

BRCT
BLUESKIN RESILIENT
COMMUNITIES TRUST

Annual Report

October 2012

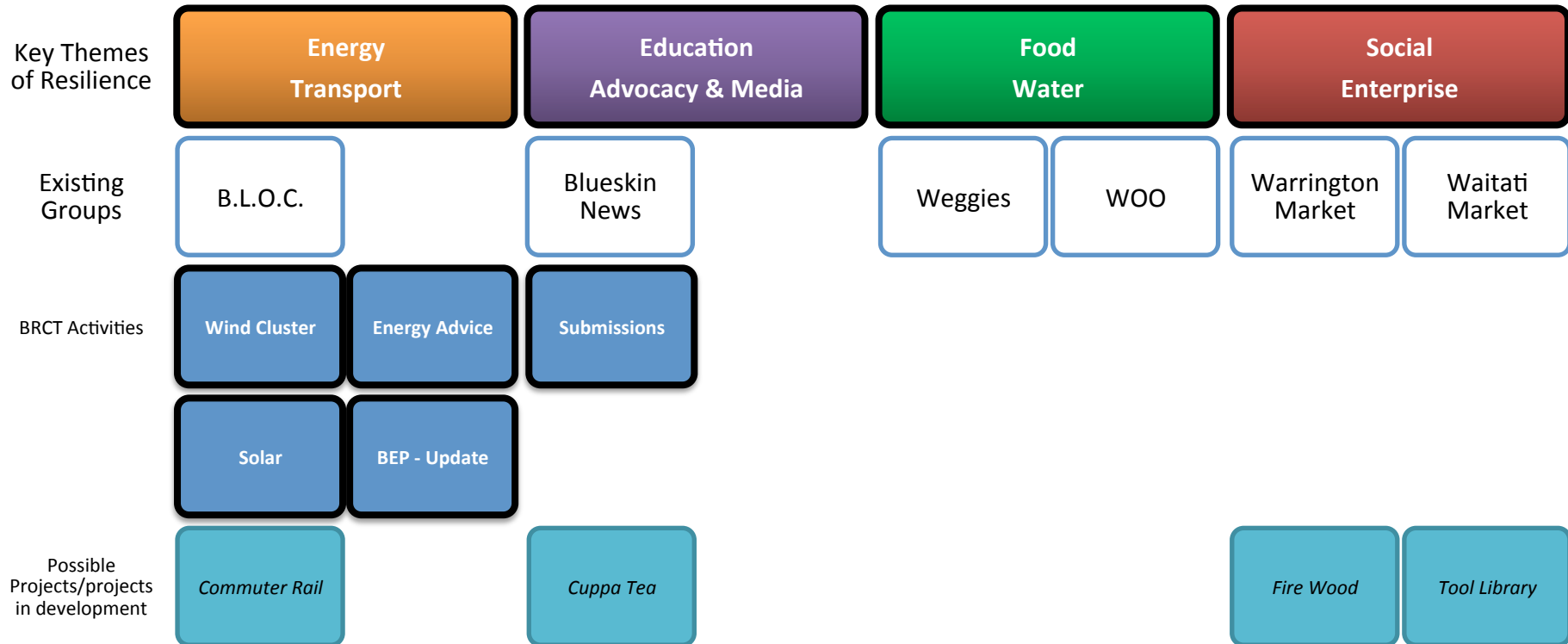


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1. At a Glance

Vision	We will facilitate a positive, healthy, secure and resilient future for Blueskin Bay and linked communities and promote sustainable resource use
Status	Incorporated as a Charitable Trust on 1 October 2008. GST registered. IRD listed 'Donee Organisation'
People	Jeanette Fitzsimons (Patron), Ross Johnston (Co-Chair), Chris Skellett (Co-Chair), PJ Clarke (Secretary - retiring), Gerry Carrington, Tony Wilson, Katie Parker; Scott Willis (Project Manager); Chris Freear (sub-contractor); Chris Le Breton (Volunteer), Laurence Hay (Volunteer), Craig Marshall (Volunteer), Justine Marshall (Volunteer), Jenna Packer (Volunteer), Antony Deaker (Volunteer – retired Officer/Treasurer).
Location	The BRCT office is located on Waitati School grounds, 1121 Mt Cargill Rd, RD2 Waitati, Blueskin Bay. Blueskin Bay is on Otago's East Coast, and encompasses the settlements of Purakaunui, Osborne, Long Beach, Waitati, Evansdale, Warrington, Seacliff and often including Karitane. Blueskin Bay is 20km north of Dunedin and is the southern half of Puketeraki Runaka's <i>rohe</i> .
Action Areas	The Blueskin Energy Project
2011-2012	Fundraising activities (<i>Maintaining core project and growing capacity to deliver in key themes of resilience</i>) Long-Term Sustainable Funding Strategy (<i>Eco-social business development</i>) Internal systems and processes (<i>Functional and adaptive systems, clear responsibilities, for robust results</i>) Relationships (<i>Supporting community initiatives, working with local government and NGOs</i>).
Website	www.BRCT.org.nz



BRCT’s vision of community resilience can be broken into four main themes. It is BRCT’s belief that in order to become truly resilient the Blueskin community must have strength in all these areas. Some areas such as ‘Food & Water’ already have community initiatives in place. BRCT will support these groups as appropriate and seed new projects to further strengthen our community’s resilience.

2. Message from our Patron

Blueskin, as I always call you all for short, continues to inspire me as you work together to create a life that can survive the coming energy and financial crashes with dignity and grace and fun. You have the bases covered - local food production, local energy generation and household efficiency, local transport solutions, local education for sustainability, and a wealth of community activities that bind you together. You may not realise how rare this is in our country of atomised nuclear families that are always too busy.

