECE services and access to suitable sites is restricted, the Council may have a role in supporting the establishment of new services.

5. Discussion

The draft Early Childhood Education Policy is predominantly concerned with property management. It affirms the Leases Policy as the overarching document that guides the management of EC providers using Council land and buildings and proposes that lease arrangements are reviewed and rents assessed in line with the Leases Policy. It also offers some guidance on priorities for the future, proposing that the Council does not take a proactive role in increasing the provision of early childhood services on its own land. The Early Childhood Education Policy also proposes that Council offer EC services a lower subsidy for rent than it offers other community and recreation groups. The Policy emphasises a facilitative approach that focuses on priority areas including suburban nodes.

5.1 Policy Options

1) Total withdrawal from the sector

Total withdrawal from Council's present and limited level of involvement in the EC sector (leasing arrangements with 16% of the sector) is not recommended because the constraints over establishment of new licensed services are such that market failure may be compounded within the city. It is unlikely that either private providers or community-based providers will be able to respond to the demand in the medium term, particularly in suburban locations and the strategic nodes (where through the urban

development strategy, Council is planning for significant increases in employee and household numbers).

Additional considerations against withdrawal of support is the substantial financial outlay required to re-locate existing lessees, the scarcity of suitable alternative sites and the political issues – including the historic relationships and contributions of some community organisations to Council assets.

2) Increase the Level of Support

Assistance to the early childhood sector could be increased through increasing provision of grants, establishing a specific fund for supporting early childhood services or increasing the amount of land and buildings available to the sector. EC services will continue to be eligible for grants and there does not seem to be a case to prioritise early childhood services over other community groups.

The draft policy does not advocate for an increase in land and buildings provision but recognises that there may be some instances where Council will respond positively to requests for land because the request is aligned with identified priorities. However because land is a limited resource with competing demands for it land provision is unlikely to increase to any great extent and such provision would be opportunistic.

3) Maintain Current Support

Because withdrawal from the sector is not considered feasible and there does not seem to be a case for proactively increasing assistance or provision the policy proposes that current support is continued although there be some flexibility around responding to requests from EC providers for land. When a service terminates its lease, it is most likely that another service would replace it so as to make the best use of the building. However each instance needs to be dealt with on a case by case basis depending on competing demands for the property. The draft policy affirms the Leases Policy as the guiding framework.

5.2 Continued Support for Early Childhood Services – addressing disparities in rentals

Wellington City Council has supported community-based ECCs through leases of land and buildings and by providing grants. Currently the Council supports 22 licensed EC providers with leases of land or premises. In some cases the use of Council land is limited to a few metres for car parking or the extension of an outdoor play space. In addition, eight community centres host space for licensed ECE providers. Two of those community centres do not use Council land or buildings, so there are a total of 6 ECCs with premises within community centre buildings owned by Council. This gives a total of 28 licensed services using Council land and /or buildings equating to 16% of the city's licensed ECEs.

EC providers using Council land and buildings

Premises and ground leases and licences to ECE providers are subject to the Leases

Policy for Community and Recreation Groups (the Leases Policy) adopted by Council in 2001. The principles and operational guidelines of the Leases Policy are in the main considered sound, but currently many leases with early childhood services have expired and in the main little in the way of rent is paid.

Table 1 shows the current rentals paid by EC services for ground leases and Table 2 shows the rentals paid by EC services with premises.

Table 1. Early childhood centres - ground lease rentals

Name	Ward	Land area (m ²)	Rent Per Annum incl GST
Hataitai Kindergarten	Eastern	735	\$78.75
Houghton Valley Playcentre	Eastern	914	\$129.38
Miramar North Kindergarten	Eastern	234	\$36.00
Motu Kairangi	Eastern	371	\$373.50
Johnsonville West Kindergarten	Northern	5,929	\$10.00
Tui Park Kindergarten	Northern	6,330	-
Tawa Central Kindergarten	Northern	1,230	-
Sunshine Kindergarten	Onslow-Western	10,645	\$123.75
Karori Playcentre	Onslow-Western	378	\$112.50
Ngaio Kindergarten	Onslow-Western	637	-
Ngaio childcare centre	Onslow-Western		\$129.38
TOTAL		27,403	\$993.26

