



**AGENDA FOR A MEETING OF THE COMMUNITY SPORT FUND ALLOCATION  
SUBCOMMITTEE TO BE HELD IN THE CIVIC CENTRE, 6 WAIPAREIRA  
AVENUE, LINCOLN, WAITAKERE CITY, ON WEDNESDAY  
19 OCTOBER 2005, COMMENCING AT 7.00 PM.**

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**1 APOLOGIES**



**2 URGENT BUSINESS**

Section 46A(7) of the Local Government Official Information and Meetings Act 1987 provides that where an item of business is not on the agenda, it may only be dealt with at the meeting if:

- (i) the Committee by resolution so decides; and
- (ii) the Chairperson has explained at the beginning of the meeting (when open to the public) that the item will be raised for discussion and decision, why the item is not on the agenda, and why it cannot be delayed until a subsequent meeting.

The Committee may make a decision on a matter determined to be urgent.

**NOTE:** Urgent Business need not be dealt with now and may be delayed until later in the meeting.



**3 CONFIRMATION OF MINUTES**

Meeting Minutes - Thursday, 16 June 2005

**RECOMMENDATION**

That the minutes of the Meeting of the Community Sport Fund Allocation Subcommittee held on Thursday, 16 June 2005, as circulated, be taken as read and now be confirmed.



4 **COMMUNITY SPORT CLUB DEVELOPMENT FUND AND LOANS FUND ALLOCATION 2005**

**PURPOSE OF THE REPORT**

The purpose of this report is to provide the Community Sport Fund Allocation Subcommittee with the information they require to allocate funding from the Community Sport Club Development Fund and to provide information in regard to the Community Sport Loans Fund.

**BACKGROUND**

The Community Sport Fund was set up as a partnership between the Hillary Commission (which was Central Government funded) and territorial local authorities. The Community Sport Fund was the Hillary Commission's major contribution towards assisting and developing local sport, fitness and leisure activity initiatives and development.

In 2002, as a result of Central Government initiatives, the Hillary Commission, NZ Sports Foundation and the policy arm of the Office for Tourism and Sport were replaced with Sport and Recreation New Zealand (SPARC). A decision was then made by Sport and Recreation New Zealand to cease the Community Sport Fund as of June 2002. As a result Waitakere City Council will not receive any further funding to divest to the community through the Community Sport Fund.

When Sport and Recreation New Zealand ceased the Community Sport Fund they informed Councils that any loans and unallocated funds received from the Hillary Commission did not need to be returned and could continue to be loaned or used for other purposes consistent with those for which they were received.

In late 2003 it was decided to use the remaining funds that Council holds by continuing to provide loans to sports clubs but with a more strategic focus. At the Finance and Operational Performance meeting on 8 December 2003, it was resolved:

- “1. That \$800,000 of the remaining Community Sport Fund money be used to provide strategic loans funding to community clubs and organisations for sporting purposes and be given out in accordance with the criteria to be developed.”

4337/2003

It was also decided to use the balance of the fund to support sport and recreation groups in the area of club development. It was resolved:

- “2. That the remaining Community Sport Fund money, after loans funding, including the interest earned, be used to fund Club Development projects and be given out in accordance with the criteria to be developed.”

4337/2003

The first round of the Community Sport Club Development and Loans Fund was completed in May 2005 and the Community Sport Fund Allocation Subcommittee requested a further round to be run this calendar year as there were insufficient eligible applications received to allocate all the funding available.

This report is to provide information on the allocation of funding for the Community Sport Club Development Fund for the second round in 2005 and to provide information in regard to the Community Sport Loans Fund.

## STRATEGIC CONTEXT

Through the Council strategic platform of Strong Communities, Council outlines its commitment to undertaking initiatives that will contribute to making Waitakere City a safe, healthy place to live and to improving local leisure and recreation opportunities and choices. Through adoption of First Call for Children, Council has also stated its commitment to proactively supporting children, young people and their families in Waitakere City. Direct financial assistance to organisations providing facilities and activities to get people more active, assists Council's commitment to these policies.

