

SOUTH WAIRARAPA DISTRICT COUNCIL

8 AUGUST 2018

AGENDA ITEM C7

GRANTS POLICY REVIEW

Purpose of Report

To advise Council of the proposed changes to the Grants policy (M700).

Recommendations

Officers recommend that the Community Board:

1. *Receive the Grants Policy Review Report.*
2. *Approve the amendments to the Grants Policy (M700).*
3. *Agree the next review date for policy M700 should be February 2021.*

1. Executive Summary

The policy M700 Grants policy was due for review in February 2018. Due to Long Term Plan commitments, this review was delayed until the LTP process had been completed. During the LTP process, the Audit & Risk working party noted that a number of the grants approved did not strictly comply with the current policy and agreed that the policy should be amended to reflect the wishes of Council to support some community groups in the manner agreed during the LTP deliberations.

The Policy has been reviewed with this in mind and changes made. These changes were presented to the Community Boards and the Audit & Risk working party for their review in July 2018 before coming to Council for approval.

Any changes made are shown as tracked changes on the attached document and incorporate the changes suggested by Community Boards.

2. Discussion

The changes to the policy are summarised below:

Adding that allocation of grants needs to contribute to Council's vision, mission, values and strategic plan.

Add references to Annual Plans (AP) as well as Long Term Plans (LTP) as grants are allocated during both processes. LTPs occur once every three years and APs occur in the two years between LTPs.

To clarify the rules for concessions on licences and bylaw permits for completeness. The Policy previously covered Resource, Building, Plumbing consents, road closures and Council halls, parks and reserves but made no mention of licences and bylaw permits.

To delete references to Council owned buildings not being eligible for concessions under the policy.

To add the requirement for applicants to complete application forms and accountability forms.

To delete reference to pool grants as swimming pool entry is now free in all SWDC pools.

Delete reference to discretionary grants as other changes to criteria make this clause redundant.

Add reference to the new grant regime to be administered via the Maori Standing committee (MSC) going forward and confirm the procedures will mirror those currently carried out by Community Boards (CB).

Add reference to the new Youth grant pool introduced in the 2018/28 LTP process.

Adjust the criteria for grants and "Grants will not be distributed for" sections to reflect the Council's decisions to support some areas that had previously been excluded.

Amend terminology regarding applications and accountability to reflect the new forms introduced as part of the 2018/28 LTP process.

3. Appendices

Appendix 1 – Grants Policy (M700)

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Reviewed By: Paul Crimp, CEO

Appendix 1 – Grants Policy (M700)



GRANTS POLICY

1. INTRODUCTION

The purpose of the Community Grants Policy is the consistent allocation and management of contestable and discretionary community grants awarded at the local or regional level ensuring fairness to all. These grants support the delivery of a wide range of outcomes identified in the South Wairarapa Long Term Plan, Annual Plan, and other key strategic documents.

South Wairarapa District Council's commitment to the provision of grants is one aspect of the Council's overall support function within the community. The total amount of annual funding to be allocated for the purpose of community grants will be decided upon through the Council's Long Term Plan (LTP) and subsequent annual plans (APs). A Community Grant is a 100% rate-funded form of donation to an not-for-profit organisation, ~~generally not-for-profit~~.

It is recognised that Local Authorities are one of the few organisations that can levy a tax, and in this context we are receiving revenue from the ratepayer who has little choice and transferring it to another person or group.

The Policy will ensure that the allocation and distribution of grant funding:

- Is clear on who can apply and for what
- Occurs in a consistent, efficient, effective manner
- Is transparent, equitable, fair and accountable
- Supports the direction outlined in the LTP/AP
- Best meets Community Outcome objectives
- Contributes to the social, cultural and environmental well-being of the community
- Contributes to Council's vision, mission, values and strategic plan
- Assists in strengthening the community and developing self-reliance
- Allows Council and/or its community partners to target areas of highest need.

Throughout this policy "Council" means:

- South Wairarapa District Council (SWDC)
- Community Boards, Committees and Sub-Committees of SWDC

Council's policy seeks to support and resource initiatives that meet identified community needs, which contribute to community empowerment and strengthen communities. Community grants are primarily for the benefit of the district's residents.

