

## 1. COMMUNITY FUNDING REVIEW

**Officer responsible**  
Director of Operations

**Author**  
Peter Walls, DDI 941-8777

The purpose of this report is to address two issues relating to Council funding for community groups. The first is the implementation of the recommendations of the Community Funding Review carried out in 2003 and the second is the resolution passed by the Council in July 2003, concerning the Annual Plan submissions process. This report, which has been presented to both the Community and Leisure and the Strategy and Finance Committees, sets out some proposals that will meet these requirements and streamline community funding.

### BACKGROUND

Following several seminars and community consultation, the Community Funding Review was adopted by the Council in May 2003.

The Review recommended some streamlining of the various funds that community groups can apply for, as follows:

1. Grants to Community Organisations, also known as major grants, (to also include Keep Christchurch Beautiful funding) and to be administered through the Metropolitan Funding Subcommittee of the Strategy and Finance Committee.
2. Merging the Metropolitan Community Discretionary Fund, Metropolitan SCAP, Social Initiatives Fund and a range of metropolitan grants set out as line items in the Community Relations Unit budget, into a new Metropolitan Community Fund to be administered through the Community and Leisure Committee.
3. Continuing with the Community Board Project and Discretionary, Community Worker Project and Community SCAP funds administered by Community Boards.

The report identified the need to look at some other grants included in other parts of the budget. These are discussed later in this report.

At this year's Annual Plan hearings, there were a significant number of submissions from groups seeking funding, including a number of groups which had been unsuccessful in other Council funding rounds. Councillors were concerned that the Annual Plan process was providing more than one opportunity to seek Council support. As a means of addressing this issue the Annual Plan Subcommittee recommended to the Council:

*"That \$100,000 be added to the metropolitan grants base funding increase from 2004/05 onwards on the basis that the Metropolitan Fund has a delegated role to examine in detail and prioritise grants and that further funding not be granted during the next Annual Plan around".*

The Subcommittee's recommendation was adopted by the Council.

### PROPOSED GRANTS ENVELOPE

Following an investigation of the funding the Council allocates by way of grants, through both unit and the grants budget, the following funds have been identified for inclusion in the proposed grants envelope:

1. All grants contained in the Grants to Community Organisations section of the Annual Plan, including Keep Christchurch Beautiful.
2. From the Leisure Unit budget:
  - Growing Sport Fund
  - Major Sports Events and Projects
  - Community Recreation Initiatives
  - Sports Development (Sport Canterbury)

3. From the Community Relations Unit:
  - Metropolitan Community Discretionary Fund
  - Metropolitan SCAP
  - Social Initiatives Fund
  - Metropolitan Funded Projects
  - Child and Youth Advocacy Grants
  - Mayor's Welfare Fund
  - Metropolitan City-Wide Funded Projects
4. The Community Board Project and Discretionary Funding, Community Board, Community Worker Projects and Community Board SCAP.
5. From within the Policy Directorate – The Coast to High Country Management Team and Christchurch Environment Centre.

The following grant outputs have been excluded from the Grants to Community Organisations envelope on the basis that they are part of the normal service delivery of the unit concerned:

- Grants to the voluntary libraries for maintenance, book subsidies and rental.
- The holiday programmes and events output which funds the delivery outsourced programmes and events.
- Grants paid out for graffiti removal, traffic wardens and road safety etc.
- The resources used for the maintenance and restoration of historic buildings and for inner city projects.

In addition the core-funded events output will continue to be administered by the Festivals and Events Advisory Subcommittee.

#### PROPOSED GRANTS TO COMMUNITY ORGANISATIONS

The Grants to Community Organisations section of the LTCCP, taking into account the above recommendations and information, would be made up as follows:

1.	Community Services Output		\$1,251,500
	From the Community Relations Unit		
	Grants to the Mayors Welfare Fund	200,000	
	Child and Youth Advocacy Grants	<u>131,000</u>	
	<i>Total</i>		\$1,582,500
2.	Economic Development Output	<i>Total</i>	\$720,000
3.	Arts and Heritage Output		\$1,184,500
	Minus Creative New Zealand (revenue).		- \$200,000
	<i>Total</i>		\$984,500
4.	Recreation and Sport Output	<i>Total</i>	286,970
5.	Parks and Environment Output		101,000
	Plus from the Policy Directorate		
	Coast to High Country Grant	10,000	
	Christchurch Environment Centre	5,000	
	Keep Christchurch Beautiful	24,000	
	<i>Total</i>		\$140,000
6.	Corporate Services	<i>Total</i>	\$15,000
	This excludes allocated costs and overheads.		
	Grants to Community Organisations envelope.	<i>Total</i>	<b><u>\$3,728,970</u></b>

## **PROPOSED SOCIAL INITIATIVES AND DEVELOPMENT FUND**

As a result of the Funding Review several streams of funding have been combined to make up the Metropolitan Community Discretionary Fund. It is suggested that this fund be renamed the Social Initiatives and Development Fund and be made up as follows:

Metropolitan Community Discretionary Fund	\$150,000
Metropolitan SCAP	40,000
Social Initiatives Fund	1,100,000
Metropolitan and City Wide Funded Projects	<u>1,100,000</u>
<i>Total</i>	\$2,390,000

Criteria for the fund are still to be finalised and will be presented to the Council next year prior to the allocation of resources.

