
REPORT 2
(1215/52/03IM)

ONGOING GRANTS FRAMEWORK IMPLEMENTATION

1. Purpose of Report.

To seek the Grants Subcommittee's approval for funds currently allocated through contracts to be ring-fenced for that purpose.

2. Recommendations

It is recommended that the Grants Subcommittee:

- 1. Receive the information.*
- 2. Agree to ring - fence overall contract funding at the current level and that new contracts be funded from within that pool.*
- 3. Agree that contract funding can be applied across Cultural, Social and Environmental wellbeings.*

3. Background

Grants are a mechanism for achieving the Council's objectives and strategic priorities, especially those priorities that rely on community organisations carrying out specific activities.

Grants are included in the Annual Plan to provide

- a flexible, reactive mechanism for the Council to support community groups that are undertaking projects that meet a need identified by the community
- the Council with the ability to encourage innovation, diversity and creativity
- a mechanism to support the city's social, cultural, economic and environmental infrastructure.
- a mechanism that enables the Council to ensure particular activities occur without directly providing a service.
- funding through contracts as a mechanism to support organisations that represent core business of the Council or directly contribute to Council's strategic or policy goals.

As part of the Grants Framework’s implementation new factors have arisen:

- the need to develop a process to achieve a desirable equilibrium between funding available through the contestable grants process and that delivered through contracts
- an increased strategic focus on the environment (climate change in particular) and the need to be able to consider an environmental organisation for funding through a contract for services without impacting on the ability to deliver grants through the contestable process.

In response to these issues, it is proposed to :

- ring-fence contract funding at the current level
- increase responsiveness to environmental priorities by allowing the ring-fenced contract funding to be allocated across the environmental, social and cultural pools.

4. Discussion

The Grants Framework provides for the Council to be flexible and responsive funding organisations with grants. Funding is allocated in four pools to reflect the four “wellbeings”, that is, Social, Cultural, Environmental and Economic. Total funding across the pools is shown in Table 1.

Table One: Total funding available for grants

Current Grants Funding			
Wellbeing	Project Grants	Funding Applied to ongoing contracts	Total
Social	\$409,477	\$1,153,023	\$1,562,500
Cultural	\$352,000	\$386,352	\$738,352
Environmental	\$80,000	\$0	\$80,000
Economic	\$165,000	N/A	\$165,000
Totals	\$1,006,477	\$1,539,375	\$2,545,852

Please note this does not include the \$470,151 supporting community centres

The contestable environmental grants are an important way the Council can support initiatives at the grassroots level. Grants give the Council a tool to also encourage or support community groups to address climate change .To provide greater flexibility it is proposed that the Council consider funding environmental organisations through contracts for services.

Total funding available for allocation remains the same (\$2,545,852), but will be delivered in two streams; grants and contracts. It is proposed the contract money be ring-fenced from the grants pools and to be applied across the Social, Cultural and Environmental portfolio areas. (Table 2)

Table Two:

Proposed Grants Funding			
Wellbeing	Project Grants	Funding ring-fenced for contracts	Total
Social	\$409,477	\$1,539,375	\$2,380,852
Cultural	\$352,000		
Environmental	\$80,000		
Economic	\$165,000	n/a	\$165,000
Totals	\$1,006,477	\$1,539,375	\$2,545,852

This will mean there is transparency around the amounts available for projects and that a balance is maintained between contracts and project funding. Should Councillors, in the future, consider that either of the pools is under funded the options would be that funds were transferred between the two or further funding was sought in the context of the Annual Plan.

The proposed change would give the desired flexibility to distribute contracts across the pools and not impact on the amount available for the project grants.

5. Conclusion

Officers recommend ring-fencing the overall contract funding at the current level, that new contracts be funded from within that pool and that contract funding can be applied across Cultural, Social and Environmental wellbeings.

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Supporting Information

1) Strategic Fit / Strategic Outcome

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

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

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

3) Treaty of Waitangi considerations

Any grants application that could have implications for Maori are referred to WCC Treaty Relations Office for recommendations. The Treaty Relations Office is sent the full list of applicants and projects 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 WCC 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.