Grants will be allocated to organisations which contribute to the community in at least one of the following areas:

- Social
- Environmental
- Recreational
- Cultural
- Arts
- Sport
- Heritage Preservation
- Maori
- Economic Development
- Events

The activities must benefit the South Wairarapa District, or, at the discretion of the Council, the Wairarapa region. Regional funding will be considered on a per capita basis and must show a tangible direct or indirect benefit to South Wairarapa.

2.0 GRANTS

2.1 Eligibility

- 2.1.1 Organisations and groups making an application ~~for a concession~~ must be not-for-profit, and not involved with any commercial activity. They must be South Wairarapa based or with a distinct activity in the District and be in line with the objectives and community outcomes of the South Wairarapa District Council Community Plan.
- 2.1.2 They should preferably be incorporated in their own right or directly linked to another incorporated organisation, ~~that is (e.g. Martinborough Round the Vines and Martinborough School)~~.
- 2.1.3 Individuals may not apply.
- 2.1.4 Applicants may not be in receipt of any other Council concessionary or financial support, approved or given for the same financial year. Not-for-profits may apply for (Excludes Community Board grants) in addition to Council grants.

2.2 Concession for Charitable and like community organisations and groups

Services and Facilities for which a Concession may be given.

2.2.1. Planning and Regulatory.

2.2.1.1 Applications for Resource, Building or Plumbing Consents and Licences and Bylaws Permits are not eligible for a concession, either monetarily or otherwise. However, affected organisations may seek a grant from the Council in accordance with its policies and practices in respect to grants.

2.2.1.2 Road closures for street days or other fund-raising activities are eligible for a concession of up to 50% of the cost of any related advertising, ~~that is placed by the Council.~~

2.2.2 Council Halls, Parks and Reserves.

2.2.2.1 A concession of up to 50% of the cost or a charge for rent or similar fee payable for the short term use of a Council owned facility may be given. Except where a concession is already built in and disclosed in the charge.

2.2.2.2 Deposits required against due performance may not receive a concession.

~~2.2.3 Lessees of all or part of Council owned buildings and facilities are not eligible for a concession under this Policy.~~

2.3 Annual Grants

As part of the Long term Plan or Annual Plan process Council nominates funds to support Community organisations delivering against Council objectives. These funds can be applied for through the Long Term Plan and Annual Plan submission process. Applicants need to complete a grant application form and provide an accountability form once the grant has been allocated. Copies of these forms can be found on SWDCs website.

2.4 Discretionary Grants

~~Council may, at its discretion, provide grants up to \$2,000, which do not fall into any of the above categories but meet the criteria in section 3 of this Policy. An amount for discretionary grants will be identified in Council's Annual Plan.~~

2.5 Special Grants

2.5.1 Creative Communities Grant

The Creative Communities Scheme supports and encourages local communities to create and present diverse opportunities for accessing and participating in arts activities within the South Wairarapa. The scheme is a partnership between Creative NZ and the Council who administer the scheme. Recipients must show that the proposed project meets one or more of the funding criteria: Broad community involvement, diversity and/or young people. Individuals may apply for these grants.

Applications are considered 2-4 times per year by the Local Assessment Committee.

2.5.2 Sport NZ Grants

The Sport NZ (formerly SPARC) Rural Travel Fund is open to South Wairarapa sports clubs and school teams with young people aged between 5 and 19 years who require subsidies to assist with transport expenses to local sporting competitions. The scheme is a partnership between Council and Sport NZ and was developed in response to concerns about the lack of participation in sport by young people living in rural communities. Individuals may not apply for these grants.

Applications are considered annually by the Local Assessment Committee.

~~2.5.3 Pool Grant~~

~~Pool passes may be granted for use as player of the day awards for sports teams, prizes at community fundraisers etc where no other sponsorship has been obtained.~~

2.5.4 Community Board Grants

Each community board (CB) has their own funds and policy to support the distribution of their funds. These can be found on www.swdc.govt.nz

2.5.5 Maori Standing Committee Grants

From the 2018/19 financial year, the Maori standing committee (MSC) has been allocated grant funding to be administered in a similar format to that of the CB grants. These will need to meet the grant criteria set by the MSC and application and accountability forms will be required to be completed.

2.5.6 Youth Grants

From the 2018/19 financial year, SWDC will allocate grants targeted at youth development in addition to the general community grants. These will require application and accountability forms to be completed. These grants will be allocated as part of the LTP or AP process along with general community grants.

