	Title of Policy	Mangawhai Endowment Lands Account Policy		
	Sponsor	General Manager Community	Adopted by	Council
	Author	Annie van der Plas	Date adopted	14 November 2017
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1.0			

1 Purpose

The purpose of this Policy is to create clear guidelines and an effective process to enable Council to assist community organisations to achieve their goals through the distribution of grant funds available from the Mangawhai Endowment Lands Account (MELA).

2 Objectives

The Policy has been aligned with the Community Outcomes as adopted by Council for the Long Term Plan 2018/2028. The Policy is intended to contribute to:

- A district with welcoming and strong communities;
- A district with plenty of active outdoor opportunities; and
- A trusted Council making good decisions for the future.

3 Background

Kaipara District Council is committed to the Vision of 'Thriving Communities Working Together'. Council seeks to achieve this by assisting the community in developing and providing their own facilities and services, and building strong and welcoming communities.

Council is committed to recognising and supporting achievement; developing community leadership and self-reliance; assisting and supporting community involvement.

This Policy ensures that Council's contributions to communities are fair, consistent and strategically aligned to Council's Vision, Community Outcomes and the intent of the *Mangawai Lands Empowering Act 1966 [sic]*.

3.1 Mangawai Lands Empowering Act 1966 [sic]

MELA is managed under the *Mangawai Lands Empowering Act 1966 [sic]*. MELA was created on dissolution of the Mangawhai Harbour Board, which had significant assets in the Mangawhai area. On dissolution, the cash and income from land assets not transferred to the Northland Harbour Board for port purposes, were invested to provide funding for county purposes that benefit or tend to benefit the district.

The Act defines 'district' as:

"...the area of and adjacent to the endowment lands ... and any area adjoining the Mangawai [sic] Harbour"

Over the years the land has been sold and the balance of MELA has increased. The land still held is typically on perpetual leases with low rental income.

The majority of the MELA fund is currently loaned to Council and the interest revenue generated by the loan is calculated as outlined in 3.2.

3.2 Calculation of revenue available for distribution as grants

Where:

- C = the value of capital loaned to Council from the MELA Account at 30 June in the year under consideration and expressed in \$;
- Rate 1 = The interest rate being the average of the 12 month term deposit rates offered by ANZ, BNZ and Westpac taken at 30 June and 31 December in the year under consideration, for investment sums of the value in the MELA in the year under consideration;
- Rate 2 = The actual interest rate paid by the Kaipara District Council on external borrowings for the year ending 30 June in the year under consideration;
- Rate 3 = The average of Rate 1 and Rate 2;
- Rate 4 = The Consumer Price Index as published by Statistics New Zealand for the annual rate to 30 June in the year under consideration. *This is for the protection of the capital base of the fund;* and
- Rate 5 = Real interest rate = $(1 + \text{Rate 3}) / (1 + \text{Rate 4}) - 1$.

Therefore, grant funds available for the year under consideration:

Grant Funds = C x Rate 5

Capital Protection = C x Rate 4.

3.3 Unused grant funds

When grants from the previous year are either not drawn down or are only partially used, the unused portion of the grants can either be:

- Carried over (in total or in part) into the next year and added to the grant money available for dispersion in that year; or
- Retained in the capital base of the fund.

In the event that this situation arises, the Grants Committee has discretion over which of these options, or combination of these options, will be applied.

4 Assessment criteria

- 1 The project or service that the funding is requested for must meet the criteria under the *Mangawai Lands Empowering Act 1966 [sic]*:
 - a) Funds must benefit or tend to benefit the district, that being a defined area (see attached map);
 - b) In keeping with the Act, applications that enhance and/or protect the Mangawhai Harbour and surrounds will be given more favourable consideration.
- 2 Applicants' principal functions and/or activities must be of a not-for-profit nature.
- 3 The service or project proposed is not already provided by another group or agency.

- 4 Organisations are to be registered as an Incorporated Society or under the umbrella of one.
- 5 Only one grant per organisation will be available in any financial year.

