



DRAFT

## Grants Policy

Policy type: Council and Community Board

Policy Owner	Strategic Planning Team Leader		
Adopted by			
Description of policy	The Policy outlines the various types of grants that the Council and Community Boards make available, and guidelines for determining funding of grants.		
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Supersedes policy no.		Superseded by	
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This version effective from:	1 July 2013	Date of next review:	30 July 2015

### Objectives

The purpose of this policy is to outline the various types of grants that the Council and Community Boards make available, and establish guidelines to assist the Council, Community Boards and applicants in determining the outcome of **community grant** and **community event** funding applications.

### Background

The Council and Community Boards historically have provided substantial funding for community grants both at a district and local level. Historically this has been delivered in several ways, through contracts for service and contestable community grants and have largely been of a social nature.

This Policy replaces the Community Grants policy adopted in 2003, which is overdue for review. The current Grants Policy has not given effect to the Council's direction nor is reflective of Council's priorities.

### Factors to Consider

#### **Community Grant Funding**

In the 2013/2014 year, Council and Community Boards have made \$144,000 available through the local social development activity for contestable community grants. Unless changes are made through the draft 2014/2015 Annual Plan, it can be assumed that a similar quantum of contestable community grants will be made available in the 2014/2015 year.

In the 2012/2022 Ten Year Plan, also through the local social development activity, funding was provided for a number of local contracts for community services and local service level agreements (eg. community patrols). Funds are also provided through the Community Spaces and Halls Activity and the Libraries Activity for local contracts for community services and local service level agreements. These were entered into under the existing Grants Policy at the time (2003). All local contracts for community services and local service level agreements have entered into three-year agreements. As such, these will next be reviewed in preparation of the 2015/2025 Ten Year Plan.

### ***Council's Focus on Events***

The Council recently approved a major events fund of \$75,000 per annum, subject to final approval of the Draft Events Strategy in June 2013.

The strategy also describes the need for all event funding to be coordinated and for applications and funding decisions to be made at the same time to ensure good decision making can be made at all levels for local events and district events.

A streamlined events funding process will bring much needed clarity to Council's funding of events and will also ensure that a pathway can be created to take local events to major event status over time. It will also ensure the events calendar can be well-managed to avoid clashes.

In 2013/2014 the Thames, Mercury Bay and Whangmata Community Boards have set aside a total of \$45,500 in contestable funds for community events.

Neither the Tairua-Pauanui Community Board or Coromandel-Colville Community Board have a specific events fund allocated in the 2013/2014 year, this does not however prevent these Boards from allocating funds to events from within their local social development contestable community grants pools if they choose to do so.

Whilst consistency across the Board is not essential, this Policy sets out guidelines to assist the Council and Community Boards determine the outcomes of funding applications in a way that will ensure a more consistent standard.

### ***Local Government Change in Purpose***

In December 2012 Parliament amended the Local Government Act removing all references to "promoting the social, environmental, economic and cultural wellbeing of communities."

Local community grants is an area which is not well aligned to the new purpose of Local Government, which focuses on local public services and infrastructure. Throughout 2013/2014 Council will undertake a review of all of its activities and services to inform the 2015 Ten Year Plan. For that reason, this Policy will next be reviewed no later than 30 July 2015.

### ***Feedback from Community Boards***

Throughout February 2013, Community Board members were surveyed and feedback was sought about the effectiveness and satisfaction with the current grants programme. All

Boards were supportive of continuing with the community grants programme but are seeking a tighter process around procedures and accountability.

## Options

Changes to the Policy have been made to make the application process and funding criteria clearer to the Council, Community Board and applications.

The main changes are as follows:

- The Policy has been restructured and the funding criteria placed in the “Schedules” These schedules are able to be adjusted by resolution of Council.
- Principles have been introduced and defined in the policy.
- Greater flexibility has been provided by enabling Community Boards to determine priorities or themes to apply to the funding criteria at their discretion, but by Community Board resolution.
- Further, greater flexibility has been provided for successful applicants, whereby recipients of any grants over \$2,500 only must provide an annual report to the Council, detailing the performance and activity of the organisation and illustrating how the Council grant has met the funding criteria. For grants under \$2,500 an annual report is not required, but a ‘reconciliation statement’ outlining how the Council grant was used and met the funding criteria. This supports the Community Board’s requests for greater accountability.
- Previously, the funding criteria included “No assistance is to exceed half of the project or maintenance cost”. This has been removed to provide greater flexibility for smaller projects and funding requests.
- The criteria have been reworked into a more logical order and greater clarity provided regarding the relationship between the community grants and local events grants.

