

## 8. DALLINGTON COMMUNITY COTTAGE

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Corporate Plan Output: Community Facilities 6.1.15	

The purpose of this report is to inform the Board of the recommendations of the Dallington Community Cottage Relocation Subcommittee on the assessment of accommodation options for the Dallington Community Cottage.

### BACKGROUND

A report to the Board meeting on 4 March 2002 provided an update on the progress with the assessment of accommodation options for the Dallington Community Cottage. The Board decided that a Dallington Community Cottage Relocation Subcommittee be convened of Glenda Burt, Carole Evans, Carmen Hammond and Don Rowlands to:

- (a) Meet with Anglican Care to discuss accommodation options.
- (b) Pursue funding through the Council budget processes.
- (c) Work with existing community groups to assist them to find established accommodation in the interim.

On Tuesday 26 March 2002 the Subcommittee met with representatives of Anglican Care, including Nelson Kennedy, Chief Executive, and Rodney Routledge. The matters discussed are summarised below.

The representatives confirmed that the Cottage is vacating the property at 24A McBratneys Road. It is considered dangerous to attempt to restore the Cottage after the flood damage. The Cottage is also considered too small for the long term needs of the community.

### PROPERTY PURCHASE OPTION

As previously advised, the Family and Community Division of Anglican Care has pursued the option of purchasing a property in Dallington. The Division has made a proposal to Anglican Care to purchase a property up to \$150,000 or to provide bridging finance on a residential property for 12-24 months.

The Chief Executive noted that Anglican Care is generally averse to purchasing property. The funds of Anglican Care are invested to generate sufficient income for the work of its four divisions. Any purchase of property therefore has to be assessed against alternative investments with returns of approximately ten per cent. The purchase of residential property is not seen as prudent given the likely returns, the difficulty of resale after community use and the lack of flexibility to meet future community needs where a property is owned rather than rented. A purchase is only likely to be considered if there is satisfactory underpinning from the Council.

A Dallington resident had recently given serious consideration to the purchase of a property to house the Cottage. However, the estimated returns were not sufficient to make the investment feasible.

As was resolved on 4 March 2002 it was noted that the Board will put forward a funding request to the Council in the Board's submission to the Annual Plan process. However, this would be unlikely to be supported given the current budgetary constraints.

### HOUSING NEW ZEALAND OPTION

A further option is to request Housing New Zealand to lease a property for community purposes. Under this scheme the property is rented at a market rate provided it is a provider of services funded by government agencies such as the Child, Youth and Family Service or Health and Disability Services. The Subcommittee suggested that the Trust make an application to Housing New Zealand.

## **RENTAL OPTION**

Anglican Care's preferred option is for the Council to pay the rent on a private rental property. To obtain a suitable property, this is likely to involve a significant increase over the rental on the previous Cottage (from \$77 per week to \$200-220 per week).

A rental property may also require alterations although the prime requirement is just a large meeting space. Resource consent procedures may be involved depending on factors such as the zoning of the property, access and parking. A rental agreement for three years with a right of renewal to six years may be appropriate.

It was noted that the Community Board's funding of the Dallington Cottage Trust is a contribution to the running of the community development and social support services and is made on an unconditional basis. That is, the Trust is able to use the funding for rental purposes.

As the Trust has charitable status it is applying to other sources for funding for its programmes (for example, Community Trust, Lottery Grants Board, Community Organisations Grants Scheme). These funding organisations are more likely to fund community workers or specific programmes rather than accommodation costs.

## **OPTION OF AVEBURY HOUSE**

At the Board meeting on 4 March 2002, Board members had suggested that further consideration be given to the suitability of Avebury House as an accommodation option, particularly given demographic factors suggesting that Dallington residents have a comparatively high level of mobility.

The Anglican Care representatives noted that they had received considerable feedback from local residents following a newspaper report on this discussion at the Board meeting. The feedback was strongly against the use of Avebury House as it was seen as outside of the Dallington area.

Avebury House is being extensively renovated (kitchen, toilet facilities, wiring, plumbing, etc) and is not expected to be ready for use until the end of May or June.

A Trust comprising local residents has been formed to manage the property and is very keen to welcome interested groups. The property will be available evenings and weekends as well as weekdays.

There is a waiting list of interested groups wanting to use the House, but the Community Development worker is aware of the Cottage's situation, and the Trust will be invited to view it on the open day, which will probably be in June.

## **CONCLUSION**

The Subcommittee agreed with Anglican Care that a rental property is the most appropriate option, particularly given the urgency attached to finding accommodation for the Cottage. This option should involve the least additional cost.

The Subcommittee considers that the current level of Board funding for the Trust enables the Trust to meet the anticipated increased costs of a suitable rental property. The Trust is now in a position to obtain funding from other sources for the costs of its operation including a community worker.

To provide some certainty of funding for the Trust, the Subcommittee recommends that the Board provide an assurance of continued support from the Board for 2002/03 and the two succeeding financial years at least at the level already allocated for 2002/03. A commitment beyond this period is not considered appropriate as it would be binding a future Board. This funding would acknowledge that the current situation requires that a greater proportion of the funding be allocated to accommodation costs.

At the same time, the Subcommittee is mindful that under the proposed arrangement the situation could arise where the Trust has accommodation but reduced funding is available for all its programmes or a community worker. It is therefore suggested that the Board formally request the Trust to continue its efforts to secure additional funding to ensure a community worker is employed on an ongoing basis.

It is understood that the Trust has made progress in locating a suitable property. An update will be provided at the Board meeting.

No funding is available currently through the Property Unit for this purpose.

- Recommendations:**
1. That the Board ask Anglican Care, in conjunction with the Advocacy Team and the Property Unit, to identify a suitable rental property in Dallington to house a community cottage.
  2. That the Board maintain its funding commitment to the Dallington project for a further two years (2003/04 and 2004/05) at least at the current level.
  3. That the Board ask the Dallington Community Cottage Trust to seek additional funding from other sources to supplement the ongoing employment of a community worker.

**Chairperson's Recommendation:** That the abovementioned recommendations be adopted.