

# Grants Policy

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## Purpose:

Central Otago District Council contributes to the social, economic, environmental, and cultural wellbeing of the local community through the contestable grants process.

## Principles and objectives:

The **objectives** of the contestable grants process are:

- Enhance well-being in the district (social, economic, environmental, and cultural)
- Empower local communities
- Facilitate the delivery of community outcomes
- Promote our Regional Identity: Central Otago A World of Difference

The contestable grants process is aligned with the following Community Outcomes:



The policy recognises the following core **principles**:

**Transparency** Council commits to transparency in all respects and at all stages of the process.

**Fairness and equal opportunity** Council values all of Central Otago's diverse communities. All applicants will be treated equally and fairly in all aspects of the process.

**Partnership** Council recognises the critical contribution that the community and voluntary sector makes in building a more liveable district.

**Effectiveness** Council is committed to ensuring ratepayer funds are used for genuine community benefit.

**Accessibility** Council ~~will~~ make all reasonable efforts to ensure that the public is well informed on funding opportunities available and that all information about grants is easily accessible.

Council provide clear guidance on what is required from those applying for funding and will take all reasonable steps to provide assistance to those completing applications.

**Efficiency**

Council will handle the applications without placing undue burden on applicants.

## Scope:

The policy applies to ratepayer funded grants operated by Council. It does not apply to external grants administered by Council.

## Definitions:

**Grant**

A grant is a fund given by Council to a group or individual for a specific purpose with a wider public or community benefit. Grants do not need to be paid back.

### Types of grants

**Community Grants**

Funding for community groups or for individuals undertaking activities with a community benefit. Council's Community Grant funding is not limited to projects and can be used to fund ongoing activities.

**Promotions and Events Grants**

Funding for events or activities that enhance the experience of locals and visitors.

## Policy:

### Contestable grant process

All Council and Community Board grants will be awarded through a contestable process to enable decision makers to compare funding proposals and allocate grants as fairly as possible.

Applications are invited during scheduled funding rounds, with publicly advertised opening and closing dates.

Every eligible organisation and individual have an equal opportunity to be considered for a grant.

Final allocation decisions are made in a public forum.

### Funding rounds

Funding rounds occur twice per year and opening and closing dates for the applications are publicly notified.

Applications outside the funding cycle will only be considered in exceptional circumstances, including those allowed for below in the Chairpersons Fund.

## Chairpersons Fund

If chosen by the relevant Community Board, up to \$2500 from the board's annual grant allocation can be held in a Chairpersons Fund. This is an option for both Community Grants and Promotions & Events Grants.

The decision about the size of the Chairpersons Fund is made by the relevant board at the beginning of each triennium. For clarity, this is the first grants round following the approval of the Long-term Plan.

This fund can be utilised for smaller applications – of less than \$1000 – that are received between funding rounds, usually when waiting until the next round will cause a challenge or inconvenience to the relevant group, individual, promotion or event.

Applications must still meet the grants' criteria and Council staff will assess the application and provide advice to the Community Board Chair. The Chairperson has the discretion to approve or decline the application. The outcome is reported at the next meeting of the relevant board.

Recipients must complete the accountability and reporting requirements. Recipients of the Chairpersons Fund will be ineligible for the following round of grants funding, except in extraordinary circumstances as managed by Council's Grants officers.

## General criteria

Applications are assessed against criteria applied equally and fairly to all applications within each funding round.

Assessment criteria is publicly accessible and published on our website. Assessment criteria may change between funding rounds. Community Boards or Council may add additional criteria or areas of priority to a specific funding round.

Organisations and individuals must have appropriate health and safety practises, planning and governance, and demonstrate readiness for the receipt of funding and its appropriate use.

One application per year per applicant will be considered, except in extraordinary circumstances as managed by Council's Grants officers.

## Financial requirements

It is required that applicants for Promotions and Events Grants have a potential to become self-sustaining and can demonstrate a plan to deliver on this. Promotions and Events Grant funding is available on an annual basis, over a period of up to five years per event. Applicants must apply each year and Council do not guarantee the success of any future application.

