

CHRISTCHURCH CITY COUNCIL AGENDA

THURSDAY 11 MARCH 2010

9.30AM

COUNCIL CHAMBER, CIVIC OFFICES

CHRISTCHURCH CITY COUNCIL

**Thursday 11 March 2010 at 9.30am
in the Council Chamber, Civic Offices**

Council: The Mayor, Bob Parker (Chairperson).
Councillors Helen Broughton, Sally Buck, Ngaire Button, Barry Corbett, David Cox, Yani Johanson,
Claudia Reid, Bob Shearing, Gail Sheriff, Mike Wall, Sue Wells, Chrissie Williams and Norm Withers.

ITEM NO	DESCRIPTION
1.	APOLOGIES
2.	DEPUTATIONS BY APPOINTMENT
3.	PRESENTATION OF PETITIONS
4.	REPORT OF THE JOINT MEETING OF THE FENDALTON/WAIMAIRI AND SHIRLEY/PAPANUI COMMUNITY BOARDS: MEETING OF 14 DECEMBER 2009
5.	REPORT BY THE CHAIRPERSONS OF THE FENDALTON/WAIMAIRI AND THE SHIRLEY/PAPANUI COMMUNITY BOARDS: 17 FEBRUARY 2010 AND 3 MARCH 2010
6.	REPORT OF THE FENDALTON/WAIMAIRI COMMUNITY BOARD: MEETING OF 15 DECEMBER 2009
7.	REPORT OF THE FENDALTON/WAIMAIRI COMMUNITY BOARD: MEETING OF 16 FEBRUARY 2010
8.	REPORT OF THE HAGLEY/FERRYMEAD COMMUNITY BOARD: MEETING OF 3 FEBRUARY 2010
9.	REPORT OF THE HAGLEY/FERRYMEAD COMMUNITY BOARD: MEETING OF 17 FEBRUARY 2010
10.	REPORT OF THE LYTTELTON/MT HERBERT COMMUNITY BOARD: MEETING OF 15 DECEMBER 2009
11.	REPORT OF THE RICcarton/WIGRAM COMMUNITY BOARD: MEETING OF 2 FEBRUARY 2010
12.	REPORT OF THE RICcarton/WIGRAM COMMUNITY BOARD: MEETING OF 16 FEBRUARY 2010
13.	REPORT BY THE CHAIRPERSON OF THE RICcarton/WIGRAM COMMUNITY BOARD: 2 MARCH 2010
14.	REPORT OF THE SHIRLEY/PAPANUI COMMUNITY BOARD: MEETING OF 3 FEBRUARY 2010
15.	REPORT OF THE SHIRLEY/PAPANUI COMMUNITY BOARD: MEETING OF 17 FEBRUARY 2010
16.	REPORT OF THE SPREYDON/HEATHCOTE COMMUNITY BOARD: MEETING OF 15 DECEMBER 2009
17.	REPORT OF THE SPREYDON/HEATHCOTE COMMUNITY BOARD: MEETING OF 5 FEBRUARY 2010
18.	REPORT OF THE AKAROA/WAIREWA COMMUNITY BOARD: MEETING OF 9 DECEMBER 2009

11. 3. 2010

ITEM NO	DESCRIPTION
19.	REPORT OF THE BURWOOD/PEGASUS COMMUNITY BOARD: MEETING OF 1 FEBRUARY 2010
20.	REPORT OF THE BURWOOD/PEGASUS COMMUNITY BOARD: MEETING OF 15 FEBRUARY 2010
21.	ADULT AND COMMUNITY EDUCATION (ACE) – GOVERNMENT FUNDING CUT IMPLICATIONS FOR CHRISTCHURCH ACE PROVIDERS/RECIPIENTS IN 2010
22.	WORLD BUSKERS FESTIVAL HEARINGS PANEL
23.	NOTICES OF MOTION
24.	RESOLUTION TO EXCLUDE THE PUBLIC

