

Thursday, 19 September 2024

Te Hui o Te Kaunihera ā-Rohe o Heretaunga
Hastings District Council
Council Meeting

Kaupapataka

Supplementary Agenda

Te Rā Hui:
Meeting date: **Thursday, 19 September 2024**

Te Wā:
Time: **1.00 pm**

Te Wāhi:
Venue: **Council Chamber
Ground Floor
Civic Administration Building
Lyndon Road East
Hastings**

Te Hoapā:
Contact: **Democracy and Governance Services
P: 06 871 5000 | E: democracy@hdc.govt.nz**

Te Āpiha Matua:
Responsible
Officer: **Chief Executive - Nigel Bickle**

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Supplementary Agenda

Tiamana

Chair: Mayor Sandra Hazlehurst

Mematanga:

Membership:

Ngā KaiKaunihera

Councillors: Ana Apatu, Marcus Buddo, Alwyn Corban, Malcolm Dixon, Michael Fowler, Damon Harvey, Henry Heke, Kellie Jessup, Tania Kerr (Deputy Mayor), Eileen Lawson, Hana Montaperto-Hendry, Simon Nixon, Wendy Schollum, Heather Te Au-Skipworth and Kevin Watkins

Tokamatua:

Quorum:

8 members

Apiha Matua

Officer Responsible:

Chief Executive – Nigel Bickle

*Te Rōpū Manapori me te
Kāwanatanga*

Democracy and

Governance Services:

Louise Stettner (Extn 5543)

Te Rārangī Take

Order of Business

6.0 Council Frimley Pools Complex

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Thursday, 19 September 2024

Te Hui o Te Kaunihera ā-Rohe o Heretaunga
Hastings District Council: Council Meeting

Te Rārangi Take

Report to Council

Nā: Rebekah Dinwoodie, Group Manager: Community Wellbeing & Services
From: Services

Te Take: Council Frimley Pools Complex
Subject: Council Frimley Pools Complex

1.0 Executive Summary – *Te Kaupapa Me Te Whakarāpopototanga*

- 1.1 This Report recommends Council's 'Frimley Pools Complex' (Frimley Pool) remains closed for the 2024/25 summer season.
- 1.2 Council considered the issue of closing Frimley Pool during its 2024/2034 Long Term Plan (LTP) process. The salient points for Council consideration were;

Usage

- Has been declining since 2018/19 from 15,400 per season to 4800 in 2022/23.
- Ratepayer contribution of \$25.88 per visit over 4 years between 2019/20 and 2022/23.
- 11 schools used Frimley Pool for a total 13 sessions in 23/24. This is reasonably consistent with previous years.

Potential savings

- Closing Frimley Pool will save the ratepayer a maximum of approx. \$170,000 per annum in operational costs and approximately \$50,000 per annum on capital expenditure.
- Facility can be shut while options for repurposing space are considered and costed.
- Equipment/plant can be repurposed to other facilities.

- 1.3 At its Council Meeting on 11 June 2024 Council resolved;

That Council resolves to keep the Frimley Pool open for the 2024/25 season subject to operational fitness. Council directs the Chief Executive to review the ongoing operational feasibility of the Frimley Pool and report back to Council with recommendations for inclusion in the 2025/26 Annual Plan if appropriate.

- 1.4 Council has invested \$40,000 this current year in maintenance work. A further \$77,000 to \$110,000 is estimated to be required to complete the requisite maintenance works to allow Frimley Pool to open this year.
- 1.5 Council's LTP remaining budget for maintenance of Frimley Pool is approximately \$230,000 over years 2024 to 2029.

- 1.6 Direct Earth Ltd have been engaged to complete a Survey of the condition of building, electrical and plumbing assets at Frimley Pool. The Survey has identified recommended maintenance works, which are estimated to cost \$750,000 to keep The Pools open/operational for 5 years.
- 1.7 Frimley Pool is Council’s worst performing summer aquatic centre, in terms of patronage and the subsidisation costs of patrons.
- 1.8 Given Council risks an estimated unbudgeted maintenance budget of circa \$630,000 for Council financial years 2024/29, Officers recommend it is not operationally prudent to keep Frimley Pool open and to continue investing funds into maintenance and employing staff for the 2024/25 season.
- 1.9 Cost and budgets are summarised below:

	Amount (\$) required 2024/25
To repair pipework	Up to 110,000 unbudgeted
LTP budget 2024/25 available	0
Total unbudgeted required 2024/2025	Up to 110,000
	Amount (\$) required 2025/29
Maintenance required (identified in Condition Surveys)	750,000 unbudgeted
LTP budget 2025 - 2029	230,000
Total unbudgeted required 2025-2029	520,000