## Implementation

Community Board feedback will be sought on this draft policy prior to Council’s consideration of the policy. This policy comes into effect on 1 July 2013

## Risks

As noted above, local community grants is an area which is not well aligned to the new purpose of Local Government. There is now a risk that this activity is seen as unnecessary and outside Council’s mandate. Council however has committed to deliver on the commitments made in its 2012-2022 Ten Year Plan and will undertake a review of all of its activities and services to inform the 2015 Ten Year Plan.

This policy has been reviewed, and funding criteria revised without consultation with the community. However, Community Board feedback will be sought on this draft policy prior to Council’s consideration of the policy There is no requirement to specifically consult on the policy with the community at this time.

## Measurement and Review

The 2012-2022 Ten Year Plan contains a performance measure which states that 100% of grants distributed will meet the funding criteria. Performance against this measure is reported in Council's Annual Reports.

This policy will be reviewed no later than 30 July 2015 to align with the 2015-2022 Ten Year Plan.

## Definitions

**Community Grant:** a general fund, used to support a range of community projects. The funding is generally for a 'one-off' project, initiative or service. An organisation may receive grants in consecutive years for various activities. General the benefits supported include lower administrative and/or compliance costs for the Council.

**Local Event Grant:** a fund to support locally run community events within the Thames-Coromandel District, whose principal functions and/or activities are of a charitable (not-for-profit) nature.

**Service Level Agreement:** is a contract between the Council or Community Board and an external service provider. Under this arrangement the service provider is required to deliver an agreed level of service on behalf of the Council or Community Board.

**Contract for Community Service:** is a contract between the Council or Community Board and an external service provider. Under this arrangement the service provider is required to deliver a service to the community, as agreed by the Council.

## Policy Statement

The objectives for Community Board grants funding is to:

- encourage and support local solutions to community services and activities
- support not for profit community organisations which have a positive impact on the community.
- recognise, support and enhance volunteer effort in the community
- recognise, support and enhance community diversity and aspirations.

## PRINCIPLES

The following principles underpin the Council and Community Board's approach to grants:

### ***Transparency***

The criteria applied to funding decisions will be readily available and communicated to groups. The Council and Community Boards will also be clear about the decisions it has made and what it expects to achieve with the allocated resources. Recipients of funding must be willing to report publicly on how much support they received from the Council and/or Community Board and what they achieved with the support.

### ***Equity***

The organisational status of an agency (registered charity, unincorporated society, social enterprise etc.) will not be a barrier to funding, as long as the organisation can demonstrate that it is established and operating as a not-for-profit agency. Funding opportunities will be notified as widely as possible.

### ***Accountability***

The Council and Community Boards are accountable for its use of ratepayers' resources including the funding it makes available to not-for-profit organisations. The Council and Community Boards will develop and implement monitoring and reporting systems that allow it to fulfil its obligations to ratepayers. Recipients of funding must recognise that they are undertaking activities through use of ratepayer resources.

### ***Respect***

The relationship between the Council, Community Boards and funding recipients will be based on respect and will acknowledge the accountability, complementary roles and responsibilities of each of the parties.

## CRITERIA

Criteria for local community grants is set out in ***Schedule A***.

In addition to the criteria set out in Schedule A, at the Community Board's discretion it may choose to advise priority areas or themes to add to the funding criteria. (For example, in a

given funding round it may choose to prioritise projects which support positive ageing outcomes) In the case where a Board chooses to apply priority areas or themes to funding criteria this must be done by Board resolution prior to the funding round opening.

In addition to the criteria set out in Schedule A, if an application is for an event, the application must meet the criteria set out in **Schedule B**. This criteria also applies where a community board conducts a specific "event funding" process.

The schedules attached to this policy may be amended by Council resolution at any time.

## **PROCESS**

All local community grants and local event grants will be contestable funding application processes. Applications will be sought as soon as practicable after the commencement of the financial year, and funding decisions made within two months of the application process being advertised.