11. 3. 2010

1. APOLOGIES
2. DEPUTATIONS BY APPOINTMENT
3. PRESENTATION OF PETITIONS

21. ADULT AND COMMUNITY EDUCATION (ACE) – GOVERNMENT FUNDING CUT IMPLICATIONS FOR CHRISTCHURCH ACE PROVIDERS/RECIPIENTS IN 2010

General Manager responsible:	General Manager, Community Services, DDI: 941-8607
Officer responsible:	Community Development Manager
Author:	Lincoln Papali'i, Community Development Manager

PURPOSE OF REPORT

1. The purpose of this report is to provide the Council with information on the identifiable impacts for the Christchurch community as a result of the Governments implementation of funding cuts to the Schools Adult and Community Education (ACE) programmes effective as of 1 January 2010.

EXECUTIVE SUMMARY

BACKGROUND – ACE FUNDING – 2009 GOVERNMENT BUDGET ANNOUNCEMENT

2. The Government, as part of its 2009 budget, announced that it considered the provision of Adult and Community Education (ACE) an important stepping stone for learners across the tertiary education system.
3. It also stated that its investment into ACE was to be reduced and refocused to areas more closely aligned with its priorities in literacy and a path to higher levels of education. An example of this realignment is the Government's statement that it no longer intended to subsidise hobby and personal interest courses (e.g. arts and crafts courses, home maintenance ACE etc).
4. The priority areas of provision for the Government's ACE investment include:
 - Literacy
 - Numeracy
 - English language (including ESOL)
 - New Zealand Sign language
 - Te Reo Maori.
5. Approximately 80 per cent of the 2009 School ACE funding budget was to be withdrawn for the 2010 year. The remaining 20 per cent of funding would remain available to Schools for ACE programmes in 2010. However, it was signalled that this funding would be refocused into priority areas, such as literacy and numeracy. It was also noted that there would be fewer schools receiving ACE funding for 2010 and beyond.
6. The Government stated that there was no change in 2010 for ACE funding for Public Tertiary Education Institutions (TEIs), Other Tertiary Education Providers (OTEPs), Rural Education Activities Programmes (REAPs), Private Training Establishments (PTEs), Industry Training Organisations (ITOs) and community providers. However, it was signalled that these sectors would be under review for possible change from 2011 onwards.
7. The Government also announced that consumer price index (CPI) adjustments would be removed from 2010 for ACE funding.
8. It was also announced that the ACE Innovation and Development Fund and the Community Learning Aoteroa New Zealand Fund (CLANZ) would be disestablished from 2010.
9. The 2009 national funding from Government for the Schools ACE programme was sixteen million dollars (\$16 million). For the 2010 year there will be around three million dollars (\$3 million) applied to the Schools ACE programme across the country.
10. The Tertiary Education Commission (TEC) is the Crown Entity responsible for managing the funding of the Schools ACE programme for the Government.

21 Cont'd

2009 - CHRISTCHURCH SCHOOLS ACE PROGRAMME SUMMARY

11. In 2009, the TEC provided ACE funding totalling \$1,422,578 to 14 schools in the Christchurch area. (See **Attachment A** – Columns A and B.)
12. The allocation to Christchurch schools was approximately 9 per cent of the total \$16 million national budget for Schools ACE programmes.
13. In addition to the ACE funding provided to the schools in 2009, the TEC also contracted directly with a number of community organisations to undertake ACE programmes. These direct TEC contracts for community organisations remain in place for 2010.
14. Risingholme Community Centre is one of the independently funded community organisations. They received \$174,611 in 2009 and will continue to receive that same amount in 2010 as it is not a school, and therefore subject to the School ACE cuts in this manner.
15. However, Risingholme also managed the ACE programmes for Christchurch Girls High and Riccarton High in 2009, and it is this funding that has been reduced in 2010.
16. In 2009, for schools in receipt of ACE funding, there was a mandatory requirement to provide an amount of no less than 9.5 per cent of the schools ACE funding allocation to community organisations for the provision of their ACE programmes.
17. It is estimated that funding provided to Christchurch community organisations from schools ACE allocations for 2009 was approximately \$144,000. Some 65 community organisations in the Christchurch area received a proportion of the \$144,000 from one or more of the 14 ACE funded schools in 2009. (See **Attachment B**.)
18. The ACE funding allocations given from schools to the 65 community organisations was to meet the costs of paying for the tutors for the ACE courses being delivered.

