

9.3 COMMUNITY FUNDING INVESTMENT POLICY

Date Adopted	Next Review	Officer Responsible
15 April 2021	1 September 2023	Strategic Development Manager, Sustainability & Social Development

Policy Purpose:

Rotorua Lakes Council (RLC) recognises the important contribution made by the community sector to the overall wellbeing of our district and residents. Council makes funds available for the purpose of supporting the community sectors' contribution towards achieving the Rotorua 2030 goals.

The policy's purpose is to guide RLC in the allocation and management of community funding to communities, groups and organisations within the Rotorua district.

Policy:

PRINCIPLES

The following principles will guide our behaviour and decision-making, and inform the design and implementation of the RLC Community Funding Investment Policy:

- A focus on outcomes
- Community involvement and leadership
- Fairness and equity of opportunity
- Transparency and accountability
- Working together- mutual respect
- Innovation and collaboration.

DEFINITIONS

Social Capital – the value of social networks. The concept of social capital is used to group together the benefits of community connections, the threads that weave society together. Social connections are fostered through a range of organisations and activities, such as participation within iwi, social services, service groups, organised sport and recreational groups, arts and cultural organisations. These connections or social relations have productive benefits.

Community sector - 'not for profit', charitable and voluntary organisations established with the primary purpose of providing a benefit to the wider community; do not seek to generate profit or financial

surpluses for commercial interests. This includes sport and recreation, social, kaupapa Māori, arts and culture groups and organisations.

Grant - a financial contribution to a group, organisation or sector of the community.

Rotorua district - within the territorial authority area boundaries.

Statutory functions - a function conferred or imposed by a statutory instrument and delivered in part through government funding which is provided to the organisation for the purpose of delivering the service.

Neighbourhood - The immediate environment or surroundings; the people of a particular area.

Communities - May have a geographic base, or be based on a common interest e.g. racial or ethnic group, people with disabilities.

Fiscal Sponsor - Groups that are not legal entities may appoint a fiscal sponsor/umbrella organisation. This sponsor/umbrella must be an established not-for-profit entity which agrees in writing to receive and manage the grant on behalf of the group.

OBJECTIVES

- Supporting community organisations' activities and services which contribute towards the achievement of Rotorua 2030 goals
- Focussing on investment which improves equitable outcomes for our community
- Strengthening the ability of local community groups to respond effectively to local needs
- Building social capital
- Increasing community safety
- Building and strengthening the capacity of the community sector to move to financial sustainability
- Building participation and a sense of belonging
- Increasing community access to opportunities and resources
- Complementing funding from other sources.

ELIGIBILITY- WHO CAN APPLY FOR GRANTS

The focus of the **Community Funding Investment Policy** is in providing assistance for the Rotorua community sector to contribute to the social, economic, environmental and cultural wellbeing of the district, building and strengthening the capacity of local groups to meet local needs.

The following general requirements must be met in order to be eligible for funding; more specific requirements for a particular fund may also apply.

- Only groups and organisations which make up the community sector will be eligible
- Only groups and organisations active in the Rotorua district, and activities specific to the benefit of Rotorua district communities will be eligible
- Applications must outline the groups and organisation's contribution towards the Rotorua 2030 goals
- Any groups or organisations benefiting from a Council lease subsidy, Rates Relief or any other form of support must identify this when applying for Council community funding

In regards to the Neighbourhood Matching Fund and Te Rākau Tū Pakari Fund, fund recipients that are not legal entities may appoint a fiscal sponsor.

EXCLUSIONS

- Applications from organisations applying for funds for which there is another specific funding pathway (e.g. Bay of Plenty Regional Council has an Environmental Enhancement Fund targeted at environmental wellbeing)
- Rotorua District Ratepayers Associations and political groups
- Activities for which the main purpose is to promote the religious, ethical, commercial or political views of the organisation
- Retrospective funding
- Previous grant applicants who failed to fulfil the obligations and terms of a previous grant agreement will be considered on a case-by-case basis
- Statutory functions, activities and services (e.g. education, policing, health care)
- Commercial or private organisations whose purpose is profit generation.

GENERAL REQUIREMENTS

- All funds must be spent on the purpose for which the application was made and within the timeframe stated in the funding agreement unless changes are agreed with RLC before incurring costs
- Those receiving funding will be required to meet agreed accountability requirements which detail their use of the money received and outcomes achieved
- All organisations in receipt of funding must acknowledge Council support in their promotional materials and other communications.

