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## 19. FUNDING MECHANISM FOR MAJOR ENVIRONMENTAL GROUPS AND PROJECTS

<b>General Manager responsible:</b>	General Manager, Community Services, DDI 941-8607
<b>Officer responsible:</b>	Community Support Unit Manager
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### PURPOSE OF REPORT

1. To provide information to Council to consider the appropriate future funding mechanism for major environmental projects and groups currently funded through the Metropolitan Strengthening Communities Fund.

### BACKGROUND

2. On 21 June 2010 the Council requested 'that staff be directed to prepare a report to assess the need for a dedicated environmental fund for Council consideration during the 2011/12 Annual Plan process'.
3. On 5 July 2010 the Metropolitan Funding Committee requested 'staff to consider options for the future funding of major environmentally-based projects, including whether these projects could be considered as line items'.
4. There are five major environmental groups that the Council have regularly funded on a contestable basis through the Metropolitan Strengthening Communities Fund. Grants to these groups through the Metropolitan Strengthening Communities Fund has generally been on an annual grant basis. These groups are noted in Table 1.

**Table 1**

Group	2011/12 Grant Amount	2010/11 Grant Amount	2009/10 Grant Amount	2008/09 Grant Amount
Banks Peninsula Conservation Trust	\$50,000	\$50,000	\$50,000	\$50,000
Port Hills Trust Board	\$15,000	\$15,000	\$0	\$25,000
Summit Road Society	\$20,000	\$20,000	\$21,000	\$20,000
Orton Bradley Park	\$50,000	\$50,000	\$65,000	\$65,000
Otamahuna / Quail Island Ecological Restoration Trust	\$ 8,000	\$ 8,000	\$10,000	\$13,500
<b>Totals</b>	<b>\$143,000</b>	<b>\$143,000</b>	<b>\$146,000</b>	<b>\$173,500</b>

5. The Council supports environmental projects and groups across the City and Banks Peninsula where those initiatives add value to the environment of the area and where they align with the Council's regulatory, strategic and policy directions.
6. There is Council support for environmental initiatives under different arrangements. Many are on Council-owned land (such as voluntary and support groups working in Regional parks, Waterways and Reserves such as Travis Wetland) with funding for these initiatives being built into the Regional Parks operating budget.
7. The Avon-Heathcote Estuary Ihutai Trust is funded through a line item in the City Environment Group budget, under an Memorandum of Understanding signed in 2003 between the Council, the Trust and Environment Canterbury. The current budget is \$11,000 per annum.

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8. Riccarton Bush is also funded through a line item, with the Council being required under legislation to fund the project. \$477,000 was provided for in 2010/11.
9. From time to time, small one-off environmental projects have been funded through Community Board funding schemes as well as the Metropolitan Small Grants Fund.

**OPTIONS - DISCUSSION**

10. Concerns have been raised by Councillors, staff and the environmental groups themselves about the effect that the current funding arrangements have upon the ability of the groups to meet their full potential to help the Council achieve its expressed environment and conservation outcomes for the benefit of the of the residents, visitors and the environment features of the City and Peninsula.
11. Discussion with the five groups listed above in Table 1 noted an underlying wish by the groups for enhanced confidence that the Council supports their work and their largely voluntary endeavours as an integral part of achieving Council goals in environmental management and sustainability within the Christchurch City area.
12. Other salient points noted were longer term funding, rather than one-year funding, giving more financial security as each of the five groups noted that they were all involved in on-going, long term projects, which require a level of commitment from their membership and their supporters that extends well beyond the annual funding made available from the contestable grants programme. Also noted was the issue of the environmental groups experiencing challenges in seeking to align the scope of their applications within the criteria of the Strengthening Communities Fund as opposed to more explicit environmental objectives found in the Biodiversity Strategy 2008-2035 and the Public Open Space Strategy 2010-2040.
13. Staff have considered a number of options regarding future funding of the five groups noted in Table 1. The options include:
  - Maintaining the status quo;
  - Amending the Strengthening Communities Fund to include criteria specifically aligned to the work and outcomes of the Council's desired environmental outcomes and the work of the major environmental groups;
  - Establish a dedicated Environmental Grant Fund for major environmental groups; and
  - Funding major environmental projects directly through an operational budget as a line item with an agreed Memorandum of Understanding (MoU) developed for each funded organisation.

**PREFERRED OPTION**

14. The preferred option is to establish Memorandum's of Understanding with the key environmental groups and to fund these groups on a more assured basis through a line item within the City Environment Group.
15. It is noted that the preferred option will:
  - Provide an acknowledgment that the Council places value on the work of the environmental groups;
  - Provide direct alignment of environmental groups' work with the LTP via Group Activity Management Plans and Levels of Service and will enable the Council to direct funding towards specific environmental outcomes;

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- Provide financial security for environmental groups for at least three years between LTP reviews, encouraging leverage opportunities for groups from other funding bodies and enabling longer-term achievement and focus by funded groups;
- Act as an incentive to encourage environmental groups to work together to optimise the use of available funds.
- Require the development of a Memorandum of Understanding with each funded organisation for the duration of the agreed grant funding term. It is expected that the Memorandum of Understanding will be developed by appropriate staff within the City Environment Group and Strategy and Planning.

**FINANCIAL IMPLICATIONS**

16. No financial implications if the Council agrees that the source of funding for the recommended \$143,000 to be incorporated into the City Environment Group budgets for the 2012/13 year will be a direct transfer from the 2012/13 Metropolitan Strengthening Communities Fund budget.

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

17. The 2012/13 budgets will align as the funding recommended to be incorporated into the City Environment Group budgets will be a direct transfer from the 2012/13 Metropolitan Strengthening Communities Fund budget, with the Council considering the out-years from 2013/14 – 2018/19 during the 2012/13 Annual Plan.

**LEGAL CONSIDERATIONS**

18. None.

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

19. Not applicable.

**ALIGNMENT WITH LTCCP AND ACTIVITY MANAGEMENT PLANS**

20. Yes, Community Support; Parks, Open Spaces and Waterways.

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

21. Yes, Community Grants, Regional Parks.

**ALIGNMENT WITH STRATEGIES**

22. Strengthening Communities Strategy; Biodiversity Strategy 2008-2035.

**Do the recommendations align with the Council's strategies?**

23. Yes, Strengthening Communities Strategy; Biodiversity Strategy 2008-2035.

**CONSULTATION FULFILMENT**

24. Not applicable.

**19 Cont'd****STAFF RECOMMENDATION**

It is recommended that the Council:

- (a) Agree to establish Banks Peninsula Conservation Trust, the Port Hills Trust Board, the Summit Road Society, Orton Bradley Park and Otamahua / Quail Island Ecological Restoration Trust as line items in the Regional Parks Budget, within the City Environment Group. subject to the development of individual Memorandum of Understanding being developed for each group and subject to three yearly review under the Long Term Plan (LTP) process.
- (b) Agree that an individual Memorandum of Understanding be developed by City Environment and Strategy and Planning staff for each of the five environmental groups noted in this report to support the inclusion of the budget line item for major environmental groups in the City Environment 2012/13 LTP budget submission.
- (c) Agree that the source of funding for the \$143,000 for the 2012/13 year be a direct transfer from the 2012/13 Metropolitan Strengthening Community Fund budget, with the out-years from 2013/14 onwards being considered by the Council as part of the 2012/13 Annual Plan.