



NOTICE OF SPECIAL MEETING

COMMUNITY SPORT FUND ALLOCATION SUBCOMMITTEE

I hereby give notice that pursuant to Standing Order 14.1 (a) a Special Meeting of the Community Sport Fund Allocation Subcommittee will be held on:-

DATE: **Thursday, 21 November 2002** **TIME:** **7.30 pm**

VENUE: **Civic Centre, 6 Waipareira Avenue, Lincoln, Waitakere City**

to consider the application from Waitakere Regional Sports Trust to convert the \$800,000 loan provided to Sport Waitakere to a grant and to take any necessary action connected therewith.

19 November 2002

Ngareta Delamere
COMMITTEE SECRETARY

Telephone (09) 836 8000 extn 8552

MEMBERSHIP:

Councillor	BA	Brady, JP (Chairperson)	
Mr	BJ	Peters	(New Lynn Community Board)
Mr	WW	Flaunty, JP	(Massey Community Board)
Mr	DG	Hallett	(Waitakere Community Board)
Mr	WJM	Postlewaight	(Henderson Community Board)
Mr		Ivan Yukich	(Waitakere Regional Sports Trust)
Mr		Ropata Paora	(Waitakere Regional Sports Trust)
Mrs		Evelyn Taumaunu	(Te Taumata Runanga)
Mr		Rawiri Waititi	(Te Taumata Runanga)
Mr		Tanielu Amosa	(Pacific Island Communities)
Ms		Sheryl Hyndman	(The Community)
Ms		Julia Smith	(The Community)

(Quorum 6 members)

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(The reports and recommendations contained in all agendas are reports and recommendations only and are not to be construed, in any way, as Council policy until adopted.)

**AGENDA FOR A SPECIAL MEETING OF THE COMMUNITY SPORT FUND ALLOCATION
SUBCOMMITTEE TO BE HELD IN THE CIVIC CENTRE, 6 WAIPAREIRA AVENUE,
LINCOLN, WAITAKERE CITY, ON THURSDAY, 21 NOVEMBER 2002,
COMMENCING AT 7.30 PM.**

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1 APOLOGIES



2 APPLICATION FOR CONVERSION OF COMMUNITY SPORT FUND LOAN TO GRANT

PURPOSE OF THE REPORT

The purpose of the report is to notify the Subcommittee of a request made by the Waitakere Regional Sports Trust to convert the \$800,000 loan approved to them from the Community Sport Fund into a grant of \$800,000.

BACKGROUND

The Community Sport Fund has been a partnership between the Sport and Recreation New Zealand (formerly Hillary Commission) and Waitakere City Council through which funding has been provided to support community sport, fitness and physical leisure organisations and activities.

The intention of the scheme has been to increase participation in, and improve the organisation and delivery systems of sport, fitness and physical leisure. The priority of the scheme, as established by the then Hillary Commission was to support the training, retention and recruitment of volunteers, coaches and leaders in sport, fitness and physical leisure with a main focus on benefiting juniors (5 - 19 year olds).

Through this funding scheme a loan for \$800,000 to Sport Waitakere was approved to assist in the construction of the new Waitakere Sports Complex. Council passed the following resolution at their meeting held on Wednesday, 20 December 2000:

“That acting on urgent information received, a loan of \$800,000 from the Hillary Commission Community Sport Fund to Sport Waitakere through a nominated Trust Account for the development of the Waitakere Sports Complex in Central Park Drive be approved on the following terms:

- (i) the loan being interest-free for three years and no repayments for the first three years;*
- (ii) the loan being for a term of up to eight years at the current interest rate of 2% per annum.*

subject to the Acting Chief Executive and Director of Finance being satisfied as to the ability of Sport Waitakere to meet these terms and to the Hillary Commission approving the use of these funds.”

4414/2000

The Hillary Commission had approved the use of the funds on the above terms, however, the loan money has not yet been uplifted as the financial business plan has not yet been provided to Council.

STRATEGIC CONTENT

Through its strategic documents, 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 activities that get people more active assists Council's commitment to these policies.

ISSUES

Sport Waitakere, in partnership with Waitakere City Council, is developing a multi purpose indoor Sports Complex, with two additional sports fields to provide an integrated, affordable, convenient and accessible sporting, recreation and leisure experience for the wider Waitakere community, with a focus on participation as well as hosting major events. This Complex will therefore create the premier leisure precinct for Waitakere City.

The Subcommittee has been approached by the Waitakere Regional Sports Trust to request that the \$800,000 loan they received from the Community Sport Fund, for the development of the Waitakere Sports Complex, be converted to an \$800,000 grant. The Subcommittee at its meeting held on Thursday, 31 October 2002 resolved:

“That a special meeting of the Community Sport Fund Allocation Subcommittee be held to consider the application from Sport Waitakere to convert the \$800,000 loan to a grant.”

3137/2002

Funding for the Waitakere Sports Complex has come from Council, Auckland Savings Bank Trust, Waitakere Licensing Trust, Portage Licensing Trust, New Zealand Lotteries Commission, Sport Waitakere and Heron Coaches Foundation.

Converting this loan to a grant will not affect Council's financial position, as the loan money has been funded by Sport and Recreation New Zealand, through the Community Sport Fund, with Council only administering the allocation process. However, converting this loan to a grant will reduce the amount available in the Community Sport Fund's reserve fund. As at 1 October 2002, the uncommitted balance of the reserve fund was \$46,644. Excluding the Sport Waitakere loan of \$800,000 there is a further estimated \$826,000 of loans to be repaid to this reserve fund.

The total cost of the Waitakere Sports Complex Project is approximately \$21 million with Council contributing \$11.3 million.

Council has also endorsed an annual operating subsidy of \$250,000.

The project currently has a short fall in the development fund of \$3.5 million, excluding the \$800,000 loan from the Community Sport Fund. This shortfall is being sourced from other funding agencies.

Any additional loan repayment will potentially be passed indirectly onto the users of the Waitakere Sports Complex.

The main argument being put forward by the Waitakere Regional Sports Trust in support of converting the loan to a grant is that ultimately the loan will be paid by the various user groups, thus affecting affordability. Converting the loan into a grant would benefit a large number of user groups in a tangible manner by maintaining lower user charges.

It is therefore recommended that the loan of \$800,000 from the Community Sport Fund to Sport Waitakere through a nominated Trust Account for the development of the Waitakere Sports Complex be converted to a grant.

CONCLUSION

The conversion of the approved loan to a grant will assist the Waitakere Sports Complex to provide services at a lower cost. The complex will be a citywide facility catering to a large variety of activities. The former Hillary Commission were fully supportive of providing a large component of its funding for this purpose.

It is recommended that the conversion of the loan to a grant be approved. Sport and Recreation New Zealand would need to approve the loan conversion. Members of the Waitakere Regional Sports Trust will be in attendance at the meeting to make a presentation to the Subcommittee.

RECOMMENDATIONS

1. That the information be received.
2. That it be recommended to the Finance and Operational Performance Committee to recommend to Council that the loan from the Community Sport Fund to the Waitakere Regional Sports Trust for \$800,000 be converted to a grant subject to approval from Sport and Recreation New Zealand.

Report prepared by: Helen Anderson, Leisure Projects Leader.

