

3. SISTER CITY COMMITTEE FUNDING ALLOCATIONS 2003/04

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The purpose of this report is to present to the Council the 2003/04 annual funding plan for the six Sister City Committees. The report contains recommendations for the allocation of the funding of \$86,000 available for Sister City Committees, based on their annual plans, and recommends that the City Promotions Co-ordinator be delegated authority to allocate the annual bulk sister city grant.

CONTEXT OF REPORT

Prior to 1999 the Sister City Committees each received a set annual grant. In addition, they received on a six yearly basis, a larger grant to assist them with a special project. During the 1999/2000 Annual Plan round, elected members agreed that the annual special grant should be divided each year between all sister cities, based on their proposed activities across the forthcoming year.

The Sister City Strategy recommends that the Sister City Committees comply with the Council Annual Plan process and provide an annual report in September each year and a draft annual plan for the year ahead.

The annual grants sought by the Sister City Committees to meet their annual plans far exceed the full amount of bulk funds available. It is necessary therefore to consider the proposed activities of each Committee to determine what projects best meet the strategic objectives of the Council and the objectives outlined within the strategy for Sister Cities. This does not preclude committees carrying out all activities within their plan, but does give them guidance as to the priority the Council places against their activities and encourages them to seek alternative funding for other projects they wish to be involved in.

Over the last three years, staff have reviewed the proposed annual plans and the budget requests and divided the available funds into grants for the Sister City Committees. Last financial year the International Relations Subcommittee received recommendations from staff on the split of the funds. The Subcommittee agreed with the recommendations.

ISSUES FOR CONSIDERATION

The 2003/04 annual plans for each of the committees and the 2002/03 reports reporting against key performance indicators have been circulated separately. Staff have provided recommendations against each of the annual plans based on monies on hand and also the present state of each project. The history of grant funds provided for the individual committees over the last three years is attached for information.

Last year for the first time, \$1,000 per committee was held back from allocation (\$6,000 in total) to meet unbudgeted and unexpected opportunities that arise which could otherwise not be responded to. Staff found this to be an effective way of ensuring that opportunities for committees were not lost and believe the same should happen again during this year's allocation of funds. As with the last financial year, should these funds not be required prior to the six monthly reporting period then the money would be distributed equally between the six committees.

The current process by which the Council allocates committee funding does not provide the Sister City Committees with an opportunity to know the level of financial support until after the Annual Plan process. This is because we are unable to report recommended funding to the standing committee until such time as the bulk sister city grant is confirmed through the Annual Plan process. Delegated authority to the City Promotions Co-ordinator to allocate the expected bulk funding between the committees prior to the Annual Plan process could rectify this. If, in the process of the Council's Annual Plan being approved the bulk funding level for sister cities reduces, a percentage reduction across the expected committee grants would be applied. Individual committee grants would then be paid out 1 July, or following the confirmation of the Annual Plan by the Council, whichever is the latter date.

Funding Requests Against Strategy

Staff have considered the 2003/04 annual plans provided by each of the committees in relation to the objectives for sister cities (within the strategy) and the performance of each committee against the key performance indicators within their 2002/03 annual plans.

Since the applications from each committee for funding were submitted to the 2003/04 Annual Plan funding round for consideration, notice has been received that a 40 strong delegation from the Kurashiki Youth Choir intends visiting during March 2004. The allocation to the Kurashiki Committee has therefore been increased by \$650 to cover the anticipated costs for this visit, as shown below. Hence the recommended allocation is more than the amount originally requested. The following allocations are being recommended for consideration by the Community and Leisure Committee:

Sister City	Requested amount	Funds on hand (unallocated)	Recommended allocation	Notes
Adelaide	\$24,100	\$2,900	\$17,100	
Christchurch	\$14,100	nil	\$10,200	30 th anniversary 2005
Gansu	\$33,730	\$6,840	\$19,000	20 th anniversary 2004
Kurashiki	\$17,000	nil	\$17,650	30 th anniversary 2003
Seattle	\$6,050	\$9,750	\$6,050	
Songpa-Gu	\$32,000	nil	\$10,000	10 th anniversary 2005
	\$126,980		\$80,000	

- Recommendation:**
1. That \$6,000 of the 2003/04 sister cities grant funds be held back from distribution for unidentified sister city projects that arise across the first half of the financial year.
 2. That in February 2004 any remaining funds from this special project fund be allocated equally among the committees.
 3. That the remaining \$80,000 of the 2003/04 grant funding for sister cities be allocated as follows:

Adelaide Sister City Committee	\$17,100
Christchurch Sister City Committee	\$10,200
Gansu Friendly Relations Committee	\$19,000
Kurashiki Sister City Committee	\$17,650
Seattle Sister City Committee	\$6,050
Songpa-Gu Sister City Committee	\$10,000
 4. That the City Promotions Co-ordinator be delegated authority to allocate the annual bulk sister city grant.