

10. COMMUNITY GRANTS COUNCIL WORKING PARTY UPDATE

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PURPOSE OF REPORT

1. The purpose of this report is to update the Council on the work of the Councillor Working Party, established to review issues around the Strengthening Communities Grants Funding Programme, and to make recommendations about changes to the programme for the 2009/10 funding round.

EXECUTIVE SUMMARY

2. The Council adopted the Strengthening Communities Strategy on 12 July 2007. The strategy incorporated the Community Group Grants Review which provided the framework, principles and funding outcomes for the new Strengthening Communities Grants Funding Programme.
3. Implementation of the new grants funding programme commenced in January 2008. The Council received 941 applications in total through the Strengthening Communities and Small Projects Funding schemes in the 2008/09 funding round.
4. Following an evaluation process, completed in October 2008, changes to the Strengthening Communities funds were identified and a number of these changes were implemented following a report to the Council in November 2008.
5. As part of the evaluation process, the Council also established a Councillor Working Party to review the criteria used for assessing applications for Strengthening Communities funding and to consider any other issues that might arise as part of the ongoing funding process.
6. The Councillor Working Party comprises Councillor Ngaire Button (Chair), Councillor Barry Corbett, Councillor Bob Shearing and Community Board member Yvonne Palmer, as well as staff representatives. The Councillor Working Party has met four times since its establishment and plans to continue meeting on an as needed basis.
7. The Councillor Working Party has so far identified a number of changes that need to be implemented. The recommendations from the Councillor Working Party include:
 - (a) Review the membership of the Councillor Working Party.
 - (b) Allow applications to the Strengthening Communities Grants Funding Programme from School Boards of Trustees, for eligible community based projects.
 - (c) Adopt the policy statement that the Small Grants Fund Assessment Committees do not visit applicants to the Fund as part of the assessment process.
 - (d) Allow money that remains unallocated for the Fendalton/Waimairi 2008/09 round of the Strengthening Communities Fund to be used for applications received for the Fendalton/Waimairi Discretionary Response Fund, where the application meets the criteria of the Strengthening Communities Fund.
8. The recommended changes will come into effect immediately and will impact on the 2009/10 funding applications assessment process that is currently underway. Recommendation (d) may impact on current applications that could be funded from remaining 2008/09 funding.

FINANCIAL IMPLICATIONS

9. None.

Do the Recommendations of this Report Align with 2006-16 LTCCP budgets?

10. Yes.

LEGAL CONSIDERATIONS

11. Recommendation (b) proposes that applications from School Boards of Trustees, which are recognised as a Crown Entity under the Crown Entities Act 2004.

Have you considered the legal implications of the issue under consideration?

12. Yes.

ALIGNMENT WITH LTCCP AND ACTIVITY MANAGEMENT PLANS

13. Yes, Community Support.

Do the recommendations of this report support a level of service or project in the 2006-16 LTCCP?

14. Yes, Community Grants.

ALIGNMENT WITH STRATEGIES

15. Strengthening Communities Strategy.

Do the recommendations align with the Council's strategies?

16. Yes, Strengthening Communities Strategy

CONSULTATION FULFILMENT

17. Not applicable.

STAFF RECOMMENDATION

In accordance with the recommendations of the Councillor Working Party, it is recommended that the Council:

- (a) Review the membership of the Councillor Working Party.
 - (b) Allow applications to the Strengthening Communities Grants Funding Programme from School Boards of Trustees.
 - (c) Adopt the policy statement that the Small Grants Fund Assessment Committees do not visit applicants to the Fund as part of the assessment process.
 - (d) Allow money that remains unallocated for the Fendalton/Waimairi 2008/09 round of the Strengthening Communities Fund to be used for applications received for the Fendalton/Waimairi Discretionary Response Fund, where the application meets the criteria of the Strengthening Communities Fund.
18. The recommended changes will come into effect immediately and will impact on the 2009/10 funding applications assessment process that is currently underway.
 19. Recommendation (d) may impact on current applications that could be funded from remaining 2008/09 funding.