2.0 Recommendations - Ngā Tūtohunga

- A) That Council receive the report titled Council Frimley Pools Complex dated 19 September 2024.
- B) That Council notes that The Survey (completed by privately engaged contractors), of the condition of building, electrical and plumbing assets at Frimley Pool has identified recommended maintenance works, which are estimated to cost \$750,000 to keep Frimley Pool open/operational for 5 years. This is in addition to the remedial work needed prior to opening this season which will cost up to \$110,000.
- C) That Council notes that the Long-Term Plan budget for maintenance at Frimley Pool for Council Financial Years 2025/29 is \$230,000 indicating Council risks an additional operational maintenance deficit of \$630,000 for Frimley Pool over the 2024/29 period.
- D) That Council directs the Chief Executive to;
- cease investing in maintenance for Frimley Pool,
 - keep Frimley Pool closed for the 2024/25 summer season,
 - report back to Council with a recommended Business Case for disestablishment of Frimley Pool.

3.0 Background – Te Horopaki

3.1 The Asset

- 3.1.1 The LTP budget was based on the 2020 asset condition surveys that assessed the visible assets as good. Therefore, no major capital maintenance investment was budgeted.
- 3.1.2 Leaks in underground pipe infrastructure have appeared since the 11 June Council meeting and require an estimated up to \$110,000 investment to fix subject to the type of materials used and whether the infrastructure is above or below ground.

Description of works	Costs (\$)	Costs to Date (\$) (24/25 FY)
1. Repair watermain into Frimley	11,653	11,653
2. Fence Repairs	576	576
3. Plumbing & Drainage Works from Survey	4,442	4,442
4. Electrical repairs from Survey	1,811	1,811
5. Test & Tag	259	259
6. Repair other leaks in the water supply to the ablution block	68,428	3,547
7. Semi-permanent fix for the above works (plastic option)	35,000	
8. Roof clean to prevent further deterioration	1,662	-
9. The grout work on the pools	20,020	-
10. Concrete grinding with trip hazards	2,000	-

- 3.1.3 A summary of the works already completed and further works required to open Frimley Pool in a safe manner for the 2024/25 season is below.
- 3.1.4 The short to medium term repair (2-3 years) for the leaking pipe infrastructure (1-5, 7-10 in the Table) is estimated to cost approximately \$77,425. The long-term repair (10 plus years) (1-6, 8-10 in the Table) is estimated to cost approximately \$110,854.
- 3.1.5 \$29,021 has been spent to date this year on physical works. \$10,000 has been spend on the Asset Condition Surveys.
- 3.1.6 The triennial Survey of the condition of building, electrical and plumbing assets at Frimley Pool (completed this year and reported to Officers in July 2024) identified approximately \$750,000 of works that will need to be delivered in the next 5 years for Frimley Pool assets to remain operational.
- 3.1.7 Hastings District Council's other outdoor pool complex, The Village Pools (Havelock North), was surveyed over the same period identifying approximately \$200,000 worth of works that will need to be delivered over the next 5 years. There is budget to cover this smaller amount of work.
- 3.2 **Performance**
- 3.2.1 Frimley Pool is the Council's lowest performing summer pool in terms of casual use and cost recovery. Comparisons of summer pools with year-round pools should be made with caution due to the very different services and programmes and facility requirements (heating and ventilation requirements).
- 3.2.2 Frimley Pool usage shows a decline in visitors since 2018/19 from 15,400 visits to 7700 visits in 2021/22. The usage in 2022/23 prior to the Cyclone was indicative of the downward trend usage of this facility being only 5600 visits.

3.2.3 2023/24 usage was slightly up at 8,400 (public) and 4,655 (events and bookings). This equates to a ratepayer subsidy of \$10.20 per visit. For comparison, The Village Pools' usage was 16,927 (public) 8,490 (events and bookings) with a ratepayer subsidy of \$6.60 per visit.

	Usage (visitors)	Ratepayer Subsidy (\$/visitor)
Frimley Pools	13,055	10.20
Village Pools	25,417	6.60

3.2.4 Attendance and the associated requirement for a ratepayer subsidy at Frimley Pool has been comparatively poor for over 5 years against other Council aquatic facilities.

FY 2023/24	Pool Patrons	Learn to Swim	Total Users	Subsidy per Patron (\$)
Frimley Pools	13,055	-	13,055	10.17
Havelock Village Pool	25,417	-	25,417	6.55
Waterworld Pool	34,262	9,607	43,869	17.38
Clive Pool	49,863	18,461	68,324	9.71
FY 2022/23	Pool Patrons	Learn to Swim	Total Users	
Frimley Pools	5,602	-	5,602	39.44
Havelock Village Pool	23,870	-	23,870	10.87
Waterworld Pool	39,219	17,128	56,347	11.02
Clive Pool	37,988	21,262	59,250	8.28

3.3 Strategic Context

3.3.1 In Hastings District the type of pool provision is heavily weighted toward exercise/lane swimming pools, with an undersupply of 'leisure water' (based on Sport New Zealand's National Aquatics Strategy 2024 guidelines).

