

6. REDCLIFFS/SUMNER COMMUNITY CRECHE

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The purpose of this report is to update Councillors on progress regarding this project by providing information on:

- needs analysis
- alternative funding options,
- alternate locations,

and to allow sign off of the project to date and the elimination of some options reviewed. This in turn will allow the project to proceed on the preferred option to achieve an outcome of providing a suitable childcare facility in the Redcliffs area.

BACKGROUND

The current creche is in a temporary location with a lease that expired in August 2000. Temporary arrangements are in place to allow the creche to remain until a solution is found to their accommodation needs. The shared arrangement with the other hall users is unsatisfactory for normal creche operations. For a number of years they have been seeking funding via the Capital Works Submission Process for a stand-alone childcare facility.

The initial report to the 2001/02 Annual Plan Working Party requested funding and support for the project. In response to that report, a project team consisting of members from the Community Board, Community Relations Unit, Community Advocate, Redcliffs Creche and Property Unit have been reviewing the options available to provide a creche facility in the Redcliffs area and this report summarises their findings.

This second report is broken into three main areas:

- (a) needs analysis
- (b) funding
- (c) location

NEEDS ANALYSIS

A needs analysis report was prepared by Bernard McMillan dated September 2001. This report confirms the requirements of a community childcare facility in the area, and in its conclusion states *“over its seventeen year life the creche has never had a home base of its own, always operating from temporary premises. The current premises which have been ‘temporary’ for the last ten years, do not meet the standards of the Ministry of Education for creches, and compliance with some Occupational Safety and Health needs is questionable.”*

The report indicates the creche is well supported by parents and at the time of the report had a waiting list of 70 children. The report also makes the following comment. *“Sumner/Redcliffs is seen as a generally affluent area of Christchurch, this perceived notion masks the statistics that about 15% of the population earn less than \$20,000 per annum making financial access to quality early childhood education difficult. While not exclusively so, it is this population that the creche is able to provide its services to.”*

A full copy of the report is available from the Community Advocate or Property Planner.

FUNDING

Funding of \$647,000 was originally requested from the Annual Plan Working Party. This amount was reduced to \$300,000 and allocated over two years (\$100,000 01/02, \$200,000 02/03). The creche was requested to find alternative means of funding the balance of the project.

Funding Requests

The Creche Committee has been very pro-active in approaching a large number of funding organisations to meet the shortfall. The following organisations have responded to-date.

- Community Grants have approved a grant, however they have not indicated a nominated amount and are awaiting more details from the creche such as site/drawings etc. This amount could range from \$0 - \$50,000.
- Ministry of Education has two potential grants available, with confirmation due in December. These funding grants are;
 - (a) A planning grant of up to \$15,000
 - (b) A development grant of up to \$200,000

The Creche Committee feels optimistic that some of this funding will be made available for this project. Until a site, design and consents are obtained for the project the funding is unlikely to be approved. The Creche Committee is optimistic the funding may be available next year.

A number of smaller grants are being looked at and these would be used mainly for creche fitout costs not normally funded by the Council in the past.

Alternative Means to Reduce Cost

By using Council owned land or leased land to accommodate the creche building the project cost could be significantly reduced. This option would reduce the project cost estimate by approximately \$300,000 thus making a new creche available with a budget of approximately \$350,000. This approach will be detailed below under 'location'.

LOCATION

A number of specific locations and the method of acquiring or leasing these sites have been investigated. Each of the options has strengths and weaknesses and these are detailed below.

Option 1 - Existing Site

Preliminary discussions have been held with the Church, (the owner of the existing creche property) to see if any opportunities for both parties exist. This site is situated in Augusta Street and provides an ideal location, close to shops and library etc. The close association the crèche has with the kindergarten across the road also strengthens this location.

During discussions with the Church, it was evident they would like to retain a presence on the site. A number of site options were talked over, without either party making any commitments.

- (i) Council buy the land, Church vacate.
- (ii) Council buy the land, Church lease back.
- (iii) Council lease the land, Church vacate.
- (iv) Council lease part of the land.

Council Buy Land, Church Vacate/Church Lease back

With options (i) and (ii) the estimated cost of the land is approximately \$300,000. Approximately \$200,000 to \$350,000 additional funding would be required depending on whether the upgrade or new purpose-built building option is taken. These estimates were detailed in the original report to the Annual Plan Working Party.

With only \$300,000 for the total project, options (i) and (ii) would not be feasible without guaranteed additional funding, as after the purchase cost of the land, no funding would be available to allow a creche to be built / upgraded on the site.

The Church also has a committee process to allow the sale of land to occur. This process could be lengthy and may result in the land not being for sale. It is the Property Unit's understanding that a 90% vote in favour is required for a sale to occur by the Church.

Council Lease the Land, Church Vacates

With the Church indicating they would still like a presence on the site, option (iii) appears unlikely to progress to a viable alternative.

Council Lease Part of the Land

Of these four options this last one appears to have the most merit. The Church requires the front part of the building where the existing Church hall is, with shared access to the kitchen and toilet currently located in the area used by the creche.