5 General assessment criteria

Council will also consider the following when assessing applications received for MELA. These are general criteria which community organisations applying for support need to demonstrate in their applications.

5.1 Financial reporting

All applications must be accompanied by an audited or reviewed Statement of Financial Position for the previous financial year, and a budget projection for the next financial year.

5.2 Central government funding

Community organisations that receive the bulk of their funding from central government will not be eligible for grants.

5.3 Health and safety

Applicants must comply with all legislative requirements.

5.4 Acknowledgement

All successful applicants must acknowledge the support of the MELA fund administered by Kaipara District Council on any correspondence, advertising or other publicity material.

5.5 Accountability requirements

All recipients under this Policy are required to enter into a formal Agreement or Contract with Council that outlines the terms and conditions of the approved grant. Funds will not be provided until both parties have signed the Agreement or Contract, which will outline, among other obligations:

- The purpose for which the funding was provided;
- The conditions attached to the funding;
- The grant expenditure period of one year;
- Accountability requirements, including the methods to report back on the use of the funds; and
- The steps Council will take if progress is not as planned.

6 Exceptions

This Policy is not intended to fund applications for:

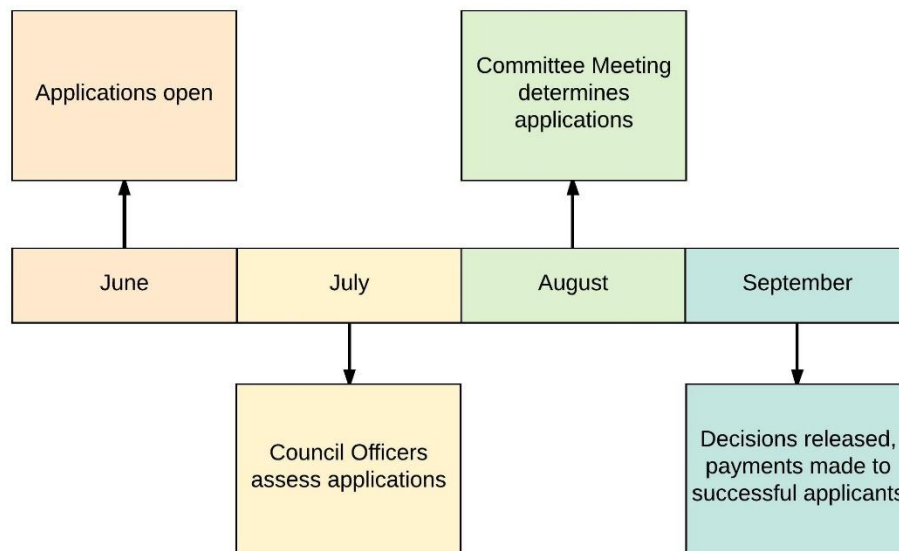
- Wages;
- Benefits to individuals;
- Central government funded services;
- Welfare services;
- Religion. This does not preclude religious organisations from applying, if they would otherwise meet the criteria in this Policy;

- Repaying or servicing debts; and
- Projects which seek to redistribute funding to others.