Table 2. Early childhood centres – premises rentals

Name	Ward	Type of care	Rent Per Annum inc GST
*Kilbirnie Community Crèche	Eastern	Sessional	
Wgtn Regional Aquatic Centre Crèche	Eastern	Sessional	
Miramar Playcentre	Eastern	Sessional	\$153.41
*Miramar Community Crèche	Eastern	Sessional	
Brooklyn Playcentre	Lambton	Sessional	\$118.13
Te Kaingānui Childcare Centre	Lambton	Long day	\$337.50
*Wadestown Community Crèche	Lambton	Sessional	
Te Wharemarie Tamariki	Lambton	Long day	-
*Aro Valley Community Preschool	Lambton	Sessional	
Positively Poneke Kids	Lambton	Long day	\$1.00
*Early Impressions Childcare	Northern	Sessional	
Karori Childcare Centre	Onslow-Western	Long day	\$663.75
Te Whānau O Karori Te Kohanga Reo	Onslow-Western	Sessional	\$5,200.00
*Northland Community Crèche	Onslow-Western	Sessional	
Makara Playcentre	Onslow-Western	Sessional	\$112.50
Capital Kids Co-Operative	Southern	Long day	-
Newtown Community Crèche	Southern	Sessional	\$584.00
TOTAL			\$7,170.29

* Services that lease space directly from the Community Centre and may pay rent to the Community Centre.

This gives a total of \$8163.55 paid to the Council in rent.

There are varying lease conditions and rentals as well as variations in the operational expenditure and resources used in managing and maintaining premises leased by ECE services. For example management approaches differ depending on the responsible operational units of Council eg on reserve land, within community centres, or other

facilities. Renewed commitment to the operational management of EC leases is required to better reflect Council's expectations for utilisation and management of assets by ECE providers, recognising historic circumstances and relationships with lessees.

Addressing disparities in rentals

The Leases Policy provides for the following process to set the rental for a lease:

1. *“An average value (per square metre) for open space land across the city has been established.*
2. *The area of the ground lease is established.*
3. *The **commercial rental** of open space land is set at 6% of the value of the land covered by the lease.*
4. *This commercial rental is reduced by 2/3rds (down to 2% of the land value) to reflect the restrictions on the use of such land. This is the **assessed rental**. The restrictions recognise that the land is held in public ownership and that the majority is either classified as reserve or carries Town Belt status. Alternative uses are minimal or expensive to achieve.*
5. *An 80% subsidy is then applied to the assessed rental.*

This subsidy is based on the historical levels of subsidy that have been experienced, the benefits that are gained from the activities of recreation and community groups and the ability-to-pay of such groups. The total subsidy for a lease of open space land is therefore 93.3%.

In certain cases there may be a need to recognise prior formal agreements or investment arrangements in setting rental levels. However the start point is that this Policy sets a fair rental level across the board.” (Section 4.1.1 Leases Policy 2001)

Applying this formula is likely to lead to rent increases for all EC providers with land or premises and in effect the Council agreed to those increases when it adopted the Leases Policy.

Councillors could consider decreasing the level of subsidy on rent. The use of Council-owned land and buildings by ECCs differs considerably from the use by recreation, sports and other community organisations in terms of:

- Intensity and exclusivity of use.
- Licensed ECCs operate as businesses, employing staff and requiring professional management.
- Require very high standards of fixtures, fittings, maintenance and security.
- Higher degree of administration and involvement of Council in property management.

It seems that given EC providers operate in a competitive market and that some other EC services pay market rentals, there is an ability for providers to pay higher levels of rent than other community organisations using Council facilities. Many of the EC services charge fees and it seems that whether a service is receiving a rent subsidy does not seem to impact to any extent on the fees charged. Councillors could consider offering a subsidy of 50% rather than the 80% set in the Leases Policy. Rents set at this rate would mean that Council's operational costs would be likely to be recovered. Section 5.5 of this report estimates the Council's operational expenditure on EC services as being at least \$90,000.

