



GRANTS MANAGEMENT POLICY

2019



DUNEDIN | kaunihera
CITY COUNCIL | a-rōne o
Otepoti

dunedin

Dunedin City Council Grants Policy

1. DCC grants funding

- 1.1. The Dunedin City Council makes a significant contribution to the social, economic, environmental and cultural wellbeing of the local community, and its natural and built environment via its contestable grants, discretionary funding and community service agreements.
- 1.2. The DCC Grants Policy sets out the Council's expectations for the prudent and transparent allocation and administration of grants funding, and outlines the responsibilities and obligations of the DCC Grants Subcommittee and any other group or individual that is delegated authority by Council to approve grants funding.
- 1.3. The Grants Policy also provides assurance to the community, ratepayers and other stakeholders of Council's commitment to prudent decision-making, probity and transparency, and the responsible management and delivery of all its grants funding programmes.

1.4 Definitions

a) **Contestable grants**

- Funding to support the delivery of a clearly defined activity, project or initiative
- Monies are awarded through a publicly contestable process
- Allocating group assesses funding proposals and allocates limited funds as fairly and strategically as possible
- Applications are invited through scheduled funding round(s), which are publicly advertised and have an opening and closing date (certain grants funding up to \$500 may be made available through a year-round application process)
- Eligible entities have an equal opportunity to be considered for a grant
- Clearly-defined assessment process is applied to all applicants in a transparent manner
- Financial allocation is discoverable and public.

b) **Discretionary funding**

- Funding allocated outside DCC grants round schedules and/or outside allocated grants budget
- In such instances where:
 - the organisation has a compelling reason for funding allocation
 - application cannot be addressed within scheduled grant rounds or established criteria
 - funding would significantly contribute to one or more of the Council's strategic goals
 - non-supply of funding would significantly impact upon one or more of the Council's strategic goals.

c) **Community service agreement**

- One-off or time-bound (typically one to three year) agreement between the Council and an external entity to supply a community service or activity, or manage a community facility on behalf of the Council.

1.5 Principles:

The DCC Grants Policy recognises the following core **principles**.

- a) Encourage the development and delivery of social, economic, environmental and cultural opportunities for all residents and visitors, and support the local natural and built environment.
- b) Encourage partnerships and pathways that support community wellbeing and resilience.
- c) Support community aspirations by establishing effective public engagement and participation forums that are accessible and appropriate.
- d) Acknowledge and celebrate the social, cultural and ethnic values of our communities.

1.6 Objectives:

The **objectives** of this Grants Policy are:

- a) to outline the grants funding needs and expectations of local groups, communities and organisations, establish what types of grants funding are available, and specify which projects, activities and initiatives are eligible for funding
- b) to establish and maintain a structured, transparent and responsible approach to the fair distribution of DCC grants funding
- c) to establish and maintain effective monitoring and reporting practices with regards grants applications, decisions and funds allocation, and accountability for the use of funds
- d) to increase the resilience, effectiveness and efficiency of communities, groups and other local entities through the provision of advice on activity planning and funding options, including from alternative sources outside the Council.

1.7 Strategic alignment:

The Grants Policy seeks to ensure all grants funding:

- a) supports community engagement with, and active participation in the DCC Strategic Framework and 10 Year Plan
- b) promotes activities that demonstrate a contribution to the social, economic, environmental and cultural wellbeing of the local community, and the local natural and built environment as outlined in the DCC Strategic Framework and 10 Year Plan
- c) encourages the creation and delivery of local community-focused groups, initiatives and activities.

Figure One: DCC strategic framework



2. DCC grants funding categories

2.1 DCC contestable grants funding may be categorised according to six funding 'streams' as follows:

- a) **Community support grants**
 - Neighbourhood matching grants
 - Place-based community grants
 - Community grants
 - City service/city project grants
 - Small project grants
 - Landfill grants
- b) **Events Grants**
 - Community events grants
 - Major community events grants
 - Premier events grants
- c) **Arts Grants**
 - DCC arts grants
 - Small project grants
 - Professional Theatre Fund
- d) **Property Grants**
 - Rates relief
 - Heritage funding
- e) **Environmental Grants**
 - Biodiversity grants
 - Waste minimisation grants
 - Te Ao Tūroa grants

f) **Third-party administered grants and funding**

Funding administered by, or on behalf of the DCC including:

- Creative NZ Creative Communities Dunedin Scheme
- Healthy Homes (administered through the Cosy Homes Trust)
- Warm Dunedin Programme
- Consumer Electricity Fund (administered through identified Budget Advisory Services)
- Puaka Matariki Festival Grants (administered through the Festival Steering Roopū).