## ISSUES

### Community Sport Loans Fund

Although this funding round was advertised for both loans and club development funding no loan applications were received. This in itself is not unusual as Council has never had many loan applications. There was one loan application for the last funding round which would be in keeping with numbers of applications in previous years.

### Community Sport Club Development Fund

In contrast to the Loans Fund, there were six applications to the Community Sport Club Development Fund and all six were eligible.

The Community Sport Club Development Fund is designed to provide flexibility to support the development of sports clubs in Waitakere City. The intention is that a small number of strategic grants will be made, rather than a more scattered approach. This will allow greater levels of support to clubs and regional organisations looking to improve the sustainability of their sports in Waitakere City into the future.

Consideration needs to be given to the long term viability of the Community Sport Club Development Fund. When it was proposed in 2003 there was no knowing of how it would be received by the community or the number of applications that would be received. It is clear that this fund has been warmly received by sports clubs in particular and that they see it as a means of developing sport in Waitakere City. Should the funding be granted in total to the applicants this round then Council would have given out a total of \$78,087 in 2005. If this level of annual funding continued then Council would have used up the capital of the fund within the next few years and be left with only the interest annually from the Loans Fund which would be a significant reduction in the long term on the assistance that could be provided to the community.

After discussion with the Group Manager: Financial Operations the suggestion is made that discussion take place at this meeting in regard to this issue. Subsequently options could be investigated as to methods of making this fund more sustainable and be reported back to the Community Sport Fund Allocation Subcommittee.

### Criteria for allocating funding

The baseline criteria that applications must meet to qualify for a grant from the Community Sport Club Development Fund are as follows:

#### 1. To be allocated towards projects that focus on:

- Development of regional sport, fitness or physical leisure strategies that identify future facility and programme needs for a sport or number of sports in Waitakere City;
- Development of volunteer infrastructure, such as training in governance, management, administrative processes, marketing and strategic planning;
- Feasibility studies for clubs looking to amalgamate;

- Costs associated with the establishment of multi-sport clubs;
- Actual club amalgamation; and
- Improving the services a regional sport organisation provides to club sport.

**2. Projects will address the following areas:**

- Establishment of school/club links;
- Demonstrate a commitment to increasing opportunity and accessibility;
- Development of alliances/sharing resources;
- Development of volunteer infrastructure; and
- Engage a diverse range of leisure activities.

**3. Also the following criteria will be taken into account:**

- Applicants must be operating as a non profit club or organisation;
- The project must take place within Waitakere City's boundaries;
- The proposed project must align with identified strategic objectives (i.e Waitakere City Council Strategic platforms, Leisure Strategy, Auckland Regional Sport Strategy);
- Applications must be for a sport, fitness and physical leisure purpose or activity;
- Applicants must be able to generate a minimum of 25% of funds towards the total cost of the project;
- Applicants must be able to account for their funds;
- The project must demonstrate specific improved changes to the club or organisation, and will be peer reviewed by Council officers;
- Applicants need to be able to demonstrate that they have addressed issues of membership retention;
- Activities encouraging Maori, Pacific Islands people, refugees and new migrants, children, youth and older adults to participate in sport, fitness and physical leisure activities;
- Programmes for children at risk to encourage group participation and social cohesion; and
- Programmes that encourage disabled participants to be involved in all aspects of sport and recreational activities.

Note that the criteria above are subject to yearly review and amendment. It is intended that the Community Sport Fund Allocation Subcommittee will at the completion of each funding round review the distribution of Club Development funding to ensure that groups applying receive a fair share of funds and may add new priorities as appropriate.

**Applications received**

Applications to the fund closed on 9 September 2005. Six eligible applications were received.

A1-A6

The applications total to an amount of \$46,452. They have then been summarised and appear in order as an appendix attached at pages A1 to A6 to this report. Original applications are available for the Subcommittee's perusal at any time by contacting the Community Assistance Administrator.

Current status of account

As at 27 September 2005 the Community Sport Fund account stood at: \$937,942  
Less amount out on loan or set aside for loans \$800,000

Current balance available for Club Development **\$137,942**

## RESOURCES

There are no additional financial or staffing requirements to allocate this fund. The Community Assistance Administrator administers the process.