It's great to see the form of the wind cluster evolve, with the measurement of wind speeds now well in hand. With support from the Hikurangi Foundation, the DCC, Garrad Hassan, Port Otago, Russell McVeagh and Trustpower there are clearly others out there who understand what ground breaking work this is and it is great they are prepared to support it.

Congratulations on a solid year and very best wishes for the next one.

Jeanette Fitzsimons



3. Chairperson's Report

The main focus for BRCT throughout the year has been the wind cluster proposal. The hall meetings held towards the end of 2011 resulted in a largely positive response to this proposal in the form presented at that time.

The main challenges faced by the trust in regard to the proposed cluster revolved around evaluating the wind conditions at the preferred site (Porteous Hill), the nature of the turbines that would be most appropriate for that site and whether such turbines would operate cost effectively there. That process of discovery is on going, but as a result of the analysis of the wind data now being undertaken by expert agencies we are at last nearly in a position to make financial projections that are firmly based in reality.

The next year promises to be just as challenging as the last as we come to the end of the evaluation stage for this major project that has consumed our attention over the last 12 months. New offers and opportunities make this a much more financially viable project than any of us considered possible 12 months ago - but any arrangement involves compromises and the response from our communities will ultimately decide whether this project proceeds.

The Trust continues to act as an umbrella organisation for other groups within our communities who share the Trust's overall objectives and will continue to do so as long as that 'umbrella' is of use to the organisations involved.

The Trust continues to receive financial and pro bono support from many organisations. We need to particularly thank our partner the Hikurangi Foundation whose financial support, brokerage and advice continues to be invaluable. Other organisations who have been exceptionally supportive include: the Otago Community Trust, DIA Lotteries, Waikouaiti Coast Community Board, WindFlow Technology, GL Garrad Hassan, Russel McVeagh, the University of Otago and of course Polson Higgs who provide us with a greatly valued monthly meeting space.

Many individuals have assisted the Trust throughout the year and made it possible for the Trust to operate successfully in a variety of areas. Specific mention must be made of the contributions of Laurence Hay, Craig Marshall, Chris Le Breton, and Janet Stephenson with her generous expertise.



