

# Community Funding Subcommittee

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## **Notice of Meeting**

A meeting of the Community Funding Subcommittee will be held in the Council Chamber, Forum North, Whangarei on:

**Wednesday  
9 March 2016  
8.30am**

**Subcommittee of:**  
Planning Committee

**Committee**  
Cr S J Deeming (Chairperson)  
Her Worship the Mayor  
Cr S M Glen  
Cr G M Martin  
Cr B L McLachlan

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# Community Funding Sub-Committee Terms of Reference

A sub-committee of the Planning Committee.

## Chairperson

Councillor S J Deeming

## Members

### Mayor

Section 41A(5) of the Local Government Act 2002 provides that the Mayor is a member of each committee of the territorial authority.

Councillors S M Glen, G M Martin and B L McLachlan

## Attendance at Meetings

The Chief Executive Officer, Group Managers, Department Managers and such other Council Officers as deemed necessary may attend committee meetings.

## Definitions

**Contestable funding** includes one off payments, funding contracts and community loans. Funding relates particularly to those funds available to community groups and organisations.

## Context

Relevant legislation includes:

- The Local Government Act 2002
- Reserves Act 1977
- Resource Management Act 1991

Relevant Council documents include:

- Funding and Grants Policy
- Funding and Grants Administration Policy
- Standing Orders
- Delegations Manual

## Terms of Reference

1. To carry out the contestable funding process in accordance with the Whangarei District Council Funding Policy in an objective, fair and transparent way.
2. To assess applications for contestable funding in a consistent way with a view to:
  - Balanced application of the funding policies and guidelines
  - Maximising benefits from the funds available
  - Obtaining the most benefit for the District and sectors within the District
  - Balancing short term and long term outcomes
3. To ensure that information regarding funding decisions and recommendations are conveyed to all stakeholders.
4. To advocate for best practice community funding in the context of Whangarei District Council priorities.

## Delegated Responsibilities, Duties and Powers

Delegated Authority to approve payment of grants and funding to the value of \$15,000 or less and make recommendations on grants or loans over \$15,001.

## Meeting Date and Time

This Subcommittee shall meet at 8.30am on the 2<sup>nd</sup> Wednesday of the months of February, March, April, May, September and November (and at such other times as may be necessary).

**OPEN MEETING**

**APOLOGIES**

**CONFLICTS OF INTEREST**

Members are reminded to indicate any items in which they might have a conflict of interest.

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**Local Government Act 2002 Amendment Act 2012 – Decision Making**  
*Full consideration has been given to the provisions of the Local Government Act 2002 Amendment Act 2012 in relation to decision making and in particular the current and future needs of communities for good quality local infrastructure, local public services and performance of regulatory functions in a way that is most cost effective for households and businesses. Consideration has also been given to social, economic and cultural interests and the need to maintain and enhance the quality of the environment in taking a sustainable development approach.*

**Recommendations contained in this agenda may not be final decisions.  
Please refer to the minutes for resolutions.**

# 1 2015-2016 Resident and Ratepayer Administration Grants

**Reporting officer:** Cindy Velthuisen (Community Funding Officer)

**Date of meeting:** 9 March 2016

## 1 Purpose

To seek approval for grants of \$700 per organisation for the 2015-2016 Resident and Ratepayer Administration Grant round.

## 2 Recommendation

1. That the information be received.
2. That grants of \$700 be made from the Residents and Ratepayers Administration Grant Fund to the following groups:
  - a) Hikurangi Friendship House Charitable Trust
  - b) Kamo Community Incorporated
  - c) Maungakaramea Recreation Society Incorporated
  - d) Onerahi Community Association Incorporated
  - e) Pataua Area Ratepayers and Residents Association Incorporated
  - f) Portland Residents and Ratepayers Association Incorporated
  - g) Ruakaka Parish Residents and Ratepayers Association Incorporated
  - h) Ruatangata Public Hall Society Incorporated
  - i) Teal Bay Ratepayers and Residents Association Incorporated
  - j) The Lang Cove Residents Association Incorporated
  - k) Tikipunga Community Trust (trading as Tiki Pride)
  - l) Tutukaka Coast Ratepayers and Residents Association Incorporated
  - m) Urquharts Bay Association Incorporated
  - n) Whananaki Beach Residents and Ratepayers Association Incorporated
  - o) Whangarei Heads Citizens Association Incorporated
  - p) Whangaruru Coastal Community and Sports Association Incorporated
  - q) Whangaruru North Residents and Ratepayers Association Incorporated
  - r) Whangaruru South Residents and Ratepayers Association Incorporated

## 3 Background

Each year resident and ratepayer organisations in the Whangarei District that are currently active in their communities are invited to apply to the Whangarei District Council's Resident and Ratepayer Administration Fund.

