

---

**Report 4**  
(1215/52/IM)

## **DRAFT COMMUNITY GROUP ACCOMMODATION ASSISTANCE FUND POLICY**

---

### **1. Purpose of Report**

This report seeks agreement to consult on a revised policy on the Accommodation Assistance Fund for Community Groups. Current policy has been reviewed for:

- strategic alignment, following the adoption of the 2006/16 Long Term Council Community Plan (LTCCP) and the Social and Recreation Strategy
- operational effectiveness now that the policy has been in operation for some time.

### **2. Executive Summary**

The 2003 Accommodation Assistance Policy supported the provision of social infrastructure in Wellington by addressing barriers to accommodation for community groups needing to operate in the central city and focussing on reducing disadvantage.

The Accommodation Assistance Fund (the Fund) of \$150,000 is allocated as contestable cash grants in one or three year commitments for rental subsidy. Expiry of the Betty Campbell Centre (BCC) property agreement will free up an additional \$85,000 to be added to the Fund, boosting the pool to \$235,000 from 2007-08.

A number of issues have arisen in relation to policy implementation and refinement is required for strategic and operational alignment. A revised policy has been drafted to address these issues. Key elements of the draft policy are:

- changing the policy intent from *reducing disadvantage* to *promoting social wellbeing* in order to achieve stronger strategic alignment
- increasing the Council's facilitation role to promote group collaboration, and planning for increasing independence from the Fund where possible
- moving away from property agreements in favour of a balance between facilitation support and rental subsidies

- supporting community groups that provide direct services to promote social wellbeing for Wellington residents, and also groups that provide coordination and support for these groups
- providing some support for groups located outside of the central city area
- offering three-year agreements, except where a shorter term is seen to better meet the Council's objectives
- discontinuation of ring-fencing for Maori community groups, as wellbeing for Maori is being addressed through currently funded groups
- naming the Fund the Betty Campbell Accommodation Assistance Fund in ongoing acknowledgement of past-Councillor Betty Campbell's contributions.

### **3. Recommendations**

It is recommended that the Committee:

1. *Receive the information.*
2. *Note that a number of issues have arisen in relation to policy implementation and refinement is required for strategic and operational alignment.*
3. *Agree to consultation taking place on the draft Community Group Accommodation Assistance Fund policy (attached as Appendix 1), with the key policy aims being:*
  - *shifting the policy focus from reducing disadvantage to promoting social wellbeing*
  - *additional targeting of groups that take a lead in providing coordination, support and guidance for other groups*
  - *possible approaches to supporting emerging groups*
  - *removing the ring-fencing for Maori groups*
  - *clarifying criteria for evaluating grant applications*
  - *restricting grant offers to groups, or clusters of groups, requiring accommodation for 30 or more hours per week.*
4. *Agree that the Fund be known as the Betty Campbell Accommodation Assistance Fund.*

5. *Delegate to the Chief Executive Officer and Social and Recreation Portfolio leader the authority to make any required editorial amendments prior to public consultation.*

## **4. Background**

### **4.1 Current Policy**

The current accommodation assistance policy was developed in 2003 in response to the exit of a number of community organisations from the Victoria/Willis Street buildings after their sale. The policy addresses barriers to accommodation and was designed primarily to deal with the particular nature and needs of community groups needing to operate in the central city and focussing on reducing disadvantage.

Key elements of the policy are that:

- it established the Accommodation Assistance Fund of \$150,000 for distribution as cash grants to community organisations
- the head lease arrangements, with the associated subsidy to existing tenants, at the BCC were confirmed until an appropriate exit point
- up to 25% of the Fund was to be available for Maori community groups.

With the expiry of the BCC head lease in May 2007 and uncertainty around lease arrangements for other organisations in the city community organisations were consulted about their issues, needs and preferences for accommodation, the effectiveness of the policy, and a way forward for the Council. The work confirmed that accommodation was an issue for community groups, that the BCC was providing a solution for only a small number of organisations and that the head lease approach was a relatively “blunt” tool. Cash grants for rental subsidy were seen as a more effective approach because of their flexibility in terms of criteria, duration, choice of location and administrative simplicity.