2010 – ACE FUNDED CHRISTCHURCH SCHOOLS

19. Three schools in Christchurch have been awarded ACE funding allocations for 2010. (See Attachment A – Columns C and D.)
20. These schools and their 2010 allocations are Hagley College (\$359,000); Christchurch Girls High School and Riccarton High School (have a consolidated amount of \$58,000).
21. Total funding for 2010 to these three schools is \$417,000, being 14 per cent of the total national allocation of approximately \$3 million.
22. There is no requirement for schools in 2010 to provide any ACE funding to community organisations for ACE programmes as was the case in 2009. However, these schools are able to fund community organisations should they wish to. Any ACE programmes offered by the community organisations that are funded by school ACE funding allocations will be required to align with the new 2010 Government funding priorities and deliver documented accountability back to the school with the school accounting for this in their accountability report back to the TEC.
23. The three ACE funded schools will be required to ensure that their ACE programmes are delivered in accordance with their agreed Investment Plans and their new mandatory performance indicators which have been approved within the framework of the Government's priority areas for ACE.

21 Cont'd

24. Examples of the new mandatory performance indicators for 2010 ACE school providers are:
- A minimum of 80 per cent of students involved in TEC-funded ACE programmes will have to complete their course of study
 - School providers will be required to show that a minimum of 50 per cent of their students either have English language needs or have low or no formal qualifications and/or identify as Maori or Pacific.

2010 – NON-ACE FUNDED CHRISTCHURCH SCHOOLS

25. There are five schools in Christchurch who have decided to offer ACE programmes in 2010, despite having no ACE funding for those programmes from the TEC in 2010. (See Attachment A – Column E.)
26. These schools are Cashmere High School, Hillmorton High School, Hornby High School, Papanui High School and Shirley Boys High School.
27. There is a range of learning opportunities offered by these schools. There is estimated to be 247 courses on offer from these five schools on offer in Christchurch for Term 1, 2010. Courses offered can generally be summarised into the following categories:
- Art, Photography and Design
 - Craft and Design
 - Food and Wine
 - Fitness, Recreation and Boating
 - Computing
 - Languages, Culture and Travel
 - Music and Dance
 - Personal development
 - Workshop/DIY.
28. Participating schools advise that the costs for undertaking classes in 2010 have increased as these courses must now be totally self-funded as these schools no longer receiving a Government ACE subsidy to offset course costs to adult students.
29. The financial cost to adult students of a full user pays programme can be illustrated in the following snapshot of 2010 class offerings:

Course	Duration – Weeks	Course Cost	Cost per Session
Introduction to massage	2 weeks (2 hours per week)	\$35	17.50
Meditation	4 weeks (1.5 hours per week)	\$40	10.00
Make-up application	4 weeks (2 hours per week)	\$90	22.50
Italian language – beginners	5 weeks (2 hours per week)	\$75	15.00
Photoshop for beginners	6 weeks (2 hours per week)	\$105	17.50
Thai cooking	7 weeks (2 hours per week)	\$105	15.00
Pilates – Level 1	8 weeks (1 hour per week)	\$55	6.88
Reiki	8 weeks (2 hours per week)	\$160	20.00
Dressmaking	8 weeks (2 hours per week)	\$110	13.75
Watercolour painting for beginners	8 weeks (2 hours per week)	\$70	8.75
Pottery	8 weeks (2 hours per week)	\$85	10.63
Metalwork	8 weeks (2.5 hours per week)	\$130	16.25
Make a traditional pedal-car	13 weeks (2.5 hours per week)	\$220	16.92
Clarinet	15 weeks (2 hours per week)	\$120	8.00
Fly fishing	2 day course	\$110	55.00
Introduction to teaching adults	2 day course	\$165	82.50

30. The fees vary for these courses, as schools have decided on a number of individual processes to mitigate their fixed cost structures to deliver their 2010 ACE programmes.

