



Waitakere City Council  
*Te Taiao o Waitakere*

## NOTICE OF MEETING

# COMMUNITY SPORT FUND ALLOCATION SUBCOMMITTEE

I hereby give notice that a Meeting of the Community Sport Fund Allocation Subcommittee will be held on:-

**DATE:**        **Thursday, 19 October 2006**                      **TIME:**                      **5.00 pm**

**VENUE:**        **Waitakere Central, 6 Henderson Valley Road, Henderson, Waitakere**

to consider the business as set out herein and to take any necessary action connected therewith.

12 October 2006

Sharon Simiona  
**DEMOCRACY SUPPORT AND  
SISTER CITY OFFICER**

Telephone (09) 836 8000 extn 8820

### MEMBERSHIP:

Councillor	JP	Lawley (Chairman)	
Mr	WD	Buchanan	(New Lynn Community Board)
Mr	JG	Riddell	(Massey Community Board)
Ms	MC	Davis	(Waitakere Community Board)
Mr	WS	Bainbridge	(Henderson Community Board)
Ms	L	Adams	(Sport Waitakere)
Mrs	E	Taumaunu	(Te Taumata Runanga)
Mr	R	Waititi	(Te Taumata Runanga)
Rev	W	Hakaoro, JP	(Pacific Island Communities)
Ms	J	Smith	(The Community)
Mr	M	Tahal	(Waitakere Ethnic Board)
Alternate Representative			
Ms	GPJ	Marshall	(New Lynn Community Board Alternate)
Ms	GJ	Maurice	(Massey Community Board Alternate)
Ms	DJ	Goodley	(Waitakere Community Board Alternate)
Ms	HM	Jones	(Henderson Community Board Alternate)
Ms	C	Nakhid	(Waitakere Ethnic Board)

(Quorum 4 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 MEETING OF THE COMMUNITY SPORT FUND ALLOCATION  
SUBCOMMITTEE TO BE HELD AT WAITAKERE CENTRAL, 6 HENDERSON  
VALLEY ROAD, HENDERSON, WAITAKERE, ON THURSDAY,  
19 OCTOBER 2006, COMMENCING AT 5.00 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 Chairman 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 - Wednesday, 21 June 2006

**RECOMMENDATION**

That the minutes of the Meeting of the Community Sport Fund Allocation Subcommittee held on Wednesday, 21 June 2006 as circulated, be taken as read and now be confirmed.



#### 4 **COMMUNITY SPORT CLUB DEVELOPMENT AND LOANS FUND ALLOCATION 2006**

##### **PURPOSE OF THE REPORT**

The purpose of this report is to provide the Community Sport Fund Allocation Subcommittee with the information required to allocate funding from the Community Sport Club Development Fund.

##### **BACKGROUND**

The Community Sport Club Development and Loans Fund was set up in late 2003 using funds that were held by the Council from The Hillary Commission. When Sport and Recreation New Zealand (SPARC) 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 and an amount of \$800,000 was set aside to provide these loans.

The balance of the fund plus the interest of the loans fund was then set aside to support sports and recreation groups by way of grants in the area of club development.

In October 2005 the Community Sport Fund Allocation Subcommittee met to discuss the sustainability of the Club Development Fund as concern was expressed that allocating the full amount of the balance of the loans fund together with the interest from loans on an annual basis would in the long term be unsustainable. It was resolved:

*“That the estimated interest to be received from the Community Sport Loans Fund (estimated at \$40,000) be available for 2006/2007 to community groups.”*

2513/2005

It was also resolved that the framework and criteria for distribution of the Community Sport Club Development Fund be reviewed on an annual basis.

*“That the Community Sport Fund Allocation Subcommittee review the framework and criteria for distribution of the Community Sport Club Development Fund on an annual basis.”*

2513/2005

##### **STRATEGIC CONTEXT**

Through the adoption of Strong Communities, 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. 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**

Both in this round and in the May 2006 round there were no new applications to the Community Sport Loans Fund and although few loans are sought annually, those organisations who have in the past received loans from this fund have found it valuable.

In the June 2006 Community Sport Fund agenda report it was recommended to the Community Sports Fund Subcommittee that the Community Sport Loans Fund be monitored over the next two years and if the trend from clubs is not to take advantage of these loans, to re-consider other uses of the Fund. This is the first year that no loans have been applied for and it would be after the 2007 funding round that the Subcommittee would be asked to consider other uses should there again be no loan applications next round.

### **Waitakere City Racquets Sports Trust Loan**

In October 2002 the Waitakere City Racquets Sports Trust was provided with a \$50,000 loan from the Community Sports Club fund. This was provided to assist the Trust in covering a debt that they had with the ASB Bank. For some years now the Trust has not been able to develop and grow as all fundraising that has been undertaken by the Trust has gone into debt servicing.

In early October 2006 a request was received by Waitakere City Racquets Sports Trust to write off the debt, which currently stands at \$27,841.77. They believe that such an action would enable them to move forward with plans to develop the club, lay artificial turf courts and eventually to grow membership.

Whilst it is appreciated that this debt is causing them concern and has been a problem to them for some years now, it is important to consider the impact of writing off this debt would have a detrimental effect on the interest and capital repayments received by the Community Sport Loans Fund.