The Council agreed in the context of the LTCCP to a staged exit from the BCC by May 2007 with the released resources being added to the Fund. It also agreed to one-off assistance to facilitate 2006/07 transitional arrangements for current BCC tenants. The total Accommodation Assistance Fund allocation for 2006/07 of \$514,000 comprises:

- the Fund of \$150,000 allocated as contestable cash grants in one or three year commitments for rental subsidy
- property agreements and associated operating costs totalling \$264,000. This includes rental costs, power and cleaning for BCC and PINS, and project administrative overheads within the Council
- one-off transition funding of \$100,000 to assist the exit from the BCC. This may include brokerage through an independent property advisor,

removal expense contributions, and telephone and computer reconnection.

#### **4.2 Which groups benefit**

Over time officers have refined criteria to ensure equitable allocation of grants and to strengthen alignment with the Council priorities. The two key criteria have been *targeting the needs of the disadvantaged* and *meeting the needs of Wellington residents*. The following criteria are also considered in evaluating an application:

- partnership with Mana Whenua and Taura Here
- partnership with community networks. This may include clustering and other sharing of resources
- collaboration with the wider sector, including Government and philanthropic providers
- development of people's potential
- promotion of a diversity of cultures
- contribution to access for all residents to community resources.

However, the current situation is that:

- not all requests from eligible groups are being met
- the number of applicant groups is expected to rise as awareness of the Fund continues to increase
- emerging groups, often migrant groups, are offered little support, although an office space is available gratis at the BCC for such groups.

As agreed by the Council, a portion of the ring-fenced funding for Maori community groups was used to support the 2005 purchase by Mokai Kainga of a marae-based facility. Other Maori community groups are invited to be assessed against the policy criteria for the Fund. Only one group specifically focussed on reducing disadvantage for Maori is currently assisted from the ring-fenced portion. Instead, wellbeing for Maori is being addressed through currently funded groups that deliver needs-based services rather than ethnicity-based services.

## **5. Discussion**

Current policy has been reviewed for:

- strategic alignment, following the adoption of the 2006/16 LTCCP and the Social and Recreation Strategy
- operational effectiveness now that the policy has been in operation for two financial years.

A draft policy has been prepared and is attached as Appendix 1. The following sections discuss the key elements of the draft policy.

### **5.1 Promoting social wellbeing**

To achieve strategic alignment with the Local Government Act 2002 identification of the *promotion of wellbeing* as core to the role of local government, it is proposed that the expression of the intent of the Accommodation Assistance policy be changed from *reducing disadvantage* to *promoting social wellbeing*.

Officers consider an aspirational goal, such as the promotion of social wellbeing by improving access to services, is more likely to generate feelings of social and cultural cohesion and to encourage sustainable, grass-roots community development. This positive outlook of promoting social wellbeing is consistent with:

- the Council's Social and Recreation outcomes of making Wellington *more liveable, more inclusive, more actively engaged, better connected, healthier and safer*
- the agreed strategic priority of building capability and capacity in the community
- the Council's "Creative Wellington – Innovation Capital" vision.

Further, by assisting groups that take a lead in contributing to sector capability and capacity, the Council can further increase its leverage for promoting social cohesion and sound social infrastructure.

### **5.2 Changing Council role**

The Council's support for community groups targets accommodation, as few other providers support community groups with this, or acknowledge the high cost of accommodation in a major city. Officers are working with other funding providers, including central government agencies, to clarify the role each should play in the wider context of social services support.

The Council's preferred role of accommodation funder offers it greater flexibility for responding to needs than it has as an accommodation provider. Funding released from property agreements, such as at the BCC, will be directed to the Fund for re-allocation as rental subsidies to eligible groups. Up to \$235,000 will be available for allocation as cash grants from 2007/08.

As funder, the Council provides direct financial assistance in the form of cash grants for rental subsidy through the contestable process, and indirect assistance in the form of facilitation. The Council can use its leverage to promote beneficial property contracts for community groups and to preserve the benefits of clustering and co-location. Council officers may also act as an advocate for and advisor to community groups. Officers are looking for

opportunities to support “*groups supporting groups*” as this is seen as an effective way to share leadership in growing community capability and capacity.

### **5.3 Principles**

To achieve greater alignment with the Council’s strategic priority of *building capability and capacity within the Wellington community to promote social cohesion and sound social infrastructure*, the Council is seeking to strengthen the infrastructural capability of Wellington’s community services and to assisting social service agencies to remain viable as part of this.