The following tables compare current rents with estimated rents with an 80% subsidy. Rents have also been estimated with a 50% subsidy for services that lease premises. These figures are estimates only and are intended as an indication only.

Table 3. Rentals for Providers with Premises Leases

Name	Suburb	Type of care	Current rent pa	80% subsidy	50% subsidy
Kilbirnie Community Crèche	Kilbirnie	Sessional	-	-	-
Wgtn Regional Aquatic Centre Crèche	Kilbirnie	Sessional	-	-	-
Miramar Playcentre	Miramar	Sessional	\$153	\$3,120	\$7,800
Miramar Community Crèche	Miramar	Sessional	-	-	-
Brooklyn Playcentre	Brooklyn	Sessional	\$118	\$3,120	\$7,800
Te Kaingānui Childcare Centre	Mt Cook	Long day	\$338	\$6,240	\$15,600
Wadestown Community Crèche	Wadestown	Sessional	-	-	-
Te Wharemarie Tamariki	Wellington CBD	Long day	-	\$6,240	\$15,600
Aro Valley Community Preschool	Wellington CBD	Sessional	-	\$3,120	\$7,800
Positively Poneke Kids	Wellington CBD	Long day	\$1	-	-
Early Impressions Childcare	Johnsonville	Sessional	-	-	-
Karori Childcare Centre	Karori	Long day	\$664	\$6,240	\$15,600
Te Whānau O Karori Te Kohanga Reo	Karori	Sessional	\$5,200	\$3,120	\$7,800
Northland Community Crèche	Northland	Sessional	-	\$3,120	\$7,800
Makara Playcentre	Makara/Karori	Sessional	\$113	\$3,120	\$7,800
Capital Kids Co-Operative	Newtown	Long day	-	\$6,240	\$15,600
Newtown Community Crèche	Newtown	Sessional	\$584	-	-
TOTAL			\$7,170	\$43,680	\$109,200

Table 4. Rentals for Providers with Grounds leases

Name of institution	Suburb	Type of care	Current rent per annum	80% subsidy
Hataitai Kindergarten	Hataitai	Sessional	\$79	\$735
Houghton Valley Playcentre	Houghton Bay	Sessional	\$129	\$914
Miramar North Kindergarten	Miramar	Sessional	\$36	\$234
Motu Kairangi	Miramar	Sessional	\$374	\$371
Johnsonville West Kindergarten	Johnsonville	Sessional	\$10	\$500
Tui Park Kindergarten	Linden	Sessional	-	\$500
Tawa Central Kindergarten	Tawa	Sessional	-	\$500
Sunshine Kindergarten	Karori	Sessional	\$124	\$500
Karori Playcentre	Karori	Sessional	\$113	\$378
Ngaio Kindergarten	Ngaio	Sessional	-	\$637
Ngaio Childcare Centre Inc	Ngaio	Sessional	\$129	-
TOTAL			\$993	\$4,769

The Leases Policy allows for affordability to be taken into account and would also take account of asset ownership. The Leases Policy also allows for adjustments in rentals where a commercial activity is being undertaken in part or in full (to address inequities

with other providers who pay market rents). Therefore the impact of rent assessments for individual services can only be estimated as there are likely to be various factors affecting different services when assessing rentals. Each lease would need to be treated on a case by case basis.

It is proposed that all leases and licenses with early childhood services are progressively reviewed and negotiated to bring them into line with the Leases Policy with a 50% subsidy rather than an 80% subsidy. To manage the review process it is proposed that officers will:

- Take a case by case approach
- Provide a suitable transition period eg 1-2 years to phase in increases in rent.
- Allocate a contact person within Council for all EC sector issues eg Community Facilities – the contact group would be responsible for coordinating response across operational units.

Community Centres with EC Centres

The services within Community Centres may pay rent to the Community Centre committees. Anecdotally it is understood that some of those EC providers are paying rents significantly higher than what the Council would charge under the Leases Policy.