3. CRITERIA FOR GRANTS

- ~~• There must be an identifiable project, except for discretionary grants~~
- Organisations must demonstrate the ability to responsibly plan and administer the project
- The organisation must be a non-profit organisation, except in relation to economic development and heritage grants.
- Except for [Sport NZ \(formerly SPARC\)](#), grants cannot be for individuals.
- ~~• Except for economic development grants, a grant must not be for economic gain.~~
- The project must be of economic, environmental, social or cultural good to the community or district, consistent with community priorities established in the current LTP or AP
- Grants must support Council's objectives of achieving equity and fairness throughout the district
- When considering applications Council will give recognition to funds already approved, including base funding, ~~minor grants and rates funding~~ before making allocations from the funding pool.
- Council May seek comments and recommendations from the Community Board or Maori standing committee ~~or from other members of the Council~~ should it be deemed necessary.

- ~~• Applicants can seek advice from the administering body about what can be applied for.~~
- Funds must be used only for the purpose for which they were sought and/or approved, and in accordance with any terms or conditions imposed by the grant distributors ([e.g. Creative communities or Sport NZ](#))

Further considerations to be made when deciding on Community Grant distribution:

- The level of compliance with the requirements by the applicant on any previous grant from the South Wairarapa District Council or grant distributor
- Collaboration or partnerships with other groups or organisations and minimising of duplicated services
- The ability of the applicant to successfully deliver the services (demonstrated by the adequacy of the organisation's structures, its financial and management practices and previous track record for services or projects)
- Other possible sources of funding available to the applicant and its fundraising capabilities
- The applicant's compliance with all relevant legislative requirements and standards of good practice.

4. GRANTS WILL NOT BE DISTRIBUTED FOR

~~4.1 Activities that subsidise on-going organisational activity, unless by prior agreement by the Council, such as:~~

~~Capital improvements to facilities not owned by the applicant (except for community infrastructure previously supported and/or owned by Council)~~

~~Wages/salaries~~

~~Administration expenses~~

- Overseas travel
- Reducing debt servicing
- ~~• Food/Catering~~
- ~~• Subscriptions~~
- Prizes/trophies

• ~~Entry fees~~

- Private expenses outside of the agreed project scope
- Services or projects seeking to promote commercial, political or religious objectives, including political advocacy projects or commercial enterprises
- Costs associated with fundraising events where profits are redistributed to another group

4.2 Applications in retrospect

4.3 The complete cost of a project

4.4 ~~R~~ates as these are covered under the rates remission policy.

5. APPLICATION

5.1 Applications must state in writing using the SWDC grant application form:

- Description of the project
- Benefit to the ~~c~~Community or ~~D~~istrict
- Total cost of the project
- Reason for the project
- ~~Outcomes of the project~~
- Contribution, if any, by applicant or other organisations

5.2 Applications over the amount of \$5,000 must have accompanying:

- Financial statements and a full project budget

5.3 Applications must be received at least 2 weeks prior to the event/activity.

5.4 Applications will not be considered in retrospect.

5.5 A decision made in respect to an application for a concession is final and there is no right of appeal

6. PAYMENT OF GRANTS

6.1 All applicants will be notified in writing of the outcome of their application for funding.

6.2 Grants are payable upon receipt of the necessary documentation from the applicant:

- a GST invoice, where applicable, for the grant
- proof of expenditure, such as invoices if requested at the time the grant is approved
- a deposit slip with account number and organisation's name
- ~~documentation to prove that the purpose for which the grant was given has been fulfilled.~~

6.3 In special circumstances, a grant may be paid out in advance of the expenditure being incurred.

6.43 The recipient is required to inform the grant distributors if any difficulties and/or potential difficulties arise which may compromise the service or project.

7. ACCOUNTABILITY

7.1. ~~Expenditure returns~~An accountability report is are required from an organisation receiving funding, either:

- as soon as the funds are spent, or
- within ~~one (1) calendar year~~9 months of receipt of funds, whether spent or not

7.2. Any unspent funds must be returned to SWDC within one year of receipt unless there is prior agreement to carry over such funds.

7.3 Any discrepancies in funding (e.g. funds spent on other than the intended project) may result in an audit of the organisation's accounts and a request to return the grant funding to SWDC.

7.4 Organisations receiving a grant over \$5,000 must provide Financial Statements disclosing the grant and the purpose to which the grant was put.