

Finance and Performance Committee

Meeting of 24th June 2026

Business Unit: Community
Date Created: 06 March 2026

Grant Funding Decisions - Contestable

Purpose Te Aronga o te Pūrongo

The purpose of this report is to provide the Finance and Performance Committee with an update on the performance of contestable funds administered under the current Community Development Policy for the period 1 March 2026- 31 May 2026

Recommendations Ngā Tūtohunga

That the Committee note the performance of funding administered under the Community Development Policy for the period 1 March 2026 – 31 May 2026.

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Approved for submission by:
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1 Background Ngā Kōrero o Muri

- 1.1 The Manawatū District Council adopted the Community Development Policy to provide a framework for allocating financial support to community organisations, events, and individuals that contribute to the wellbeing of the Manawatū District.
- 1.2 The policy supports the objectives of the Community Development Strategy, which aims to ensure the Manawatū District offers a high quality of life for residents through connected, inclusive and resilient communities.
- 1.3 Community development is recognised as a key component of Council's District Development activity and contributes to the social, cultural, economic and environmental wellbeing of the district.
- 1.4 The policy establishes a number of contestable funding streams designed to support grassroots initiatives, events and community participation. These include:
 - Priority Services (3-year contracts)
 - Community Development Fund (one-off projects/services)
 - Event Fund
 - Representative Fund
 - Private Cemetery / Urupā Fund
 - Community Committee Project Fund
 - Community Planning Implementation Fund
- 1.5 These funds enable Council to partner with community organisations and individuals to support activities that strengthen community connections, participation and local leadership.
- 1.6 A new Grants Policy is being presented to Council on 17 June to replace the Community Development Policy which aims to modernise and streamline the way Council administers community funding.

2 Strategic Fit Te Tautika ki te Rautaki

- 2.1 The contestable funds administered under the Community Development Policy support several of Council's Long-term Plan priorities by enabling community-led initiatives that contribute to the social, cultural and environmental wellbeing of the Manawatū District.
- 2.2 These funds contribute to the following strategic priorities outlined in the Long-term Plan:
- 2.3 **A place to belong and grow:** By supporting organisations, services and events that strengthen community connections and encourage participation in social, cultural and recreational activities, helping residents feel connected, safe and engaged in their communities.
- 2.4 **A future planned together:** Through funding programmes that enable community organisations and residents to contribute ideas, leadership and initiatives that strengthen their communities and support a positive future for the district.
- 2.5 **A prosperous, resilient economy:** By supporting events and initiatives that attract visitors to the district, encourage local spending and contribute to the vibrancy of towns

and villages. These activities help strengthen the local economy and promote Manawatū as a great place to live, visit and do business.

- 2.6 **Value for money and excellence in local government;** By ensuring public funding is allocated to initiatives that deliver community benefit and improve quality of life for residents while maintaining transparent and accountable funding processes.
- 2.7 **An environment to be proud of:** By supporting organisations, events and initiatives that protect and enhance the Manawatū District's natural and physical environment.

3 Discussion and Options Considered Ngā Matapakinga me ngā Kōwhiringa i Wānangahia

- 3.1 This section provides an overview of the performance and impact of contestable funds administered under the Community Development Policy for the period 1 March 2026- 31 May 2026
- 3.2 Council's community funding programmes support initiatives that contribute to the wellbeing and resilience of the Manawatū District. Through several funding streams, Council invests in services, events and activities delivered by community organisations and volunteers.
- 3.3 During the reporting period, 14 applications were received across Council's community funding programmes, with 9 approved for support. These investments enable local organisations, volunteers, and community groups to deliver services and activities that directly benefit Manawatū residents.
- 3.4 In addition to the contestable funding rounds outlined in this report, Council also provides direct funding support for certain established events that deliver significant community benefit. For example, Council provides direct support for events associated with the New Zealand Rural Games, including the Kids 'n' Country event held in Feilding. Council also administers Creative Communities Scheme funding on behalf of Creative New Zealand, and the Waste Not Want Not Fund which allocates waste levy funding to the community. These allocations sit outside inside contestable funding process and are not included in the application numbers reported above.
- 3.5 Applications were assessed through the Council's contestable funding process, with funding rounds being assessed for eligibility, going through a primary assessment process by two council staff members, with recommendations then considered and approved by the Executive Leadership Team.