## CONCLUSION

In late 2003 a decision was made to continue to provide grants and loans from the Community Sport Fund to sport and recreation groups to allow greater levels of support to clubs and regional organisations looking to improve the sustainability of their sports in Waitakere City into the future. Criteria were developed and applications were called for. The closing date for applications to this fund was 9 September 2005.

There were no applications received for loans.

A1-A6

Six eligible applications were received for Community Sport Club Development funding, with a total amount of \$46,452 being applied for. They have then been summarised and appear in order as an appendix attached at pages A1 to A6 to this report. Original applications are available for the Subcommittee's perusal at any time by contacting the Community Assistance Administrator.

Discussion needs to take place at this meeting as to the long term viability of the Community Sport Club Development Fund. Options of how this fund could be made more sustainable will be reported back to the Community Sport Fund Allocation Subcommittee at a later stage.

There is currently \$137,942 available in the Community Sport Club Development Fund for allocation.

## RECOMMENDATIONS

1. That the Community Sport Club Development Fund and Loans Fund Allocation 2005 report be received.
2. That the Community Sport Fund Allocation Subcommittee consider grants for the Community Sport Development Fund in accordance with the guidelines, and make their recommendations for allocation of funding to the Finance and Operational Performance Committee on 7 November 2005.
3. That options for long term sustainability of the Community Sport Club Development Fund be investigated and reported back to the Community Sport Fund Allocation Subcommittee.

Report prepared by: Jan Brown, Community Assistance Administrator.



5 **REQUEST BY WAITAKERE CITY FOOTBALL CLUB FOR LOAN REPAYMENTS TO BE PUT ON HOLD FOR 12 MONTHS**

**PURPOSE OF THE REPORT**

The purpose of this report is to present the Community Sport Fund Allocation Subcommittee with a request from the Waitakere City Football Club to defer repayments on their loan for one year to enable them to improve their financial situation.

**BACKGROUND**

A7

In November 2001 the Waitakere City Football Club received assistance from Council by way of a Hillary Commission loan of \$60,000, followed by a Community Sport Fund loan of \$30,000 in August 2003 to assist in the repayment of a \$120,000 mortgage on their clubrooms at Fred Taylor Park, Whenuapai. Over the past three years the Club has met all repayments on time. The last payment to extinguish their Bank of New Zealand mortgage was made in June 2005. The outstanding balance on Council's loans is \$35,096. A letter from the Club requesting a deferral of loan repayments is attached at page A7.

**STRATEGIC CONTEXT**

Through its strategic documents, Council outlines its commitment to undertaking initiatives that will contribute to making Waitakere a safe, healthy place to live and to improving local leisure and recreation opportunities and choices. Through adoption of First Call for Children, Council has also stated its commitment to proactively supporting children, young people and their families in Waitakere City. Direct financial assistance to organisations providing facilities and activities to get people more active, assists Council's commitment to these policies.

**ISSUES**

The main options for the Subcommittee with regard to the request from Waitakere City Football Club are as follows:

- Option 1: Hold repayment of the principle and interest of the two loans for a period of 1 year from approval;
- Option 2: Hold repayment of the principle only for a period of 1 year from approval, with interest still being payable;
- Option 3: Not approve the request, status quo continues.

Option 2 is the preferred option. This would allow the Club to consolidate its financial position and still enable interest repayments on the loans to go to the Community Sport Club Development Fund. The Club's combined interest on the loans for twelve months would be \$610.80. The principle is approximately \$1,500 per month which amounts to approximately \$18,000 across 12 months.

**RESOURCES**

The Community Sport Club Development Fund balance of \$756,511 is sufficient to cover any expected applications for funding assistance.

## CONCLUSION

A request for deferral of repayment of loans has been received from the Waitakere City Football Club. It is recommended that repayments of the principle be deferred for twelve months, but that interest still be paid. The twelve month deferral will enable the Waitakere City Football Club to consolidate its financial position.

## RECOMMENDATIONS

1. That the Request by Waitakere City Football Club for Loan Repayments To Be Put On Hold For 12 months report be received.
2. That the Waitakere City Football Club's principle loan repayments be deferred for twelve months, with interest still to be paid monthly on their existing loans.

Report prepared by: Andrew Pollock, Director: Finance.