The budget allocated for the 2015-2016 financial year is \$14,000. Grants are \$700 per organisation.

Applicants are required to provide the following information:

- A list of current office holders and the number of members
- Details of activities:
  - Over the past six months
  - Proposed for the next six months
- Latest Annual General Meeting (AGM) minutes
- Most recent financial accounts.

New applicants and current applicants with changed details must also supply:

- Evidence of legal status e.g. Certificate of Incorporation or Trust Deed
- Evidence of bank account details e.g. bank deposit slip.

## 4 Discussion

In late November 2015, 21 residents and ratepayer groups within the District were invited to apply for the 2015-2016 Resident and Ratepayer Administration Grant. The application form was also made available on the Council's website, for any potential new resident and ratepayer groups.

Applications closed on Friday 5 February 2016. In total, 18 applications were received and all 18 have received funding previously. There were no new applicants, and the following chose not to apply:

- Parua Bay Community Focus Group
- Waipu Riding Residents and Ratepayers Incorporated
- Whakapara Hall Society Incorporated.

A summary of applicants is below. All of the applications received meet the applicant requirements listed in the 'background' section above, with one exception noted.

- a) Hikurangi Friendship House Charitable Trust
- b) Kamo Community Incorporated
- c) Maungakareme Recreation Society Incorporated
- d) Onerahi Community Association Incorporated
- e) Pataua Area Ratepayers and Residents Association Incorporated
- f) Portland Residents and Ratepayers Association Incorporated
- g) Ruakaka Parish Residents and Ratepayers Association Incorporated
- h) Ruatangata Public Hall Society Incorporated
- i) Teal Bay Ratepayers and Residents Association Incorporated
- j) The Lang Cove Residents Association Incorporated
- k) Tikipunga Community Trust (Tiki Pride)
- l) \* No AGM minutes as AGMs have not been occurring. An AGM is scheduled for 16 March 2016.
- m) Tutukaka Coast Ratepayers and Residents Association Incorporated
- n) Urquharts Bay Association Incorporated
- o) Whananaki Beach Residents and Ratepayers Association Incorporated
- p) Whangarei Heads Citizens Association Incorporated
- q) Whangaruru Coastal Community and Sports Association Incorporated
- r) Whangaruru North Residents and Ratepayers Association Incorporated
- s) Whangaruru South Residents and Ratepayers Association Incorporated

## 5 Considerations

### 5.1 Limited activities

Several resident and ratepayer groups have reported very limited activities beyond that of facility management. Consideration may wish to be given to the continuing provision of Resident and Ratepayer Administration Grants to these organisations in future funding rounds. These organisations were:

- Portland Residents and Ratepayers Association Incorporated
- Ruatangata Public Hall Society Incorporated
- Urquharts Bay Association Incorporated.

### 5.2 Budget

The total amount requested is \$12,600. The total amount recommended for disbursement is \$12,600, which is within budget.

## 6 Significance and Engagement

Having considered the Significance and Engagement Policy, this decision is not considered significant and the public will be informed via agenda publication on the website.

## 2 2016-2017 Annual Operating Fund

**Reporting officer:** Cindy Velthuizen (Community Funding Officer)

**Date of meeting:** 9 March 2016

### 1 Purpose

For Council's Community Funding Sub-committee to consider applications to the Annual Operating Fund and provide recommendations to Council's Planning Committee for grants from the Annual Operating Fund for the 2016-2017 financial year and indicative figures for the 2017-2018 financial year.