The Trust has received contracts this year that have resulted in the employment of extra staff and greater professionalism. A contract from the University of Otago's 'Energy Cultures' team to supply Community Energy Advice has meant that Chris Freear has been employed to conduct energy audits for households, run workshops and provide energy advice, while the EECA contract allowed planners to contribute to the very successful Community Engagement Project.

BRCT has made detailed submissions to the DCC on all major strategies and plans over the past 12 months, is an active member of the DCC's Community Resilience Forum and has been recently invited by the DCC to partner on a Climate Change Adaptation Plan for Waitati.

Chris Le Breton's day and a half per week volunteering in the BRCT office has meant that he has been able to advance work on solar powered photo voltaic cells. That has involved checking out the level of interest in the community and their requirements to see if a bulk 'community buy' is a possibility.



The Trust needs to acknowledge and thank two Trust members leaving the board, Antony Deaker – who has been involved in the Trust since its inception and has acted as its Treasurer for much of that time.... his institutional knowledge will be missed, and Phillip Clarke who has worked as the Trust's secretary over the last twelve months and who has always been able to critically evaluate and challenge our thinking.

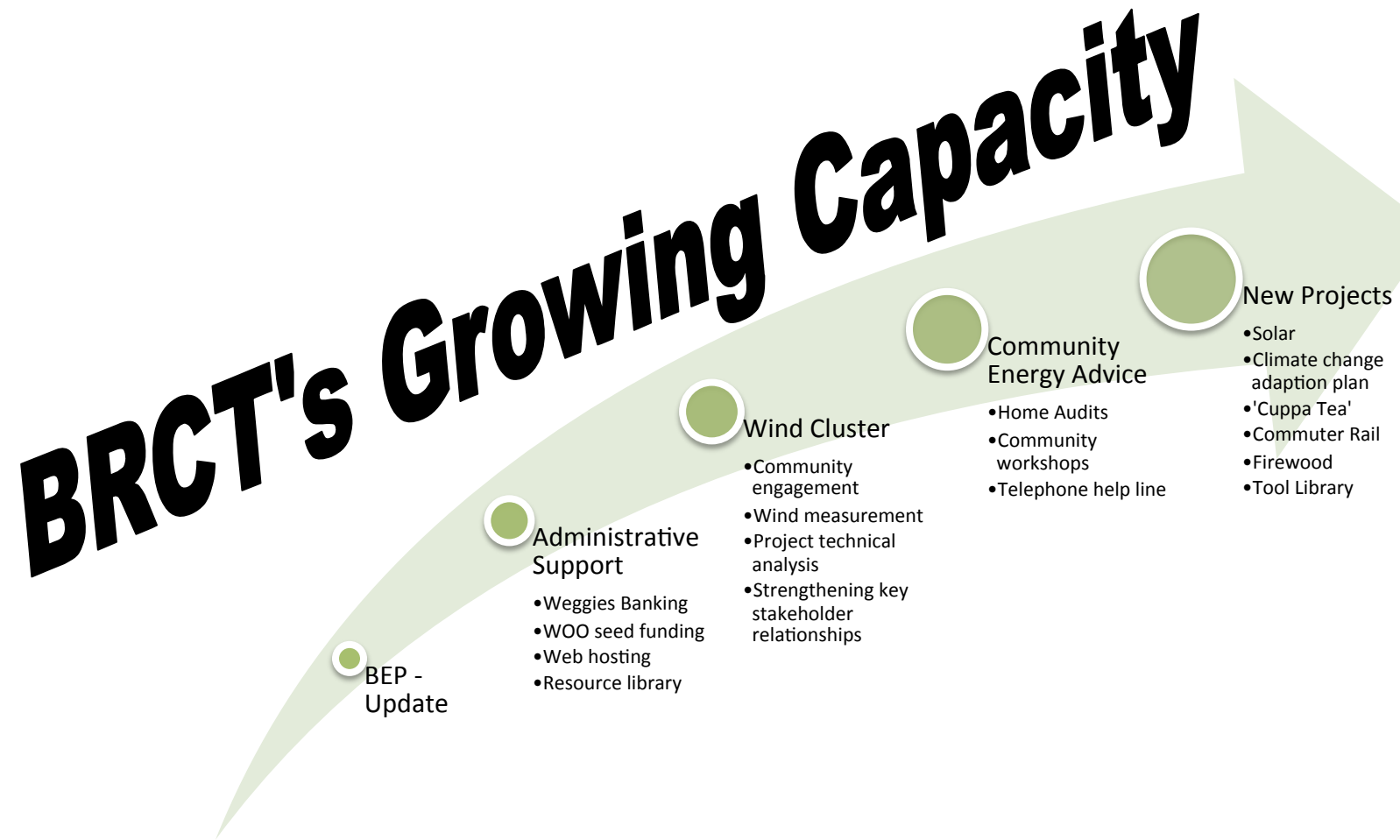
The ongoing work of the BRCT manager also needs to be acknowledged. Without Scott's enthusiasm and dedication the extensive detailed work that is central to any project of this nature just would not occur