For clarity, the relevant Community Board have the discretion to reduce or extend this timeframe based on information provided by the group, or individual, in their accountability reporting back to the Board.

Applicants must:

- have appropriate financial management, planning and governance, and demonstrate readiness for the receipt of funding and its appropriate use
- have a positive track record of using Council funding and are up to date with required reporting (if previously funded).

When receiving Grants over \$10,000, funding can only be provided to the bank account of an entity. It is preferred that the bank account has at least two people with the right to sign.

## Excluded activities

The following projects and activities will not be funded:

- where the primary purpose is to promote religious or political activity
- where the project is part of the core business of another public organisation or service provider
- debt servicing or repayment
- legal expenses
- medical expenses
- physical works that have not received the required consents or permits
- purchase of alcohol.

The following may be considered but usually will not be funded:

- The purchase of infrastructure or large physical items to be used to support a one-off event or promotion, such as sound systems or gazebos.

## Retrospective expenses

Where the project or activity has already taken place, funding will not be awarded retrospectively, except in exceptional circumstances.

## Allocation of funding

The funding pool available for grants will be set by Council in collaboration with Community Boards every three years through the Long-term Plan process. No individual grant applications will be accepted during the Long-term Plan consultation process. The funding available for each different grant type will be advertised when applications are publicly called for.

All grants will need to be spent within one year of being awarded, unless an extension has been granted. Where funds remain unspent following project completion, these must be returned to Council. If the project does not proceed, funding must be returned to Council.

Where a group generates a profit and seeks to return the investment into the community, it is preferred that excess funding is returned to Council for redistribution to the community through the contestable process.

## Multi-year grants

Council and Community Boards have the discretion to allocate Community Grant funding on a recurring basis for up to three financial years within a current long-term plan. If a grant is to be awarded for the maximum term of three financial years, this must be done during year one of the relevant long-term plan.

Recipients of grants awarded for multiple years are not required to re-apply each year. Recipients must report annually on the progress and the outcomes delivered from the grant money already received. Satisfactory progress must be demonstrated before funds will be released for the following year.

All multi-year funding is subject to change should Council's financial position require it.

Promotions & Events Grants are not eligible for multi-year funding.

## Awarding of partial grants

In the event a grant is awarded for less than what was requested, Council and Community Board members may stipulate what part of the project or activity the grant is to be used for. Recipients cannot use the funding for any purpose other than that is stipulated.

## Accountability requirements and proportionality

All recipients are required to complete and submit a Report back – Accountability Form for monitoring and evaluation. Failure to submit this form will impact on the ability of the recipient to receive future funding from the Council.

A tiered approach to accountability and application requirements is taken. The processes and documentation that applicants are asked to complete are proportionate to the size of the grant, with higher dollar value grants having greater accountability requirements.

## Relevant legislation:

Local Government Act 2002

## Related documents:

[Central Otago Destination Management Plan](#)

[Community Guide to the Grants Process](#)

Eventful Central – Event Development Framework

## Appendix One: Community Grant criteria

Community Grant Criteria	
Is a community led activity	
Clearly demonstrates community benefit	
Has a positive impact on Social Well-being or contributes toward the Connected Community outcome in the district	Application should meet one or more of these criteria
Has a positive impact on Cultural Well-being in the district	
Has a positive impact on Environmental Well-being or toward the Sustainable Environment community outcome in the district	
Has a positive impact on Economic Well-being or contributes toward a Thriving Economy in the district	
Is well planned and defined	
Demonstrates value for ratepayers	
Builds or strengthens community organisations	
Strategic alignment	

## Appendix Two: Promotions and Events Grant criteria

Promotions and Events Grant Criteria
Directly enhances user experience
Supports approved strategies and plans, including the Eventful Central – Event Development Framework
Shows alignment with the Destination Management Plan, including how it attracts and retains visitors and has broad economic and/or community benefits
Delivers community outcomes
Is well planned and defined
Benefits are demonstrated clearly
Costs are clear and reasonable
The applicant shows organisational capability
Shows progression toward sustainability, including financial sustainability