### 2 Recommendation

1. That the information be received.
2. That the following grants from the Annual Operating Fund for the 2016-2017 financial year, recommended by the Community Funding Subcommittee, to be confirmed by that year's Annual Plan process, be referred to the 13 April 2016 Planning Committee:

Citizens Advice Bureau Whangarei Incorporated	\$46,297
Creative Northland (previously CHART)	\$193,569
Hikurangi Historical Museum Society Incorporated	\$5,447
Mangakahia Sports Ground Society Incorporated	\$27,129
Northland Craft Trust (Quarry Arts Centre)	\$38,756
Northland Society of Arts Incorporated (Reyburn House)	\$10,160
Northland Youth Theatre Trust	\$10,160
Ruakaka Recreation Centre Incorporated	\$33,833
Tornado Youth Community Trust	\$20,321
Waipu Centennial Trust Board (Waipu Museum)	\$63,867
Whangarei Museum and Heritage Trust (Kiwi North)	\$370,797
Whangarei Quarry Gardens Trust	\$37,080.

3. That the following indicative figures (including CPI adjustment) for the Annual Operating Fund for the 2017-2018 financial year, recommended by the Community Funding Subcommittee be referred to the 13 April 2016 Planning Committee:

Citizens Advice Bureau Whangarei Incorporated	\$50,000
Creative Northland (previously CHART)	\$197,247
Hikurangi Historical Museum Society Incorporated	\$5,550
Mangakahia Sports Ground Society Incorporated	\$27,644
Northland Craft Trust (Quarry Arts Centre)	\$39,492
Northland Society of Arts Incorporated (Reyburn House)	\$10,353
Northland Youth Theatre Trust	\$10,353
Ruakaka Recreation Centre Incorporated	\$34,476
Tornado Youth Community Trust	\$20,707
Waipu Centennial Trust Board (Waipu Museum)	\$65,080
Whangarei Museum and Heritage Trust (Kiwi North)	\$377,842
Whangarei Quarry Gardens Trust	\$37,785

4. That the Annual Operating Grant 2016-2017 for Whangarei Art Museum and their indicative figure for 2017-2018 be referred to the 13 April 2016 Planning Committee for further discussion and consideration.

### 3 Background

The Annual Operating Fund commenced in the 2010-2011 financial year, replacing the previous Three Year Grant Fund.

Under Council's Grants, Concessions and Loans Policy, Operational Grants are *"provided annually to organisations that provide valued services and facilities to Council and communities. Operational Grants are provided from various parts of Council, for a range of purposes. Most Operational Grants are historical in nature"*.

The purpose of the Annual Operating Fund is to give "a rolling year over year funding cycle designed to provide ongoing operational support to selected organisations which provide valued services to the district".

The Annual Operating Fund is non-contestable; however, it has not often catered for increases to funding levels or inflation adjustments on the annual grants it provides.

### 4 Discussion

#### 2016-2017 Applications

In November 2015 the thirteen grant recipients from the 2015-2016 Annual Operating Fund were invited to apply to have their indicative funding levels for 2016-2017 year confirmed. An explanation was required for any variance to the indicative amount.



Organisations that were eligible to apply last year but were not invited to apply this year were:

- Surf Life Saving Northern Region Incorporated, who now receive a regional grant from the Northland Regional Council
- Whangarei Youth One Stop Shop Charitable Trust, who have been wound up.

Applications closed Friday 5 February 2016 and applications were received from all 13 organisations.

### Required information

As part of the performance measures associated with each grant, organisations were requested to provide a range of information. This is detailed in Attachment 1.

A mitigating factor for providing the latest information is that the application process occurs halfway through the year and some budgets and business plans were yet to be completed.

### Increased grant requests

Since its inception the Annual Operating Fund has not always catered for inflation adjustments and this may be starting to impact on the levels of service for some of the applicants.

Seven of the thirteen applicants have requested an increase in funding for this round.

- Indicative funding total \$1,136,903
- Increases requested \$93,440 (8.2%)
- Total amount requested \$1,230,343

Of these seven applications, three stand out as concerning because of negative effects to existing levels of service. These are discussed below:

*Ruakaka Recreation Centre* – it is recommended that this increase request of \$21,167 is declined, based on building maintenance being a capital rather than operational expense. The Ruakaka Recreation Centre will be advised that they should apply for capital improvement funding through the Annual Plan submissions process.