The next year promises to be particularly challenging, but also possibly also exceedingly rewarding. It now seems possible that we may be able to create a situation which will ensure the future resilience and viability of our respective communities.

Ross Johnston, Co-chair

4. Projects Overview

BRCT's flagship project is the Blueskin Energy Project (BEP). BEP, with the **Blueskin Wind Cluster** at its heart, continues to progress well, and as our capacity increases we have been able to initiate a number of other resilience building projects.



4.1. Project Summary and Progress Against Annual Plan

Projects	Highlights	Status	Progress Against Annual Plan
Blueskin Energy Project (Wind Cluster)	<p>Hikurangi Partnership renewed and reinforced: 10 July 2012</p> <p>Community Engagement Project: 28 June 2011 – 31 June 2012</p> <p>Wind Resource Analysis with expert review: 9 Aug – 5 Sept.</p> <p>Port Otago approach: 14 Aug</p> <p>DCC support (MoU, planning, strategy): 2012</p> <p>Pro-bono technical, legal and financial assistance brokered by Hikurangi</p>	<p>The wind cluster project is nearing the end of the exploratory phase and requires community meetings, legal agreements and final precision wind data results to move into development, which, all conditions being met, will be in 2013.</p> <p>Significant new relationships have been established, bringing exciting new opportunities and assistance.</p> <p>It is likely that within 6 months a separate business entity to take the Blueskin Wind Cluster into development will be established.</p>	<ul style="list-style-type: none"> • Posters and info complete, 3 of 4 public events held; successful EECA report and contract completed; 2 door-knock teams established; energy expo NOT held; website launched. • Monthly check and maintenance of wind tower; dissemination of OWL wind roses to public; dialogue with OWL and PowerNet/OtagoNet; logged meetings with OERC; BEP-OERC Liaison group re-established. NEW: Garrad Hassan, WindFlow, Energy3, Hikurangi, Trustpower and new 30 metre tower. <p>Development of PPA with DCC; preliminary meeting with Electricity Authority; Request for assistance presented to Hikurangi Foundation. NEW: Russel McVeagh, Foot Lawyers, Woodhouse Investment Partners</p>

