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Corporate Plan Output : Community Board	

The purpose of this report is to respond to the request of the Riccarton Wigram Community Board to provide information on the status of this fund.

BACKGROUND

The Sports Stadium Fund was set up by the former Paparua County Council. The special fund was established by that Council in 1988 following representations to it by Hornby High School to provide a sports facility that could serve the needs of the school and the wider community. An appropriation of \$200,000 was made by Paparua County Council for the project.

Following local authority amalgamation in 1989, the funds now amounting to \$224,000 were transferred to the Council and held in a separate special fund under the provisions of the Local Government Reorganisation Order protecting the funds to ensure they were used for the original purpose. The restrictions imposed by the order ended on 30 November 1995.

After November 1995 the Council conducted a review of all special funds and where there was no remaining purpose for a fund it was amalgamated with the Council's general capital reserve. At the time of the review the possibility of the Hornby Sports Stadium was still alive therefore this fund was left intact. However, despite efforts to promote a viable community stadium the financial aspects of the proposal were such as to present insurmountable difficulties with capital, debt servicing and ongoing maintenance of the facility within the financial resources available. At the end of the day the Board of Trustees of Hornby High School decided not to proceed.

After allocation of interest earnings to the end of April 1999, the fund balance stands at \$482,000.

CURRENT STATUS OF THE FUND

With the expiring of the Local Government Reorganisation Order the funds are available to the Council for whatever purpose it decides.

Apart from consideration at the 1999 Annual Plan meeting (see discussion below) the matter has not been formally considered by the Council and the fund remains intact. In a legal sense the use of the funds is now the prerogative of the Council, however I believe that the Council would be sympathetic to the funds being directed to a project in the general area of the former Paparua District Council.

At the 1999 Annual Plan Working Party meetings consideration was given to the need for all special funds in response to inquiry by some members of the Working Party who were keen to see unproductive funds used to fund other capital projects. No specific action in respect of this fund was taken until the request for provision of a community centre for Templeton.

The Board will no doubt be aware that Councillor Keast approached the Annual Plan Working Party supporting funding for a Templeton Community Centre. This project was also supported by the Riccarton/Wigram Community Board. This significant project had not been provided for in the capital works programme and the working party could see that the use of this special fund (which clearly no longer had a purpose) could be a source of funds for the Templeton Project. The rationale for the possible use of the fund was that it would be a community facility located in the area of the former Paparua District Council. Currently no provision has been made in the Annual Plan for the project. The Council adopted the following recommendation at its meeting on 26 April 1999 –

“That the Paparua Sports Stadium Fund for \$400,000 be earmarked for the development of the proposed Templeton Community Hall, subject to a report being brought to the relevant Committee on this project.”

RESTRICTIONS ON USE

This special fund is a capital fund and should be used only for capital projects although with the agreement of the Council the interest earnings for future years could be used on operational type projects.

The decision on the future use of the fund is one for the Council but clearly the Council would listen to the views of the Community Board on the matter.

SUBMISSION TO THE ANNUAL PLAN

If the Board does not wish to have this fund earmarked to finance the Templeton Community Centre project then it is appropriate that a submission be made on the matter. It is my observation that the Annual Plan Working Party understood that the community centre project had the backing of the Riccarton Wigram Community Board. Clearly, a further report on the project is needed before the Annual Plan is finalised if Templeton is to go ahead in 1999/00. The suggestion for the use of the fund came from myself as a means of enabling that project to be funded.

Recommendation: That the Riccarton Wigram Community Board advise the Strategy & Resources Committee on its preference for use of the fund supported by detail of the proposed project.

Chairperson's Recommendation: For discussion.