*Waipu Centennial Trust Board (Waipu Museum)* – it is recommended that their increase request of \$20,000 be declined, but that \$5,000 be approved in acknowledgement of the extra work the Museum is doing to service visitors and tourists to the area.

*Whangarei Art Museum* – it is recommended that this decision is referred to the Planning Committee for discussion.

### Summary of applications

#### Citizens Advice Bureau Whangarei Incorporated

- Increase of \$6,000 requested for resourcing (13% up on amount indicated by Council for 2016-2017)
- To cover the continuation of a fixed term agreement for an additional advocate each January to April, as well as for CPI increase.

#### Creative Northland (previously CHART)

- No increase requested
- Some application requirements were missing or light in detail

### **Hikurangi Historical Museum Society Incorporated**

- No increase requested

### **Mangakahia Sports Ground Society Incorporated**

- No increase requested
- Some information provided is light on detail, particularly the draft 2016-2017 plan.

### **Northland Craft Trust (Quarry Arts Centre)**

- Increase of \$5,000 requested for resourcing (13% up on indicated)
- To cover the continuation of resourcing plus an increase in paid hours.

### **Northland Society of Arts Incorporated (Reyburn House)**

- No increase requested
- Application is missing significant information
- Significant Council staff support is required to ensure this organisation meets reporting requirements. Alternately, consideration could be given to reducing the reporting requirements, as they are consistently not being met.
- Significant funding request indicated for 2017-2018 of \$300,000 for building refurbishment.

### **Northland Youth Theatre Trust**

- Increase of \$7,840 requested (77% increase on indicated) for extensions to programmes offered.

### **Ruakaka Recreation Centre Incorporated**

- Increase of \$21,167 requested (63% increase) for urgent building maintenance. If left maintenance issues will likely get worse and possibly more costly.

### **Tornado Youth Community Trust**

- No increase requested
- Indicated an increase of \$5,000 for 2017-2018 for increase in building costs.

### **Waipu Centennial Trust Board (Waipu Museum)**

- Increase of \$20,000 requested (34% increase) for resourcing for Front of House Coordinator. Increasing need for an information centre in Waipu is impacting on Levels of Service at the Museum.

### **Whangarei Art Museum Trust**

- Increase of \$25,513 requested (9% increase) for the 2016-17 year, to maintain current levels of service with consequences noted. Not increasing this grant will reduce the Museum's levels of service.
- A further increase of \$55,000 was requested for the indicative figure in the 2017-2018 year.

### **Whangarei Museum and Heritage Trust (Kiwi North)**

- No increase requested.

### **Whangarei Quarry Gardens Trust**

- Increase of \$7,920 requested (21% increase) to service increased usage due to developments.
- New visitor centre and cafe added since last year.
- Some application requirements were missing or light in detail.

## 5 Considerations

### 2016-2017 Budget

The total indicative figure for the 2016-2017 year is \$1,136,903. The total available budget for this period has been set on the indicative figure provided.

The 2015-2016 Transition Fund was processed in December 2015. The budget for the Transition Fund is \$150,000 per annum and the unspent funds are carried over into the following year's budget. In the current financial year \$58,848 was committed plus a further \$11,500 in grants to groups for community Christmas parades was administered through the Community Fund but will come from the Transition Fund Budget. The remaining budget within the Transition Fund is \$79,652.

Existing commitments for the 2016-2017 year from the Transition Fund are \$103,000, leaving unspent funds of \$47,000 plus the carryover from the 2015-2016 year.

Supporting the funding recommendations will require expenditure of \$857,416 for the 2016-2017 operational budget of the Community Services Department. This does not account for any contribution toward the Whangarei Art Museum.

### 2017-2018 Budget

The indicative figures recommended for the 2017-2018 year will require \$876,530 but this does not account for any contribution toward the Whangarei Art Museum. The indicative figures include a provisional CPI adjustment of 1.9% that may be adjusted when draft budgets are finalised in the 2016-2017 financial year. There is also a small increase for the Citizens Advice Bureau.