The draft policy proposes that the Council seeks to work with community groups that:

- provide direct services to promote social wellbeing for Wellington residents, with wellbeing defined as living within a sustainable community and having access to shelter, education, food and income
- contribute to building community capability and/or capacity for promoting social wellbeing for Wellington residents by provide coordination and support for other groups. *Groups supporting groups* might provide:
  - training opportunities or support services for other groups
  - support and guidance for emerging groups
  - coordination of a range of services.

The draft Policy includes the following principles to guide management of the Fund:

- Policy implementation should demonstrate alignment with the Long Term Council Community Plan, transparency and accountability.
- Allocations should only be given where help is needed. Groups should be not-for-profit and demonstrate that accommodation costs present a barrier to operational effectiveness.
- Allocations should be
  - for community groups that are located within Wellington City, as will be the target users
  - cost-effective
  - made cognisant of other policies, including universal building access.
- Allocations should promote:
  - capability and capacity development
  - community group sustainability, self-reliance and collaboration
  - efficient use of accommodation.

Facilitation may also be used to support small and emerging groups to better understand their needs and options, such as co-location or 'hot-desk' sharing with other groups. To promote efficient resource use, officers recommend support is targeted at groups, or clusters of groups sharing space, requiring accommodation for 30 or more hours per week.

Support is currently provided for the national offices of a number of groups as, in addition to those offices that are providing direct services to Wellington residents, national offices can support the social and cultural frameworks of Wellington as the centre for the nation's decision makers. Applicant groups are considered on merit against the criteria for support. Council officers will continue discussions with other funding providers to identify any alternative sources of support available to national bodies.

#### **5.4 Maori community group fund ring-fencing**

Up to 25% of the Fund is ring-fenced for Maori community groups in the current policy. However, only one group identified as being a Maori community group is currently supported through the Fund. It appears that wellbeing for Maori is being adequately addressed through currently funded groups delivering needs-based services rather than ethnicity-based services.

The draft policy recommends discontinuing ring-fencing for Maori community groups as this is not proving appropriate given that:

- it is unclear which groups should be funded from the ring-fenced portion. Many groups work with or for Maori, but few could be described as exclusively 'Maori community groups'
- few applications are received for assistance from groups identifying themselves as specifically targeting the needs of Maori
- central government now targets *need* for provision of assistance, rather than ethnicity. Assessment of all applications against the eligibility criteria, with a focus on need rather than *ethnicity*, is more likely to enable management of the Fund to effectively and equitably target client needs, including those of Maori.

It is proposed that the released funding would be re-allocated as cash grants as agreements end.

#### **5.5 Central city, fringe or suburban location?**

The draft policy emphasises consideration of support for community groups located throughout Wellington City, rather than primarily in the central city. The focus is on the function rather than the location of their activities. Groups must still demonstrate that accommodation costs present a barrier to their operational effectiveness as affordability of accommodation remains the central issue being considered. When choosing accommodation, community groups consider factors such as:

- public visibility and the nature of the activity or service being provided
- transport, parking, building access and privacy needs of clients and volunteers
- opportunities for collaboration with other groups
- proximity to government
- accommodation size, configuration and rental cost.

Currently most allocations are to groups operating in the central city and there is evidence that the high proportion of project funding committed to central city property agreements has created an unintended incentive for groups to remain centrally located despite the relatively high cost and tight supply of inner city accommodation. Greater flexibility for community groups when making strategic decisions about where they locate may see more groups choosing to locate out of the central city, along the proposed growth spine in Wellington, for instance. The Council's facilitation support is assisting groups to engage in more robust processes for identifying and evaluating their options. While it is acknowledged that a central city location may bring additional benefits for some groups, unless there is compelling evidence that a central city location is critical to a group's client or operational needs, officers recommend that assistance should not actively encourage this.

#### **5.6 What level of assistance should be provided?**

The Council seeks *to build capability and capacity within the community, to promote social cohesion and sound social infrastructure*. To optimise outcomes from its investment, the Council seeks to:

- help only where help is needed
- grow community group sustainability and self-reliance
- promote the benefits of group collaboration.

While the Council's commitment to the social services sector in Wellington City is long term, it expects that groups will engage in strategic planning in order to increase their independence from the Council's support. Many community groups have continued functioning satisfactorily without the Council's assistance with accommodation. To date none of the groups receiving a subsidy has successfully moved to non-reliance on the Council's support and groups expect that they will continue to be supported. Rather than setting a fixed limit of say three years for access to support, officers will work with community groups to promote increased independence from the Council funding.