BACKGROUND (THE ISSUES)

20. The Council adopted the Strengthening Communities Strategy on 12 July 2007.
21. The Strengthening Communities Grants Funding Programme comprises three funding schemes. The schemes are:
 - I. Strengthening Communities Fund
 - II. Small Grants Fund
 - III. Discretionary Response Fund
22. At the Council meeting of 14 August 2008, staff were asked to formally evaluate the Strengthening Communities Grants Funding Programme and report back findings and recommendations to improve the process.
23. In November 2008, staff reported to the Council the findings of the formal evaluation process as well as informal feedback from other Council units and stakeholders.
24. The Council agreed to implement a number of changes that would address issues raised in the feedback. Many of these issues were addressed in a report to the Council in November 2008, in which the Council agreed to introduce a number of changes.
25. In November 2008, the Council agreed to 'Establish a working party, consisting of Councillors and staff, to review criteria for all schemes that make up the Communities Grants Funding Programme'.
26. The Councillor Working Party comprises Councillor Ngaire Button (Chair), Councillor Barry Corbett, Councillor Bob Shearing and Community Board member Yvonne Palmer, as well as staff representatives. The Councillor Working Party has met four times since its establishment and plans to continue meeting on an as needed basis.
27. The Councillor Working Party has to date identified three changes that need to be implemented. The recommendations from the Councillor Working Party are discussed in detail below.

Changes to be Considered by the Council

28. The Councillor Working Party recommends:
29. **Recommendation A** - That Council review the membership of the Councillor Working Party.
30. Currently, the Councillor Working Party comprises Councillor Ngaire Button (Chair), Councillor Barry Corbett, Councillor Bob Shearing and Community Board member Yvonne Palmer, as well as staff representatives.
31. Councillors are able to attend any meeting of the Working Party as an observer. However, they would need to be appointed by the Council in order to be an official member of the Councillor Working Party.
34. **Recommendation B** - That Council:

'Require that all applicants to the Strengthening Communities Fund and Community Organisation Loans Scheme be incorporated under the Incorporated Societies Act 1908 or the Charitable Trusts Act 1957 or be School Board of Trustees, which are recognised under the Crown Entities Act 2004'

'Require that all applicants to the Small Grants Fund, applying for more than \$2,000, be incorporated under the Incorporated Societies Act 1908 or the Charitable Trusts Act 1957 or be School Board of Trustees, which are recognised under the Crown Entities Act 2004'
35. Prior to November 2008, the Council had required that all applicants to the Council's community funds be a 'legal entity'. However, 'legal entity' was not defined.

36. In November 2008, the Council agreed that 'all applicants to the Strengthening Communities Fund and Community Organisation Loans Scheme be incorporated under the Incorporated Societies Act 1908 or the Charitable Trusts Act 1957'; and that 'all applicants to the Small Projects Fund (as it is currently known), applying for more than \$2,000, be incorporated under the Incorporated Societies Act 1908 or the Charitable Trusts Act 1957'.
37. This change unintentionally excluded School Boards of Trustees, which are recognised as a Crown Entity under the Crown Entities Act 2004, from applying to the various funds for eligible community based projects.
38. **Recommendation C** - That the Council adopt the policy statement that the Small Grants Fund Assessment Committees do not visit applicants to the Fund as part of the assessment process.
39. In the November 2008 report to the Council, staff recommended 'that the Council adopt the policy statement that the (currently named) Small Project Fund Assessment Committees do not visit applicants to the Fund as part of the assessment process'.
40. Councillors did not agree to this recommendation and referred the issue to the Councillor Working Party for consideration.
41. Following discussions, the Councillor Working Party recommends that Small Project Fund Assessment Committees do not visit applicant groups as part of the assessment process and recommends that the Council adopt a policy statement to that effect.
42. The Councillor Working Party has clarified that this policy would not prevent elected members from visiting groups. However, these visits cannot form part of the consideration of the groups' applications.
43. The Councillor Working Party believes that it is an important part of an elected member's role to visit the groups in their community and that elected members should be visiting groups as part of their ongoing work. However, these visits should not be used to evaluate groups' application/s to the Council for funding, nor should they coincide with the application assessment period.
44. The issues surrounding visits were outlined in detail in the November 2008 report to the Council, and include:
 - 44.1 Funding processes have a high public profile. It is essential that Council processes are **seen** as fair and transparent.
 - 44.2 A report from the Auditor General states that funding from public entities needs to be based on fairness. "**Public entities have a general public law obligation to act fairly and reasonably. Public entities must be, and must be seen to be, impartial in their decision-making**".
 - 44.3 Visits to applicants by elected members do not take place for other Council funding schemes as part of the assessment process. Adopting the above policy statement will ensure consistency across all the Council's Strengthening Communities Grants Funding Programme.
 - 44.4 Current processes around visits to applicants by members of decision-making Committee are inconsistent i.e. not all applicants are visited, inconsistent questions are asked and visits are made by different Committee members.
 - 44.5 This process creates a number of potential risks for Council, including:
 - That the process is seen to be unfair, that one group get favourable treatment over another
 - That advice tabled after visits could be inconsistent and of varying quality.
 - That applicants may challenge funding decisions due to perceived unfairness.