TYPES OF COMMUNITY INVESTMENT

Council provides community investment as outlined in the table below:

Type	Description	Distribution
Partnership Agreements	Agreements are developed with established community organisations which are recognised as significantly contributing to Rotorua 2030 goals, with a focus on improving equitable outcomes in our community. Provides for flexibility of use, 3 years' certainty and practical accountability Agreements may include financial grants as well as other forms of support.	Allocated once every three years Paid annually following accountability achievement
Community Grants	Small grants of \$1,000-\$5,000 value Supports community organisations to identify and meet community needs with a focus on improving equitable outcomes or safety in our community Provides for flexibility of use, 3 years' certainty and simple accountability	Allocated once every three years Paid annually following accountability achievement
Neighbourhood Matching Fund	Support for not-for-profit groups. Provides assistance to build and strengthen community driven activities Project or event focused Grants match the value of voluntary contributions. Informal or grass-roots groups can access using a fiscal sponsor.	Small grants (under \$5,000) – open year round to applications Large grants – (\$5,001-\$20,000) open twice a year to applications
Te Rākau Tū Pakari Fund	Support for Community Sector to address the medium to long-term impacts of Covid-19 with the aim of building a strong, innovative, resilient and flourishing community sector that enables wide equitable participation.	One-off funding available from 2020 to September 2021.

LEVEL OF COMMUNITY FUNDING

The amount of the funding pool for Partnership Agreements, Community Grants and the Neighbourhood Matching Fund is determined as part of the Long-term Plan once every three years. Organisations need to meet their agreed requirements annually, for funding to continue into the next year. Should the allocation of funds be less than the budget in any financial year, the funds will be carried forward to the following year. The dollar value of each grant or agreement will be determined on a case by case basis during each funding round, subject to the content of the applications, the total funds available and the alignment or contribution to Rotorua 2030 goals.

The **Te Rākau Tū Pakari Fund** is a one-off fund determined as part of Council's 2020/2021 Annual Plan. The dollar value of each grant or agreement will be determined on a case-by-case basis, subject to the content of the applications, the total funds available and the alignment or contribution to the Fund's outcomes.

SCHEDULE ONE: NEIGHBOURHOOD MATCHING FUND

Purpose:

The purpose of the Neighbourhood Matching Fund (NMF) is to bring people together to build stronger communities and neighbourhoods by providing resources for self-help projects, which link to Rotorua 2030. This funding is project specific (a clear beginning and end), where the community identify a need for funding to achieve the following priorities (in no particular order):

- Bringing people together to collaborate on neighbourhood projects
- Empowering people to enhance and strengthen their own neighbourhood
- Contributing to families/whanau working, playing and talking together
- Renewing and revitalizing of places and spaces within neighbourhoods
- Improving equity / quality of life / community safety in a specific community or neighbourhood.

Management:

- There are two parts to the NMF funding pool - small and large grants
- Guidelines for applicants will be made available to the public
- The NMF will be promoted and advertised through a range of methods
- Applications for small NMF grants are open between February and November, with grants between \$50 and \$5,000
- Small NMF grant applications will be considered by three RLC staff including a senior manager
- The Large NMF pool has two funding rounds a year, with grants between \$5,001 and \$20,000
- Applicants for funding from the Large NMF will be required to attend an interview with a NMF Grants Assessment Committee comprising a Councillor, Te Arawa representative and three community organisation representatives
- If the large pool is not allocated at each round, it shall be re-allocated to the small pool for distribution within the financial year
- Before submitting an application for either small or large projects, applicants must contact the RLC Administrator to discuss the project and the development of their application
- Should the allocation of funds be less than the budget in any financial year, the remaining funds will be absorbed into the full Council result.

Accountability:

Applicants must submit a report including:

- Outcomes/ results of the project, ideally including photos.
- Accountability for how the grant was used including all receipts.

SCHEDULE TWO: PARTNERSHIP AGREEMENTS

Purpose:

The focus of the partnership agreements is to support operational costs for community organisations whose services closely align to the RLC strategic direction of Rotorua 2030. Partnership agreement recipients will be organisations which are well established in the community and demonstrate sound governance. Organisations will be making a contribution to improving equitable outcomes in the community. The value and makeup of support will be determined on a case by case basis and developed as a written partnership agreement.