### Current and future needs of communities

All of these grant recipients contribute to meeting our district's needs; whether these are cultural and heritage needs, through the provision of art centres and museums; social needs, by providing youth services, community and recreation centres; or environmental needs, through community activities and places such as the quarry gardens. All of our Ward Councillors are aware of the needs of their local communities and are knowledgeable of the contributions these grant recipients make to address these needs.

### Good quality and cost effective service

The Local Government Act identifies the provision of grants for the delivery of public services and infrastructure as council activities. The contribution to these must be appropriate and cost effective. The provision of annual operating grants is both significant and consistent to assist these services to be sustainable and help meet the needs of our district's communities.

The level of Council's contribution to each of these grant recipients is broad ranging. The grants provided range from 5% to 80% of the grant recipients' total revenue.

At no stage is Council providing all of an organisation's revenue and as such these grant recipients are able to secure additional funding outside of local government. These grants form an effective community partnership where Council's contribution is significant but limited, and whereby grant recipients can grow their services through funds other than rates. This type of model is a cost effective approach for Council to ensure public service delivery and provision of community infrastructure.

## 6 Significance and Engagement

Having considered the Significance and Engagement Policy this decision is not considered significant and the public will be informed via agenda publication on the website.

## 7 Summary

The Annual Operating Fund offers excellent results in meeting Council's obligations under the Local Government Act. It is working to support thirteen of Whangarei District's well established local community groups, to ensure a range of community need is explored and met appropriately, efficiently and effectively at a local level.

The service delivery is measureable through the required performance measures reporting. The public visibility of funding provided by Council has been improved with additional reporting requirements on the three organisations receiving grants of more than \$100,000 per annum and the organisation wide Annual Grants report compiled by the Community Services Department.

All organisations are recommended to receive the indicated figures that the Planning Committee agreed to on 08 April 2015, with the exception of Waipu Centennial Trust Board which is recommended to receive an additional \$5,000 and Whangarei Art Museum whose application is recommended for further discussion and consideration by the Planning Committee. The exception for Waipu Centennial Trust Board is in acknowledgement of the impact-providing tourist services is having on the operation of the Museum.

The recommendations in this agenda item support the fund's intent of providing a reliable and constant funding stream that assists organisations with financial planning. This means that the recommendations do not cater for increases in levels of service but have considered impacts with existing levels of service.

Supporting the funding recommendations will require expenditure of \$857,416 for the 2016-2017 operational budget of the Community Services Department. The indicative figures recommended for the 2017-2018 year will require \$876,530 and includes a small increase for the Citizens Advice Bureau. Neither of these annual budget figures account for any contribution toward the Whangarei Art Museum.

## Attachment

[2016-2017 Performance Measures Reporting and Financial Summary](#)