It is proposed that Council require Community Centre Committees to ensure that occupancy arrangements for licensed ECE providers that operate in community centres align with the ECE Policy. This may mean a reduction in income to some Community Centres and pressure on the Council to make up the shortfall. However, given those services are in Council owned premises and the Community Centres do not pay rent it seems anomalous for those rents to be out of alignment. Council will also require that Community Centre Committees seek Council's approval to grant a lease or sub-lease for any licensed ECE services officer approval.

Implications

Existing and future lessees are likely to have concerns over possible rent increases and that they will affect services, particularly for those services that have no fees policies (eg kindergartens, which hold ground leases not premises leases). The rent increases for ground leases would likely be limited, and merely bring into line rents with the Leases Policy. A transition period of 1 to 2 years will allow the policy to be implemented over time.

5.3 Longer term support for early childhood education and childcare services (targeted towards need)

The Community, Health and Recreation Committee asked that further work be done to determine how longer term support for early childhood could be targeted towards need. The Ministry of Education has, over the past few years, increased funding significantly to early childhood education and has introduced funding for targeted, not for profit services, for example equity funding targets services in low socio-economic communities, isolated areas and those with special needs or a high proportion of children from non-English speaking backgrounds. From July 2007 it is offering funding to allow 3 and 4 year olds 20 hours per week of early childhood education free of charge.

The Ministry also offers significant funding for the establishment of new centres with both capital and operational grants. That funding is only available to not for profit

services using community owned land. This is likely to mean increased pressure on the Council to at least maintain its current provision.

In addition the Ministry is undertaking analysis of the current state of the network of ECE services. This analysis assists in identifying where investment may be needed in new services and where the existing network is sufficient to meet community needs.

The Ministry of Education is taking the lead in ensuring that early childhood education is affordable, accessible and that there is a sound network of services. The area of need that the Council can respond to is in supporting the establishment of services in areas identified by the Ministry as priority areas. In Wellington, those areas are, in the main, in the Northern Ward.

The draft Policy proposes that the priority areas are taken into account when responding to requests from services to establish on Council land and that the Council officers take a facilitative role in the establishment of services in those priority areas. Priority for support and/or use of Council land and buildings will be given to organisations that wish to extend existing premises and /or utilise existing buildings.

Implications

It is clear from analysis that the highest needs populations will get the most support from government sources which will be focussed on needs of localised populations and enhancing community participation/social cohesion in suburban locations. On a case-by-case basis, prioritising support for new EC services to areas with limited services and at strategic nodes means only those areas most in need in terms of residents and of the labour force would be considered for Council support.

5.4 Support for current early childhood education services in the inner city.

Prioritising future support to strategic nodes works for both labour market and community participation factors in suburban areas. However, because of scarcity of suitable locations, the situation is different in the central city area.

The central city area as an important 'node' will continue to be problematic. The community-based sector will have particular issues in establishing (or relocating) EC services in the central city to support either residents or workforce participation.

Therefore for the central area, the approach will be flexible and facilitative, primarily using grants for establishment, with land/buildings only considered with 'nodal' social infrastructure development. Case by case solutions would be found in partnership with the Ministry of Education, employers and EC providers with support limited to consideration through Council's grants pools, unless opportunities arise through nodal facilities development.

The Council currently supports two EC services in the inner city, both of which are on Civic Square. These services clearly meet an important need with both being over-subscribed with long waiting lists. However there are competing demands for the space. The area used by Positively Poneke Kids (PPK) is required for extensions to the Art Gallery and PPK has been given notice. Council is assisting with finding new premises. PPK may request further support through grants. Given the long term relationship, the barriers to locating services in the inner city and the need for services in the inner city, such scenarios should be dealt with on a case by case basis taking account of the above factors.

5.5 Identify support for childcare as a specific activity in the Long Term Council Community Plan.

Childcare is not identified as a specific activity in the 2006-16 Long Term Council Community Plan. To do so would be inconsistent with the framework of the LTCCP and with the financial accounting of land and buildings. The arrangements with the EC services are varied and this means there is not a robust or consistent methodology to identify exact costs.