Projects	Highlights	Status	Progress Against Annual Plan
Community Energy Advice	<p>Contract between Energy Cultures and BRCT to work together on Energy Advice trial signed: 6 July</p> <p>BRCT joined Community Energy Network (national organisation): 20 Aug 2012</p> <p>Workshops and home energy audits in Blueskin Bay, North East Valley and Brockville</p> <p>New relationships developed with Presbyterian Support Services, NEValley Community Development Project and Brockville Community Development Project.</p>	<p>BRCT's ambition to provide an energy information and advice service for Dunedin from its base and experience in Blueskin Bay has begun to take on substance. The trial holds promise of a more durable service being established.</p> <p>New relationships and new funding opportunities emerging, with a BRCT led summit for Dunedin in planning.</p>	<ul style="list-style-type: none"> • NEW project area • NEW staff member (growth in staff numbers) • CEA role created, funded and filled!
Solar Project	<p>Chris Le Breton engaged as a volunteer staff member to work on the Solar Project: Aug 2012</p> <p>90% interest in developing a community solar city project here in Blueskin Bay.</p>	<p>All those expressing interest contacted for a first questionnaire. Interaction with major suppliers and installers and others relating to the Solar City.</p>	<ul style="list-style-type: none"> • NEW project area • NEW staff member (growth in staff numbers – volunteer)
BEP Update	<p>Over 100 new subscribers September to September.</p>	<p>Increasingly popular local information e-newsletter, with a focus on energy issues.</p> <p>Issued from the BRCT office, it is the de-</p>	<ul style="list-style-type: none"> • 12 Updates goal Met • Significant growth in subscribers to E-list.

Projects	Highlights	Status	Progress Against Annual Plan
		facto BRCT e-newsletter, while maintaining focus on core project. Over time it may become two e-lists: one BRCT, the other purely Energy.	
Blueskin Low Oil Commuting	New web-page set up for BLOC at http://www.blueskinpower.co.nz/	BRCT provides a web and email platform for BLOC and works closely with BLOC members to enhance BRCT's advocacy actions for low carbon transport.	<ul style="list-style-type: none"> • Providing assistance to community group • Includes group's actions in BEP Update
Supporting Community Initiatives	<p>Reporting on WOO project success (funding application under BRCT umbrella) to funders.</p> <p>Weggies develop financial autonomy</p> <p>Train advocacy in conjunction with Get-The-Train members</p> <p>Conversation with Waitati School PTA to support 2013 Community Directory</p> <p>Preliminary exploration of Firewood social enterprise feasibility.</p>	<p>BRCT's capacity to seed, catalyse and support community initiatives is valued by community members.</p> <p>BRCT's growing capacity is enhancing the community support BRCT can offer to community groups/initiatives, with the emerging importance of BRCT's web platform.</p>	<ul style="list-style-type: none"> • More 'hands off', facilitator role • NEW projects 'prepped' ready for any new capacity in BRCT • NEW community relationships initiated and growing
Blueskin Cuppa Tea	<p>Concept developed and approved May 2012.</p> <p>Web development begun Oct 2012</p>	BRCT's ambition to publish web-based essays with a Blueskin focus looks to be launched in Jan 2013.	<ul style="list-style-type: none"> • NEW project area • NEW staff member (growth in staff numbers - volunteer)

Projects	Highlights	Status	Progress Against Annual Plan
Climate Change Adaptation Plan for Waitati	DCC approach to BRCT to collaborate on community led planning for Climate Change: 4 Oct 2012.	BRCT's role as an effective community advocate and its experience in community engagement is valued. BRCT's ability to deliver 'community good' outcomes is enhanced.	<ul style="list-style-type: none"> • NEW project area • NEW contract activity
Consolidation of trust operations and growth in staff numbers	Financial administration rationalised More secure funding secured in 2012	BRCT has been successful in increasing its percentage of contract work. The funding strategy is evolving	<ul style="list-style-type: none"> • Clear, accurate financial records reviewed monthly • Clear, productive, funding strategy reviewed monthly
Rich community presence	Monthly BEP Updates; monthly articles to Blueskin News and Rothesay News. Increase in Community visitors. Inaugural 'Samosas for Sustainability' event	In the 13 months since the last AGM, visitor numbers are up, telephone and email enquiries have increased, and BRCT employees are part of the Waitati School community.	<ul style="list-style-type: none"> • 12 BEP Updates • 22 local newsletter articles • 2 open office hours per day • 1 volunteer event.

BRCT has been pursuing a strategy of developing dynamic and resilient social enterprise, particularly through developing value in its social innovation work in the area of community energy. Trustees have recognised the need to develop greater economic autonomy in order to pursue clear community objectives and initiatives effectively. In doing so, BRCT is mindful to maintain true-to-community values such as mutual support, social equity, ecological responsibility and effective governance.