Organisation	Citizens Advice Bureau Whangarei Inc	Hikurangi Historical Museum Society Inc	Mangakahia Sports Ground Society Inc	Northland Craft Trust (Quarry Arts Centre)	Northland Society of Arts Inc (Reyburn House)	Northland Youth Theatre Trust	Ruakaka Recreation Centre Inc	Creative Northland	Tornado Youth Community Trust	Waipu Centennial Trust Board (Waipu Museum)	Whangarei Art Museum Trust	Whangarei Museum and Heritage Trust (Kiwi North)	Whangarei Quarry Gardens Trust	
AGM Meeting Minutes	Y	Y	Y	Y	Y	Y	Y	Y	Y	Triennial	NR	Y	Y	
2014-2015 Financial Accounts	Y	Y	Y	Y	N	Y	Y	Y	Y	Y	Y	Y	Y	
2016-17 draft Business Plan	Y	NR	Y	P	N	Y	Y	Y	Y	Y	Y	Y	N	
2016-17 draft Budget	Y	NR	P	Y	N	Y	Y	Y	Y	Y	Y	Y	N	
Latest Annual Report	Y	NR	N	Y	N	Y	Y	Y	N	Y	Y	Y	Y	
2015-16 Events Calendar	Y	NR	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	
Two Event Reports	P	NR	N	Y	Y	Y	Y	Y	N	Y	Y	Y	N	
Programme/ event/ activity statistics	Y	NR	Y	Y	N	Y	Y	Y	Y	Y	Y	Y	Y	
Media advertising	Y	Y	Y	Y	Y	Y	Y	Y	P	Y	Y	Y	Y	
Visitor numbers	Y	N	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	
Satisfaction survey info.	Y	N	Y	P	N	Y	Y	N	N	Y	Y	Y	Y	
% overall satisfaction	Y	NR	P	N	N	Y	Y	N	Y	Y	N	Y	Y	
2 other funding sources	Y	NR	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	
New stakeholders	Y	N	N	Y	Y	Y	Y	N	Y	Y	Y	Y	Y	
<b>FINANCIAL SUMMARY</b>														<b>TOTALS</b>
Approved 2015-2016	\$45,190	\$5,316	\$26,480	\$37,829	\$9,917	\$9,917	\$33,024	\$188,940	\$19,835	\$57,459	\$277,684	\$361,930	\$36,193	\$1,109,714
Indicated 2016-2017	\$46,297	\$5,447	\$27,129	\$38,756	\$10,160	\$10,160	\$33,833	\$193,569	\$20,321	\$58,867	\$284,487	\$370,797	\$37,080	\$1,136,903
Requested 2016-2017	<b>\$52,297</b>	<b>\$5,447</b>	<b>\$27,129</b>	<b>\$43,756</b>	<b>\$10,160</b>	<b>\$18,000</b>	<b>\$55,000</b>	<b>\$193,569</b>	<b>\$20,321</b>	<b>\$78,867</b>	<b>\$310,000</b>	<b>\$370,797</b>	<b>\$45,000</b>	<b>\$1,230,343</b>
Difference	-\$6,000	\$0	\$0	-\$5,000	\$0	-\$7,840	-\$21,167	\$0	\$0	-\$20,000	-\$25,513	\$0	-\$7,920	-\$93,440
Requested 2017-2018	\$54,500		\$27,129	\$43,756	\$300,000	\$18,000	\$60,000	\$209,054	\$25,000	\$78,867	\$365,000	\$379,881	\$50,000	\$1,611,187
Recommended 2016-2017	<b>\$46,297</b>	<b>\$5,447</b>	<b>\$27,129</b>	<b>\$38,756</b>	<b>\$10,160</b>	<b>\$10,160</b>	<b>\$33,833</b>	<b>\$193,569</b>	<b>\$20,321</b>	<b>\$63,867</b>	tbc	<b>\$370,797</b>	<b>\$37,080</b>	<b>\$857,416</b>
Indicative 2017-2018 incl CPI	\$50,000	\$5,550	\$27,644	\$39,492	\$10,353	\$10,353	\$34,476	\$197,247	\$20,707	\$65,080	tbc	\$377,842	\$37,785	\$876,530

## RESOLUTION TO EXCLUDE THE PUBLIC

That the public be excluded from the following parts of proceedings of this meeting.

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:

1.	The making available of information would be likely to unreasonably prejudice the commercial position of persons who are the subject of the information. {Section 7(2)(c)}
2.	To enable the council (the committee) to carry on without prejudice or disadvantage commercial negotiations. {(Section 7(2)(i))}.
3.	To protect the privacy of natural persons. {Section 7(2)(a)}.
4.	Publicity prior to successful prosecution of the individuals named would be contrary to the laws of natural justice and may constitute contempt of court. {Section 48(1)(b)}.
5.	To protect information which is the subject to an obligation of confidence, the publication of such information would be likely to prejudice the supply of information from the same source and it is in the public interest that such information should continue to be supplied. {Section7(2)(c)(i)}.
6.	In order to maintain legal professional privilege. {Section 2(g)}.
7.	To enable the council to carry on without prejudice or disadvantage, negotiations {Section 7(2)(i)}.

### Resolution to allow members of the public to remain

If the council/committee wishes members of the public to remain during discussion of confidential items the following additional recommendation will need to be passed:

#### Move/Second

"That \_\_\_\_\_ be permitted to remain at this meeting, after the public has been excluded, because of his/her/their knowledge of Item \_\_\_\_\_.

This knowledge, which will be of assistance in relation to the matter to be discussed, is relevant to that matter because \_\_\_\_\_.

*Note:*

*Every resolution to exclude the public shall be put at a time when the meeting is open to the public.*