3.3.2 The structure of the Frimley Pool lends itself towards lane swimming given the shape, depth, and temperature (unheated), however, most users attend for their leisure. This disconnect between the facility make up and purpose of use, may have contributed to the decline in use over the years. The dive well was removed in 2014. This may also contribute to a decline in use.

3.3.3 The Hawke's Bay Regional Aquatic Centre is situated less than 2km away from Frimley Pools and provides for the same catchment area as Frimley Pools. This facility caters very well for exercise/ lane swimming with national competition standard amenities. Some leisure use is provided for through programming of their Learn to Swim pool. The Regional Aquatic Centre is privately run by the Hawke's Bay Community Fitness Centre Trust. Admission is at a higher price point.

	Adult	Child
Aquatics Hastings	\$6.00	\$5.00

Hawkes Bay Regional Aquatic Centre	\$10.00	\$6.00
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3.3.4 Frimley Pools is used by some schools for swimming sports gala days usually at the start of the school year. After two years without school bookings due to COVID and Cyclone Gabrielle, eleven schools returned to use Frimley Pools over thirteen sessions in February 2024. Two of the schools are within walking distance and the remaining nine used vehicle transport to attend. Only two of the schools are local and able to walk to the facility, all others rely on bus transport.

3.3.5 The Principals of all the schools that have used Frimley Pools in the last season were invited to meet the Mayor and Officers when closure was being considered as part of the last LTP consultation. All the Principals in attendance understood the recommendation and indicated they were open to using other facilities for their needs. One principal, who did not attend the meeting, did later email their opposition to the closure.

3.3.6 Officers contacted the Regional Aquatic Centre who were positive about meeting the needs of the schools and indicated they had the capacity to do so. They also provided a discounted price for the school bookings.

3.4 Long Term Plan Working Group

3.4.1 Officers recommended to the Working Group a trial closure of Frimley Pool after strategic analysis of Council’s aquatics network to reduce expenditure.

3.4.2 The Working Group subsequently recommended permanent closure.

3.4.3 The following points were noted by the Working Group in their deliberations:

- It’s an emotive issue.
- There are no staffing implications.
- Officers are to monitor the impact on other Aquatics facilities.
- Consult with the public through the LTP process.
- Operational savings plus additional savings avoiding future maintenance costs.
- Permanent closure would allow plant and equipment to be reused at Councils other aquatic facilities when replacement is required.
- Funding would need to be available in the future to demolish/return the area to grass.

3.4.4 Council resolved to *keep the Frimley Pool open for the 2024/25 season subject to operational fitness. Council directs the Chief Executive to review the ongoing operational feasibility of the Frimley Pool and report back to Council with recommendations for inclusion in the 2025/26 Annual Plan if appropriate.*

3.4.5 The \$77,000 - \$110,000 for pipe maintenance (this year) and additional unbudgeted cost of \$520,000 capital investment required for the 2025/29 years (identified from the asset Surveys) impacts the ongoing operational sustainability of Frimley Pool.

4.0 Discussion – Te Matapakitanga

4.1 Council needs to decide immediately regards unbudgeted expenditure on maintenance for Frimley Pool if it is to open mid November 2024.

4.2 Seasonal recruitment of staff is underway with employment contracts to be offered at the end of September. Delaying a decision may result in Officers not being able to recruit and on-board the required number of seasonal staff to run the facility.

4.3 Investment of \$750,000 plus up to \$110,000 in required maintenance over 2024/29 will maintain the current service levels with no additionality to attract more patronage.

4.4 Investment to drive significant increases in patronage would be expensive. Feedback gained through the LTP submissions included service level improvements such as heating, splash pads, basketball hoops, a dive well, and more shade sails. There is no budget for any of these improvements.

- 4.5 Aligning facility services levels with the Village Pools (Havelock North) with heating and a deep-water pool would cost upwards of \$2M.
- 4.6 If the decision is made to close Frimley Pool Officers will work with the Marketing and Communications Team to communicate with the public, the reasons behind the decision and other options available for safe swimming over the summer.
- 4.7 Officers will work with other stakeholders, such as Schools, to identify and smooth their transition to other facilities where needed.
- 4.8 Waterworld Flaxmere will be shut in January 2025 to allow the pools to be emptied, painted, and refilled. The month of January has very low patronage at Waterworld historically.

5.0 Options – Ngā Kōwhiringa

Option One - Recommended Option - Te Kōwhiringa Tuatahi – Te Kōwhiringa Tūtohunga

- 5.1 Close the Frimley Pools before the 2024/25 summer season.