Management:

- Applications for partnership agreements and associated support will be notified to the public and applications sought once every three years. All applications will be reviewed by staff, with a recommendation report to Council Committee for approval.
- Partnership agreements may receive Council support including measures such as funding grants, subsidised lease. Assessment of support measures will take into account a range of factors including but not limited to degree of alignment with Rotorua 2030 goals; contribution to improving equity; contribution to community safety, other funding sources; and overall financial position.
- As partnership agreements are allocated based on close alignment with Rotorua 2030 goals, the agreements will support core community organisation functions and key outcomes. This will be reflected in accountability requirements being met by standard organisation documents of strategic plan, annual plan, annual report and the organisation's annual financial statement as per their Constitution e.g. audited annual accounts.
- Successful applicants will jointly develop a written partnership agreement with RLC that seeks to achieve the specific outcomes of the partnership, with the Rotorua 2030 outcomes being the first priority.
- Successful applicants will work together with RLC in a transparent, honest and open partnership to achieve the outcomes agreed in the partnership agreement.

Accountability:

At the end of each year submit:

- An annual report which includes achievement of the outcomes agreed to in the partnership agreement along with the organisation's annual financial statement as per their Constitution e.g. audited annual accounts.
- An annual plan, and meet the RLC Relationship Manager by May of the current year to discuss and confirm the organisation's main objectives and functions for the next year will continue to be closely aligned with the achievement of Rotorua 2030 goals.

SCHEDULE THREE: COMMUNITY GRANTS

Purpose:

The purpose of Community Grants is to strengthen the ability of local community groups to respond effectively to local needs in the Rotorua district and contribute towards achieving the Rotorua 2030 goals. The focus of this fund is in providing assistance for small to medium sized community organisations.

The purpose of grants may include (but is not limited to):

- Administration and operational costs
- Training costs for personnel
- Initial project costs
- Public education events

Management:

- Applications for community grants will be notified to the public and applications sought once every three years. All applications will be reviewed by staff, with a recommendation report to Council Committee for approval.
- Active consideration will be given by the Committee to the applicant's contribution to the Rotorua 2030 goals, to improving equity and wellbeing in the community, and improving community safety.
- Annual grant payments will be released at the beginning of each year upon receipt of previous year's annual accountability requirements.

Accountability:

At the end of each year, provide to the RLC Administrator:

- A copy of the organisation's annual financial statement as per their Constitution e.g. audited annual accounts.
- A **simple** evaluation report based on the approved application form, indicating the outcomes achieved in the year and the contribution the grant is making to achieving these.

SCHEDULE FOUR: TE RĀKAU TŪ PAKARI FUND

Purpose:

The purpose of the Te Rākau Tū Pakari Fund is to address the medium to long-term impacts of Covid-19 with the aim of building social capital through a strong, innovative, resilient and flourishing community sector that enables wide equitable participation.

The focus of this investment is to support the sector to adapt and respond to needs and new opportunities, support new operating models, grow capability to collaborate and innovate and adopt a “Build Back Better” approach. This fund is not for standard operation purposes.

Support may take different forms including:

- Funding application process for grants to support new opportunities or operating models, grow capability to collaborate and innovate, build resilience.
- Direct financial investment into support that will benefit many organisations such as capacity and capability development, support for innovation/adaptation, volunteer development.
- Support for volunteering, internships or redeployment from sectors undermined by the economic shock felt from Covid-19.
- Provision of skills sharing mechanisms e.g. capacity building, targeted training or the development of resource kits.
- Mechanisms to share resources e.g. IT, capital items, and backroom functions.

Implementation of this support package will run over a one-year period and close in September 2021.

Management:

- RLC will promote the fund for applications. Written hard copy or electronic applications will be received on an ongoing basis until the fund is allocated.
- A funding panel comprising representatives of elected and Community Board members and staff will convene monthly to assess applications and decide grants.
- Active consideration will be given by the Committee to the applicant’s contribution to the Rotorua 2030 goals, and to improving equity in the community.
- Grant payments will be made within four weeks of decision-making. Successful applicants will work together with RLC in a transparent, honest and open relationship to achieve the outcomes agreed.

Accountability:

Application Process:

- Applications must outline how the funding will be used to support their sustainability, innovation or resilience (note this fund is not for operational funding, it is a one-off fund for development)
- Organisations must provide evidence that they comply with the requirements of the Charities Commission.

Accountability Reporting

- Provide an evaluation report based on the approved grant application indicating what outcomes were achieved (how did they grow, adapt, collaborate, innovate to benefit the community they serve)
- Confirm funds were used for the purpose intended within the approved application.