For example:

- Eleven of the services on Council land have ground leases only so have paid for their building (or are leasing car park space or play area).
- Nine lease land and buildings - some of which are part of other complexes, for example Aro Valley Community Preschool is sited alongside the Community Centre and Positively Poneke Kids is sited beneath the City Art Gallery. This means the capital value of the asset is not clearly identifiable.
- Three services with buildings are managed through Parks and Gardens and the maintenance costs are not separately identified.
- There are 6 EC services hosted within a Council owned Community Centre, however the EC provider has leased the space from the Community Centre and not directly from the Council.

In effect the Council's involvement does not lend itself to childcare being identified as a specific activity within the LTCCP.

Calculating the amount spent on EC services is complex because there are variations across the type of land that services are on and arrangements in relation to maintenance.

The following table gives an indication of the approximate expenditure. To estimate the maintenance on services that are sited alongside or within a Council facility it has been assumed that the EC service is using 450 square metres and the maintenance cost is pro rata for the site. This did not prove practical for determining a capital value. Operational expenditure for the EC services has been divided into maintenance and depreciation. The operational expenditure on services with only a ground lease have not been included in the table as is not easily identifiable (in the main those services carry out their own maintenance). The capital values need to be treated with some care as they are the book values of the sites and some of the sites are not realisable as they are on reserve land or have limited options for use. Johnsonville West Kindergarten and Ngaio Kindergarten lease part of a site for car parking, access or play area and no building site, therefore the values for those ground leases are over-stated.

Table 5 Capital Value of Ground Leases

Ground leases	Capital Value	
Hataitai Kindergarten	18,557	
Houghton Valley Playcentre	5,259	
Miramar North Kindergarten	4,681	
Motu Kairangi	36,873	
Johnsonville West Kindergarten	336,000	Part site only
Tui Park Kindergarten	127,000	
Tawa Central Kindergarten	24,579	
Sunshine Kindergarten	195,118	
Karori Playcentre	7,566	
Ngaio Kindergarten	12,716	
Ngaio childcare centre	881,785	Part site only

Table 6 Capital Value and Operational Expenditure of Premises Leases

Premises	Capital Value	Maintenance	Depreciation	Total
*Kilbirnie Community Creche	Co-sited	4481		4481
Wgtn Regional Aquatic Centre Creche	Co-sited			
Miramar Playcentre	334,789		8369	8369
*Miramar Community Creche	Co-sited	2231		2231
Brooklyn Playcentre	120,153	5495	3003	8498
Te Kaingānui Childcare Centre	150,000	11365	3750	15115
*Wadestown Community Creche	Co-sited	4500		4500
Te Wharemarie Tamariki	n/a	n/a	n/a	
*Aro Valley Community Preschool	Co-sited	3063		3063
Positively Poneke Kids	n/a	n/a	n/a	
*Early Impressions Childcare	Co-sited	2089		2089
Karori Childcare Centre	220,047		5501	5501
Te Whānau O Karori Te Kohanga Reo	190,037	3470	4750	8220
*Northland Community Crèche	Co-sited	5370		5370
Makara Playcentre	192,542		4813	4813
Capital Kids Co-Operative	201,167	5005	5029	10034
Newtown Community Crèche	MOE funding a new building	6942		6942
Total				89,226

This gives a total of \$89,226 OPEX. This figure is an estimate because in some instances the amounts assigned to a service are pro rata and for some services information is not available. Given that it does not include the value of the rental subsidy and there is some missing information in relation to maintenance for two services (Miramar Playcentre and Karori Childcare) it is a conservative figure.

In addition to the provision of land and buildings the Council has paid grants to early childhood services. The Wellington Community Childcare Association has received \$14,500 as a non-contestable grant from the Council for several years. With the review

of the grants framework that non-contestable funding has come to an end and the organisation will need to apply to the grants sub-committee for a grant for 2007/08.