Historically the bulk of the funding was tied up in property agreements, so only a few groups were able to benefit from the pool available for allocation in funding agreements for rental subsidy.



Accommodation assistance funding agreements are offered for terms of between one and three years. One-year agreements encourage groups to seek independence and enhance the flexibility available to officers, while three-year agreements offer a higher level of security for groups entering long-term leases. The draft policy takes an approach that agreements are generally for three years except where a one-year agreement is seen to better meet the Council's objectives.

Currently the maximum subsidy is limited to 30% of rental, capped at \$10,000 annually. The Wellington Council of Social Services (Welcoss) has about 180 community groups registered, only some of which meet the eligibility criteria for accommodation assistance. Currently 20 of these groups are supported through contestable funding agreements for rental assistance at an average subsidy of \$7500. Based on this average grant it is estimated that the number of groups able to be offered cash grants for rental subsidy from available funds (12 groups in 2005/06 and 20 in 06/07, rising to about 35 groups in 2008/09) is likely to be adequate to meet sector demand in the short to medium term. Officers will continue to monitor the Fund applications.

### **5.7 Fund name**

The BCC was named in recognition of the significant contribution Betty Campbell made to strengthening social wellbeing in Wellington during her time as a Councillor. With the winding up of the centre, it is recommended that the Fund be renamed the Betty Campbell Accommodation Assistance Fund.

### **5.8 Proposed consultation**

If the Committee agrees, consultation will be carried out with stakeholders on the proposed Accommodation Assistance Fund policy.

#### **Key consultation points**

Views will be sought on

- the additional targeting of groups that take a lead in providing coordination, support and guidance for other groups (to help ensure the community has enough people with the right skills to be able to meet the needs of its residents)
- possible approaches to supporting emerging groups
- removal of the ring-fencing for Maori groups
- the criteria for evaluating grant applications
- the restriction of grant offers to groups, or clusters of groups, requiring accommodation for 30 or more hours per week.

#### **Action Plan**

16 October - 17 November	Consultation period (5 weeks)
23 November	Oral Hearings

7 December	Feedback and amended policy report to SPC
13 December	Council consideration

It is proposed that any new policy, criteria and systems be applied from July 2007, in line with the exit from the BCC property agreements in May.

## 6. Conclusion

The Council has a role in assisting social service agencies to be sustainable key components of the city's social infrastructure. The current policy has provided assistance to community groups focused on reducing disadvantage for Wellington residents.

This paper provides information on how the updated policy will continue to shape the future provision of accommodation assistance to community groups promoting social wellbeing. The gradual transfer of available funds to allocation as cash grants for rental subsidy will enable the Council to better target assistance, and relationship management is seen as increasingly important for achieving the Council's strategic goals.

Future grants will target those groups that demonstrate alignment with the Council's strategic priority of *building capability and capacity within the community to promote social cohesion and sound social infrastructure*.

Report prepared by: *Ken Bowater, Senior Policy Advisor*

## **Supporting Information**

### **1) Strategic Fit / Strategic Outcome**

*This policy supports the Social and Recreation outcome of making Wellington more liveable, more inclusive, more actively engaged, better connected, healthier and safer, and responds to its “Creative Wellington – Innovation Capital” vision. It specifically targets the Council’s strategic priority of building community capability and capacity to promote social cohesion and strengthen social infrastructure.*

### **2) LTCCP/Annual Plan reference and long term financial impact**

*The policy has implications for the C130I annual plan project. The recommendations can be implemented immediately they are approved. However, there will be no immediate effect on funding for groups until existing agreements expire. Funding from current agreements starts becoming available for reallocation from May 2007.*

### **3) Treaty of Waitangi implications**

*There are no Treaty of Waitangi implications.*

### **4) Decision-making**

*The content encompassed within this report will not result in a significant decision.*

### **5) Consultation**

#### **a) General consultation**

*It is proposed that general consultation, and targeted consultation with affected community groups, be undertaken.*

#### **b) Consultation with Maori**

*This report recommends the discontinuation of ring-fencing of a portion of the Accommodation Assistance Fund for Maori community groups. Maori groups will be consulted about the Fund.*

### **6) Legal implications**

*Legal advice has not been received for this report.*

### **7) Consistency with existing policy**

*The recommendations made in this report propose a significant shift in the policy emphasis for accommodation assistance, although generally within the bounds of the existing policy.*

## **APPENDIX 1**

---

### **DRAFT COMMUNITY GROUP ACCOMMODATION ASSISTANCE FUND POLICY**

---

---

## **DRAFT COMMUNITY GROUP ACCOMMODATION ASSISTANCE FUND POLICY**

---

### **1. Introduction**

The Council seeks to focus its community investment where public good benefits are maximised. This is particularly achieved through projects aiming to build community capability and capacity.