7 Administration of MELA

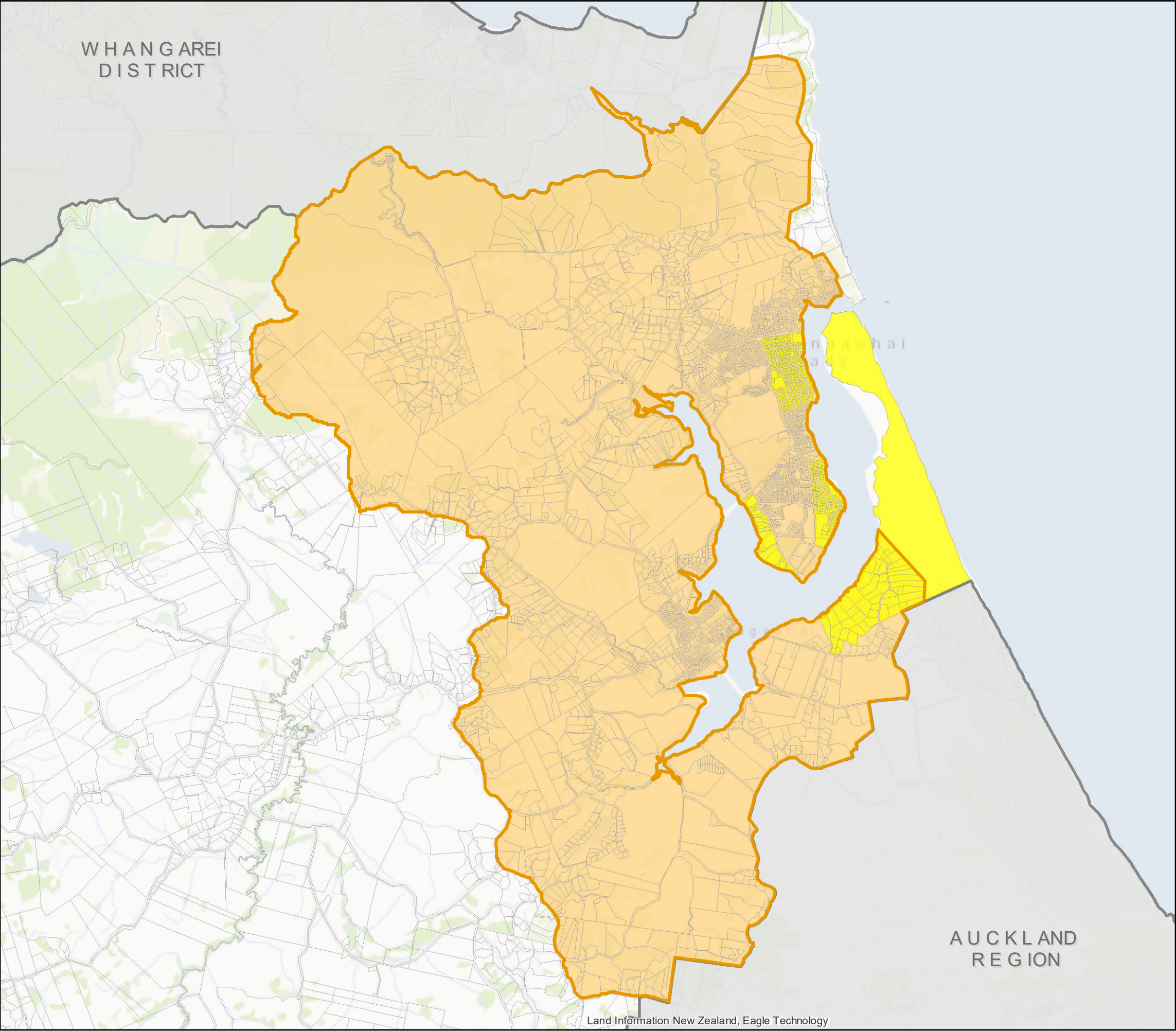
7.1 Timing of applications

The timing of MELA grants will be matched with other available community grants and the planning and budgeting cycles of Council. Council will call for applications in June and release decisions by September.





Decisions on MELA grant applications will be made by the MELA Committee, which has delegated authority from Council to make decisions on applications.

Application forms will be made available on Council's website and at Council offices when the funding round opens.



Legend

-  Mangawhai Harbour Catchment
-  Endowment Lands

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The information in this map was derived from digital databases. Care was taken in the creation of this map, however, Kaipara District Council and its contactors cannot accept any responsibility for errors, omissions or positional accuracy. Not to be used for navigation. Cadastral information sourced from Land Information New Zealand 5 October 2017.

Land Information New Zealand, Eagle Technology



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MANGAWHAI ENDOWMENT LANDS ACCOUNT DISTRICT

A3 Scale: 1:55,000

0 1 2 Kilometers