5. In and Of our Community

BRCT's projects and project support or project ambitions are grouped into four themes. These themes are:

1. Energy and Transport
2. Education, Advocacy and Media
3. Food and Water
4. Social Enterprise

5.1. Energy and Transport

BRCT seeks to "stimulate local resilience" through the provision of reliable, low carbon energy via its proposed wind cluster, energy advice, and household energy installations. Over the past 12 months this has involved:

1. Maintaining a full-time employee at the BRCT office in Waitati to act on behalf of the Trust in carrying forward BRCT's flagship project to set up a wind cluster. This project has national significance and is the BRCT project with potential to become the keystone 'social enterprise' in support of all BRCT's community projects. The wind cluster project has led to significant support from within the community and from right around the country and in 2012 is in transition from a project to a likely development.
2. Maintaining one contract to deliver the energy project with the community Energy Cultures team from University of Otago to deliver warmer, healthier, more cost-effective homes. This has led to a further increase in insulated houses, less stress and discomfort, and clearer ways forward for householders wanting to cut their energy wastage and boost energy efficiency. Work is afoot to develop this project into a durable service.
3. Securing a dedicated volunteer to project manage the BRCT solar project.

In addition, BRCT is supporting transport initiatives:

- a. There is growing community interest in re-establishing a community rail service in and out of Dunedin. The BRCT office is working with Get-The-Train members and is providing a discussion hub to consider forming a community rail partnership.
- b. BRCT has provided a web platform to the Blueskin Low Oil Commuting Group (BLOC) which continues to see a growth in its membership.

5.2. Education, Advocacy and Media

BRCT strives to be an effective community advocate in various forums and through local media. Over the past 12 months this has involved:

1. Regular monthly contributions to both the Blueskin News, and Rothesay News (Port Chalmers)
2. The development of the Blueskin Cuppa Tea Blog, to be launched in 2013
3. Establishment of the Blueskin Power website and early development of a new BRCT website
4. A monthly BEP Update e-newsletter to 280 subscribers
5. Submissions on all major DCC strategies and plans open for public submission
6. Monthly participation in the DCC's 'Community Resilience Forum'.

In addition, BRCT's resource library is growing, with books and reports available to the public and for research and we envisage our new BRCT web platform could be made available to other groups seeking a spam free environment.

5.3. Food and Water

BRCT seeks to foster a resilient community food supply (resilience = 'bounce-back ability'). Over the past 12 months this has involved:

1. Providing administrative support (audited banking facility) to the Waitati Edible Gardeners group (Weggies). In October 2012 the Waitati Edible Gardeners will assume full autonomy over Waitati Edible Gardener group finances. BRCT looks forward to supporting the Waitati Edible Gardeners as or if required.
2. Waitati Open Orchards (WOO) is a fully independent group which was supported by BRCT seed funding in 2010 and funding support in 2011. BRCT remains open to supporting further WOO ambitions.

BRCT will continue to support such worthwhile independent initiatives if requested (and as able) and will work where it can to support any organization or individual working to strengthen our community through food production to build and strengthen a local food web and greater food sovereignty. BRCT will also work to support and catalyse any other solid local initiatives that seek to help build greater water security.

5.4. Social Enterprise

BRCT seeks to “stimulate local, sustainable and economic activity”, an idea that refers not only to the cash economy, but also to barter and direct exchange, in order to build up local resilience and know-how. BRCT is aiming to marry social responsibility with business strategies to bring improvements in social and environmental well-being for Blueskin Bay. Over the past 12 months this has involved:

1. Planning to become a cornerstone shareholder in the Blueskin Wind Cluster (when developed)
2. Delivering social benefit (free audits and workshops) through contract work (Energy Advice trial)
3. Early investigation of a ‘solar town’ social enterprise model
4. Preliminary feasibility of a community woodlot and firewood social enterprise
5. Creating an ‘ideas’ file (with such things as a Blueskin Tool Library and a Borrow-a-Bike service) for potential future development.