There are several options that the Council can undertake to support the Waitakere City Racquets Sports Trust, they are:

1. Write off the debt;
2. Defer any interest and principle for one year;
3. Support the Waitakere City Racquets Sports Trust to grow membership and hireage of their facility to increase income.

Option two, (defer interest and principle for one year) is recommended at this stage as the best way to support the club, whilst at the same time option three (support the Waitakere City Racquets Sports Trust to grow membership and hireage of their facility to increase income) is also recommended and the Senior Community Liaison Officer would be able to work with the club to see how best this can be achieved.

Should after one year this prove not to have provided the necessary turnaround in the Trusts financial position then once again the option of writing off the debt could be considered.

### **Community Sport Club Development Fund**

The purpose of the Community Sport Club Development Fund is to provide flexibility to support the development of sports clubs in Waitakere. 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 into the future.

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

- Support for sport and recreation groups to manage clubs successfully by providing funding for strategic planning, governance, management, marketing and financial planning that assist clubs to grow and meet the needs of their communities;

- Training for governance and management groups in areas such as administrative processes, marketing, financial planning and strategic planning;
- 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;
- Feasibility studies for organisations looking to provide sport and recreation facilities for community use;
- Feasibility studies for clubs looking at amalgamation;
- Costs associated with the establishment of multi-sport clubs;
- Financial support for club amalgamations; and
- Improving the services a regional sport organisation provides to club sport.

Applications to the fund closed on 8 September 2006, seven applications were received of which one was ineligible as it did not meet the criteria. The total amount requested is \$38,403.12. They were:

Group Name	Purpose Of Grant	Requested
Waitakere Primary School	Sports equipment for school	Not eligible
Glenora Netball Club	Strategic planning for club	\$3,431.25
Massey Pony Club	Strategic planning & Equestrian Centre feasibility study	\$12,450.00
Oratia United AFC	Strategic review & club amalgamation	\$5,625.00
Starling Park Sports Club	Feasibility study for new clubrooms	\$7,171.87
United North Piha Lifeguard Services Inc	Strategic planning & clubrooms review	\$6,750.00
Waitemata Rugby Union Football & Sports Club Inc	Governance and management review	\$2,975.00

\$38,403.12

A1-A8

They have then been summarised and appear in order as attached at pages A1 to A8. Original applications are available for the Subcommittee's perusal at any time by contacting the Community Assistance Facilitator.

### **Current Status of Account**

As at 31 August 2006 the Community Sport Fund account stood at	\$955,880
Less amount currently out on loan	<u>\$209,832</u>
Current balance	<b>\$746,048</b>

There is \$40,000 set aside annually for distribution. This was decided upon in October 2005, based on the estimated interest from the loans fund. Given that there have been no new low interest loans allocated from this fund over the past year and that the balance of the account is invested at an average Council rate of 7%, there is potentially more funds from interest available for this funding round should the Community Sport Fund Subcommittee wish to allocate it. This has been calculated at an amount of:

Interest earned 2005/2006	\$67,739
Less amount allocated first round 2005/2006	<u>\$13,130</u>
Balance available to be allocated second round 2005/2006	<b>\$54,609</b>

### **RESOURCES**

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

## CONCLUSION

The closing date for applications to both the Community Sport Loans Fund and the Community Sport Club Development Fund was 8 September 2006.

There were no new applications received for loans from the Community Sport Loans Fund.

In 2002 the Waitakere City Racquets Sports Trust received a loan from the Community Sport Fund of \$50,000. They have recently requested that the balance of their loan (\$27,841.77) be written off as the repayments have been a factor in the club not being able to develop and grow over the past few years.

It is not recommended at this stage that this course of action be taken as it would impact long term on the interest and capital repayments received from the Community Sports Loans Fund which funds the Community Sport Club Development Fund.

The recommendation is that the Council defer the payment of principal and interest of the Waitakere City Racquets Sports Trust debt for one year (November 2006 to October 2007) whilst the Senior Community Liaison Officer work with them to find solutions to their financial issues.

The Community Sport Club Development Fund 2006 funding round has six eligible applications with a total amount of \$38,403.12 applied for. Should the Community Sport Fund Subcommittee wish to allocate the full amount of interest earned over the past year from the loans fund then there would be an amount of \$54,609 available this funding round to eligible applicants.

A1-A8

The applications were for strategic planning, governance/management reviews and feasibility studies. They have then been summarised and appear in order as attached at pages A1 to A8. Original applications are available for the Subcommittee's perusal at any time by contacting the Community Assistance Facilitator.

## RECOMMENDATIONS

1. That the Community Sport Fund Allocation 2006 report be received.
2. That the Community Sport Fund Allocation Subcommittee consider grants in accordance with the guidelines and make recommendations for allocation of funding to the Finance and Operational Performance Committee on 6 November 2006.
3. That the Community Sport Fund Allocation Subcommittee approve the deferral of payment of principal and interest of the Waitakere City Sports Trust debt for one year (from November 2006 to October 2007) whilst the Senior Community Liaison Officer work with them to find solutions to their financial issues.

Report prepared by: Jan Brown, Senior Community Liaison Officer.

