

24. 11. 2011

10. CHRISTCHURCH EARTHQUAKE MAYORAL RELIEF FUND: APPLICATIONS FOR GRANTS

General Manager responsible:	General Manager, Community Services, DDI 941-8607
Officer responsible:	Strategic Initiatives Manager
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PURPOSE OF REPORT

1. The purpose of this report is to request the Council to approve the allocation of grants from the Christchurch Earthquake Mayoral Relief Fund as follows:
 - (a) \$95,000 conditional upon the Heathcote Cricket Club providing the following:
 - (i) How the Heathcote Cricket Club will provide services to the wider community.
 - (ii) How the Heathcote Cricket Club development will be financially sustainable.
 - (iii) That the Heathcote Cricket Club has raised all funding and acquired all permissions for the development to go ahead as envisaged in the funding application and accompanying documents.
 - (b) \$1,130 to the Council of Social Services in Christchurch for expenses contributing to hiring of a container for storage of furniture.

EXECUTIVE SUMMARY

2. The purpose of the Mayoral Earthquake Relief Fund as adopted by the Council on 12 May 2011 is set out in paragraph 6 below. As trustee for the Fund, the Council is bound to apply the monies only for the purposes specified in the Council resolution of 12 May 2011.
3. Heathcote Cricket Club sustained significant damage to its facilities on 22 February 2011. The club is seeking \$95,000 towards repairing artificial turf practice wickets, practice nets, a roller shed and the club building. The club's insurance covers part of the rebuild cost but does not extend to facilities such as practice nets and a roller shed.
4. The Council of Social Services in Christchurch provides office furniture to voluntary sector organisations and community groups. Their premises at Community House, 141 Hereford Street has since been demolished. As building premises and storage space in Christchurch is difficult to secure at present, the applicant has hired a container to be used instead. Funding has been secured from other sources towards costs associated with hiring the container but there is a shortfall of \$1,130.

FINANCIAL IMPLICATIONS

5. Specific financial details for each project/activity are outlined in the background section of this report. As at 28 October 2011 there was \$3,535,717.30 in uncommitted funds held by the Christchurch Earthquake Mayoral Relief Fund.

LEGAL CONSIDERATIONS**Have you considered the legal implications of the issue under consideration?**

6. At the Council meeting of 12 May 2011 it was resolved:

...(b) *That the Christchurch Earthquake Mayoral Relief Fund was established, and will continue to be maintained, by the Council as a "public fund" (as described in section LD 3(2)(d) of the Income Tax Act 2007) exclusively for the purpose of providing money for any one or more charitable, benevolent, philanthropic or cultural purposes related to and in particular to provide relief to the people of Christchurch from the adverse effects of the 4 September 2010 and 22 February 2011 earthquakes, and associated aftershocks, by providing money for the any activity or work required as a result of those events that:*

 - (i) *contributes to the rebuilding of the social and physical infrastructure of Christchurch, and*
 - (ii) *assists in:*

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- *remedying hardship suffered by individuals, groups, community organisations and businesses, and/or*
 - *protecting, repairing damage to or enhancing the physical fabric of the city.*
7. The Mayoral Earthquake Relief Fund essentially operates as a trust with the Council acting as the trustee. As trustee, the Council is bound to apply the monies only for the purposes specified in the Council resolution above.
8. In terms of the activities that can be funded by the Mayoral Earthquake Relief Fund, the first requirement is that any grant be used to contribute to the rebuilding of the social and physical infrastructure of Christchurch. The Oxford Dictionary defines the word "infrastructure" generally as "the foundation or basic structure of an undertaking", and specifically as "the installations and services (power stations, sewers, roads, housing etc) regarded as the economic foundation of a country". The word "infrastructure" therefore implies the undertaking of physical works.
9. However, paragraph (b)(i) of the resolution refers to "...any activity or work required as a result of those events that... (i) **contributes** to the rebuilding of the social and physical infrastructure of Christchurch..." It is therefore not necessary that the Mayoral Earthquake Relief Fund's monies be applied solely to rebuilding actual physical infrastructure, but it is necessary that the monies be applied to any work or activity that **contributes** to such rebuilding. Therefore, whilst the focus of the Mayoral Earthquake Relief Fund is the rebuilding of the social and physical infrastructure ("bricks and mortar"), it can also be used for any activity which **contributes** to that outcome.
10. In addition, any grant from the Mayoral Earthquake Relief Fund must also assist in either remedying hardship or protecting, repairing ... or enhancing the physical fabric of the city.

ALIGNMENT WITH LTCCP AND ACTIVITY MANAGEMENT PLANS**Do the recommendations of this report support a level of service or project in the 2009-19 LTCCP?**

11. Not applicable.

ALIGNMENT WITH STRATEGIES**Do the recommendations align with the Council's strategies?**

12. Not applicable.

CONSULTATION FULFILMENT

13. Discussions with the individual applicants have been carried out.

STAFF RECOMMENDATION

It is recommended that the Council approve the following grant allocations from the Christchurch Earthquake Mayoral Relief Fund:

- (a) \$95,000 conditional upon the Heathcote Cricket Club providing the following:
- (i) How the Heathcote Cricket Club will provide services to the wider community.
 - (ii) How the Heathcote Cricket Club development will be financially sustainable.
 - (iii) That the Heathcote Cricket Club has raised all funding and acquired all permissions for the development to go ahead as envisaged in the funding application and accompanying documents.
- (b) \$1,130 to the Council of Social Services in Christchurch for expenses contributing to hiring of a container for storage of furniture.

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MAYORAL RECOMMENDATION

That the staff recommendation be adopted.

BACKGROUND (THE ISSUES)

Request for Grant by Heathcote Cricket Club

14. The Heathcote Cricket Club has operated on its present site since 1928 and sustained extensive damage to its facilities during the February earthquake.
15. The club is seeking funding to repair artificial turf practice wickets, practice nets, a roller shed and the club building. The club's insurance covers part of the rebuild cost but does not extend to facilities such as practice nets and a roller shed.
16. It should be noted that since the club buildings have to be rebuilt, the club is also proposing to make some improvements to the club building, namely adding an extra storey for players and officials to use.
17. The Council's Recreation and Sports Unit has reviewed the application including costing and has engaged or consulted with the following organisations:
 - Canterbury Cricket
 - Consulted Council's Greenspace Asset Planning Team
 - Consulted Community Recreation Advisors
 - Discussed with Sport Canterbury and Sparc.
18. The application has considerable merit and if successful will make a meaningful contribution to the wider Heathcote community.

Request for Grant by Council of Social Services in Christchurch

19. The group provides office furniture to voluntary sector organisations and community groups, and has secured a donation of a large amount of surplus office furniture for distribution to community groups within Christchurch. The group's premises at Community House, 141 Hereford Street suffered significant damage in the 22 February 2011 earthquake and has since been demolished.
20. The furniture needs to be stored until it is allocated or until community groups secure new premises. As premises or storage space in Christchurch is difficult to secure at present the Council of Social Services has hired a container to store the surplus furniture instead.
21. Expressions of interest have been received for the furniture from groups including Community House and many of its tenants, SAFE and Methodist Mission.
22. The group has budgeted for six months container hire at a cost of \$6,469.75. Funding of \$5,339.75 has been secured from other sources leaving a shortfall of \$1,130.00.