At the Board's discretion, applications may be considered by the Community Board workshop but decisions must be resolved in a public meeting, under standing orders.

Application processes will be notified as widely as possible.

## **APPLICATIONS**

All Grant applications must include the following information and be submitted on the official application form provided by the Council during the applications process. The application form will be tailored as necessary to each application process.

Late applications will not be accepted.

## **ACCOUNTABILITY**

Recipients of any grants over \$2,500 must provide an annual report to the Council and/or Community Board, detailing the performance and activity of the organisation and illustrating how the Council grant has met the funding criteria.

For grants under \$2,500 an annual report is not required, but a 'reconciliation statement' outlining how the Council/Community Board grant was used and met the funding criteria.

Any Community Grant funds not spent on the project for which the funds were applied for by the close of the Council's financial year must be returned to the Thames-Coromandel District Council unless written approval to retain the funds is obtained from the relevant Community Board.

## **COMMENCEMENT OF POLICY**

This policy comes into effect on 1 July 2013

## **REVIEW**

This policy will be reviewed no later than 30 July 2015 to align with the 2015-2022 Ten Year Plan.

## Schedule A: Community Board Grants Criteria

The criteria which applies for Community Board Grant funding is as follows:

1. Financial assistance will only be available for locally recognised organisations within the Thames-Coromandel district whose principal functions and/or activities are of a charitable (not-for-profit) nature.
2. Preference will be given, but not limited to, organisations that are registered as an Incorporated Society to qualify for Community Grant funding.
3. Applications will be considered on
  - a) merit
  - b) benefit to the community
  - c) contribution to the achievement of Council Outcomes, and/or contribution to the achievement of Community Board priorities
  - d) total cost of the project, event or funding request and proportion of funding requested as a % of total cost.
4. Where a grant is for an event, the event criteria (outlined in Schedule B) also applies.
5. Financial assistance will only be available for a specific project or for the maintenance of a facility, which is of benefit to the community. Community Grants are not for the payment of wages/honorariums or usual operational expenditure.
6. Evidence of other fund raising undertaken and commitment of reasonable percentage of own funds to the project or initiative must be provided.
7. Community grants can be used to cover Council-related expense (for example hall hire)
8. The responsibility of Central Government towards organisations will be taken into account when considering grants for a project that the organisation may already have received funding from Central Government.
9. All applications must be accompanied by a statement of financial position for the previous financial year and a budget projection for the next financial year.
10. All applications must declare any conflict of interest that may exist with the Council, if relevant.
11. All successful applicants must acknowledge the support of the Thames-Coromandel District Council on any correspondence, advertising or other publicity material.
12. Applications must be made on the Thames-Coromandel District Council Community Grants Application Form.

13. Late applications will NOT be considered or carried forward.
14. Any Community Grant funds not spent on the project for which the funds were applied for by the close of the Council's financial year must be returned to the Thames-Coromandel District Council unless written approval to retain the funds is obtained from the relevant Community Board.
15. At the completion of the expenditure every successful recipient must provide a detailed expenditure declaration and a report on the community benefit achieved (or similar)

## **Schedule B: Community Board Events Criteria**

Where a grant is for an event, the following criteria applies. This criteria also applies where a community board conducts a specific "event funding" process.

1. Assistance will only be available for locally run community events within the Thames-Coromandel District, whose principal functions and/or activities are of a charitable (not-for-profit) nature.
2. Preference will be given to organisations that are registered (but not necessarily limited to) as an Incorporated Society or a Charitable Trust to qualify for events funding.
3. The Events fund is not for the payment of wages or honorariums.
4. Only one grant per organisation, per event, will be available in any financial year.
5. Consideration to be given to the viability of the event as a whole and fundraising efforts already shown (e.g. Business Plan, marketing strategy).
6. All applications must be accompanied by a statement of financial position (if available) for the previous financial year and a budget projection for the event.
7. Applications must be made on the form available (Community Events Application Form).
8. All successful applicants must acknowledge the support of the Thames-Coromandel District Council on any correspondence, advertising or other publicity material.
9. Any Community Event funds not spent on the project for which the funds were applied for by the close of the Council's financial year must be returned to the Thames-Coromandel District Council unless written approval to retain the funds is obtained from the relevant Community Board.
10. A report on the success of the event and evidence that the grant was spent appropriately to be provided to the Board within three months of the event.