Priority Services

- 3.6 Every three years Council invites applications for Priority Services funding to support organisations delivering ongoing community services that align with the Community Development Policy. Successful organisations enter into a three-year funding agreement and report to Council on agreed performance measures at six-monthly and annual intervals. Fourteen organisations currently have three-year contracts (2025-2028), one organisation was approved for a one-year contract.

- 3.7 Priority Services funding supports a diverse range of organisations that collectively contribute to the wellbeing, safety, resilience, and social connection of communities across the Manawatū District. The funded services address a wide spectrum of community needs, including mental health and family wellbeing, youth development, community safety, support for older people, health access, and opportunities for community participation.
- 3.8 All Priority Services contracts are currently completing the first year of their three-year funding term. Six-month accountability reports were received from funded organisations as part of the agreed reporting framework. Early reporting indicates that most services are being delivered as planned and organisations are progressing towards their agreed annual performance measures. Officers are liaising directly with one organisation that was not meeting its measures at the six-month reporting point and have offered advice and guidance. Twelve-month reports will be due from organisations in September 2026.
- 3.9 A second Priority Services round was opened during May 2026 to utilise the un-allocated remaining funds for the 2026-28 period. Contracts awarded will be for two years under the same terms as other current contracts. Outcomes will be reported at the next Finance and Performance Committee meeting in September 2026. Twelve applications were received, assessed and a recommendation presented to the Finance and Performance Committee at this meeting.

Community Development One-Offs

- 3.10 The Community Development Fund supports one-off initiatives or projects that align with Council's Community Development Policy and contribute to the wellbeing and development of communities across the district.
- 3.11 Four applications were received directly through the Community Development Fund funding round. While none of these applications were approved through that assessment process, two applications originally submitted to the Event Fund were subsequently allocated funding through the Community Development Fund as they were assessed as being more closely aligned with the purpose of that fund.
- 3.12 The two applications funded through the Community Development Fund were Manchester House for the Seniors Expo (\$2,000) and the Himatangi Beach Community Trust (\$3,700). These applications demonstrated strong community development outcomes and were considered to provide broader community benefit beyond a single event.
- 3.13 The remaining applications assessed against the Community Development Fund were declined as they related primarily to operational costs, large capital projects, or did not sufficiently demonstrate alignment with the purpose of supporting one-off community development initiatives. This reflects a wider trend across the community sector where organisations are increasingly seeking support for ongoing service delivery due to rising operational costs and growing demand for community services.

Event Fund

- 3.14 The Event Fund supports events and festivals that primarily benefit Manawatū District residents and align with the Community Development Strategy's vision that the district offers a high quality of life for all residents.

- 3.15 Ten applications were received for the Event Fund, with funding requests totalling \$50,507 against an available budget of \$32,524. As demand exceeded the available budget, funding was prioritised towards applications demonstrating the strongest alignment with the purpose of the fund and the greatest community benefit. Two applications were subsequently allocated funding through the Community Development Fund as they were assessed as being more closely aligned with that funding stream.
- 3.16 Funded events for this period were for a wide range of activities that contribute to the social, cultural, and recreational life of the district. These included ANZAC day celebrations, an upcoming Expo for Seniors, events to appreciate volunteer contributions, and community-led activities that support local connection and participation.
- 3.17 Council funding also supported sporting competitions and shows that attract participants and visitors from across the country. These included a dance competition and a poultry and pigeon show. Such events help showcase the district's facilities, attract visitors to the region, and support local businesses while providing opportunities for local participants to be involved and compete.
- 3.18 A number of funded events focused on arts, culture, and community celebration, including performing arts events, and cultural festivals such as a performance to be held in Pohangina and a range of Matariki linked events. These events create opportunities for residents to come together, celebrate cultural identity, and enjoy shared experiences that strengthen community connection.
- 3.19 Many of the events supported through the Event Fund are delivered by volunteer-led organisations and rely heavily on community participation. Council's support helps these groups deliver accessible, family-friendly events that encourage residents to connect with one another and contribute to a vibrant community life across the district. Due to the high level of demand, some larger applications were part-funded to enable support to be distributed across a wider range of community-led events and activities.