- 44.6 Advice from Legal Services is that it is best practice not to visit applicants, unless it is indicated in the funding application form that an applicant will be visited. This is currently not the case.
- 44.7 Advice from Legal Services states that a decision should be made on the information provided to the Committee, together with any additional reports from staff, not in conjunction with additional information obtained from visiting an applicant.
- 44.8 Visiting applicants means that in effect applications are assessed twice, once by staff and once by Committee members.
- 44.9 It is the role of staff to provide enough information for decision makers to make a sound decision. Should Committee members require more information, a request should be made to staff who will provide additional information for the benefit of all Committee members.
- 44.10 If visits to applicants are to continue then all applicants would need to be visited, rather than just some. Preferably the whole Committee would visit an applicant at the same time. From a staff point of view, implementing this process would be difficult and inefficient.
- 44.11 Implementing this process would also have major implication in terms of the time that would be needed to assess applications and then arrange visits. For example, in 2008/09 there were 540 applications for Small Projects Funding. Community Board areas had between 40 and 70 applicants to the Small Projects Fund. At a metropolitan level, there were 190 applications. All 540 applicants would need to be visited.
46. **Recommendation D** - That the Council allow money that remains unallocated for the Fendalton/Waimairi 2008/09 round of the Strengthening Communities Fund to be used for applications received for the Fendalton/Waimairi Discretionary Response Fund, where the application meets the criteria of the 2008/09 Strengthening Communities Fund.
47. In the 2008/09 funding round, the Fendalton/Waimairi Community Board did not allocate all of the funds available via their Strengthening Communities Fund. This was due to the fact that an ineligible application was removed from the Decision Matrix at the last minute..
48. There is \$20,000 unallocated in the Fendalton/Waimairi Community Board Strengthening Communities Fund. The Fendalton/Waimairi Community Board is the only Board with unallocated funds still remaining.
49. Currently, the Programme Operational Procedures for the community grants programme state that another contestable funding round is to be held to allocate any remaining funds in the Strengthening Communities Fund.
- 'Any Strengthening Communities Grant funds still with Community Boards in fiscal month seven (7) of the financial year (January), whether by way of funding not being allocated at the time of the meeting or not being uplifted by grant recipients, without good reason, will remain in the Strengthening Communities Fund and a further allocation round shall be convened.'
50. The Councillor Working Party believes that it is not logistically feasible to hold another open contestable round, given both staff and time constraints.
51. As a result, the Councillor Working Party recommends that if an application received from this point forward (in the 2008/09 funding year) satisfies all the criteria for the Strengthening Communities Fund and, if it is likely that (had the application had been received in time for the annual funding round) it would have been approved, then the Fendalton/Waimairi Community Board should be able to recommend that the application be funded from the remaining 2008/09 Strengthening Communities Fund.