2.2 DCC grants funding allocation is subject to change. Full details regarding DCC grants and eligibility criteria are announced annually through the Council's public notification processes. Visit www.dunedin.govt.nz/services/funding-and-grants for the latest up-to-date information.

3. DCC grants funding general criteria

3.1 Eligibility criteria

The following general eligibility criteria apply to the provision of all DCC contestable grants funding as outlined in this Policy:

- a) Grants funding shall support community activities, initiatives and facilities that can demonstrate a positive contribution to the social, economic, environmental and cultural wellbeing of the local community, and the local natural and built environment.
- b) Grants funding shall support those community activities, initiatives and facilities that can demonstrate clear alignment with the Council's Strategic Framework and 10 Year Plan, and the Principles and Objectives outlined in this Policy.
- c) As the DCC is a complementary rather than a primary funder, priority may be given to applicants that can demonstrate they are seeking other sources of funding.
- d) Applicants must be able to demonstrate that there is both community need and support for the project or activity.
- e) Applicants must demonstrate the ability to plan and deliver projects in an efficient manner.
- f) Applicants must be able to demonstrate financial sustainability. Priority may be given to those groups or organisations whose current assets minus current liabilities are less than two years' running costs.
- g) A proportion of overhead costs (salaries, rent, etc.) relating directly to the project or activity may be included in funding applications.
- h) Applications for funding to purchase land or buildings may be considered if they can demonstrate a greater community good, rather than serving the needs of, or benefiting individuals or an organisation. For equipment grants, preference may be given to organisations demonstrating that they share equipment with other community groups.
- i) For grants that support the development of community facilities, priority may be given to applicants that are able to demonstrate how funding will meet shortfalls identified in the organisation's strategic plan, membership trends, management structure and public access/ promotional plans etc.
- j) The DCC may take into consideration any current or previous DCC funding the applicant has received when assessing a grant application. All contestable grants, discretionary

funding, loans and any other type of funding received from the DCC must be disclosed as part of a grant application.

- k) A failure to return grants accountability forms and documentation required for previous DCC funding allocation may result in a denial of new funding applications.
- l) The DCC seeks to encourage organisations to work together to achieve common goals. Joint applications will be considered without prejudicing other applications from individuals, groups and organisations.
- m) All funded activities are required to comply with current NZ legislation including the Health and Safety at Work Act 2015.

3.2 Projects which do not qualify for DCC funding

No DCC grants funding shall be awarded for:

- a) An activity that may be deemed unethical, infringes the rights of an individual or group, or that is considered detrimental to the social, economic, environmental and cultural wellbeing of the community.
- b) An activity that poses a conflict of interest for Council, the Grants Subcommittee or any other group or individual that is delegated authority by Council to assess and approve grants funding.
- c) An activity that is undertaken by, and for the benefit of a commercial or profit-orientated organisation, unless it can demonstrate a significant contribution to the social, cultural and economic wellbeing of the local community, and its natural and built environment – in line with Council Strategic Framework and 10 Year Plan.
- d) A project, activity or event that is primarily for a religious, political or fundraising purpose.
- e) Uniforms or costumes.
- f) Conferences, unless there is a public session(s) which must be advertised.
- g) Travel for meetings, events or conference attendance, except where volunteer training is the primary purpose.
- h) Projects that have commenced or equipment that has been purchased before the funding decision has been made (unless allowance has been made in the specific grant criteria).
- i) Activities of health and education organisations which are predominantly funded by central government, its subsidiaries or agents. However, this does not exclude those organisations or community groups/ partnerships that do receive central government funding (including health and education funding) from applying for a DCC grant for an eligible activity that the government does not specifically fund as part of its contracted activities.

4. DCC grants funding management

4.1 DCC management responsibilities

- a) Information on DCC grants funding opportunities, eligibility criteria, application closing dates and associated application forms and documentation will be made publicly available at all DCC Service Centres and Libraries, and on the DCC website. Notification of funding opportunities will also be advertised within appropriate local media channels.
- b) DCC staff shall be made available to provide information and support to ensure all eligible parties have full and fair opportunity to apply for Council funding. This includes holding grants funding workshops as required to ensure community awareness of grants funding opportunities and understanding of the application process (annually at a minimum).
- c) All grants funding applications shall be directed to the relevant staff member responsible for the processing and recommendation of applications for approval to the Grants Subcommittee, or other group or individual that is delegated authority by Council to approve grants funding.
- d) The DCC Grants Subcommittee and any other group or individual that is delegated authority by Council to approve grants funding shall review all applications that have met eligibility criteria.
- e) DCC staff responsible for assessing funding applications, and DCC Grants Subcommittee members or other groups or individuals delegated authority by Council to approve grants funding, shall disclose any conflicts of interest and withdraw from the assessment or allocation process of identified applications.
- f) DCC staff shall ensure that records of all grants funding applications, assessments, approvals, funding terms and conditions, allocation and expenditure of funding be kept in accordance with the DCC's Document and Records Management policies.