This policy guides the Council's approach to the provision of accommodation assistance grants for not-for-profit community groups seeking to promote social wellbeing for Wellington residents. It targets:

- the Social and Recreation outcomes of making Wellington more liveable, more inclusive, more actively engaged, better connected, healthier and safer
- the Council's strategic priorities of building community capability and capacity and promoting sound social infrastructure that supports high levels of social cohesion and sound social infrastructure.

The policy recognises the:

- role of community groups in achieving the Council's strategic outcomes
- Council as funder to support community groups in promoting social cohesion and strengthening social infrastructure, providing cash grants for rental subsidy where needed to complement funding available from other sources
- Council as a partnership broker, advocate and facilitator for, and advisor to, community groups.

### **2. Purpose**

This policy supports the achievement of the Council's strategic priority of *building capability and capacity within the Wellington community to promote social cohesion and sound social infrastructure* by helping the Council to strengthen the infrastructural capability of Wellington's community services and to assist social service agencies to remain viable as part of this.

The policy provides for contestable cash grants for community group rental subsidy through an Accommodation Assistance Fund.

### **3. Council's role**

The Council's preferred role in the provision of community group accommodation assistance is through facilitation of partnerships, with provision of funding assistance where needed. The Council seeks a balance between funding agreements and facilitation support, as this has proven effective in providing the flexibility needed to ensure the Council's objectives can be met.

### **4. Partnership and facilitation**

The Council's commitment to the sector in Wellington City is long term, in line with its goal of *growing sustainable communities*. Developing ongoing relationships with community groups will facilitate improved understanding of needs and opportunities, and help groups to:

- develop effective governance structures and processes for self-sustainability
- plan for increasing independence from the Council's support.

The Council seeks to work with community groups that:

- provide direct services to promote social wellbeing for Wellington residents (*Social wellbeing* means living in a supportive, ongoing community and having access to shelter, education, food and income.)
- contribute to building community capability and/or capacity for promoting social wellbeing for Wellington residents by provide coordination and support for other groups. *Groups supporting groups* might provide:
  - training opportunities or support services for other groups
  - support and guidance for emerging groups
  - coordination of a range of services.

### **5. Implementation**

The following principles guide management of the Accommodation Assistance Fund:

- Policy implementation should demonstrate accountability, transparency and alignment with the Long Term Council Community Plan.
- Allocations should only be given where help is needed. Groups should be not-for-profit and demonstrate that accommodation costs present a barrier to operational effectiveness.
- Allocations should be

- for community groups that are located within Wellington City, as will be the target users
- cost-effective
- made cognisant of other policies, including universal building access.
- Allocations should promote:
  - capability and capacity development
  - community group sustainability, self-reliance and collaboration
  - efficient use of accommodation.

The funding is to be administered by officers through a contestable process as cash grants for rental subsidy and assessed against the criteria set out in the relevant operational guidelines for this policy. Agreements are intended to help community groups to secure suitable accommodation and may be made for periods of up to three years at a time. The following criteria will also be considered in evaluating an application:

- partnership with Mana Whenua and Taura Here
- partnership with community networks. This may include clustering and other sharing of resources
- collaboration with the wider sector, including Government and philanthropic providers
- development of people's potential
- promotion of a diversity of cultures
- contribution to access for all residents to community resources.

## **6. Choice of location**

Both the providers and target users are to be located within Wellington City. Eligibility is open to groups at any location in Wellington City as one type and location of property is unlikely to meet all needs and therefore the Council assistance needs to be flexible. The Council recognises that some community groups receive particular benefit from location in the central city, and some from clustered accommodation. Affordability of accommodation remains the central issue being considered by this policy.

## **7. Review**

Council officers will continue to gather relevant information to inform any future policy decisions.