21 Cont'd

COMMUNITY ORGANISATIONS IMPACT – 2010

31. Under the 2010 School ACE Programme, there is a consequential impact in 2010 for the sixty-five community organisations who, in 2009, were in receipt of an ACE grant from one or more of the fourteen ACE funded Christchurch schools mandatory community funding requirements.
32. The impact for these sixty-five organisations is that it is no longer mandatory for schools in receipt of ACE funding to provide funding to community organisations, and the fact that there are only three ACE funded schools in 2010, compared with fourteen schools in 2009.
33. Individual funding grants to community organisations from schools for ACE programmes ranged from \$400 through to \$4,000, with a \$2,200 being the numerical average in 2009.
34. The TEC also contracted directly with seven Christchurch community organisations in 2009 to deliver agreed programmes under ACE. (See **Attachment C.**)
35. In 2010, the TEC has continued to directly fund these seven Christchurch community organisations at the same funding level as in 2009.
36. Some of these TEC directly funded community groups also received ACE funding from schools in 2009 to run other ACE programmes. They will continue to receive their direct funding from TEC; however they will not have access to the schools funding as they did in 2009.
37. Community organisations may still choose to provide ACE programmes in their own right. However, unless they receive funding from other funding sources, their programmes will be user pays.
38. The disestablishment of the Community Learning Aoteroa New Zealand Fund (CLANZ) in 2010 removes the opportunity of community organisations accessing small amounts, generally \$2,000 or less per annum, from a national contestable fund of \$200,000 for ACE programmes.

DISCUSSION

39. The tangible impacts for the Christchurch community are:
 - Fewer schools in receipt of ACE funding from the TEC.
 - A direct reduction of one million dollars (\$1 million) in Government ACE funding to Christchurch schools for ACE learning opportunities.
 - A consequential loss of \$144,000 in ACE funding being transferred into the ACE opportunities being provided by the schools to some 65 community organisations.
 - A reduction in the number and range of ACE funded offerings for the community as a result of the Government cuts.
 - Higher course fees, relative to fees charged for the same or comparable courses in previous years.
 - A move from either fully or partially subsidised course fees to a full fees recovery regime for non tec funded courses.
 - A possible reduction in the number of adult learners participating in community education offerings.
40. There is minimal impact from the ACE funding reductions on the Council's community facilities portfolio.
41. Using an hourly pay rate of \$26 the loss of ACE funding to Christchurch schools will result in the equivalent of 38,500 hours of lost tutor time.
42. Applying this formula to the subsequent funding transferred across to community organisations from the schools in 2009 shows an equivalent loss of 5,500 hours of funded tutor time which will no longer be available to community organisations for their programmes and services during 2010.

21 Cont'd

43. A 2008 PricewaterhouseCoopers (PWC) report prepared for 'Adult and Community Education Aoteroa Incorporated' noted a number of points arising from its examination of the social and economic impact of the ACE sector, which includes the Schools ACE Programme.
44. Some points noted in the PWC report are as follows:
- The ACE sector, inclusive of the Schools ACE Programme, received funding of approximately \$88.4 million for the year ended June 2008. Of this, TEC provided funding of \$45.5 million, with \$20.5 million coming from other Government Agencies, including the Ministry of Education and Ministry of Social Development, and \$22.3 million from other sources, including lottery grants, public donations and fund raising.
 - An estimated 10 per cent of the New Zealand adult population during 2007/08 were engaged within the wider ACE sector.
 - PWC estimated the economic impact of the ACE sector to be between \$4.8 and \$6.3 billion annually. This equates to a return on investment (ROI) of \$54-\$72 for each dollar of funding provided.
 - For the Government spend of \$66 million, the economic impact is estimated to be between \$1 billion and \$1.5 billion annually. Giving an ROI of \$16-\$22, per dollar of Government funding provided.
 - Increased income for adult learners was found to be a key economic benefit through subsequent involvement in paid or higher paid employment, with further benefits also realised through savings in welfare benefits, savings in crime and health, and value added benefits through enhanced community participation and an increased tax take.
 - It was noted that ACE was likely to have one of the highest value added values in economic terms, when compared to other community-based activities, as it was largely focused on improving people's productive lives through learning and acquisition of skills and knowledge, with the benefits of enhanced learning likely to have implication in all areas of an individual's life, whether as employees, parents or members of the wider community.
 - The high level of economic return reflects the fact that the profile of the ACE participants comes predominantly from a low socio-economic demographic, hence the greater marginal return received from being able to improve the social and economic outcomes for these adult learners.
 - Most research into adult literacy shows that literacy has a persistent, positive and statistically significant association with people's earnings. People with greater literacy skills are paid more, on average, than people with weaker literacy skills, even after taking account of other observed factors such as age, ethnicity and gender. A survey in 2000 using NZ data showed that a 10 per cent increase in the average of the three literacy scores raised annual earnings of males and females respectively, by 4.0 per cent and 5.1 per cent.

