

Whangarei District Council Policy

**Grants, Concessions and
Loans Policy**

**Policy
0031**

Policy title			
Audience (Primary)	Internal/external*	Business Owner (Dept)	Community Development
Policy Author	Jonny Gritt and Cindy Velthuisen	Review date	2020

1 Purpose

This Policy provides principles on Council's provision of grants, concessions and loans to the community.

The objective of this Policy is to align allocation of community funding with Council's Community Outcomes as outlined in each Long Term Plan.

The Council's provision of community funding is one aspect of Council's overall support for communities in the Whangarei District, and supports the achievement of a vibrant, attractive and thriving district.

2 Definitions

Grants	Payments that have not been arranged through a contract tender process.
Concessions	Where payments to Council would be due, but Council has chosen not to charge, which have not been arranged through a contract tender process.
Contracts for services	Agreements to make payments to a contractor, based on them meeting agreed deliverables. These agreements have been arranged following Council's procurement process.
Contestable	Grants where a fixed amount of money is available that applicants can compete for a portion of. The outcome varies based on criteria in the application process.
Non-contestable	Grants where a fixed number of organisations are granted a fixed amount of money on a predetermined outcome. Applicants do not compete for a limited amount of money.
Not for profit	Any society, association or organisation that is not carried on for the profit or gain of any member, and whose rules state that any money earned or donated is used in pursuing the organisation's objectives.
Community of place	Members of our District that can be identified by the geography of where they live.
Community of people	Members of our District that can be identified by common characteristics including ethnic, physical, or otherwise.
Community of interest	Members of our District that can be identified by their common interests or pursuits.

3 Context

This Policy operates within the greater context of the Local Government Act 2002 and Council's policies and strategies:

- Long Term Plan – in particular, Community Outcomes
- Rates Remission and Postponement Policies
- Youth Policy
- Accessibility Policy
- Arts, Culture and Heritage Policy
- Positive Aging Policy
- Community Halls Strategy.

In addition, the Recreation Strategy (in development) will also be used in the implementation of this Policy.

3.1 Community Outcomes

Council's Community Outcomes, adopted with each Long Term Plan, guide Council's activities. They are the set of aspirations that the community has told Council are the most important for Whangarei District. All grants, concessions and loans seek to support the Community Outcomes. These in turn ultimately support the vision of a vibrant, attractive and thriving District.

The Community Outcomes that Council has agreed to for the 2018-28 Long Term Plan are:

Efficient and resilient core services

- It is easy and safe to travel around the District for everyone.
- There are opportunities to walk and cycle.
- The District is well prepared for growth and can adapt to change.
- Services are supplied in ways that benefit the environment.

Caring for the environment

- Communities work to keep the environment clean and healthy.
- Access to the coast for people is protected.
- Open spaces in parks and streets are places where nature thrives.
- The District is positively adapting to climate change.

Positive about the future

- The District has productive land and people and a thriving City Centre.
- There is a fair urban/rural balance.
- Council has clear and simple documents and rules.
- The District embraces new technology and opportunity.

Proud to be local

- The District is neat and tidy and looks attractive.
- Public areas feel and are safe.
- There is always something to do and see.
- There are opportunities for people to be active across all abilities, ages and life stages.

4 Scope

All community investment, in the form of grants, concessions and loans provided by Council are within the scope of this policy.

Any contracts which were put into place by following the appropriate Government procurement policies are specifically excluded by this policy. This includes, but is not limited to tendered contracts for service (CFS) and preferred supplier arrangements.

Grants, concessions and loans are provided from a wide range of business units across Council and are provided to a range of entities and individuals.

Sometimes this will include Council distributing central government funds (e.g. Creative Communities Scheme); or partnering with organisations to assist or lead development of funding sources.

4.1 In-kind contributions

Council sometimes makes "in kind" contributions to organisations in the form of donations of products, goods or services.

For the purposes of this policy, in kind contributions generally do not require any agreements or reporting from the recipient.

In kind contributions need to be considered as part of an organisation's entire package of support from Council.

5 Principles

Council recognises the need for a balanced mix of social amenities and services that meet the needs of the diverse communities that make up the District.

This mix is to be delivered district-wide, embracing our diverse communities of place, people and interest.

To meet those different needs Council provides funding to external parties in the form of grant payments, concessions and community loans.

An open and transparent process ensures Council puts these limited funds to good use in serving the Whangarei District.

Council aims to ensure that generally expected and iconic or unique events, services and community led initiatives are supported through this policy.

5.1 Key principles

The following principles apply to Council's community funding and support:

- accessibility
- consistency
- diversity
- effectiveness
- efficiency
- equity
- flexibility
- inclusion
- transparency.

5.2 Delivery

Council's principles for how grants, concessions and loans will be delivered, are that:

- Council aims to enable greater diversity and flexibility in the applications for funding that may be considered
- Guidance will be provided to make the application process as easy as possible

- Council staff will advise applicants on how to deliver a sound funding application, and how to access other sources of financial and non-financial support.

5.3 Criteria

Council generally will consider financially supporting applicants:

- That are a not for profit, legal entity (or are working under a suitable umbrella organisation that meets the criteria)
- That demonstrate appropriate financial management, planning and governance
- That have a positive track record of use of funding from Council (if previously funded)
- That are up to date with any required reporting to Council (if previously funded)
- That are not applying for funding for an activity that Council is already providing the organisation financial support for.

Council generally will consider financially supporting projects and activities:

- That align with Council's vision, strategic direction and role
- That contribute to Council's Long Term Plan (LTP) Community Outcomes
- That contribute to one or more of the Funding Priorities
- That align with the Community Development Framework
- That benefit the wider community or a sector of the community
- That respond to a current or future community need
- That demonstrate good financial management, planning and governance.