Representative Fund

- 3.20 The Representative Fund supports individuals and teams who have been selected to represent the Manawatū District or New Zealand at regional, national, and international events.
- 3.21 No applications for the fund were received during this time period as the fund was fully expended and closed by September 2025.
- 3.22 As part of the programme's accountability and celebration of local success, many recipients have returned to present to Council following their events, sharing their experiences and achievements representing the Manawatū District. These presentations provide an opportunity for Council to recognise the accomplishments of local residents and highlight the positive outcomes supported through the Representative Fund. These presentations continued and were completed during this time period.

Private Cemetery / Urupā Fund

- 3.23 The Private Cemetery / Urupā Fund assists with the costs associated with the upkeep of private cemeteries and urupā located within the Manawatū District. Only existing urupā

or private cemeteries within Manawatū District Council boundaries are eligible for funding assistance.

- 3.24 Applications are currently open for 2026/27 funding. Outcomes will be reported at the next Finance and Performance Committee meeting in September 2026.

Overall

- 3.25 Overall, the contestable funding programme is performing as intended, with funded organisations and events delivering a range of social, cultural and community outcomes across the district. Priority Services contract reporting indicates that most organisations are progressing toward agreed performance measures, while Event Fund allocations continue to support high levels of community participation and volunteer-led activity. The main area requiring improvement is the Community Development One-off Projects/Services Fund, where application trends indicate the fund is no longer well aligned with current community funding needs. The proposed Grants Policy includes changes intended to better align funding mechanisms with community demand.

4 Risk Assessment Te Arotake Tūraru

- 4.1 The Community Development Policy provides a framework for allocating public funds to community organisations, individuals and events that contribute to the wellbeing of the Manawatū District. While the risks associated with these grants are generally low to moderate, there are several risks to Council that are managed through the policy's processes and oversight.

Financial risk

- 4.2 There is a risk that funding recipients may not deliver the services or outcomes outlined in their application or contract, or that funds may not be used for the intended purpose.
- 4.3 This risk is mitigated through established assessment processes, clear funding criteria, funding agreements and accountability reporting requirements. Recipients of Priority Services funding are required to report on performance during the contract term, while recipients of all one-off funding are required to submit accountability reports on completion of funded activities.

Reputational and governance risk

- 4.4 Council funding decisions may attract public scrutiny if allocations are perceived as inconsistent, inequitable or not aligned with Council policies and priorities.
- 4.5 There is also a risk to the integrity of Council's funding framework if funding is approved outside of established contestable funding processes. Direct funding decisions that sit outside the approved policy framework may create perceptions of inconsistency or undermine the transparency and fairness of Council's grant allocation processes.
- 4.6 During the reporting period, Council approved a one-off donation outside of the Community Development Policy funding framework.

Governance and capability risk

- 4.7 Some community organisations receiving funding may have limited governance or financial management capability, which can affect their ability to deliver projects or services.
- 4.8 Council mitigates some of this risk through application assessment processes, officer oversight of funding allocations and accountability reporting requirements.

Strategic alignment risk

- 4.9 There is a risk that existing funding programmes may become less aligned with Council's strategic priorities over time if they are not regularly reviewed.
- 4.10 The transition to the new Grants Policy will help mitigate this risk by updating the funding framework and ensuring future funding allocations remain aligned with Council's strategic priorities and community outcomes.
- 4.11 Overall, the risks associated with administering contestable community funding are considered manageable and are mitigated through the policy framework, delegated decision-making and monitoring of funded initiatives.

5 Engagement Te Whakapānga

Significance of Decision

- 5.1 The Council's Significance and Engagement Policy is not triggered by matters discussed in this report. No stakeholder engagement is required.