FINANCIAL IMPLICATIONS

45. Not applicable.

Do the Recommendations of this Report Align with 2009-19 LTCCP budgets?

46. Not applicable.

LEGAL CONSIDERATIONS

47. Not applicable.

21 Cont'd

Have you considered the legal implications of the issue under consideration?

48. Not applicable.

ALIGNMENT WITH LTCCP AND ACTIVITY MANAGEMENT PLANS

49. Not applicable.

Do the recommendations of this report support a level of service or project in the 2009-19 LTCCP?

50. Not applicable.

ALIGNMENT WITH STRATEGIES

51. Not applicable.

Do the recommendations align with the Council's strategies?

52. Not applicable.

CONSULTATION FULFILMENT

53. Not applicable.

STAFF RECOMMENDATION

It is recommended that the Council receive the information.

11. 3. 2010

ATTACHMENT TO CLAUSE 21 COUNCIL 11.3.2010

ATTACHMENT A

School	2009 Funding	2010 Funding	2010 – TEC Funded ACE Programme Available	2010 - Non- TEC Funded ACE Programme Available
Column A	Column B	Column C	Column D	Column E
Akaroa Area School	\$ 19,333			
Aranui High School CLC	\$ 170,762			
Cashmere High	\$ 62,692			Yes
Christchurch Boys High School	\$ 19,374			
Hagley College	\$ 382,068	\$ 359,000	Yes	
Hillmorton High	\$ 96,618			Yes
Hornby High	\$ 58,642			Yes
Linwood College	\$ 81,940			
Mairehau High	\$ 77,169			
Papanui High School	\$ 251,896			Yes
Christchurch Girls High	\$ 19,532	\$ 13,304	Yes	
Riccarton High	\$ 65,622	\$ 44,696	Yes	
Shirley Boys High	\$ 105,618			Yes
Waitaha Learning Centre	\$ 11,312			

Christchurch Community Organisations granted ACE Funding from Schools with ACE Funding in 2009

40 + Employment Centre	Adult Reading Assistance Scheme (ARAS)
Akaroa Community Arts Council	A-Town Boxing
Avebury House Trust	Bromley Community Centre
Citizens Advice Bureaux	Canterbury Fiji Social Services Trust
Canterbury Workers Educational Association (WEA)	Chch Resettlement Services
Child Helpline	Community Law Canterbury
Community Services Trust	Delta Community Support Trust
Eating Awareness Team	ESOL Classes (Russley School)
ESOL Home Tutors	Familial Trust
GAIN Canterbury	Hagley ESOL Refugee Parents
Kids First South Brighton Kindergarten	Kingdom Resources
Life Start	Lincoln Envirotown
Linwood Resource Centre	Manuka Cottage
Methodist Mission	Neighbourhood Trust
New Brighton Community Gardens	OSCAR Network
Papanui Medical Centre	Parentline
Parents Centre	PILLARS
Positive Action Self-defence	Presbyterian Support
Project Esther	Project Lyttleton
Rewi Alley Chinese School Trust	Rowley Resource Centre
Russian Cultural Centre Trust	Senior Net inc
Shakti Ethnic Women's Centre	Shirley Community Trust
Single Woman as Parents	SPELD Canterbury
St Albans Residents Association	Step Ahead Trust
STOP Trust	Stopping Violence
Sydenham Development Trust	Te Kaupapa Whakaora Trust
Te Pani Trust	Te Whare Manaaki
Te Whare Mauriora	The Muse
Toughlove	Tupuna Villa
Volunteering Canterbury	Wainoni Avonside
Waitaha Learning Centre	Waltham Community Cottage
Women's Centre inc	Women's Group
Your Studio Trust	