4.2 Funding applications

- a) All grants funding applications must be submitted in accordance with the requirements and format specified by individual grants criteria.
- b) DCC grants funding applications may be required to include:
 - Latest reviewed or audited financial accounts and balance sheet
 - Details of previous Council grants, discretionary funding, loans and any other funding received from the DCC
 - Outstanding Expenditure Returns for previous funds received from the DCC
 - A deposit slip with account number and name
 - A GST number if registered.
- c) Applicants may only apply for one project per grants funding application.
- d) The application process, from the closing deadline until notification, is expected to take a maximum of nine weeks. Applicants will be informed should it be necessary to extend this period.
- e) No late applications will be accepted, subject to point f) below.

- f) Applicants are expected to submit full and complete applications. Where an applicant has failed to complete an application correctly or has not provided all necessary documentation, the applicant shall be made aware of the error and given an opportunity to return the amended documentation in full.

4.3 Application assessment and approval

- a) The DCC shall at all times act with integrity, objectivity and in a fair and reasonable manner.
- b) The DCC shall ensure full probity in its decision-making processes. All grants funding decisions shall be appropriate and transparent, fair and defensible, within budget, and free from any real or perceived bias or conflict of interest.
- c) The DCC shall maintain comprehensive records of all grants funding applications, assessments and allocation, to ensure transparency in its decision-making, appropriate funding accountability and monitoring practices, and provide an informed evidence base for future grants funding allocation and management.
- d) Where the DCC decides that an application should be declined, applicants shall be provided with a full explanation for the decision, if requested.
- e) All decisions made by the DCC Grants Subcommittee or any other entity delegated authority to make grants funding decisions on behalf of Council are considered final.

4.4 Funding accountability

- a) All recipients of DCC grants funding must ensure that the funded activity remains compliant with all relevant legislation, regulations and terms and conditions, including health and safety legislation.
- b) A failure to meet all relevant terms and conditions associated with DCC grants funding may result in a termination of funding, decline of future funding, and/or the repayment of part or all of the allocated funding.
- c) All recipients of DCC grants funding are required to complete an accountability report, and provide any other funding expenditure or evaluation documentation requested by Council. These must be completed either:
 - as soon as the funds are spent, or
 - within one calendar year of receipt of grants funding, whether allocated funds were spent or not.
- d) A failure to return required funding accountability or evaluation documentation may result in a denial of funding in future grants applications.
- e) Any unspent funds must be returned to Council within one year of receipt unless there is prior agreement with the Council to carry over such funds.
- f) Any discrepancies in funding (e.g. funds spent on activities other than those specified in the approved grants funding application) may result in an audit of the organisation's accounts and the funded activity, and the potential return to the Council of grants funding received.
- g) Funding allocation may be reviewed on a case-by-case basis, in order to evaluate project outcomes, assess the extent to which the funding achieved Council's strategic objectives, and ensure the DCC grants programme continues to reflect community needs and

expectations. In reviewing funding, Council shall apply a robust project evaluation framework including an annual audit of up to 10% of all funding recipients as well as an economic impact assessment of major events.

4.5 Recognition of DCC grants funding:

- a) All funding recipients are required to acknowledge publicly the receipt of DCC grants funding (including significant rates relief), by at a minimum one of the following methods:
 - Acknowledgment in the Annual Report (mandatory for all grants)
 - Acknowledgment on publicity material, including use of the DCC logo (mandatory for all grants)
 - Acknowledgment by plaque or signage on equipment, building or vehicles where significant amounts of funding have been allocated
 - Acknowledgment at events through the use of DCC flags, banners, posters and/or logos, where appropriate.

4.6 Review of the policy:

- a) The DCC Grants Policy shall be reviewed at a minimum every three years, in conjunction with the Council Long Term Plan / Annual Plan process.
- b) This policy should be read in conjunction with:
 - DCC Grants Management Standard Operating Procedures
 - DCC Committee Structure and Delegations Manual
 - DCC Conflict of Interest Policy
 - DCC Gifts and Hospitality Policy.