BRCT also supports local economic activity through providing employment, hosting events and promoting local markets via its newsletters.

6. Our Funders, Donations and Pro Bono Support

6.1. Funders and Donations

The BRCT community office is a hub of concerted, co-ordinated sustainability action and BRCT activity has been generously supported from July 2011 – October 2012 (note, this period matches the AGM period but not the financial year period) by the following funders:

- a. DCC Community Grants Scheme (\$2,400). In support of wages
- b. Waikouaiti Coast Community Board (\$860). In support of the Community Engagement Project
- c. Otago Community Trust (\$15,000). In support of the Community Engagement Project
- d. Hikurangi Foundation (\$41,000). In support of the Blueskin Energy Project.
- e. Department of Internal Affairs COGS grant (\$4,000). In support of wages and volunteer expenses.
- f. Department of Internal Affairs Lotteries grant (\$24,500). In support of wages, transport and volunteer costs.

BRCT wishes to thank all our funders for their support which has had such value for our community over the past 12 months. BRCT has also received a valuable donation of Novotherm insulation materials from InsulPro Ltd, enabling ceiling and underfloor insulation of the BRCT office, something deeply appreciated by BRCT staff in their warmer, healthier and more energy efficient workplace.

6.2. Pro Bono Support

New Zealand's first community initiated wind cluster could never have developed such momentum without valuable professional offers of assistance. Our relationship with the Hikurangi Foundation (which includes financial and pro bono support) has been crucial in bringing on board further expert assistance as listed below:

1. Hikurangi Foundation (Relationship building and Media)
2. GL Garrad Hassan (Wind Resource Analysis and Technical help)
3. Russell McVeagh (Legal work)
4. Foot Law Limited (Legal work)

Additionally, further pro bono support has been offered by a range of other individuals and businesses in ways that have greatly assisted the positive development of BRCT's projects:

- WindFlow Technology Limited, through BRCT's historical partnership with Our Wind Limited, continues to provide technical assistance and wind resource analysis from the 10 metre tower currently installed at Porteous Hill
- Nicolas Cullen at the University of Otago provides peer review of wind data
- Frank Stent generously provides financial audit of BRCT's accounts
- BrandAid Design Communications – thank you for design of the Blueskin Power website and all the other small tasks undertaken with a smile
- PowerNet Ltd has continued its gracious support of BRCT particularly through provision of community electricity consumption data and network information
- Independent Planner Ros Day gave essential support to BRCT in the lead up to the formal engagement project.

7. Accounts

7.1. Treasurers Report

The operating loss in this financial year was possible due to the surplus from previous years carried forward. It is also worth noting that in early April 2012 BRCT banked a \$28,175 grant from Lotteries and had already confirmed the ongoing financial support of Hikurangi Trust.

The Trust was able to closely monitor spending and predicted cashflow through monthly presentations of a revised cashflow forecast. As a result the Manager was supported to prepare grant applications and develop funding relationships in good time.

The manager has again been prudent with spending and the goodwill generated by his work and the Trusts activity have lead to some services provided pro bono.

Income from grants (and contracts) \$53,481, was slightly down on the previous year, \$55,470 in 2010/11. The Trust has budgeted for \$68,000 income from grants this year, the difference largely in the amount donated by Otago Community Trust for the Community Engagement Project.

Costs were predicted to grow in 2011/12 as the Trust moved into new offices, paid the manager for his hours' worked at a reasonable rate and undertook the Community Engagement Project. Across the first period of the Trusts' operations expenditure grew slightly \$50,000 (2009) to \$54,000 (2010) then jumped to \$91,505 in 2011/12.

The layout of the End of Year, Statement of Financial Position has changed again to reflect the activities of the Trust and will hopefully remain consistent from now on.

Yours truly,



Antony Deaker
BRCT Treasurer