Advantages

- Annual operational savings of approximately \$170k per year (electricity, chemicals, staff etc).
- Save \$860k (budgeted and unbudgeted) net maintenance costs for the 2024/29 years to keep The Pools open/operational. This includes, \$750k identified in the Condition Surveys and up to \$110k for pipe repairs.
- Additional savings at other Aquatic Facilities through reuse equipment and plant made available through the decommissioning of the site. There is approximately \$30,000 of equipment that could be re-purposed over time.

Disadvantages

- Reduced levels of access to outdoor water pools for the local community and associated community feedback.
- Reduction in seasonal employment opportunities for young people.

Option Two – Status Quo - Te Kōwhiringa Tuarua – Te Āhuetanga o nāianeī

- 5.2 Continue to work towards opening Frimley Pools approving unbudgeted spend for long-term repairs of \$110,854.

Advantages

- Maintains access for the community.
- Reduces likelihood of the need for pipe work repairs in this area for the medium to long term.

Disadvantages

- Requires the highest amount of unbudgeted expenditure for the immediate repairs.
- Potentially commits to the future building repairs identified which will need funding through future funding cycles (approx. \$750,000).
- Ongoing risk of other maintenance arising given the age of the facility.
- Reputational impacts due to the unbudgeted expenditure in the current fiscal environment.
- Council with assistance from Officers, will need to decide on reallocation of existing budgets to cover this unbudgeted expenditure.

Option Three – Semi permanent repairs to open for the 2024/25 season.

Continue to work towards opening Frimley Pools approving unbudgeted spend for semi –permanent repairs of \$77,425.

Advantages

- Maintains access for the community.
- The most affordable option to open the pools in the short term while Council considers the long-term future of the facility.

Disadvantages

- Repairs will require renewal after a fairly short period of time (2-3 years).
- Potentially commits to the future building repairs identified which will need funding through future funding cycles (approx. \$750,000).
- Ongoing risk of other maintenance arising given the age of the facility.
- Reputational impacts due to unbudgeted expenditure in the current fiscal environment.
- Council with assistance from Officers, will need to decide on reallocation of existing budgets to cover this unbudgeted expenditure.

6.0 Next steps – *Te Anga Whakamua*

6.1 Next steps are dependent on the Council decision.

- If Council decides to close the Frimley Pool, Officers will report back to Council with a recommended Business Case for disestablishment of The Pools.
- If Council decides to open the Frimley Pool and approve unbudgeted expenditure, Officers will progress with the requisite maintenance programme, recruit staff and open the facility for the 2024/25 season.

Attachments:

There are no attachments for this report.

Summary of Considerations - *He Whakarāpopoto Whakaarohanga*

Fit with purpose of Local Government - *E noho hāngai pū ai ki te Rangatōpū-ā-Rohe*

The Council is required to give effect to the purpose of local government as set out in section 10 of the Local Government Act 2002. That purpose is to enable democratic local decision-making and action by (and on behalf of) communities, and to promote the social, economic, environmental, and cultural wellbeing of communities in the present and for the future.

[Link to the Council's Community Outcomes – *Ngā Hononga ki Ngā Putanga ā-Hapori*](#)

This proposal promotes the social wellbeing of communities in the present and for the future.

Māori Impact Statement - *Te Tauākī Kaupapa Māori*

It is recognised that Frimley Pool is located relatively close to communities with a high percentage of Māori. These communities have access to splash pads, Flaxmere Waterworld (and the other Council Aquatics facilities) and the HB Regional Aquatics Centre.

Sustainability - *Te Toitūtanga*

Frimley Pool sustainability considerations are contained in the body of this report.

Financial considerations - *Ngā Whakaarohanga Ahumoni*

All financial considerations are contained in the body of this report.

Significance and Engagement - *Te Hiranga me te Tūhonotanga*

Council have consulted with the community under the Special Consultative Procedure (under the Local Government Act 2002) on the closure of the Frimley Pools through the 2024/34 LTP process.

Consultation – internal and/or external - *Whakawhiti Whakaaro-ā-roto / ā-waho*

Consultation has occurred through the LTP process, with specific users i.e. School Principals and with the HB Regional Aquatic Centre Manager. Varied responses, both for and against the closure, were received through the LTP process, with the majority being against the closure of the Frimley Pools.

Risks

The risks and opportunities are considered within the body of this Report.

Rural Community Board – *Te Poari Tuawhenua-ā-Hapori*

This paper has not been presented to the Rural Community Board. Two of the schools that used Frimley Pool last summer season are in peri-urban communities. Those Principals were invited to a meeting to discuss the closure of the Frimley Pool with the Mayor and Officers.