The fund could be included under the Community Services output in the Grants to Community Organisations section of the LTCCP or it could remain as a line item under the Community Relations Unit.

## **PROPOSED SPORT, RECREATION AND LEISURE DEVELOPMENT FUND**

There are four grant funding streams within the Leisure Unit that could be included within the Recreation and Sport output of the Grants to Community Organisations section of the LTCCP or they could remain as line items within the Leisure Unit budget.

Growing Sport Fund	40,000
Major Sports Events and Projects	550,000
Community Recreation Initiatives	62,500
Sports Development (Sport Canterbury)	25,000
<i>Total</i>	\$677,500

It should be noted that all above figures are based on the 2003/04 financial provision.

It would seem appropriate for the Community and Leisure Committee to approve the criteria and guidelines for the allocation of Growing Sport Fund, Major Sports Events and Projects, Community Recreation Initiatives and Sports Development (Sports Canterbury).

## **IMPLICATIONS**

As a result of the recent Council decisions on community funding, changes are needed to the way the Grants to Community Organisations are processed/allocated. As grants will not be allocated until after the LTCCP has been adopted, individual grants will no longer be listed in the LTCCP. Instead, the total funding provision for each section will be included.

## **ROLE AND MAKEUP OF THE METROPOLITAN FUNDING SUBCOMMITTEE**

The Funding Review provided for the Funding Subcommittee to be made up of appropriate Standing Committee chairs. The current Subcommittee membership does not reflect this. The Council needs to determine whether it is appropriate to change the membership of the Subcommittee at this stage of the current Council term.

A further issue that requires clarification is whether the Metropolitan Funding Subcommittee has the power to make decisions in respect of all Grants to Community Organisations. Currently that authority is limited to the Community Development Scheme, Events Seeding Fund, Management Reviews and Conference and Similar Events Bridging Loan Funds.

## **METROPOLITAN COMMUNITY DEVELOPMENT SCHEME**

In the past the Metropolitan Community Development Scheme funding has been allocated by the Metropolitan Funding Subcommittee augmented by community representatives. In line with the earlier decisions made by the Council in relation to community funding the Council representatives should be drawn from the Community and Leisure Committee.

## **OTHER FACTORS**

Evaluation and accountability processes are currently being worked on and will be in place prior to the allocation of resources under this proposed process.

## **STANDING COMMITTEE DELIBERATIONS**

The above report was considered at the last meetings of the Community and Leisure Committee and the Strategy and Finance Committee. The report was referred to the two Committees with separate sets of recommendations, as detailed below.

The staff recommendations to the Community and Leisure Committee were supported by that Committee, without amendment. The Community and Leisure Committee also recommended to the Strategy and Finance Committee that, in addition to the base funding for the grants to the community organisations being increased by \$100,000, in line with the resolution passed at the 15 July 2003 Council meeting, this funding also be inflation adjusted.

The above recommendation, together with two staff recommendations proposing that grants funding be inflation adjusted annually were not supported by the Strategy and Finance Committee. However, the Committee considered that it would be reasonable for the Annual Plan Subcommittee to review the need to adjust grants funding for inflation on an annual basis.

### **Recommendation of the Strategy and**

- Finance Committee:**
1. That the total resources available under each of the Grants to Community Organisations outputs be included in the LTCCP.
  2. That the changes to the Grants to Community Organisations output, as proposed in this report, be included in these output totals based on the 2003/04 figures.
  3. That applications for grants (other than those that close throughout the year or have a set closing date ie Creative Communities, Community Development Scheme), under the Grants to Community Organisations close at the end of the financial year (30 June) and the decisions be made by the end of August.
  4. That the Metropolitan Funding Subcommittee be granted delegated authority to allocate the Grants to Community Organisations resources following the Council's adoption of the Annual Plan.
  5. That the membership of the Metropolitan Funding Subcommittee be reviewed, following the 2004 local body elections, in line with the recommendations from the Community Funding Review.
  6. That the Metropolitan Funding Subcommittee retain delegated authority to allocate Event Seeding Funds, Community Organisation Loan Scheme, Conference and Similar Events Bridging Loan Fund and Management Review Resources.
  7. That the Community Boards' grant funding processes be reviewed once the new ward boundaries have been finalised, with each Community Board receiving equal funding.
  8. That the Social Initiatives and Development Fund and the Sport, Recreation and Leisure Development Fund remain as line items in the appropriate Unit budgets.

### **Recommendation of the Community and**

- Leisure Committee:**
1. That the Community and Leisure Committee be delegated power to appoint four to six Council representatives to be involved with the community representatives in the allocation of the Metropolitan Community Development Scheme resources.
  2. That the Community and Leisure Committee be delegated power to approve processes for the allocation of resources under the Social Initiatives and Development Fund, Child and Youth Advocacy Grants, Sport, Recreation and Leisure Development Fund. (Note: Some of these funding streams already have existing processes in place to allocate the resources.)
  3. That the Community and Recreation Department develop criteria and guidelines for the operation of the following funds for the approval of the Community and Leisure Committee prior to any allocations taking place:
    - Social Development Fund
    - Sports, Recreation and Leisure Development Fund