This option, while feasible, puts a limit on the tenure of the premises, with a maximum lease period of 20 years possible. With the commitment of \$300,000 spent on the creche upgrade, it would mean in 20 years time when the lease expires, the presence of a creche in Redcliffs would again be in question. The Council would also need to derive the benefits from the project and depreciate the \$300,000 expenditure over the relatively short term of 20 years. Where the Council owns the land and buildings it would normally look to depreciate the expenditure over 40 – 50 years.

The existing building would require a major upgrade as it is old and run down. Major work on electrical and plumbing services will be required and the existing cladding appears to be plastered over an existing substrate that is already showing signs of cracking. High operating and maintenance costs will always be a feature of any upgrade of the existing building.

A new facility on the site would require work-around the existing hall area (required by the Church), adding additional cost and design issues to the project. A new building would also require boundary set-backs thus losing part of the outdoor play area. Preliminary design work on this option has not occurred. Time and money spent on multiple feasibility studies could have a detrimental impact on the viability of the project as a whole.

The low lying nature of the site in relation to neighbouring properties results in the playground area suffering from ponding. This can make the area unusable until it dries out and will be an ongoing problem with the site.

The Creche Committee has indicated it would prefer a 'permanent' home and this was the reason for the original request for assistance from the Council. This together with the other issues highlighted above suggest that this option may not provide the best solution for siting a permanent home for the creche.

Option 2 – Purchase another site in the Redcliffs area

While this has been looked at, a site area of approximately 1000m² would be required. To achieve this, possibly two sections would be required side by side. The land purchase cost in this area has been estimated to be approximately \$300,000. If we spend the funding on land purchase, no guarantee would be present that we could then fund the building of the creche itself.

Option 3 – Use of Existing Council land

The Council's land holdings in the Redcliffs area were reviewed. One possible site was identified that was large enough for the purpose and allows a creche to be built, subject to Resource Consent requirements. This site is in the front part of Barnett Park.

A meeting was held with Richard Holland, John Allen (Parks and Waterways), Lewis Burn and Lindsay Fleming (Property) to look at the possibility of using this site and the issues associated with it. The meeting confirmed that the land itself while 'green' space was not classified under the Reserves Act and was land acquired from Telecom. The site area for this land parcel is 744m². This is smaller than the preferred 1000m² site that would be required for a creche of this size. A shared arrangement for use of the existing nearby Barnett Park car park overcomes the area shortfall. This parking area also provides the creche with a safe drop-off zone away from the busy Main Road. This was acceptable to staff from both Parks and Waterways and Property Units.

Chris Hadlee, who previously looked at the existing Church property, was employed to prepare preliminary drawings and look at the design feasibility of using this site. He was also requested to liaise with Parks and Waterways with regards to stormwater catchment issues. The results of this work highlighted the following points:

- The creche can be sited in the area available.
- The original preliminary design identified the need to remove several trees. After review of the design an option to design the creche around the existing established trees may be possible with the removal of only one tree, an existing Poplar. The retention of the trees would provide shading to the outdoor play areas. If this option is adopted further investigations will be required.

- Parks and Waterways Unit has proposed flood relief work for the area with a resident's information notice that is currently out for public consultation closing on 16 November 2001. The design of the creche can work around some of the requirements of the flood retention plan with approximately 1 metre high finished floor level to the building and landscaping to incorporate the 600mm high bund (stop bank). The Property Unit has given notice to the Parks and Waterways Unit of our interest in this site, incorporating this with the information returned from the community. This is the reason why this report is being presented to the December round of meetings to make Councillors aware of the Property Unit's possible interest in the site (rather than waiting for the planned February round when further information such as funding requests are known).
- As part of the Barnett Park option, reserve status changes can be effected to allow the site to come under the Reserves Act but also be held for the purpose of community buildings.
- The existing Scout building located on Barnett Park was also reviewed as a possible option. Currently the Scout Association has a lease of the site and owns the building. If the Council acquired the use of this building it would require extensive renovation to make it fully functional as a creche and it appears that a new building may still be the best and cheapest option.

CONCLUSION

A number of options have been investigated to date. For this project to progress, however, it is necessary to focus on the most viable options to avoid unnecessary expenditure of time and money.

The shortfall in funding either dictates the need for the creche to be located on Council land at Barnett Park or for the Council to approve additional funding to underwrite the project. This equates to an additional \$347,000. This full funding would enable the acquisition of a site design and consents to be progressed. It would also qualify the creche for the Ministry of Education Grants next year, with the possible option of refunding some of the underwriting costs of the project by the Council.

This report was also considered at the inaugural meeting of the Hagley/Ferrymead Community Board, which heard a delegation from the creche, who stated that their preferred option was the Barnett Park site. The Board therefore resolved to recommend to this Committee that the Council approve in principle the use of part of the Barnett Park land for the purpose of a creche.

- Recommendation:**
1. That the Council approve in principle the use of part of Barnett Park land for the purpose of a creche.
 2. That additional funding of \$347,000 be made available for the project to provide for the acquisition of a property and the continuation of design work, and to allow the Creche Committee to continue with fund raising efforts to offset and reduce this amount.

Chairman's Recommendation: Not seen by Chairman.