

**Report of the Grants Subcommittee  
Meeting of Wednesday 14 March 2007**

**Members: Mayor Prendergast, Councillors Wain (Chair), Ahipene-Mercer, Cook, Gill, Ritchie and Shaw.**

**THE SUBCOMMITTEE RECOMMENDS:**

*THAT the Strategy and Policy Committee:*

- 1. Agree that three year negotiated contracts be offered to the following organisations, commencing in the 2007/08 financial year:*

<b>Organisation Name</b>	<b>Amount 2007/08</b>
<i>Age Concern Wellington Inc</i>	<i>\$10,000.00</i>
<i>ESOL Home Tutors Wellington Inc</i>	<i>\$10,000.00</i>
<i>Mokai Kainga Maori Centre Charitable Trust</i>	<i>\$42,500.00</i>
<i>Wellington Activity Centre</i>	<i>\$25,000.00</i>
<i>Wellington Boys and Girls Institute Inc</i>	<i>\$100,000.00</i>
<i>Wellington People's Centre Inc</i>	<i>\$17,540.00</i>
<i>ZEAL (Under Body &amp; Soul Trust)</i>	<i>\$100,000.00</i>

- 2. Note that funding approved for these contracts will be taken from the existing grants pool.*

## **Appendix One**

## **APPLICATIONS FOR CONTRACTS**

### **1. Purpose of Report**

This report provides recommendations regarding three year contracts for the Grants Subcommittee to consider and then refer to the Strategy and Policy Committee for approval. It builds on Report 2 to the Grants Subcommittee on 12 February 2007.

### **2. Recommendations**

It is recommended that the Grants Subcommittee:

1. *Receive the information.*
2. *Agree to recommend to Strategy and Policy Committee that it agrees that three year contracts will be offered to the following organisations, commencing in the 2007/08 financial year:*

<b>Organisation Name</b>	<b>Amount 2007/08</b>
<i>Age Concern Wellington Inc</i>	<i>\$10,000.00</i>
<i>ESOL Home Tutors Wellington Inc</i>	<i>\$10,000.00</i>
<i>Mokai Kainga Maori Centre Charitable Trust</i>	<i>\$42,500.00</i>
<i>Wellington Boys and Girls Institute Inc</i>	<i>\$100,000.00</i>
<i>Wellington City Centre for the Elderly</i>	<i>\$17,540.00</i>
<i>Wellington People's Centre Inc</i>	<i>\$17,540.00</i>
<i>ZEAL (Under Body &amp; Soul Trust)</i>	<i>\$100,000.00</i>

3. *Decline the applications for three year contracts received from the following organisations:*

- *Wellington Activity Centre*
- *Wellington Community Child Care Association*
- *Wellington Jazz Trust (formerly Wellington International Jazz Festival Trust)*

4. *Defer the applications received from Wellington Activity Centre and Wellington Community Child Care Association to be considered alongside applications to the general grant round closing on 31 July 2007.*

### **3. Background**

The Strategy and Policy Committee (SPC) agreed in principle to a new grants framework on 21 April 2005. The revised grants framework provides for organisations that the Council has funded on a medium to long term basis to have three year contracts rather than apply for grants.

Ten of the fourteen organisations on transitional one year contracts for 2006/07 have applied for three year contracts. Written applications were presented to the Grants Subcommittee on 14 February 2007 and representatives of each organisation made verbal presentations.

### **4. Discussion**

An overview of officers' assessments is attached as Appendix 1. A list of organisations currently on three year contracts is attached as Appendix 2. More detailed assessment notes, along with the original applications, accounts, budgets and business plans from each group, are available from the grants team.

#### **4.1 Assessment Process**

The following statements regarding grant and contract funding were made in a paper to SPC on 15 November 2005:

- *“Grants should be focussed upon short term projects by organisations that directly or indirectly contribute to the Council’s role as community leader or to strategic goals. Usually grants will not be large, will contribute to strategic objectives. Accountability arrangements are likely to focus on a report that confirms the project was undertaken and some indication of the success of it (for example the number of people benefiting from it).*
- *Organisations funded through a contractual arrangement are likely to have longer term funding for activities that represent core business of the Council or directly contribute to Council’s strategic or policy goals. This includes organisations whose activities are such that the Council has an interest in influencing those activities. Both parties to the agreement will negotiate the purpose of the funding based on agreed outputs for the city. Negotiated agreements are appropriate where the Council has an ownership interest in the land or buildings and an interest in how the services or outputs are delivered.*
- *For an organisation to be resourced through the Annual Plan/LTCCP, that organisation should be regarded as a feature of Wellington and its unique sense of place. Its funding is likely to be of a magnitude that*

*justifies its inclusion in the Annual Plan consultation process. Accountability would be managed through an agreed monitoring mechanism. The Council would not wish to influence the day to day operations of the organisation but rather, would be interested in the outcomes it contributes to."*

Officers have assessed each application, taking into account these definitions of the three different types of funding available. Of the ten organisations, Wellington Jazz Trust is the only one that would potentially fit into the Annual Plan Partner category of funding. The remainder have been considered as applications for negotiated agreements (service contracts).

The question officers have focused on is not whether the groups should be supported, but what method of funding is most appropriate. Assessments have focused on three key areas:

- **Conceptual fit for a contract:** Does the organisation directly contribute the Council's strategic goals? Do they perform activities and provide services either on behalf of the Council or that the Council has an interest in influencing?
- **Service provision:** Are they the sole provider of the service/s? How do they interact with other service providers?
- **Forward planning:** Does the organisation have a clear plan for the next three years? Would there be any risks to Council in entering a three year contract? How strong is the organisation's need for certainty of funding over three years?

#### **4.2 Financial Impact**

If any contract applications are declined, the amounts allocated to those contracts in 2006/07 will return to the general grants pool. The organisations that are declined will have the opportunity to apply for those funds in 2007/08.

The recommendations above include increases from 2006/07 contract amounts for two organisations, totalling \$11,040.

### **5. Conclusion**

The Grants Subcommittee is asked to consider each application for a contract and either decline it or recommend to SPC that a three year contract be offered.

Contact Officer: *Katharine Macann, Acting Grants Team Leader*

## **Supporting Information**

### **1) Strategic Fit / Strategic Outcome**

*WCC General grants are allocated to support outcomes from the Cultural, Social, Economic and Environmental strategies.*

### **2) LTCCP/Annual Plan reference and long term financial impact**

*Social & Recreational grants come under project C661, Environmental Grants under project C652, Cultural under C678 and Economic Grants under project C647.*

### **3) Treaty of Waitangi considerations**

*Applicants were asked to describe how their organisation demonstrates a commitment to the Treaty. Any application that could have implications for Maori are referred to the Treaty Relations Office for comments.*

### **4) Decision-Making**

*This is not a significant decision.*

### **5) Consultation**

#### **a) General Consultation**

*The Grants Team sends the full list of applicants and projects for comment to appropriate Council officers prior to presentation to the Subcommittee. Applicants and persons or organisations referred to in the applications and others may be spoken to for comments where appropriate.*

#### **b) Consultation with Maori**

*The Treaty Relations Office is sent the full list of applicants and projects for comment prior to presentation to committee.*

### **6) Legal Implications**

*N/A*

### **7) Consistency with existing policy**

*The grant pools have been created to assist community initiatives in line with Council strategy.*