For the 2 years to June 2006, Council gave a total of \$70,775 in contestable grants to ECE organisations. It is appropriate to support community based organisations such as these through the grants process because of the contribution they make to social infrastructure and because securing funding for specific capital projects or large purchases (that are not covered by the Ministry's grants) can be difficult for such organisations.

5.6 Consultation

If the Committee agrees it is proposed to carry out a targeted consultation with all EC providers on Council land or in Council premises and also with the wider EC sector. Consultation information will also be made available on the website.

6. Conclusion

This paper presents a draft Early Childhood Policy for the consideration of the Committee and seeks agreement that consultation be carried out. The Policy affirms the Leases Policy as the guiding document for managing EC leases and proposes that the Council's major role in future provision of EC services is an advocacy and facilitative role.

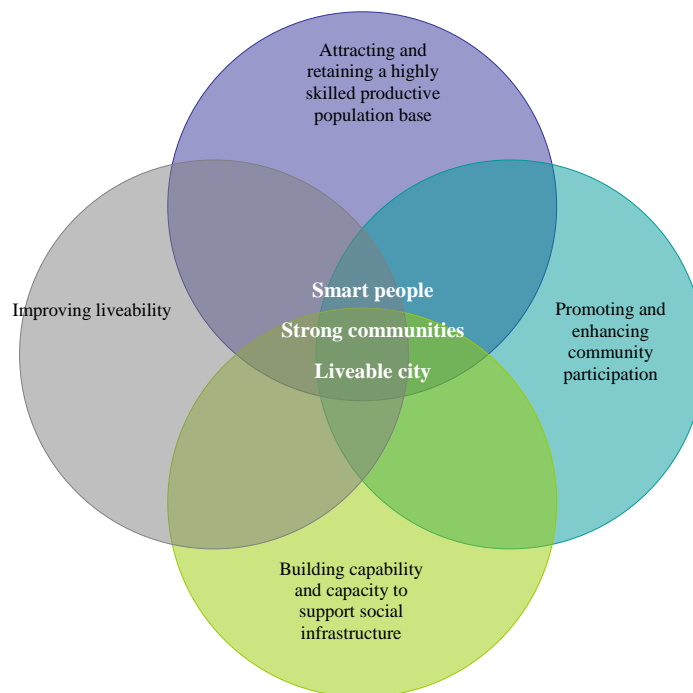
Contact Officer: *Helen Walker, Principal Policy Advisor*

Supporting Information

1) Strategic Fit / Strategic Outcome

The Draft EC policy supports Council's overall vision of Creative Wellington – Innovation Capital.

The Draft EC Policy supports Council activities as a provider of social infrastructure and community properties. Agreement to the Draft Policy will contribute to Council meeting the following outcomes:



(see outcomes 1, 7.1 Recreation Opportunities).

It will contribute to achieving the following 3 year priorities:

- *Increase value of community facilities to communities*
- *Community capability and capacity*
- *Growth spine*

2) LTCCP/Annual Plan reference and long term financial impact

The support of ECCs is contained in 6.4.6 provider – community centres and halls and is part of Annual Plan projects: A468 and C130B. The full impact on operational and capital expenditure will be provided as part of the report back on recommendations for the final policy once consultation is complete.

3) Treaty of Waitangi considerations

4) Decision-Making

This is not considered a significant decision in terms of Council's significance Policy, although it affects part of a group of strategic assets. The impact is considered limited, as a significant change to the level of service is not proposed.

5) Consultation

a) General Consultation

Most affected parties involved in managing ECs in Wellington have been identified. Public consultation will provide opportunities for users of those ECs to have input. It is proposed that consultation be targeted to lessees, EC industry sector organisations, government agencies and the wider public. If there is sufficient interest, meetings will be held with a range of groups.

b) Consultation with Maori

Mana whenua will be provided with the Draft EC Policy. Their comments will be included in analysis.

6) Legal Implications

7) Consistency with existing policy

This report is consistent with existing policy and affirms the Leases Policy for Community and Recreation Groups 2001