

**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 THURSDAY,
16 JUNE 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, 25 November 2004

RECOMMENDATION

That the minutes of the Meeting of the Community Sport Fund Allocation Subcommittee held on Thursday, 25 November 2004, as circulated, be taken as read and now be confirmed.



4 COMMUNITY SPORT CLUB DEVELOPMENT 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.

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 much tighter 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 sports 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

This report is to provide information on the allocation of funding for the Community Sport Club Development Fund.

STRATEGIC CONTEXT

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 facilities and activities to get people more active, assists Council's commitment to these policies.

ISSUES

The purpose of the Community Sport Club Development Fund is 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.

Criteria for Allocating Funding

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

The Club Development Fund is to be allocated towards Projects that Focus on:

- The 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.

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.

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 6 May 2005. Ten applications were received of which six were ineligible. When assessing why such a large number were ineligible it became clear that all of them had not clearly understood or read the guidelines that were attached to the application form. These state clearly what can be applied for. There is an expectation that this number of ineligible applications will reduce as clubs get to understand what can be funded. Also it is intended that the guidelines will be amended for the 2006 funding round to include information stating what cannot be applied for. All ineligible applicants have been contacted and information provided as to where they can source funding for their projects, (two have been referred to the Community Wellbeing Fund).

A1-A10

The four eligible applications total an amount of \$31,635. These applications include three for feasibility studies and one for governance/management training. They have then been summarised and appear in order as attached at pages A1 to A10. Original applications are available for the Subcommittee's perusal at any time by contacting the Community Assistance Administrator.

Marketing

As this is the first time that the fund in its present form has been put out into the Community, substantial marketing has been done in the form of:

- Providing closing dates and brief information in Funding Calendar that went to 1000 groups or individuals on the Community Assistance database;
- Informing of closing date and funding criteria at seven funding workshops (including one especially for sports clubs, of which over 60 people attended);
- Advertising in the Western Leader;
- Advertising in Waitakere City News;
- Mail out to all sports and recreation clubs in Waitakere City, informing of criteria and closing date;
- Information on Waitakere City Council Website; and
- Application forms available at all Council reception areas.

Current Status of Account

As at 30 April 2005 the Community Sport Fund account stood at:	\$931,915
Less amount out on loan or set aside for loans	\$800,000
Current balance available for Club Development	\$131,915

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 from the Community Sport Fund to sports 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 the fund was 6 May 2005.

A1-A11

Four eligible applications were received with a total amount of \$31,635. The applications include three for feasibility studies and one for governance/management training. They have then been summarised and appear in order as attached at pages A1 to A11. Original applications are available for the Subcommittee's perusal at any time by contacting the Community Assistance Administrator.

There is currently \$131,915 available in the Community Sport Club Development Fund for allocation.

RECOMMENDATIONS

1. That the Community Sport Club Development Fund Allocation 2005 report be received.
2. That the Community Sport Fund Allocation Subcommittee consider grants in accordance with the guidelines, and make its recommendations for allocation of funding to the Finance and Operational Performance Committee on Monday, 11 July 2005.

Report prepared by: Jan Brown, Community Assistance Administrator.



5 COMMUNITY SPORT LOANS FUND ALLOCATION - MARCH 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 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 much tighter strategic focus. At the Finance and Operational Performance meeting, 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 sports 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

This report is to provide information on the allocation of funding for the Community Sport Loans Fund.

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 facilities and activities to get people more active, assists Council's commitment to these policies.

ISSUES

Criteria for Allocating Funding

The baseline criteria that applications must meet to qualify for a loan are as follows:

Priority Criteria:

- The purpose of the loan is to improve or develop new or existing sport, fitness or physical leisure facilities;
- 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);
- The maximum loan period is five years;
- Loans will not be provided for retrospective purchases;
- Loans will not be provided for repayment of debt or debt servicing; and
- Loans will not be provided for maintenance of equipment or maintenance of facilities.