Council generally will not support:

- Activities or projects:
 - where the primary purpose is to promote religious, political, or commercial activity
 - it considers are the core business of another organisation or service provider
 - it considers the responsibility of a central government agency
 - that start before funding decisions are made
- Debt servicing, social functions, gambling or prize money, travel costs, conference fees, costs related to fines or disputes
- Retrospective expenses incurred before the closing date of a fund
- Applicants it has significant concerns with, financial or otherwise
- Applicants that have sufficient revenue or resources to fund the initiative themselves.

Council may from time to time choose to consider applications for funding outside of these criteria.

5.4 Grant limits

Council may set funding limits from time to time as a blanket rule for all community funding and/or against categories of funding, projects or other criteria.

Funding limits are detailed in the Community Funding Guide.

Council wishes to "fund for success" so reserves the right to vary grant limits and will consider applications for more than the maximum indicated in exceptional circumstances.

Council recognises that granting a portion of an application can be ineffective in situations where the balance required may not be forthcoming. In these circumstances, while an application may be supported in principle, Council funding may be declined.

In general, an applicant may only receive one grant per financial year (1 July – 30 June). Grants from the Creative Communities Scheme, or those received as an umbrella group on behalf of another organisation, are excluded from this count.

6 Processes

The general processes which relate to this Policy are outlined below. Details on how to apply for funding can be found in the Community Funding Guide.

6.1 Administration

The Community Development department has an overview role for all Council's grants, concessions and loans, and for this Policy.

Community Development staff will:

- ensure funding is administered in line with this Policy
- ensure budgets for funding are set in advance
- collate annual reporting to Council
- liaise with all relevant departments that are involved in providing grants, concessions or loans.

6.2 Policy amendments

Any amendments to this Policy will be considered for recommendation by the Community Funding Committee, and referred to Council for approval.

6.3 Budgets

The Annual Plan sets out the budget and explains how Council intends to finance the activities and services it provides for the next financial year as directed by the current Long Term Plan.

Once allocated, these budgets are administered by Council staff.

6.4 Application, assessment and approval process

All requests for support from Council must be made on the appropriate application form for grants, concessions and loans, with requested supporting material provided.

Applicants will generally be asked to provide answers to the following questions in support of their funding requests:

- How do you know there is a need for your project, programme or service?
- What difference will your project make?
- Who and how many people will benefit?
- What controls and checks do you have in place to manage the funding?
- How ready is your organisation to deliver the project, programme or service?
- Who will you work with to deliver your project, programme or service?
- How will you demonstrate value for money and the impact of your work?
- How does your project, programme or service meet best practice and is it evidence based?

The process for assessing each request for funding will vary between funding mechanisms.

Funding approvals are made in accordance with delegated authorities established by Council from time to time. As such, some funding will be decided by Council or Council Committees, while others will be decided by Council staff under the delegated authority of Council.

The decision of Council on distribution of funds is final and no review or appeal will be considered.

6.5 Recipient Agreements

All grants, concessions and loans must have in place a written agreement between the recipient and Council.

The nature of these agreements varies based on the size, type and significance of the grant, concession or loan.

6.6 Recipient Reporting

Reporting to Council from the recipient is required for many grants, concessions and loans.

The nature of the required reporting varies based on the size, type and significance of the grant, concession or loan.

Reporting requirements are publicised at the start of each funding round, and provided to successful applicants prior to payment.

6.7 Reporting to Council

Within three months of the end of each financial year, Council staff will submit a report to Council on the grants, concessions and loans activity for the previous financial year (1 July-30 June). This report will provide a comprehensive summary of Council support to external parties via grants, concessions and loans.

7 Financial support

7.1 Grants

Council provides a range of grants to external parties.

Fund budgets, funding limits and criteria for each type of Fund can be found in the Community Funding Guide.

One-off grants	These arise from requests made through submission to the Annual Plan or Long Term Plan. The grants are typically for capital developments or significant events.
Contestable grants	Traditional, application-based community grants open during regular funding rounds. Applicants compete for funding from a limited fund budget.
Special operational grants	Provided annually to selected organisations that provide valued services and facilities to Council and communities. These are non-contestable grants, in that a fixed number of organisations are granted a fixed amount of money on a predetermined outcome.

7.2 Concessions

Council provides concessions to external parties at its discretion. Criteria for concessions can be found in the Community Funding Guide.

One-off concessions	These arise from requests made through submission to the Annual Plan or Long Term Plan, or otherwise in Committee. These concessions are entirely at the discretion of Council.
Operational concessions	These can be provided to organisations and individuals that offer valued services and facilities to Council and communities. These may be in the form of: <ul style="list-style-type: none">• Rent concessions• Parking concessions• Other discretionary concessions.

7.3 Community Loans

Council offers interest-free Community Loans from two Funds:

Reserve Development	For developing community assets for recreation purposes on Council owned land.
Recreation Development	For developing community assets for recreation purposes on land that is not Council owned.

For the purposes of Community Loans, "Recreation" is defined as "activity done for enjoyment when one is not working". The criteria for these loans is stated in the Community Loan Application Form and Guide.

8 Multiple grants and concessions

Where one entity receives multiple grants and/or concessions from Council for a range of purposes, care must be taken to ensure that agreement and reporting requirements take all arrangements into consideration. In most cases this will result in one funding agreement and one set of reporting required.

The agreement and reporting requirement should reflect the total of all grants and concessions and encompass all requirements of all grants and concessions.

An organisation's entire package of grants, concessions, loans and any in kind contributions must be taken into consideration when assessing Council's contribution each year.

9 Adoption

This Policy was approved for adoption by the Manager - Community Development and the General Manager - Community in July 2018.

Policy adopted by Whangarei District Council Resolution on 26 July 2018.