Christchurch Community Organisations granted ACE Funding direct from the Tertiary Education Commission in 2010 – which are not affected by the Government's School ACE 2010 Decisions

1. Risingholme Community Education Centre
2. Homemade Partnerships (SuperGrans)
3. Delta Community Support
4. Computers for Special Needs
5. Methodist Mission Christchurch
6. Stopping Violence Services
7. SPAN Charitable Trust.

11. 3. 2010

22. WORLD BUSKERS FESTIVAL HEARINGS PANEL

See Supplementary Agenda.

11. 3. 2010

23. NOTICES OF MOTION

24. RESOLUTION TO EXCLUDE THE PUBLIC

Attached.

THURSDAY 11 MARCH 2010

COUNCIL

RESOLUTION TO EXCLUDE THE PUBLIC

Section 48, Local Government Official Information and Meetings Act 1987.

I move that the public be excluded from the following parts of the proceedings of this meeting, namely items 25-30.

The general subject of each matter to be considered while the public is excluded, the reason for passing this resolution in relation to each matter and the specific grounds under Section 48(1) of the Local Government Official Information and Meetings Act 1987 for the passing of this resolution are as follows:

GENERAL SUBJECT OF EACH MATTER TO BE CONSIDERED	REASON FOR PASSING THIS RESOLUTION IN RELATION TO EACH MATTER	GROUND(S) UNDER SECTION 48(1) FOR THE PASSING OF THIS RESOLUTION
25. REPORT OF THE HAGLEY/ FERRYMEAD COMMUNITY BOARD: MEETING OF 3 FEBRUARY 2010))))	
26. REPORT OF THE HAGLEY/ FERRYMEAD COMMUNITY BOARD: MEETING OF 17 FEBRUARY 2010))))	
27. REPORT OF THE SHIRLEY/PAPANUI COMMUNITY BOARD: MEETING OF 3 FEBRUARY 2010) GOOD REASON TO) WITHHOLD EXISTS) UNDER SECTION 7	SECTION 48(1)(a)
28. REPORT OF THE SHIRLEY/PAPANUI COMMUNITY BOARD: MEETING OF 17 FEBRUARY 2010))))	
29. REPORT OF THE SPREYDON/ HEATHCOTE COMMUNITY BOARD: MEETING OF 5 FEBRUARY 2010))))	
30. REPORT OF THE BURWOOD/ PEGASUS COMMUNITY BOARD: MEETING OF 15 FEBRUARY 2010))))	

This resolution is made in reliance on Section 48(1)(a) of the Local Government Official Information and Meetings Act 1987 and the particular interest or interests protected by Section 6 or Section 7 of that Act which would be prejudiced by the holding of the whole or relevant part of the proceedings of the meeting in public are as follows:

Item 25	Conduct of negotiations	(Section 7(2)(i))
Item 26	Conduct of negotiations	(Section 7(2)(i))
Item 27	Prejudice commercial position	(Section 7(2)(b)(ii))
Item 28	Prejudice commercial position	(Section 7(2)(b)(ii))
Item 29	Maintain legal professional privilege	(Section 7(2)(g))
Item 30	Conduct of negotiations	(Section 7(2)(i))

Chairman's Recommendation: That the foregoing motion be adopted.

Note

Section 48(4) of the Local Government Official Information and Meetings Act 1987 provides as follows:

“(4) Every resolution to exclude the public shall be put at a time when the meeting is open to the public, and the text of that resolution (or copies thereof):

- (a) Shall be available to any member of the public who is present; and
- (b) Shall form part of the minutes of the local authority.”