Also loans that include some of following criteria will be taken into account:

- Activities encouraging Maori, Pacific Islands people, refugees and new migrants, children, youth and older adults to participate in sport, fitness and physical leisure activities;
- Proposals involving co-operation, partnerships or the sharing of resources between two or more not for profit groups in Waitakere City;
- Proposals for children at risk to encourage group participation and social cohesion;
- Proposals that encourage disabled participants to be involved in all aspects of sport and recreational activities;
- Proposals that are able to demonstrate that the organisation has addressed issues of ongoing membership retention and facility maintenance and have a long term strategic direction; and
- Proposals that are well planned, with clear aims and objectives that the group intends monitoring.

Financial Criteria:

- The minimum amount that a loan can be applied for is \$5,000;
- The maximum amount that a loan can be applied for is \$100,000;
- Applicants must be able to generate a minimum of 25% of funds towards the total of the project;
- Waitakere City Council must be satisfied that sufficient equity is owned by the organisation to cover full repayments of the principal and interest. Projected cash flows will be required to be produced. This needs to include proof of how ongoing costs can be met;
- All repayments of principal and interest must be paid to the fund and then reallocated;
- If the committee is concerned about the organisation's ability to repay the loan, they should decline the loan application;
- Any approved loans will be subject to assessment of loans guidelines; and
- The interest rate will be 3% per annum from year 1 to year 5.

Applications to the fund closed on 6 May 2005. One application was received from Waitakere Badminton Association. (It should be noted that historically only one or two applications were received annually for loans funding). This was for \$100,000 which is the balance they require to complete a major extension and upgrade of their present facility in Massey. The application has been assessed according to the above priorities.

The process that has been followed in the past is that the Community Sport Fund Allocation Subcommittee would make a recommendation to either accept or decline the application. Should the application be accepted it would be referred to the Finance Unit for detailed investigation into whether the organisation would be able to sustain the repayments. Provided that Finance are happy with their investigations then the loan would be advanced.

There is one issue that needs to be brought to the attention of the Subcommittee. Waitakere Badminton Association has outstanding with Council a loan which was not allocated from the Community Sport Fund, of \$123,387. This loan relates back some considerable time and has had, through Council approval, a number of deferrals, the last one being granted in December 1996 for a period of 5 years. This latest deferral expired in December 2001 at which time the matter should have been taken back to Council for a decision regarding the repayment, or otherwise, of the outstanding balance.

A report on the outstanding loan will be brought back to the July 2005 meeting the Finance and Operational Performance Committee. The ability of the Association to repay the sought loan of \$100,000 is likely to be dependent upon any decision taken by that Committee.

The Association has had past loans from the Community Sport Loans Fund and has met all requirements of loan repayments. The Community Assistance Administrator will be present at the meeting to assist the Subcommittee through the process.

Application Information

A12-A13

Each Subcommittee member has been provided with the following as attached at pages A12 to A13 containing a one page summary sheet of the application.

Current Status of Account

As at 30 April 2005 the Community Sport Fund account stood at:	\$931,915
Less amount currently out on loan	\$259,765
Less amount available for Club Development	\$131,915
Current balance available for loans	\$540,235

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 loans to sports and recreation groups to improve or develop new or existing sport, fitness or physical leisure facilities from the Community Sport Fund. Criteria were developed and applications were called for. The closing date for applications to the fund was 6 May 2005. One application was received from Waitakere Badminton Association. This was for \$100,000 which is the balance they require to complete a major extension and upgrade of their present facility in Massey.

The process that has been followed in the past is that the Community Sport Fund Allocation Subcommittee would make a recommendation to either accept or decline the application. Should the application be accepted it would be referred to the Finance Unit for detailed investigation into whether the organisation would be able to sustain the repayments. Provided that the financial review substantiates that there is adequate capacity to repay the sought loan, the loan will be advanced.

RECOMMENDATIONS

1. That the information on Community Sport Loans Fund Allocation 2005 report be received.
2. That it be recommended to the Finance and Operational Performance Committee that a loan of \$100,000 from the Community Sport Loans Fund for a period of five years at an interest rate of 3% per annum be provided to the Waitakere Badminton Association, subject to the Director: Finance being satisfied as to the ability of the Association to repay the loan.

Report prepared by: Jan Brown, Community Assistance Administrator.