Māori and Cultural Engagement

- 5.2 The Community Development Policy includes a Private Cemetery / Urupā Fund, which supports the maintenance of urupā and private cemeteries within the Manawatū District.
- 5.3 Applications relating to urupā are considered annually by Te Kōtui Reo Taumata, which has delegated authority to approve funding within the available budget. This process ensures that decisions relating to urupā are informed by appropriate cultural oversight and reflect the significance of these sites to Māori communities.

Community Engagement

- 5.4 Community engagement is not required for this report.

6 Operational Implications Ngā Pānga Whakahaere

- 6.1 There are no operational implications associated with this report. The report provides a performance update on the administration of contestable funds under the existing Community Development Policy.

7 Financial Implications Ngā Pānga Ahumoni

- 7.1 The total budget allocated to the Community Development contestable funds for the 2025/26 financial year, including carry forwards, is \$472,425. As of 31 May 2026. Most funds have been allocated or committed through approved grants.

Priority Services

- 7.2 The Priority Services budget for 2025/26 is \$260,000. \$240,000 has been granted through multi-year service agreements and \$10,000 was granted for a one-year contract. The unallocated \$10,000 of funding has been added to other unallocated grant funding and was advertised to the community as a further round of Priority Services Funding for two years.

Community Development Fund (One-off projects)

- 7.3 The Community Development Fund has a total budget of \$48,491. Two applications originally submitted to the March 2026 Event Fund round, Manchester House (Seniors Expo) and Himatangi Beach Community Trust, were allocated funding through this fund as they were assessed as being more closely aligned with Community Development Fund outcomes. A total of \$13,087 has been allocated to date, leaving \$35,404 remaining. This remaining balance has been allocated to the Priority Services Contracts for the 2026-28 period, as described above.

Event Fund

- 7.4 The Event Fund has a total budget of \$126,697, with \$123,305 allocated to approved events to date. A balance of \$3,392 remains.

Representative Fund

- 7.5 The Representative Fund budget for the year is \$20,992, with \$20,795 allocated through approved applications. A remaining balance of \$197 remains unallocated. The fund is now closed for the year.

Private Cemetery / Urupā Fund

- 7.6 The Private Cemetery / Urupā Fund has a total budget of \$16,245. Of this, \$6,254 has been paid out and \$9,861 has been approved but not yet uplifted by applicants. A remaining balance of \$130 remains unallocated. Carry forwards are currently permitted for this fund. This fund is now closed for the year.

Additional Funding

- 7.7 During the reporting period, Council approved an unbudgeted one-off donation of \$5,000 to Feilding High School to support the school's First XV rugby team attending the Sanix World Rugby Youth Tournament in Fukuoka, Japan. This funding was approved outside of the Community Development Policy contestable funding framework and was not allocated from any of the contestable funding budgets reported above.
- 7.8 As this was a direct Council decision and not a contestable grant allocation, it is not reflected in the funding programme performance or allocation figures contained within this report.

8 Statutory Requirements Ngā Here ā-Ture

- 8.1 There are no specific statutory requirements associated with this report. The administration of contestable funds is undertaken in accordance with the current Community Development Policy and the delegations approved by Council.
- 8.2 Organisations that receive funding are required to meet the accountability requirements set out in the policy and relevant funding agreements, including:
- 8.3 Organisations that have entered into a Priority Services contract with Council are required to provide six-monthly and annual performance reports for the duration of the contract term, which expires on 30 June 2028.
- 8.4 Organisations receiving funding through other contestable funds are required to submit an accountability report within two months of project completion.
- 8.5 Successful Representative Fund recipients are required to present a summary of their experience representing the Manawatū District at a Council meeting.

9 Next Steps Te Kokenga

- 9.1 Council officers will continue to administer the remaining open funding rounds and monitor the delivery of funded initiatives in accordance with the Community Development Policy.
- 9.2 There are no funding applications for the Committee to consider as part of this report. However, current funding rounds remain open, and any resulting applications will be brought forward for consideration in accordance with Council's funding delegations.